
CHILDNET
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

CHILDNET
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees

Mrs Tink Palmer, Chair (resigned 21 November 2023)
Mr Karl Hopwood, Chair
Mr Rob Wright
Mr Julian Coles
Miss Victoria Hordern
Mr Kevin Franklin
Katie Rigg (appointed 25 March 2024)
Deborah Hurley (appointed 20 November 2023)

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 2024

The Trustees present their annual report together with the audited financial statements of the Childnet for the 1 April 2023 to 31 March 2024. 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 2024-24 year.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

● **Review of activities**

The following gives a quarterly breakdown of the activities carried out by Childnet during April 2023 – 31st March 2024.

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 those working groups that continue to meet, including 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. Amy Lockwood was part of the Education group. Kate Travers was part 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 also continued to be members of Meta's Safety Advisory Council.

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 2024 (6th February), which Childnet organised for the UK, Safer Internet Day featured across various media channels, producing over 2,000 pieces of media coverage with over 600 million Opportunities to see Safer Internet Day in the national and local broadcast and other media. Childnet have also been interviewed by and met with several researchers in this area.

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

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 2023:

We recruited 12 young people aged 13-18 from across the UK to form our Youth Advisory Board (YAB). 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 held a residential over three days in London in early October, bringing all the young people together and their chaperones.

We created and launched two 'social story' resources for educators working with children aged 7-11 with Special Educational Needs and Disabilities (SEND). These can be found here: <https://www.childnet.com/resources/connect-with-respect-send/> They have also delivered two piloting sessions with schools who were originally involved in the development phase of the resource.

We also launched some quick activities for teachers working with primary aged pupils on how to limit harm of upsetting content online, which can be found here: <https://www.childnet.com/resources/limiting-harm-from->

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

upsetting-content/

We developed a new approach for a resource for parents and carers. 2 short films of primary age children talking about two specific online safety topics, screen time and parental controls. You can see these here, <https://saferinternet.org.uk/online-issue/parental-controls> and here <https://saferinternet.org.uk/online-issue/screen-time>

We also developed and launched a resource for upper primary and early secondary pupils (and adaptable for other audiences) where they 'spot the risk' on a social media profile page titled 'ReelLife' is now live and being piloted as part of soft launch with some schools:
<https://apps.childnet.com/reellife/> <https://www.childnet.com/resources/reellife/>

Phoebe Roberts presented at the Insafe training meeting in Vienna on our work with SEND and LGBTQIA+ CYP to Safer Internet Centres across the EU.

We started a new project with funding from the Welsh Government to develop content for children and young people directly, which is hosted on the Welsh government site called Hwb. We ran 5 focus groups in Wales with children to determine the issues that Welsh young people wanted support with, and the resulting content was provided in both English and Welsh. 10 topics were covered.

Working with Community Fibre, we developed a pilot programme to provide online safety education and awareness to a number of primary schools in the Greater London area.

Working with TES (previously Times Educational Supplement) we re-developed an online safeguarding course for professionals working with children. We also started some consultancy work with the University of East London on the issue on online safety for children in the Metaverse.

We ran the Childnet Film Competition 2023, with the theme following the pattern of the last Safer Internet Day, 'Time to talk! How can people support each other online?' 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). 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 250 children taking part and the standard was incredibly high. The judges were David Austin, CEO of the BBFC, Hannah Salt 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, a former Childnet's Digital Champions, also joined the judging panel.

We returned to having a finalists' ceremony in person, for the first time post pandemic, which we held at the British Film Institute (BFI). You can see the winning films here.

The Childnet Film Competition International category closed on 21st June 2023 and the winning film entry from a school in Mexico announced online on 19th July. The International Film Competition was supported by E-Safety commissioner Australia, with two representatives from their Youth Advisory Council involved in the voting process.

Childnet collaborated with the MPA on their Film School Friday event, which took place on 13th July at Disney UK HQ. A past Childnet Film Comp winner and two of 2023 finalists joined the panel, which was chaired by Childnet CEO, Will Gardner.

The academic year Sept 22-Sept 23 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, reaching 26,000, mostly children and young people, but also school staff and parents and carers. Will Gardner and other Childnet staff also spoke at several national conferences in April, May, June, and July - all these events were online during this period.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

Will Gardner joined monthly calls of a Youth Advisory Group, hosted by Meta, bringing together around 20 global experts. Amy, Childnet's Education Manager, represented Childnet at a large multi-stakeholder discussion convened by Roblox.

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. This programme continued to run throughout the year.

