
CHILDNET
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

CHILDNET
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees

Mrs Tink Palmer, Chair
Mr Karl Hopwood
Mr Rob Wright
Mr Julian Coles
Miss Victoria Hordern
Mr Kevin Franklin

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 2023

The Trustees present their annual report together with the audited financial statements of the Childnet for the 1 April 2022 to 31 March 2023. 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**

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 2022-23 year.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

● **Review of activities**

The following gives a quarterly breakdown of the activities carried out by Childnet during April 2022 – 31st March 2023.

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 visits and presents 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. 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 Travers) was a member of the Digital Resilience Working Group. Phoebe 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 Expert 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 2023 (7th February), which Childnet organised for the UK, Safer Internet Day featured across various channels including TV, national and local radio and online, including Newsround, the Independent and the Mirror. Childnet have also been interviewed by and met with several researchers in this area.

Childnet also continued to be members of Meta's Safety Advisory Council, and were members of Twitter's "Trust & Safety Council" until it was disbanded in December 2022.

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 by Nominet. 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 2022:

We recruited 10 young people aged 13-16 from across the UK to form our Youth Advisory Board (YAB) and we held our first YAB residential, bringing all the young people and their chaperones to London for 2 days in early May. Throughout the year we held monthly online meetings with this group of young people to inform our work, co-create resources and provided opportunities for their voice to be heard by key stakeholders in this area from industry, government and more.

We launched new resources for educators working with children with Special Educational Needs, part of Project Thrive, which focuses on the issues of online pornography, healthy relationships and digital wellbeing. All the resources were piloted with 4 SEND schools. This project was a two-year project funded by Google.org's impact challenge on safety. The virtual launch of these resources took place on 18th May and over 70 attendees were given a demonstration of the resources and heard from a teacher and two pupils who had been involved in the pilot. This project also developed accessible modules for the Digital Leaders online platform to enable the

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

training for peer-to-peer education by children with SEND.

Ellie Proffitt, Childnet Education Manager, and Amy Lockwood, Childnet Assistant Education Manager, co-presented a webinar at the NSPCC How Safe? Conference on 12th May focussing on gaming online.

We started a new project with funding from the Welsh Government to focus on training educators and Designated Safeguarding Persons (DSPs) on preventing and responding to online sexual harassment. This project ran until the end of March 2023, and developed online training for this audience on tackling online sexual harassment among children and young people, and later this year and early 2023 we went on to deliver 22 online training sessions to education professionals in Wales, one for each local authority as well as developing guidance for parent and carers.

We worked with the International Centre for Missing and Exploited Children (ICMEC) to develop a guide for parents and carers as well as professionals working with children and young people. This will be for an international audience and will be translated into several languages.

We collaborated with an Italian teacher to make the 5 Digiduck books available in Italian.

We ran the Childnet Film Competition 2022, with the theme following the pattern of the last Safer Internet Day, 'All fun and games? Exploring respect and relationships online. What can we all do to play our part? There was a primary and secondary category as well as a Storyboard category (to enable those without access to the equipment to film to participate) and a Solo category for 16-18s. We also ran the International Film Competition for the second year running using the same theme.

We had a good number of entries, with over 300 children taking part and the standard was incredibly high. The judges were David Austin, CEO of the BBFC, Goz Ugochuckwu 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. A young person, one of Childnet's Digital Champions, also joined the judging panel.

There was no physical event to announce the winners this year so we created a finalist event film to culminate the competition and reveal the winners (our judges took part in this by recording sections to give feedback on the films). This screened 13th July and you can see the winning primary films [here](#), the secondary films [here](#), and the storyboard category winner [here](#).

For the second year running we launched the international category on 16th March, and this closed on 22nd June, with the [winner](#) (an entry from Thailand) announced on 27th July.

Childnet collaborated on a post Film Competition project to feature in the MPA's 'Film School Friday' our future storytellers. Will Gardner and 2 of this year's secondary finalists featured on the MPA's Film School Fridays (screened 15th June).

With support from Issured, we ran a programme to offer the Digital Leaders programme to schools with a high percentage of pupil premium.

