

Childlife
(a company limited by guarantee)

Accounts for the year ended 31 March 2007

Company number: 3696656

Charity number: 1080536

CHILDLIFE

Contents

	Page
Legal and Administrative Information	1
Trustees Report	2-7
Independent auditors' report	8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11-21

CHILDLIFE

Legal and Administrative Information

Trustees	S E Whitaker A M Jarrett A Macdougall (Resigned 28 th September 2006) A J Thompson M Malcolm (Appointed 15 th December 2006)
Secretary	A M Jarrett
Charity number	1080536
Company number	3696656
Principal address	Westpoint House 32-34 Albert Street Fleet Hampshire GU51 3RW
Registered Office	Westpoint House 32-34 Albert Street Fleet Hampshire GU51 3RW
Auditors	Tenon Audit Limited Clifton House Bunnian Place Basingstoke Hampshire RG21 7JE
Accountants	JS2 Limited One Crown Square Woking Surrey GU21 6HR
Bankers	NatWest Bank plc 116 Guildford Street Chertsey Surrey KT16 9AJ

CHILDLIFE

Trustees report

For the year ended 31 March 2007

The trustees present their report and financial statements for the year ended 31 March 2007.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's memorandum and articles of association, applicable law, the Companies Act 1985 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Structure, governance and management

The company was established under a memorandum of association which sets out the objects and powers of the charitable company and it is governed under its articles of association.

The trustees, who are also the directors for the purpose of company law, who served during the year, were:

S E Whitaker

A M Jarrett

A Macdougall (Resigned 28th September 2006)

A J Thompson

M Malcolm (Appointed 15th December 2006)

The appointment of trustees is in accordance with the charity's articles of association, whereby each member has the right to appoint and remove a trustee and to appoint and remove an alternate.

Honorary positions are as follows:

S E Whitaker Chair

A M Jarrett Honorary Treasurer & Secretary

None of the trustees has any beneficial interest in the company.

Childlife provides both a job description and a code of conduct for trustees to ensure that the duties and responsibilities of being a trustee are clearly understood. In addition, it has specialist job descriptions for both the Chair of Trustees and Honorary Treasurer. These are provided to all new trustees as part of their induction information.

New trustees are encouraged to meet with the Chief Executive Officer and staff members and other trustees within the first few months of appointment.

Training for trustees is provided if required.

CHILDLIFE

Trustees report (continued)

For the year ended 31 March 2007

The idea for Childlife, a consortium of children's charities allowing its member charities to fundraise collectively, was first thought of in 1992. Its first donor was recruited in July 1993. Childlife became a company limited by guarantee in 1999 and a registered charity in 2000.

Member charities of Childlife

Acorns Children's Hospice

Ataxia UK

National Children's Bureau

The National Deaf Children's Society

The Board of Trustees which has four members, one from each member charity, administers the charity and meets quarterly. A Chief Executive Officer is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive Officer has delegated authority, within the terms of delegation approved by the trustees, for operational matters including finance, employment, fundraising and charitable activities.

Donations received by Childlife are distributed every three months to these charities and hundreds of thousands of pounds are raised each year to support their important work with children and young people.

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

Childlife's Board of Trustees is legally required to minimise any risk to the charity. The trustees have developed a risk management strategy which involves a regular review of the key risks faced by the charity and the establishment of systems and procedures to address these potential risks and to minimise both the likelihood of these risks occurring and their impact should they materialise.

Objectives and activities

Childlife's objects are "to promote the relief of children who are in need in particular by enabling the member charities the better to meet their respective charitable purposes."

It aims to achieve these objects by providing a strong income source for its member charities in the short, medium and long term future, and this has continued to be the focus in 2006-7. To enable Childlife to achieve its aim, it has continued its successful fundraising programmes in payroll giving and face to face fundraising and also has continued to invest in a variety of fundraising activities, in particular home moneybox giving, legacy fundraising and regular donor recruitment.

The surplus of net incoming resources after allowing for promotional and support costs for member charities and governance costs is distributed equally and on a quarterly basis to its four member charities as grants.

Acorns Children's Hospice Trust

Acorns offers life-limited children and their families a network of care, both at its hospices in Selly Oak, Walsall and Worcester, and through its community team who offer support at home. Children can stay at the hospices for respite, emergency and end-of-life care. The community team give support to the whole family 24 hours a day, seven days a week, including practical and emotional support for parents, special help for siblings and bereavement counselling.

