



childlife

4 charities helping children

Accounts for the year ended 31 March 2014

Registered Charity No. 1080536. Company Limited by Guarantee. Registered in England No. 3696656.
Registered office: Westpoint House, 32/34 Albert Street, Fleet, GU51 3RW

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Legal and Administrative Information

Trustees	S Millman M Wade B McNaught D Pawlett C Quarrell	Chair of Trustees Honorary Treasurer (resigned June 2013) Honorary Treasurer (appointed December 2013)
Secretary	J Felgate S Critchley	(resigned August 2013) (appointed October 2013)
Chief Executive	J Felgate S Critchley	(resigned August 2013) (appointed October 2013)
Charity number	1080536	
Company number	3696656	
Principal address	Westmead House Westmead Farnborough Hampshire GU14 7LP	
Registered Office	Westmead House Westmead Farnborough Hampshire GU14 7LP	
Auditors	Mazars LLP Times House Throwley Way Sutton Surrey SM1 4JQ	(appointed December 2012)
Accountants	Kings Mill Partnership 75 Park Lane Croydon Surrey CR9 1XS	(appointed October 2011)
Bankers	NatWest Bank plc 116 Guildford Street Chertsey Surrey KT16 9AJ	

Trustees report

For the year ended 31 March 2014

The trustees present their report and financial statements for the year ended 31 March 2014.

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 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

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 Millman

B McNaught (appointed December 2013)

M Wade (resigned June 2013)

D Pawlett

C Quarrell

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.

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.

Trustees report (continued)

For the year ended 31 March 2014

BACKGROUND

The idea for Childlife, a consortium of children's charities allowing its member charities to fundraise collectively, originated 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

The objects of Childlife are *to promote the relief of children who are in need, by enabling the member charities to meet their respective charitable purposes, through the provision of grant payments.*

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Childlife's aims and objectives.

Childlife carries out the object of improving the lives of children and young people through the work of its member charities by supporting the member charities in providing a strong income source in the short, medium and long term future, and this has continued to be the focus in 2013-14. To enable Childlife to achieve its aim, it has continued and expanded its fundraising programmes in payroll giving and has also continued to invest in a variety of fundraising activities in particular direct dialogue programmes to recruit new supporters and telephone campaigns to upgrade existing regular supporters and re-activate lapsed regular donors.

Trustees report (continued)

For the year ended 31 March 2014

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.

ACHIEVEMENTS AND PERFORMANCE

Review of 2013/14

The beneficiaries of Childlife's work are the children, young people and their families throughout the UK who have received support and advice or will benefit from research undertaken by the four member charities through the grant payment to them from Childlife. In 2013/14 Childlife gave a total of £340,000 to the member charities. This enabled the four member charities to achieve the following:

Acorns Children's Hospice

Acorns Children's Hospice provides specialist palliative care and support for children and young people who have life limiting or life threatening conditions. This means they are unlikely to reach adulthood. In the last year, Acorns has supported over 700 children and more than 1,050 families, including those who are bereaved, from across the heart of England. Acorns has helped over 2,200 children and their families since it was established in 1988. Acorns offers a network of care services through its three hospices in Birmingham, Worcester and Walsall, supporting the whole family. Acorns provides short break, emergency and end-of-life care, with a community team to support the family 24 hours a day, seven days a week to families.

Each of Acorns' three 10-bed children's hospices costs £7,500 per day to run and there is no charge to families for using the services provided by Acorns. For every pound received, 87 pence is spent on providing the vital care and support that children and their families rely on. Acorns relies on the community to fund the majority of its activities, and has over 2,500 volunteers who work in all areas of the organisation – in the hospices, shops and supporting the fundraising team.

During 2013/14, the grant payment of £85,000 received from Childlife has funded the running of a hospice for 11 days.

Dawn Pawlett, Acorns Children's Hospice

Ataxia UK

Ataxia UK is the leading British charity supporting people with ataxia. Many ataxias are inherited, and have a huge impact on families affected. The most common ataxia is Friedreich's ataxia, which manifests itself in children as young as 5 years old. It's associated with many problems such as weakening of the heart, speech problems and scoliosis.