Childnet supported the campaign organised by the Home Office against the move of messaging services popular with children into an End-to-End Encrypted environment. The website is [here](#), [noplacetohide](#)

The academic year Sept 21-Sept 22 saw a progression in the number of school visits and children, parents and carers and school staff reached by our education outreach work, getting back towards the levels pre-Covid and lockdowns. Over this period Childnet developed and released a number of new resources, including a new advice page for 11-18s on 'influencer culture'. We updated our Family agreement as well as a new handout for teachers and professionals signposting to key resources and organisations. This is available on the website and the latter is used specifically to support our staff training sessions in schools/other settings.

Will Gardner and other Childnet staff also spoke at several national conferences in April, May, June, and July -

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

all these events were online during this period.

Over this period Will Gardner, CEO, continued as a member of the Advisory Board of the Anti-bullying Alliance as well as the Children's Panel of the ICO, supporting around the Age-Appropriate Design Code which came into force last September. Will Gardner attended the meeting of the Meta Safety Advisory Board in September in California.

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 launched the new platform that we had been redeveloping for some time and it received great feedback from the Digital Leaders. 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 finished the Digital Leaders Plus project, supported by Nominet, in April, which had offered the Digital Leaders programme to targeted schools at a subsidised rate, working to ensure this programme was for all children and young people. This period also saw the end of a Meta-funded project, involving consultation with young people, with the last focussing on social justice issues.

We had some staff changes over this time. Some left the organisation over this period: Siobhan Slater, the Digital Leader's team senior Programme Officer left Childnet in July, Ellie Proffitt, Education Manager left the organisation in August, and Lee Jones, Communication Manager left Childnet in August. And subsequently Amy Lockwood was promoted to Education Manager, Becca Cawthorne was promoted to Communications and Marketing Manager, and we recruited two new Education Officers, Naoimh O'Connor and Alison Elliot.

October to December 2022:

In preparation for Safer Internet Day 2023 we developed the theme, determining the focus needed to be on youth voice, with the strapline 'Want to talk about it? Making space for conversations online'. We worked to put youth voice, and young people, at the heart of Safer Internet Day with the aim of giving them the space and platform to talk about the things they are seeing and experiencing online, whether positive or negative. We also worked to give parents and carers, educators and the wider sector the tools to facilitate these conversations.

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 Resources were launched, having also been translated into Welsh, and 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. We also launched an illustrated picture book, Hanni and the Magic Window, translated into Welsh as well, which is included in the Safer Internet Day resources.

The education and outreach work of Childnet was busy in schools over this period, and we also delivered to other groups, including a local Guides group for example. The team also updated some key resources over this period, including our staff led online safety inset presentation resource as well as a resource sheet for parents and carers. We also began the development of a range of other resources.

Childnet participated and spoke at a number of events over this period. And the Digital Champions, a group of young people drawn from our Digital Leaders programme, led a presentation to the INSAFE network's young coordinators meeting on 'fast social media' looking to share young people's perspective on a key area of social media affecting young people.

Danielle Antha, the programme manager for the Digital Leaders Programme was on the advisory board for the Nominet Digital Youth Index for its second-year launch.

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

Kate Travers, Deputy CEO, attended the Safer Internet Forum as well as the INSAFE training meeting, both in Brussels, and she ran a discussion around age verification. She also attended the launch of the Nominet Digital youth index in Manchester and spoke at an event at Meta run by SWGfL aimed at professionals working with children.

Will Gardner spoke at several national conferences in October, November and December. He also led a table discussion at the IICSA senior leaders launch in November, looking at how to carry forward the recommendations coming out of the inquiry. Phoebe Roberts, Assistant Education Manager spoke at a conference of headteachers and senior leaders in York, organised by Pixl.

Kerease Howell, Administration and Community Apprentice, part of the Digital Leaders Team, left Childnet in November. Sinead Russell joined the Digital Leaders Team at Childnet as Senior Learning Officer.

