

# BBC CHILDREN IN NEED

England & Wales · Charity number 802052

## Details

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Other names	BBC CHILDREN IN NEED, THE BBC CHILDREN IN NEED APPEAL
Status	Registered
Legal form	Charitable company
Company number	<a href="#">04723022</a>
Registered	1989-09-01
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	4th Floor Dock House Salford Greater Manchester M50 2LH
Phone	03456090015
Email	<a href="mailto:pudsey@bbc.co.uk">pudsey@bbc.co.uk</a>
Website	<a href="http://www.bbc.co.uk/pudsey">www.bbc.co.uk/pudsey</a>

## Activities

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**Objects:** The Charity's objects are to further such exclusively charitable objects and purposes in any part of the United Kingdom, the Channel Islands and the Isle of Man as the Trustees think fit and in particular to advance life and help children and young people, in particular (without prejudice to the generality of the foregoing) through the relief of need, hardship, ill-health, disability and distress.

**Activities:** The Charity's objects are to further such exclusively charitable objects and purposes in any part of the United Kingdom, the Channel Islands and the Isle of Man as the Directors may in their discretion think fit and in particular (without prejudice to the generality of the foregoing) to relieve need, hardship, sickness, handicap and distress amongst children and young persons.

## Classification

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- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

## Geography

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- **Area of benefit:** ANY PART OF THE WORLD
- Guernsey
- Isle Of Man
- Jersey
- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-06-30	£61,012,000	£53,623,000	£66,600,000	167
2024-06-30	£54,912,249	£49,240,729	£57,152,013	152
2023-06-30	£50,078,000	£39,823,000	£47,677,000	153
2022-06-30	£69,928,962	£74,523,835	£37,475,254	150
2021-06-30	£65,569,253	£59,548,901	£50,129,449	142

## Trustees

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Name	Role	Appointed
James Fairclough	Chair	2021-10-01
Cherrie Bija		2022-05-11
Helen Thomas		2024-03-01
Jo Wallace		2023-10-01
Jonathan Munro		2020-05-02
Kenny Imafidon		2018-12-11
Kieran Clifton		2019-10-15
Leigh Tavaziva		2022-10-01
Patricia Hidalgo		2024-03-01
RANDEL BRYAN		2022-01-17
Rhona Burns		2020-05-02
Trevor Bradley		2019-06-26

## Linked charities

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- THE BBC CHILDREN IN NEED APPEAL (802052-1)

**BBC CHILDREN IN NEED**

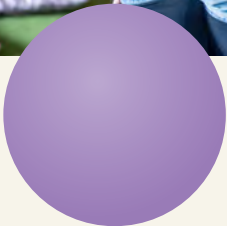
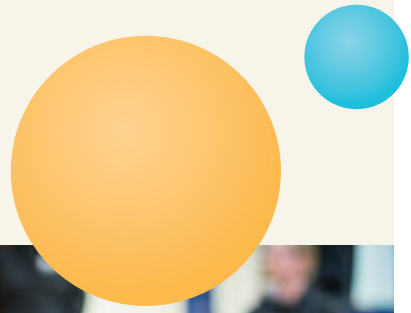
England & Wales - Charity number 802052

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# Accounts

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**B B C**  
**CHILDREN  
IN NEED**



**ANNUAL REPORT  
AND ACCOUNTS**

**FOR THE FINANCIAL YEAR TO 30 JUNE 2025**



# CONTENTS

<b>OVERVIEW FROM THE CHAIR</b>	<b>5</b>
<b>REPORT OF THE TRUSTEES</b>	
<b>STRATEGIC REPORT OF THE TRUSTEES</b>	<b>7</b>
Who we are and how we work	8
Strategy update: our strategy achievements - the headlines	8
The situation in the UK for children and young people	13
Our impact for children and young people - in numbers	16
How we raised our funds - in numbers	18
How we spent our money - in numbers	20
<b>PROGRESS AGAINST OUR PRIORITIES</b>	<b>21</b>
Broadening and Deepening Our Impact	24
Creatively Engaging Our Supporters and Audiences	32
Strategically Growing Our Income	35
Striving for Operational Excellence	38
<b>2025 ACCOUNTS</b>	<b>45</b>
Financial Review	48
Principal Risks and Uncertainties	51
Governance	55
Reference and Administrative Details	57
Statement of Trustees' Responsibilities	58
Independent Auditors' Report to the Trustees	59
Consolidated Statement of Financial Activities	62
Charity Statement of Financial Activities	63
Consolidated and Charity Balance Sheets	64
Consolidated Cash Flow Statement	65
Notes to the Accounts	66



# OVERVIEW

What an extraordinary year it has been. A year of continued transformation, determination, and a shared commitment to improving the lives of children and young people across the UK.

I am continually moved by the generosity of our supporters. The 2024/25 financial year was full of remarkable moments. Paddy McGuinness's Radio 2 challenge captured hearts across the country, inspiring communities to cheer him on and donate. More than £10 million was raised through that effort alone, creating a legacy that will be felt for years.

Building on that spirit, our 2024 Appeal invited the nation to "Challenge Yourself" and "Roll with It" to help make life lighter for children and young people. From personal feats to community events, people across the UK came together to raise an outstanding £52.8 million over the year.

That generosity became impact. We awarded 720 grants totalling £37.9 million to grassroots projects where need is greatest. Every donation, large or small, helped spark positive change.

I want to thank our individual fundraisers and donors, whose support matters more than ever in a tough economic climate. My thanks also to our partners. Collaboration is central to our work, and this year partners including Asda, Greggs and McDonald's helped us reach families and young adults through in-store fundraising, product campaigns and customer donations.

We know the challenges facing children and young people are significant and complex. That is why purposeful transformation sits at the heart of our plan. Over the past year we reshaped how we work so we can respond more effectively to the needs we see in communities every day. The urgency is clear. One in five children and young people are living with a probable mental health condition, and 31 percent of children in the UK are growing up in poverty. These realities strengthen our resolve.

In May 2025 we launched Pudsey's Pause, a simple resource created with clinical psychologist Dr Julie Smith to support children's emotional wellbeing through three easy steps: Pause, Spot, Share. It is a small but powerful example of how we combine evidence, creativity and partnership to help families build resilience.

As we look ahead, BBC Children in Need is entering a period of leadership transition. In November 2025, I had the privilege of being appointed Chair of Trustees, and I look forward to supporting the Board as we continue this important journey. I also want to recognise Simon Antrobus, who will step down as CEO at the end of December 2025 after nine years of dedicated leadership. Simon has guided the charity through a bold period of change and helped set the strategic direction we follow today. On behalf of the Trustees and the many children and young people whose lives have been improved during his tenure, thank you.

As we move into the months ahead, we do so with deep gratitude for our donors, partners, volunteers and communities, and for our exceptional staff whose passion and resilience inspire me every day.

We look to the future with optimism and purpose. Together we can continue to make life fairer, brighter and better for children and young people across the UK.

Thank you for standing with us.

**James Fairclough**  
**Chair, BBC Children in Need**





# REPORT OF THE TRUSTEES

The Trustees of BBC Children in Need (who are also the Directors for the purposes of the Companies Act 2006) are pleased to present this, their report and accounts for the period ended 30 June 2025 and incorporating the Strategic Report and the Directors' Report required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The accounts have been prepared in accordance with the Statement of Recommended Practice - Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, applicable Accounting Standards in the United Kingdom, requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

# STRATEGIC REPORT OF THE TRUSTEES

## WHO WE ARE AND HOW WE WORK

BBC Children in Need believes that every child should have the opportunity to thrive and be the best they can be. For this to happen, we want every child to have someone they can turn to for help and support to overcome challenges they face.

We aim to make sure there's someone able to give food, clothes and beds to a child living without, someone qualified to talk to a child who is anxious, isolated or grieving, someone trained to mentor teenagers in communities facing inequality, violence or lack of opportunity and someone to be there for children living with serious illness or disability, or carrying a load that's just too heavy to manage alone.

BBC Children in Need supports children in the communities where you live. We fund amazing people in family centres, community spaces, youth clubs and refuges, homeless shelters, hospices and helplines - in England, Scotland, Wales and Northern Ireland.

Only with your support can we continue to be there for hundreds of thousands of children when they need us most. Only with your support can we change their lives.

BBC Children in Need's actions are based on the following principles:

### 1. PARTNERSHIP

Maximising the collective difference we can make through working with others and funding causes ranging from the smallest of local charities through to national networks.

### 2. LEADERSHIP

Using our platform and storytelling, our convening power and our partnerships to highlight and address the key challenges faced by children and young people.

### 3. INVOLVEMENT

Engaging children and young people as active participants in our work, acting on their input and amplifying their voices.

### 4. INCLUSION

Making equity and inclusion fundamental to our work and recognising the potential in every child and young person - enabling them to feel safe, happy, secure and able to thrive.

### 5. INSIGHT

Using insight, evidence and learning across the Charity to understand the aspirations, barriers and challenges faced by children and young people.

## STRATEGY UPDATE: OUR STRATEGY ACHIEVEMENTS HEADLINES

Over the last year, we have continued to work towards our charitable ambition through the delivery of our strategy. More than ever before, we've routed our decision making and activity around our ambition for all children and young people to have the opportunity to thrive and be the best they can be. We have also continued to promote our ambition: to create positive and lasting change across the UK for the children and young people who need us most.

## Achievements and Performance

We have made progress across all four of our strategic priorities to support the delivery of our five-year strategy, which serves to ensure maximum impact for the UK's children and young people. It also underpins the delivery of the effective engagement of our audiences and supporters.

We continue to closely track and monitor our progress. The key highlights for 2024/25 are as follows:

### Broadening and Deepening Our Impact

- Further developing and embedding our Impact Framework to guide our impact work, with a focus on Poverty, Mental Health, Family Challenges and Equality
- Delivering on our commitment to fund grassroots organisations in local communities
- Refining and improving our grant and eligibility processes to better balance our available funding with the volume of applications we receive
- Introducing an approach to "GrantsPlus": support for applicants and grantees beyond the grant award itself
- Exploring the link between Poverty and Mental Health through research, convening the sector and building our response
- Working closely with partners like McDonalds on a revised approach to Youth Work
- Holding a conference to convene charities and funders around the link between neurodiversity and mental health issues
- Developing and fundraising for an ambitious national programme focussed on tackling the impact of child poverty

### Creatively Engaging Our Supporters and Audiences

- Reaching new audiences and supporters through our approach to social media, partnerships and working with high profile individuals



**We captured hearts and inspired the generosity of people across the UK through Paddy's Ultra Endurance Challenge, raising over £10M**



- Bringing the Nation together through the integration of our activities across our annual campaign, including linkups between some of the BBC’s biggest brands, such as Radio 2 and The One Show - along with our work in communities with schools and corporate partners, culminating in one big celebration on our Night of TV
- Emphasising the importance of Positive Relationships through the Heaviest Backpack campaign during Mental Health Awareness Week and the launch of our first parent facing tool to support children’s mental health – Pudsey’s Pause.

### Strategically Growing Our Income

- Capturing hearts and attracting the generosity of people across the UK by partnering with BBC Radio 2 and *Paddy McGuinness’s Ultra Endurance Cycle Challenge*, which raised over £10m
- Building on the strong support of the public, inviting them to “Challenge Themselves” in schools and communities across the UK and partnering with big brands such as Gladiators, Bluey and Peppa Pig to reach and engage more families
- Engaging and inspiring our audience and supporters to commit to ongoing donations. By the end of the year, 2,600 supporters had signed up to committed giving
- Growing income from corporate partners and building new relationships with businesses.




**We are proud to currently support projects in 88% of UK local authority areas**





## Striving for Operational Excellence

- Continued delivery of our Equity, Diversity and Inclusion strategy with a focus on Our People, Our Funding and Grant Making, Our Fundraising and Our Storytelling
- Developing key pieces of insight to guide our activity - learning directly from our supporters, our grantees and the children and young people they support, while working in partnership with children's sector experts to explore the power of Positive Relationships
- Undertaking a major change to our grant making system, which will greatly improve the user experience for applicants and grantees as well as our internal staff
- Implementing recommendations from a governance review undertaken during 2024, which included making sure our policies, due diligence and ongoing monitoring relating to grant making are robust and that all decisions regarding new and existing grants are fully documented in accordance with the Charity Commission guidance
- Recognising that our reputation and the public trust in BBC Children in Need are fundamental to our future success. The Charity has a range of policies and processes in place that promote corporate responsibility and ethical behaviour, including Donor Acceptance and Community Fundraising policies as well as Procurement and Purchasing Policies
- Evolving our approach to the ways in which we operate - as well as the methods we use to evaluate and process funding applications and payments - to facilitate the new strategy

## Strategic Transformation for a Stronger Future

This year, BBC Children in Need embarked on a significant journey of transformation to ensure we are best positioned to meet the evolving needs of children and young people across the UK. We have recognised that we are facing a number of critical challenges that demanding a proactive and strategic response:

- **Rising demand for support**, as the issues affecting children and young people continue to grow in scale and complexity



- **Changing media consumption habits**, with audiences engaging across a wider range of platforms and expecting more personalised, accessible content
- **Increasing financial pressures on the public**, which are affecting charitable giving and driving expectations for greater transparency and demonstrable impact



If we do not respond to these challenges and opportunities, we risk both our income and our ability to deliver the meaningful change we want to see for children.

To future-proof the organisation, we have undertaken a comprehensive review of our operations, priorities and organisational design. Our focus has been on identifying where we can deliver the greatest impact, while remaining firmly within our financial model. This has involved:


- Prioritising key activities that align with our mission and strategic goals
- Assessing where investment will yield the most meaningful outcomes
- Ensuring our resources are aligned to deliver on our ambitions

We also reviewed our organisational structure to ensure we have the right capabilities, focus and skills to deliver our future plans. This work has laid the foundation for a more agile, focused and impact-driven charity – one that is equipped to do more for the children and young people who need us most.

This transformation is not a one-off initiative, but a strategic shift that will continue into the new financial year. We are committed to implementing these changes thoughtfully and sustainably, ensuring that every decision strengthens our ability to support children and young people to thrive.



**This work has laid the foundation for a more agile, focused and impact-driven charity - one that is equipped to do more for the children and young people who need us most.**



## Trustees' duty to promote the success of the Charity: Section 172 statement

The Trustees have approved this Strategic Report, which provides an analysis of the Charity's performance and how it has achieved its charitable purpose while ensuring its continued viability. The report explains the Charity's financial position, delivers an insight into its objectives and sets out the risks and uncertainties it faces.

The Trustees have considered the following matters in order to meet the requirements of section 172 of the Companies Act:

### Looking to the Future

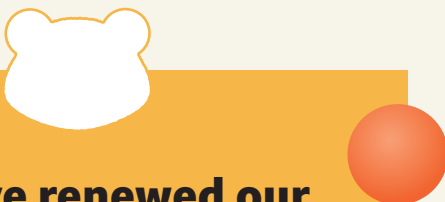
Three years into the delivery of our 2022-2027 strategy, we are making good progress and continue to align efforts against our four strategic priorities of Broadening and Deepening Our Impact, Creatively Engaging with Audiences and Supporters, Strategically Growing Our Income and Striving for Operational Excellence. These now represent the cornerstones of our strategic planning and reporting and are aligned to our charitable ambition.

We have plans in place to continue progressing our strategy so that it fully supports our charitable ambition. These plans take into account changing external conditions as well as new ways to connect with opportunity audiences and respond to the challenges that children and young people currently face - and will face in the future.


Supported by our fantastic team and Trustees, we will continue to make a difference in the lives of the UK's children and young people.

### Working Within Our Employees' Interests


Our employees are vital to BBC Children in Need and, for this reason, we strive to be a fully inclusive organisation. To achieve this, we have renewed our focus on building a strong and supportive culture through the Pudsey Way – a pledge we have designed to define the elements of our culture that we want to reinforce. Our Trustees are also committed to making tangible steps to improve Equity, Diversity and Inclusion (EDI).



**We have renewed our focus on building a strong and supportive culture through the Pudsey Way**



**Our reputation - and public trust in BBC Children in Need - are fundamental to our future success**



### The Need to Act Fairly

The launch of our Equity, Diversity and Inclusion strategy in 2023 (see page 41) has a specific focus on Our People (see page 40), Our Funding and Grant Making, Our Fundraising and Our Storytelling. Quarterly reviews of progress are reported to the Executive Team, cementing our ambition across these areas. Our grant making strategy ensures that we support children from all four UK nations, always acting where the need is greatest.

### Our Business Relationships

It is vital that we engage with our Charity's main stakeholder groups in order to change children's lives right across the UK. These groups include grantee organisations (set out on pages 20 to 31), donors, fundraisers, corporate partners, the BBC and others within the sector (pages 32 to 37).

### Our Impact on the Environment and the Community

Children and young people are increasingly vocal about their hopes and expectations for the future. BBC Children in Need is committed to reducing our impact on the environment and using our voice to highlight the importance of taking action.

Many of the children and young people we support are likely to be those most affected by the climate crisis. We recognise that reducing our impact on the environment and having a clear approach as to how we play our part in tackling the climate crisis is key to our mission.

The public's trust in BBC Children in Need is fundamental to our future success, as is our reputation as a charity. To that end, we have a range of processes in place that promote corporate responsibility and ethical behaviour, including policies that control Donor Acceptance, Community Fundraising, Procurement and Purchasing. We continue to explore opportunities to strengthen responsible practice including the way our Board operates.

# THE SITUATION IN THE UK FOR CHILDREN AND YOUNG PEOPLE

The past few years have seen a multitude of challenges affecting children, young people and their families - including the continued shadow of the pandemic and its longer term impact on social and educational development and the ongoing cost-of-living challenges, alongside widening social division and inequity. For children and young people already living with significant difficulties and obstacles, these issues continue to add complexity, hardship and worry, compounding their existing challenges.

Social inequality is growing - and the situation for many children and young people is now critical. Poverty creates disparity and increasingly limits children and young people's lives, damaging their physical and emotional health, restricting their opportunities and curbing their future potential. All children and young people should have access to the basic resources they need to make progress, but far too many are going without.

The UK is now the European country with the largest gap in average life satisfaction between the young people living with the highest and lowest levels of need<sup>1</sup>. Many children and young people are marginalised, isolated or affected by discrimination, leaving them feeling unwelcome, unsafe and misunderstood.

Children and young people's mental health is a major concern, with rising numbers requiring support with issues including anxiety and depression. However, there are significant gaps in the support available, and this affects their ability to access the help they need. Many are carrying a heavy load, weighed down by responsibilities, pressures and difficult situations that make their lives increasingly complex and difficult. They need our support now more than ever.



