



childlife  
4 charities helping children

**Accounts for the year ended 31 March 2019**

Registered Charity No. 1080536. Company Limited by Guarantee. Registered in England No. 3696656.

Registered office: Westmead House, Westmead, Farnborough, GU14 7LP

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## LEGAL AND ADMINISTRATION INFORMATION

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<b>Trustees</b>	S Millman	Chair of Trustees
	B McNaught	Honorary Treasurer
	A M Hassall (Hiscox)	
	C White	
<b>Secretary</b>	A Rimington	
<b>Chief Executive</b>	A Rimington	
<b>Charity number</b>	1080536	
<b>Company number</b>	03696656	
<b>Principle address</b>	Westmead House Westmead Farnborough Hampshire GU14 7LP	
<b>Registered Office</b>	Westmead House Westmead Farnborough Hampshire GU14 7LP	
<b>Independent Examiners</b>	Kings Mill Partnership 75 Park Lane Croydon Surrey CR9 1XS	
<b>Accountants</b>	Kings Mill Partnership 75 Park Lane Croydon Surrey CR9 1XS	
<b>Bankers</b>	The Co-operative Bank Audit Department PO Box 250 Delf House Skelmersdale WN8 6WT	

## LEGAL AND ADMINISTRATION INFORMATION

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The Trustees present their report and the financial statements for the year ended 31 March 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### 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	– Chair	
B McNaught	– Honorary Treasurer	
A Feuchtwang		(resigned 04 June 2018)
A M Hassall (Hiscox)		(appointed 04 June 2018)
A Wright		(resigned 11th Feb 2019)

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 role 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 role 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.

The arrangements for setting the pay and remuneration of all the charity's staff including key management personnel are agreed by the CEO and the Trustees.

### BACKGROUND

The idea for Childlife, a consortium of children's charities allowing its member charities to fundraise collectively, originated in 1992. It's 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

National Deaf Children's Society

The Board of Trustees which has four members, one from each member charity, administers the charity and meets quarterly. The vacant post from Acorns is now occupied by Christina White. 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 annually 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. The risks are documented on the risk register. The main two risks are;

- 1) Financial Failure of Key Suppliers (PFS and Ethical) – We have undertaken due diligence before signing contracts, including credit checks. We also horizon scan to identify supplier issues and potential alternative suppliers.
- 2) Loss/Reduction In Income/Impact of GDPR on income – We continue to test programs to improve retention and upgrade programs and we have launched a lottery program to diversify our income and give more options for reactivation. We have started working with Protecture a data protection expert to ensure we will be compliant with GDPR.

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 2018/19. To enable Childlife to achieve its aim, it has continued to develop its fundraising programs in payroll giving and in new donor recruitment programs through face-to-face fundraising campaigns as well as on-going telephone campaigns to upgrade existing regular supporters and re-activate lapsed regular donors. The surplus of net income in 2018/19, after allowing for promotional and support costs for member charities and governance costs was distributed equally and on an annual basis to its four member charities as grants.

In addition, the Trustees agreed that an honorarium is to be paid to member charities' providing the roles of Chair and Honorary Treasurer. In 2018-19 £1,500 was paid to both Ataxia UK and the National Deaf Children's Society.

As we carry our fundraising across the UK we are members of both The Institute of Fundraising and the Fundraiser Regulator. As we now run a lottery campaign we also registered with Gamble Aware. We worked with two main external agencies for our recruitment of new donors in 2018/19.

PFS Ltd carried out private site fundraising to recruit 2596 new direct debit donors for Childlife. They also started a door to door campaign at the end of the financial year and recruited 40 donors before year end. In addition we tested new technology to be able to take one off donations and generate warm lead. We recruited 156 new cash donors, only 36 did not opt in to future contact. PFS are experienced in driving quality alongside good operational practices in line with IOF and the Fundraiser Regulator guidance. Through a personalized service from PFS our fundraising through them builds a relationship with the supporter to ensure life-long loyalty to Childlife. PFS is registered with the Institute of Fundraising and the Fundraising Regulator. During the time that we were fundraising with PFS they took part in the IOF mystery shopping program and the CEO carried out mystery shopping with the fundraisers.