January to March 2023:

We started a project funded by the DCMS Media Literacy Programme to ensure the voice of LGBT+ young people is included in online safety, including for Safer Internet Day. We worked on this project with the NGO, Galop, and ran focus group/workshops with LGBT+ young people to inform this work.

We also started a project for the Welsh Government which involved organising focus groups with Welsh young people and developing new online safety information for young people as well as updating existing content, subsequent to what young people said, and this would be content for the Welsh Government's site, Hwb.

In addition to schools' outreach work gathering pace, the team also delivered sessions at the International School in Monaco, developed and shared content for parents and carers at a school in China, and delivered sessions for Merthyr Tydfil Council's safeguarding week. Amy Lockwood delivered a Safer Internet Day themed webinar for the NEU.

In January we released the theme for the Childnet Film Competition 2023, 'Time to talk – how can people support each other online?' and did the official launch in late February. The theme is revisiting the Safer Internet Day theme in the main, (which was 'Want to talk about it? Making space for conversations about life online'). Competition packs and the communications plan were developed to support the competition. We had confirmation of their involvement from all of the judging panel, comprising the BBFC, BAFTA kids, the BBC, the MPA, Disney & the BFI. We are working towards hosting an in-person event to be held in early July at the BFI on the Southbank in central London. 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).

Over this period, we completed the 22 online training sessions for Designated Safeguarding Persons and other professionals working with children in Wales, the deliverable for the Welsh Government supported project started last summer.

We developed a number of new educational resources which are available for free on our website, including a resource for educators of primary school aged children with SEND. We ran several focus groups with staff and young people in the preparation of these resources. We also developed a film for parents and carers of young people talking about the issues of screen time and parental controls. And, as another example, we also published some quick activities for teachers working with primary aged pupils on how to limit harm of upsetting content online completed and designed internally.

Safer Internet Day took place on 7th February and was enormous and was successful in its goal of amplifying youth voice. We released a [research report](#), 'Want to talk about it? Making space for conversations about life online'. There is a short summary report and a fuller report on this webpage.

This research supported the press release. You can see the release in this [blog](#), and we secured a quote from DCMS Secretary of State Michelle Donelan. We did several local radio interviews, PA and the [Independent](#), and

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

our main spokespeople were Will Gardner and two young people, who are Digital Champions, and they did an amazing job.

We had record numbers of supporters that registered this year. Last year we also broke records with 3400 organisations signing up. This time we reached 5000, a huge jump and bodes well for the scale of the Day.

The education resources received over 200,000 downloads, the films we created to help support the Day were viewed almost 1 million times and Safer Internet Day was trending on social media throughout the Day and much of the following day. The quizzes we put online were co-created with young people and were taken over 30,000 times. We will collate numbers for other things, including the quizzes, where young people played a key role in their creation.

We had over 450 people watch our Live event on the Day, broadcast from the BT Tower. We had two young people hosting, Aimee and Dominik, and a youth keynote speaker, Thomas, and two children's panels, one primary and one secondary. One of our Digital Champions went to the DCMS the week before and was filmed interviewing DCMS Minister Paul Scully, which we played at the event.

We held a drop in at Parliament on Safer Internet Day, and Danielle Antha attended with two young people, along with a couple of other UKSIC staff from IWF, and Charlotte Aynsley, who is UKSIC Head of Public Policy. We had a great turnout, with over 30 MPs and peers coming.

Our UKSIC partners ran an event at Liverpool FC and also supported one at Everton the week before and broadcast this on the Day. There is a great [interview with John Barnes](#) at Liverpool which was made available online. The BBC did a brilliant Live Lesson at 11am on the Day, and several of our Digital Champions were involved in that; and more were involved in other BBC content made for and released on the Day.

Two of the Education Team acted as experts for an Internet Matters Q&A on social media on the Day.

In the build up to the Day, we ran a webinar for teachers to go through the teaching resources for Safer Internet Day. The maximum number registered, 500, and over 200 actually attended, with 2.3k views of the recording hosted on YouTube. We wrote a deep dive blog on each of the Education Resources, four in total, and we collated supporting visual materials to sit alongside education resources for children with SEND. Amy Lockwood recorded a reading of the storybook Hanni and the Magic Window, part of our Education Resources, which had BSL translation added and used by Education Scotland for three events on Safer Internet Day.

