

Company registration number: 03696656

Charity registration number: 1080536

Childlife

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

DSK Partners LLP
D S House
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Croydon
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Childlife

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Reference and Administrative Details

Chairman	Ms C White, Appointed as chair 15th November 2021
Trustees	B McNaught, Treasurer Ms C White, Appointed as chair 15th November 2021 D J Beacon Lawrence Walker
Secretary	Ms A Rimington
Charity Registration Number	1080536
Company Registration Number	03696656
Registered Office	The charity is incorporated in England & Wales. Westmead House Westmead Farnborough Hants GU14 7LP
Auditor	DSK Partners LLP Institute of Chartered Accountants in England and Wales D S House 306 High Street Croydon Surrey CR0 1NG

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Report of the Trustees

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2023. The trustees have adopted the provisions of 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 2019).

Trustees

B McNaught, Treasurer

Ms C White, Chair

D J Beacon

L Walker (appointed 09th March 2023)

Other trustees in year

Ms C Mcstravick (resigned as a trustee on 04th November 22)

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.

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Report of the Trustees

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

National Deaf Children's Society

The Board of Trustees, which has four members, one from each member charity, administers the charity and normally meets quarterly. In the past year there have been more frequent meetings due to the ever changing situation with the pandemic, with the trustees meeting most months. 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 were;

1) Financial Failure of Key Suppliers (Gather 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. In this year we have also worked with two other agencies Altru, Gilcore.

2) Loss of Income - The Cost-of-Living Crisis. Ongoing retention work is being carried out with existing donors to mitigate cancellation levels with payment holidays being offered.

3) 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.

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Report of the Trustees

Objectives and Activities

Objectives and aims

The objectives 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 benefits 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 2022/23. 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 2022/23, 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.

As we carry out fundraising across the UK we are members of both The Chartered Institute of Fundraising and the Fundraiser Regulator. As we are now running a lottery campaign, we also registered with Gamble Aware. We worked with four main external agencies for our recruitment of new donors in 2022/23.

Gather Ltd carried out fundraising to recruit 1314 new direct debit donors for Childlife. Gather also recruited 1300 new Continuous Card Payment Donors. We continued to take one off donations and generate warm leads. Gather recruited 123 new cash donors; only 18 did not opt into future contact.

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Report of the Trustees

Altru Ltd carried out fundraising to recruit 1699 new direct debit donors for Childlife. Altru also recruited 1653 new Continuous Card Payment Donors. No one off donors were recruited.

Gilcore Ltd carried out fundraising to recruit 357 new Continuous Card Payment donors for Childlife. No one off donors were recruited.

Gather, Altru and Gilcore are experienced in driving quality alongside good operational practices in line with CIOF and the Fundraiser Regulator guidance. Through a personalized service from these agencies our fundraising with them builds a relationship with the supporter to ensure life-long loyalty to Childlife. They are registered with the Chartered Institute of Fundraising and the Fundraising Regulator.

During the time that we were fundraising with Gather, Altru and Gilcore there was a regular program of training in place. We did not run any street campaigns so there was not any CIOF mystery shopping.

Childlife is a member of four other consortiums which Payroll Giving Plus Ltd recruits new donors through Payroll Giving. Payroll Giving Plus 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. Payroll Giving Plus Ltd is a member of the Association of Payroll Giving Organisations and the Fundraising Regulator.

Childlife received ninety-five complaints during 2022/2023 regarding its fundraising. All complaints were investigated thoroughly and fairly in keeping with the Fundraising Regulator Code of Practice. Childlife regularly reviews any lessons to be learnt to help with future fundraising activity. None of the complaints were of a nature serious enough to require Trustees to inform the Charity Commission or Fundraising Regulator. There have not been any compliance issues with either Childlife or any other agencies that we have employed in 2022/23.

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.

