

## **CHILDREN'S PROMISE**

Registered Charity      No. 1073761  
Registered Company      No. 3664126

### **Report and Financial Statements for the year ending 31 March 2010**



## CHILDREN'S PROMISE

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## **CHILDREN'S PROMISE**

### **Legal and Administrative Information**

#### **Trustees**

| <b>Name</b>    | <b>Charity represented</b> |
|----------------|----------------------------|
| Andrew Nebel   | Independent                |
| David Ramsden  | BBC Children in Need       |
| Judith McNeill | Comic Relief               |
| Andrew Harris  | Action for Children        |
| Martin Field   | Barnardo's                 |
| Rachel Case    | NSPCC                      |

#### **Company Secretary**

Martin Field

#### **Principal Office**

Barnardo's  
Tanner's Lane  
Barkingside  
Ilford  
Essex  
IG6 1QG

#### **Registered Office**

Barnardo's  
Tanner's Lane  
Barkingside  
Ilford  
Essex  
IG6 1QG

#### **Solicitors**

Bates, Wells & Braithwaite  
138 Cheapside House  
London  
EC2V 6BB

#### **Bankers**

HSBC Bank plc  
62/76 Park Street, 2<sup>nd</sup> Floor  
London  
SE1 9DZ

## **CHILDREN'S PROMISE**

### **Trustees' Report for the year ended 31 March 2010**

The Trustees of Children's Promise, who are also Directors for Companies Act purposes, present this report and financial statements for the year from 1 April 2009 to 31 March 2010.

#### **Origin of Children's Promise**

Children's Promise is a unique private, public and voluntary sector partnership, which was a shared vision of Marks and Spencer plc ("Marks & Spencer") and the New Millennium Experience Company Limited ("NMEC"), now in voluntary solvent liquidation, to mark the new millennium. This vision created a unique alliance of 7 children's charities, behind a shared promise to the children of the new millennium – a promise to give every child the right to enjoy a happy, healthy, safe and fulfilling life.

Under a Special Resolution dated 31 March 2006, control of Children's Promise was passed to a new set of Trustees, appointed by the beneficiary charities, as permitted by the Legal Agreements. In the intervening period NSPCC and ChildLine, two of the original participating charities, had joined so the new charity is now an alliance of 6 charities

#### **Objective of Children's Promise**

The objective of Children's Promise is to 'advance any purpose which is exclusively charitable under the laws of England and Wales which relates to children and young persons, at the Trustees' absolute discretion'.

The purpose of the Charity is to deliver a collective vision of giving children the chance to achieve their potential through acting in concert to raise additional funds by means which would not be available to the individual charities alone. It respects the different values of each of our member's whilst conforming to their individual ethical policies.

#### **Fundraising**

During the year there has been no active fundraising campaign in operation, although very small residual donations have continued to appear. The new Trustees will publish their plans for future fundraising when new opportunities have been determined.

## **Grant making policy and distribution of appeal funds**

The potential activities for the Charity are under review.

## **Reserve policy**

At the current level of activity there is no requirement to hold reserves. As activity increases the Trustees will consider the need for reserves.

## **Risk review**

The Trustees consider that there are no major risks associated with the operation of the Charity. The Trustees consider that the management and financial controls in place are sufficient to minimise any administrative risks that may remain.

## **Investments**

There are no investments.

## **Group structure**

The Children's Promise company and its wholly owned subsidiary company, Children's Promise Trading Limited comprise "the Group". Children's Promise carries out the charitable activities and trading activities are operated through Children's Promise Trading Limited.

## **Governance**

Children's Promise is registered as a Charity, number 1073761, with the Charity Commission for England and Wales. Children's Promise is also registered as a company limited by guarantee, number 3664126, incorporated in the United Kingdom on November 3<sup>rd</sup> 1998. A subsidiary company, Children's Promise Trading Limited, was incorporated on November 26<sup>th</sup> 1999. The charity is constituted under articles of association dated November 3<sup>rd</sup> 1998. Revised memorandum and articles were adopted on 31 March 2006 to reflect the transfer of control of Children's Promise to Trustees appointed by the beneficiary charities.

## **Trustees' responsibilities**

The Companies Act 1995 requires Trustees to prepare financial statements that give a true and fair view of the state of affairs of the Charity, and of the resources received and expended by Children's Promise for its financial year

The Trustees are responsible for keeping proper accounting records, for safeguarding the assets of Children's Promise and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made in the preparation of the accounts for the year ended 31st March 2010. The Trustees also confirm that applicable accounting standards have been followed and that it is appropriate for financial statements to be prepared on the going concern basis.

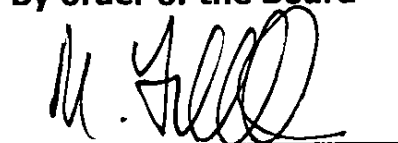
## **Advisors**

The names and addresses of the advisors to Children's Promise are shown on page 3.