CHILDLIFE

Trustees report (continued)

For the year ended 31 March 2007

Ataxia UK

Ataxia UK is the leading UK charity for people affected by ataxia. We fund world class medical research to find safe and effective treatments, and provide services, information and support that are not available anywhere else.

National Children's Bureau

NCB promotes the voices, interests and well-being of all children and young people across every aspect of their lives. As an umbrella body for the children's sector in England and Northern Ireland, we provide essential information on policy, research and best practice for our members and other partners.

National Deaf Children's Society

The National Deaf Children's Society is the only [national](#) UK charity solely dedicated to the support of all deaf children and young deaf people, their families and professionals working with them.

Achievements and performance

Review of 2006/7 fundraising activities

Childlife's fundraising activities balance the need to provide a stable income stream in the short-term while testing and developing new fundraising techniques each year to future growth in income for the member charities. This year, Childlife has continued its successful investment in the recruitment of both committed givers and home moneybox donors and in the collaborative fundraising as part of the Smile a Minute and Friends at Work payroll giving consortia. Ongoing programmes continue to successfully upgrade existing donors and reactivate lapsed donors.

2006/7 objectives

Target: To provide a stable income stream for its member charities

Achievement: Childlife gave grants totalling £560,000 to member charities

Target: To test new fundraising activities to provide long term, sustainable income

Achievement: Childlife tested a new direct mail programme to recruit new donors, started email communication programmes and are promoting other ways to support Childlife through the website.

Target: To recruit new committed givers and maximise income from existing donors

Achievement: Successfully recruited new donors through face to face fundraising, payroll giving, Smile a Minute and Friends at Work and home money box programmes

Target: To develop a legacy fundraising programme

Achievement: Successful campaign to raise awareness of the benefits of legacy bequests to the donor base.

Review of charitable activities

Childlife's charitable activities have remained to promote and support its four member charities. It achieves these essentially by providing financial grants to support their work and by promoting their work to the general public.

CHILDLIFE

Trustees report (continued)

For the year ended 31 March 2007

In 2006-07 Childlife gave a total of £560,000 to the member charities. It also sent out its newsletter three times a year to inform the public about the work of its four member charities and thank donors for their support.

2007/8 objectives

- To maximise income from home money box donors through conversion to regular giving and through direct mail programmes.
- To test and develop an internet fundraising strategy to generate new donors for Childlife.
- To maximise the return from committed givers through donor care programmes, upgrade and reactivate activity.
- To continue to promote legacies to Childlife's donors.

Financial review

Childlife has continued throughout the year to promote the relief of children in need, in accordance with its objects, and all of its fundraising activities remain dedicated to this purpose.

Its primary funding sources remain payroll giving and face-to-face committed giving and the charity's continued investment in both programmes provides a stable and sustainable income. The charity has also invested to a lesser degree in home moneybox income and is a member of the payroll consortia, Smile a Minute and Friends at Work, raising money through payroll giving for a group of charities.

Childlife has maintained the level of grant payments to the four member charities as in the previous year. Its reserves balance is healthy and in accordance with the reserves policy.

The Board of Trustees conducts annual reviews of the appropriate level of unrestricted reserves. The purpose of this reserve is to provide stability for Childlife to ensure that it is able to honour existing contractual obligations, to cover unforeseen events beyond the organisation's control and to be able to continue its operations in the unlikely event of a significant fluctuation in expenditure and income.

It is the policy of Childlife to have general reserves amounting to:

1. Two months of fundraising costs
2. Three months of management and administration costs
3. The amount (if any) of unspent designated funds

In addition, items 1 and 2 above shall be retained in cash reserves invested within the funds held on all bank accounts.

Based on next year's budget, the cash reserves under items 1 and 2 above are set at £123,357 (2006 £123,785). The total of items 1 to 3 above amounts to £212,686 (2006 -£229,841). The undistributed total funds balance of £255,839 (2006 - £246,925) represents this reserves figure (including a contingency).