During recent years, Childlife's community of donors has been in decline and the trustees have made the decision to invest more significantly in fundraising, to re-build the community to a sustainable level, so we can continue to raise vital funds into the future. This period of additional investment in fundraising is to ensure long term viability and will pay back over time. This five-year strategy commenced in 2018 and will be reviewed by the trustees in 2024. The plan beyond 2024 is yet to be confirmed as it will depend on a review of the investment period and the future returns for member charities.

Childlife has been extremely successful over the years in raising funds for our members. An initial investment of £16,000 per charity was made in 1994, and each member has received total grants of £2,605,492 since then (a ROI of 16184%). Without investment in fundraising this would not have been possible.

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Report of the Trustees

Achievements and Performance Review of 2022/23

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 2022/23 Childlife gave a total of £400,000 to the member charities. This enabled the four member charities to achieve the following:

Acorns Children's Hospice

Acorns Children's Hospice provides care, support, fun and laughter for children and their families across the West Midlands.

A parent never imagines their child will be diagnosed with a life limiting or life-threatening condition. But when the unimaginable happens, Acorns steps in, helping families cope at every stage of their child's life and beyond, wherever and whenever they need it. Our dedicated teams provide specialist palliative care for babies, children and young people, and support for their families. This support is offered from our three children's hospices, based in Birmingham, Walsall and Worcester, and in the community.

The babies, children and young people that we care for at Acorns have been diagnosed with a life limiting or life-threatening condition and not yet reached their 18th birthday. We accept referrals from children in one of four medical categories, as set by Together for Short Lives, the national charity for our sector.

Category 1: Life threatening conditions for which curative treatment may be feasible but can fail.

Category 2: Conditions where premature death is inevitable.

Category 3: Progressive conditions without curative treatment options.

Category 4: Irreversible but non-progressive conditions causing severe disability, leading to susceptibility to health complications and likelihood of premature death.

At Acorns we provide care 24 hours a day, 365 days a year to children and families who need us most. Over the past year we've achieved so much thanks to the generosity of our supporters

- Acorns has supported 757 children and 973 families, including those who have been bereaved.
- Our Acorns Family Services team provided 15,139 instances of vital emotional and practical support to family members, including one-on-one therapeutic work, bereavement support, group work and advocacy.
- An Outreach team of Nurses and Clinical Support Workers provide care to families within their home. In the past year, Acorns conducted 1,048 Outreach visits to families.
- Our Sibling Workers have supported over 200 siblings at Acorns in the past year, through focused groups, individual therapeutic based sessions, and bespoke programmes.
- We have completed the refurbishment of our Black Country Hospice and have forged wonderful partnerships within the community to ensure families continue to receive the care and support they need whilst the work takes place.
- Acorns made history as the first hospice in Britain to win the UNICEF Rights Respecting gold award, recognising our commitment to the United Nations Rights of the Child.

Childlife supporters are helping to make all this possible with their ongoing support and dedication. On behalf of the children and families we support, thank you so much.

Christina White, Senior Manager - Individual Giving and Legacies, Acorns Children's Hospice

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Report of the Trustees

Ataxia UK

The ataxias are a set of life-limiting neurological conditions that disrupt the messages sent from our brains to our muscles. Not just the muscles we use to move, but those we use to speak, listen and see. Over time, people with ataxia are slowly imprisoned in their own bodies, losing the tools they once had to communicate with loved ones. 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. Ataxia UK is the leading national charity which supports those affected ataxia and funds research into finding treatments and cures.

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.

Some key highlights from FY 2022-23

The financial year 2022-23 ended on an absolute high with the approval of Skyclarys by the FDA in February 2023, marking a major milestone for the ataxia community and Ataxia UK as Skyclarys is the first drug licensed for the treatment of Friedreich's Ataxia (FA). This approval offers new hope to those living with FA and represents a significant step forward in the search for effective treatments.

Although the approval of Skyclarys in the US is cause for celebration, the struggle for access to this treatment in the UK is ongoing. At present, there has been no application for approval in the UK, but we are hopeful that this is only a matter of time. Moreover, the pace of ataxia research is speeding up, with a number of trials underway or pending in various ataxias, so we hope there may be other good news to report in the coming year.