With Childlife's support we have continued to pursue our "2020 Vision"; a campaign to help find a cure or effective treatment for ataxia by the year 2020. We have funded a number of research projects during the year including a

Trustees report (continued)

For the year ended 31 March 2014

human trial. Our project investigating a video-game based approach to improving balance in children with different types of ataxia ended and shows promise.

A generous donation of time and expertise by the advertising agency TBWA, and photographer Rankin produced 5 campaigning posters to raise awareness of ataxia. Orlando Cardozo (aged 13) who has Friedreich's ataxia, featured in a full page advertisement in the Metro newspaper.

Our young people were much in evidence at our annual members' conference, participating in a facilitated youth group discussing the challenges posed by ataxia. There was also a road show provided by SpecialEffect who customise computers to enable disabled people to access them for gaming.

Our 3 Accredited Ataxia Specialist Centres in the NHS (Newcastle-upon-Tyne, London, and Sheffield) continue to offer an excellent service to people with ataxia and are developing their services to children with local paediatricians.

Ataxia UK continues to support families via our dedicated Helpline which receives over 3,000 requests for support each year including from children and young people, concerned about their own, or someone else's ataxia.

Sue Millman, Ataxia UK

National Children's Bureau

The National Children's Bureau (NCB) is a leading children's charity that for over 50 years has been at the forefront of campaigning to improve the lives of children and young people, especially the most vulnerable. Working with children and for children, we reduce the devastating impact of inequalities by:

- Being a strong independent advocate for children and young people.
- Ensuring that government policies and legislation have a positive impact on their lives.
- Being a voice for practitioners and supporting them to deliver the very best outcomes for children and young people.
- Bringing together groups and organisations, to achieve more by working in partnership.
- Involving children and young people so they are able to make a difference to their lives.
- Providing the evidence from research, analysis and practice to make the case for change.

"2013/14 was NCB's 50th Anniversary Year. The founding principles of 1963 are just as important today, and our focus remains on evidence, policy and practice, and on our values of respect, relevance, collaboration and integrity. With these as foundations, and a continuing commitment to advocating for children, young people and practitioners, we hope NCB can continue to improve the lives of children for another 50 years.

During the year the money we received from Childlife helped us to continue to deliver our diverse range of projects; from helping schools to combat cyber-bullying, to developing the reading skills of disadvantaged toddlers. We also empowered young disabled people to share their views, and inspired children and young people to gain skills that will improve their life chances.

Trustees report (continued)

For the year ended 31 March 2014

At a strategic level our work included supporting practitioners working with vulnerable children through providing training and resources and the production of a keynote report 'Greater Expectations' which looks at how social deprivation continues to blight the lives of children and young people, forty years after NCB's ground breaking report 'Born to Fail?'.

We are extremely grateful to Childlife and all its wonderful contributors for the vital support it provides.”

Hilary Emery, Chief Executive, National Children's Bureau

The National Deaf Children's Society

The National Deaf Children's Society (NDCS) is the leading charity dedicated to creating a world without barriers for deaf children and young people. There are more than 45,000 deaf children living in the UK, and 32 million globally. NDCS believes that every deaf child should be valued and included by society and have the same opportunities as any other child.

Thanks to the generosity of Childlife supporters, we have been able to provide life-changing support and invaluable information to deaf children and their families across the UK in 2013/2014.

We have:

- supported parents and professionals with more than 14,000 enquiries through our Freephone Helpline
- helped families with deaf children to meet one another, share experiences and learn from professionals at 39 weekend events
- worked with 215 families so they could claim more than £2.25 million in essential welfare benefits
- organised sports, creative and outdoors events, personal development and leadership training for almost 700 deaf children and young people
- worked closely with 140 families, to make sure their deaf child gets the right support at school
- supported more than 100 local deaf children's societies to reach more than 7,000 families
- campaigned across the UK about issues affecting deaf children and their families

Childlife supporters are giving deaf children a brighter future. Thank you.

Ben McNaught, NDCS

Trustees report (continued)

For the year ended 31 March 2014

Review of 2013/14 Objectives

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 secure future growth in income for the member charities. This year, Childlife has continued its investment in the recruitment of regular donors through direct dialogue and in the collaborative fundraising as part of the Smile a Minute, Friends at Work and Together for Change payroll giving consortia. Additionally in January 2014 Childlife joined a fourth payroll giving consortium – Make A Difference. Ongoing programmes continue to successfully upgrade existing donors and reactivate lapsed donors.

