

Registered number: 03958416
Charity number: 1080173

CHILDNET
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees

Mrs Tink Palmer, Chair
Mr Karl Hopwood
Mr Rob Wright
Mr Julian Coles
Miss Victoria Hordern
Mr Kevin Franklin (appointed 7 March 2022)

Company registered number

03958416

Charity registered number

1080173

Registered office

Studio 14, Brockley Cross Business Centre
96 Endwell Road
London
SE4 2PD

Company secretary

John Ryan

Chief executive officer

William Gardner

Independent auditors

Baldwin Scofield Ltd
Chartered Accountants
Registered Auditors
3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the Childnet for the 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

● **Policies and objectives**

The principal activity of the charity is the promotion of children's interests in international communications by means of education, training, and research.

In all the work undertaken by Childnet it is Childnet's aim to maintain its independence, leadership, and reputation.

The charity continues to express its core purpose as "helping to make the internet a great and safe place for children".

- (i) Access - Helping children and young people to use the net constructively, access positive online resources and help them create quality content.
- (ii) Awareness - Helping children and young people acquire new "net literacy" skills, giving advice to organisations, parents, teachers, and carers about internet safety.
- (iii) Protection - Helping to protect children and young people and prevent them from being exploited in the online environment provided by new technologies.
- (iv) Policy - Helping all sectors develop effective policy responses in line with the rapidly changing communications technology.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

● **Grant-making policies**

Under the terms of a grant from the European Commission (EC), supporting our work on project deSHAME and a related grant from Facebook, there was a requirement to disburse some of those funds as grants to our project partners Red Barnet (Save the Children Denmark), Kek Vonal (Hungary) and University of Central Lancashire (UK). The project finished last year so the disbursement of £8,830 (see note 8) took place after receipt of the final payment this year.

Very rarely one-off small grants may be made from unrestricted or restricted income in strict pursuance of the charity's objectives although none were made during the 2021-22 year.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

• Review of activities

The following gives a quarterly breakdown of the activities carried out by Childnet during April 2021 – 31st March 2022.

Certain key activities take place throughout the year. For example, Childnet's education and outreach work. This work, carried out by Childnet's education team would normally visit and present in person in primary and secondary schools across the country, and also in some nurseries and Sixth Form Colleges, running sessions for children, staff and parents and carers, to empower children and those that support them to be able to use technology safely and responsibly. The demand for this work continued throughout the year. At the start of this financial year this work continued to be impacted by the pandemic, and we were able to meet this by providing sessions online, both live and pre-recorded and then reverting to more in person as restrictions allowed and confidence returned. The team also assisted in the development of key resources and activities, and keeping all the materials up to date, including the Childnet and UK Safer Internet Centre websites. We collate the questions we receive during the sessions with children, parents and carers and staff, and try to respond to the recurring themes in blogs posted on our website.

Childnet continued to be active members of the UK Council for Internet Safety (UKCIS). The CEO, Will Gardner, has been part of the Executive Board since April 2013. Although the Executive Board did not meet during this period, Childnet were active members of the UKCIS Evidence Group, and host the findings of this group, i.e., a summary of the latest research in the area of children's online activity and safety issues on our UK Safer Internet Centre website. Childnet were also active members of the UKCIS Education group, represented by Tom Pinfield. Childnet's Deputy CEO (Kate Jones, followed by Kate Travers) were members of the Digital Resilience Working group. Phoebe Moriarty Roberts was part of the Vulnerable Users Working Group, and Will Gardner founded and chairs the Early Warning Working Group, made up of helplines, hotlines, and law enforcement. Will Gardner is a member of the Anti-Bullying Alliance Advisory Group and is on the Advisory Board for Internet Matters, a parents' portal established by the four major ISPs. Childnet have done a range of media work, including a range of TV, radio, newspaper, and online media interviews. In this work they have been able to help spread awareness messages. It is mentioned later, but on Safer Internet Day 2022 (8th February), which Childnet organised for the UK, there was a media reach of 140 million people, across national TV, national and local radio and online. Childnet have also been interviewed by and met with several researchers in this area.

Childnet also continued to be members of the Twitter "Trust & Safety Council" and Facebook's Safety Advisory Board.

Childnet staff have presented at and chaired panels at a number of national and international conferences.

Childnet, with partner organisations the South West Grid for Learning (SWGfL) and the Internet Watch Foundation (IWF), continued in their role as the UK Safer Internet Centre, a role part funded, until the end of January 2022, by the European Commission's Connecting Europe Facility (CEF). In this role, Childnet form the Awareness Centre, and joins a network of European Safer Internet Centres called INSAFE, with whom we share ideas and best practice. We develop safety resources for the UK, organise youth participation and youth voice, and organise Safer Internet Day in the UK. UKSIC project VI began in January 2021 and ran until the end of January 2022. With support from Nominet and the Department for Digital Culture Media and Sport the project continued during this period (end of March 2022), and Nominet have committed to part-funding this project for the next three years.