# CURRENT STATISTICS

There are an estimated **14,403,544 children and young people aged under 18 in the UK.**<sup>2</sup>



## Social Inequality

The UK is the European country with the **largest gap** in average life satisfaction between the 25% of 15 year olds with the lowest levels of need and the 25% with the highest levels of need<sup>17</sup>

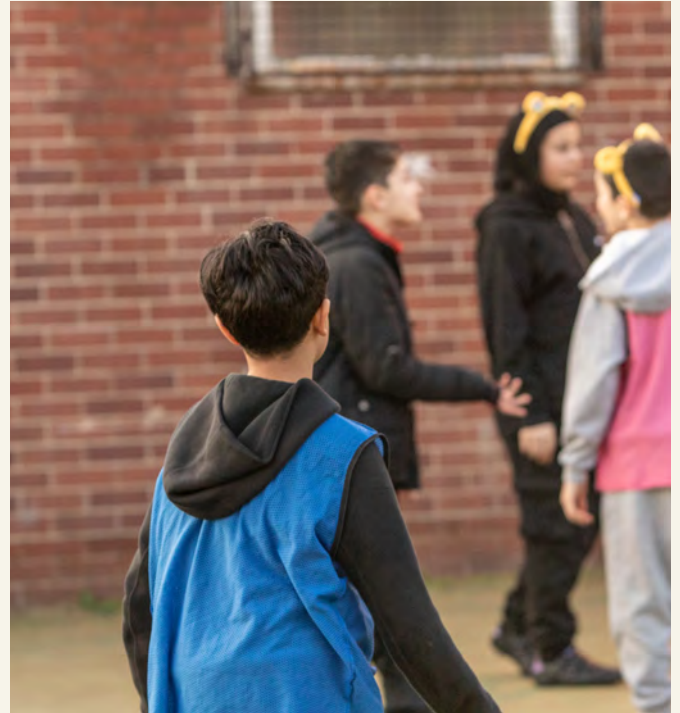
Children and young people with learning disabilities are **over four times** more likely to develop a mental health issue<sup>18</sup>

In the past year, **over half of young LGBTQ+ people** (58%) seriously considered attempting suicide<sup>19</sup>

**49%** of children from global majority families are growing up in poverty - compared with 24% of children in White British families<sup>20</sup>

**44%** of all children living in poverty reside in a household where someone is disabled<sup>21</sup>

In the year ended March 2024, **70% of hate crimes** were racially motivated (98,799 offences)<sup>22</sup>



## Mental Health

Around **1 in 5** children and young people have a probable mental health condition<sup>3</sup>

Roughly **3 in 5** (62%) young people feel stressed - and **over half** (55%) feel anxious<sup>4</sup>

More 15-year-olds are reporting low life satisfaction in the UK than anywhere else in Europe<sup>5</sup>

It is estimated that **around 75%** of young people experiencing a mental health problem are either forced to wait so long for support that their condition gets worse, or are unable to access any treatment at all<sup>6</sup>

Almost 9 in 10 teachers have seen an increase in the prevalence of pupils' mental health issues in the last year<sup>7</sup>

**More than 500** children a day (1 every 3 minutes) in England are being referred to mental health services for anxiety. This is more than double the rate recorded prior to the pandemic<sup>8</sup>. In the last four years, psychiatrists and their teams have seen a **53% increase** in the number of children in mental health crisis requiring emergency support<sup>9</sup>



## Poverty

In the UK, there are **4.5 million** children in relative poverty overall (31% of children)<sup>10</sup>

In some areas, **more than half** of children live in poverty<sup>11</sup>

Poverty is the most significant obstacle to happiness and wellbeing for children in England<sup>12</sup>

**7 in 10 children** affected by poverty are living in working families<sup>13</sup>

**2.7 million** children experienced food insecurity in June 2024<sup>14</sup>

**32% of children** have parents who want to take their family on a week-long holiday away from home but cannot afford to do so<sup>15</sup>

It is estimated that **more than one million children** in the UK don't have a bed of their own<sup>16</sup>



## Family Related Challenges

**More than 192,000 children** in England and Wales have parents who are currently in prison<sup>23</sup>

It is estimated that there are around **800,000 young carers** in the UK<sup>24</sup>

There are approximately **105,400** looked-after children (children who have been in the care of a local authority for more than 24 hours) in the UK<sup>25</sup>

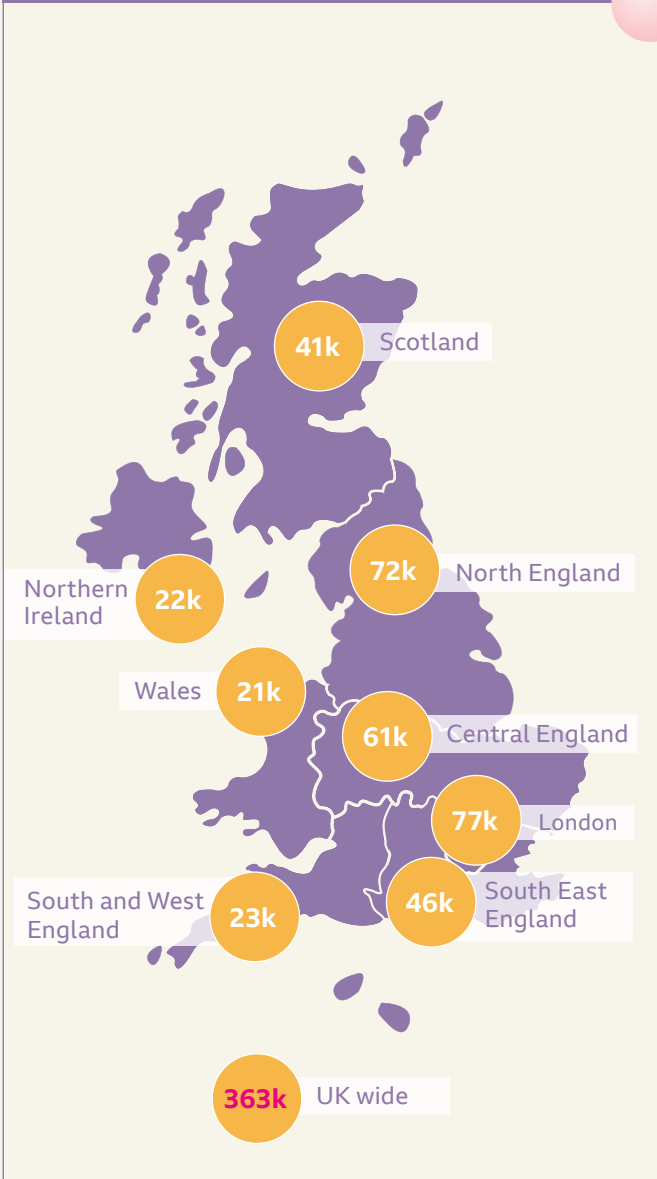
It is estimated that over **800,000** children are affected by domestic abuse<sup>26</sup>

- 1 Children's Society Good Childhood Report 2024 August 2024
2. United Nations, Department of Economic and Social Affairs, Population Division (2024)
3. NHS Digital Mental Health of Children and Young People in England, 2023 - wave 4 follow up to the 2017 survey Official statistics, Survey Nov 2023 \*8 to 25 year olds in England
4. The Prince's Trust NatWest Youth Index (2024)
5. Children's Society Good Childhood Report 2024 August 2024
6. LGA Children and young people's emotional wellbeing and mental health – facts and figures September 2023
7. National Education Union State of education : Mental health of young people April 2024
8. Guardian NHS referrals for anxiety more than double pre-Covid levels August 2024
9. RCPsych Analysis from the Royal College of Psychiatrists reveals a significant rise in the number of children and young people under 18 needing emergency care from mental health services (CAMHS) February 2024
10. DWP Households below average income for financial years ending 1995 to 2024 (March 2025)
11. House of Commons Research Briefing Poverty in the UK Statistics (April 2024)
12. University of York Children's Worlds National Report: England (July 2020)
13. DWP Households below average income: for financial years ending 1995 to 2023 (March 2024)
14. Food Foundation Food Insecurity Tracking Round 15 July 2024
15. House of Commons Research Briefing Poverty in the UK: Statistics (April 2024)
16. Barnardo's No Crib for a Bed September 2023 YouGov Survey
17. Children's Society Good Childhood Report 2024 August 2024
18. LGA Children and young people's mental health: An independent review into policy success and challenges over the last decade June 2023
19. The Trevor Project 2024 UK Survey on the Mental Health of LGBTQ+ Young People
20. CPAG – Poverty: facts and figures | CPAG
21. DWP Households below average income: for financial years ending 1995 to 2023 (March 2024)
22. Home Office Hate crime, England and Wales, year ending March 2024 - GOV.UK (October 2024)
23. MOJ Official Statistics in Development: Estimates of children with a parent in prison July 2024
24. Children's Society citing BBC; Carers Trust; Census; School Census
25. NSPCC Children in care: statistics briefing January 2024
26. Barnardos Our influencing work on domestic abuse Foundations Over 827,000 children estimated to have experienced domestic abuse this year, with concerns of increase at Christmas underscoring urgent need for stronger support December 2023

# OUR IMPACT FOR CHILDREN AND YOUNG PEOPLE - IN NUMBERS

Throughout 2024/25, we supported over 363,000 children and young people

UK reach (nearest 1k)



Targeting children and young people who are experiencing a range of challenges

### Area disadvantage

Challenges arising from a lack of resources in a particular location

**116k** children and young people

### Family-related challenges

Issues that stem from home lives that are less stable – including domestic abuse, family breakdown and separation

**44k** children and young people

### Disability

Challenges that accompany long-term or life-changing medical conditions

**50k** children and young people

### Household poverty and housing difficulties

The complex issues facing those affected by poverty or insecure housing

**22k** children and young people (If we include Emergency Essentials, this figure is **45k**)

### Marginalised identities or nationalities

The impact of inequity and discrimination related to ethnicity, disability, gender, gender identity and sexual identity

**30k** children and young people

### Mental health and emotional wellbeing

Challenges resulting from poor mental health and lack of access to mental health care

**30k** children and young people

### Personal harm

The risk of children and young people being drawn into danger or violence

**14k** children and young people

### Behaviour or education engagement issues

Obstacles affecting children and young people living with behavioural or learning difficulties, or who struggle to access suitable educational support

**10k** children and young people

### Physical wellbeing

Challenges resulting from a lack of accessible exercise opportunities, safe outdoor activities and nutrition

**25k** children and young people

Through the projects we fund, children and young people...



**116,000**  
have stronger  
self-belief



**117,000**  
enjoy better  
relationships



**48,000**  
are more  
empowered



**38,000**  
have better  
physical wellbeing



**80,000**  
have increased  
essential skills



**124,000**  
have stronger  
emotional wellbeing



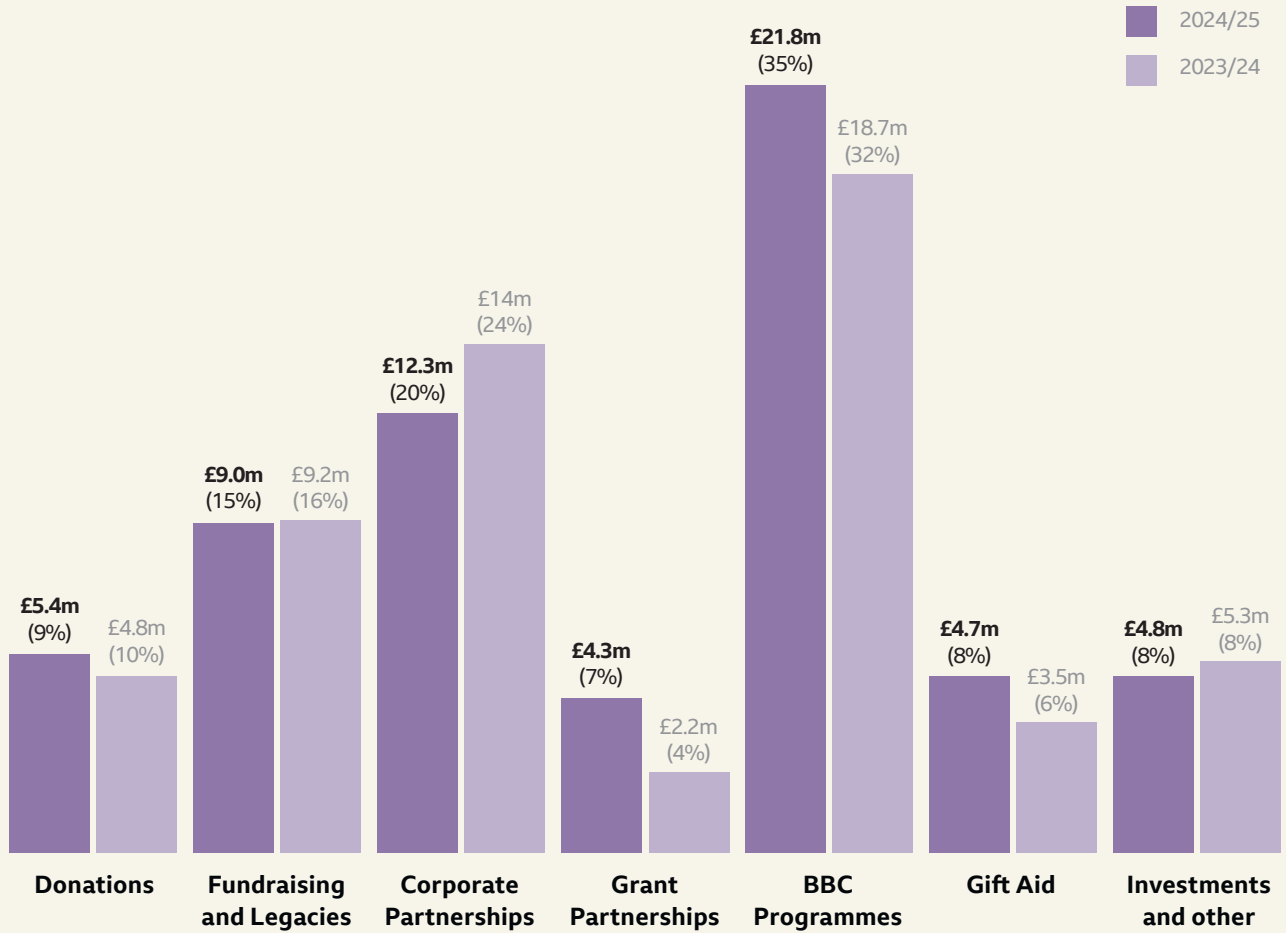
**40,000**  
are safer

Note: children and young people (CYP) supported by BBC Children in Need may experience more than one positive outcome.



# HOW WE RAISED OUR FUNDS - IN NUMBERS

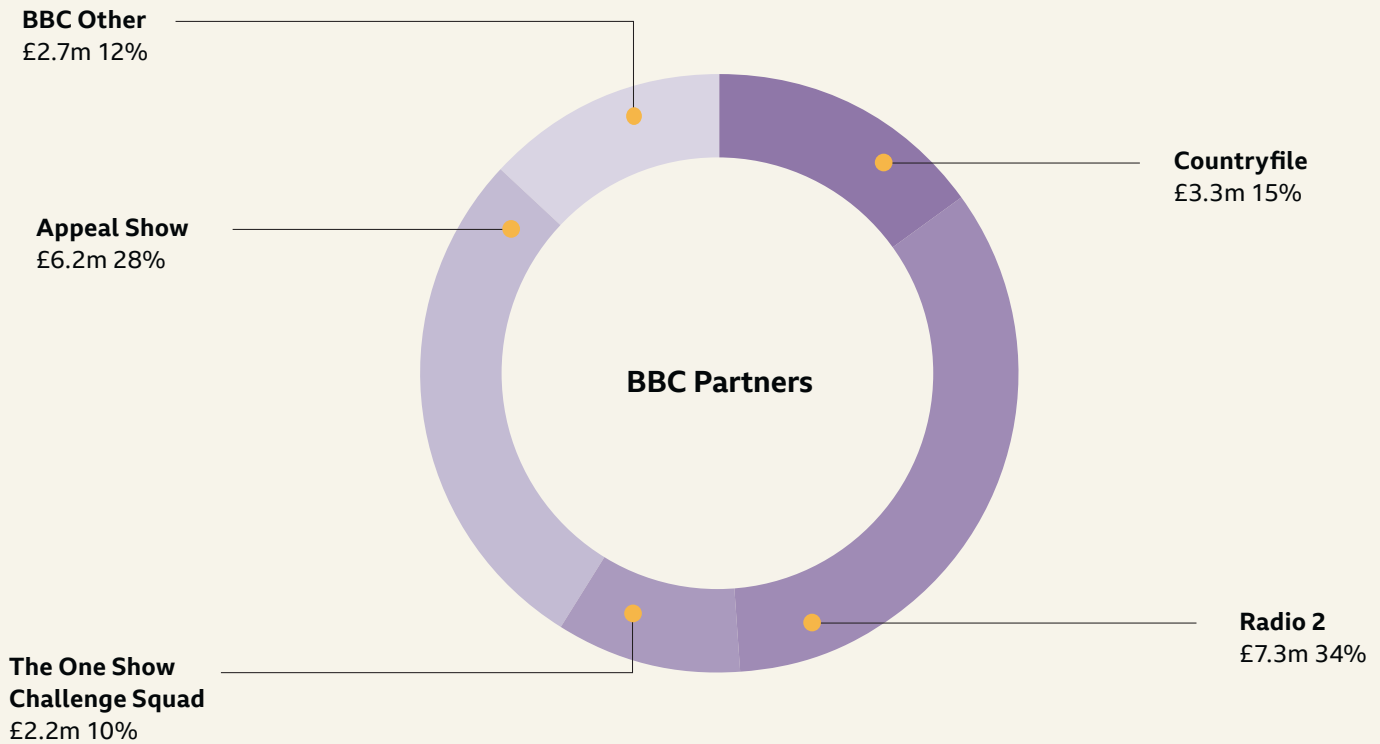
Income available for charity activity net of gifts in kind totals £62.3m. Of this, £52.8m is from donations and charitable activities excluding Gift Aid.



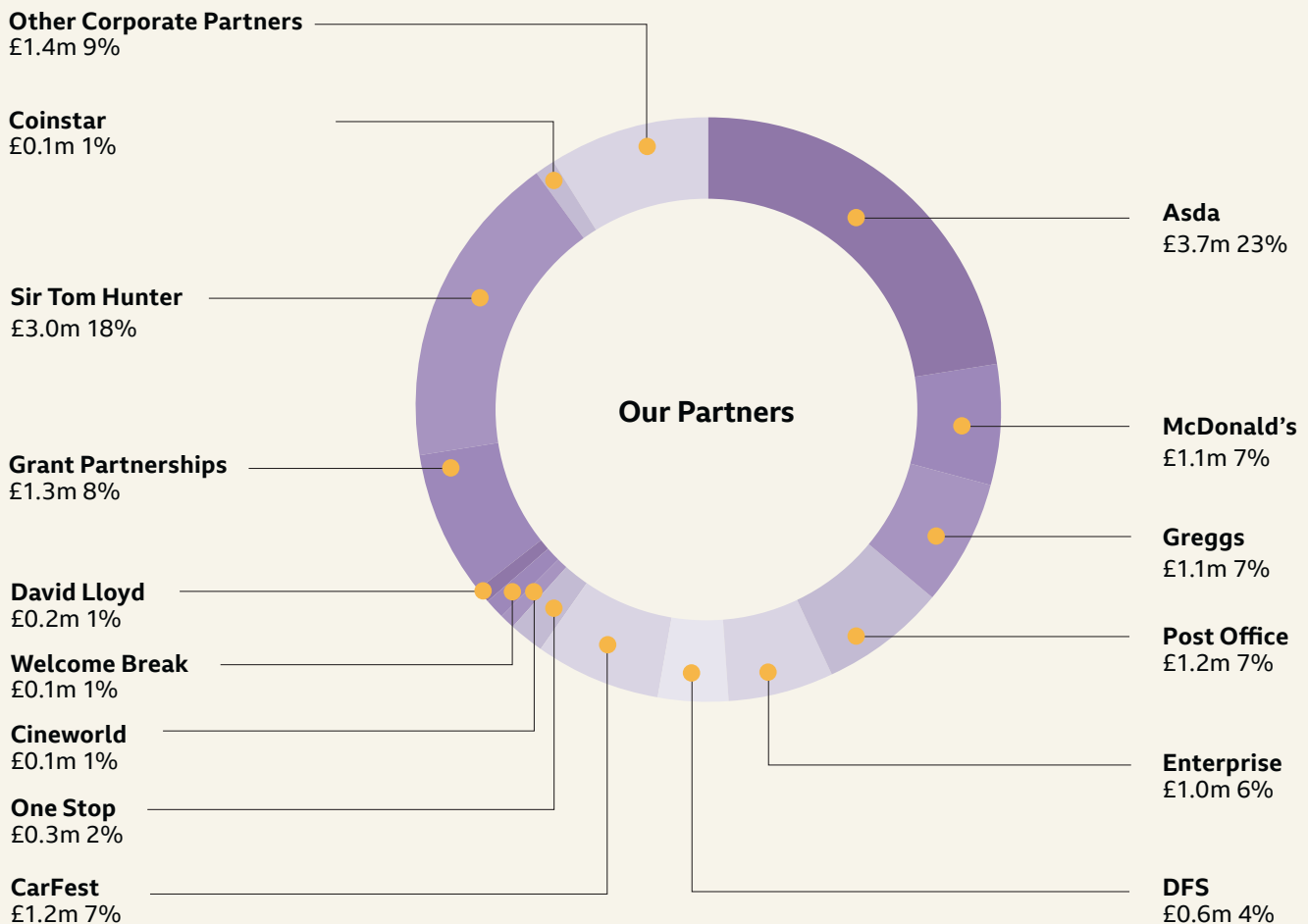
## Fundraising through the annual campaign:



### BBC partners:

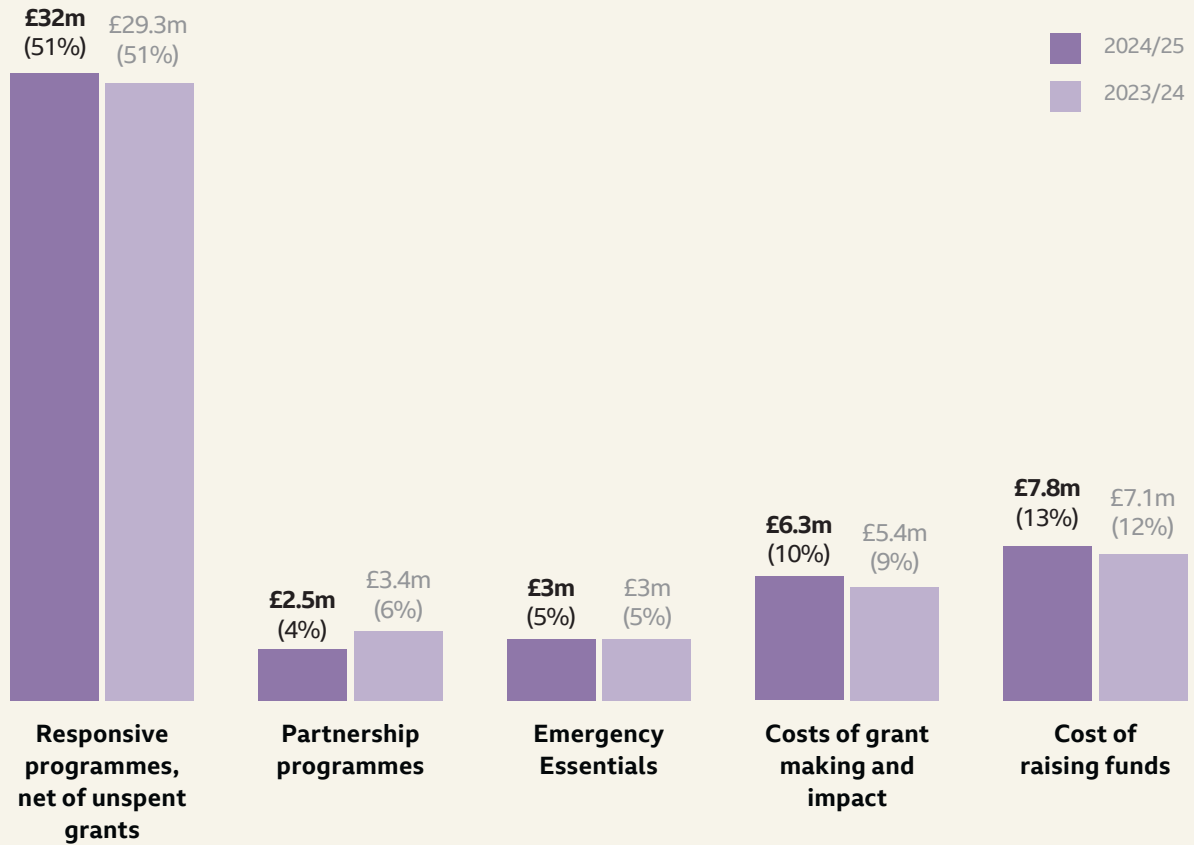


### BBC Children in Need partners:



# HOW WE SPENT OUR MONEY – IN NUMBERS

We spent £51.7m on charitable activity, net of gifts in kind.