Target: To improve the lives of children and young people by supporting and promoting the work of the four member charities.

Achievement: Childlife gave grants totalling £340,000 to member charities in 2013/14. This enabled the member charities to fund a wide range of programmes from research to support services, which have directly benefitted children and young people throughout the UK.

Target: To provide a stable income stream for the four member charities.

Achievement: The Childlife grant for 2013/14 was possible due to undertaking a variety of fundraising programmes to recruit new regular donors, further invest in payroll giving, and to upgrade, re-activate and retain existing donors.

Target: To continue to promote the work of the four member charities to Childlife supporters.

Achievement: Supporters of Childlife received newsletters, feedback mailings and additional communications featuring the work of each member charity as well as case studies of individual children, young people and their families, who had benefitted from the services of the member charities.

Target: To facilitate and enhance the partnership between the four member charities.

Achievement: As well as meeting at the quarterly trustee meetings, there is regular communication via the Chief Executive between the four member charities. This includes sharing results and best practice.

2014/15 Objectives

- To improve the lives of children and young people throughout the UK by supporting and promoting the work of the four member charities.
- To provide a stable income stream for the four member charities.
- To continue to promote the work of the four member charities to Childlife supporters.
- To facilitate and enhance the partnership between the four member charities

Trustees report (continued)

For the year ended 31 March 2014

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 committed giving via direct debits and standing orders. The charity is a member of the payroll consortia, Smile a Minute, Friends at Work, Together for Change, and Make A Difference raising money through payroll giving for a group of charities.

Due to the ongoing economic uncertainty, it has been a difficult environment within which for Childlife to fundraise and in particular to recruit and retain new donors. However, Childlife has managed to make grant payments to the four member charities in 2013/14 of £85,000 per member charity, and to set aside funds to allow the new investment in the Make A Difference payroll giving consortium.

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 unrestricted reserves amounting to no less than three months and no more than six months operating costs. Based on the 2013/14 budget, the required minimum reserve level was set at £143,824, and the maximum reserve level was set at £287,648. The undistributed total funds balance at 31st March 2014 was £216,985 and as such falls within the required reserves policy.

The fundraising development fund is a designated fund set aside by the trustees to finance the development of new and existing forms of fundraising. This is in accordance with the findings of the charity's risk review. The balance on this fund amounted to £100,000, no change from 2012/13. Rigorous controls on all costs are maintained to ensure maximum funds are available for Childlife's charitable activities.

The general reserves shall be retained in bank and cash and invested within the funds held on all bank accounts.

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 and special interest bearing accounts with NatWest Bank plc and a COIF Charities Deposit Fund held by CCLA. 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 report (continued)

For the year ended 31 March 2014

TRUSTEE'S RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and 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 2006. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

After a tendering process Mazars were appointed as auditors of Childlife in December 2012.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board of Trustees

S Millman

Trustee

Date:

Independent Auditors' Report to the Members of Childlife

We have audited the financial statements of Childlife for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Alistair Fraser (Senior Statutory Auditor)
for and on behalf of Mazars LLP, Chartered Accountants and Statutory Auditor
Times House, Throwley Way, Sutton, SM1 4JQ

Date

Statement of financial activities
 Incorporating the income and expenditure account
 For the year ended 31 March 2014

	Notes	2014		Total Funds £	2013 Total Funds £
		Unrestricted Funds General Funds £	Designated Funds £		
Incoming resources					
Incoming resources from generated funds					
<i>Voluntary income</i>					
Donations	2	841,212	-	841,212	852,966
<i>Activities for generating funds</i>					
Trading income	3	4,145	-	4,145	3,552
Investment income	4	648	-	648	1,250
Total incoming resources		846,005		846,005	857,768
Resources expended					
Cost of generating funds					
Cost of generating voluntary income	5	411,493	-	411,493	448,956
Fundraising trading: costs of goods sold	3,5	779	-	779	2,243
		412,272	-	412,272	451,199
Charitable activities					
Promotion and support of member charities	5	354,243	-	354,243	412,732
Governance costs	5	18,200	-	18,200	17,703
Total resources expended		784,715	-	784,715	881,634
Net incoming resources		61,290	-	61,290	(23,866)
Fund balance at 1 April 2013		155,695	100,000	255,695	279,561
Fund balance at 31 March 2014		216,985	100,000	316,985	255,695

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 2006.

