

Registered number: 03958416
Charity number: 1080173

CHILDNET
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018



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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2018**

Trustees

Mrs Tink Palmer, Chair
Mr Peter Stevens
Mr Graham Wallace
Mr Karl Peter Hopwood
Mr Rob Wright
Mr Julian Coles

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 2018

The Trustees present their annual report together with the audited financial statements of the company for the year 1 April 2017 to 31 March 2018. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the 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 (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

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.

● **GRANT MAKING POLICIES**

Under the terms of a grant, supporting our work as part of the UK Safer Internet Centre, from the Internet Watch Foundation (IWF) there was a requirement to disburse some of those funds as a grant to the South West Grid for Learning (SWGfL) who were partners with Childnet in that project.

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 2017-18 year.

Achievements and performance

● **REVIEW OF ACTIVITIES**

The following gives a quarterly breakdown of the activities carried out by Childnet during April 2017 – 31st March 2018.

Certain key activities take place throughout the year. For example, Childnet's education and outreach work. Childnet's education outreach team presented in Primary and Secondary schools across the country, and also in

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some nurseries and Sixth Form Colleges, where they ran 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 academic year Sept 16-July 2017 was record breaking in terms of numbers. The team reached approximately 30,000 children over the year, aged between 3-18, thousands of parents and carers, and thousands of school staff, as well as 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. Our evaluations of the outreach work was extremely positive, with 99.8% of parents and carers, for example, rating the session as good (22.6%) or excellent (77.2%).

Childnet continued to be active members of the UK Council for Child Internet Safety (UKCCIS). The CEO Will Gardner has been part of the Executive Board since April 2013. Childnet were active members of the UKCCIS 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. Gareth Cort, and more recently Kate Edwards (Childnet's Education and Safeguarding Manager), has been active members of the UKCCIS Education group, and Will Gardner has been a member of both the Technical Working Group and the Digital Resilience Working group. Will Gardner also is a member of the Anti-Bullying Alliance Advisory Board 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, which Childnet organised for the UK, there were over 760 news articles mentioning the last Safer Internet Day on 6th Feb 2018. 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 a number of conferences both in the UK and across the world. Childnet, with partner organisations the South West Grid for Learning and the Internet Watch Foundation, continued in their role as the UK Safer Internet Centre, a role part funded 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.

April to September 2017:

Childnet staff have attended and spoken at Safer Internet Centre meetings, run by INSAFE, the coordinator of the network of European Safer Internet Centres that are part-funded by the EC, in order to share good practice, recent trends and issues. Childnet attended the meetings in Zagreb (May 2017). We have also shared our educational materials and resources with our colleagues from this European Network, via the Better Internet for Kids platform.

Over this period Childnet developed and released a number of new resources. We supported the work of others, for example developing information and advice for the Welsh Government on sharing images for primary, secondary, parents and carers, school staff and governors. We also made the resource for improving critical thinking 'Trust Me' available in Welsh. The resource contains lesson plans for both primary and secondary level that aim to empower educators to discuss how to think critically around the areas of content, contact, and propaganda material that may seek to persuade or change their views. Another example was providing the Internet Matters parents portal conversation starters for parents of 6-10s on the topic of cyberbullying.

The Government issued their Internet Safety Strategy green paper, and for this consultation we shared the question with our network of Childnet Digital Leaders across the country. We had 65 responses and we were able to collate this and send it directly into Government as a response. Childnet also submitted a response to this consultation, and attended charity roundtables on the Strategy organised by the Government.

We are running a project with support from the EC which is focussed on the issue of online sexual harassment among children. The project began in January 2017, and will end in June 2019. Childnet are the Project Coordinators, and the project partners include Save the Children Denmark, Kek Vonal (Hungary) and the

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University of Central Lancashire. This stage of the project was focussed on assessing the issue, and developing a quantitative survey and carrying out qualitative research, as well as interviews with key professionals in this area, including police and helpline staff. We also recruited a Youth Advisory Board, who met for a 2 day residential in London. 10 young people came from all over the UK to join us and share their thoughts and ideas on this subject, as we look to develop prevention and response strategies to this issue, as well as tackle the under-reporting of this form of violence. We also held an Experts Advisory Board for this project, whose membership includes the Department for Education, the Government Equalities Office, the National Police Chiefs Council, Kent County Council, the Internet Watch Foundation, the NASUWT, the NEU, the NSPCC, Facebook and Google. In August Maithreyi Rajeshkumar (project Manager) and Ellie Proffitt (Senior Education Officer) attended the Project Board meeting in Copenhagen.