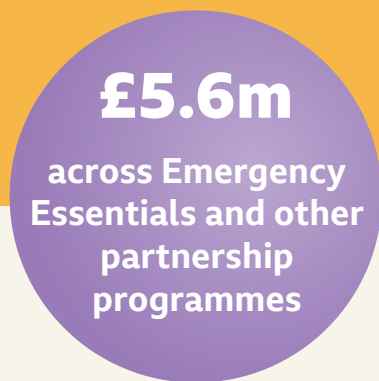


**Our funding:**



**In the year ended 30th June 2025, we were able to award grants totalling **£37.9m****

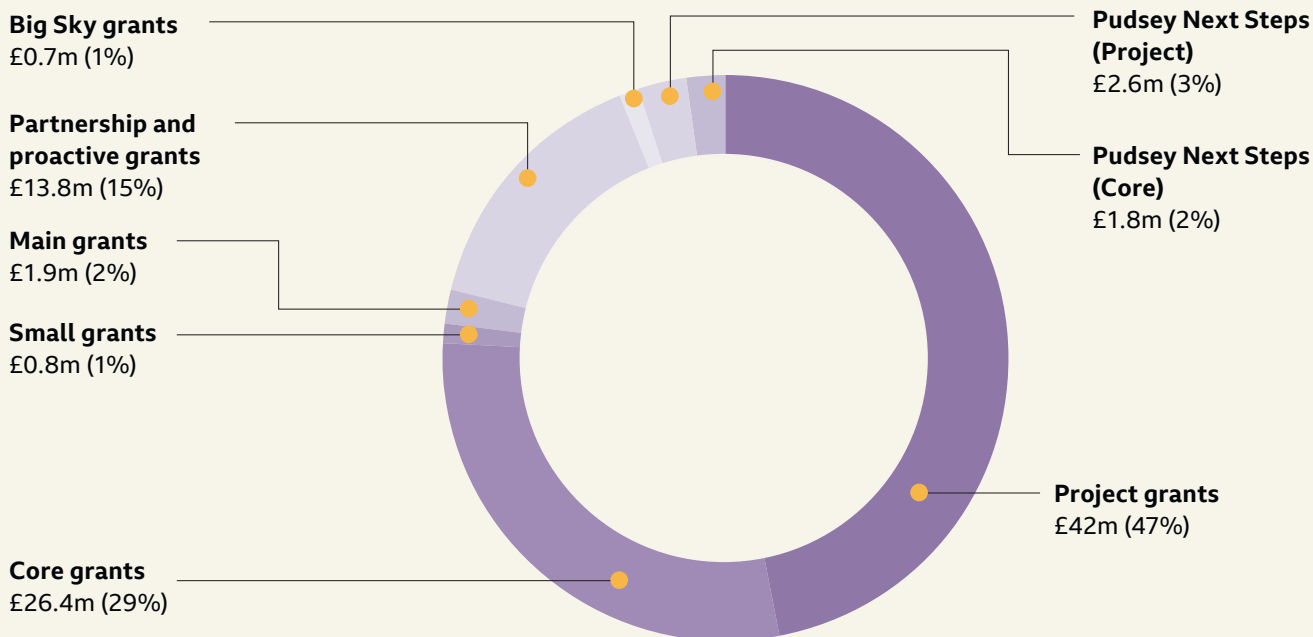
**This breaks down as follows:**



in our responsive programmes (this includes our Project and Core grants, Pudsey Next Steps, Big Sky programmes and some extensions to grants in our We Move programme)

**The new grants awarded take our total committed funding\* to **£90m**, which breaks down as follows:**

\* the total value of active grants in our portfolio as at June 2025







# **PROGRESS AGAINST OUR PRIORITIES**

# BROADENING AND DEEPENING OUR IMPACT



## Priorities:

Further develop and embed our Impact Framework in order to guide our impact work - with a focus on poverty, mental health, youth work, early years support and projects empowering Black children and young people

Grow opportunities to support and influence organisations beyond grant making



Refine and improve our grant and eligibility processes to better balance our available funding against the volume of applications we receive

Introduce an approach to "GrantsPlus": support to applicants and grantees beyond the grant award itself



**The reason we're here**

**How we deliver change**

### Our Ambition

For all children and young people to have the opportunity to thrive and be the best they can be

### Direct Impact

Place based funding, national and other funding programmes

### Our Purpose

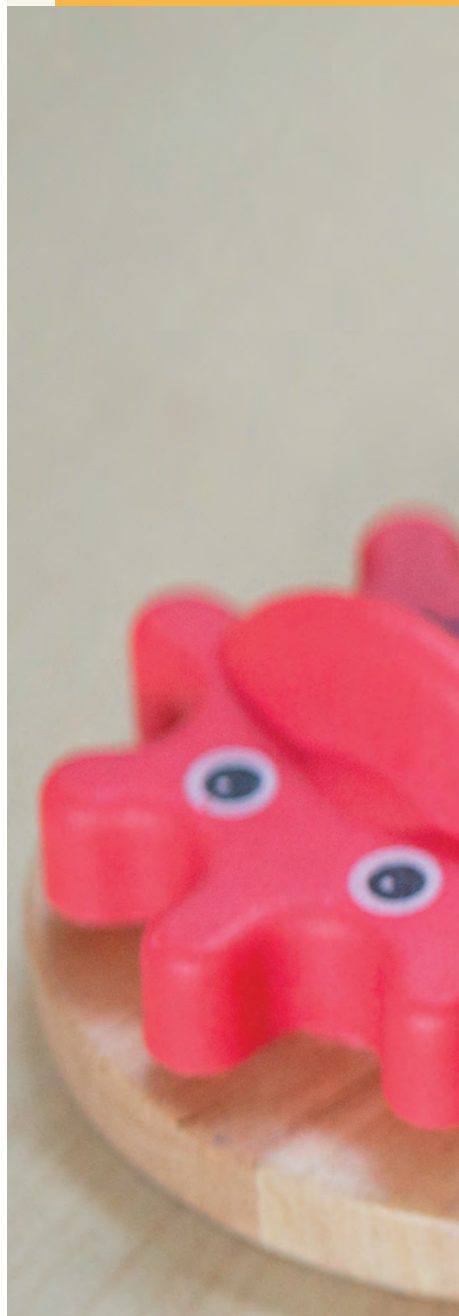
To create positive and lasting change across the UK for the children and young people who need us most

### Broader Impact

Communicating the challenges for CYP and influencing about what works  
Enabling others who are supporting CYP through resources and information

### Our Approach

By funding, enabling and advocating Positive Relationships in children's lives



The value of our grant awards grew 4% year-on-year, awarding 720 grants totalling **£37.9m**. We have continued to build a more diverse portfolio, supporting smaller organisations and those that are new to us.

**Refine and improve our grant and eligibility processes to better balance our available funding against the volume of applications we receive**

During the year, we received almost 2,000 applications to our responsive funding programmes. However, during the year 2024/25, we were only able to fund 1 in 7 of the applications. This results in a great deal of wasted time and ultimately leads to disappointment for many applicant

organisations. Therefore, during the year, we continued to refine and clarify our funding focus, our priorities and the specific interventions we seek to support, embedding the Impact Framework which now guides our investment decisions.

To support this, we reviewed many of our grant making policies and eligibility criteria. We remain a broad funder, but are now more focussed in our approach as a result of this work.

**The key challenges for children that we focus on**

**Mental Health**

**Poverty**

**Social Inequality**

**Family Challenges**

**Our current areas of focus**

Preventing mental health issues in children's lives

A place based approach to alleviating the impact of poverty on children

Reducing social inequality for Black children

Strengthening family support for children in their early years

Increasing access to high quality youth work in local communities



## **Introduce an approach to “GrantsPlus”: support for applicants and grantees beyond the grant award itself**

In the year, we introduced GrantsPlus: a clearer approach to support for applicants and grantees beyond the main grant award itself. This featured new, regular communication to grantees with useful resources and information, a pilot programme offering capacity-building bursaries to applicants and grantees and an investment of £368k in to exit grants for organisations we had funded in excess of nine years, to support them during their transition away from our funding. Other features of this new approach include funding bursaries to support 1,000 youth work training qualifications.

This greater clarity and additional support continues to result in improved satisfaction expressed by applicants and grantees, as demonstrated in our 2025 survey. 70% of respondents agreed that BBC Children in Need is a transparent funder, while 79% stated that we have a positive impact in the sector - a significant increase from 65% in 2024.

As a children’s charity, we are committed to increasing the involvement of young people in the shaping and direction of our work (see the Operational Excellence section on page 38-39 for more on this).

## **Grow opportunities to support and influence organisations beyond grant making**

During the year, we also focussed on amplifying the critical issues that impact children and young people in the UK. This included developing opportunities to bring charities together in order to work on potential solutions collectively. Over the summer, we convened funders in a series of webinars discussing the riots that took place across the UK during that period and, in particular, their impact on children.

We started to build a coalition of funders working to understand the scale and nature of the support required by young people in response. We have also been developing a national collaboration of funders that will focus on addressing the impact of child poverty.



In October 2024, through our We Move FWD programme, we hosted a conference titled ‘Nurturing Black Beginnings’ to learn from approaches to early years and maternal health support in Black communities. This highlighted disparities in outcomes as well as drawing attention to projects and good practice evidencing practical solutions.

Building on our convening power, we hosted a large conference in partnership with City University on the connection between neurodiversity and mental health issues experienced by children. Over 150 sector experts, youth workers, practitioners and academics gathered to discuss the evidence linking the two issues, examining causality and connection. This was the largest conference hosted by BBC Children in Need to date, and it was followed by the publication of a research paper, which has now been made publicly available to enable these conversations to continue. We are proud of our ability to shine a spotlight on these matters and to influence urgent discussions, which can in turn create a wider impact for children and young people.

The three target groups most represented across our funding are:

- Area disadvantage (challenges resulting from a lack of resources in a particular location)
- Mental health and emotional wellbeing
- Family challenges

Each of these – alongside social inequality – are areas of ongoing focus for the organisation. With almost 1 in 3 children and young people living in poverty and 1 in 5 with a probable mental health condition, we strive to support them in greater numbers, whether directly or indirectly.

The examples and case studies below showcase some of our impact work during the year through the lens of our Impact Framework, including the challenges facing children and young people and our areas of focus. They demonstrate the effect of BBC Children in Need on the lives of individual children and young people.



## Poverty



### Poverty Case Study: Emergency Essentials

The BBC Children in Need Emergency Essentials Programme supports children and young people who are facing exceptionally difficult circumstances. The programme provides grants for items that meet children's most basic needs, such as a bed to sleep in, a cooker – so that they can have hot meals - clothing (in a crisis) and other critical items and services. The £3 million-per-year programme is delivered in partnership with Family Fund Business Services, the UK's largest grant making charity for families living in crisis.



### Family Challenges Case Study: Ladybird Development Group

This project provides tailored support for disabled children aged 0 to 3 in Moray, Scotland. It helps early development, builds skills and confidence and provides more opportunities for fun activities. BBC Children in Need awarded a three-year grant of £54,821 to fund the salaries of three Child Practitioners and a Co-Manager for the project.

A Ladybird Development Group project worker told us: *“When Child A first started with us, his main means of communication was with smiles, or with vocalising when he was upset or cross. Due to the level of intense interaction he receives from his keyworker, he is now signing using British Sign Language during our welcome time song, goodbye song, for snacks and when choosing activities, etc. Mum has noticed a huge difference in his interaction and agrees what a difference this has made to his day.*

*Child A has always been a sociable boy. However, he is now going over to his peers and initiating play and interaction with them. Staff encourage him with this, and it really is so good to see how confident he is becoming. The activities that he chooses to do with his keyworker are assisting with his fine motor and gross motor skills and encouraging his development in many ways.”*

A Child A's mum says *“The Ladybird Group values are all fantastic. We have zero requirements as they all go above and beyond for my son.”*





## Youth Work Case Studies: YMCA Kilmarnock and TRAIN

We have invested £540,000 in total to deliver 1,000 youth work qualifications around the UK over three years. Supported by these grants, the National Youth Agency, Youth Scotland, Council for Wales Voluntary Youth Services and Youth Work Alliance NI will deliver the qualifications at various levels in each nation, creating a new generation of fully-equipped youth workers at no cost to them or their organisation.

From developing specific competencies - such as detached youth work - to supporting individuals taking their first step towards a career in this field, we are committed to celebrating the role youth workers can have in changing lives.

### YMCA Kilmarnock

YMCA Kilmarnock received a grant through our Pudsey Next Steps programme. They put forward staff who completed Youth Scotland's "Ready for Youth Work" course thanks to this additional funding. Participants have said the following:

*"I am a trainee youth worker... I started volunteering at YMCA two years ago and then I got a job as a paid member of staff. When I was in school about two years ago, I got referred to start volunteering because I was quite shy and anxious - school wasn't the best for me - so I got referred [to YMCA], started doing nights and then did my first summer. I've had so many youth workers in my time, like from school and stuff, and I always said if I could be half of what they are, that's a win for me."*

*"Before I went on the course, I felt as though I couldn't really run a session by myself because we had other youth workers - and I felt as though I kept going to them... I feel my confidence in my youth work side has really skyrocketed!"*

### TRAIN - Inspiring Young People

A representative of TRAIN, a project that exists to

empower young people aged 10 to 18 in Didcot and Wallingford - especially those who are in need, disadvantaged or vulnerable - says the following:

*"Young Person A first engaged with our project around the age of 13. At that time, she was spending time with a peer group involved in antisocial behaviour, smoking and drinking. She lacked confidence and often made decisions based on wanting to fit in. She was also caught in an unhealthy relationship and didn't trust many adults."*

Young Person A recalls: *"I lacked confidence and I wanted to fit in."*

The project worker continues: *"One of our youth workers approached Young Person A informally during a street session and gradually built a relationship. This consistent, low-pressure support was key. Over time, A started attending open-access sessions and received regular 1-to-1 support from our team."*

Young Person A says: *"I remember a TRAIN youth worker sat with me while I was smoking one day and talked to me about healthier choices. They respected me and helped me without judging me."*

Young Person A began to feel more positive about herself and her confidence steadily increased. She started making more independent decisions and became interested in youth work herself. At around 15, she began volunteering with TRAIN as a Young Leader.

She left school with a couple of GCSEs and found that traditional academic settings didn't work well for her. However, she thrived in a practical, hands-on apprenticeship environment. With support from TRAIN, she completed her Level 3 Youth Work Apprenticeship, where she built strong relationships with young people and became a trusted part of the team.

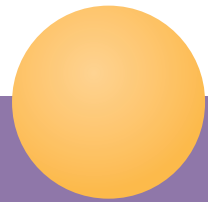
The project worker says *"At 17, Young Person A applied for and was offered a role leading our youth work in a neighbouring town. She set up a youth centre from scratch and launched open-access sessions, an LGBTQ+ group and holiday activities. She now manages volunteers, works with local schools and stakeholders and leads on planning and safeguarding. Over 150 young people have already accessed the provisions she helped to develop."*

Young Person A reflects: *"That began an ongoing connection, and the 1-to-1 support built my confidence and made me feel empowered. I began to make better choices and was even inspired by a career in youth work."*

Now 18, she has started a degree-level youth work apprenticeship and continues to develop her practice while supporting other young people.

She says: *"I now get to help other young people in the way that TRAIN helped me when I was younger."*





## Mental Health Case Study: Big Sky

Big Sky is linked to A Million & Me, BBC Children in Need's strategic programme to provide support to children at an early stage, before mental health problems are established.

Evidence suggests that children and young people living in remote areas across the UK share a number of similar experiences and challenges, including poor transport infrastructure, fewer local choices, alienation and isolation (especially for those with specific identities or characteristics) poor digital connectivity and a lack of opportunities to socialise with peers outside of school.

Children living in remote areas also face significant barriers to accessing support. These are disproportionately experienced by children living in poverty, children who have complex needs and children who face other risks of exclusion, alienation and marginalisation. Hidden poverty is also a major concern.

To help address some of these challenges, Big Sky has provided grants of up to £5,000 targeting locally-based organisations that operate directly in and with isolated communities, supporting children aged 8-13 years.

### Stronsay Drama Group

Living on small islands presents unique challenges, including limited resources and seasonal constraints. Despite this, a local group has developed a dynamic programme to engage children aged 8-13 through drama and the arts across three island communities in Orkney.

During the October holidays, a drama group will offer workshops in dance, voice, movement, costume and prop making, all contributing to a community pantomime planned for January. This hands-on approach allows young people to develop skills while giving back to their community.

Working with children on each of the islands means that Charlotte, a dedicated dance teacher, has to travel 6 hours on 3 ferries, plus an overnight stay.

Plans are underway for children from Sanday and Eday to join the pantomime performance in Stonsay. While transport means they have to rehearse separately, they will be coming together for a single ensemble piece - an ambitious and exciting first.

This Big Sky-funded initiative not only fosters creativity and connection but also combats isolation during the darkest winter months, demonstrating the power of community-led solutions in remote areas.





## Social Inequality Case Study: Look Like Me Book Challenge

BBC Children in Need provided Look Like Me Book Challenge with a grant of £37,000 over three years for 'Raised Voices'. This is a groundbreaking youth-led initiative comprised of workshops, performances and an anthology showcasing the amazing work of young people aged 7 -18 years. It focuses on the topic of social action and its impact in contemporary society, incorporating a think tank for planning sessions, creative writing workshops and an open mic platform where young authors can speak up and share their stories. LLMBBC reports that:

*“Child J engaged with LLMBBC from a young age and presented as energetic, fun-loving and determined. As Child J became older, his neurodivergence was more apparent and there was a need for staff to engage with him that was tailored to his character and communication style.*

*As a young Black boy who is neurodivergent Child J is navigating a challenging intersect - not always being seen as vulnerable - and LLMBBC staff are fully cognisant that although he has made exceptional progress, this requires a person-centred, mindful approach; one that he (and many others) may not usually receive.*

*During a workshop, Child J was displaying some challenging behaviour that was upsetting to other children present. Once the LLMBBC team recognised that Child J responded well to one-to-one attention, we were able to pair him up with one of our Young Ambassadors and he was able to demonstrate what a talented wordsmith he is! Child J worked with one of the LLMBBC facilitators and, after some time away from the main group, eventually expressed that he wanted to perform his written piece. Child J was given the golden opportunity to perform in front of the other young people and did a fantastic job. His performance was emotive and dynamic and was met with rapturous applause. It was a really memorable moment and one that clearly illustrated how a lack of spaces and opportunities to express oneself can prevent young people from feeling safe to express the best parts of themselves.*

*At the LLMBBC graduation ceremony, it was notable that Child J blended into the group much more readily. He had made friends and was much more relaxed and emotionally grounded. He performed on the night and, again, relished his moment – with even more confidence. Child J epitomises why LLMBBC do what we do, why representation matters and why the initiative will continue to promote raising the voices of those who may otherwise go unheard.”*

# CREATIVELY ENGAGING OUR AUDIENCES



## Priorities:

**Drive awareness and understanding of our national and local presence and highlight the work we do to fund grassroots organisations in local communities**

**Use our insight and learning so that we can speak with confidence about the key issues for children and young people today**

**Develop innovative and exciting ways to get involved with BBC Children in Need**

**Build a strong brand to drive awareness and understanding of our national and local presence and highlight the work we do**

## Our brand

Over the past year, we've made strong progress in helping more people across the UK recognise and connect with our work. In the second quarter of 2025, BBC Children in Need was ranked first in YouGov's "Most Famous Charities & Organisations" poll in the "Fame" category – up from seventh place the previous year. This reflects the growing public awareness and recognition of our charity and the impact we're making.

Source: YouGov - *The most famous charities & organisations (Q2 2025)*

According to data collected by Savanta, in the 12 months leading up to June 2025, BBC Children in Need ranked 4th among UK charities in terms of brand awareness and 13th in terms of brand love (the latter rising to 8th amongst our heartland young family audience).

Source: Savanta BrandVue

## Driving awareness and understanding through our campaigns

We continue to connect with people through our annual campaign with the BBC. In 2024/25, BBC Children in Need ran its most ambitious and wide-reaching campaign yet.

It helped more people to understand who we are and what we stand for, and to recognise the issues facing children and young people today. The campaign also introduced new and creative ways for people to take part and show their support.

This renewed approach was visible across the BBC—on TV, radio, iPlayer, Sounds, Children's programming, News and in every part of the UK. By sharing consistent and emotionally powerful messages across all these platforms, we made it easier for audiences to engage with our work, wherever and however they tuned in.

At the heart of the campaign was a Night of TV (NOTV) that brought the season together with a powerful focus on heightened emotion, strong local connections and the celebration of fundraisers - with children and young people at the centre. From Ethan's performance during The Greatest Showman moment to Tanisha's duet with Ella Henderson and a return of the official BBC Children in Need single with Girls Aloud's *Stand by You*, the show captured public imagination and delivered a deeply moving viewing experience.

We increased our local impact significantly - most notably through a 1,000-mile swimming challenge that united all 42 local BBC radio stations behind a single integrated activity, partnered with BBC Regional TV's 6.30pm bulletins, - the most-watched regional news slots on BBC One.