April to September 2021:

We had launched the final resources as part of Project deSHAME II on 30th March 2021, and we were actively disseminating these materials to support tackling online sexual harassment among children during this period. These resources are for parents and educators working with 9-12s and add to the earlier work we had done for teens on this issue. We worked with the app Yubo to develop core messages to be disseminated on the Yubo platform directly to the teen and young adult audience to identify and prevent online sexual harassment and to inform users what they can do when it happens.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

Over this period Childnet developed and released a number of new resources, including for 4–6-year-olds, as well as blogs to inform parents and carers as well as educators on services such as Twitch. The Education team were also supporting schools by providing pre-recordings of the activity days that they would ordinarily have run face-to-face with young people in schools, as well as running live online sessions with children, parents and carers and staff.

Will Gardner and other Childnet staff also spoke at several national conferences in April, May, June, and July - all these events were online during this period. Will Gardner gave evidence to the APPG inquiry on coerced self-generated indecent images. Kate Jones, Deputy CEO, chaired a national conference in August. Will chaired the UKCIS Early Warning Working Group, bringing together helplines across the country, and the hotline, law enforcement and Government departments to discuss online risk and harm in its current form.

It was the 12th year of Childnet's annual Film Competition. The theme was 'Separating fact from fiction. Finding trustworthy information online'. The Competition had three categories, one for primary schools and one for secondary, and a Storyboard category, to enable those without the equipment to film to participate. We had an amazing number of entries, and the standard was incredibly high. The judges were David Austin, CEO of the BBFC, Catherine McAllister from the BBC, Mark Reid from the BFI, and Lisa Prime from BAFTA, Stan McCoy from the MPA (Motion Picture Association), and James Filippatos from Disney. There was no physical event to announce the winners this time due to Covid concerns, so we created a Big Reveal film which we made live on YouTube on 1st July, see <https://youtu.be/D4B5o0euMuk>. The films of all 6 finalists were hosted on BBC OwnIt.

Childnet collaborated on a post Film Competition project to feature in the MPA's 'Film School Friday' our future storytellers. This year's secondary category winner Rosalyn, plus 2 past winners (Keith and Jude) joined the panel to be interviewed by Will Gardner, Childnet CEO. Keith also participated in the second panel with the MPA and Disney. It was a fantastic testament to Film Comp and how it has helped shape their chosen careers. <https://www.motionpictures.org/event/film-school-friday-our-future-storytellers/>

We ran an international film competition for the first time, getting entries from all over, including Moldova, Mexico City, Dubai, Kazakhstan, Turkey, India, Dublin, and Myanmar. We announced the winning entries from Kazakhstan and the UAE on 13th September.

Will Gardner, CEO, was re-elected to the Advisory Board of the Anti-bullying Alliance.

Will Gardner joined the newly formed Children's Panel of the ICO, supporting around the Age-Appropriate Design Code which came into force in September. Will also joined an expert steering group set up by the new Children Commissioner, Dame Rachel de Souza, for a project working with 16 to 21-year-olds to develop guidance for parents on how to best support their children manage their online lives and relationships.

Work continued on Project Thrive Online, which is supported by the Google.org Impact Challenge, and will lead to the development of resources for educators working with children with SEND covering online pornography, healthy relationships, and digital wellbeing, as well as support for parents of children with SEND. It will also develop content for the Digital Leaders programme. During this period, we were reviewing research we carried out with the target audience and with these findings we were starting to develop resources including lesson plans and films.

The Childnet Digital Leaders Programme is a peer education programme. Schools subscribe and recruit 8-10 pupils as Digital Leaders. These pupils complete online training modules and they then work to earn badges by completing tasks, such as running an education awareness session for their peers, or for parents or staff. During this period, we gave all the modules and the platform an overhaul and complete refresh to help ensure it continue to be as engaging as it needs to be for children and young people.

We continue to run the Digital Leaders Plus project, with support from Nominet. This project includes providing a bursary scheme for schools in the least economically advantaged areas of the UK to access the programme, and during this period we were signing up schools for this project.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

We held a UK Safer Internet Centre Advisory Board meeting in June (online). This meeting is chaired by Childnet's CEO, bringing together key stakeholders from industry, the charity sector, Government, education, academia and more.

The UK Safer Internet Centre runs the secretariat for the All Party Parliamentary Group (APPG) on social media, chaired by Chris Elmore MP. In September it launched its report on coerced self-generated images.

Jess Parsons, Education Officer, left the Childnet team in May, and Marie Sedge did not return after the end of her maternity leave in August.

Ellie Proffitt, Education Manager returned from maternity leave in September and Sharon McQuarrie re-joined Childnet as Office Manager.