Two new Education officers joined the Childnet team, Georgia Bell and Rosie Bromley. Naoimh O'Connor, Education Officer, and Ben House, Communications Officer, left Childnet in June and August respectively.

Tink Palmer stepped down as chair of our Board of Trustees, after serving brilliantly in this position since 2009. Karl Hopwood, already a trustee, was voted in by the trustees and stepped up into this role.

October to December 2023:

We held the residential meeting for the Youth Advisory Board, in London from Friday 6th October to Sunday 8th. We had in depth discussions with the young people over this time covering a range of aspects, and started the process of finding a core theme on which they would look to help co-create a resource on. We also had a session on the Metaverse working in collaboration with the University of East London and supported conducting a focus group on this topic with the YAB members.

In preparation for Safer Internet Day 2024 we developed the theme in discussion with young people, determining the focus needed to be on 'change', with the strapline 'Inspiring change? Making a difference, managing influence and navigating change 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. The focus on change meant for conversations to cover the rapid changes in technology, for example generative AI and its impact, both positive or negative, and how to stay safe in new online environments. It also covered the change that content you see online can have on you, whether being inspired or negatively affected by what you see. And we also focussed on what difference you can make to a safe online environment, how you can look after yourself and others. 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 and Northern Ireland. The Education packs were launched in November, having also been translated into Welsh, and their resources catering for those working with 3-7 year olds, 7-11s, 11-14s and 14-18s. The Welsh Government supported the translation of these resources into Welsh. The Northern Ireland Safeguarding Board supported the translation of these resources into Irish.

Will Gardner chaired a roundtable focussed on the issue of online sextortion. The roundtable was brought together as part of our work as the UK Safer Internet Centre, as it was an issue that all three partners were concerned about. We held one roundtable in October and a second in December, with representatives from the tech industry, law enforcement from the UK and the US, NGOs from the UK and international, teaching unions and government departments.

The Online Safety Act was passed in this period. The period of consultation by Ofcom began and continued through the remainder of this financial year and beyond.

We appointed a new trustee, Deborah Hurley.

The education and outreach work of Childnet was busy in schools over this period, and we also delivered to

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

other groups, including session for 150 trainee teachers at Birmingham University and a bespoke session for a hospital school, working with children and young people with severe mental and emotional health. Throughout the year we also continued to run workshops with the Council of International Schools on online consent and online sexual harassment.

The team also updated some key resources over this period and ran a number of free webinars for educators.

Childnet participated and spoke at several events over this period. We attended a roundtable hosted by CommonsenseMedia and the NSPCC looking at the future of generative AI and what steps should be taken to address concerns and safety risks.

Will Gardner spoke at several national conferences in October, November and December. Phoebe Roberts ran a workshop at the Marie Colline Foundation conference on online sexual harassment. She also spoke at the EduSafe conference in Wakefield.

January to March 2024:

Safer Internet Day 2024 took place on 6th February. Activities took place right across the UK, with schools and a wide range of organisations getting involved from every sector. We have over 2000 organisations register as supporters of the Day, and we worked with the BBC on content, including supporting live lesson that went out on the day and had an audience of hundreds of thousands.

On the day itself, we launched some research looking at the theme of change online, including data on the use of generative AI by children and their parents and carers and whether they see positive and/or negative use of this technology. We did numerous radio interviews, both local and national, discussing the results of this survey as well as the wider initiative of Safer Internet Day.

We held an event at the BT Tower, attended by policy makers from all sectors, and had keynote speeches from young people, as well as a DSIT Government Minister, and we had young people from primary and secondary schools running workshops for the adults attending. The event was also livestreamed. We also supported the APPG on social media meeting in Parliament where some of our Youth Advisory Board and some young people from primary school spoke.

The education resources received almost 100,000 downloads, the films we created to help support the Day were viewed 1.6 million times and Safer Internet Day was trending on social media throughout the Day. The quizzes we put online were co-created with young people and had over 25,000 uses.

In the build up to the Day, we ran a webinar for teachers to go through the teaching resources for 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 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 carried out an evaluation of the reach and impact of Safer Internet Day 2024, commissioning Yonder to do a nationally representative survey, and we reached 52% of 8-17s and 32% of parents and carers, which some great impact data of that reach too. A short report on this can be found [here](#).

The Yonder survey found that those that heard SID messages:

For 8-17s:

- 77% feel more confident about what to do if something is worrying them online
- 76% had learnt something new about online safety as a result of Safer Internet Day 2024.
- 46% spoke to a parent or carer about how to stay safe

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

- 31% spoke to a parent or carer about something that had been worrying them online.