Radio 2 had a stellar year, bringing audiences and supporters together across the UK with Paddy Mc Guinness's Ultra Endurance Cycle Challenge. Every show on the network dedicated the whole of Appeal week to following Paddy's epic ride through villages, towns and cities - where hundreds of people turned up to cheer him on, along with celebrity guests including Sir Chris Hoy.

Our marketing campaign drove record reach and engagement, with over 100 million social impressions and a significant increase in website traffic to our fundraising tools and stories. We launched in mid-September 2024 with a single clear message – "make life lighter for children" – underpinned by the powerful "1 in 8" statistic (we are currently only able to fund 1 in every 8 projects that approach us for support. This later reduced to 1 in 7) and supported by out-of-home, digital and radio media. Our PR and communications activity secured over 200 pieces of media coverage across the campaign period, reinforcing our brand across national and regional platforms.

The following headline results reflect the strength of this brand-building activity:

- **4% increase in live TV viewing**
- **25% increase in donations during the Night of TV**
- **9.8% of audiences** being moved to donate to us, up from 7.5% the previous year



## Establish our voice on the key issues for children and young people today

Throughout the campaign, we championed the importance of Positive Relationships and local support in helping children and young people thrive, using emotionally compelling stories to connect with audiences.

Our Appeal films featured lived experiences from across the UK, including a real-life Bedtime Story narrated by Gary Oldman and a revamped BBC Children in Need choir made up of children from funded projects performing *Take That's Never Forget*. These moments, broadcast across BBC One, iPlayer and social platforms, reinforced our voice on the importance of safe, nurturing connections in children's lives. The voice of children and young people was front and centre

throughout, from Shay's story of progress to the nationwide Challenge Squad, which showcased children achieving extraordinary things with the right support. Our voice was also amplified across BBC daytime and factual programming including *Morning Live*, *BBC Breakfast*, *Blue Peter* and a new celebrity special of *Interior Design Masters*, spotlighting Sandwell Young Carers in Birmingham.

The campaign's creative consistency and emotional clarity helped to shape greater understanding of the role we play in supporting children, while strengthening our position as a trusted, authoritative voice on the challenges they face.



## Develop innovative and exciting ways to get involved with BBC Children in Need

We invested in new formats and channels to inspire the public to take action in creative, accessible and engaging ways.

Radio 2's Paddy McGuinness's *Ultra Endurance Cycle Challenge* was a standout example, uniting regional audiences and supported by a heartfelt BBC One documentary, *Paddy: The Ride of My Life*. It reached **3.2 million page views** on the BBC Live Updates page - the highest across the BBC on Appeal Day - and helped Radio 2 achieve its **highest weekly reach on BBC Sounds** this financial year.

To engage younger audiences, we delivered our most ambitious TikTok activation to date. Our Social Backstage Party, hosted by influencers Charley Marlow, Jack Remington and Ash Holmes, featured live interviews, behind-the-scenes content and influencer-led challenges. Creator Sophie Tea raised over £2,000 by painting Pudsey live in 45 minutes, while the Spud Brothers raised more than £20,000 with their 'Spudsey' potato campaign. The backstage presenter content alone generated **nearly 700,000 views**, up from 250,000 the previous year.

Beyond broadcast and digital, we enhanced our supporter experience through in-person events, including CarFest, Radio 2 in the Park, a special Radio 2 Gala performance of Disney's *The Lion King* at London's Lyceum Theatre and our partner lunch and Appeal Night in Salford.

Insight suggests the brand-building work undertaken earlier in the year - particularly across April and May 2024 - helped to increase audience consideration and support during the autumn campaign.

### **Growing engagement with our mental health campaign – introducing Pudsey's Pause**

For May 2025, our focus was on building on the success of our previous year's campaign, where we achieved a significant rise in people associating us with helping children with their mental health, a growth in awareness of our organisation and a larger number of young families now seeing us as a relevant organisation that is worth supporting.

This year, our focus was on cementing that awareness and understanding with a clear action that could be taken by young families to help protect the mental healthiness of the young children in their lives. Our work in this area continued to be informed by the insight from our A Million & Me programme that ran from 2019 to 2022, which determined that every day ordinary actions could have a huge impact on preventing the escalation of mental health issues in young people to the point of needing specialist support.

We re-ran the [Heaviest Backpack](#) campaign advertisement across our own channels and those belonging to the BBC. This was a short promotional video that introduced our 2024 "The Heaviest Backpack" campaign, using the metaphor of an oversized backpack to represent the mental and emotional challenges currently being carried by the UK's children and young people. For those who had already seen it, it was a useful and timely reminder of the need for



this work. It also gave us another opportunity to reach new audiences with its powerful message.

With the help of clinical psychologist Dr Julie Smith, we also created a brand-new tool for young families, which we named Pudsey's Pause (*Pudsey's Pause - BBC Children in Need*). This resource helps parents teach their children how to manage their feelings in three simple steps – Pause, Spot and Share. It's a simple, straightforward, regular mental health check-in that can help young children to build resilience and improve their wellbeing.

The tool was promoted through our own social media channels and those of our partners. It was also supported by famous faces participating in our new Pudsey's Parent Club content ([Pudsey's Parent Club - BBC Children in Need](#)), which featured Dr Julie in a conversation with parents Giovanna Fletcher, Katie Piper and JB Gill speaking about their own experiences of supporting the mental healthiness of their children.

### **Campaign success**

The social content on our channels reached almost 5 million people, surpassing our previous year's campaigns. High quality collaborations with the BBC and a small amount of paid social promotion helped to boost the content, contributing to this result.

In addition, the social content posted by the celebrities and influencers with whom we worked had a combined potential reach of almost 28 million people.

35,000 people visited our Pudsey's Pause page where the tool could be used - and around 4,500 people took further action by either watching the explainer video or saving the provided download. This exceeded our target.

We also undertook research to better understand how people felt about our campaign. We are seen as a trusted source to provide this type of tool, for which parents agreed there was a need. They liked that it was practical, simple, child-friendly and had Pudsey at its heart - and the celebrities we involved in the campaign really resonated with our audience.

# STRATEGICALLY GROWING OUR INCOME



## Priorities:

**Diversify our income**

**Develop and establish regular, sustainable, year-round income**

**Drive growth with younger audiences whilst protecting existing core supporters**

This year, BBC Children in Need has continued to make strong progress in strengthening and diversifying its income base, with a clear focus on developing sustainable, year-round revenue and deepening engagement with both new and long-standing supporters.

Thanks to the incredible support of our fundraisers, donors and corporate partners, we were able to announce a total fundraising amount of £39.2 million on the night of the televised Appeal Show in November 2024. Following this, our total annual fundraising reached £57.4 million as supporters and partners continued to donate and contribute amounts collected as a result of their fundraising efforts.

This final figure of £57.4 million represents an increase of £5 million over the previous year (2024: £52.4 million), largely driven by a significant donation from Sir Tom Hunter, through the Hunter Foundation and the incredible success of *Paddy McGuinness's Ultra Endurance Cycle Challenge* with BBC Radio 2.

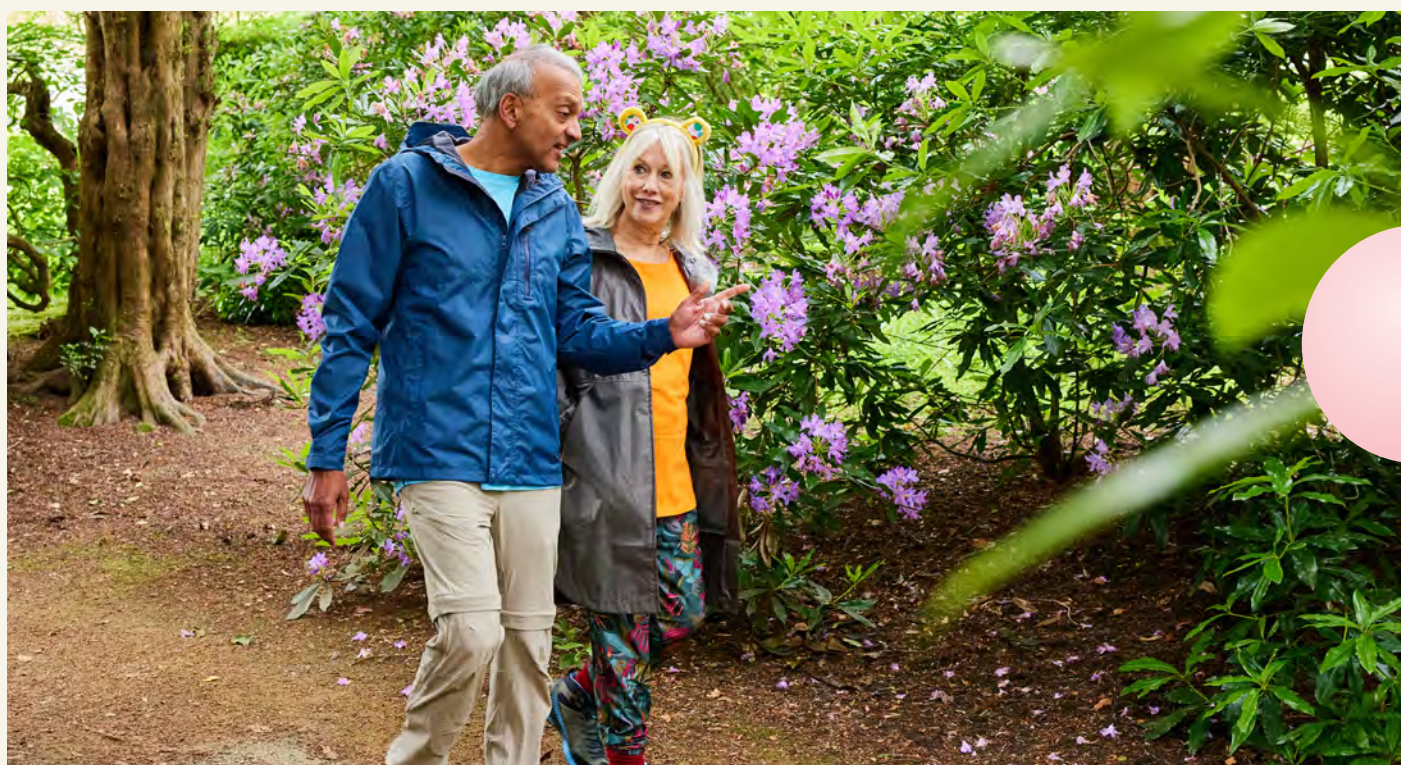
### Diversify our income

Income growth this year has been underpinned by a more integrated approach to fundraising, with our mass participation activity, corporate partnerships, broadcast output and marketing efforts more closely aligned than ever before.

Our Appeal campaign performed strongly, with increased viewing figures, donations and conversion rates. The Appeal Show itself raised significantly more than the previous year and associated programming, such as *The One Show's Challenge Squad* and Radio 2's *Paddy McGuinness's Ultra Endurance Cycle Challenge*, contributed substantial uplifts. Paddy's challenge delivered a record fundraising total for a BBC on-air challenge, further boosted by strong public participation and partner engagement through the supporting campaign "*How Will You Roll?*".

*The Challenge Yourself* campaign wrapper and *How Will You Roll?* fundraising initiative resulted in higher-than-usual amounts being generated by each individual fundraiser, highlighting the potential of integrated, thematic fundraising models supported by compelling broadcast content.

Importantly, these efforts were supported by a renewed focus on sponsorship, which continues to deliver significantly higher average fundraising value than traditional giving methods.



## Establish sustainable, year-round income

This year saw the Charity take important steps forward in building sustainable, recurring income. Our committed giving programme (also referred to as Regular Giving) delivered strong results during the Appeal period, supported by targeted marketing and, for the first time, an on-air call-to-action during the Night of TV.

Between September and November, over 1,400 new monthly donors joined the committed giving programme.

Community fundraising and schools activity also showed encouraging signs of renewal. Both areas are now forecasting year-on-year growth, with a combined target of over £5.6 million. An enhanced emphasis on reward and recognition have been key to this, as these elements have revitalised engagement and built momentum for the future.

Notably, this year's Gladiators Schools Special livestream reached almost 4,000 schools - a significant increase on the previous year - and helped to bring hundreds of thousands of children into the campaign in a joyful and meaningful way.

## Drive growth with younger audiences whilst protecting existing core supporters

### *Reaching new audiences through partnerships and innovation*

Corporate partnerships continue to play a vital role in both income generation and audience engagement. Income from corporate partners totalled £10.4 million this year, with major retail, food and leisure brands delivering significant fundraising activity and extensive public visibility.

Partners such as Asda, Greggs and McDonald's supported a nationwide presence for the Charity through in-store fundraising, product campaigns and customers rounding up payments at their tills. These efforts not only delivered record income levels but also helped to drive reach among families and young adults - audiences critical to our long-term strategy.

New partnerships were also successfully secured, providing a strong platform for future growth. Brands across cycling, toy retail and confectionery sectors joined the campaign, offering new ways to engage consumers and connect them with our cause. Early integration of these partners into broadcast-led activity represents a key opportunity for continued income growth and deeper supporter engagement.

Our strategic focus on younger audiences was also reflected in schools' activity and digital engagement. The use of TikTok as a platform to host live backstage content - along with influencer-led fundraising challenges - enabled us to connect with younger supporters in an authentic and entertaining manner. This activity significantly increased our reach and engagement across social media, while also delivering strong fundraising returns.

Looking ahead, we are building on this year's performance by continuing to evolve our fundraising model, invest in long-term income streams and develop new ways for supporters of all ages to connect with and contribute to our work.





## Activation: Paddy's Ultra Endurance Cycle Challenge with Radio 2

Beginning on Monday 11th November 2024 and finishing on the day of the BBC Children in Need Appeal – Friday 15th November – BBC Radio 2 presenter Paddy McGuinness jumped on a modified Raleigh Chopper bike that he lovingly named “Patch” and slogged his way across a 300 mile stretch of the UK to raise money for our charity. His journey spanned from Wrexham to Glasgow, covering eight counties and three nations (Wales, England and Scotland). Radio 2's superb coverage followed him all the way on every show - from Zoe Ball on the Breakfast Show to Sara Cox at Drivetime.

The route took him from his starting point in Wrexham over the border to Chester, up to Ellesmere Port and onto a ferry across the Mersey into Liverpool. From there, he rode up to Preston in Lancashire, along the coast to Blackpool, then over to Lancaster. From that point, he crossed Cumbria, entering the hilliest terrain of the journey so far to reach Kendal and then Carlisle. The Scottish border was next, as Paddy pedalled on through Lockerbie and past Motherwell. He arrived in Glasgow to huge celebrations!

Paddy was aided by members of the BBC Children in Need team along the way, and whole communities – including schools, community groups and families with children - lined the streets to catch a glimpse of the excitement and to cheer him on! This became a huge boost for him when times got tough.

Throughout his epic adventure, friends, celebrities and BBC Children in Need partners dropped in to offer practical and moral support and advice – from cycling legend Sir Chris Hoy to Sir Tom Hunter, who delivered an incredible in-person announcement that his organisation – the Hunter Foundation – would match-fund donations up to an enormous £3 million! 1.48 million listeners tuned in for updates from the journey on BBC Sounds, there were 3.1 million social engagements on

the subject and a live tracker following Paddy's journey on the BBC Children in Need website recorded 1,078,721 visits from 659,163 different users between 11th and 15th November (the period of Paddy's challenge).

It was announced on the BBC Children in Need Night of TV that the amount raised by the challenge currently stood at over £8.8 million. However, donations continued to roll in, boosted significantly by the emotional hour-long BBC One documentary “Paddy: The Ride of My Life”, which aired on Tuesday 19th November. The film showed the gritty reality of the challenge, including its physical and emotional toll on Paddy, the highs and lows of travelling such a distance over gruelling terrain while being buoyed up by the well-wishes of an entire nation and the touching story behind the chopper - which represented a childhood dream that his family couldn't afford, as well as the opportunity to give other children the chance to achieve what they want in life.

Patch is now proudly tattooed on Paddy's leg.

Paddy's final total represents the largest donation figure of any BBC Radio 2 talent-led challenge to date. Public donations inspired by Paddy totalled around £6.3 million, we received £300k worth of pledges from High Value donors and “Paddy: The Ride of My Life” attracted a further £818.5k. Together with the £3 million of match funding from The Hunter Foundation, the entire challenge raised £10,450,796 precisely!

The collective might of Radio 2 was in full effect as the network attracted huge audiences and follower numbers to its social channels. The station showcased many projects and stories across the UK as part of a ‘Takeover Day’, inspiring audiences to get involved and donate to BBC Children in Need. Scott Mills also hosted a Radio 2 gala performance of Disney's The Lion King musical at the Lyceum Theatre, which attracted a family audience and donations totalling £50,000 to add to Radio 2's record-breaking total.

# STRIVING FOR OPERATIONAL EXCELLENCE



## Priorities:

**Develop and embed insight to drive activity across the organisation**

**Ensure efficient and effective systems and processes**

**Create a positive culture and prioritise Equity, Diversity and Inclusion in everything that we do**

### **Develop and embed insight to drive activity across the organisation**

Insight (the approaches we take to learn from the data, information and feedback we gather) is analysed and reviewed across the organisation to guide our decision-making and to shape and evaluate our activity. Audiences are at the heart of our work, whether they are children and young people, grantees and applicants or public audiences and supporters. We are committed to listening to them, learning from what they tell us and collaborating with them to collectively maximise the difference we can make for children and young people.

This year, we published the findings of our first BBC Children in Need SPOTlight survey, in which we heard from over 1,500 children and young people supported by BBC Children in Need-funded initiatives and recorded how they felt about the people and places in their lives. We explored how the project they attended was helping them and listened to their hopes and fears for the future.

The findings of this survey painted a clear picture of the heightened challenges experienced across the UK. It showed that the children and young people our projects support are most likely to worry about their mental health, rising prices, bullying, discrimination and poverty. They are significantly more likely to feel unhappy at school than UK children generally - and those with additional needs have heightened challenges around fitting in and making friends, and worry more about being bullied.

Against this backdrop, it's heartening to learn that 98% of respondents felt mostly happy when spending time at the project they attended, with the top 3 drivers of happiness there being having fun, meeting trusted adults and feeling like they belong. The impact of connections with trusted adults came through strongly in the SPOTlight survey. This year, building on that finding, we have now undertaken a dedicated review into "The Power of Positive Relationships", as we have had the

privilege of working with an Advisory Group to explore the theory and practice behind it and its potential to transform young lives. Positive Relationships are central to the work that we fund - and this will become an evidence-based focus for our work both internally and externally next year.

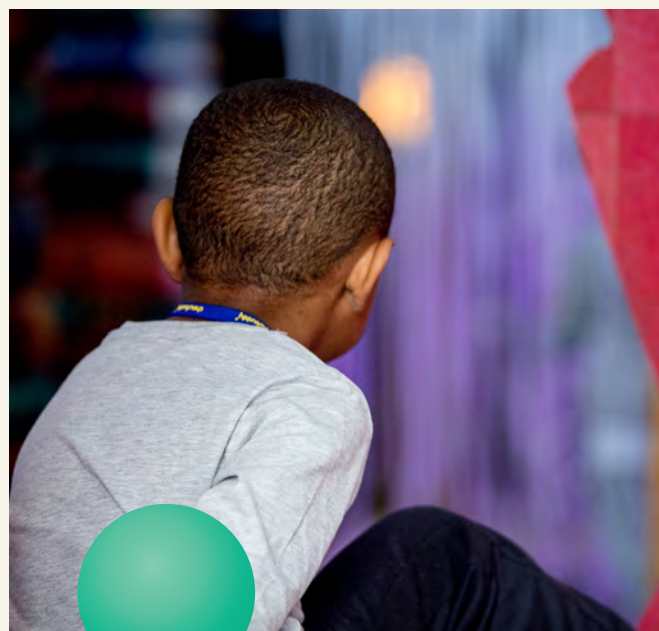
We continue to make progress in engaging children and young people through a range of participatory approaches. We are now working with an established group of Young Ambassadors, all of whom have previously featured in BBC Children in Need content. They share their personal stories and lived experience to shine a light on the transformative impact of the work that we fund.

This year, we are also funding a Youth Leadership Programme that empowers young people through co-production, building leadership skills and offering meaningful opportunities to engage with BBC Children in Need activity. This forms part of our wider Youth Social Action initiative. Alongside these two schemes, we continue to embed participation into our funding programmes and to build internal capacity so that we can offer more opportunities going forward.

### **Ensure efficient and effective systems and processes**

We have continued to deliver our Digital Transformation Strategy, focussing on key projects that will stabilise our charity's systems and offer a clear pipeline of future activity to help us update and integrate systems. This includes data automation - which will not only improve efficiency but will also reduce data risks within the organisation.

Work is underway to implement a major change to our grant making system, which will greatly improve the user experience for applicants and grantees, as well as for our internal staff. The new system will boost efficiency - as well as the user experience - and will further bolster our ability to learn from and act on the data and feedback we collect.



The scale of this transition required us to take a pause from accepting new grantee applications from April 2025. We plan to begin accepting applications again from Autumn 2025.

Working within the BBC's Responsible AI principles, the Charity has started exploring Responsible AI use to support ways of working for both individuals and teams. By reducing repetitive tasks and freeing up capacity, we aim to foster creativity, support strategic thinking and develop a more agile work culture.

We operate within a financial model that makes sure we maximise our impact for children and young people and that we operate within our means. This, together with a robust reserves policy, has allowed us to invest in transformation and deliver our strategy effectively.

We have revised our Statement of Investment Principles, which defines how we go about investing the Charity's money

and provides assurance around performance, risk and liquidity management of our Investment Portfolio. It incorporates our investment strategy - revised in 2024 - and has been supported by Mercer, our new Investment Managers.

We have also improved our supporter experience, with more donors now being thanked faster across different channels, by upgrading user experience on our main online donation platform and by transitioning the Pudsey Shop to a new platform integrated with BBC Children in Need's website.