Balance sheet

As at 31 March 2014

Company no: 03696656

	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	11	1,127	2,273
Current assets			
Debtors	12	156,208	28,980
Cash at bank and in hand		216,831	233,098
		<u>373,039</u>	<u>262,078</u>
Creditors: amounts falling due within one year	13	<u>(57,181)</u>	<u>(8,656)</u>
Net current assets		<u>315,858</u>	<u>253,422</u>
Net assets		<u>316,985</u>	<u>255,695</u>
Represented by:			
Unrestricted funds			
General Funds	15	216,985	155,695
Designated Fund – Fund Raising Development Fund	15	100,000	100,000
		<u>316,985</u>	<u>255,695</u>
Total charity funds	15	<u>316,985</u>	<u>255,695</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and were approved by the Board on 3rd July 2014 and signed on its behalf by

S Millman
Trustee

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

Notes to the accounts

For the year ended 31 March 2014

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 April 2008) and the Companies Act 2006.

b) Fund accounting

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Designated funds are unrestricted funds which have been allocated for a specific purpose by the Trustees

c) 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.

d) 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.

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.

Notes to the accounts (continued)

For the year ended 31 March 2014

1 Accounting policies (continued)

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.

e) 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:

Computer equipment	- 25% per annum on cost
Furniture, fixtures and equipment	- 25% per annum on cost
Website costs	- 33.3% per annum on cost

Notes to the accounts (continued)

For the year ended 31 March 2014

1 Accounting policies (continued)

f) *Leasing and hire purchase commitments*

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

g) *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.

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, Friends at Work and Together for Change 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.

2 Voluntary income: donations

	2014 £	2013 £
Unrestricted funds:		
Payroll giving programme	202,130	218,689
Face-to-face programme	475,448	505,314
Sundry donations	18,062	2,256
Money box income	6,758	7,280
Smile a minute income	62,020	59,971
Friends at work income	46,106	43,420
Together for change income	12,842	8,866
Made A Difference income	12,373	-
Other	4,752	7,170
Community fundraising	721	-
	<u>841,212</u>	<u>852,966</u>

Notes to the accounts (continued)

For the year ended 31 March 2014

3 Activities for generating funds: trading income

	2014 £	2013 £
Activities for generating funds: trading income	4,145	3,552
Fundraising trading: costs of goods sold	(779)	(2,243)
Net activities for generating funds: trading income	3,366	1,309

4 Investment income

	2014 £	2013 £
Interest receivable	648	1,250

5 Analysis of total resources expended

	Costs of generating voluntary income £	Charitable activities £	Governance costs £	Trading costs £	2014 TOTAL £	2013 TOTAL £
Direct Costs						
Staff Costs including						
Temp staff	76,649	5,475	9,125	-	91,249	96,179
Audit	-	-	6,090	-	6,090	4,770
Direct Fundraising	290,069	-	-	779	290,848	320,668
Newsletter	-	6,777	-	-	6,777	4,750
Grant Payments	-	340,000	-	-	340,000	400,000
	<u>366,718</u>	<u>352,252</u>	<u>15,215</u>	<u>779</u>	<u>734,964</u>	<u>826,367</u>
Support Costs *						
Office Costs	16,675	741	1,112	-	18,528	19,401
Legal & Accountancy	2,970	132	198	-	3,300	6,624
IT	11,134	496	742	-	12,372	17,014
Depreciation	1,031	46	69	-	1,146	2,474
Other	12,965	576	864	-	14,405	9,754
Total resources expended	<u>411,493</u>	<u>354,243</u>	<u>18,200</u>	<u>779</u>	<u>784,715</u>	<u>881,634</u>
Total resources expended 2013	448,956	412,732	17,703	2,243	881,634	

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

Included above are operating lease payments of £9,217 during the year.