Ataxia UK is committed to doing everything it can to support the approval of Skyclarys and any other prospective treatments for ataxias. We know it's hard to be patient when it feels treatments are around the corner, but we hope that patience will be rewarded before too long. In the meanwhile, Ataxia UK will do everything it can to support the approval of Skyclarys and any other prospective treatments for the ataxias.

Other highlights:

EFACTS: The European Friedreich's ataxia Consortium for Translational Studies (EFACTS) is a study originally funded by the European Commission that is gathering vital information about the progression of Friedreich's ataxia (FA). Ataxia UK has supported the project over the years, and data from this study has resulted in useful publications and is also being used to plan clinical trials.

FA Global Clinical Consortium: During the year, efforts have progressed in combining the efforts of EFACTS with the other well-established natural history study in Friedreich ataxia, FACOMS. The investigators of both FACOMS and EFACTS see the need to combine efforts into a single global consortium with a unified natural history and clinical research infrastructure. The new FA Global Clinical Consortium and a harmonized global study protocol has now been established, and Ataxia UK has a patient group representative on this Consortium.

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Report of the Trustees

During the past year, Ataxia UK has made significant strides in improving care and support for individuals with ataxia, particularly in the paediatric population. Two new paediatric ataxia centres were established, one at the London Ataxia Centre and the other at the John Radcliffe Hospital in Oxford. The London Ataxia Centre launched its Paediatric Ataxia Clinic, which provides a new service for children with ataxia to receive care at a centre of excellence. Led by Professor Paola Giunti, the clinic team also includes Dr Shpresa Pula and Katarina Manso. The clinic leads a large translational research programme, primarily focused on the genetic basis of ataxias, particularly Friedreich's ataxia, and accepts referrals for children aged 8-18. Ataxia UK has provided part-funding for the Ataxia Specialist nurse to support the clinic. The John Radcliffe Hospital in Oxford was accredited by Ataxia UK as a Specialist Ataxia Centre, where people with ataxia can receive the best quality of care from ataxia experts. The Oxford Ataxia Centre offers a specialised service for both adults and children with ataxia, with a team consisting of two adult neurologists, a clinical geneticist, and a paediatric neurologist.

Scientific research into treatment and cures and the support made available to those affected by ataxia whilst we wait for a cure, is sustained by Childlife supporters. On behalf of everyone affected by ataxia and us at all at Ataxia UK, Thank you.

Dan Beacon, Head of Fundraising and Communications, Ataxia UK

Childlife

Report of the Trustees

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. It is our mission to overcome the social and educational barriers that hold deaf children back.

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 4,000 calls, emails and live chat messages responded to
- delivering 15 face to face family events which 273 people attended. This included 7 events specifically tailored to provide support to families new to hearing loss
- holding an additional 58 online events, attended by 876 people, covering themes such as education, emotional health and wellbeing, and understanding childhood deafness
- delivering Family Sign Language training online and in person to 552 people, enabling parents and their deaf children to gain invaluable communication skills
- reaching an estimated 4,675 people through our network of 85 affiliated local deaf children's societies
- running a program of online training reaching more than 3,000 professionals to help increase awareness and understanding of childhood deafness issues
- providing expert information to 604 professionals involved in supporting deaf children in early years settings through our Bright Start series of online webinars.

Childhood deafness can have a huge impact on language development, communication and social skills, and we know that supporting deaf children during those early years is where we can make the biggest impact and set them up for life. Our goal is to reach more deaf children and young people than ever before, and our new five year strategy sets out our ambitious plan to reach every deaf child, wherever they are and whenever they need us.

Childlife donors will help us make this happen. Thank you for your continued support.

Ben McNaught
Deputy Director: Fundraising

Childlife

Report of the Trustees

National Childrens Bureau

As the National Children's Bureau (NCB) celebrates its 60th year in 2023, we continue to bring people and organisations together to drive change in society and deliver a better childhood across the UK.