The training of our staff continues to be an important element in operating effectively and managing risk for the Charity. As more of our activities now take place in the digital world, we have never been more aware of our responsibility regarding the safe and secure management of personal data and access to our platforms. Safeguarding training remains a significant focus to ensure our staff - and the children and families we work with - all feel confident, safe and supported.



## Create a positive culture and prioritise Equity, Diversity and Inclusion in everything that we do

Creating a great workplace for our colleagues and strengthening our culture at BBC Children in Need are key priorities within the Charity - and continue to be a major focus of our Charity People strategy.



### THE PUDSEY WAY

defines the elements of our culture that we want to strengthen at BBC Children in Need...

#### We are **Inclusive and Kind...**

We are an inclusive organisation. We are constantly learning and advocating for Equity, Diversity and Inclusion. We seek out the diverse experiences and backgrounds of others, internally and externally, to help us learn and be successful.

#### We encourage **Teamwork and Collaboration...**

We collaborate, share experiences and work together in a way that works for the whole team. Our relationships are based on openness, honesty and trust. Everyone is welcomed, celebrated and championed.

#### We **Make Good Decisions...**

We use our charitable ambition to guide decision making and help us prioritise the right activity across the organisation. Data and Insight ensure our decisions are clear, informed and timely.

#### We are **Agile and Adaptable...**

We embrace change. We are bold and creative with our ideas. We look after our own wellbeing when responding flexibly to new challenges.

#### We are **Results Focussed...**

We are all accountable for getting the job done and for our own learning and career development. We set clear goals and measure success. We offer and receive regular feedback to help us all learn and grow.

#### We put **Children and Young People at the heart** of everything we do...

We create meaningful opportunities to engage them in our work. We embrace all opportunities to listen and learn. We are guided by their voice.



During 2024/5, we focused on communications and the engagement of colleagues regarding the Pudsey Way (explored in the infographic above), casting a spotlight on each of its separate elements throughout the year and sharing stories, resources and team exercises to bring them to life.

Colleagues from across the Charity have taken ownership of this way of working and have volunteered to lead staff sessions, to write blogs or case studies and to actively recognise colleagues in relation to each month's focus area.

### **BBC Employee Survey**

The BBC Employee Survey is a key measurement of staff engagement. It provides us with valuable feedback on how BBC Children in Need colleagues feel about their work. This year, over 76% of charity colleagues participated in the survey and the results show that this has been a challenging period for the Charity. Our overall engagement score has declined, year-on-year, to 63%. Scores show that there is more for us to do in the areas of leadership, company confidence and growth and development, and further work is clearly required to help colleagues feel more connected to the BBC Strategy and purpose and to understand [the Royal Charter](#).

However, we continue to see strong scores in the areas of EDI, flexible working and support. We have been reviewing our results and having conversations across the organisation to ensure that we can take tangible action in response to this feedback.

### **Equity, Diversity and Inclusion**

Through 2024/25, we have continued the delivery of our Equity, Diversity and Inclusion strategy. This included the continuation of Tea Break sessions - which were implemented to help staff members explore issues around race and intersectionality, and to create a safe space enabling colleagues to share experiences – as well as taking part in the Race Equality Matters Five Day Challenge.

Maintaining our focus on safe spaces and psychological safety, we held a number of listening sessions with colleagues to reflect on significant events of the year. We remain committed to inclusive leadership training and neuroinclusive development sessions for both colleagues and leaders.

To support inclusive hiring, we have worked to ensure that vacancies are shared with the BBC's diverse hiring network. We have also reached out to further diverse networks to increase the range of applicants who have access to our opportunities.

2025 is the first year BBC Children in Need has taken part in the "[10,000 Black Interns](#)" programme, which is proving to be very successful and has increased our hiring network for future vacancies.

We have continued to align with the BBC's Creative Diversity targets and have worked with the Creative Diversity team to ensure positive representation on stories relating to disability. We have used storytelling pieces - such as [Jessica's case study](#) about a project supporting families affected by sickle cell – to highlight how BBC Children in Need is here for every community, so that UK minority groups are properly represented in our fundraising and storytelling.

We have also introduced a new "Identification of Needs" data tool, which gives our Impact teams insight into the reach of their grant portfolio when it comes to communities facing racial inequality. The year ahead will see this tool expand to include data relating to disabled and LGBTQ+ communities.



### **Climate justice and sustainability**

We recognise that our key stakeholders - children and young people - expect us to have a clear ambition to tackle the climate crisis and to use our voice to represent their views.

BBC Children in Need's charitable ambition is to create positive and lasting change across the UK for the Children and Young People who need us the most. The climate crisis is considered the greatest global emergency of our time. Without acting, the future of the planet is at risk.

In 2021, UNICEF declared the climate crisis to be a "child rights crisis", with the biggest risks for young people concerning air pollution, climate change and damage to the natural environment. Many of the children and young people we support are likely to be those most affected by this threat – particularly those from low-income households, those who are disabled, those in urban areas and those belonging to the global majority.

We are committed to reducing our environmental impact, advocating for climate justice and using our platform to drive meaningful change. Children and young people are speaking up about their future - and our focus is on advocating for children worst affected by the climate crisis.

Advocating for climate justice means focussing on people, communities, intersectionality and fairness, and our aim is to support the shift in power to under-resourced and marginalised communities across the UK. We must also focus on equity, diversity and inclusion to address human rights breaches and social inequality.

Together, we can build a more sustainable, equitable future where every child has the chance to thrive.



## **We must use our voice to highlight the importance of taking action**

### **Our commitment**

BBC Children in Need's long-term goal is in line with the wider BBC's ambition regarding sustainability, which is to achieve a 90% reduction in all emissions by 2050.

We have been working alongside our BBC colleagues, learning from their approach and aligning to the BBC strategy, targets and activity where possible. Our reliance on BBC infrastructure means we have benefited from the progress the BBC has made to date.

As we develop our strategy, we are focussing on four pillars:

- **Our people** - We need to play our part and be accountable
- **Our funding and our grant making** - We want the projects we fund to have the capacity for more sustainable decision making and we want to be as equipped as possible to support children and young people affected by climate change
- **Our audience** – We need to build understanding across all groups so they can engage with and support us in our goals
- **Our operations** - We will continue to take steps to decarbonise our operations

The BBC's strategy guides our approach:

- **Nature Positive** – Managing the BBC's impact on nature to do more good than harm to our planet
- **People Positive** - Informing and educating audiences on the most pressing issues facing our planet
- **Net Zero** - Adopting a decarbonisation-first approach that is underpinned by science

The Charity's focus is more specific to our stakeholders.

We are signatories to the Funder Commitment on Climate Change and, as such, our approach to sustainability follows the six pillars that make up commitment. The progress made in the year is as follows:

- **Educate and learn** - We have engaged stakeholders by funding sustainable action in the sector, as well as using our platforms to share stories and raise awareness of children and young people affected by climate change among our audience. We have appointed an expert sustainability consultant, Furthr, who will help us to engage our staff and other stakeholders, encouraging them to support climate-positive projects, to calculate their own footprint and to learn to “live greener”. We are also funding our finance professional to complete a certificate in sustainability via ACCA
- **Commit resources** – Furthr will also provide a technical solution to help us measure and report our baseline carbon emissions, as well as aiding us in the development of a carbon reduction plan, so that we can show progress towards our objectives going forward
- **Integrate** – We have committed to embedding sustainability at the core of our charity-wide strategy, with specific objectives being developed for each directorate. All directorates will apply the lens of environmental impact on decisions made – and this will ultimately contribute to a reduction in our reported impact on the environment
- **Steward our investments for a post-carbon future** – We have reviewed our investment portfolio and, since 2024, 17% of our return-seeking portfolio is allocated to sustainable funds. We are now able to report to our Trustees that BBC Children in Need is investing in a more sustainable manner than the average investor. The intention is to report that our carbon emission footprint is reducing over time. Mercer, our Investment Managers, have committed to a net zero position by 2050 – in line with our ambition
- **Decarbonise our operations** – We undertook an Energy Savings Opportunity Scheme audit of energy consumption. In response to its outcome, we committed to an action plan designed to reduce emissions through education and direct action. Since that time, we have improved our carbon footprint by implementing technological changes such as moving our website hosting to the BBC infrastructure. We further aim to promote and embed more sustainable practices within our organisation - such as lower emission monitors and educating staff on best practice around travel, technology usage and events
- **Report on progress** – We report annually on our progress against the five goals listed above. We do this via the Association of Charitable Foundation (ACF)’s annual reporting process, as well as within this Annual Report. We continue to develop our practice, to learn from others and to share our learning. Although sustainability reporting is not yet mandatory for BBC Children in Need, we have taken a transparent stance regarding our impact on the environment and the action we are taking. We have therefore been monitoring and reporting progress on our purchased energy emissions in our Annual Report and Accounts for several years. With the help of Furthr, we will now expand this reporting to include all other indirect emissions from our supply chain

By aligning with the values of our supporters, we will build trust and improve our sense of connection with audiences and stakeholders.

Being transparent and accountable shows responsible stewardship and builds confidence, hopefully resulting in continued support. Our grantees can rely on us to be advocates in a way that creates a broader impact - and we can connect with likeminded partners, which will potentially unlock new funding opportunities. Additionally - and vitally - by engaging stakeholders and advocating for change, we can contribute to the UK’s efforts to meet its 2050 climate goals

• **Emissions data**

BBC Children in Need staff are located within BBC premises across the UK, with the majority based at the head office in Salford. While the BBC manages and reports energy use on a prorated basis for BBC Children in Need, the calculated emissions from the space occupied by the charity are set out below.

In 2024/25, electricity consumption was 145,862 kWh (2023/24: 203,166 kWh) and gas consumption was 43,390 kWh (2023/24: 64,021 kWh). This represents a reduction compared to the previous year, driven by BBC initiatives to lower fossil fuel and electricity usage. Measures include upgrading and exiting properties, reducing gas consumption, and targeting diesel use in productions.

From 2025, our reporting has expanded to include Gas Oil, District Heating, and Refrigerants, providing broader coverage of Scope 1 and 2 emissions.

Scope 1 emissions: Natural Gas, Gas Oil, Refrigerants  
 Scope 2 emissions: Electricity, District Heating  
 Overall, energy-related emissions decreased by 33%, from 54.86 tCO<sub>2</sub>e in 2023/24 to 36.6 tCO<sub>2</sub>e in 2024/25.

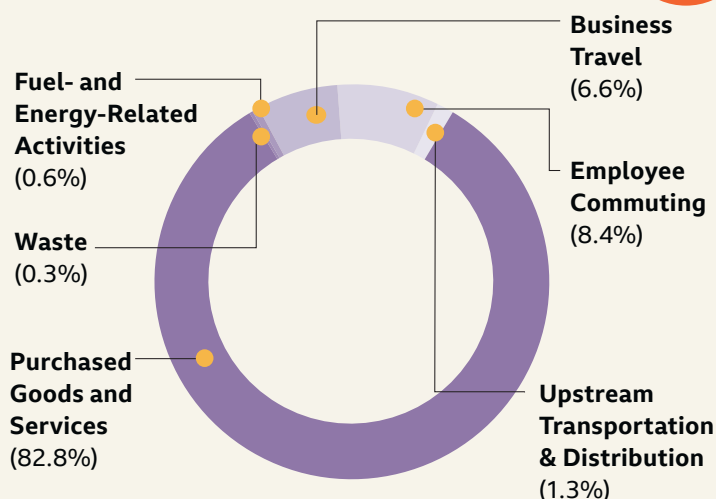
• **Greenhouse Gas Emissions 2024/25**

Scope 1: 9.69 tCO<sub>2</sub>e  
 Scope 2: 26.87 tCO<sub>2</sub>e  
 Total: 36.56 tCO<sub>2</sub>e

Per FTE: 0.21 tCO<sub>2</sub>e (based on 178 staff in office locations)

In addition, BBC Children in Need has begun capturing and reporting on Scope 3 emissions across the value chain, following the GHG Protocol. Key categories include:

- 3.1: Purchased Goods & Services (Goods)
- 3.3: Fuel- and Energy-Related Activities
- 3.4: Upstream Transportation & Distribution
- 3.5: Waste Generated in Operations
- 3.6: Business Travel
- 3.7: Employee Commuting



# OUR PLANS FOR 2025/26

Over 2025/26, we will continue to build on the work undertaken to date regarding our strategic priorities.

## ***Broadening and Deepening Our Impact***

We will continue to embed our Impact Framework in order to drive and connect all elements of our work. To achieve this, we will:

- Relaunch our responsive grant programmes after a period of closure during the last financial year, with the inclusion of clearer eligibility criteria and support and guidance for applicants
- Launch our Blueprint for the impact of Positive Relationships on children's lives
- Launch a strategic programme which aims to work in a place-based way - with local communities - to tackle the impact of child poverty
- Continue to build collaborations across the sector in order to tackle the most critical issues facing children and young people in the UK - utilising our ability to fund, empower and convene

## ***Creatively engaging with audiences and supporters***

We will show up all year round and champion our purpose on an ongoing basis, culminating in a fully integrated annual campaign. To achieve this, we will:

- Renew our approach to storytelling
- Maintain our presence in the public eye beyond our November Appeal, with a second "peak moment" – which, to date, has been in late spring – and additional relevant events throughout the year
- Undertake work to build our voice and influence across all platforms

## ***Strategically growing our income***

We will continue to implement our five-year income growth plan, focussing on diversification and long-term sustainable income as well as targeting younger audiences. To achieve this, we will:

- Continue to improve the experience of each supporter, including fundraisers and donors, to provide them with engaging and accessible guidance and to ensure that these approaches are fully embedded into our work
- Fully launch our committed giving programme
- Continue to grow support through partnerships

## ***Striving for operational excellence***

We will continue to embed smarter systems, processes and ways of working - using insight more strategically and embracing digital and AI sustainably to drive efficiency, effectiveness and impact. To achieve this, we will:

- Transform the way we work by harnessing digital and AI technologies. This will enable the delivery of key projects to become more efficient and effective and to better support children and families
- Continue to develop foundational insight across the organisation, analysing and reviewing what we know externally as well as internally
- Apply a greater focus on culture, leadership and performance
- Invest in continuous improvement to support our teams to function in the best possible way









# 2025 ACCOUNTS



## FINANCIAL REVIEW

The accounts for the year ended 30 June 2025 cover:

- Income from the BBC Children in Need Appeal 2024, which was live across Autumn 2024
- Other income received year-round from 1 July 2024 to 30 June 2025, including income from funding partners and follow-on income post-Appeal
- Recognised funding income from grants and corporate partners promised between 1 July 2024 and 30 June 2025, to which BBC Children in Need is entitled but that it has not yet received
- Grants awarded to projects and funding programmes in the period 1 July 2024 to 30 June 2025

# FINANCIAL PERFORMANCE

We measure financial performance based on:

- Efficiently managing income levels in order to:
  - Optimise the amount of grants we award and, as a result, our positive impact on children and young people
  - Manage costs in line with available funds and at an appropriate level relative to income
  - Manage funds in line with the Charity's reserve policy

Income from donations and charitable activities, as shown in the Charity Statement of Financial Activity for the year, totalled £57.4m (2024: £52.4m). This included:

- Donation income and Gift Aid of £49.9m (2024: £46.8m)
- Legacy income of £3.2m (2024: £3.4m)
- Grant partnership funding of £4.3m (2024: £2.2m)

This represents an increase in the Charity's normal activity of £5m on the prior year, mainly due to engagement in BBC programmes and events such as Radio 2 and growing grant partnership funding, See Note 2 (page 69) of the accounts.

Of the £57.4m income generated, £51.7m is designated for impact funding - with the balance being Gift Aid (£4.7m) and 2p/£ donated (£1m), which is used to part-fund the costs of generating income and governance.

Of the £51.7m designated for grant funding in 2024/25, £37.6m (2024: £35.7m) has been awarded in grants and £6.5m (2024: £5.8m) is the cost of making those grants.

The balance of £7.6m will be spent on grant making before the end of the next financial year in line with our reserves policy.

To ensure that BBC Children in Need is a charity that is strong, administered appropriately, able to raise income creatively, equipped to manage funds raised professionally and capable of operating as an effective grant maker, we incur direct costs.

Total operating costs incurred in the year were £15.6m (reported as £16m including gifts in kind). This breaks down into £8.2m spent on raising funds and governance, £6.3m on grant making, and impact and gifts in kind\* of £0.4m. Total costs represent 26% of our total income (2024: 24%). Grant making costs were 17% (2024: 16%) of grants awarded.

*\* Gifts in kind includes the provision of office space. These have been excluded from the above analysis because income is offset by an equal amount of cost and nets to zero. Further details are given in Note 3 of the accounts.*

## Results for Children in Need Limited

Children in Need Limited is a wholly-owned subsidiary and holds the Charity's trading activities. The results of the company are consolidated into the Charity's accounts.

During the year ended 30 June 2025, Children in Need Limited made a profit of £0.3m (2024: £0.4m).

Our corporate partners that raise funds for the Charity by selling Pudsey-branded product pay a fee for use of the brand, which is accounted for in the Limited Company.

The Children in Need Limited profit is paid in full to the Charity under Gift Aid provisions

## Investment Policy

Funds committed for grant-making, but not required for expenditure in the short-term, are invested.

Investment income for the year (including revaluation gains) was £4.8m (2024: £5.2m), representing a return of 4.8% (2024: 6.7%) on the average investment balance.

The investment policy stipulates the type and terms of investments that may be purchased and investment objectives being to:

- Retain sufficient liquidity for day-to-day needs
- Maintain a measured appetite to risk
- Maximise investment returns within the constraints of the above

The Charity has a measured approach to investing and holds funds not needed for short term use in two types of investments:

Cash/liquidity portfolio - which aims to preserve capital and provide short and medium-term liquidity for the Charity, through investing in portfolios of cash deposits and short-dated money market securities. We have two investment managers: Mercer, our main manager and Blackrock who manage part of the liquidity fund, both appointed in 2024.

Long term Portfolio - investing in a combination of diversified asset classes, including public equity, growth fixed income, alternatives and other assets.

The balance held within each type of investment is determined by the amount of liquid funds required to meet our grant commitments when they fall due.

In the year, the Charity has reviewed its investment policy with a view to increasing risk-adjusted returns while still maintaining the required liquidity and operating within the agreed risk tolerance, and in July 2024 appointed Mercer to manage our investments and assist with portfolio construction and consideration of environmental, social and governance (ESG) criteria.

Sustainable equity funds make up 17% of our asset allocation and all our equity investments, multi-asset credit, and absolute return fixed income are SFDR Article 8 Funds, which are products that promote among other characteristics, environmental or social characteristics or a combination.

## Reserves Policy

As of 30 June 2025, the Group (which consists of BBC Children in Need ('the Charity') and Children in Need Limited ('the trading company')) had total closing funds of £66.6m (2024: £57.2m), representing an increase of £9.4m on its position the prior year.

Impact reserves have increased - as we have exceeded income expectations - and these funds will be awarded in the coming months in line with our reserves policy.

Funds £'000	Opening Fund 1 Jul 24	Total Income	Grants Awarded in Year (Net of Adjustments)	Cost of Grant Making, Policy, Impact and Grantee Training	Cost of Raising Funds & Governance	Closing Fund 30 June 25
<b>Restricted Impact Fund</b>	1,811	3,180	(1,023)	(270)	-	3,698
Unrestricted Designated Impact Fund	38,583	48,535	(36,559)	(5,988)	-	44,571
General Continuity Fund	11,508	10,575	-	-	(9,002)	13,081
Investment Continuity Fund	5,000	-	-	-	-	5,000
Development Fund	250	-	-	-	-	250
<b>TOTAL UNRESTRICTED FUNDS</b>	55,341	59,110	(36,559)	(5,988)	(9,002)	62,902
<b>TOTAL FUNDS</b>	57,152	62,290	(37,582)	(6,258)	(9,002)	66,600

The £62.3m (2024: £57.7m) of total income received in the year (as reported in Note 2) includes income from donations and other charitable activities of £57.3m, plus net investment income of £4.8m and trading contributions of £0.2m.

Of this, £37.6m has been used to fund projects that make a positive impact and £6.3m has funded the associated costs of grant making and impact.

£48.3m is held in reserve and remains available for grant making in advance of generating new income in the autumn 2025 Appeal (restricted: £3.7m, unrestricted: £44.6m).

### Restricted Fund - £3.7m

The closing fund represents £3.5m of donations received from The Hunter Foundation of which £0.7m will be used to create positive impact for children deemed highly likely to enter the care system in the near future - continuing our support for the existing project. The balance of £3m from THF is part of a new £15m programme dedicated to tackling child poverty in the UK, in partnership with The National Lottery Community Fund, City Bridge Foundation, Pears Foundation. The first, major funder collaboration in the UK focused on finding and funding scalable solutions to support the impact of poverty on children, Communities for Children aims to support children living in areas of the highest economic deprivation to thrive and fulfil their potential and is anticipated to be spent in across the next 5 years. The balance of £0.2k represents funds from the Ferdinando & Luigi Innocenti Foundation which will fund a programme to fulfil the aspirations of marginalised young people and build their sense of agency and self-determination.

### Unrestricted Fund - £62.9m

At 30 June 2025, the Charity held designated grant funds of £44.6m (2024: £38.6m), representing donation income received and to be awarded to projects in future grant making activity. These funds will be awarded over the coming months, but it is the intention of the Charity to maintain a level of funds to cover uncertainty of income or exceptional requirement for funding.

The Charity also holds funds to cover general operating costs in periods of uncertainty of income, to manage volatility of investment returns (capital value or income), to allow for future investment and to respond to growth opportunities.