Childlife is a member of four other consortiums which Bell Fundraising Ltd recruits new donors through Payroll Giving. Bell Fundraising Ltd organise tax effective fundraising events and campaigns in companies and organisations across the UK to raise money for our charity consortiums. All fundraisers are employed on a non-commission basis so that they can promote a non-target driven campaign. Bell Fundraising is a member of the Association of Payroll Giving Organisations and the Fundraising Regulator. Mystery shopping was done by one of the consortium members with Bell and was reported back

Childlife received twenty two complaints during 2018/19 regarding it fundraising. None of these were serious complaints.

There have not been any compliance issues with either Childlife or any other agencies that we have employed in 2018/19.

Childlife has an Ethical Fundraising Policy and a Dealing with Vulnerable donors Policy. We also review the policies that our partner agencies hold on these subjects to make sure they meet our standards.

### **ACHIEVEMENTS AND PERFORMANCE**

#### **Review of 2018/19**

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 2018/19 Childlife gave a total of £200,000 to the member charities. This enabled the four member charities to achieve the following:

#### **Acorns Children's Hospice**

Acorns Children's Hospice is the UK's largest children's hospice charity, measured by the number of children and families we support. Acorns Children's Hospice provides care, support, fun and laughter for children with life limiting or life threatening conditions and their families. Our reputation for excellence and high clinical standards are recognised nationally and this is reflected in our ratings with the Care Quality Commission.

We believe that when a child you love has limited time it's important to make every day and every moment count. At Acorns our nurses, care staff and volunteers are able to create a world where children can be children and enjoy every moment. This is all made possible by our generous supporters.

Whether it's enjoying a splash in our accessible pool with their siblings or socialising with other children during arts and crafts workshops, Childlife supporters help us to create these precious moments for our children and families.

In the past year, we have supported 787 children and 1,223 family members across the organisation, including those who have been bereaved.

We rely on the community for the majority of our funding, so our Childlife supporters are vital to helping us be there for the families who need us.

**Christina White – Senior Individual Giving Manager, Acorns Children's Hospice**

## **Ataxia UK**

Ataxia UK is the leading national charity which supports people affected by degenerative and genetic ataxias and funds research into finding treatments and cures. The ataxias are a set of life-limiting neurological conditions which affect balance, movement and communication. Over 200 different genetic ataxias have been discovered in the past 30 years, each of which requires a different treatment. Currently, no treatments or cures for most of the ataxias have been found.

The most common and aggressive form of the condition is Friedreich's ataxia (FA), which predominantly shows its symptoms during childhood or early puberty. The earlier FA begins to show, the likelihood is the faster it progresses. It hampers a child/young person's balance, mobility and movement, before causing speech, hearing and vision to deteriorate and, eventually, weakens the heart. As a result, children diagnosed with FA usually have a shorter life expectancy than their peers and will spend much of their life in a wheelchair. As with the other ataxias, there is no cure for FA.

A major part of our work is to support and advise parents of children who have FA, whilst funding research into treatments and a cure. The support we receive from Childlife is essential in achieving this: it enables us to run local support groups, conferences, various online forums and information sessions to reduce families' isolation and help them understand the condition.

Since 2000 we have also spent approaching £7m on research. Our research team regularly give talks at national and international conferences, along with people who live with ataxia, to raise awareness of the condition in the research and healthcare worlds. During 2018-19, we have also begun to develop two paediatric Specialist Ataxia Centres that offer children with ataxia and their parents a one-stop shop for all their care management needs, including appointments with a paediatric neurologist with expertise in ataxia; speech and language therapists and physiotherapists.

Our Ataxia Ambassadors project - training our young people to tell their story about living with ataxia – has already engaged over 60 individuals, and improves their sense of purpose and self-esteem at a formative stage of life. The project empowers young people to benefit the whole of the ataxia community as they raise awareness of ataxia across the UK.

Being diagnosed with FA can be a traumatic experience for both the parents and the child or young person concerned as they come to terms with what this means for their future. We are looking ever harder at the mental wellbeing of children with ataxia and their parents and seek to develop services to reduce their isolation, such as our closed Facebook group for parents of children with ataxia, and inviting counsellors specialising in living with rare, genetic conditions to speak with our 16-30's young people's group at our Annual Conference. We intend to continue this trajectory into 2019-20 and beyond.