This year there were a number of important milestones for NCB centered around our core purpose to amplify the voices of children and young people and deliver lasting change for future generations.

We played a leading role in the reforms to the children's social care system, delivered training and CPD to Special Educational Needs and Education (SEND) practitioners through our umbrella body the Council for Disabled Children, and helped to deliver a new pilot scheme to train thousands of staff on how to support children and young people who are struggling with their mental health.

We placed the voices and lived experiences of babies, children, young people and families at the heart of service delivery, research and policy. This included facilitating a meeting between care-experienced young people and the Secretary of State for Education, Chief Secretary to the Treasury, and the Children's Commissioner for England. We also brought together more than 100 children and young people with SEND to enable them to participate in decision-making at local and national levels.

NCB's specialist family members also played a key role in paving the way for a better childhood. Our Anti-Bullying Alliance extended their services into Northern Ireland where they will continue to help stop bullying and create safer environments in which children and young people can live, grow, play and learn.

Our Lambeth Early Action Partnership in south London hosted a series of 'Warm Hubs' during the winter months, supporting families struggling with the cost-of-living-crisis with a hot meal and the chance to engage in activities with their babies whilst accessing services and support from local providers.

One of our most notable moments from the last year was a once-in-a-generation policy win for our Childhood Bereavement Network who secured a major change to bereavement benefits after a 10-year-long campaign. As a result of their tireless campaigning, around 21,000 families who were previously denied support because the parents weren't married or in a civil partnership will now be able to make retrospective claims and around 1,800 more grieving families will be able to access support each year.

It is through your donations that we can continue to tackle the multi-faceted challenges faced by children and families. Your support makes a real difference to children, young people and families, so thank you for your generosity, which means the world to us.

Lawrence Walker, Head of Development, National Children's Bureau.

Childlife

Report of the Trustees

Statement on Public Benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial Review

Income in the year was £1,291,869, a slight increase from the previous year from £1,173,918. The main reason for the increase is the large investment in donor recruitment in previous years 20/21 and 21/22.

Expenditure on raising funds decreased to £914,890 from £935,028 reflecting the fundraising suppliers fulfilling their contracts to recruit requested donor levels. (see P30 in the accounts)

Expenditure on charitable activities was £410,431 versus the previous year of £329,710 This includes £400,000 of grant payments (2021/22: £320,000)

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 2022-23 budget, the required reserve level for the year end was set at £168,118 (low) to £336,236 (high). The free reserves balance at 31st March 2023 was £390,055 and as such falls just above the required reserves policy. This will be addressed by the trustees in the upcoming financial year.

Statement of Responsibilities

Trustees Responsibilities in Relation to the Financial Statements

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Childlife

Report of the Trustees

Impact of External Financial Environment

Since 31 December 2019 many local economies around the globe have been in downturn.

After covid 19 restrictions have been listed, energy prices and inflation have soared, affecting many households in the UK. The Russian Ukrainian conflict is putting further stress on this situation and average bills have more than doubled, and inflation rates have sharply risen.

Childlife is not currently seeing the effect of this in the form of loss of income, although cancelation rates are starting to return to pre pandemic levels.

This will not significantly impact the entity's financial position. Childlife has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2023 have not been adjusted to reflect their impact. The duration and impact of the Russian Ukrainian Conflict , the fuel crisis and the conflict, as well as the effectiveness of government and central bank responses, remains unclear at this time, It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of Childlife for future periods.

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 examination of financial statements may differ from legislation in other jurisdictions.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Disclosure of information to auditor

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 auditor in connection with preparing their report, of which the auditor 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 audit information and to establish that the auditor 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.

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Report of the Trustees

The annual report was approved by the trustees of the charity on 28 July 2023 and signed on its behalf by:

.....
Ms C White
Chairman and Trustee

Childlife

Independent Auditor's Report to the Members of Childlife

Opinion

We have audited the financial statements of Childlife (the 'charity') for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Childlife

Independent Auditor's Report to the Members of Childlife

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees. .