This represents unspent Gift Aid, investment income, license fees and a small proportion of donations (limited to 5p/£ donated).

In this financial year, 2p/£ of unrestricted donation income and legacy income, together with Gift Aid, trading income and investment returns totalling £10.6m (2024: £9.8m), has been used to cover costs and provide contingency for any uncertainty over future income.

See the Charity's principal accounting policies on pages 66-67 - which explains the structure of reserves - and also Note 15 on pages 80 - 81 - which provides more detail of the restricted funds.

# RISK MANAGEMENT AND ASSURANCE

At BBC Children in Need, we continue to be challenged by a wide range of risks that can affect all areas of our organisation - and we plan for and manage these risks daily.

BBC Children in Need's Trustees have overall responsibility for setting the risk policy and approving the risk management processes, recognising that our approach to risk must encompass risk-taking to innovate and grasp opportunities and ultimately achieve our strategic objectives.

Risk management is therefore an essential discipline to support BBC Children in Need in achieving its strategy and goals, which means identifying, assessing and mitigating risks and having effective policies, processes and controls in place.

The Charity continues to review its Risk Management Policy, Risk Framework and Risk in order to ensure appropriate consideration of risk during the year. The Finance, Audit and Risk committee provides oversight and challenge of the management of risk and the mitigating actions and controls in place.

Our Finance, Audit and Risk Committee are also responsible for the appointment and focus of the external Auditor, Crowe, and the internal audit plan - and for monitoring the implementation of recommendations raised from audits.

In addition, our Investment Committee, investment advisers and fund managers identify and mitigate risks to the Charity relating to our investments.

On the following pages, we have shared what we consider to be our greatest challenges to achieving our strategy and the context surrounding each risk.

Risk Category	Mitigations and Actions
<p><b>Impact</b> Our ambition is for all children and young people to have the opportunity to thrive and be the best they can be.</p> <p>There is a risk that we are unable to achieve our ambition to create positive and lasting change across the UK for the children and young people who need us most, leading to declining audience and income.,</p>	<p>We are addressing this through broadening and deepening our impact, including:</p> <ul style="list-style-type: none"> <li>• Developing our Impact Framework, which will drive all our grant making and strategic propositions going forwards</li> <li>• Developing strategic national initiatives which amplify the impact of our work</li> <li>• Reviewing and continuously improving our responsive grant making programmes, including a regular, insight driven review of the portfolio make up and application trends</li> <li>• Surveying children and young people and the issues and challenges which are important to them</li> </ul> <p>This risk is inherently linked to the requirement for income to fund the ambition, for audiences to be engaged and for insight to drive our grant making activity.</p>
<p><b>Income</b> Confidence in - and the generation of - income is key to maximising impact for children and young people.</p> <p>There is a risk that we may not meet our income growth expectation, which will have a detrimental effect on the achievement of our long-term strategy. This could partly be due to the inability to invest in growth opportunities, or to external factors outside of our control.</p>	<ul style="list-style-type: none"> <li>• We have developed our income strategy to target income growth and to address the changing nature of the way people watch television and donate or fundraise</li> <li>• We are developing new diverse initiatives and establishing regular, sustainable income that we can rely on, with a larger % being generated outside of our annual Appeal campaign</li> <li>• We are delivering our audience and supporter engagement strategy and developing a longer-term content strategy, in order to grow income from young families and young adults and to protect and innovate our core 55+ audience</li> </ul>

**Financial Viability**

Operating within our means is key to maximising impact for children and young people.

There is a risk that the Charity does not operate within its funding model affordability, or that resources are insufficient to undertake its plan, leading to an inability to deliver on our impact ambition or the generation of negative public perception of spend.

To mitigate this risk, we are ensuring that:

- Our annual business planning and budgeting process is reviewed and challenged by Trustees, ensuring that we operate within our means
- Sufficient cash and investments are held to fund all grant commitments, which provides certainty of
- funding to our grantees and funds activity until new income is generated
- Sufficient reserves are held as a contingency to flex with seasonal income generation, respond to unexpected factors affecting children and young people across the UK and continue operations in periods of uncertainty
- Annual going concern assessments are performed to ensure we maintain sufficient cover for grant commitments, ongoing activity and costs, any impairment of assets and have the required liquidity

**Audiences**

Avoiding any harm to children and young people is our first priority.

There is a risk that the Charity undertakes a project or piece of work, funds work or engages in a partnership involving the engagement of children and young people (CYP) where an incident occurs or systems and processes fail, resulting in harm being caused.

- We maintain robust safeguarding governance, policy and practice across the organisation, embedding
- a strong safeguarding culture throughout, with mechanisms to share learning, raise concerns and escalate
- We provide regular mandatory training and resources, as well as expert advice around working with children and vulnerable people
- We perform due diligence on the charities and projects that we fund and the partnerships and activities we engage in
- We have a formally appointed Senior Safeguarding Advisor whose role it is to inform and advise colleagues about their obligation, monitor compliance, raise awareness and advise

**Safeguarding**

Avoiding any harm to children and young people is our first priority.

There is a risk that the Charity undertakes a project or piece of work, funds work or engages in a partnership involving the engagement of children and young people (CYP) where an incident occurs or systems and processes fail, resulting in harm being caused.

- We maintain robust safeguarding governance, policy and practice across the organisation, embedding
- a strong safeguarding culture throughout, with mechanisms to share learning, raise concerns and escalate
- We provide regular mandatory training and resources, as well as expert advice around working with children and vulnerable people
- We perform due diligence on the charities and projects that we fund and the partnerships and activities we engage in
- We have a formally appointed Senior Safeguarding Advisor whose role it is to inform and advise colleagues about their obligation, monitor compliance, raise awareness and advise

**Reputation**

There is a risk that the Charity undertakes a project or piece of work, funds work, engages in a partnership or with an individual in which an event occurs, resulting in negativity regarding the Charity’s reputation, potentially leading to a loss of income or trust.

**Responsible Fundraising**

There is a risk that fundraisers operating in our name are fraudulent and damage our reputation with the public or our partners.

To mitigate this risk, we prioritise:

- Adherence to all appropriate laws and regulations in relation to the activities we carry out
- A strong governance culture with clarity on responsibilities and accountability with a clear escalation process
- Due diligence to be undertaken for all new partnerships and Commercial Participation Agreements are in place for all partnerships.
- The assessment of the financial viability, governance and safeguarding of all grant applicants, with continual grant management requiring annual reporting from grantees
- We are signed up to the Fundraising Regulator’s Code of Fundraising Practice, as well as to the Fundraising Promise. We are committed to legal, open, honest and respectful fundraising and do not cause undue pressure or intrusion on donors
- We maintain robust fundraising policies, which promote the adoption and improvement of responsible fundraising practices within the UK. We expect our fundraising partners, commercial participants and professional fundraisers to observe our fundraising policies and to demonstrate a similar commitment to responsible fundraising
- There were no complaints received by the Charity and referred to the Fundraising Regulator throughout this year

**Data protection**

We have a responsibility when dealing with personal information - and our data protection principles ensure we do not risk the trust placed in the Charity. There is a risk of breach of data protection regulation due to lack of compliance or increasing complexity.

- In order to meet our legal, data protection and privacy obligations, we maintain robust data protection governance, policy and practice across the organisation, embedding a strong data protection culture throughout, with mechanisms to share learning, raise concerns and escalate
- Regular mandatory training and resources are provided, as well as expert advice around the use of personal information
- We have a formally appointed Data Protection Officer, whose role it is to inform and advise colleagues about their obligation, monitor compliance, raise awareness and advise
- Due diligence is performed on all systems we use in order to ensure information is appropriately managed

**Cyber Security**

There is a risk of a successful cyber-attack due to lack of appropriate and up-to-date security measures, leading to loss or theft of data, loss of fundraising capability or operational impairment.

- The BBC and the Charity have extensive policies and procedures in place to detect and prevent cyber threats. Recovery plans are in place and we adequately train our employees
- Information security standards are specified in every third-party contract
- Staff operate on standard devices with high-grade encryption and virus protection

The Reserve Policy for the Charity sets out the long-term target for the Charity's continuity, as shown in the table below.

The minimum unrestricted reserves of £12.75m held by the Charity are to ensure we have sufficient funds to flex with seasonal income generation, respond to unexpected factors affecting children and young people across the UK and continue operations in periods of uncertainty - when external and internal factors influence the range of income outcomes.

In addition, further reserves will be held at year end and utilised until new income is received in the Autumn. In effect, the purpose of the reserve is twofold: it serves as a contingency and a means of funding anticipated activity.

The Impact continuity fund therefore holds funds that will be allocated before new income is generated from our next Appeal in November 2025. It is envisaged that the General continuity fund will drop back in line with forthcoming commitments over the next five years as we invest funds in our future strategic ambition. The Investment Continuity Fund is in place to manage volatility in capital value or returns.

<b>Continuity Funds £'000</b>	<b>Contingency Target 30 Jun 25</b>	<b>Forthcoming Commitments 30 Jun 25</b>	<b>Closing 30 Jun 25</b>
Impact Continuity Fund	5,000	39,571	44,571
General Continuity Fund	2,500	10,581	13,081
Investment Continuity Fund	5,000	-	5,000
Development Fund	250	-	250
<b>Total</b>	<b>12,750</b>	<b>50,152</b>	<b>62,902</b>

### Going Concern

Trustees continuously monitor the impact of external factors on the Charity and its likely future financial position. In reviewing its going concern position, the Charity takes into account its ability to:

1. Fund grant commitments
2. Cover impairment in assets
3. Satisfy going concern for 12 months from the approval of the financial statements – based on matching assets to liabilities
4. Cover costs
5. Maintain healthy cashflow - and ultimately
6. Continue to make grants

The Trustees are satisfied that the assets are in excess of the liabilities at both the balance sheet date and at the date of approval of the financial statements. The Trustees are also satisfied that the liquidity of the portfolio is appropriate for the phasing of grant commitments over 1 to 3 years - and that the risk of market value changes in the Charity's investments can be managed appropriately.

Having taken into account all available information about the future for the period of at least, but not limited to, 12 months from the date on which the accounts are approved, the Trustees are satisfied that there are no material uncertainties about the Charity's ability to continue. The accounts are therefore prepared on a going concern basis.

# GOVERNANCE

## Formal structure

BBC Children in Need was formed on 25 August 1988, became a registered charity with effect from 1 September 1989 and, until 30 September 2003, was an unincorporated body governed by a deed of trust and administered by a Board of Trustees.

With effect from 1 October 2003, the Charity's assets and activities were transferred to a Company Limited by Guarantee ('The BBC Children in Need Appeal'), with the Trustees being appointed as the Board of Directors and the BBC as the Founder Member of the Company.

As part of the process of incorporation, The BBC Children in Need Appeal was effectively re-registered as a charity on 7 August 2003, but retained the charity number 802052. The Charity is governed in accordance with its Articles of Association.

In 2012, the name of the Charity was changed from The BBC Children in Need Appeal to BBC Children in Need, to reflect our year-round presence and the changing nature of our fundraising. BBC Children in Need is also a registered charity in Scotland, with charity number SC039557.

BBC Children in Need has one trading subsidiary: Children in Need Limited. Children in Need Limited is a wholly-owned subsidiary, which primarily exists to licence products using the 'Pudsey Bear' trademark and to sell Pudsey merchandise.

Children in Need Limited makes a Gift Aid payment of all its taxable profits to BBC Children in Need each year.

## Governance arrangements

As a registered charity and company limited by guarantee, BBC Children in Need is governed by company and charity law and by The Statement of Recommended Practice, Charities SORP second edition (FRS 102), issued by the Charities Commission in October 2019. The SORP sets out the accounting practices and disclosure required by charities in their annual accounts. The Trustees have followed its recommendations and applicable accounting standards in presenting these accounts.

Trustees regularly review the Charity's governance arrangements against the voluntary Governance Code for Charities - and the Charity continues to implement recommendations from the 2023/24 review. These recommendations fall into the following categories:

- Organisational purpose
- Leadership
- Decision making
- Risk and control
- Board effectiveness
- Diversity

## Trustee and Chair appointment

The Trustees are appointed by members of the Charity in a general meeting. All Trustees are members of the Charity and Company.

Except for the Trustee who formally represents the BBC (as Founder Member), Trustees are appointed for a term of three years and may then be appointed for a further two terms of three years each.

In addition to the Trustee representing the Founder Member, the Trustees of BBC Children in Need are drawn from the BBC and non-BBC in equivalent numbers.

On appointment, all Trustees go through an induction process. They are also provided with training specific to the role and activities they will be required to undertake (e.g. grant making). In addition, Trustees are kept up-to-date with any changes in governance requirements, to ensure they are aware of their obligations.

## Management

The Board of Trustees holds formal meetings at least four times a year. In this financial year, the Board has met formally seven times. Between these meetings, matters are progressed through the delegation of actions to sub-committees of the Board and officers of the Charity, in line with the agreed Scheme of Delegation.

## Key responsibilities of Trustees

The following points outline the key responsibilities of Trustees, which comprise of:

- Agreeing the strategic direction and policy of the Charity
- Agreeing the annual operating and investment budgets
- Executing all legal responsibilities in connection with the Charity
- Being aware of the content of the Charity's Articles of Association in order to comply with Charity Commission regulations
- Supporting the Chair in ensuring that the Charity is following best practice in terms of its business rigour
- Providing expertise and insight into key areas of activity for the Charity
- Representing the Charity when required

## Trustee sub-committees

To support effective governance, the Charity has operated with four Trustee Board sub-committees throughout the year:

- Finance, Audit & Risk, which provides oversight and support on all financial matters, scrutiny of key risks and mitigations and oversight of internal and external audit activity
- Impact, which provides oversight and advice on matters such as the Grant Making Strategy, grant programmes and partnership funding. This sub-committee scrutinises and approves specific grant proposals - including main grants - as delegated by the Board of Trustees
- Nominations & Remuneration, which provides oversight and support in the recruitment and development of senior staff and the Board of Trustees. Reward and remuneration of senior staff is overseen by benchmarking to the market and ensuring costs are managed in line with budget
- Investment, which provides oversight and advice on investment decisions

The Investment, Finance, Audit & Risk and Impact Committees all have co-opted (non-Trustee) members to bring additional advice, subject matter expertise and experience.

## Business planning and performance management

We have continued to embed our approach to business planning. This ensures we have a clear and concise plan of objectives at organisational, directorate, team and individual level across the organisation. Every individual has a clear line of sight as to how the work they are doing supports the organisation's strategy and plan.

These plans are reviewed on a quarterly basis and progress is tracked and monitored throughout the year. We continue to evolve our approach to performance management to ensure performance, behaviour and development are well understood, discussed and supported at all levels of the organisation.

## Risk management

The Trustees are responsible for the Charity's management of risk. During the year, the Trustees actively monitored and discussed risk. This process included:

- Identifying the major risks facing the Charity
- Assessing the likelihood and severity of these risks
- Reviewing the existing controls that the Charity had in place to mitigate the risks
- Identifying and implementing any further actions required to limit risk

A statement of Trustees' responsibilities in respect of the Trustees' Annual Report and Accounts is given on page 58.

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are aware, there is no relevant audit information of which the Charitable Company's Auditors are unaware - and the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

The Report of the Trustees, which incorporates the requirements of the Strategic Report and the Directors' Report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, was approved by the Board in their capacity as Trustees and company directors - and was signed on its behalf on 11 December 2025 by:



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**James Fairclough**  
Chair



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**Rhona Burns**  
Treasurer

# REFERENCE AND ADMINISTRATIVE DETAILS

## Trustees and Advisors

### Chair

James Fairclough<sup>3</sup>  
Terry Duddy (21 October 2025 – 18 November 2025)

### Vice Chair

Jonathan Munro

### Other Trustees

Leigh Tavaziva (BBC Representative)

Kenny Imafidon<sup>2</sup>

Trevor Bradley<sup>1 3 4</sup>

Kieran Clifton<sup>2 4</sup>

Rhona Burns<sup>1 4</sup>

Suzanne Lamb (resigned 1 May 2025)

Sandeep Bhamra<sup>1 4</sup> (resigned 30 Sep 2024)

Cherrie Bija<sup>2 3</sup>

Randel Bryan

Patricia Hidalgo

Helen Thomas

Jo Wallace

### Company Secretary

Nicky Scowcroft

### Principal Officers

Simon Antrobus	Chief Executive
Claire Hoyle	Chief Income and Engagement Officer
Tommy Nagra	Director of Content
Joanne Ruddock	Director of Insight
Nicky Scowcroft	Chief Operating Officer
Fozia Irfan	Director of Impact and Influence
Tony Okotie	Director of Impact: Grant Making
Nassali Douglas	Director of Strategic Change & Transformation
Jenny Wroe	Head of HR

### Auditors

Crowe UK LLP  
St James House  
St James' Square  
Cheltenham GL50 3PR

### Bankers

HSBC Bank Plc  
City of London branch  
Queen Victoria Street  
London EC4N 4TR

### Investment Managers and Advisors

Mercer  
Tower Place West  
London  
EC3R 5BU (July 2024 onwards)

BlackRock Investment Management (UK) Limited  
12 Throgmorton Avenue  
London  
EC2N 2DL

### Solicitors

Fieldfisher LLP  
35 Vine Street  
London EC3N 2AA

Womble Bond Dickinson (UK) LLP  
4 More London Riverside  
London SE1 2AU

Mills & Reeve LLP  
Fountain House,  
130 Fenchurch Street  
London EC3M 5DJ

### Registered Office

Dock House  
Salford M50 2LH

- 1 Members of Finance, Audit and Risk Committee
- 2 Members of Impact Committee
- 3 Members of Nominations and Remuneration Committee
- 4 Members of Investment Committee

Registered charity England and Wales no. 802052 and Scotland no. SC039557. Registered Company 04723022

# STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF BBC CHILDREN IN NEED IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND ACCOUNTS

The Trustees are responsible for preparing the Trustees' Annual Report and accounts in accordance with applicable law and regulations.

Company law requires Trustees to prepare accounts for each financial year. Under that law, they are required to prepare the Group and Charitable Company accounts in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law, the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Charitable Company and of the Group and Charitable Company's excess of income over expenditure for that period.

In preparing each of the Group and Charitable Company accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts
- Prepare the accounts on the going concern basis, unless it is inappropriate to presume that the Group and the Charitable Company will continue its activities

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions. These records must disclose with reasonable accuracy at any time the financial position of the Group and Charitable Company - and enable them to ensure that its accounts comply with the Companies Act 2006.

The Trustees have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

They are also responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the UK governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BBC CHILDREN IN NEED

## Opinion

We have audited the financial statements of BBC Children in Need ('the Charitable Company') and its subsidiary ('the Group') for the year ended 30 June 2025, which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including 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 accounts:

- Give a true and fair view of the state of the Group's and the Charitable Company's affairs as at 30 June 2025 and of the Group's income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended)

## 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 or the Group'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.

## Other Information

The Trustees are responsible for the other information contained within the Annual Report. The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. 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 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.

## Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purpose of company law, for the financial year for which the accounts are prepared, is consistent with the accounts
- The Strategic Report and Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements

## Matters on which we are required to report by exception

- In light of the knowledge and understanding of the Group and Charitable Company - and of their environment - obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.
- We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:
  - Adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
  - The financial statements are not in agreement with the accounting records and returns, or
  - Certain disclosures of Trustees' remuneration specified by law are not made, 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 set out on page 58, 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. They are also responsible 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.

## Auditor's responsibilities for the audit of the accounts

We have been appointed as Auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006, and report in accordance with the Acts 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 Auditor's 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations, are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>

This description forms part of our Auditor's Report.

## Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charitable Company and Group operates, focussing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charitable Company's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charitable Company and the Group for fraud. The laws and regulations we considered in this context for the UK operations were taxation and employment legislation.

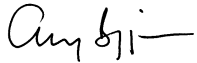
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other Management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with grant and corporate income and the override of controls by Management. Our audit procedures to respond to these risks included enquiries of Management and the Finance, Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Scottish Charity Regulator, designing audit procedures over grants and corporate income streams and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely it is that the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

## Use of our report

This report is made solely to the Charitable Company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's Trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an Auditor's 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 the Charitable Company's members as a body, and the Charitable Company's Trustees as a body for our audit work, for this report or for the opinions we have formed.