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Parents and carers:

- 64% of parents and carers felt better prepared to keep their child safe online
- 72% talked to their child about using the internet safely.
- 66% felt more confident about what to do if their child came to them with a problem they had online
- 28% said their child spoke to them about something that had been worrying them online
- 72% felt they had a better understanding of online harms

In addition to support from Nominet for Safer Internet Day 2023, we secured support from Supercell, Tesco Mobile, Apple, Snap, Amazon, Discord, Microsoft, Roblox, Securus Software, and Vodafone.

We held the second meeting of the UK Safer Internet Centre Advisory Board, chaired by Will Gardner. This was in person although some joined online. 31 stakeholders attended including from Ofcom, Government, children's charities, teaching unions and the tech industry. We covered three key areas of concern, including the impact on parental controls by developments in technical standards, online sextortion and nudification and generative AI.

A new trustee joined the Board, Katie Rigg.

Will Gardner spoke at several conferences and meetings over this period. We delivered a webinar to Welsh educators on behalf of the Welsh government on tackling online sexual harassment.

We delivered a webinar on Early Years and online safety in March.

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 was matched this year with support from Twitch.

As the current YAB term comes to an end, we have carried out an evaluation from the YAB members. 10 have completed the evaluation. Some very positive feedback.

- Impact - 90% said participating in YAB improved my ability to discuss online safety with adults & improved my ability to discuss online safety with young people, 80% said it helped me develop new skills & gave me a platform to raise awareness of online safety issues
- Skills – 100% agreed time on YAB had developed their teamwork and collaboration, 70% - Confidence, perseverance and overcoming difficulties, understanding and empathising with the perspectives of others, stepping out of my comfort zone to try new things.
- One quote from a YAB member said - "Joining the Childnet YAB has been such an eye-opening experience, I found myself discussing topics we talked in calls with my friends and my parents. I will be eternally grateful for the opportunities given, which changed my way of thinking and left a highly positive impact in my life and allowed me to make great friends I talked to frequently outside of our calls and residential! As a young person I never thought I'd feel as if I'd made a mark, but the Board allowed me to do exactly that!"

We launched a resource, Reliability Online Interactive Resource, co-produced with the Youth Advisory Board, and piloted in a school as part of our Nominet work. Includes video footage of YAB member sharing key advice.

In a challenging economic environment, Childnet has been grateful to receive funding not aforementioned from Disney, the Garfield Weston Foundation, Trend Micro, techUK, The Motion Picture Association of America (MPA), Meta, Lexis Nexis Risk Solutions, Mainhouse Charitable Trust, Millby Foundation, Sir James Roll Foundation, Fivium, IPDD staff, and the very many individual donations, together supporting a range of work,

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

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 has supported Childnet's mission of empowering children and young people, and really giving them agency and voice in their communities.

Financial review

● **Going concern**

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

● **Reserves policy**

For the year ending 31 March 2024, 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 £200,000. 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

● **Principal funding**

During the year the total incoming resources of the charity amounted to £891,028 (2023: £1,070,298) and total resources expended were £1,022,972 (2023: £1,029,413). This resulted in a deficit of £131,944 for the year (2023: surplus £40,885). The reserves therefore stood at £126,010 at the year end (2023: £257,094), of which £Nil was restricted and £126,010 was unrestricted (2023: £5,434 and £252,520 respectively).

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

Structure, governance and management

● **Constitution**

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

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

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

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

● **Methods of appointment or election of Trustees**

Childnet had 6 trustees on the 1st of April 2023. Tink Palmer resigned as Chair and as a trustee following the AGM. Deborah Hurley joined on 20 November 2023 and Katie Rigg on 25 March 2024, meaning Childnet had 7 trustees at the year-end 31 March 2024.

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)
FOR THE YEAR ENDED 31 MARCH 2024

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 treasurer usually liaises with the Business Manager and sometimes the CEO, virtually if not in person, before each Trustees' meeting to review progress on expenditure and income. His update, in writing or verbal, 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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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.

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TRUSTEES' REPORT (CONTINUED)
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Plans for future periods

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

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

Members' liability

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

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.

