

Charity registration number 1188840

Company registration number 12115998 (England and Wales)

COMMON SENSE MEDIA
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

COMMON SENSE MEDIA

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr D Kuizenga
E Pack
Mr J Steyer
Rt Hon E H B Vaizey

(Appointed 19 November
2021)

Charity number

1188840

Company number

12115998

COMMON SENSE MEDIA

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Statement of financial position	5
Notes to the financial statements	6 - 9

COMMON SENSE MEDIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2021

The Trustees present their annual report and financial statements for the year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity's objects are specifically restricted to the advancement of education for the public benefit in particular, but not exclusively, by carrying out research, raising awareness and providing education curriculum and other information for children aged five to seventeen and their parents living in England and Wales to assist them in navigating the digital world and to ensure their digital well-being, with the ultimate goal of overseeing the power of social media, technology and public policy to improve children's well-being.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Common Sense Media rates movies, TV shows, books and more so parents can feel good about the entertainment choices they make for their kids. We offer the largest, most trusted library of independent age-based ratings and reviews. Our timely parenting advice support families as they navigate the challenges and possibilities of raising kids in the digital age.

Achievements and performance

2020 highlights:

- We continued to work with our partners the Welsh Government on transcreation and translation of all 72 Digital Citizenship lessons.
- Jenna met with the National Crime Agency (CEOP) to discuss how we can help teachers identify quality resources via the Education For a Connected World Framework, and partnership opportunities.
- Jenna met with leaders from Education Scotland to introduce our free resources for teachers.
- Trustee & Founder Jim Steyer launches his book 'Which Side of History' and we had a convening of friends and colleagues for an online book club.
- We met with MPs and Policy Leaders to discuss collaboration on online safety resources for schools.

2021 highlights:

- On Safer Internet Day, we launched our new UK Digital Citizenship Curriculum with PR, social, and a professional development session for teachers. The lessons were fully updated based on insights from our 2019/20 case study with Islington Schools in London.
- We also launched a UK microsite for educators in the UK, including our new lessons, and an implementation guide.
- Launched new Digital Citizenship progression tool, which also signposts to peer-recommended resources for teachers, in partnership with Islington Council.
- We supported Safer Internet Day 2021 with promoted posts to raise awareness of our free Digital Citizenship resources.
- We established a partnership with Education Scotland to bring our free Digital Citizenship resources to up to 600k learners in Scotland.
- We established a partnership with Bloomberg Philanthropies, to support their families community in return for support for our UK digital citizenship programme.
- The number of UK users of our Common Sense Digital Citizenship curriculum grew +100% year on year to 10,000.

COMMON SENSE MEDIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

Financial review

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 accounting policies.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Structure, governance and management

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr D Kuizenga

E Pack

Mr J Steyer

Rt Hon E H B Vaizey

(Appointed 19 November 2021)

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Trustees' report was approved by the Board of Trustees.



Mr D Kuizenga

Trustee

23 May 2022

COMMON SENSE MEDIA

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF COMMON SENSE MEDIA

I report to the Trustees on my examination of the financial statements of COMMON SENSE MEDIA (the charity) for the year ended 31 July 2021.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Nicholas M Baldwin BA(Econ) FCA DChA

Dated: 23 May 2022

COMMON SENSE MEDIA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations and legacies	3	54,392	123,804
<u>Expenditure on:</u>			
Charitable activities	4	58,540	85,311
Net (expenditure)/income for the year/ Net movement in funds		(4,148)	38,493
Fund balances at 1 August 2020		38,493	-
Fund balances at 31 July 2021		34,345	38,493

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 6 to 9 form part of these financial statements.

COMMON SENSE MEDIA

STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		38,695		39,033	
Creditors: amounts falling due within one year	8	(4,350)		(540)	
Net current assets			34,345		38,493
Income funds					
Unrestricted funds			34,345		38,493
			34,345		38,493

The notes on pages 6 to 9 form part of these financial statements.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 23 May 2022


Mr D Kuizenga
Trustee

Company registration number 12115998

COMMON SENSE MEDIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Charity information

COMMON SENSE MEDIA is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Gateley Legal, 1 Paternoster Square, London EC4M 7DX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

COMMON SENSE MEDIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

COMMON SENSE MEDIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	54,392	123,804

4 Charitable activities

	Charitable Expenditure 2021	Charitable Expenditure 2020
	£	£
Bank charges	194	138
Set-up costs	-	7,641
Consultancy fees	45,000	53,130
Legal fees	3,052	10,681
Education support	500	11,462
Computer and website costs	-	1,719
Entertainment	144	-
Translation services	5,066	-
Insurance	746	-
Postage	28	-
Professional fees	2,610	-
	57,340	84,771
Share of governance costs (see note 5)	1,200	540
	58,540	85,311

COMMON SENSE MEDIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

5 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Independent examination fees	-	1,200	1,200	-	540	540
	<u>-</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>540</u>	<u>540</u>
	<u>-</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>540</u>	<u>540</u>
Analysed between Charitable activities	-	1,200	1,200	-	540	540
	<u>-</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>540</u>	<u>540</u>

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-
	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

8 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	4,350	540
	<u>4,350</u>	<u>540</u>