The fundraising development fund is a designated fund set aside by the trustees to finance the development of new forms of fundraising. This is in accordance with the findings of the charity's risk review. The balance on this fund

CHILDLIFE

Trustees report (continued)

For the year ended 31 March 2007

amounted to £85,000 (2005 -£100,000). A portion of the Fundraising Development Fund was used to test a new direct mail programme to recruit new donors for Childlife. This resulted in a number of new donors for Childlife, however the direct mail market is very competitive and Childlife's programmes in face to face and payroll have proved more profitable.

In addition the Fundraising Development Fund enabled Childlife to develop a new legacy marketing programme to existing donors, with successful feedback from donors. There are plans to continue legacy marketing to the donor base in the next year.

The trustees of Childlife are aware that any additional expenditure on fundraising will, in the short-term, increase the percentage of funds spent on fundraising. However, they recognise the need to develop new sources of income for Childlife as urgent if they are to fulfil their objectives and to provide a sustainable income for the future. Rigorous controls on all costs are maintained to ensure maximum funds are available for Childlife's charitable activities.

Childlife has powers under its Memorandum of Association to invest the funds of the charity not required for immediate working purposes in such manner as may be thought fit. The objective of Childlife's investment is to maximise interest generation while minimising risk to both company and member charities.

It achieves this by transferring funds between a current, business reserve and Treasury reserve account.

Income is required to be readily accessible in order to honour grant payment commitments to the four member charities and ongoing contractual income generating activities.

Trustees' responsibilities

The trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare accounts for each financial year which 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 net income and expenditure for the year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 1985. 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.

CHILDLIFE

Trustees report (continued)

For the year ended 31 March 2007

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

Following a retendering process and a review of internal accounting and auditing procedures, the trustees of Childlife have decided not to reappoint reidwilliams as auditors of Childlife. Tenon Audit Ltd were appointed at the AGM in December 2006.

On behalf of the Board of Trustees

S E Whitaker

Trustee

14 June 2007

Independent Auditors' Report to the Members of Childlife

We have audited the financial statements of Childlife for the year ended 31 March 2007 which comprise the statement of financial activities, the balance sheet, and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the Charitable Company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the Charitable Company and Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Council and auditors

The responsibilities of the trustees' (who are also the directors of Childlife for the purposes of company law) for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with the financial statements. In addition, we report to you if, in our opinion, the Charitable Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK & Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charitable Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with the UK GAAP, of the state of the Charitable Company's state of affairs as at 31 December 2006 and of its incoming resources and application of resources, including the income and expenditure of the Charitable Company for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Trustees' Annual Report is consistent with the financial statements.

Tenon Audit
Registered Auditor

Statement of financial activities
 Incorporating the income and expenditure account
 For the year ended 31 March 2007

	Notes	Total 2007 £	Total 2006 £
Incoming resources			
Incoming resources from generated funds			
<i>Voluntary income</i>			
Donations	2	1,212,094	1,146,873
<i>Activities for generating funds</i>			
Trading income	3	2,912	2,384
Investment income	4	13,104	11,355
Total incoming resources		<u>1,228,110</u>	<u>1,160,612</u>
Resources expended			
Cost of generating funds			
Cost of generating voluntary income	5	596,601	551,315
Fundraising trading: costs of good sold	5	1,638	1,779
		<u>598,239</u>	<u>553,094</u>
Net incoming resources available		<u>629,871</u>	<u>607,518</u>
Charitable activities			
Promotion and support of member charities	5	604,516	613,923
Governance costs	5	<u>16,441</u>	<u>15,286</u>
Total resources expended		<u>1,219,196</u>	<u>1,182,303</u>
Net (outgoing)/ incoming resources before transfers		8,914	(21,691)
Gross transfers between funds		-	-
Net (expenditure)/income for the year/Net movement in funds		<u>8,914</u>	<u>(21,691)</u>
Fund balance at 1 April 2006		246,925	268,616
Fund balance at 31 March 2007		<u>255,839</u>	<u>246,925</u>

Restated

All of the above results derive from continuing activities and are unrestricted. There are no gains and losses other than those disclosed above. The accompanying notes form an integral part of these financial statements.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

Balance sheet
As at 31 March 2007

	Notes	2006 £	2005 £
Fixed assets			
Tangible assets	12	6,108	8,975
Current assets			
Debtors	13	30,419	24,685
Cash at bank and in hand		265,668	281,584
		<u>296,087</u>	<u>306,269</u>
Creditors: amounts falling due within one year	14	(46,356)	(68,319)
Net current (liabilities)/assets		<u>249,731</u>	<u>237,950</u>
Total Net assets		<u>255,839</u>	<u>246,925</u>
Represented by			
Income Funds			
<i>Unrestricted funds:</i>			
Designated funds	17	89,329	107,056
Other charitable funds		166,510	139,869
Total charity funds		<u>255,839</u>	<u>246,925</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accompanying notes form an integral part of these financial statements.