CHILDNET
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Disclosure of information to auditors

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

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

Auditors

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

Approved by order of the members of the board of Trustees on 20 December 2024 and signed on their behalf by:

Mr Karl Hopwood

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 2024 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 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

CHILDNET
(A company limited by guarantee)

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

CHILDNET
(A company limited by guarantee)

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

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

CHILDNET
(A company limited by guarantee)

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

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

20 December 2024

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 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	489,293	205,492	694,785	795,747
Charitable activities	4	-	194,175	194,175	273,894
Other trading activities	5	-	4	4	4
Investments	6	-	2,064	2,064	653
Total income		489,293	401,735	891,028	1,070,298
Expenditure on:					
Raising funds	7	-	2,188	2,188	350
Charitable activities	8	720,270	300,514	1,020,784	1,029,063
Total expenditure		720,270	302,702	1,022,972	1,029,413
Net (expenditure)/income		(230,977)	99,033	(131,944)	40,885
Transfers between funds	18	225,543	(225,543)	-	-
Net movement in funds		(5,434)	(126,510)	(131,944)	40,885
Reconciliation of funds:					
Total funds brought forward		5,434	252,520	257,954	217,069
Net movement in funds		(5,434)	(126,510)	(131,944)	40,885
Total funds carried forward		-	126,010	126,010	257,954

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

The notes on pages 21 to 37 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	4,811	5,164
Investments	14	1	1
		<u>4,812</u>	<u>5,165</u>
Current assets			
Debtors	15	172,114	210,667
Cash at bank and in hand		110,496	309,995
		<u>282,610</u>	<u>520,662</u>
Creditors: amounts falling due within one year	16	(161,412)	(267,873)
Net current assets		<u>121,198</u>	<u>252,789</u>
Total net assets		<u><u>126,010</u></u>	<u><u>257,954</u></u>
Charity funds			
Restricted funds	18	-	5,434
Unrestricted funds	18	126,010	252,520
Total funds		<u><u>126,010</u></u>	<u><u>257,954</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 145 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 20 December 2024 and signed on their behalf by:

Mr Kevin Franklin

The notes on pages 21 to 37 form part of these financial statements.

CHILDNET
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	(195,780)	(53,079)
Cash flows from investing activities		
Purchase of tangible fixed assets	(3,719)	(3,076)
Net cash used in investing activities	(3,719)	(3,076)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(199,499)	(56,155)
Cash and cash equivalents at the beginning of the year	309,995	366,150
Cash and cash equivalents at the end of the year	110,496	309,995

The notes on pages 21 to 37 form part of these financial statements

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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.

All expenditure is inclusive of irrecoverable VAT.

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.4 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.

2.5 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

2.6 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.

2.7 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.

2.8 Cash at bank and in hand

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

CHILDNET
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.9 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.

2.10 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.

2.11 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.

2.12 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 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Donations	-	67,330	67,330
Grants	489,293	138,162	627,455
	<u>489,293</u>	<u>205,492</u>	<u>694,785</u>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

3. Income from donations and legacies (continued)

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

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Consultancy income	113,276	113,276
Programme and other income	74,663	74,663
Consultancy expenses recovered	6,236	6,236
	<u>194,175</u>	<u>194,175</u>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
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>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £
Net income - Everyclick	4	4
	<u> </u>	<u> </u>

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

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Investment income - bank interest	2,064	2,064
	<u> </u>	<u> </u>

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

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Total funds 2024 £
Fundraising expense	2,188	2,188

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Fundraising expenses	350	350

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £
Direct costs of charitable activities	720,270	300,514	1,020,784
	<i>Restricted funds 2023 £</i>	<i>Unrestricted funds 2023 £</i>	<i>Total 2023 £</i>
Direct costs of charitable activities	695,844	333,219	1,029,063

9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Direct costs of charitable activities	888,583	132,201	1,020,784
	<i>Activities undertaken directly 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total funds 2023 £</i>
Direct costs of charitable activities	888,070	140,993	1,029,063

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Charitable activities 2024 £	Total funds 2024 £
Salaries and wages	754,716	754,716
Staff costs	8,572	8,572
Consultancy	3,990	3,990
Hire of premises	20,817	20,817
Design and print	64,657	64,657
Motor and travel	35,831	35,831
	<u>888,583</u>	<u>888,583</u>
	<i>Charitable activities 2023 £</i>	<i>Total funds 2023 £</i>
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>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Support activities 2024 £	Total funds 2024 £
Rent and rates	23,019	23,019
Heating and lighting	5,833	5,833
Postage, printing and stationery	2,636	2,636
Telephone and communications	2,553	2,553
Publicity and marketing	35,537	35,537
IT support costs	4,931	4,931
Website design and hosting	12,433	12,433
Exchange differences	507	507
Repairs and renewals	1,977	1,977
Bank charges and interest	986	986
Professional HR costs	5,678	5,678
Computer costs	11,955	11,955
Subscriptions	691	691
Office costs	12,943	12,943
Governance costs	10,522	10,522
	<hr/> 132,201 <hr/>	<hr/> 132,201 <hr/>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Support activities 2023 £</i>	<i>Total funds 2023 £</i>
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
	<u>140,993</u>	<u>140,993</u>

