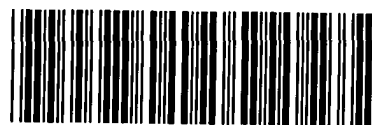


# childlife

4 charities helping children

Accounts for the year ended 31 March 2018

TUESDAY



A10 \*A7KJFZEP\* 11/12/2018 #249  
COMPANIES HOUSE

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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Trustees	S Millman	Chair of Trustees
	B McNaught	Honorary Treasurer
	A Feutchwang	(appointed 14-12-17)
	A Wright	
Secretary	A Rimington	
Chief Executive	A Rimington	
Charity number	1080536	
Company number	03696656	
Principle address	Westmead House	
	Westmead	
	Farnborough	
	Hampshire GU14 7LP	
Registered Office	Westmead House	
	Westmead	
	Farnborough	
	Hampshire GU14 7LP	
Auditors	Mazars LLP, Sutton	
	Times House	
	Throwley Way	
	Sutton	
	Surrey SM1 4JQ	
Accountants	Kings Mill Partnership	
	75 Park Lane	
	Croydon	
	Surrey CR9 1XS	
Bankers	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 2018. 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	- (appointed 14 December 2017)
M Somemimo	- (resigned August 2017)
A Wright	

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. 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 meets quarterly. A Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive Officer has delegated authority, within the terms of delegation approved by the Trustees, for operational matters including finance, employment, fundraising and charitable activities.

Donations received by Childlife are distributed 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 2017/18. 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 2017/18, 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 2017-18 £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 2017/18.

PFS Ltd carried out door to door fundraising to recruit 2055 new direct debit donors for Childlife. They also ran a campaign to recruit 2520 lottery plays both by door to door and private site. 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 the CEO carried out shadowing with the fundraisers.

Childlife is a member of four other consortiums which Bell Fundraising Ltd recruits donors through Payroll Giving to. 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 to the group.

Childlife received three complaints during 2017/18 regarding its 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 2017/18.

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 2017/18

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 2017/18 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. 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 precious moments for our children and families.

Over the last year, we have cared for 876 children and supported 1,097 families. We made 4,674 visits to families in their own homes and delivered 7,688 short residential stays for life limited children.

#### *Making every day count for our children and families*

Arthur suffers from NKH which is a rare genetic disorder that affects one child in every 76,000 born. Children with the condition have a problem breaking down the amino acid glycine.

Charlene, Arthur's mum said "we had a perfect pregnancy, after Arthur was born we noticed he wasn't feeding properly, I'd never heard him cry, never seen his eyes open and he was really, really floppy. After three days at home we were rushed back to hospital.

"He was put on a ventilator and after 10 days we were given the news he had NKH and that he only had weeks to live. Arthur was two months old when we came to Acorns for end of life care.

"I don't know if relief is the right word, but it was a relief to get to Acorns, to get away from the hospital. Arthur's dad Ashley and his sister Ellie came and stayed with us so we were together as a family.

"As time went on we could be a normal family at Acorns, we were able to go out with Arthur, go swimming with him, make as many memories as we possibly could.

"If Acorns didn't exist I dread to think where we'd be."

*We are currently working with more children and families than at any time in our 30 year history. We are very grateful for the support we receive from Childlife supporters who allow us to be there for those who need us – thank you.*

#### Ataxia UK

Ataxia UK is the leading national charity which supports people affected by ataxia and funds research into finding treatments and cures. The ataxias are a set of life-limiting neurological conditions which affect balance, speech, and coordination. There are no treatments for most ataxias. So far over 100 different genetic ataxias have been discovered, each requiring a different treatment.

The most common form of the condition is Friedreich's ataxia (FA), which is inherited from both parents. It usually shows symptoms during childhood or early puberty. The earlier FA begins to show, the faster it progresses, debilitating mobility, speech, and movement; it is often accompanied by heart problems. 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. 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: 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 spent £6m on research. Our research team has been invited to speak at a number of national and international conferences over the last year, raising awareness of ataxia in the research and healthcare world.