We called out to schools to share in video clips what they are doing to celebrate Safer Internet Day, and with BTs help we edited that and played it during our live event.

We have already had a good response to the Youth Charter activity. It was part of the Education Resources to be used on the Day and designed to allow young people to share the changes they would like to see by industry and government. We will collate and share that later in the year.

We have had some great feedback from people about the Day. You can see [here](#) the supportive quotes we received from a wide range of people.

We conducted an evaluation survey to measure the reach and impact of the Day, commissioning Yonder to carry this out. The Yonder survey post Safer Internet Day told us that 50% of children (8-17s) and 37% of parents and carers were reached by SID. We have great impact data too.

The focus was on conversations and youth voice, and the Yonder survey found that those that heard SID messages:

- 21% of 8-17s spoke to a friend about something that had been worrying them online
- 16% spoke to a teacher or staff member about something that had been worrying them online
- 64% of parents and carers started a conversation with their child about their online life
- 70% talked to their child about using the internet safely.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

- 75% will have more regular conversations
- 33% said their child spoke to them about something that had been worrying them online

For 8-17s:

- 69% feel more confident about what to do if something is worrying them online
- 66% spoke to someone about staying safe online after finding out about SID 23
- 46% spoke to a parent or carer about how to stay safe
- 24% spoke to a parent or carer about something that had been worrying them online.

In addition to support from Nominet for Safer Internet Day 2023, we secured support from Apple, Snap, Amazon, Discord, Meta, Twitter, Roblox, Vodafone, Supercell, and we ran a project with DCMS support to help carry Safer Internet Day messages to the LGBTQ+ community using influencers.

We established and held the first meeting of the UK Safer Internet Centre Advisory Board, chaired by Will Gardner. Around 30 stakeholders were on the call including from Ofcom, Government and industry.

Isaac Tendo joined the team as a Marketing Officer.

Will Gardner spoke at several conferences and meetings over this period, including, in February, 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.

The Youth Advisory Board came to end of their one-year position at the end of March, and we prepared the process of recruiting 10 young people to join the next year's Youth Advisory Board. 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 the Garfield Weston Foundation, Lexis Nexis Risk Management, Mainhouse Trust, techUK, The Millby Foundation, Omnicom Media Group/Drum UK, SuperAwesome/Epic, Trend Micro, 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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 2023, 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 £222,000. 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 £1,070,298 (2022: £1,151,313) and total resources expended were £1,029,413 (2022: £1,076,068). This resulted in a surplus of £40,885 for the year (2022: surplus £75,245). The reserves therefore stood at £257,954 at the year end (2022: £217,069), of which £5,434 was restricted and £252,520 was unrestricted (2022: £Nil and £217,069 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.

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TRUSTEES' REPORT (CONTINUED)
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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.

• **Methods of appointment or election of Trustees**

Childnet had 6 trustees on the 1st of April 2022. There were no resignations or new appointments during the year, meaning Childnet had 6 trustees at the year-end 31 March 2023.

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.

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TRUSTEES' REPORT (CONTINUED)
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Structure, governance and management (continued)

● **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 child protection, education, marketing, and the computing, business training 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 payments over £3,000 are authorised by the Chair of Trustees.

The Chair of Trustees meets with the CEO and Business Manager prior to each Trustees' 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 (sometimes virtually) 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.

● **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.

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TRUSTEES' REPORT (CONTINUED)
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Structure, governance and management (continued)

● **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 few 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 SWGfL (South West Grid for Learning Trust) and the Internet Watch Foundation (IWF) in respect of these projects now part funded by Nominet (in previous years part funded by the EC (European Commission)).

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

● **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 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.

CHILDNET
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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 1 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.

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.