October to December 2021:

We recruited a Communications and Marketing Officer, Ben House, as well as an Education Officer, Joe Ruocco.

In preparation for Safer Internet Day 2022 we held stakeholder meetings, bringing representatives from many organisations together to be briefed on the forthcoming Safer internet Day and support their early planning. These were online events and we had large turnouts. We held a central event, and subsequent ones for Wales and Scotland. The Education packs were launched, having also been translated into Welsh, and the focus this year is on respect and relationships online, with a particular focus on online games. There were packs created for primary and secondary, and they included Assembly plan, lesson plan, quick ideas to teachers, as well as a pack for schools to provide to parents and carers. The Welsh Government supported the translation of these resources into Welsh.

The education and outreach work of Childnet was firmly back in schools again. During this period, we also did some other bespoke sessions, including for example to Tower Hamlets CAMHS (Children & Adolescents, Mental Health Services), 200 Secondary PGCE students at the University of Birmingham, a bespoke virtual session for Walsall Academy (combined Y7 and parent and carer audience) as well as delivering a bespoke parents and carers session for a kindergarten tailored for parents of under 5s.

Childnet participated and spoke at a number of events over this period. For example, Will Gardner spoke at the Council of International Schools conference. Anisa from Childnet's youth advisory board participated in the Better Internet for Kids Youth Panel for the Safer Internet Forum, joining up with other young people from across the EU to have their voices heard by delegates from all sectors. Ellie Proffitt ran a workshop at the INSAFE training meeting in November on online sexual harassment among children, and Will Gardner chaired a panel at the same meeting. We also participated in several roundtables, including at Nominet's launch of the Digital Youth Index and others related to the developing Online Safety Bill.

Kate Jones, Deputy CEO spoke at the APPG on videogaming, sharing our insights into online safety and gaming.

We launched a resource called Moving on up targeting supporting children who are about to or have just transitioned from primary to secondary schools. We also launched two new illustrated Digiduck books online, and these were also translated into Greek by the Greek Safer Internet Centre for use there. We also produced a new lesson plan for use with 8-12s on video-sharing platforms.

We launched a new Childnet website as well as a new UK Safer Internet Centre website. This was the complete redevelopment of these two sites, giving us greater functionality and stability. SuperAwesome/Epic supports the redevelopment of the Childnet website. We also carried a redesign of the Childnet brand, the first since Childnet started, after consulting with children and young people.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

Kate Jones, Deputy CEO, left Childnet and we actively recruited her replacement.

January to March 2022:

The UK Safer Internet Centre Project VI began on January 1st, 2021, and ran with part-EU funding until the end of January 2022, and continued with support from Nominet and the DCMS to the end of this period, with Nominet committing to part-supporting this work going forward.

Kate Travers joined Childnet as Deputy CEO. Joe Ruocco, Education Officer, left Childnet.

Childnet organised and ran Safer Internet Day (SID) in the UK (8th February). We took a collaborative approach to the Day, encouraging and mobilising a large number of organisations and schools to support the Day. This was the biggest Safer Internet Day ever, reaching 54% of children and 32% of parents. Of the children that heard SID messages, 80% felt more confident about what to do if they were worried about something online. Of the parents that heard SID messages, 67% talked to their children about using the internet safely. Huge reach and huge impact, growing even on the record-breaking previous year.

Each February for Safer Internet Day, hundreds of organisations right across the UK get involved to help inspire the safe and positive use of technology. In the UK we marked Safer Internet Day by mobilising people across the UK 'Together for a better internet' and explore how a better internet starts with each and every one of us.

The theme for this year's Safer Internet Day in the UK was respect and relationships online with a particular focus on online gaming, and we released a research report into this – 'All fun and games? Exploring young people's experiences of respect and relationships in online games' - which was drawn from a survey of over 2000 young people aged 8-17 across the UK. The Safer Internet Day campaign saw so many come together to help inspire a national conversation about using technology responsibly, respectfully, critically, and creatively. Over 3,400 organisations across the UK delivered activities for the day, including schools, police forces, government, companies, football clubs, charities, and others – more than ever before, up from 2,100 in 2021.

All these organisations came together to deliver a range of inspiring activities to encourage the safe and positive use of technology. They joined hundreds of individuals supporting the #SaferInternetDay social media campaign and #PlayYourPart. The social media campaign trended on Twitter throughout the Day.

There were youth events across the UK (although they were virtual) which helped ensure that the day really reflected the voice of young people. At these events young people spoke in front of Government ministers, policy makers, industry representatives and more, with opportunities to share their experiences of being online and their recommendations for how this space can be improved for young people.