## **Auditors**

Children's Promise has passed elective resolutions, under sections 252, 366A and 386 of the Companies Act 1985 to dispense with the requirements to lay accounts and reports before the Company in general meeting, to hold annual general meetings, and to reappoint auditors annually.

## **By order of the Board**



**Martin Field**

**Company Secretary**

2-12-10 date

## Children's Promise

### Consolidated Statement of Financial Activities (incorporating an income and expenditure account), for the year ended 31 March 2010

|  | Notes | Unrestricted<br>Funds | Total<br>Funds     | Total<br>Funds     |
|--|-------|-----------------------|--------------------|--------------------|
|  |       |                       | Year to<br>31.3.10 | Year to<br>31.3.09 |
| Income and expenditure                           |       | £000                  | £000               | £000               |
| <b>Incoming resources</b>                        |       |                       |                    |                    |
| <i>Activities to generate funds</i>              |       |                       |                    |                    |
| Donations & gifts                                | 2     |                       | 0.7                | 0.9                |
| <b>Total incoming resources</b>                  |       |                       | <b>0.7</b>         | <b>0.9</b>         |
| <b>Resources expended</b>                        |       |                       |                    |                    |
| <i>Direct charitable expenditure</i>             |       |                       |                    |                    |
| Management & administration                      | 3     |                       | 0.0                | 1.0                |
| <b>Total resources expended</b>                  |       |                       | <b>0.0</b>         | <b>1.0</b>         |
| <b>Net income/(expenditure)<br/>for the year</b> |       |                       | <b>0.7</b>         | <b>(0.1)</b>       |
| <b>Funds brought forward</b>                     |       |                       | <b>7.9</b>         | <b>8.0</b>         |
| <b>Funds balance<br/>at 31 March 2010</b>        |       | <b>-</b>              | <b>8.6</b>         | <b>7.9</b>         |

All of the Charity's income and expenditure is derived from continuing activities, commenced in previous accounting periods.

The Group has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the net movement in funds stated above, and its historical cost equivalent.

## Children's Promise

### Balance Sheet at 31 March 2010

|   |             | Group<br>2010<br>£000 | Group<br>2009<br>£000 | Charity<br>2010<br>£000 | Charity<br>2009<br>£000 |
|---|-------------|-----------------------|-----------------------|-------------------------|-------------------------|
|   | <b>Note</b> |                       |                       |                         |                         |
| <b>Net Assets</b>                           |             |                       |                       |                         |                         |
| Cash  |             | 9                     | 8                     | 9                       | 8                       |
| Investment in subsidiary                    | <b>5</b>    | 0                     | 0                     | 0                       | 0                       |
| Liabilities – Creditors due within one year | <b>6</b>    | 0                     | 0                     | 0                       | 0                       |
| <b>Net Assets</b>                           |             | <b>9</b>              | <b>8</b>              | <b>9</b>                | <b>8</b>                |
| <b>Funds</b>                                |             |                       |                       |                         |                         |
| Unrestricted funds                          |             | 9                     | 8                     | 9                       | 8                       |
| <b>Total Funds</b>                          |             | <b>9</b>              | <b>8</b>              | <b>9</b>                | <b>8</b>                |

For the year ended March 31<sup>st</sup> 2010 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

The financial statements on pages 7 to 12 were approved by the Trustees on 2-12-10 **date** and were signed on their behalf by.



**Trustee**

MARTIN FIELD

**Print**



## Children's Promise

### Consolidated cash flow statement, for the year ended 31 March 2010

|  | 2010<br>£000 | 2010<br>£000             | 2009<br>£000 | 2009<br>£000             |
|--|--------------|--------------------------|--------------|--------------------------|
| <b>Cash flow from operating activities</b>                                       |              |                          |              |                          |
| Net incoming resources   | 1            |                          | 0            |                          |
| <b>Net cash inflow<br/>from operating activities</b>                             |              | <b>1</b>                 |              | <b>0</b>                 |
| <b>Net cash inflow<br/>from capital expenditure and financial<br/>investment</b> |              | <b>-</b>                 |              | <b>-</b>                 |
| <b>Increase in cash</b>  |              | <b><u>1</u></b>          |              | <b><u>0</u></b>          |
| <br><b>Analysis of changes in net funds</b>                                      |              | <br><b>£000<br/>2010</b> |              | <br><b>£000<br/>2009</b> |
| <b>Funds at 31 March 2009</b>  |              | <b>8</b>                 |              | <b>8</b>                 |
| <b>Increase in cash in the year</b>  |              | <b>1</b>                 |              | <b>0</b>                 |
| <b>Funds at 31 March 2010</b>  |              | <b><u>9</u></b>          |              | <b><u>8</u></b>          |

# **Children's Promise**

## **Notes to the Financial Statements, for the year ended 31 March 2010**

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards and law in the United Kingdom and the Statement of Recommended Practice on Accounting and Reporting by Charities ("SORP"), issued in 2000 and revised in March 2005. A summary of the principal accounting policies, which have been applied consistently, is set out below.