The accounts on pages 8 to 21 were approved by the Board on 14th June 2007 and signed on its behalf by

S E Whitaker
Trustee

Notes to the accounts

For the year ended 31 March 2007

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" (revised 2005), the Financial Reporting Standard for Smaller Entities (effective January 2005) and the Companies Act 1985.

b) Incoming resources

DONATIONS

Voluntary income is received by way of donations and is included in the Statement of Financial Activities when receivable or received. The majority of the donations are received in the form of payroll giving, standing orders and direct debits. The nature of these forms of donation is that they can be cancelled at any time by the donor. In most cases they are therefore recognised upon receipt unless there is a certainty about the amounts receivable and about the period to which they are attributable. Income from gift aid tax recoverable is recognised in the same accounting period that the related donations are recognised.

The value of services provided by volunteers has not been included.

DEFERRED INCOME

Any income received by the charity in advance of the due date upon which it becomes receivable is deferred until that due date. Such amounts are not material and arise only incidentally.

c) Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT.

COST OF GENERATING VOLUNTARY INCOME

The costs of generating voluntary income includes amounts paid by Childlife during the financial year to third parties to recruit new committed givers for the charity and to undertake various telephone fundraising campaigns. Donors to Childlife choose to donate via payroll giving, via the gift aid scheme or via home money boxes. It is the charity's policy to expense these costs in the period in which they are incurred.

Notes to the accounts (continued)

For the year ended 31 March 2007

1 Accounting policies (continued)

PROMOTION AND SUPPORT OF MEMBER CHARITIES

This includes the costs of promotion and support to the member charities and the costs of grants payable. The surplus of net incoming resources after allowing for promotional and support costs for member charities and governance costs is distributed equally and on a quarterly basis to its four member charities. A fifth payment may be made annually to the member charities, subject to approval by the trustees, based on surplus reserves determined from the annual financial statements. It is the charity's policy to include fifth payment grants in the period to which they relate.

GOVERNANCE COSTS

Governance costs reflect central operating costs excluding direct and apportioned support costs of generating funds and charitable activities.

APPORTIONMENT OF SUPPORT COSTS

Costs which are directly attributable to a charitable activity or to the costs of generating voluntary income are allocated directly to those activity cost categories. Items of expenditure which contribute directly to the output of more than one activity cost category are apportioned on a reasonable, justifiable and consistent basis. Depreciation is attributed in accordance with the same principles. Support costs which are shared between activities are apportioned on a reasonable, justifiable and consistent basis to the activity cost categories being supported.

The basis for apportionment of actual staff costs is by the estimated time spent by the individual members of staff on different activity cost categories. Most other support costs are apportioned in the same proportion as the staff costs unless there are specific reasons to apply different proportions of the cost to different activity cost categories.

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the accounts.

Charitable activities comprise direct expenditure including direct staff costs attributable to the activity. Support costs have been allocated to activities based on the average staff time spent. Governance costs are those incurred in connection with the management of the Society's assets, organisational administration and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

The 2005-6 figures have been restated to better reflect the requirements of SORP 2005.

Notes to the accounts (continued)

For the year ended 31 March 2007

1 Accounting policies (continued)

d) *Tangible fixed assets and depreciation*

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	- 25% per annum on cost
Furniture, fixtures and equipment	- 25% per annum on cost.

e) *Leasing and hire purchase commitments*

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

f) *Pensions*

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

g) *Accumulated funds*

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

h) *Taxation*

The charitable company is exempt from corporation tax on all its charitable activities.

i) *Consortia*

Donations to Childlife as a result of Smile a Minute and Friends at Work consortia are recognised in the Statement of Financial Activities within donations. Expenditure on the recruitment and administration of donors for the consortia is recognised in the Statement of Financial Activities within fundraising costs.