BT supported us to hold a livestreamed event. It was hosted by Seema Jaswal live from the BT Tower, and featured live guests, including a panel of young people talking about SID and the theme, Will Gardner went through the research in discussion with Seema, Chris Philp DCMS Minister spoke at the event in person, and we had several pre-records, from DfE Minister Will Quince, from Marc Allera of BT, and of young people from all over the UK sharing their opinions, as well as live updates from our social feeds. The highlight was undoubtedly a live panel of young people answering questions. The BT Tower displayed the SID message.

Schools across the UK used the UK Safer Internet Centre's Education Packs, developed by Childnet, and the accompanying Safer Internet Day TV films (developed by the SWGfL) to explore these issues. In fact, there were over 125,000 downloads of the educational resources prepared for SID, and almost 1 million views of the SID films.

A group of Childnet Digital Leaders also spoke with MPs at a virtual meeting for Parliamentarians on Safer Internet Day, sharing their perspectives on the theme of respect and relationships online and online gaming.

In addition to support from Nominet for Safer Internet Day 2022, we secured support from Apple, Amazon, Netflix, Twitter, Roblox, Lego, Samsung, Vodafone, Supercell, and we ran a project with DCMS support to help

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

carry Safer Internet Day messages to the LGBTQ+ community using influencers.

The Film Competition 2022 was launched in February 2022, with the theme, 'All fun and games? Exploring respect and relationships online. What can we all do to play our part?' We have financial support from the Motion Picture Association as well as from Disney for this Competition, as well as from the Nominet (as part of our UK Safer Internet Centre work).

Will Gardner spoke at several conferences and meetings over this period, including, in January, a Council of International Schools conference.

Will Gardner chaired meetings of the Early Warning Working Group of the UKCIS Executive Board every 6 weeks throughout this period. There were no meetings of the UKCIS Executive Board.

Kate Travers represented Childnet at a techUK roundtable in Parliament discussing the Online Safety Bill.

Four Childnet Digital Champions (drawn from our Digital Leaders) took part in a roundtable with MPs.

Childnet joined the Noplace2hide campaign to prevent existing services popular with children from moving to an End-to-end encrypted environment.

The Education team ran CPD sessions for NASUWT and NEU members.

The process of recruiting 10 young people to join a new Youth Advisory Board at Childnet began, and we are targeting May to have a 2-day residential to bring these young people together. This work is part of the UKSIC project, so has support from Nominet, and we also have matched this support with support from Twitch.

In a challenging economic environment, Childnet has been grateful to receive funding not aforementioned from Facebook, Trend Micro, techUK, the Garfield Weston Foundation, the Dulverton Foundation, Mainhouse Trust, Arnold Clark Community Fund, and the Swire Trusts, together supporting a range of work, including the development of educational resources and Childnet's role in the UK Safer Internet Centre.

• Factors relevant to achieve objectives

Childnet has consistently built its reach and impact of its work and there are several factors involved in this. The staff at Childnet are experts in their areas and absolutely recognise the importance of the work they are doing - as such they are dedicated to the objectives of the organisation. The Board of Trustees provide great oversight of the organisation and their expertise and experience provide an invaluable resource and support.

Childnet builds strong and effective partnerships and sees working in collaboration key to successful implementation of its mission. Building a great coalition of support for Safer Internet Day, with key supporters like the BBC and Liverpool Football Club, has been successful in getting great reach and impact. The Childnet Digital Leaders programme is core to Childnet's mission of empowering children and young people, and really giving them agency and voice in their communities.

Financial review

• Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the principal funding section below.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

● **Reserves policy**

For the year ending 31 March 2022, the Directors and Trustees had previously set a reserves policy objective of having a level of reserves sufficient to cover 3 months operational costs at any one time. This is estimated currently to be around the region of £220,000. This was reviewed during the year. It was decided that this level should remain in place, although it remains an aspiration to increase it in the future as funding allows.

● **Material investments policy**

Childnet does not currently have sufficient funds to justify a long-term investment policy. However, professional advice is sought on short-term commitment of funds to high interest-bearing accounts for appropriate periods which bring the best return for the charity while maintaining liquidity.

Childnet also uses the services of an Independent Financial Advisor in making and implementing pension scheme decisions for its staff.

● **Principal funding**

During the year the total incoming resources of the charity amounted to £1,151,313 (2021: £959,538) and total resources expended were £1,076,068 (2021: £940,226). This resulted in a surplus of £75,245 for the year (2021: surplus £19,312). The reserves therefore stood at £217,069 at the year end (2021: £141,824), of which £Nil was restricted and £217,069 was unrestricted (2021: £21,946 and £119,878 respectively).

Going forward the Directors/Trustees have acknowledged with the auditors that there is a significant challenge in being able to continue to fundraise, especially for unrestricted income, for Childnet's work as a non-crisis intervention charity. At the date of this report, so long as the assumptions used in preparing forecasts remain valid, there is sufficient funding for the current operations to be maintained for the foreseeable future. The Directors/Trustees and staff are actively reviewing all areas of the charity's activities and future operations, options for reducing costs and securing grants and donations to continue the operations within the funds available.