We carried out a range of focus groups across the country with children of different ages to inform our education resource development.

We have developed and published a number of other resources this past year, including information and advice on topics such as livestreaming and critical thinking. We have updated key resources, such as the guide to teaching the computing curriculum, staff INSET sessions and the online Safety calendar.

We launched our research report on Livestreaming, working with the Sunday Times to share this story. The data came from a survey as well as from feedback from our Childnet Digital Leaders. See www.childnet.com/blog/over-1-in10-young-people-have-gone-live.

Will Gardner and other Childnet staff also spoke at several UK conferences and conducted media interviews. Conferences included the UK IGF, the West of England ICT conference, the Marie Collins Foundation conference.

Childnet's Film Competition took place this year, and the ceremony was held in July at the British Film Institute on the South Bank in July, where the children (from the short-listed finalist schools) were able to watch the films they had made on the big screen and the winners announced. There were record numbers of entries for the competition this year.

The standard was incredibly high, we had a record number of entries, and as well as Jo van de Meer of the BFI, the judges included David Austin, CEO of the BBFC, and Catherine McAllister at the BBC. There were two categories, primary and secondary, with St Michael in the Hamlet Community Primary schools winning the former, and Dover College winning the secondary. See the winning films here, <http://www.childnet.com/resources/film-competition/2017>

Paola Morotti left the team in August as a Despatch and Administration Assistant. We recruited Charlotte Mugarra D'Cruze who joined us in September as School Relations and Administration Assistant.

Clíodhna Purdue decided to leave Childnet at the end of her maternity leave. Tom Pinfield who had joined the Childnet team as an Education Officer in September 2016, as maternity cover for Clíodhna Purdue, became a permanent member of staff after Clíodhna's departure.

Becca Cawthorne, who had joined the team as a Communications intern in August 2016, became Communications Assistant.

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. The Primary and Secondary programme both grew during this period.

October to December 2017:

Amy Lockwood and Phoebe Moriarty Roberts joined the Childnet team as Education Officers. Gareth Cort moved on from Childnet at the end of December.

Facebook announced a grant to Childnet to enable us to scale the Childnet Digital Leaders programme. The

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support will provide £250,000 per year for two years, to expand the reach secondary schools. Facebook also announced the same level of support for the Diana Awards, and we held a launch event in London, attended by Karen Bradley, DCMS Secretary of State.

The Childnet team have spoken at a wide range of events including a NASUWT conference, Adoption UK sessions, Met Police event, Local Authority events, training for Children in Need grant approvers.

Childnet held an Advisory Board meeting of the UK Safer Internet Centre on 9th October, chaired by Childnet's CEO, bringing together key stakeholders from industry, the charity sector, Government, education, academia and more.

Childnet ran two meetings attended by 70-80 organisations planning and preparing for the next Safer Internet Day (6th Feb 2018). We also held stakeholder meetings in Cardiff and Edinburgh. Meetings were had with other key stakeholders in the planning for Safer Internet Day, including the BBC, Lloyds Banking Group, Disney, Twitter and Facebook.

Childnet attended the Safer Internet Forum in Brussels. Becca Cawthorne, Communications Assistant, Kate Edwards, then Senior Education Officer, and Childnet's CEO attended. Childnet also took a young person, and her parent as a chaperone, to be part of the EU youth panel (YEP).

The education packs for Safer Internet Day were launched. There packs were for primary and secondary, and they included Assembly plan, lesson plan, quick ideas to teachers, as well as a pack for parents <https://www.saferinternet.org.uk/safer-internet-day/2018/education-packs>. Oath supported this work. The Welsh Government supported the translation of these resources into Welsh.

The Youth Advisory Board formed for the Project deSHAME were able to provide feedback into the Government's advice, launched in December 'Sexual harassment and sexual violence guidance for schools and colleges'.

Childnet ran a roundtable of young people at the DCMS where they shared their views on the government's Internet Safety strategy to DCMS officials. Will Gardner met with Matt Hancock, DCMS Minister, with the Directors of the UKSIC.

Digiduck's Big Decision was translated into Greek by the Greek Safer Internet Centre.