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 11), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Childlife

Independent Auditor's Report to the Members of Childlife

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The key laws and regulations we have considered in this context included the Companies Act 2006, pension and tax legislation. In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- o Using our general commercial and sector experience and through discussions with the directors and management, we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either as a result of fraud or error.
- o We examined the company's regulatory and legal correspondence and discussed with the directors and management any known or suspected instances of fraud or non-compliance with laws and regulations.
- o We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- o In addressing the risk of management override of controls, we tested the appropriateness of journal entries. We also challenged assumptions and judgements made by management in their significant accounting estimates and judgements.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Childlife

Independent Auditor's Report to the Members of Childlife

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Romit Basu FCA (Partner)
For and on behalf of DSK Partners LLP,
Chartered Accountants and Statutory Auditors
D S House
306 High Street
Croydon
Surrey
CR0 1NG

28 July 2023

Childlife

Statement of Comprehensive Income for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Total 2023 £	Total 2022 £
Income and Endowments from:			
Donations and legacies	2	1,288,327	1,173,690
Investment income	3	<u>3,542</u>	<u>228</u>
Total income		<u>1,291,869</u>	<u>1,173,918</u>
Expenditure on:			
Raising funds	4	(914,890)	(935,028)
Charitable activities	5	(400,000)	(320,000)
Governance costs		<u>(10,431)</u>	<u>(9,710)</u>
Total expenditure		<u>(1,325,321)</u>	<u>(1,264,738)</u>
Net expenditure		<u>(33,452)</u>	<u>(90,820)</u>
Net movement in funds		(33,452)	(90,820)
Reconciliation of funds			
Total funds brought forward		<u>423,507</u>	<u>514,327</u>
Total funds carried forward	12	<u><u>390,055</u></u>	<u><u>423,507</u></u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 is shown in note 12.

The notes on pages 21 to 28 form an integral part of these financial statements.

Childlife

(Registration number: 03696656) **Statement of Financial Position as at 31 March 2023**

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	8	500	4,921
Tangible assets	9	4,921	-
		<u>5,421</u>	<u>4,921</u>
Current assets			
Debtors	10	41,651	27,401
Cash at bank and in hand		457,672	445,724
		499,323	473,125
Creditors: Amounts falling due within one year	11	(114,689)	(54,539)
Net current assets		<u>384,634</u>	<u>418,586</u>
Net assets		<u>390,055</u>	<u>423,507</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		390,055	423,507
Total funds	12	<u>390,055</u>	<u>423,507</u>

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements on pages 18 to 28 were approved by the trustees, and authorised for issue on 28 July 2023 and signed on their behalf by:

.....
Ms C White
Chairman and Trustee

The notes on pages 21 to 28 form an integral part of these financial statements.

Childlife

Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash expenditure		(33,452)	(90,820)
Adjustments to cash flows from non-cash items			
Depreciation	4	447	540
Amortisation	4	4,421	3,480
Investment income	3	(3,542)	(228)
		(32,126)	(87,028)
Working capital adjustments			
Increase in debtors	10	(14,250)	(1,755)
Increase in creditors	11	60,150	1,270
Net cash flows from operating activities		13,774	(87,513)
Cash flows from investing activities			
Interest receivable and similar income	3	3,542	228
Purchase of intangible fixed assets	8	-	(6,001)
Purchase of tangible fixed assets	9	(5,368)	-
Net cash flows from investing activities		(1,826)	(5,773)
Net increase/(decrease) in cash and cash equivalents		11,948	(93,286)
Cash and cash equivalents at 1 April		445,724	539,010
Cash and cash equivalents at 31 March		457,672	445,724
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash		11,948	(93,286)
Net funds at 1 April 2022		445,724	539,010
Net funds at 31 March 2023		457,672	445,724

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 21 to 28 form an integral part of these financial statements.

Childlife

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

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 notes.

Currency

The financial statements are prepared in sterling which is also the functional currency of the company and rounded to the nearest pound.

Income and endowments

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

Donations and legacies

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.