This year, we launched our Ataxia Ambassadors project: training our young people to talk to the general public, the media, attend events and be our spokespeople across the country. Not only does this raise awareness of ataxia, but research shows that volunteering improves people's sense of purpose and self-esteem. Through this project, we hope to encourage feelings of empowerment and confidence in young people affected by ataxia during their most formative years.



Being diagnosed with FA can be a traumatic experience for both the parents and the child concerned as they come to terms with what this means for their future. In the coming year, we will be increasing our focus on the mental well-being of children with ataxia and their parents, by developing services to reduce their isolation.

*Sue Millman, Chief Executive, Ataxia UK*

#### National Children's Bureau

The National Children's Bureau continues to drive and champion change across the whole sector with notable achievements in the last year. But we want more. We want better equal opportunities for all children and young people irrespective of their background. We want better, more unified services that are accessible at the right time, at the right place and better support for those delivering them. We want better understanding of the key challenges that children and young people are facing; we want their voice to be heard and acted upon. We want true recognition and respect for children and young people's rights; we want them to understand their rights, and to feel empowered and supported so they can grow up to live the life they wish to lead.

This is an ambitious agenda, but, over our history we have never shied away from identifying issues and finding solutions. The last year has provided exciting opportunities and equally challenging concerns. We have seen a rise in child poverty, further pressures on the services that children need, increasing signs of a rise in poor mental health amongst children and young people.

NCB's purpose takes us across the fundamental rights of children and young people that are essential for a safe, secure and happy childhood. We continue to address issues such as poverty, inequality, mental health and well-being. It is the collective strength of the NCB family as a whole that enables us to achieve our purpose; the Council for Disabled Children; the Anti-Bullying Alliance; the Childhood Bereavement Network; the Northern Ireland Anti-Bullying Forum; the Sex Education Forum. Our specialist focus on health and social care, early years, education equality, and our work on supporting outcomes based accountability across government departments, has been brought together in new and exciting ways.

The support we receive from Childlife enables us to work beyond our individual programs and make the links between children with disabilities, mental health challenges, children in need of additional support, children missing education, children living on the edge of care, children living in poverty. We are at our best when we can make the bridge between all the agencies that support children and their families, and use our knowledge and evidence to influence change across the whole system. We couldn't do this without Childlife.

Anna Feuchtwang

Chief Executive

### 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 much-needed help and advice via our Helpline (3,619 calls answered) and email service (4,293 messages responded to)
- running sports, creative and outdoor events that were attended by 332 deaf young people in England and Wales
- travelling the length and breadth of the UK with our Roadshow, reaching providing deaf awareness and other tailored sessions to almost 12,000 people
- loan 957 items to deaf children and young people via our 'Technology Test Drive' service, giving them the opportunity to try different pieces of kit and find out what works best for them
- delivering a programme of workshops, presentations and seminars to more than 1,600 professionals to help increase awareness and understanding of childhood deafness issues

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 £900,311 this increased from the previous year from £892,572. The main reason for the increase is the large investment in donor recruitment.

Expenditure on raising funds increased to £632,086 from £527,675, reflecting the increased spending on fundraising and a reduction in operational expenditure.

Expenditure on charitable activities was £224,346 versus the previous year of £429,825 reflecting the increase in investment. This included £200,000 of grant payments (2017: £400,500).

#### 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 2017-18 budget, the required reserve level for the year end was set at £167,817 (low) to £335,634 (high). The free reserves balance at 31<sup>st</sup> March 2018 was £223,552 and as such falls within the required reserves policy.

## Trustees Responsibilities in Relation to the Financial Statements - Year Ending 31<sup>st</sup> March 2018

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.

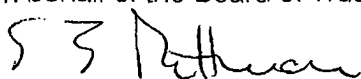
### Statement as to disclosure to our auditors

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.

On behalf of the Board of Trustees



S Millman  
Trustee

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

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### Opinion

We have audited the financial statements of Childlife (the 'charity') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet 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 applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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's 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.

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.

