

Charity Registration No. 1188840

Company Registration No. 12115998 (England and Wales)

COMMON SENSE MEDIA
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

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)
Secretary	Mr D Kuizenga	
Charity number	1188840	
Company number	12115998	

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2022

The Trustees present their report and financial statements for the year ended 31 July 2022.

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

2021 highlights:

- Jenna partnered with colleagues in Denmark to adapt the UK Education strategy for Nordics region, sharing best practice and learnings from the UK launch.
- Common Sense established a partnership with Bloomberg LP to support their families community.
- We welcomed a new Common Sense Education Ambassador; a highly motivated teacher in London who will help to promote our Digital Citizenship Curriculum in schools.
- We ran our first End Of Year Individual Giving fundraising event via an email campaign in December.
- We continued to engage with our partners, Education Scotland and the Digital Resilience team at the Welsh Government, by contributing blog posts, supporting teachers with webinars and professional development, and leading activities for families such as online sessions for PTAs
- Jenna co hosted a Facebook live session with partner London Grid For Learning to help parents keep children safe on their new devices at Christmas.

2022 highlights:

- Following the launch of our UK Digital Citizenship curriculum in February 2021, we were shortlisted for a prestigious BETT Award (Jan)
- Common Sense UK led the Safer Internet Day celebrations with dedicated teacher comms on social, an email to over 20k UK teachers, a Safer Internet Day teacher resource pack, and top tips to help teachers implement Digital Citizenship throughout the year. For the first time, Common Sense also championed Safer Internet Day in the USA. (Feb)
- Jenna visited schools in Islington, North London, to see the students present their own 'peer to peer' and 'child to parent' internet safety training assemblies (Feb)
- Jenna took to the stage with Common Sense Ambassador Pip Bhol at Europe's biggest EdTech trade show, BETT, to share tips for Implementing Digital Citizenship in Classrooms (March)
- Jenna partnered with her Education Outreach colleague in the US to deliver a bespoke professional development session for UK teachers (March)
- Jenna shared new Dig Cit resources with approximately 20 'Digital Leaders' - teachers from Islington borough (April)
- Common Sense UK hosted 20 thought leaders and policy makers for a dinner with Trustee Jim Steyer.
- Jim Steyer, Trustee, attended the All-Party Parliamentary Group (APPG) on Digital Regulation & Responsibility to share transatlantic perspectives on the online reforms required to make the internet a safer and healthier place for young people.
- Jim Steyer, Trustee, met with Damian Collins MP to advocate for children's rights in the digital world.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Financial review

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 considers 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.

The Trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

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

Dated: 21 April 2023

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 2022.

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: 21 April 2023

COMMON SENSE MEDIA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £
<u>Income from:</u>					
Donations and legacies	3	217,823	25,000	242,823	54,392
<u>Expenditure on:</u>					
Charitable activities	4	8,532	29,400	37,932	58,540
Net incoming/(outgoing) resources before transfers		209,291	(4,400)	204,891	(4,148)
Gross transfers between funds		(4,400)	4,400	-	-
Net income/(expenditure) for the year/ Net movement in funds		204,891	-	204,891	(4,148)
Fund balances at 1 August 2021		34,345	-	34,345	38,493
Fund balances at 31 July 2022		239,236	-	239,236	34,345

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.

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STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Cash at bank and in hand		259,796		38,695	
Creditors: amounts falling due within one year	8	<u>(20,560)</u>		<u>(4,350)</u>	
Net current assets			<u>239,236</u>		<u>34,345</u>
Income funds					
Unrestricted funds			<u>239,236</u>		<u>34,345</u>
			<u>239,236</u>		<u>34,345</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2022.

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 21 April 2023



Mr D Kuizenga
Trustee

Company Registration No. 12115998

COMMON SENSE MEDIA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

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 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)". 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 applying FRS 102 Update Bulletin 1 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.

1.5 Expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

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.

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	Restricted funds	Total	Unrestricted funds
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	217,823	25,000	242,823	54,392

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

4 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Bank charges	232	194
Consultancy fees	29,400	45,000
Legal fees	3,000	3,052
Education support	1,000	500
Entertainment	1,211	144
Translation services	-	5,066
Insurance	812	746
Postage	-	28
Professional fees	-	2,610
Events & Conferences	828	-
Transportation	59	-
Other expenses	190	-
	<u>36,732</u>	<u>57,340</u>
Share of governance costs (see note 5)	1,200	1,200
	<u>37,932</u>	<u>58,540</u>
Analysis by fund		
Unrestricted funds	8,532	58,540
Restricted funds	29,400	-
	<u>37,932</u>	<u>58,540</u>

5 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Independent examination fees	-	1,200	1,200	-	1,200
	<u>-</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>1,200</u>
	<u>-</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>1,200</u>
Analysed between Charitable activities	-	1,200	1,200	-	1,200
	<u>-</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>1,200</u>

6 Trustees

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

7 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	-	-

8 Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	20,560	4,350