Working with the Antibullying Alliance and the UKCCIS Education Group, Childnet helped to develop and then see published (by UKCCIS) guidance for schools on race and faith bullying.

Will Gardner spoke at the Online safety on the edge conference in Sydney Australia, hosted by the Office of the e-safety Commissioner in Australia and NetSafe (NZ).

Hannah Broadbent (Deputy CEO), Caroline Hurst (Education Manager) and Maithreyi Rajeshkumar (Communications Officer and project deSHAME manager) attended the INSAFE meeting in Berlin. Kate Edwards (Senior Education Officer) attended the DfE roundtable looking at internet safety teaching in the context of Relationships and Sex Education and healthy relationships.

Childnet launched the results of the research of project deSHAME. This launch was at the Global Summit on Media in Manchester. The project highlights the extent of young people's experiences of online sexual harassment, as well as the obstacles they face in reporting this.

Childnet did several media interviews, including appearing on the Today programme, Women's Hour, BBC London and more.

With support from Twitter, we carried out a poll of educators in relation to teaching internet safety in the context of Relationships and Sex Education and Healthy Relationships.

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January to March 2018:

Childnet's CEO shared Childnet's work and promoted Safer Internet Day at an online safety conference in Cardiff.

We launched the 2018 Film competition in February 2018, with the finalists' awards ceremony taking place in July 2018.

Childnet organised and ran Safer internet Day in the UK (6th 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 45% of children and 30% 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, 74% 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 2018 over 1,700 organisations supported the day, a record. High profile supporters include the BBC, BT, Disney, Facebook, Google, Microsoft, Nickelodeon, NSPCC, Premier League Football Clubs, the Post Office, Twitter, Vodafone, and the UK Government, as well as police services and schools across the UK. 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 #SID2018 social media campaign to 'give a smile', and the Thunderclap on the Day had a social reach of over 9 million.

This nationwide day of action came as Childnet released some new research looking at the 'Digital Friendships: the role of technology in young people's relationships'. The report reveals how central technology has become to young people's relationships, as well as highlighting the positive and negative role it can play in their friendships.

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 800,000 downloads of the educational resources prepared for SID.

SID was featured on the BT Tower this time, as well as on the Piccadilly Lights (thanks to Samsung): We worked with Snapchat to create an ad to support SID, and it reached 42% of their daily active users.

We held youth events right across the UK, including an interactive session at the BT Centre - attended by a Government Ministers and over 100 policymakers and industry experts – and hosted by over 40 young people. In fact over 130 young people took part in interactive national events across the UK organised by the UKSIC. A wide range of other activities and events took place across the country too, including 800 hundred young people attending an online safety event/SID celebration at Liverpool Football Club.

There was a wide range of media attention on the Day, and we achieved over 750 media mentions in print, TV, radio and online.

Childnet Digital Leaders have also been active at events, including the ESCC LSCB, Police and Crime Commissioners Office and Safer Communities team conference. A group also attended an event in Parliament in Westminster.

The Childnet team ran focus groups with adoptive parents to inform an update to our information for this audience.

Hannah Broadbent was on the Advisory board of the UKSIC/IWF Football project with Everton Football Club.

Will Gardner attended the Facebook Safety Advisory Board, and also spoke at the Global Summit in Washington the following Day.

Lindsay Buck went on Maternity leave.

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In a challenging economic environment, Childnet has been grateful to receive funding not aforementioned from the Garfield Weston Foundation, Ardbarron Trust, Disney, EY, Facebook, Fujitsu, the Government's Equalities Office, Microsoft, Phone-paid Services Authority, Sky, Trend Micro, Yahoo! and from the four big ISPs (BT, Sky, Talk Talk, Virgin Media) 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 Disney, 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. Facebook's support will enable us to scale this extraordinary programme, and put the programme on its way to being sustainable after the two years of funding.

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.

● **RESERVES POLICY**

For the year ending 31 March 2018, the Directors and Trustees had previously set a reserves policy objective of having a level of unrestricted reserves sufficient to cover 3 months operational costs at any one time. This is estimated currently to be around the region of £130,000. 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.

● **PRINCIPAL FUNDING**

During the year the total incoming resources of the charity amounted to £999,077 (2017: £755,026) and total resources expended were £1,000,647 (2017: £730,233). This resulted in a deficit of £1,570 for the year (2017: surplus £24,793). The reserves therefore stood at £175,184 at the year-end (2017: £176,754), of which £80,199 was restricted and £94,985 was unrestricted (2017: £1,516 and £175,238 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.