**Sue Millman, Chief Executive, Ataxia UK**



## **National Children's Bureau**

The National Children's Bureau aims to build a better future for all children and young people, especially those who are most vulnerable and whose welfare is most at risk. We gather and analyse the evidence, listen to children's experiences and get organisations to unite in pursuit of shared goals. This way we're able to influence legislation and drive changes that make things work better for children and communities.

The NCB brings together expert member networks including the Council for Disabled Children, the Anti-Bullying Alliance, the Childhood Bereavement Network, the Sex Education Forum and several other specialist membership bodies. We want every child to get the right support in the right place at the right time, no matter what challenges they're facing. To make this happen we focused on priorities shown below and our impact and achievements this year have been made possible through the generosity of Childlife Supporters:-

### **1) Making evidence count**

- We published 46 policy reports and 3,600 media articles on issues affecting children, from early years to online safety.
- We worked closely with more than 200 high-level decision-makers to focus on the changes we want to see for children. During the year, our work led to changes to 25 pieces of legislation, strategy or Government policy.
- We worked on 89 projects to uncover and generate evidence to strengthen the case for change, responding to 45 Government consultations on issues such as funding for children's services and the framework for schools inspection.

### **2) Involving children and young people**

- 17,500 children, young people and parents were directly involved in our work
- We trained 233 individuals in how to involve children and young people meaningfully in services and decisions that affect them.
- We took young people to Parliament, supporting them to give oral evidence to the Science and Technology Select Committee Inquiry on Social Media and Young People's Mental Health. this followed a submission that we supported young people to produce. We made a strong case for young people to be able to attend.
- Parliament produced a video with our young people to go out to schools where our young people explain to other young people encouraging them to get involved in Parliament and Select Committees
- National Children's Bureau has an important role with the All Party Parliamentary Group for Children (APPGCs). As part of this we regularly enable young people to give oral evidence to the APPGC Inquiries.

### **3) Bringing organisations together**

- We gathered 2,000 professionals in strong networks tackling bullying, bereavement, sex education, disability and other issues which can put children's welfare at risk, holding over 200 network meetings throughout the year.
- We trained 233 individuals in how to involve children and young people meaningfully in services and decisions that affect them.

### **4) Developing the workforce**

- We reached 13,709 individuals through e-learning and 400 face-to-face training activities designed to equip those working with children to improve their practice and ensure the best possible services for our children.
- Over 90% of those attending our training rated it as 'good' or 'very good' and reported that it had a positive impact on their practice.

Childlife supporters make this happen. Without you we would not have the important funds we need to make a difference to children's lives. Thank you all, together we can build a better childhood for all children.

**Annamarie Hassall MBE, Director of Practice and Programmes, National Children's Bureau**

### The National Deaf Children's Society

The National Deaf Children's Society is dedicated to creating a world without barriers for deaf children and young people. We aim to bring this about by:

- empowering deaf children, young people and their families to determine what happens in their lives and shape the services they receive
- increasing awareness of the support deaf children and young people need to achieve and challenging social attitudes which prevent them achieving
- influencing and challenging key decision makers to make deaf children and young people a political priority.

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 over the last year. This has included:

- providing vital, timely help and advice via our Helpline service, with more than 6,000 calls, emails and live chat messages answered
- helping to boost the confidence of deaf young people through our programme of fifteen activity events, which 282 people attended
- travelling the length and breadth of the UK with our Roadshow, reaching providing over 100 deaf awareness and other tailored sessions to more than 14,000 people
- delivering a programme of face-to-face training and conference sessions to 762 professionals to help increase awareness and understanding of childhood deafness issues
- increasing the reach of our digital information and support to 8-18 year olds, with more visitors to the site and more content generated

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

**Ben McNaught, Deputy Director: Fundraising, National Deaf Children's Society**

Income in the year was £908,146 this increased slightly from the previous year from £900,311. The main reason for the increase is the large investment in donor recruitment.

Expenditure on raising funds increased to £656,892 from £632,086, reflecting the increased spending on fundraising and a reduction in operational expenditure.