Notes to the accounts (continued)

For the year ended 31 March 2014

6 Costs of generating voluntary income – Direct Fundraising Costs

	2014 £	2013 £
Costs of generating voluntary income comprise:		
Payroll giving donor recruitment	2,284	1,691
Face-to-face donor recruitment	160,137	197,730
Money box costs	-	12,094
Appeal mailings	10,484	10,903
Payroll consortia recruitment	79,765	61,117
Direct debit processing	15,864	16,685
Telephone campaigns	16,395	15,910
Other income	5,140	2,295
	<u>290,069</u>	<u>318,425</u>

7 Activities undertaken directly

	2014 £	2013 £
Other costs relating to promotion and support of member charities comprise:		
Newsletter printing	4,873	2,934
Newsletter postage	1,904	1,816
	<u>6,777</u>	<u>4,750</u>

The promotion and support costs for member charities includes the publication of an annual 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.

Notes to the accounts (continued)

For the year ended 31 March 2014

8 Grants payable

	2014 £	2013 £
Promotion and support of member charities	<u>340,000</u>	<u>400,000</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. The trustees have been assured that all member charities have procedures in place to ensure that, on an ongoing basis, the grants made by Childlife are spent in accordance with its objectives. In addition the trustees have agreed a reporting process relating to how the grants have been spent by the member charities.

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

	2014 £	2013 £
Acorn Children's Hospice Trust	85,000	100,000
Ataxia UK	85,000	100,000
National Deaf Children's Society	85,000	100,000
National Children's Bureau	85,000	100,000
	<u>340,000</u>	<u>400,000</u>

9 Trustees

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

Notes to the accounts (continued)

For the year ended 31 March 2014

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2014 Number	2013 Number
Cost of Generating Voluntary Income	3.6	3.6
Charitable Activities	0.2	0.2
Governance	0.2	0.2
	<u>4.0</u>	<u>4.0</u>

Employment Costs

	£	£
Wages and salaries	80,144	84,573
Social security costs	6,902	7,538
Other pension costs	4,203	4,068
	<u>91,249</u>	<u>96,178</u>

There were four part-time employees during the financial year

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

11 Tangible fixed assets

	Website £	Computer equipment £	Fixtures fittings and equipment £	Total £
Cost				
At 1 April 2013	13,174	26,461	2,864	42,499
At 31 March 2014	<u>13,174</u>	<u>26,461</u>	<u>2,864</u>	<u>42,499</u>
Depreciation				
At 1 April 2013	13,174	24,188	2,864	40,226
Charge for the year	-	1,146	-	1,146
At 31 March 2014	<u>13,174</u>	<u>25,334</u>	<u>2,864</u>	<u>41,372</u>
Net book value				
At 31 March 2014	<u>-</u>	<u>1,127</u>	<u>-</u>	<u>1,127</u>
At 1 April 2013	<u>-</u>	<u>2,273</u>	<u>-</u>	<u>2,273</u>

Notes to the accounts (continued)

For the year ended 31 March 2014

12 Debtors

	2014 £	2013 £
Other debtors	63,483	20,248
Prepayments and accrued income	92,725	8,732
	<u>156,208</u>	<u>28,980</u>

13 Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	46,328	2,040
Accruals	10,853	6,616
	<u>57,181</u>	<u>8,656</u>

14 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 £3,822 (2013: £4,068).

15 Analysis of net assets between funds

	2014			2013
	Unrestricted Funds		Total Funds	Total Funds
	General Fund £	Designated Fund £	£	£
Tangible fixed assets	1,127	-	1,127	2,273
Current assets	273,039	100,000	373,039	262,078
Creditors: amounts falling due within one year	(57,181)	-	(57,181)	(8,656)
Total	<u>216,985</u>	<u>100,000</u>	<u>316,985</u>	<u>255,695</u>

Designated fund is to be used as an investment for future fundraising activities.

Notes to the accounts (continued)

For the year ended 31 March 2014

16 Commitments under operating leases

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2014	2013
	£	£
Expiry date:		
Within two to five years	9,216	-
After five years	-	7,680
	<u>9,216</u>	<u>7,680</u>

17 Related parties and control

The Board of Trustees, which has four members, one from each member charity, administers the Charity and meets quarterly. Each Trustee is an employee of one of the member charities. Grants of £85,000 each (2013: £100,000 each) were payable to the four member charities during the financial year. At the year end £nil (2013: £nil) was payable to each of the four member charities. The charity was controlled by the four member charities throughout the financial year.