Structure, governance and management

● **Constitution**

The company is registered as a charitable company limited by guarantee (registered charity number 1080173) and was set up by a Memorandum of Association on 28 March 2000. On the 1st April 2000 the net assets and activities of the charitable trust Childnet International, which had been founded in 1995, were transferred to Childnet, having the same objects and trustees at that time.

The above-mentioned documents outline the objectives of the charity including:

- (i) To advance the education of the public in any part of the world in all aspects of computer communications and Internet technology including the most effective software for the education and training of children;
- (ii) To advance the education and training of children in any part of the world in and by the use of computer communications and Internet technology;
- (iii) To protect the moral welfare of children in any part of the world by the promotion of measures directed to prevent their exposure to racist, pornographic, obscene or other harmful electronic computer and televisual material.
- (iv) Such other charitable purposes as may from time to time be determined.

There have been no changes in the objectives since the last annual report.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

• Methods of appointment or election of Trustees

Childnet had 5 trustees on the 1st of April 2021. Kevin Franklin joined the board as Honorary Treasurer on 7 March 2022, meaning Childnet had 6 trustees at the year end 31 March 2022.

Trustees are selected against a clear job description and criteria which have been updated by the CEO and Trustees over the last few years.

Trustees are recruited following periodic Trustee audits in which areas of expertise are reviewed and new candidates identified.

• Organisational structure and decision-making policies

The Board of Childnet is made up of the people listed on the page 1 who have a range of relevant experience in education, marketing, child protection and the computing and telecommunications industries.

The Board delegates responsibility for the day-to-day management of the charity to the Chief Executive who is involved in all issues of strategic direction, management of staff and resources, policy along with the Deputy Chief Executive and, with support from the Childnet Business Manager, the financial management of the organisation.

Childnet is run on a day-to-day basis by the Chief Executive Officer who reports to the Board of Trustees through the Chair of Trustees regularly. Trustees meet with the CEO, the Deputy CEO and Business Manager (who is also the Company Secretary) formally 4 or 5 times a year. However, communication takes place between the chair and CEO on a regular basis. Reports are submitted from the CEO and Business Manager to each Trustee meeting outlining progress against targets and actions agreed. Full minutes of these meetings are taken and signed as an accurate record of each meeting at the beginning of the next meeting. Additionally, interim finance meetings are held as and when required.

The CEO and Business Manager have authority to carry out the duties of the organisation, as agreed in the business plan and budget at the start of each financial year (1st April – 31st March). This includes the employing of staff, expenditure to carry out agreed project work as well as communication within and outside of the organisation. Spending limits are set and all expenditure over £3,000 is authorised by the Chair of Trustees, and this process is verified separately by the Honorary Treasurer.

The Chair of Trustees meets with the CEO and Business Manager prior to each Trustee's Meeting to review progress since the last meeting, including reviewing action points and matters arising, to set the agenda and to provide a report to the full Board of Trustees.

The Honorary Treasurer also meets with the CEO and Business Manager before each Trustee's meeting to review progress on expenditure and income. His written report is submitted to the trustees as a further check and balance.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

• **Policies adopted for the induction and training of Trustees**

Each Trustee is given a full induction which includes:

- (i) Going through the job description (there are separate detailed job descriptions for Chair and Honorary Treasurer).
- (ii) Advice from the Charity Commission on their duties.
- (iii) Full set of Company papers including policies on equal opportunities, child protection, staff computer use, ethos and values and staff contracts.
- (iv) the offer of training on their role and duties as well as provided with support in their work from the staff, including updates on legislation and best practice within the voluntary sector.
- (v) Trustees now have to complete full DBS clearance as part of their appointment.

• **Related party relationships**

Childnet seeks to co-operate with many agencies around the world who share the objective of promoting safe and fun internet use for children. This is an area that has continued to grow throughout the past year but none of these activities justify the reporting of a related party relationship or transaction.

Over this period Childnet did not operate any independent bodies or companies or trading subsidiaries. As an organisation Childnet has a number of formal and informal partnerships with other charities, funders, and organisations. All formal partnerships and major contractual relationships are reviewed and approved by Trustees before signature.

As a member of the consortium that makes up the UK Safer Internet Centre, Childnet has a formal partnership agreement with both the South West Grid for Learning (SWGfL) and the Internet Watch Foundation (IWF) in respect of these part-European Commission (EC) funded projects.

As the lead member of the consortium that makes up the deSHAME project for the EC, Childnet has a formal partnership agreement with Red Barnet (Save the Children Denmark), Kek Vonal (Hungary) and University of Central Lancashire.

Childnet is a member of the Anti-Bullying Alliance (ABA) and the Sex Education Forum (SEF).