Expenditure on charitable activities was £217,769 versus the previous year of £224,346 reflecting the increase in investment. This included £200,000 of grant payments (2018: £200,000).

### RESERVES POLICY

It is the policy of Childlife to have free reserves amounting to no less than three months and no more than six months operating costs. Based on the 2018-19 budget, the required reserve level for the year end was set at £168,165 (low) to £337,229 (high). The free reserves balance at 31<sup>st</sup> March 2019 was £258,113 and as such falls within the required reserves policy.

## **Trustees Responsibilities in Relation to the Financial Statements - Year Ending 31<sup>st</sup> March 2019**

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The trustees (who are also the directors of Childlife for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

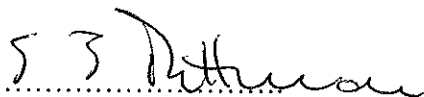
### **Statement as to disclosure to our independent examiner (IE)**

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the IE in connection with preparing their report, of which the IE is unaware, and
- the trustees have taken all the steps that they ought to have taken individually as a trustee in order to make themselves aware of any relevant independent examination information and to establish that the IE is aware of that information.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

**On behalf of the Board of Trustees:**

  
.....  
**S Millman**  
**Trustee**

**Date:** 16<sup>th</sup> July 2019

## Independent Examiner's report to the Trustees of Childlife

### Independent examiner's report to the trustees of Childlife ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2019.

#### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

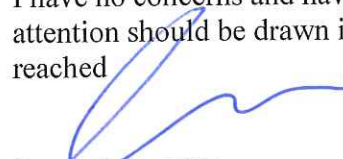
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

  
Romit Basu FCA  
Institute of Chartered Accountants in England and Wales  
Kings Mill Partnership  
75 Park Lane  
Croydon  
Surrey  
CR9 1XS

Date: 16 July 2019

## CHILDLIFE

### STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st MARCH 2019

		2019	2018
	Notes	£	£
<b>INCOME FROM:</b>			
<i>Donations and legacies</i>			
Donations	2	906,913	899,174
Other trading activities	3	868	948
Investments	4	365	189
<b>Total income</b>		<b>908,146</b>	<b>900,311</b>
<b>EXPENDITURE ON:</b>			
Raising Funds	5	656,892	632,086
Fundraising trading: costs of goods sold	5	-	-
		<b>656,892</b>	<b>632,086</b>
<b>Charitable activities</b>			
Promotion and support of member charities	5	217,769	224,346
<b>Total expenditure</b>		<b>874,661</b>	<b>856,432</b>
<b>Net income/(expenditure)</b>		<b>33,485</b>	<b>43,879</b>
Transfer between funds	16	-	-
<b>Net movement in funds</b>		<b>33,485</b>	<b>43,879</b>
Fund balance at 1 April 2018		224,628	180,749
Fund balance at 31 March 2019		<b>£ 258,113</b>	<b>£ 224,628</b>

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

The Statement of Financial Activities also complies with the requirement for an income and expenditure account under the Companies Act 2006.

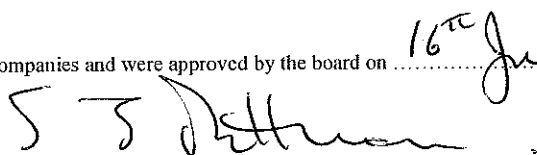
**CHILDLIFE**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31st MARCH 2019**

**COMPANY NUMBER 03696656**

	Notes	£	2019	£	£	2018	£
<b>FIXED ASSETS</b>							
Tangible assets	11			1,621			1,076
<b>CURRENT ASSETS</b>							
Debtors	12	28,303			30,061		
Cash at bank and in hand		250,016			292,924		
		<u>278,319</u>			<u>322,985</u>		
<b>CREDITORS</b>							
Amount falling due within one year	13	21,827			99,433		
<b>NET CURRENT ASSETS</b>				256,492			223,552
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>£ 258,113</u>			<u>£ 224,628</u>
<b>REPRESENTED BY:</b>							
Accumulated Funds							
Unrestricted funds							
				258,113			224,628
				<u>£ 258,113</u>			<u>£ 224,628</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 16<sup>th</sup> July 2019 and signed on its behalf by



**S Millman**  
**Trustee**

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

## CHILDLIFE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2019

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#### 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Childlife 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 note(s).