CHILDNET
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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 25 September 2023 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 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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
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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
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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
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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

25 September 2023

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

CHILDNET
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Income from:					
Donations and legacies	3	671,179	124,568	795,747	975,270
Charitable activities	4	-	273,894	273,894	176,024
Other trading activities	5	-	4	4	2
Investments	6	-	653	653	17
Total income		671,179	399,119	1,070,298	1,151,313
Expenditure on:					
Raising funds	7	-	350	350	215
Charitable activities	9	750,740	278,323	1,029,063	1,075,853
Total expenditure		750,740	278,673	1,029,413	1,076,068
Net (expenditure)/income		(79,561)	120,446	40,885	75,245
Transfers between funds	19	84,995	(84,995)	-	-
Net movement in funds		5,434	35,451	40,885	75,245
Reconciliation of funds:					
Total funds brought forward		-	217,069	217,069	141,824
Net movement in funds		5,434	35,451	40,885	75,245
Total funds carried forward		5,434	252,520	257,954	217,069

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

The notes on pages 22 to 38 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	5,164	6,250
Investments	15	1	1
		<u>5,165</u>	<u>6,251</u>
Current assets			
Debtors	16	210,667	202,093
Cash at bank and in hand		309,995	366,150
		<u>520,662</u>	<u>568,243</u>
Creditors: amounts falling due within one year	17	(267,873)	(357,425)
Net current assets		<u>252,789</u>	<u>210,818</u>
Total net assets		<u><u>257,954</u></u>	<u><u>217,069</u></u>
Charity funds			
Restricted funds	19	5,434	-
Unrestricted funds	19	252,520	217,069
Total funds		<u><u>257,954</u></u>	<u><u>217,069</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 25 September 2023 and signed on their behalf by:

Mrs Tink Palmer

The notes on pages 22 to 38 form part of these financial statements.

CHILDNET
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(53,079)	171,218
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of tangible fixed assets	(3,076)	(7,730)
	<hr/>	<hr/>
Net cash used in investing activities	(3,076)	(7,730)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(56,155)	163,488
Cash and cash equivalents at the beginning of the year	366,150	202,662
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	309,995	366,150
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 22 to 38 form part of these financial statements

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations	112,500	32,441	144,941
Grants	558,679	92,127	650,806
	671,179	124,568	795,747

CHILDNET
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Income from donations and legacies (continued)

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
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>

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Consultancy income	157,068	157,068
Programme and other income	84,594	84,594
Consultancy expenses recovered	32,232	32,232
	<u>273,894</u>	<u>273,894</u>

	<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>

CHILDNET
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Net income - Everyclick	4	4
	<u>4</u>	<u>4</u>

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

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income - bank interest	653	653
	<u>653</u>	<u>653</u>

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

CHILDNET
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £
Fundraising expense	350	350

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Fundraising expenses	215	215

8. Analysis of grants

No grants made in 2023.

	Grants to Institutions 2023 £	Total funds 2023 £
Grants made	8,830	8,830

CHILDNET
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £
Direct costs of charitable activities	695,844	333,219	1,029,063

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

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Direct costs of charitable activities	888,070	140,993	1,029,063

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

CHILDNET
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Charitable activities 2023 £	Total funds 2023 £
Salaries and wages	695,651	695,651
Staff costs	18,517	18,517
Consultancy	19,128	19,128
Hire of premises	22,305	22,305
Design and print	105,759	105,759
Motor and travel	26,710	26,710
	<u>888,070</u>	<u>888,070</u>
	<i>Charitable activities 2022 £</i>	<i>Total funds 2022 £</i>
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>

CHILDNET
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Support activities 2023 £	Total funds 2023 £
Rent and rates	20,954	20,954
Heating and lighting	2,675	2,675
Postage, printing and stationery	2,208	2,208
Telephone and communications	2,258	2,258
Publicity and marketing	34,098	34,098
Website design and hosting	27,565	27,565
Repairs and renewals	8,830	8,830
Bank charges and interest	785	785
Professional HR costs	5,583	5,583
Leasing charges	980	980
Computer costs	9,587	9,587
Office costs	13,285	13,285
Governance costs	12,185	12,185
	<hr/> 140,993 <hr/>	<hr/> 140,993 <hr/>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Support activities 2022 £</i>	<i>Total funds 2022 £</i>
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
Office costs	23,882	23,882
Governance costs	9,846	9,846
	<u>267,832</u>	<u>267,832</u>

11. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	5,400	4,740
Fees payable to the Company's auditor in respect of: All non-audit services not included above	2,000	900
	<u>2,000</u>	<u>900</u>

12. Staff costs

	2023 £	2022 £
Wages and salaries	584,061	542,575
Social security costs	56,072	47,395
Contribution to defined contribution pension schemes	55,518	51,425
	<u>695,651</u>	<u>641,395</u>

CHILDNET
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Staff costs (continued)

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

	2023 No.	<i>2022 No.</i>
Charity operations and administration	17	<i>18</i>

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 (*2022 - £NIL*).

During the year ended 31 March 2023, expenses totalling £375 were reimbursed or paid directly to 1 Trustee (*2022 - £186 to 1 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 2022	16,188	35,459	51,647
Additions	-	3,076	3,076
Disposals	-	(3,847)	(3,847)
At 31 March 2023	16,188	34,688	50,876
Depreciation			
At 1 April 2022	13,775	31,622	45,397
Charge for the year	804	3,358	4,162
On disposals	-	(3,847)	(3,847)
At 31 March 2023	14,579	31,133	45,712
Net book value			
At 31 March 2023	1,609	3,555	5,164
<i>At 31 March 2022</i>	<i>2,413</i>	<i>3,837</i>	<i>6,250</i>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2022	1
	<hr/>
At 31 March 2023	1
	<hr/> <hr/>
Net book value	
At 31 March 2023	1
	<hr/>
At 31 March 2022	1
	<hr/> <hr/>

16. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	139,857	56,101
Other debtors	1,671	2,022
Prepayments and accrued income	69,139	143,970
	<hr/>	<hr/>
	210,667	202,093
	<hr/> <hr/>	<hr/> <hr/>

17. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	40,106	29,802
Other taxation and social security	19,733	25,277
Accruals and deferred income	208,034	302,346
	<hr/>	<hr/>
	267,873	357,425
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through income and expenditure	309,996	366,151

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
General fund	217,069	399,119	(278,673)	(84,995)	252,520
Restricted funds					
Facebook Digital Leaders	-	16,000	(16,047)	47	-
DCMS Media Literacy Programme fund	-	47,900	(42,466)	-	5,434
UK Safer Internet Centre	-	459,961	(534,418)	74,457	-
Youth Advisory Board	-	30,924	(40,907)	9,983	-
Google Thrive	-	38,500	(38,500)	-	-
Nominet DL plus	-	54,000	(54,000)	-	-
Nominet SIC transition	-	624	(624)	-	-
Nominet SID 2022	-	17,000	(17,489)	489	-
International film	-	6,200	(6,200)	-	-
deSHAME extension	-	70	(89)	19	-
	-	671,179	(750,740)	84,995	5,434
Total of funds	217,069	1,070,298	(1,029,413)	-	257,954

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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 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
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	-
Youth Advisory Board	-	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

20. Summary of funds

Summary of funds - current year

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2023 £</i>
General funds	217,069	399,119	(278,673)	(84,995)	252,520
Restricted funds	-	671,179	(750,740)	84,995	5,434
	217,069	1,070,298	(1,029,413)	-	257,954

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Summary of funds (continued)

Summary of funds - prior 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>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	5,164	5,164
Fixed asset investments	-	1	1
Current assets	5,434	515,228	520,662
Creditors due within one year	-	(267,873)	(267,873)
Total	<u>5,434</u>	<u>252,520</u>	<u>257,954</u>

Analysis of net assets between funds - prior 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>

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	40,885	75,245
Adjustments for:		
Depreciation charges	4,162	4,010
Decrease/(increase) in debtors	(8,574)	150,948
Decrease in creditors	(89,552)	(58,985)
Net cash provided by/(used in) operating activities	(53,079)	171,218

23. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	309,995	366,150
Total cash and cash equivalents	309,995	366,150

24. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	366,150	(56,155)	309,995
	366,150	(56,155)	309,995

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 £55,518 (2022 - £51,425).