10. Auditors' remuneration

	2024 £	2023 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	5,710	5,400
Fees payable to the Company's auditor in respect of: All non-audit services not included above	<u>-</u>	<u>2,000</u>

11. Staff costs

	2024 £	2023 £
Wages and salaries	634,254	584,061
Social security costs	59,887	56,072
Contribution to defined contribution pension schemes	60,575	55,518
	<u>754,716</u>	<u>695,651</u>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. Staff costs (continued)

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

	2024 No.	<i>2023 No.</i>
Charity operations and administration	17	<i>17</i>

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

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, expenses totalling £674 were reimbursed or paid directly to 1 Trustee (2023 - £375 to 1 Trustee). The expenses were travel and subsistence costs incurred in attending trustee meetings.

13. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2023	16,188	34,688	50,876
Additions	890	2,829	3,719
At 31 March 2024	17,078	37,517	54,595
Depreciation			
At 1 April 2023	14,579	31,133	45,712
Charge for the year	1,027	3,045	4,072
At 31 March 2024	15,606	34,178	49,784
Net book value			
At 31 March 2024	1,472	3,339	4,811
At 31 March 2023	<i>1,609</i>	<i>3,555</i>	<i>5,164</i>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2023	1
	<hr/>
At 31 March 2024	1
	<hr/> <hr/>
Net book value	
At 31 March 2024	1
	<hr/>
At 31 March 2023	1
	<hr/> <hr/>

15. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	75,102	139,857
Other debtors	1,695	1,671
Prepayments and accrued income	95,317	69,139
	<hr/>	<hr/>
	172,114	210,667
	<hr/> <hr/>	<hr/> <hr/>

16. Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank overdrafts	2,624	-
Trade creditors	9,923	40,106
Other taxation and social security	23,653	19,733
Pension contributions payable	5,859	-
Accruals and deferred income	119,353	208,034
	<hr/>	<hr/>
	161,412	267,873
	<hr/> <hr/>	<hr/> <hr/>

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

17. Financial instruments

	2024	2023
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>110,497</u>	<u>309,996</u>

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

CHILDNET
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
General fund	252,520	401,735	(302,702)	(225,543)	126,010
Restricted funds					
DCMS Media Literacy Programme fund	5,434	2,100	(7,534)	-	-
UK Safer Internet Centre	-	422,168	(613,722)	191,554	-
Youth Advisory Board	-	33,011	(58,548)	25,537	-
Nominet enhancements	-	11,440	(19,892)	8,452	-
International film	-	12,500	(12,500)	-	-
deSHAME extension	-	8,074	(8,074)	-	-
	5,434	489,293	(720,270)	225,543	-
Total of funds	257,954	891,028	(1,022,972)	-	126,010

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Statement of funds (continued)

Statement of funds - prior 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>
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

19. Summary of funds

Summary of funds - current year

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2024 £</i>
General funds	252,520	401,735	(302,702)	(225,543)	126,010
Restricted funds	5,434	489,293	(720,270)	225,543	-
	257,954	891,028	(1,022,972)	-	126,010

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. Summary of funds (continued)

Summary of funds - prior 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
	<u>217,069</u>	<u>1,070,298</u>	<u>(1,029,413)</u>	<u>-</u>	<u>257,954</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024	Total funds 2024
	£	£
Tangible fixed assets	4,811	4,811
Fixed asset investments	1	1
Current assets	282,610	282,610
Creditors due within one year	(161,412)	(161,412)
Total	<u>126,010</u>	<u>126,010</u>

Analysis of net assets between funds - prior period

	<i>Restricted funds 2023</i>	<i>Unrestricted funds 2023</i>	<i>Total funds 2023</i>
	£	£	£
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>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

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

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(131,944)	40,885
Adjustments for:		
Depreciation charges	4,072	4,162
Decrease/(increase) in debtors	38,553	(8,574)
Decrease in creditors	(106,461)	(89,552)
Net cash used in operating activities	(195,780)	(53,079)

22. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	110,496	309,995
Total cash and cash equivalents	110,496	309,995

23. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	309,995	(199,499)	110,496
Bank overdrafts repayable on demand	-	(2,624)	(2,624)
Pension contributions due within 1 year	-	(5,859)	(5,859)
	309,995	(207,982)	102,013

24. 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 £60,575 (2023 - £55,518).

£5,859 (2023 - £nil) was payable to the fund at the balance sheet date and is included in creditors.