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### Guy Biggin

Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor

4th Floor  
St James House  
St James' Square  
Cheltenham  
GL50 3PR

Date: 18 December 2025

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 30 JUNE 2025

(Incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Year to 30 June 2025			Year to 30 June 2024		
		Unrestricted Fund £'000	Restricted Fund £'000	Total Funds £'000	Unrestricted Fund £'000	Restricted Fund £'000	Total Funds £'000
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and Legacies</b>							
Donations	2, 3	49,672	-	49,672	46,463	-	46,463
Legacies	2	3,159	-	3,159	3,379	-	3,379
<b>Charitable Activities</b>							
Partnership funding	2	1,099	3,180	4,279	2,150	-	2,150
<b>Total Income from Donations and Charitable Activities</b>		<b>53,930</b>	<b>3,180</b>	<b>57,110</b>	<b>51,992</b>	<b>-</b>	<b>51,992</b>
Income from trading activities	7	776	-	776	890	-	890
<b>Investments</b>		<b>2,710</b>	<b>-</b>	<b>2,710</b>	<b>1,354</b>	<b>-</b>	<b>1,354</b>
<b>Other Income</b>		<b>416</b>	<b>-</b>	<b>416</b>	<b>677</b>	<b>-</b>	<b>677</b>
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>57,832</b>	<b>3,180</b>	<b>61,012</b>	<b>54,913</b>	<b>-</b>	<b>54,913</b>
<b>EXPENDITURE ON:</b>							
<b>Raising Funds</b>							
Cost of generating voluntary income and governance	5	8,920	-	8,920	7,106	-	7,106
Investment management fees	5	145	-	145	116	-	116
Trading operating costs	5	523	-	523	518	-	518
		<b>9,588</b>	<b>-</b>	<b>9,588</b>	<b>7,740</b>	<b>-</b>	<b>7,740</b>
<b>Charitable Activities</b>							
England		23,190	-	23,190	21,957	-	21,957
Scotland		3,429	-	3,429	2,564	-	2,564
Wales		1,543	-	1,543	1,458	-	1,458
Northern Ireland		1,805	-	1,805	1,631	-	1,631
UK wide grants		6,592	1,023	7,615	7,325	776	8,101
<b>Grants Awarded in the Year</b>	<b>4</b>	<b>36,559</b>	<b>1,023</b>	<b>37,582</b>	<b>34,935</b>	<b>776</b>	<b>35,711</b>
Costs of grant making & impact	5	6,183	270	6,453	5,789	-	5,789
		<b>42,742</b>	<b>1,293</b>	<b>44,035</b>	<b>40,724</b>	<b>776</b>	<b>41,500</b>
<b>TOTAL EXPENDITURE</b>		<b>52,330</b>	<b>1,293</b>	<b>53,623</b>	<b>48,464</b>	<b>776</b>	<b>49,240</b>
<b>Net Gains on Investments</b>	<b>9</b>	<b>2,059</b>	<b>-</b>	<b>2,059</b>	<b>3,802</b>	<b>-</b>	<b>3,802</b>
<b>Net Income/(Expenditure) for the Year</b>		<b>7,561</b>	<b>1,887</b>	<b>9,448</b>	<b>10,251</b>	<b>(776)</b>	<b>9,475</b>
<b>Net Movement in Funds</b>		<b>7,561</b>	<b>1,887</b>	<b>9,448</b>	<b>10,251</b>	<b>(776)</b>	<b>9,475</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward 1 July 2024		55,341	1,811	57,152	45,090	2,587	47,677
<b>Total Funds Carried Forward 30 June 2025</b>		<b>62,902</b>	<b>3,698</b>	<b>66,600</b>	<b>55,341</b>	<b>1,811</b>	<b>57,152</b>

The Group has no recognised gains or losses for the above two financial periods other than the net movement in funds shown above, all of which are derived from continuing operations.

The Notes on pages 66 to 81 form part of these financial statements.

# CHARITY STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 30 JUNE 2025

(Incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Year to 30 June 2025			Year to 30 June 2024		
		Unrestricted Fund £'000	Restricted Fund £'000	Total Funds £'000	Unrestricted Fund £'000	Restricted Fund £'000	Total Funds £'000
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and Legacies</b>							
Donations	2	49,672	-	49,672	46,463	-	46,463
Gift aid payment from Children in Need Limited	7	250	-	250	372	-	372
Legacies	2	3,159	-	3,159	3,379	-	3,379
<b>Charitable Activities</b>							
Partnership funding	2	1,099	3,180	4,279	2,150	-	2,150
<b>Total Income from Donations and Charitable Activities</b>		<b>54,180</b>	<b>3,180</b>	<b>57,360</b>	<b>52,364</b>	-	<b>52,364</b>
Income from trading activities		161	-	161	152	-	152
<b>Investments</b>	9	2,710	-	2,710	1,354	-	1,354
<b>Other Income</b>		416	-	416	677	-	677
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>57,467</b>	<b>3,180</b>	<b>60,647</b>	<b>54,547</b>	-	<b>54,547</b>
<b>EXPENDITURE ON:</b>							
<b>Raising Funds</b>							
Cost of generating voluntary income & governance	5	8,920	-	8,920	7,106	-	7,106
Investment management fees	5	145	-	145	116	-	116
Children in Need Limited Cost Recovery	7	161	-	161	152	-	152
		<b>9,226</b>	-	<b>9,226</b>	<b>7,374</b>	-	<b>7,374</b>
<b>Charitable Activities</b>							
England		23,190	-	23,190	21,957	-	21,957
Scotland		3,429	-	3,429	2,564	-	2,564
Wales		1,543	-	1,543	1,458	-	1,458
Northern Ireland		1,805	-	1,805	1,631	-	1,631
UK wide grants		6,592	1,023	7,615	7,325	776	8,101
<b>Grants Awarded in the Year</b>	4	<b>36,559</b>	<b>1,023</b>	<b>37,582</b>	<b>34,935</b>	<b>776</b>	<b>35,711</b>
Cost of grant making and impact	5	6,183	270	6,453	5,789	-	5,789
<b>TOTAL EXPENDITURE</b>		<b>51,968</b>	<b>1,293</b>	<b>53,261</b>	<b>40,724</b>	<b>776</b>	<b>41,500</b>
<b>Net Gains on Investments</b>	9	2,059	-	2,059	3,802	-	3,802
<b>Net Income/(Expenditure) for the Year</b>		<b>7,558</b>	<b>1,887</b>	<b>9,445</b>	<b>10,251</b>	<b>(776)</b>	<b>9,475</b>
<b>Net Movement in Funds</b>		<b>7,558</b>	<b>1,887</b>	<b>9,445</b>	<b>10,251</b>	<b>(776)</b>	<b>9,475</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward 1 July 2024		55,326	1,811	57,137	45,075	2,587	47,662
<b>Total Funds Carried Forward 30 June 2025</b>		<b>62,884</b>	<b>3,698</b>	<b>66,582</b>	<b>55,326</b>	<b>1,811</b>	<b>57,137</b>

The Charity has no recognised gains or losses for the above two financial periods other than the net movement in funds shown above, all of which are derived from continuing operations.

The Notes on pages 66 to 81 form part of these financial statements.

# CONSOLIDATED AND CHARITY BALANCE SHEETS

## AS AT 30 JUNE 2025

Company Number 04723022

	Notes	Group 30 June 2025 £'000	Group 30 June 2024 £'000	Charity 30 June 2025 £'000	Charity 30 June 2024 £'000
<b>FIXED ASSETS</b>					
Intangible assets	10	614	-	614	-
Tangible assets	8	15	28	15	28
Investment in subsidiary Investments	7 9	- 30,635	- 29,394	- 30,635	- 29,394
		<b>31,264</b>	<b>29,422</b>	<b>31,264</b>	<b>29,422</b>
<b>CURRENT ASSETS</b>					
Investments	9	72,598	55,144	72,598	55,144
Stock		398	241	-	-
Debtors	11	9,374	9,179	9,870	9,669
Cash and cash equivalents		4,677	8,137	4,503	7,851
		<b>87,047</b>	<b>72,701</b>	<b>86,971</b>	<b>72,664</b>
Creditors: amounts falling due within one year	12	(33,876)	(28,377)	(33,818)	(28,355)
<b>NET CURRENT ASSETS</b>		<b>53,171</b>	<b>44,324</b>	<b>53,153</b>	<b>44,309</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>84,435</b>	<b>73,746</b>	<b>84,417</b>	<b>73,731</b>
Creditors: amounts falling due after more than one year	12	(17,835)	(16,594)	(17,835)	(16,594)
<b>NET ASSETS</b>		<b>66,600</b>	<b>57,152</b>	<b>66,582</b>	<b>57,137</b>
<b>RESERVES</b>					
Unrestricted funds	15	62,902	55,341	62,884	55,326
Restricted Grant Funds	15	3,698	1,811	3,698	1,811
<b>Total Funds</b>		<b>66,600</b>	<b>57,152</b>	<b>66,582</b>	<b>57,137</b>
<b>TOTAL RESERVES</b>		<b>66,600</b>	<b>57,152</b>	<b>66,582</b>	<b>57,137</b>

The Notes on pages 66 to 81 form part of these financial statements.

The accounts on pages 62 to 81 were approved by the Trustees on 11 December 2025 and signed on their behalf by:



**James Fairclough**  
Chair



**Rhona Burns**  
Treasurer

# CONSOLIDATED CASH FLOW STATEMENT

## FOR THE YEAR ENDED 30 JUNE 2025

	Schedule	Year to 30 June 2025 £'000	Year to 30 June 2024 £'000
<b>Cash Flow from Operating Activities:</b>			
Net cash provided by operating activities	A	10,466	5,030
<b>Cash Flow from Investing Activities:</b>			
Interest from investments		2,710	1,354
Purchase of equipment		-	(32)
Purchase of investments		(105,166)	(261,164)
Proceeds from sale of investments		88,530	252,644
<b>Net Cash (Used in) Investing Activities</b>		<b>(13,926)</b>	<b>(7,198)</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(3,460)</b>	<b>(2,168)</b>
Cash and cash equivalents at the start of the reporting period	B	8,137	10,305
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>	<b>B</b>	<b>4,677</b>	<b>8,137</b>

### A. Reconciliation of net income to net cash flow from operating activities

	Year to 30 June 2025 £'000	Year to 30 June 2024 £'000
Net income for the year	9,448	9,475
Depreciation charges	13	12
Investment income	(2,710)	(1,354)
Increase in intangible assets	(614)	-
(Gain) on investments	(2,059)	(3,802)
(Increase) in stock	(157)	(61)
(Increase) in debtors	(195)	(1,353)
Decrease in creditors	6,740	2,113
<b>Net Cash Inflow/(Outflow)</b>	<b>10,466</b>	<b>5,030</b>

### B. Analysis of cash and cash equivalents

	At 1 July 2024 £'000	Cash Flows £'000	At 30 June 2025 £'000
Cash at bank	8,137	(3,460)	4,677
<b>Total Cash and Cash Equivalents</b>	<b>8,137</b>	<b>(3,460)</b>	<b>4,677</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 1 PRINCIPAL ACCOUNTING POLICIES BASIS OF PREPARATION

BBC Children in Need is a registered charity in England and Wales 802052 and Scotland SC039557, and a company limited by guarantee incorporated in England 04723022. The Registered Office is Dock House, MediaCityUK, Salford, Greater Manchester M50 2LH.

These accounts have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Charity has adapted the Companies Act formats to reflect the SORP and the special nature of the Charity's activities. The Charity is a public benefit entity.

#### Going concern

The accounts have been prepared on the going concern basis and under the historical cost convention, with the exception of listed and unlisted investments which are included at market value.

Trustees continuously monitor the impact of external factors on the Charity and its likely future financial position. They are satisfied that the assets are in excess of the liabilities at both the balance sheet date and at the date of approval of the financial statements. The Trustees are also satisfied that the liquidity of the portfolio is appropriate for the phasing of grant commitments over 1 to 3 years and that the risk of market value changes in the Charity's investments can be managed appropriately.

Having taken into account all available information about the future for the period of at least - but not limited to -12 months from the date on which the accounts are approved, the Trustees are satisfied that there are no material uncertainties about the Charity's ability to continue. The accounts are therefore prepared on a going concern basis.

The accounts were authorised for issue on 21 October 2025 by the Board of Trustees.

The accounts are prepared in Sterling, which is the functional currency of the Charity and Group and rounded to the nearest £'000. The Charity and Group's presentational currency is the same as its functional currency.

The Charity funds the costs of generating income and governance from Gift Aid, interest earned on investments and up to 5p in the £ from unrestricted donations. This change was necessary due to reducing returns on investments and reduced income from Gift Aid and now provides the Charity with a level of financial stability.

#### Income

All income is recognised once the Charity has entitlement to it. It is probable that the income will be received and that the monetary value of the income can be measured with sufficient reliability.

Legacy income is recognised when the criteria of probability, measurement and entitlement are met. This is considered to be on the earlier of the date cash is received or the date final estate accounts are approved.

Donated services and facilities are treated as gifts in kind

and are included as income (with an equivalent amount in resources expended) at the estimated value to the Charity. This income has been recognised, as the benefit to the Charity is reasonably quantifiable, measurable and material. The Charity is entitled to the donation in that control over the expected economic benefit has passed and it will more than likely flow to the Charity (further details are given in Note 3).

#### Consolidation

These consolidated accounts incorporate the results of BBC Children in Need and its wholly-owned subsidiary undertaking, Children in Need Limited, for the year ended 30 June 2025, on a line-by-line basis. Children in Need Limited is a company registered in England and Wales and exists primarily to sell Children in Need merchandise and licence products using the Pudsey Bear trademark.

No separate Cash Flow Statement has been prepared for the Charity as permitted by Section 408 of the Companies Act 2006 and FRS102 respectively.

#### Relationship with the BBC

Although the Charity and the BBC are respectively separately governed, they remain closely associated and both parties recognise the mutual benefit of their association and collaboration: The Charity in pursuit of its charitable purposes is able to support the BBC in fulfilling its Mission and Public Purposes, including providing access to younger audiences, increasing awareness and understanding of the issues affecting children and young people in UK and offering a charitable vehicle for BBC staff engagement.

In return, the Charity benefits from an annual season of broadcast programming and a range of marketing and operational support, enabling it to promote its work and raise support and money to improve the lives of children and young people across the UK in turn.

#### Grant expenditure

Grant expenditure is recognised when:

- Grants are approved by Directors or Trustees and notified to the organisations concerned
- Payment is probable
- It can be measured reliably
- All conditions have been met

Grant expenditure not yet paid is recognised as a liability on the balance sheet. If grants are payable in less than one year, they are classified as short-term. If payable in more than one year, they are classified as long-term. For grants payable in more than one year, discounts for present value have not been applied on the basis of materiality.

#### Other expenditure

Other expenditure is accounted for on an accruals basis and is recognised when:

- There is a legal or constructive obligation committing the Charity and Group to the expenditure
- Payment is probable
- It can be measured reliably

#### Redundancy costs

Redundancy costs are accounted for on an accruals basis in line with FRS102.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

Costs have been directly attributed to a particular heading in the Statement of Financial Activities on a headcount basis or on a time basis consistent with the use of the resource.

Cost of generating funds consists of costs incurred by the Charity in encouraging organisations and individuals to make voluntary contributions or to organise a fundraising event. This includes all costs of production and distribution of publicity materials, the costs of staff and other expenditure incurred in communicating with fundraisers and donors and the cost of Charity-organised events and activities.

Grant giving costs represent the cost of monitoring and evaluating projects to ensure the money is being used to maximum effect, as well as ensuring that grant making is supported, processed and governed responsibly. This includes costs of staff who support the grant making process, external assessors, regional and national committee meetings and expenditure incurred in this process.

Governance costs include all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These include costs of staff, external audit and legal fees along with Trustee expenses and meeting costs.

Further details of other expenditure are shown in Note 5.

### Tangible & Intangible fixed assets

Tangible assets costing more than £1,000 are capitalised, included at cost and depreciated over their useful lives on a straight-line basis. Depreciation is provided on all tangible assets at rates calculated to write off the costs of each asset on a straight-line basis over its expected useful life as follows:

IT equipment and software	3 years
Intangible asset	3 years

Further details of assets are shown in Note 8 and 10.

### Investments

Grants are paid in instalments across the life of the project (typically 3 years). Therefore, we will always have some funds that we hold in investments.

Investments are included in the Balance Sheet at market value. All gains and losses are shown in the Statement of Financial Activities. They are classified as fixed investments if they represent grants awarded and payable in more than one year (presented as a long-term creditor) and grant funds due to be awarded where the payment will be made in more than one year (presented as the grant fund). They are classified as current investments if they represent grants payable in less than one year.

Further details of fixed and current investments are given in Note 9.

### Stock

Stock is held by Children in Need Limited. Further details of the accounts of Children in Need Limited are given in Note 7. Stock is stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

### Short Term Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activity in the cost of generating voluntary income.

### Operating Leases

Operating lease rentals are charged to the Statement of Financial Activity on a straight-line basis over the period of the lease.

Further details of operating leases are given in Note 14.

### Retirement Benefit Plans

Employees of the Charity participate in defined benefit and defined contribution schemes operated by the British Broadcasting Corporation. The defined benefit schemes provide benefits based on pensionable pay. The assets of the BBC's main pension scheme, the BBC Pension Scheme, to which the majority of employees belong, are held separately from those of the BBC Group.

The BBC Pension Scheme is a Group-wide scheme and there is no contractual agreement or stated policy for charging the net defined benefit cost to scheme participants. The contribution rates are set by the pension scheme Trustees, based on valuations which take a longer-term view of the assets required to fund the scheme's liabilities. Valuations of the scheme are performed by Willis Towers Watson, consulting actuaries, with formal valuations undertaken at least every three years. Accordingly, the Company accounts for contributions payable to the scheme as if the schemes were defined contribution schemes.

### Basic Financial Instruments

(a) Financial assets creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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.

Amount owed to Group undertakings which are basic financial instruments are initially recorded at the present value of future payments.

Financial liabilities are derecognised when the liability is extinguished; that is when the contractual obligation is discharged, cancelled or expires.

### Structure of Reserves

#### Unrestricted funds including designated

The Charity holds the majority of donation income in the Impact Continuity Fund, which is designated to ensure maximum positive impact to children and young people currently affected by one of our recognised areas of need. The money is therefore spent on BBC Children in Need's grant making activity, grant making policy and making an impact; charitable initiatives designed to make a positive difference to the lives of children and young people.

This includes making awards to projects and the cost of allocating, monitoring and evaluating grants to ensure that donations are being used to maximum effect. It is not always possible to accurately match the amount of grant making activity with the amount of income in any one year, therefore any unspent income is always monitored separately.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

The Charity holds Gift Aid from unrestricted donations, interest earned on investments and up to 5p in the £ from unrestricted donations in the general continuity fund. This fund is used to cover the costs of generating income and other activities supporting the governance, growth and development of the Charity. A proportion is also held in reserve to cover any potential investment losses generated through short-term volatility and to fund a potential short-term funding deficit should future income levels fall unexpectedly.

Other non-grant funds include the net assets of Children in Need Limited.

Gifts in kind are allocated across the two funds based on direct staff allocation.

### Restricted funds

This is restricted income held to further a specific purpose of the Charity as stipulated by the donor and is accounted for accordingly and presented separately on the face of the Statement of Financial Activities. This may include associated Gift Aid, which is also deemed to be restricted in use. This spend includes making awards to projects and the cost of allocating, monitoring and evaluating grants.

Where the donor expresses a form of non-binding preference as to the use of the funds, this falls short of imposing a formal restriction and the Charity will include the relevant donations as part of its unrestricted funds.

### Consolidation

These consolidated accounts incorporate the results of BBC Children in Need and its wholly-owned subsidiary undertaking, Children in Need Limited, for the year ended 30 June 2025, on a line-by-line basis. Children in Need Limited is a company registered in England and Wales and exists primarily to sell BBC Children in Need merchandise and license products using the Pudsey Bear trademark.

No separate Cash Flow Statement has been prepared for the Charity as permitted by Section 408 of the Companies Act 2006 and FRS102 respectively.

### Loan to Children in Need Limited

The interest-bearing loan is a basic financial instrument and is recorded at fair value on both initial recognition and subsequent recognition. As the loan is repayable on demand, fair value is equal to face value.

### Judgements and estimates

The preparation of the accounts requires Management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date, as well as the amounts reported for income and expenditure during the year.

Judgement has been applied in the consideration of what gifts in kind are included in the Charities accounts. The gift in kind has been accounted for where the actual expenditure incurred by the BBC or corporate partner can be measured reliably, and where the Charity has received the benefit.

Many of the other elements of BBC support are very difficult to quantify, as they are not discrete activities but embedded, partly as newsworthy and entertainment content, within the operations and business of the BBC. The Appeal Show provides valuable content which attracts a large audience, and without it, the BBC would have to produce alternative content. As such, the full value of support provided by the BBC has not been included in the Charity's Statement of Financial Activities.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

### 2 INCOME

Income from direct public support such as donations, public and schools fundraising, our corporate partners and BBC programmes of £52.8m (2024: £48.9m) - plus income such as Gift Aid, investment income and licence fee income of £9.6m (2024: £8.8m), which is used to fund the Charity's income generating activities - totals £62.3m of income for the Charity (2024: £57.7m).

	Unrestricted Funds					Restricted Funds		Total 2025 £000	Total 2024 £000
	Direct Public Support £000	High Value Donors & Partnerships £000	BBC Programmes £000	Other £000	Total £000	Direct Public Support £000	High Value Donors & Partnerships £000		
Schools	2,962	-	-	-	2,962	-	-	2,962	3,523
Public fundraising	2,917	-	-	-	2,917	-	-	2,917	2,348
Donations	5,189	12,144	21,778	-	39,111	-	-	39,111	37,068
Gift Aid on donations	4,682	-	-	-	4,682	-	-	4,682	3,524
<b>TOTAL DONATIONS</b>	<b>15,750</b>	<b>12,144</b>	<b>21,778</b>	<b>-</b>	<b>49,672</b>	<b>-</b>	<b>-</b>	<b>49,672</b>	<b>46,463</b>
Gift aid payment from Children in Need Limited	250	-	-	-	250	-	-	250	372
Partnership funding	-	1,099	-	-	1,099	-	3,180	4,279	2,150
Legacies	3,159	-	-	-	3,159	-	-	3,159	3,379
<b>TOTAL INCOME FROM CHARITABLE ACTIVITIES</b>	<b>19,159</b>	<b>13,243</b>	<b>21,778</b>	<b>-</b>	<b>54,180</b>	<b>-</b>	<b>3,180</b>	<b>57,360</b>	<b>52,364</b>
Licence fee income	-	161	-	-	161	-	-	161	152
Return on investments	-	-	-	2,710	2,710	-	-	2,710	1,354
Other income - gift in kind	-	-	-	416	416	-	-	416	677
<b>RECONCILIATION TO CHARITY SOFA</b>	<b>19,159</b>	<b>13,404</b>	<b>21,778</b>	<b>3,126</b>	<b>57,467</b>	<b>-</b>	<b>3,180</b>	<b>60,647</b>	<b>54,547</b>
Gift in kind	-	-	-	(416)	(416)	-	-	(416)	(677)
Plus gains on investments	-	-	-	2,059	2,059	-	-	2,059	3,802
<b>RECONCILIATION TO REPORTED INCOME</b>					<b>59,110</b>			<b>62,290</b>	<b>57,672</b>

How the above income has been utilised in the year is shown below.