#### **Basis of accounting**

The financial statements have been prepared in accordance with the historical cost convention.

#### **Basis of consolidation**

The consolidated financial statements comprise the Charity and its subsidiary undertaking, Children's Promise Trading Limited.

The assets and liabilities of the subsidiary undertaking are combined with those of the Charity in the consolidated balance sheet on a line by line basis.

#### **Fund accounting**

Restricted Funds comprise donations to the charity which are subject to conditions imposed by the donors

Unrestricted Funds comprise monies which may be used to meet the objectives of the Charity at the discretion of the Trustees

#### **Donations**

Donations are included in the consolidated statement of financial activities on a cash received basis or where they are assured with certainty as receivable at the balance sheet date.

#### **Donated services and gifts in kind**

The value of donated services and gifts in kind provided to the Charity is recognised in the consolidated statement of financial activities at their value to the Charity, as determined by the Trustees, in the period in which they are receivable, and where the benefit is both quantifiable and material.

Gift in kind items have been included in the financial statements as both incoming and outgoing resources.

## Expenditure

Management and administration costs include expenditure on compliance with constitutional and statutory requirements.

## Taxation

The Charity is a registered charity and accordingly is exempt from direct taxation on its charitable activities. Indirect taxation suffered, including any irrecoverable VAT, is included in the expenditure to which it relates

## 2 Donations and gifts

|   | <b>Funds<br/>-Charitable<br/>Grants<br/>2010<br/>£000</b> | <b>Funds<br/>-Charitable<br/>Grants<br/>2009<br/>£000</b> | <b>Funds<br/>-Operation:<br/>2010<br/>£000</b> | <b>Funds<br/>-Operational<br/>2009<br/>£000</b> |
|---|---|---|--|---|
| <b>Restricted monetary donations</b>      |   |   |  |   |
| - Other giving                            | 0.7   | 0.9   | -  | -   |
|   | <b>0.7</b>  | <b>0.9</b>  | <b>-</b>                                       | <b>-</b>  |
| <b>Donated services and gifts in kind</b> | -   | -   | -  | -   |
|   | <b>0.7</b>  | <b>0.9</b>  | <b>0</b>                                       | <b>0</b>  |

## 3 Management and administration of fund

|                            | <b>Total<br/>2010<br/>£000</b> | <b>Total<br/>2009<br/>£000</b> |
|----------------------------|--------------------------------|--------------------------------|
| Legal & professional costs | 0.0                            | 1.0                            |
|                            | <b>0.0</b>                     | <b>1.0</b>                     |

#### 4 Trustees

No Trustee received remuneration in respect of their services to Children's Promise during the year, nor did they receive any reimbursement of expenses. During the period of this report the previous Trustees were all included in the Directors and Officers indemnity policy covering Marks & Spencer group companies, at a negligible marginal cost. The current Trustees are covered by an indemnity policy taken out on their behalf by Children's Promise

#### 5 Investment in subsidiary undertaking and Share Capital

Children's Promise Trading Limited was incorporated in the UK on the 26 November 1999. On this date Children's Promise acquired 100% of the voting rights and ordinary share capital of Children's Promise Trading Limited.

|                              | Group<br>£ | Charity<br>£ |
|------------------------------|------------|--------------|
| <b>Cost at 31 March 2010</b> | <u>-</u>   | <u>2</u>     |

The ordinary share capital of Children's Promise Trading Limited has the following features:

- (i) No rights to dividends other than those that may be recommended by the directors,
- (ii) No redemption rights;
- (iii) Unlimited right to share in the surplus remaining on a winding up after all liabilities and participation rights of other classes of shares have been satisfied;
- (iv) One vote per share.

Children's Promise Trading Limited's main activity is the collection of royalties due on Children's Promise branded merchandise and other income due in relation to Commercial Participator Agreements set up between Children's Promise and third parties. During the year the company had no income or expenditure.

#### 6 Creditors: amounts falling due within one year

|          | Group<br>2010<br>£ | Group<br>2009<br>£ | Charity<br>2010<br>£ | Charity<br>2009<br>£ |
|----------|--------------------|--------------------|----------------------|----------------------|
| Accruals | <u>0</u>           | <u>0</u>           | <u>2</u>             | <u>2</u>             |
|          | <u>0</u>           | <u>0</u>           | <u>2</u>             | <u>2</u>             |