These accounts have been prepared on the going concern basis, as the trustees feel that the Charity has sufficient reserves with which to meet its obligations for the foreseeable future.

##### 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 to a specific purpose by the Trustees.

##### c) *Income*

###### 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. 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) *Expenditure*

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT.

###### EXPENDITURE ON RAISING FUNDS

The costs of raising 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 income 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 raising funds and charitable activities.



## CHILDLIFE

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31st MARCH 2019

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#### APPORTIONMENT OF SUPPORT COSTS

Costs which are directly attributable to a charitable activity or to the costs of raising funds 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 of apportionment of actual staff costs is by the estimated time spent by 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 principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the account. 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 Charity'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 attached have been 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	50% per annum on cost

#### 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 contribution 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 and 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.

# CHILDLIFE

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31st MARCH 2019

### 2 Donations and legacies

	Total 2019 £	Total 2018 £
<u>Unrestricted funds:</u>		
Payroll giving programme	118,808	130,802
Face-to-face programme	542,260	541,831
Sundry donations	4,737	8,584
Money box income	-	-
Smile a minute income	60,645	57,560
Friends at work scheme	51,351	51,569
Together for change	31,186	26,272
Make A Difference income	56,886	53,682
Community fundraising	1,270	1,385
Lottery income D2D	36,896	25,035
Other	2,874	2,454
	<b>£ 906,913</b>	<b>£ 899,174</b>

### 3 Income from other trading activities

	2019 £	2018 £
Trading income	868	948
Fundraising trading: costs of goods sold	-	-
	<b>£ 868</b>	<b>£ 948</b>

Net activities for raising funds: trading income

### 4 Investment income

	2019 £	2018 £
Interest receivable	365	189

## 5 EXPENDITURE

### Analysis of total expenditure

	Raising funds	Charitable activities	Trading costs	2019 Total	2018 Total
<b>Direct Costs</b>					
	£	£	£	£	£
Staff costs including temp staff	62,055	11,820	-	73,875	79,848
Independent Examination fee	-	1,382	-	1,382	-
Audit fee	-	-	-	-	6,654
Direct fundraising (Note 6)	554,226	-	-	554,226	521,310
Newsletter	-	55	-	55	60
Grant payments	-	200,000	-	200,000	200,000
	<b>616,281</b>	<b>213,257</b>	<b>-</b>	<b>829,538</b>	<b>807,872</b>
<b>Support Costs</b>					
Office costs	20,786	2,310	-	23,096	20,421
Legal & accountancy fees	-	-	-	-	2,343
IT	7,914	879	-	8,793	10,387
Depreciation	1,453	161	-	1,614	8,115
Other	10,458	1,162	-	11,620	7,294
	<b>£ 656,892</b>	<b>£ 217,769</b>	<b>£ -</b>	<b>£ 874,661</b>	<b>£ 856,432</b>
<b>Total expenditure</b>	<b>£ 656,892</b>	<b>£ 217,769</b>	<b>£ -</b>	<b>£ 874,661</b>	<b>£ 856,432</b>
<b>Total expenditure 2018</b>	<b>£ 632,086</b>	<b>£ 224,346</b>	<b>£ -</b>		<b>£ 856,432</b>

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

The total governance costs amounted to £11,477. The prior year, 2018, being £17,552.

# **CHILDLIFE**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)** **FOR THE YEAR ENDED 31st MARCH 2019**

### **6. Costs of raising funds - direct fundraising costs**

	Total 2019 £	Total 2018 £
<u>Costs of raising funds comprise:</u>		
Payroll giving donor recruitment	1,673	1,135
Face-to-face donor recruitment	381,188	243,841
Appeal mailings	5,366	3,644
Payroll consortia recruitment	121,431	121,473
Lottery D2D Recruitment & running costs	18,468	128,470
Direct debit processing	16,206	16,014
Telephone campaigns	7,752	4,297
Other costs	2,086	2,436
Community Fundraising Costs	56	-
	<b>£ 554,226</b>	<b>£ 521,310</b>

### **7. Activities undertaken directly**

	Total 2019 £	Total 2018 £
<u>Other costs relating to promotion and support of member charities comprise:</u>		
Newsletter printing	55	60
Newsletter postage	-	-
	<b>£ 55</b>	<b>£ 60</b>

The promotion and support costs for member charities include the publication of a newsletter three times a year which provides details of the work done by the four member charities. Also included are the costs of maintaining a website which provides information on the work done by the four member charities and links to their own websites. The costs include direct staff costs and apportioned support costs.