#### Opinions on other matters 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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 specific 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 12, 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's 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.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Nicola Wakefield

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

Date:

**CHILDLIFE**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating Income and Expenditure Account)  
**FOR THE YEAR ENDED 31st MARCH 2018**

		2018	2017
	Notes	£	£
<b>INCOME FROM:</b>			
<i>Donations and legacies</i>			
Donations	2	899,174	889,334
Other trading activities	3	948	2,338
Investments	4	189	900
<b>Total income</b>		<b>900,311</b>	<b>892,572</b>
<b>EXPENDITURE ON:</b>			
Raising Funds	5	632,086	527,675
Fundraising trading: costs of goods sold	5	-	295
		<b>632,086</b>	<b>527,970</b>
Charitable activities			
Promotion and support of member charities	5	224,346	429,825
<b>Total expenditure</b>		<b>856,432</b>	<b>957,795</b>
<b>Net income/(expenditure)</b>		<b>43,879</b>	<b>(65,223)</b>
Transfer between funds	15	-	-
<b>Net movement in funds</b>		<b>43,879</b>	<b>(65,223)</b>
Fund balance at 1 April 2017		180,749	245,972
<b>Fund balance at 31 March 2018</b>		<b>£ 224,628</b>	<b>£ 180,749</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.



CHILD LIFE

BALANCE SHEET AT 31st MARCH 2018

COMPANY NUMBER 03696656

	Notes	£	2018	£	2017	£
<b>FIXED ASSETS</b>						
Tangible assets	11			1,076		2,191
<b>CURRENT ASSETS</b>						
Debtors	12	30,061		23,222		
Cash at bank and in hand		292,924		270,552		
		<u>322,985</u>		<u>293,774</u>		
<b>CREDITORS</b>						
Amount falling due within one year	13	99,433		122,216		
<b>NET CURRENT ASSETS</b>				<u>223,552</u>		<u>171,558</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>£ 224,628</u>		<u>£ 180,749</u>
<b>REPRESENTED BY:</b>						
Accumulated Funds						
Unrestricted funds				224,628		180,749
				<u>£ 224,628</u>		<u>£ 180,749</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 XXth June 2018 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 2018

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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.

**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 2018

#### 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.

#### f) *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

#### g) *Leasing and Hire purchase commitments*

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

#### h) *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.

#### i) *Taxation*

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

#### j) *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.

# CHILD LIFE

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31st MARCH 2018

### 2 Donations and legacies

	Total 2018 £	Total 2017 £
Unrestricted funds:		
Payroll giving programme	130,802	148,116
Face-to-face programme	541,831	540,893
Sundry donations	8,584	1,094
Money box income	-	2,904
Smile a minute income	57,560	61,236
Friends at work scheme	51,569	47,939
Together for change	26,272	24,969
Make A Difference income	53,682	54,918
Community fundraising	1,385	2,587
Lottery income D2D	25,035	-
Other	2,454	4,678
	<b>£ 899,174</b>	<b>£ 889,334</b>

### 3 Income from other trading activities

	2018 £	2017 £
Trading income	948	2,338
Fundraising trading: costs of goods sold	-	(295)
Net activities for raising funds: trading income	<b>£ 948</b>	<b>£ 2,043</b>

### 4 Investment income

	2018 £	2017 £
Interest receivable	189	900

## 5 EXPENDITURE

### Analysis of total expenditure

	Raising funds	Charitable activities	Trading costs	2018 Total	2017 Total
Direct Costs	£	£	£	£	£
Staff costs including temp staff	67,072	12,776	-	79,848	83,935
Audit	-	6,654	-	6,654	7,180
Direct fundraising	521,310	-	-	521,310	416,634
Newsletter	-	60	-	60	4,178
Grant payments	-	200,000	-	200,000	400,500
	<b>588,382</b>	<b>219,490</b>	<b>-</b>	<b>807,872</b>	<b>912,427</b>
Support Costs					
Office costs	18,379	2,042	-	20,421	20,560
Legal & accountancy	2,109	234	-	2,343	2,453
IT	9,348	1,039	-	10,387	8,432
Depreciation	7,304	811	-	8,115	7,575
Other	6,564	730	-	7,294	6,348
Total expenditure	<b>£ 632,086</b>	<b>£ 224,346</b>	<b>£ -</b>	<b>£ 856,432</b>	<b>£ 957,795</b>
Total expenditure 2017	<b>£ 527,675</b>	<b>£ 429,825</b>	<b>£ 295</b>	<b>£ 957,795</b>	

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

The total governance costs amounted to £17,552. The prior year, 2017, being £18,296.