Expenditure

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

Childlife

Notes to the Financial Statements for the Year Ended 31 March 2023

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.

Grant expenditure

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Going concern

Childlife has not been affected in the form of loss of income from the impact of COVID-19 during the year and it has benefited from savings in costs and therefore this will not significantly impact the entity's financial position.

Childlife has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2022 have not been adjusted to reflect their impact. It is not possible to reliably estimate the duration and severity of the consequences of COVID-19, as well as their impact on the financial position and results of the Company for future periods.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

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 for the Year Ended 31 March 2023

Allocation and apportionment of 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.

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.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Childlife

Notes to the Financial Statements for the Year Ended 31 March 2023

Tangible fixed assets

Tangible fixed assets held for the entity's own use are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives at the following rates

Computer Equipment - 25% straight line

Fixture & Fittings - 25% straight line

Website costs - 50% straight line

Assets held under finance leases are depreciated in the same way as owned assets.

At each statement of financial position date, the entity reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication

exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Childlife

Notes to the Financial Statements for the Year Ended 31 March 2023

2 Income from donations and legacies

	Total 2023 £	Total 2022 £
Donations and legacies;		
Donations from individuals	1,288,327	1,173,690
	<u>1,288,327</u>	<u>1,173,690</u>

3 Investment income

	Total 2023 £	Total 2022 £
Interest receivable and similar income;		
Interest receivable on bank deposits	3,542	228
	<u>3,542</u>	<u>228</u>

4 Expenditure on raising funds

a) Other costs of generating donations and legacies

	Direct costs £	Total 2023 £	Total 2022 £
Expenditure on raising funds	914,890	914,890	935,028
	<u>914,890</u>	<u>914,890</u>	<u>935,028</u>

5 Expenditure on charitable activities

		Total 2023 £	Total 2022 £
Grant funding of activities	Note	400,000	320,000
		<u>400,000</u>	<u>320,000</u>

Childlife

Notes to the Financial Statements for the Year Ended 31 March 2023

6 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

7 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	<u>155,314</u>	<u>161,452</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Cost of raising income	3	3
Charitable activities	<u>1</u>	<u>1</u>
	<u>4</u>	<u>4</u>

No employee received emoluments of more than £60,000 during the year.

Childlife

Notes to the Financial Statements for the Year Ended 31 March 2023

8 Intangible fixed assets

	Computer software £	Total £
Cost		
At 1 April 2022	21,356	21,356
At 31 March 2023	21,356	21,356
Amortisation		
At 1 April 2022	16,435	16,435
Charge for the year	4,421	4,421
At 31 March 2023	20,856	20,856
Net book value		
At 31 March 2023	500	500
At 31 March 2022	4,921	4,921

9 Tangible fixed assets

	Furniture and fixtures £	Total £
Cost		
At 1 April 2022	23,152	23,152
Additions	5,368	5,368
At 31 March 2023	28,520	28,520
Depreciation		
At 1 April 2022	23,152	23,152
Charge for the year	447	447
At 31 March 2023	23,599	23,599
Net book value		
At 31 March 2023	4,921	4,921
At 31 March 2022	-	-

Childlife

Notes to the Financial Statements for the Year Ended 31 March 2023

10 Debtors

	2023 £	2022 £
Prepayments	12,691	5,517
Other debtors	28,960	21,884
	<u>41,651</u>	<u>27,401</u>

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	72,395	32,431
Other taxation and social security	-	1
Other creditors	3,586	7,655
Accruals	38,708	14,452
	<u>114,689</u>	<u>54,539</u>

12 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General	<u>423,507</u>	<u>1,291,869</u>	<u>(1,325,321)</u>	<u>390,055</u>

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General	<u>514,327</u>	<u>1,173,918</u>	<u>(1,264,738)</u>	<u>423,507</u>

13 Related party transactions

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 £100,000 each (2022: £80,000 each) were payable to the four member charities during the financial year. The Charity was controlled by four member charities throughout the financial year.