### **8. Grants Payable**

	2019 £	2018 £
Promotion and support of member charities	200,000	200,000

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 in need. The Trustees have been assured that all member charities have procedures in place to ensure that, on an on-going 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:

	2019 £	2018 £
Acorn Children's Hospice Trust	50,000	50,000
Ataxia UK	50,000	50,000
National Deaf Children's Society	50,000	50,000
National Children's Bureau	50,000	50,000
	<b>£ 200,000</b>	<b>£ 200,000</b>

### **9. Trustees**

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

# CHILDLIFE

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31st MARCH 2019

### 10. Employees

#### Number of employees

	Total 2019	Total 2018
The average monthly number of employees during the year was		
Cost of raising income	2.8	2.8
Charitable activities	1.0	1.0
	<u>3.8</u>	<u>3.8</u>

#### Employment costs

	2019 £	2018 £
Wages and salaries	68,024	74,270
Social security costs	2,672	2,776
Other pension costs	3,180	2,801
	<u>£ 73,876</u>	<u>£ 79,847</u>

No employee earned in excess of £60,000 in either year.

The key personnel of the charity are the trustees. None of the trustees received any remuneration for their role.

### 11. TANGIBLE ASSETS

	Website £	Computer Equipment £	Fixtures, Fittings & Equipment £	TOTAL £
<b>Cost</b>				
As at 1 April 2018	12,954	18,128	2,864	33,946
Charge for year	-	2,160	-	2,160
As at 1 April 2018 and 31 March 2019	<u>£ 12,954</u>	<u>£ 20,288</u>	<u>£ 2,864</u>	<u>£ 36,106</u>
<b>Depreciation</b>				
As at 1 April 2018	12,414	17,592	2,864	32,870
Charge for year	540	1,075	-	1,615
As at 31 March 2019	<u>£ 12,954</u>	<u>£ 18,667</u>	<u>£ 2,864</u>	<u>£ 34,485</u>
<b>Net Book Value</b>				
As at 31 March 2019	<u>£ -</u>	<u>£ 1,621</u>	<u>£ -</u>	<u>£ 1,621</u>
As at 31 March 2018	<u>£ 540</u>	<u>£ 536</u>	<u>£ -</u>	<u>£ 1,076</u>

## CHILDLIFE

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31st MARCH 2019

#### 12 DEBTORS

	2019 £	2018 £
Other debtors	18,511	19,996
Prepayments and accrued income	9,792	10,065
	<u>£ 28,303</u>	<u>£ 30,061</u>

#### 13 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	9,973	1,318
Other creditors	4,830	5,250
Accruals	7,024	92,865
	<u>£ 21,827</u>	<u>£ 99,433</u>

#### 14 Pension Costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £3,180 (2017: £2,801)

#### 15 Commitments under operating leases

At the 31 March 2019 the charity had total commitments under non-cancellable operating leases as follows:

	Land and Buildings	
	2019 £	2018 £
Payments due:		
Within one year	4,420	6,912
Between 2 and 5 years	15,838	-
After five years	-	-
	<u>20,258</u>	<u>6,912</u>

#### 16 Transfer between funds

In the current year there were no transfer of funds to assist the Charity in meeting its day-to-day obligations (2018: £NIL).

#### 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 £50,000 each (2018: £50,000 each) were payable to the four member charities during the financial year. At the year end £20,000 (2018: £20,000 each) was payable to each of the four member charities. The charity was controlled by the four member charities throughout the financial year.

Also, during the year two honorarium payments of £1,500 were made to Ataxia UK and National Deaf Children's Society respectively for services provided within the year.