Notes to the accounts (continued)

For the year ended 31 March 2007

2 Voluntary income: donations

	2007 £	2006 £
Unrestricted funds:		
Payroll giving programme	387,721	403,723
Face-to-face programme	681,390	623,551
Exceptional donations	-	44,000
Sundry donations	7,212	5,526
Money box income	64,253	32,126
Smile a minute income	44,053	29,596
Friends at work income	18,836	8,351
Other	1,129	-
	<u>1,204,594</u>	<u>1,146,873</u>

3 Activities for generating funds: trading income

	2007 £	2006 £
Activities for generating funds: trading income	2,912	2,384
Fundraising trading: costs of goods sold	(1,638)	(1,779)
Net activities for generating funds: trading income	<u>1,274</u>	<u>605</u>

4 Investment income

	2007 £	2006 £
Interest receivable	<u>13,104</u>	<u>11,355</u>

Notes to the accounts (continued)

For the year ended 31 March 2007

5 Analysis of total resources expended

Direct Costs	Costs of generating voluntary income	Charitable activities	Governance costs	Trading costs	2007 TOTAL	Restated 2006 TOTAL
	£	£	£	£	£	£
Staff Costs including						
temp staff	58,649	3,450	6,900		68,999	54,410
Audit	-	-	4,377	-	4,377	4,500
Direct Fundraising	463,588	-	-	1,638	465,226	429,877
Newsletter	-	37,968			37,968	42,995
Grant Payments	-	560,000	-	-	560,000	565,000
	<u>522,237</u>	<u>601,418</u>	<u>11,277</u>	<u>1,638</u>	<u>1,136,570</u>	<u>1,096,782</u>
Support Costs *						
Office Costs	42,642	1,777	2,961	-	47,380	19,363
Legal & Accountancy	16,292	679	1,131	-	18,102	44,871
IT	7,640	318	531	-	8,489	14,379
Depreciation	3,467	144	241	-	3,852	4,602
Other	4,323	180	300	-	4,803	2,306
	<u>596,601</u>	<u>604,516</u>	<u>16,441</u>	<u>1,638</u>	<u>1,219,196</u>	<u>1,182,303</u>

* Support costs are allocated on the basis of time spent on each activity.

Included above are operating lease payments of £6,150 during the year.

6 Costs of generating voluntary income – Direct Fundraising Costs

	2007 £	2006 £
Costs of generating voluntary income comprise:		
Payroll giving donor recruitment	18,298	14,857
Face-to-face donor recruitment	258,321	274,601
Other fundraising costs	44	629
Money box costs	94,017	74,622
Smile a minute donor recruitment	19,339	21,083
Friends at work donor recruitment	14,847	16,867
Direct debit processing	27,629	25,276
Telephone campaigns	8,612	-
Fundraising Development Fund activities	22,481	-
Other costs	-	4,116
	<u>463,588</u>	<u>432,051</u>

Notes to the accounts (continued)

For the year ended 31 March 2007

7 Activities undertaken directly

	2007 £	2006 £
Other costs relating to promotion and support of member charities comprise:		
Newsletter printing	21,881	30,000
Newsletter postage	16,087	12,945
Other	-	50
	<u>37,968</u>	<u>42,995</u>

The promotion and support costs for member charities include the publication of a four-monthly newsletter which provides details of the work done by the four member charities. Also included are the costs of maintaining a web-site which provides information on the work done by the four member charities and links to their own web-sites. The costs include direct staff costs and apportioned support costs.

8 Grants payable

	2007 £	2006 £
Promotion and support of member charities	<u>560,000</u>	<u>565,000</u>

The grants paid to member charities are used by those charities to support a variety of activities and projects all of which promote the relief of children who are in need, in accordance with Childlife's objectives.

Grants to institutions relating to promotion and support of member charities comprise:

Acorn Children's Hospice Trust	140,000	141,250
Ataxia UK	140,000	141,250
National deaf Children's Society	140,000	141,250
National Children's Bureau	140,000	141,250
	<u>560,000</u>	<u>565,000</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. No expenses were paid to trustees by the charity during the year.