● **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

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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.

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.

● **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

Childnet had 6 trustees on the 1st April 2017. There were no new appointments, and no resignations during the year.

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.

● **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.

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(v) Trustees now have to complete full CRB/DBS clearance as part of their appointment.

● **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Board of Childnet is made up of the people listed on the previous page 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.

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.

● **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 of time 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 and by Childnet's solicitor where appropriate.

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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● **RISK MANAGEMENT**

The Directors and Trustees acknowledge their responsibility for the management of risk, and building on the previous full risk audit that the Trustees completed in 2014 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 have retained the services of our solicitor for continuous expert legal advice 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) Appointed an Honorary Treasurer to review accounts, financial reporting and business management
- (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

● **FUTURE DEVELOPMENTS**

Childnet is committed to the highest quality of operations (internal procedures, governance, staff training and development etc.). During the next 12 months the organisation 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.

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TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Childnet 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 year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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 charitable company'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 charitable company's auditors are aware of that information.

This report was approved by the Trustees, on 10 December 2018 and signed on their behalf by:



Mrs Tink Palmer, Chair

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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 2018 set out on pages 15 to 30. 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 2018 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

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 charitable company'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.

CHILDNET
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHILDNET

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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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.

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

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.

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.

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 trustees, 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
10 December 2018

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 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:					
Donations and legacies	2	54,766	696,684	751,450	484,235
Charitable activities	3	247,250	33	247,283	270,713
Other trading activities		2	-	2	2
Investments	4	342	-	342	76
TOTAL INCOME		<u>302,360</u>	<u>696,717</u>	<u>999,077</u>	<u>755,026</u>
EXPENDITURE ON:					
Raising funds		335	-	335	665
Charitable activities	8	235,773	764,539	1,000,312	729,568
TOTAL EXPENDITURE		<u>236,108</u>	<u>764,539</u>	<u>1,000,647</u>	<u>730,233</u>
NET BEFORE TRANSFERS		66,252	(67,822)	(1,570)	24,793
Transfers between Funds	16	(146,505)	146,505	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(80,253)	78,683	(1,570)	24,793
NET MOVEMENT IN FUNDS		(80,253)	78,683	(1,570)	24,793
RECONCILIATION OF FUNDS:					
Total funds brought forward		175,238	1,516	176,754	151,961
TOTAL FUNDS CARRIED FORWARD		<u>94,985</u>	<u>80,199</u>	<u>175,184</u>	<u>176,754</u>

The notes on pages 18 to 30 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	11		4,275		4,127
Investments	12		1		1
			4,276		4,128
CURRENT ASSETS					
Stocks	13	3,085		3,968	
Debtors	14	72,990		154,838	
Cash at bank and in hand		517,134		358,785	
		593,209		517,591	
CREDITORS: amounts falling due within one year	15	(422,301)		(344,965)	
NET CURRENT ASSETS			170,908		172,626
NET ASSETS			175,184		176,754
CHARITY FUNDS					
Restricted funds	16		80,199		1,516
Unrestricted funds	16		94,985		175,238
TOTAL FUNDS			175,184		176,754

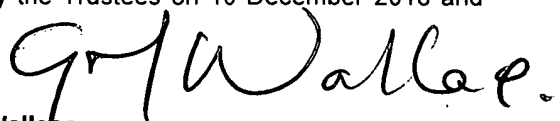
The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. 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 the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 10 December 2018 and signed on their behalf, by:


Mrs Tink Palmer, Chair


Mr Graham Wallace

The notes on pages 18 to 30 form part of these financial statements.

CHILDNET
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	18	<u>162,829</u>	<u>109,196</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(4,480)</u>	<u>(3,866)</u>
Net cash used in investing activities		<u>(4,480)</u>	<u>(3,866)</u>
Change in cash and cash equivalents in the year		158,349	105,330
Cash and cash equivalents brought forward		<u>358,785</u>	<u>253,455</u>
Cash and cash equivalents carried forward	19	<u><u>517,134</u></u>	<u><u>358,785</u></u>

The notes on pages 18 to 30 form part of these financial statements.

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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.

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.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (continued)

1.4 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.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (continued)

1.5 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out centrally. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

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.

1.6 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

1.7 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 fair 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 shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities incorporating income and expenditure account.