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

• Financial risk management

The Directors and Trustees acknowledge their responsibility for the management of risk and building on the previous full risk audits that the Trustees completed, they have continued to work with senior staff in identifying and managing risks which Childnet might face as well as the responses to these risks. Elements of this are reviewed annually.

To manage elements of potential risk, Childnet maintained contact with our solicitor for expert legal advice as needed and ensured that we continued to keep abreast of potential risks and to include periodic monitoring and assessment of these risks in reports to Trustees. In addition, the Childnet staff have worked to strengthen a number of policies and processes to do with financial management and risk analysis including:

- (i) The process set in motion in 2021 to recruit a new Honorary Treasurer to review accounts, financial reporting, and business management, resulted in Kevin Franklin being appointed in March 2022.
- (ii) Further updating and maintenance of staff contracts.
- (iii) Ensuring that all new Childnet staff and trustees were checked by the Disclosure & Barring Service (DBS), with enhanced clearance where appropriate.
- (iv) Updating annually the Childnet Child Protection Policy in light of Childnet's own advice to others about moderation and online child protection.
- (v) Retaining the services of an Independent Financial Advisor in respect of pension and life assurance arrangements.
- (vi) Ensuring that all contracts signed by Childnet with sponsors or partners are reviewed by the Business Manager and Childnet's solicitor where appropriate to ensure that there are proper safeguards in place for Childnet.

In addition, all The Directors and Trustees intend to revisit the risk assessment issues on a regular basis at Board meetings and continue to implement strategies to minimise the risks and ensure best practice.

Plans for future periods

Childnet is committed to the highest quality of operations (internal procedures, governance, staff training and development etc.). During the next 12 months the organization is continuing to keep in place and develop procedures which include:

- (i) Continuing to review the make-up of the Trustee body and recruit additional trustees
- (ii) Continuing to strengthen our internal monitoring and evaluation processes
- (iii) Ensuring that the organisation continues to have strong reference and participation from children and young people
- (iv) Strengthening the fundraising and promotion of the organisation with the appointment or appropriate outsourcing of fundraising personnel
- (v) Continuing to regularly review the strategic direction of the organisation
- (vi) Developing staff through regular training and supervision and ensure that all internal policies are constantly updated
- (vii) Formally review Childnet's international strategy.

Members' liability

The Members of the Company guarantee to contribute an amount not exceeding £1 to the assets of the Company in the event of winding up.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . 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 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Baldwin Scofield Ltd, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 21 November 2022 and signed on their behalf by:



Mrs Tink Palmer

CHILDNET
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILDNET

Opinion

We have audited the financial statements of Childnet (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 Financial Reporting Standard 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 charitable company's affairs as at 31 March 2022 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

CHILDNET
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILDNET (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

CHILDNET
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILDNET (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are those that relate to the reporting framework in conformity with the requirements of the Companies Act 2006 and the relevant direct and indirect tax compliance regulations in the United Kingdom.

We understood how Childnet is complying with those frameworks by making enquiries of management to understand how the charitable company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation and minutes of meetings of those charged with governance.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the risk of management override to be a fraud risk. In addition, we considered the risk of management override by sampling from the entire population of journals, identifying specific transactions which did not meet our expectations based on specific criteria and investigated these to gain an understanding and then agree back to source documentation.

Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved verifying that material transactions were recorded in compliance with Financial Reporting Standards in conformity with the requirements of the Companies Act 2006.

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. This description forms part of our Auditors' report.

CHILDNET
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILDNET (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.



Baldwin Scofield Ltd
Chartered Accountants
Registered Auditors
3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

21 November 2022

Baldwin Scofield Ltd are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CHILDNET
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	797,592	177,678	975,270	779,896
Charitable activities	4	-	176,024	176,024	179,492
Other trading activities	5	-	2	2	2
Investments	6	-	17	17	148
Total income		797,592	353,721	1,151,313	959,538
Expenditure on:					
Raising funds	7	-	215	215	231
Charitable activities	9	889,889	185,964	1,075,853	939,995
Total expenditure		889,889	186,179	1,076,068	940,226
Net (expenditure)/income		(92,297)	167,542	75,245	19,312
Transfers between funds	19	70,351	(70,351)	-	-
Net movement in funds		(21,946)	97,191	75,245	19,312
Reconciliation of funds:					
Total funds brought forward		21,946	119,878	141,824	122,512
Net movement in funds		(21,946)	97,191	75,245	19,312
Total funds carried forward		-	217,069	217,069	141,824

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 36 form part of these financial statements.