Notes to the accounts (continued)

For the year ended 31 March 2007

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2007 Number	2006 Number
Cost of Generating Voluntary Income	2.8	2.8
Charitable Activities	0.8	0.8
Governance	0.4	0.4
	<hr/>	<hr/>
	4.0	4.0

Employment Costs

	£	£
Wages and salaries	46,893	46,371
Social security costs	3,602	3,845
Other pension costs	1,926	1,573
	<hr/>	<hr/>
	52,421	51,789

There were four part-time employees for most of the financial year

No employee earned £60,000 per annum or more.

11 Transfers

During the year ended 31 March 2007 the Trustees have transferred amounts totalling £- (2006: £911) to designated funds from general funds and amounts totalling £17,727 (2006: £2,728) from designated funds to general funds.

Notes to the accounts (continued)

For the year ended 31 March 2007

12 Tangible fixed assets

	Plant & machinery £	Fixtures fittings and equipment £	Total £
Cost			
At 1 April 2006	20,447	3,178	23,625
Additions	985	-	985
Disposals	-	-	-
At 31 March 2007	<u>21,432</u>	<u>3,178</u>	<u>24,610</u>
Depreciation			
At 1 April 2006	12,173	2,477	14,650
On disposals	3,495	357	3,852
Charge for the year	-	-	-
At 31 March 2007	<u>15,668</u>	<u>2,834</u>	<u>18,502</u>
Net book value			
At 31 March 2007	<u>5,764</u>	<u>344</u>	<u>6,108</u>
At 1 April 2006	<u>8,274</u>	<u>701</u>	<u>8,975</u>

13 Debtors

	2007 £	2006 £
Other debtors	26,022	22,588
Prepayments and accrued income	4,397	2,097
	<u>30,419</u>	<u>24,685</u>

Notes to the accounts (continued)

For the year ended 31 March 2007

14 Creditors: amounts falling due within one year

	2007 £	2006 £
Trade creditors	34,521	12,083
Amounts owed to connected undertakings	-	25,000
Accruals	11,835	31,236
	<u>46,356</u>	<u>68,319</u>

15 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,926 (2006:£1,573).

Notes to the accounts (continued)

For the year ended 31 March 2007

16 Designated funds

	Balance at	Movement in funds			Balance at
	1 April 2006 £	Incoming Resources £	Resources expended £	Transfers £	31 March 2007 £
Fundraising development fund	100,000	-	15,000	-	85,000
Database development fund	7,056	-	2,727	-	4,329
	<u>107,056</u>	<u>-</u>	<u>17,727</u>	<u>-</u>	<u>89,329</u>

The fundraising development fund is a designated fund set aside by the trustees to finance the development of new forms of fundraising. An amount of £NIL (2006:£NIL) has been transferred into this fund this year out of general funds.

The database development fund is a designated fund set aside by the trustees to finance the development of a new database.

17 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	2007 Total £	2006 Total £
Tangible fixed assets	1,779	4,329	6,108	8,975
Current assets	211,087	85,000	296,087	306,269
Creditors: amounts falling due within one year	(46,356)	-	(46,356)	(68,319)
	<u>166,510</u>	<u>89,329</u>	<u>255,839</u>	<u>246,925</u>

18 Commitments under operating leases

At 31 March 2007 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2006 £	2005 £
Expiry date:		
Between two and five years	<u>6,150</u>	<u>8,200</u>
	<u>6,150</u>	<u>8,200</u>

Notes to the accounts (continued)

For the year ended 31 March 2007

19 Commitments

Contractual commitments:

Childlife has entered into several contractual agreements with face-to-face donor recruitment agencies which will run for specific periods of time during the next financial period. There are agreed rates payable per donor recruited based on the amount of the expected annual donation. There are also specified target numbers of donors to be recruited.

Childlife has also entered into several contractual agreements with payroll giving donor recruitment agencies which are already in place and will continue to run through the next financial period. The contracts have agreed rates payable per new donor recruited based on the amount of the expected annual donation. These contracts do not specify an agreed target number of donors to be recruited.

Childlife has also entered into contractual agreements with an agency which provides payroll giving fundraising and administrative services to Childlife and other charities who are members of the Smile a Minute and Friends at Work consortia.

20 Related parties

Grants of £140,000 each (2006: £141,250 each) were payable to the four member charities during the financial year.

At the year end £nil (2006 £6,250) was payable to each of the four member charities.

The charity was controlled by the four member charities throughout the financial year.