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (continued)

1.8 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 Bank.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 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.

1.11 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.

1.12 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 within interest payable and similar charges.

1.13 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.

1.14 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.

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. ACCOUNTING POLICIES (continued)

1.15 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.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	54,766	190,000	244,766	95,315
Grants	-	506,684	506,684	387,993
Government grants	-	-	-	927
	<u>54,766</u>	<u>696,684</u>	<u>751,450</u>	<u>484,235</u>
<i>Total 2017</i>	<u>97,294</u>	<u>386,940</u>	<u>484,234</u>	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Consultancy income	110,162	-	110,162	141,034
Programme and other income	128,668	-	128,668	114,874
Consultancy expenses recovered	8,420	33	8,453	14,805
	<u>247,250</u>	<u>33</u>	<u>247,283</u>	<u>270,713</u>
<i>Total 2017</i>	<u>265,713</u>	<u>5,000</u>	<u>270,713</u>	

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

4. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	342	-	342	76
<i>Total 2017</i>	76	-	76	

5. ANALYSIS OF GRANTS

	Grants to project partners 2018 £	Total 2018 £	Total 2017 £
Grants to partners Safer Internet centre project	19,800	19,800	19,800
Grants to partners deSHAME project	154,718	154,718	-
	<u>174,518</u>	<u>174,518</u>	<u>19,800</u>
<i>Total 2017</i>	<u>19,800</u>	<u>19,800</u>	

6. DIRECT COSTS

	Total 2018 £	Total 2017 £
Staff costs	12,551	8,482
Consultancy	25,216	2,273
Hire of premises	13,560	5,003
Design and print	26,433	49,111
Motor & travel	45,309	25,858
Postage, printing and stationery	984	632
Wages and salaries	458,830	383,921
National insurance	42,946	37,024
Pension cost	44,882	37,857
	<u>670,711</u>	<u>550,161</u>
<i>Total 2017</i>	<u>550,161</u>	

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

7. SUPPORT COSTS

	Total 2018	Total 2017
	£	£
Rent and rates	19,109	19,025
Heating & lighting	1,769	1,798
Postage, printing & stationery	3,028	3,144
Telephone & communications	3,434	2,914
Publicity & marketing	16,288	34,572
Website design & hosting	65,998	57,195
Repairs & renewals	12,140	14,049
Bank charges & interest	1,018	1,099
Leasing charges	2,076	1,936
Computer costs	1,880	1,538
Courier services	1,842	1,978
Other	17,739	9,596
	146,321	148,844
	146,321	148,844
 <i>Total 2017</i>	 <i>148,844</i>	 <i>148,844</i>
	 <i>148,844</i>	

8. GOVERNANCE COSTS

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2018	2018	2018	2017
	£	£	£	£
Governance Auditors' remuneration	4,250	-	4,250	6,200
Trustee meeting costs	58	-	58	25
Governance - depreciation - tangible fixed assets	4,332	122	4,454	4,537
	8,640	122	8,762	10,762
	8,640	122	8,762	10,762

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	4,332	4,187
Auditors' remuneration - audit	4,250	6,200
	4,332	4,187
	4,332	4,187

During the year, no Trustees received any remuneration (2017 - £NIL).
During the year, no Trustees received any benefits in kind (2017 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2017 - £378).

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

10. STAFF COSTS

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	458,830	383,921
Social security costs	42,946	37,024
Other pension costs	44,882	37,857
	546,658	458,802
	546,658	458,802

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

	2018	2017
	No.	No.
	15	12

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

11. TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 April 2017	14,977	18,945	33,922
Additions	-	4,480	4,480
Disposals	-	(433)	(433)
At 31 March 2018	14,977	22,992	37,969
Depreciation			
At 1 April 2017	14,977	14,818	29,795
Charge for the year	-	4,332	4,332
On disposals	-	(433)	(433)
At 31 March 2018	14,977	18,717	33,694
Net book value			
At 31 March 2018	-	4,275	4,275
At 31 March 2017	-	4,127	4,127

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

12. FIXED ASSET INVESTMENTS

	Unlisted securities £
Market value	
At 1 April 2017 and 31 March 2018	<u>1</u>

Investments at market value comprise:

	2018 £	2017 £
Unlisted investments	<u>1</u>	<u>1</u>

All the fixed asset investments are held in the UK

13. STOCKS

	2018 £	2017 £
Finished goods and goods for resale	<u>3,085</u>	<u>3,968</u>

14. DEBTORS

	2018 £	2017 £
Trade debtors	46,832	126,025
Other debtors	1,671	1,633
Prepayments and accrued income	24,487	27,180
	<u>72,990</u>	<u>154,838</u>

15. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	45,674	15,875
Other taxation and social security	17,537	34,854
Other creditors	4,447	-
Accruals and deferred income	354,643	294,236
	<u>422,301</u>	<u>344,965</u>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
Unrestricted funds					
General Funds - all funds	175,238	302,360	(236,108)	(146,505)	94,985
Restricted funds					
UK Safer Internet Centre Phase 4	-	285,376	(409,966)	124,590	-
DAPHNE-deSHAME	-	222,544	(242,225)	19,681	-
Disney	856	18,764	(21,854)	2,234	-
Youth IGF	360	-	(345)	-	15
Digital Leaders Programme	300	33	(333)	-	-
Facebook-Digital Leaders - Secondary	-	170,000	(89,816)	-	80,184
	<u>1,516</u>	<u>696,717</u>	<u>(764,539)</u>	<u>146,505</u>	<u>80,199</u>
Total of funds	<u><u>176,754</u></u>	<u><u>999,077</u></u>	<u><u>(1,000,647)</u></u>	<u><u>-</u></u>	<u><u>175,184</u></u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2017 £
General funds					
General Funds - all funds	83,590	363,085	(228,158)	(43,281)	175,236
Restricted funds					
UK Safer Internet Centre Phase 4	-	113,987	(89,474)	(24,513)	-
DAPHNE-deSHAME	-	196,327	(300,064)	103,737	-
Disney	-	15,826	(16,975)	1,149	-
Disney	-	33,840	(32,984)	-	856
Film competition 2016	-	1,033	(19,336)	18,303	-
Developing Critical Thinking	-	5,000	(9,013)	4,013	-
Youth IGF	922	-	(562)	-	360
Department for Culture, Media & Sport	47,949	927	(2,072)	(46,804)	-
Phonepay Plus	1,572	-	-	(1,572)	-
Digital Leaders Programme	12,617	-	(12,317)	-	300
Digital Leaders Primary	5,311	25,000	(19,279)	(11,032)	-
	<u>68,371</u>	<u>391,940</u>	<u>(502,076)</u>	<u>43,281</u>	<u>1,516</u>
Total of funds	<u><u>151,961</u></u>	<u><u>755,025</u></u>	<u><u>(730,234)</u></u>	<u><u>-</u></u>	<u><u>176,752</u></u>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
General funds	175,238	302,360	(236,108)	(146,505)	94,985
Restricted funds	1,516	696,717	(764,539)	146,505	80,199
	<u>176,754</u>	<u>999,077</u>	<u>(1,000,647)</u>	<u>-</u>	<u>175,184</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2017 £
General funds	83,590	363,085	(228,158)	(43,281)	175,236
Restricted funds	68,371	391,940	(502,076)	43,281	1,516
	<u>151,961</u>	<u>755,025</u>	<u>(730,234)</u>	<u>-</u>	<u>176,752</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	4,275	-	4,275
Fixed asset investments	1	-	1
Current assets	513,011	80,199	593,210
Creditors due within one year	(422,302)	-	(422,302)
	<u>94,985</u>	<u>80,199</u>	<u>175,184</u>

CHILDNET
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2017 £</i>	<i>Restricted funds 2017 £</i>	<i>Total funds 2017 £</i>
Tangible fixed assets	4,128	-	4,128
Fixed asset investments	1	-	1
Current assets	516,075	1,516	517,591
Creditors due within one year	(344,966)	-	(344,966)
	<u>175,238</u>	<u>1,516</u>	<u>176,754</u>

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(1,570)	24,793
Adjustment for:		
Depreciation charges	4,332	4,187
Decrease in stocks	883	1,604
Decrease/(increase) in debtors	81,847	(37,888)
Increase in creditors	77,337	116,500
Net cash provided by operating activities	<u>162,829</u>	<u>109,196</u>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	517,134	358,785
Total	<u>517,134</u>	<u>358,785</u>

CHILDNET
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NOTES TO THE FINANCIAL STATEMENTS
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20. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £44,882 (2017 - £37,857). Contributions totalling £4,447 (2017 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.