CHILDNET
(A company limited by guarantee)
REGISTERED NUMBER: 03958416

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	6,250	2,530
Investments	15	1	1
		<u>6,251</u>	<u>2,531</u>
Current assets			
Debtors	16	202,093	353,041
Cash at bank and in hand		366,150	202,662
		<u>568,243</u>	<u>555,703</u>
Creditors: amounts falling due within one year	17	(357,425)	(416,410)
Net current assets		<u>210,818</u>	<u>139,293</u>
Total net assets		<u><u>217,069</u></u>	<u><u>141,824</u></u>
Charity funds			
Restricted funds	19	-	21,946
Unrestricted funds	19	217,069	119,878
Total funds		<u><u>217,069</u></u>	<u><u>141,824</u></u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 21 November 2022 and signed on their behalf by:


Mrs Tink Palmer

The notes on pages 20 to 36 form part of these financial statements.

CHILDNET
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	171,218	(118,318)
Cash flows from investing activities		
Purchase of tangible fixed assets	(7,730)	(2,490)
Net cash used in investing activities	(7,730)	(2,490)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	163,488	(120,808)
Cash and cash equivalents at the beginning of the year	202,662	323,470
Cash and cash equivalents at the end of the year	366,150	202,662

The notes on pages 20 to 36 form part of these financial statements

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The company is registered as a charitable company limited by guarantee (registered charity number 1080173) and was set up by a Memorandum of Association on 28 March 2000.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Childnet 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.

2.2 Income

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £150 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Office equipment	- 25% straight line
Computer equipment	- 33% straight line

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	70,700	12,417	83,117
Grants	726,892	117,974	844,866
Government grants	-	47,287	47,287
	<u>797,592</u>	<u>177,678</u>	<u>975,270</u>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. Income from donations and legacies (continued)

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	107,342	67,705	175,047
Grants	443,443	63,049	506,492
Government grants	96,116	2,241	98,357
	<u>646,901</u>	<u>132,995</u>	<u>779,896</u>

4. Income from charitable activities

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Consultancy income	89,386	89,386
Programme and other income	85,705	85,705
Consultancy expenses recovered	933	933
	<u>176,024</u>	<u>176,024</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Consultancy income	57,815	57,815
Programme and other income	121,677	121,677
	<u>179,492</u>	<u>179,492</u>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Net income - Everyclick	2	2
	<u>2</u>	<u>2</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Net income - Everyclick	2	2
	<u>2</u>	<u>2</u>

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income - bank interest	17	17
	<u>17</u>	<u>17</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income - bank interest	148	148
	<u>148</u>	<u>148</u>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £
Fundraising expense	215	215

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Fundraising expenses	231	231

8. Analysis of grants

No grants made in 2021.

	Grants to Institutions 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Disbursements made	8,830	8,830	-

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Direct costs of charitable activities	804,780	271,073	1,075,853

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total 2021 £</i>
Direct costs of charitable activities	688,756	251,239	939,995

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Direct costs of charitable activities	799,191	8,830	267,832	1,075,853

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Direct costs of charitable activities	748,880	191,115	939,995

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Charitable activities 2022 £	Total funds 2022 £
Salaries and wages	641,395	641,395
Staff costs	18,034	18,034
Consultancy	14,211	14,211
Hire of premises	22,997	22,997
Design and print	95,126	95,126
Motor and travel	7,428	7,428
	<u>799,191</u>	<u>799,191</u>

	<i>Charitable activities 2021 £</i>	<i>Total funds 2021 £</i>
Salaries and wages	650,604	650,604
Staff costs	3,035	3,035
Consultancy	15,841	15,841
Hire of premises	5,513	5,513
Design and print	72,632	72,632
Motor and travel	1,255	1,255
	<u>748,880</u>	<u>748,880</u>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Support activities 2022 £	Total funds 2022 £
Rent and rates	21,337	21,337
Heating and lighting	2,196	2,196
Postage, printing and stationery	1,638	1,638
Telephone and communications	2,172	2,172
Publicity and marketing	52,208	52,208
Website design and hosting	131,653	131,653
Repairs and renewals	7,775	7,775
Bank charges and interest	862	862
Professional HR costs	5,583	5,583
Leasing charges	1,021	1,021
Computer costs	7,659	7,659
Other	23,882	23,882
Governance costs	9,846	9,846
	<u>267,832</u>	<u>267,832</u>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Support activities 2021 £</i>	<i>Total funds 2021 £</i>
Rent and rates	21,078	21,078
Heating and lighting	1,435	1,435
Postage, printing and stationery	1,183	1,183
Telephone and communications	2,721	2,721
Publicity and marketing	77,631	77,631
Website design and hosting	37,085	37,085
Repairs and renewals	8,481	8,481
Bank charges and interest	875	875
Professional HR costs	1,746	1,746
Leasing charges	787	787
Computer costs	14,153	14,153
Other	16,563	16,563
Governance costs	7,377	7,377
	<u>191,115</u>	<u>191,115</u>

11. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	4,740	5,040
Fees payable to the Company's auditor in respect of: All non-audit services not included above	900	-

12. Staff costs

	2022 £	2021 £
Wages and salaries	542,575	547,253
Social security costs	47,395	49,139
Contribution to defined contribution pension schemes	51,425	54,211
	<u>641,395</u>	<u>650,603</u>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	2022	2021
	No.	No.
Charity operations and administration	18	18

No employee received remuneration amounting to more than £60,000 in either year.