The total auditor's remuneration amounted to £6,654. The prior year, 2017, being £7,180.

# CHILDLife

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31st MARCH 2018

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

	Total 2018 £	Total 2017 £
<u>Costs of raising funds comprise:</u>		
Payroll giving donor recruitment	1,135	868
Face-to-face donor recruitment	243,841	263,758
Appeal mailings	3,644	3,686
Payroll consortia recruitment	121,473	121,170
Lottery D2D Recruitment & running costs	128,470	-
Direct debit processing	16,014	16,435
Telephone campaigns	4,297	6,997
Other costs	2,436	3,720
	<u>£ 521,310</u>	<u>£ 416,634</u>

### 7. Activities undertaken directly

	Total 2018 £	Total 2017 £
<u>Other costs relating to promotion and support of member charities comprise:</u>		
Newsletter printing	60	2,626
Newsletter postage	-	1,552
	<u>£ 60</u>	<u>£ 4,178</u>

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

	2018	2017
	£	£
Promotion and support of member charities	200,000	400,500

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:

	2018 £	2017 £
Acorn Children's Hospice Trust	50,000	100,125
Ataxia UK	50,000	100,125
National Deaf Children's Society	50,000	100,125
National Children's Bureau	50,000	100,125
	<u>£200,000</u>	<u>£ 400,500</u>

### 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 2018

### 10. Employees

#### Number of employees

The average monthly number of employees during the year was

Cost of raising income

Charitable activities

Total  
2018

Total  
2017

2.8

3.6

1.0

1.2

3.8

4.8

#### Employment costs

2018  
£

2017  
£

Wages and salaries

74,270

78,253

Social security costs

2,776

2,113

Other pension costs

2,801

3,569

£

79,847

£

83,935

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

#### Cost

As at 1 April 2017 and 31 March 2018

#### Depreciation

As at 1 April 2017

Charge for year

At 31 March 2018

#### Net Book Value

At 31 March 2018

As at 31 March 2017

Website £	Computer Equipment £	Fixtures, Fittings & Equipment £	TOTAL £
£ 12,954	£ 18,128	£ 2,864	£ 33,946
5,937	15,954	2,864	24,755
6,477	1,638	-	8,115
£ 12,414	£ 17,592	£ 2,864	£ 32,870
£ 540	£ 536	-	£ 1,076
£ 7,017	£ 2,174	-	£ 9,191

# CHILDLIFE

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31st MARCH 2018

### 12 DEBTORS

	2018	2017
	£	£
Other debtors	19,996	14,676
Prepayments and accrued income	10,065	8,546
	<u>£30,061</u>	<u>£ 23,222</u>

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

	2018	2017
	£	£
Trade creditors	1,318	2,229
Other creditors	5,250	5,752
Accruals	92,865	114,235
	<u>£99,433</u>	<u>£ 122,216</u>

### 11. 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 £2,801 (2017: £3,569)

### 14 Commitments under operating leases

At the 31 March 2018 the charity had total commitments under non-cancellable operating leases as follows:

	Land and Buildings	
	2018	2017
	£	£
Payments due:		
Within one year	6,912	9,216
Between 2 and 5 years		6,912
After five years		
	<u>£6,912</u>	<u>£16,128</u>

### 15 Transfer between funds

In the current year there were no transfer of funds. In 2017, £100,000 was released and transferred to the general fund to assist the Charity in meeting its day-to-day obligations.

### 16 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 (2017: £100,125 each) were payable to the four member charities during the financial year. At the year-end £20,000 (2017: £25,031 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.