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £186 were reimbursed or paid directly to 1 Trustee (2021 - £NIL to Trustee). The expenses were travel and subsistence costs incurred in attending trustee meetings.

14. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2021	12,971	32,886	45,857
Additions	3,218	4,512	7,730
Disposals	-	(1,939)	(1,939)
At 31 March 2022	16,189	35,459	51,648
Depreciation			
At 1 April 2021	12,857	30,470	43,327
Charge for the year	919	3,091	4,010
On disposals	-	(1,939)	(1,939)
At 31 March 2022	13,776	31,622	45,398
Net book value			
At 31 March 2022	2,413	3,837	6,250
At 31 March 2021	114	2,416	2,530

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2021	1
	<hr/>
At 31 March 2022	1
	<hr/> <hr/>
Net book value	
At 31 March 2022	1
	<hr/>
At 31 March 2021	1
	<hr/> <hr/>

16. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	56,101	48,109
Other debtors	2,022	10,152
Prepayments and accrued income	143,970	294,780
	<hr/>	<hr/>
	202,093	353,041
	<hr/> <hr/>	<hr/> <hr/>

17. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	29,802	33,859
Other taxation and social security	25,277	12,265
Other creditors	-	5,170
Accruals and deferred income	302,346	365,116
	<hr/>	<hr/>
	357,425	416,410
	<hr/> <hr/>	<hr/> <hr/>

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. Financial instruments

	2022	2021
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	366,151	202,663

Financial assets measured at fair value through income and expenditure comprises balances held by the bank.

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19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
General fund	119,878	353,721	(186,179)	(70,351)	217,069
Restricted funds					
Facebook Digital Leaders	9,946	70,700	(70,754)	(9,892)	-
UK Safer Internet Centre	12,000	282,852	(428,052)	133,200	-
deSHAME 2	-	22,313	(22,313)	-	-
Google Thrive	-	111,338	(111,465)	127	-
Nominet DL plus	-	37,849	(37,862)	13	-
Nominet SIC transition	-	56,519	(91,892)	35,373	-
Nominet SID 2022	-	208,759	(120,288)	(88,471)	-
International film	-	7,262	(7,263)	1	-
	21,946	797,592	(889,889)	70,351	-
Total of funds	141,824	1,151,313	(1,076,068)	-	217,069

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
Unrestricted funds					
General fund	86,226	312,637	(195,965)	(83,020)	119,878
Restricted funds					
Facebook Digital Leaders	36,286	17,080	(43,420)	-	9,946
UK Safer Internet Centre	-	467,852	(538,211)	82,359	12,000
deSHAME 2	-	100,993	(101,534)	541	-
Google Thrive	-	18,575	(18,626)	51	-
Nominet DL plus	-	42,401	(42,470)	69	-
	<u>36,286</u>	<u>646,901</u>	<u>(744,261)</u>	<u>83,020</u>	<u>21,946</u>
Total of funds	<u>122,512</u>	<u>959,538</u>	<u>(940,226)</u>	<u>-</u>	<u>141,824</u>

20. Summary of funds

Summary of funds - current year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
General funds	119,878	353,721	(186,179)	(70,351)	217,069
Restricted funds	21,946	797,592	(889,889)	70,351	-
	<u>141,824</u>	<u>1,151,313</u>	<u>(1,076,068)</u>	<u>-</u>	<u>217,069</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

20. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
General funds	86,226	312,637	(195,965)	(83,020)	119,878
Restricted funds	36,286	646,901	(744,261)	83,020	21,946
	<u>122,512</u>	<u>959,538</u>	<u>(940,226)</u>	<u>-</u>	<u>141,824</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	6,250	6,250
Fixed asset investments	1	1
Current assets	568,243	568,243
Creditors due within one year	(357,425)	(357,425)
Total	<u>217,069</u>	<u>217,069</u>

Analysis of net assets between funds - prior year

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	2,530	2,530
Fixed asset investments	-	1	1
Current assets	21,946	533,757	555,703
Creditors due within one year	-	(416,410)	(416,410)
Total	<u>21,946</u>	<u>119,878</u>	<u>141,824</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	75,245	19,312
Adjustments for:		
Depreciation charges	4,010	3,426
Decrease/(increase) in debtors	150,948	(243,515)
Increase/(decrease) in creditors	(58,985)	102,459
Net cash provided by/(used in) operating activities	171,218	(118,318)

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	366,150	202,662
Total cash and cash equivalents	366,150	202,662

24. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	202,662	163,488	366,150
	202,662	163,488	366,150

25. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £51,425 (2021 - £54,211).