Grant Awards	(36,559)	(1,023)	(37,582)	(35,711)
Costs of Grant Making	(5,988)	(270)	(6,258)	(5,426)
Costs of Generating Income and Governance	(9,002)	-	(9,002)	(7,060)
Movement in Reserves	(7,561)	(1,887)	(9,448)	(9,475)
<b>REPORTED TOTAL INCOME</b>	<b>(59,110)</b>	<b>(3,180)</b>	<b>(62,290)</b>	<b>(57,672)</b>

Total income reported on the Charity's Statement of Financial Activities is £60.6m (2024: £54.5m) before unrealised investment income and gift in kind.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

### 3 GIFTS IN KIND

BBC Children in Need is the UK corporate Charity of the BBC and, as such, is supported by the BBC in a number of ways - including, but not limited to:

- The provision of office space and other services at no charge
- The preparation and broadcast of the annual televised BBC One Appeal Show, including national and regional programming content
- The extensive support of programmes across all platforms, both on the day of the Appeal and during the campaign build-up
- Significant promotional support and coverage of the Appeal across the BBC local television and radio network in the days before the Appeal and on Appeal Night

The costs of support through the provision of office space and other services for the last financial year have been calculated as £416k (2024 - £677k), based on actual office space utilised by BBC Children in Need during the year. This amount has been recorded as income - with an equal amount included in expenditure - in the statement of financial activities, as it meets the recognition criteria set out in the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019.

Please refer to Note 1 on page 66 for disclosure of key judgements in relation to gifts in kind.

### 4 GRANT EXPENDITURE

The grants given to charities and organisations fall into the bands detailed below:

Grants Reconciliation	Group 2025 £'000	Group 2024 £'000
<b>Grants Outstanding as at 1 July 2024</b>	41,685	39,747
Grants awarded in the period	37,582	35,711
Grants paid in the period	(31,675)	(33,773)
<b>Grants Outstanding as at 30 June 2025</b>	47,592	41,685

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

Total Grants Awarded In The Period	Qty	Group 2025 £'000	Qty	Group 2024 £'000
<b>Open Call Grant Award</b>				
Core Grants	165	10,570	147	9,646
Project Grants	275	17,998	238	16,276
Pudsey Next Steps	41	2,076	73	2,471
Big Sky	150	739	29	142
iWill - Youth Social Action, We Move	1	461	56	1,622
Exit Grants	32	368	-	-
We Move Programme	4	129	-	-
	<b>668</b>	<b>32,341</b>	<b>543</b>	<b>30,157</b>
<b>In Partnership With:</b>				
Hunter Foundation	1	838	1	539
McDonalds Innovation Activity	10	505	-	-
A Million & Me Programme	5	377	8	1,081
Sense UK	1	200	-	-
Shelter	1	110	-	-
The Felix project	1	100	1	100
New Philanthropy Capital	1	100	-	-
Oasis Charitable Trust for Centre for Young Lives	1	74	-	-
Ferdinando & Luigi Innocenti Foundation	17	35	-	-
Legal Education Fund	1	19	1	244
The Children's Society	-	-	1	1,000
Spiral Skills	-	-	1	100
National Youth Agency	-	-	1	100
McDonalds Community Connections	-	-	10	16
Blagrove Trust	-	-	1	67
Others	12	188	13	136
	<b>51</b>	<b>2,546</b>	<b>38</b>	<b>3,383</b>
<b>Emergency Funding</b>	<b>1</b>	<b>3,000</b>	<b>1</b>	<b>3,000</b>
<b>Total Grant Awards</b>	<b>720</b>	<b>37,887</b>	<b>582</b>	<b>36,540</b>
Grant Underspends		(305)		(830)
Training of Grantees		-		1
		<b>37,582</b>		<b>35,711</b>

In the year ended June 2025, £37,887k (2024: £36,540k) before returns.

Of this amount, direct open call funding totalled £32,341k (2024: £30,157k), £3,000k (2024: £3,000k) was awarded in Emergency funding and £2,546k (2024: £3,383k) was awarded across other partnership programmes.

Our direct open call funding primarily consists of two programmes, project and core grants, allowing applicants to approach us for funding for running specific pieces of work connected to a project and for covering core costs. During the year we have awarded grants through our open call funding at different levels: micro-grants (up to £5k), under £15k pa for three years, or £15k-£40k pa for up to three years.

### Adjustments to grants

An amount of £305k (2024: £830k) has been written back to the Statement of Financial Activities in the 2025 financial year. This represents adjustments to grants and the full and partial return of grants that have been awarded in the current and the prior year - a situation that arises when the project cannot fulfil the agreed outcomes. This amount is added back to the total available for future awards.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

### 5 GROUP OPERATING COSTS EXCLUDING GIFTS IN KIND

In order to administer the Charity efficiently, fundraise creatively, manage the funds raised professionally and operate as an effective grant maker, BBC Children in Need incurs costs.

Where staff work across more than one area, costs are allocated based on the proportion of time spent on the areas of governance, generating voluntary income and making an impact, which includes the cost of grant making.

Office & IT costs and professional fees are allocated based on usage. The BBC gift in kind that supports the provision of office space - together with depreciation - is allocated based on staff numbers.

Group Operating Costs	Staff Costs £'000	Support Costs £'000	Other Direct Costs £'000	2025 Total £'000	2024 Total £'000
<b>Costs of Generating Funds</b>					
Cost of generating voluntary income	4,155	1,790	2,497	8,442	6,673
Investment management fees	-	-	145	145	116
Trading operating costs	29	-	494	523	518
Governance	125	352	1	478	433
<b>Charitable Activities</b>					
Grant Making, policy & impact	3,812	1,440	1,201	6,453	5,789
	<b>8,121</b>	<b>3,582</b>	<b>4,338</b>	<b>16,041</b>	<b>13,529</b>
Gifts in kind				(416)	(677)
<b>Operating costs</b>				<b>15,625</b>	<b>12,852</b>

Specific expenditure items included in the figures above are as follows:

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Depreciation	13	12	13	12
Operating leases	29	29	29	29
Reimbursement of trustees expenses	2	4	2	4
<b>Auditors' Remuneration:</b>				
Audit of these accounts	97	52	97	52
Audit of the charity's subsidiary pursuant to the legislation	2	2	-	-
Taxation compliance services	13	2	10	-
Legal fees	62	45	62	45

#### Audit remuneration

Audit fees have now been aligned to the financial year. Therefore, fees totalling £41k relate to the prior year audit. The comparable current year fee for the 'Audit of these accounts' was £56k for 2024/25.

Support costs for the Group are broken down as follows:

	Staff Costs £'000	Office and IT Costs £'000	Depreciation £'000	Professional Fees £'000	Gifts in Kind £'000	2025 Total £'000	2024 Total £'000
<b>Costs of Generating Funds</b>							
Cost of generating voluntary income	1,055	241	7	272	215	1,790	1,672
Governance	232	53	1	60	6	352	318
<b>Charitable Activities</b>							
Grant making, policy and impact	834	191	5	215	195	1,440	1,477
	<b>2,121</b>	<b>485</b>	<b>13</b>	<b>547</b>	<b>416</b>	<b>3,582</b>	<b>3,467</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

### 6 EMPLOYEE AND PENSION INFORMATION

The average number of persons employed during the period split by function is as follows:

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Generating funds	72	65	65	65
Grant giving	91	83	87	83
Governance	4	4	4	4
	<b>167</b>	<b>152</b>	<b>156</b>	<b>152</b>

The equivalent number of full-time staff is 160 (2024: 145).

The breakdown of the Group's salary costs is as follows

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Wages and salaries	7,335	6,571	7,309	6,550
Social Security costs	812	686	809	684
Pension costs	584	552	584	552
Other staff costs	317	417	317	416
<b>Total ongoing salary costs</b>	<b>9,048</b>	<b>8,226</b>	<b>9,019</b>	<b>8,202</b>
Redundancy costs	1,194	-	1,194	-
<b>Total Salary Costs</b>	<b>10,242</b>	<b>8,226</b>	<b>10,213</b>	<b>8,202</b>

### Pension Costs

#### Defined benefit schemes:

The Company accounts for the BBC Pension Scheme as if it were a defined contribution scheme. This is because it is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

The pension costs for both schemes represent contributions payable by the Charity to the funds - and this amounted to £584k in the year (2024: £552k).

Information about the scheme deficit that may affect the amount of future contributions, including the basis used to determine that deficit - and the implications - can be found within Notes D6 and D7 of the BBC Annual Report and Accounts.

#### Remuneration

Trustees do not receive any remuneration nor receive any other benefits for their roles as Trustees. Trustee expenditure includes the reimbursement of expenses incurred by Trustees while carrying out their duties for the Charity - primarily for travel expenses of Trustees not based in London to attend meetings. £2k of expenses were paid in the period to 6 Trustees (2024: £3k to four Trustees).

Included in the total salary cost above are redundancy payments amounting to £1.2m (2024: nil) on termination of employment. Of the £1.2m, £0.4m remains unpaid as at 30 June 2025 and this is reflected on our balance sheet. These costs have been incurred as part of a programme of work to implement our strategy and ensure we have the right people with the right skills to grow our income and have the greatest impact on Children and Young People. Redundancy payments were based on service. These payments are managed by the Human Resources department in line with policy and procedures and authorised according to the scheme of delegation based on size of payment.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

The emoluments of employees who are higher paid fell into the following bands of £10,000:

	Group 2025	Group 2024
£60,000 - £69,999	11	6
£70,000 - £79,999	3	3
£80,000 - £89,999	1	3
£90,000 - £99,999	3	1
£100,000 - £109,999	3	2
£110,000 - £119,999	1	1
£160,000 - £169,999	1	1
	<b>23</b>	<b>17</b>

The emoluments paid to the Chief Executive in the year were £165,695 (2024: £160,997).

### Key management personnel

All principal officers who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key Management personnel. Total remuneration in respect of these individuals is £1,178k (2024: £1,127k).

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

### 7 INVESTMENT IN SUBSIDIARY

BBC Children in Need owns 100% of the issued ordinary share capital of £2 of Children in Need Limited (registered company 2461031), a company registered in England and Wales, which licenses products using the Pudsey Bear trademark.

A summary of the trading results and balance sheet of Children in Need Limited is set out below.

Turnover of £464k is derived from the sale of merchandise to the public through our online store, as well as from fundraising events (2024: £597k). In addition, corporate partners purchase BBC Children in Need product to support their fundraising activities and sell their own products licensed by Children in Need Limited. For this, a license fee is charged (£312k (2024: £293k)).

The Trading Company has gifted its net profit of £250k (2024: £372k) to the Charity.

	Year to 30 Jun 25 £'000	Year to 30 Jun 24 £'000
Turnover	776	890
Product cost of sales	(365)	(366)
<b>Contribution</b>	<b>411</b>	<b>524</b>
Other cost of sales	(61)	(74)
<b>Gross Profit</b>	<b>350</b>	<b>450</b>
Operating expenses	(97)	(78)
<b>Net Profit</b>	<b>253</b>	<b>372</b>
Gift aid payment to BBC Children in Need Appeal	(250)	(372)
<b>Retained in Children in Need Limited</b>	<b>3</b>	<b>-</b>
	<b>30 Jun 25 £'000</b>	<b>30 Jun 24 £'000</b>
<b>Fixed Assets</b>		
<b>Current Assets</b>		
Stock	398	241
Debtors	22	104
Cash at bank and in hand	174	286
<b>TOTAL CURRENT ASSETS</b>	<b>594</b>	<b>631</b>
Creditors: amounts falling due within one year	(576)	(616)
<b>Net Current Assets</b>	<b>18</b>	<b>15</b>
Total assets less current liabilities	18	15
Creditors: amounts falling due after more than one year	-	-
<b>Net Assets</b>	<b>18</b>	<b>15</b>
Share capital	-	-
Profit and loss account	18	15
<b>Total Funds</b>	<b>18</b>	<b>15</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

Within the creditors' amount of £576k is £518k (2024: £594k) owing to the Charity. This is made up of an outstanding loan of £150k not due for repayment, £250k of Gift Aid and £176k of recharges not yet transferred back to the Charity. The movement of £76k in the creditor balance in the year is explained as follows:

Inter Company Transactions in Year	2025 £'000	2024 £'000
Staff & staff expenses recharged by charity	63	54
Donations deposited with the trading company	29	221
Trading vat transactions paid through the charity	30	66
Loan interest charged by the charity	20	14
Gift aid payment donated to charity	250	372
Merchandise and storage costs recharged to charity	(35)	(43)
Cash transferred to charity in part settlement of the above	(433)	(589)
Movement	(76)	(95)

### 8 TANGIBLE ASSETS

Group	IT Equipment & Software £'000	Total £'000
<b>Cost</b>		
As at 01 July 2024	403	403
Additions	-	-
Disposals	-	-
<b>As at 30 June 2025</b>	<b>403</b>	<b>403</b>
<b>Accumulated Depreciation</b>		
As at 01 July 2024	375	375
Charge for the year	13	13
Disposals	-	-
<b>As at 30 June 2025</b>	<b>388</b>	<b>388</b>
<b>Net Book Value</b>		
As at 30 June 2024	28	28
<b>As at 30 June 2025</b>	<b>15</b>	<b>15</b>

Charity	IT Equipment & Software £'000	Total £'000
<b>Cost</b>		
As at 01 July 2024	329	329
Additions	-	-
Disposals	-	-
<b>As at 30 June 2024</b>	<b>329</b>	<b>329</b>
<b>Accumulated Depreciation</b>		
As at 01 July 2024	301	301
Charge for the year	13	13
Disposals	-	-
<b>As at 30 June 2025</b>	<b>314</b>	<b>314</b>
<b>Net Book Value</b>		
As at 30 June 2024	28	28
<b>As at 30 June 2025</b>	<b>15</b>	<b>15</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

### 9 FIXED AND CURRENT INVESTMENTS FOR THE GROUP

The portion of the Group and Charity's investment portfolio that is classified as fixed investments relate to grant creditors committed, or grants to be awarded and payable in more than one year. Current investments relate to grant creditors committed, or grants to be awarded and due for payment within one year plus any other short term liabilities.

Investments are analysed below, between Equity, Fixed Income and Alternatives. Fixed Income includes certificates of deposit, floating rate notes, gilts and high-quality corporate bonds. Alternatives include other income generating assets, such as securitised credit funds. Investments are valued at current market value as at 30 June 2025.

Income in the year of £4,769k relates to interest earned on investments held in the year £2,710k plus revaluation gains £2,059k (2024: £5,156 (1,354k interest and £3,802k gains)).

Group and Charity	2025 £'000	2024 £'000
<b>Market Value at 1 July 2024</b>	<b>84,538</b>	<b>72,215</b>
Add: acquisitions at cost	105,166	267,159
Less: disposals at market value	(88,530)	(252,644)
Add: net gains on revaluation	2,059	3,802
<b>Market Value at 30 June 2025</b>	<b>103,233</b>	<b>90,532</b>
Less: deposits held at financial institutions	-	(7,251)
Add: deposits held at financial institutions	-	1,257
<b>Total Investments at 30 June 2025</b>	<b>103,233</b>	<b>84,538</b>

The investments can be analysed as follows:

	2025		2024	
	Valuation £'000	Cost £'000	Valuation £'000	Cost £'000
<b>Fixed Income</b>				
-maturing in more than 1 year	23,715	22,560	13,812	13,690
-maturing in less than 1 year	64,483	65,351	59,313	59,057
<b>Alternatives</b>				
-maturing in more than 1 year	6,433	6,308	18,664	15,021
-maturing in less than 1 year	-	-	-	-
<b>Equities</b>				
-maturing in more than 1 year	8,602	6,308	18,664	15,021
-maturing in less than 1 year	-	-	-	-
Deposits held with financial institutions	-	-	(7,251)	(7,251)
	<b>103,233</b>	<b>102,456</b>	<b>84,538</b>	<b>80,517</b>
Included as:				
Fixed asset investments	30,635	30,635	29,394	29,394
Current investments	72,598	71,821	55,144	51,123
	<b>103,233</b>	<b>102,456</b>	<b>84,538</b>	<b>80,517</b>

There are nil cash and cash equivalents included in the above totals (2024: £1,257k).

### 10 INTANGIBLE ASSET

During the year, the charity has invested £614k into the production of a special animation which will be aired on BBC One later in 2025, with a further capital commitment to be paid in 2025/26 of £196k. This production is in collaboration with BBC Children's department and offers a unique opportunity to enhance Pudsey's legacy, attract new supporters and generate new income. The asset will be amortised over three years in line with our policy.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

### 11 DEBTORS

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
<b>Amounts Falling Due Within One Year</b>				
Trade debtors	1,332	809	1,322	705
Amounts owed by subsidiary undertaking	-	-	518	594
Other debtors	852	1,543	852	1,543
Taxation	11	-	1	-
Prepayments and accrued Income	7,179	6,527	7,177	6,527
	<b>9,374</b>	<b>8,879</b>	<b>9,870</b>	<b>9,369</b>
<b>Amounts Falling Due After More Than One Year</b>				
Other debtors	-	300	-	300
	-	<b>300</b>	-	<b>300</b>
<b>Total Debtors</b>	<b>9,374</b>	<b>9,179</b>	<b>9,870</b>	<b>9,669</b>

Prepayments and accrued income of £7,179k are split into £105k and £7,074k (2024: £6,527k split into £170k and £6,357k) respectively.

The accrued income relates mainly to Corporate and Investment income still to be received.

### 12 CREDITORS

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
<b>Amounts Falling Due Within One Year</b>				
Trade creditors	180	1,587	124	1,587
Grants payable	29,757	25,091	29,757	25,091
Accruals and deferred income	3,939	1,696	3,937	1,675
Taxation	-	3	-	2
	<b>33,876</b>	<b>28,377</b>	<b>33,818</b>	<b>28,355</b>
<b>Amounts Falling Due After More Than One Year</b>				
Grants payable	17,835	16,594	17,835	16,594
	<b>17,835</b>	<b>16,594</b>	<b>17,835</b>	<b>16,594</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
<b>Details of Awarded but Unpaid Grants</b>				
Main & small responsive grants	279	4,080	279	4,080
Core, project & Pudsey Next Steps grants	42,620	31,879	42,620	31,879
Emergency Essentials Programme	2,250	2,250	2,250	2,250
Proactive grant partnerships	2,443	3,476	2,443	3,476
	<b>47,592</b>	<b>41,685</b>	<b>47,592</b>	<b>41,685</b>

- Our main and small responsive grants were awarded in previous years
- Our core, project and emerging grants are payable over the next 3 years
- Our emergency essential programme grant is payable in the next 11 months
- Our proactive grant partnerships includes We Move, Big Sky and The Hunter Foundation Foundation and the Ferdinando & Luigi Innocenti Foundation

### 13 FINANCIAL INSTRUMENTS

The group has the following financial instruments:

	Notes	Group 2025 £'000	Group 2024 £'000
Financial assets measured at amortised cost are: trade debtors, accrued income, cash and other debtors excluding prepayments	11	13,947	9,895
Financial assets measured at fair value through income and expenditure	9	103,233	91,789
Financial liabilities at amortised cost are: trade creditors, grants payable, other creditors, accruals excluding deferred income	12	51,711	44,971

### 14 OPERATING LEASES

	Group Other 2025 £'000	Group Other 2024 £'000
<b>Operating leases which expire:</b>		
- within one year	16	22
- later than one year and not later than five years	12	15
	<b>28</b>	<b>37</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

### 15a FUNDS

The fund balances are shown below.

Funds £'000	Opening Fund 1 Jul 24	Donations	Funding	Legacies	Gift Aid	Product	Investments	Total Income	Grants Awarded in Year (Net of Adjustments)	Cost of Grant Making, Policy, Impact and Grantee Training	Cost of Raising Funds & Governance	Closing Fund 30 June 25
iWill	420	-	-	-	-	-	-	-	(150)	(270)	-	-
THF	1,391	3,000	-	-	-	-	-	3,000	(838)	-	-	3,553
Innocenti Foundation	-	180	-	-	-	-	-	180	(35)	-	-	145
<b>Restricted Impact Fund</b>	<b>1,811</b>	<b>3,180</b>	-	-	-	-	-	<b>3,180</b>	<b>(1,023)</b>	<b>(270)</b>	-	<b>3,698</b>
<b>Unrestricted Designated Impact Fund</b>	<b>38,583</b>	<b>44,090</b>	<b>1,099</b>	<b>3,096</b>	-	<b>250</b>	-	<b>48,535</b>	<b>(36,559)</b>	<b>(5,988)</b>	-	<b>44,571</b>
General Continuity Fund	11,508	900	-	63	4,682	161	4,769	10,575	-	-	(9,002)	13,081
Investment Continuity Fund	5,000	-	-	-	-	-	-	-	-	-	-	5,000
Development Fund	250	-	-	-	-	-	-	-	-	-	-	250
<b>Total Unrestricted Funds</b>	<b>55,341</b>	<b>44,990</b>	<b>1,099</b>	<b>3,159</b>	<b>4,682</b>	<b>411</b>	<b>4,769</b>	<b>59,110</b>	<b>(36,559)</b>	<b>(5,988)</b>	<b>(9,002)</b>	<b>62,902</b>
<b>Total Funds</b>	<b>57,152</b>	<b>48,170</b>	<b>1,099</b>	<b>3,159</b>	<b>4,682</b>	<b>411</b>	<b>4,769</b>	<b>62,290</b>	<b>(37,582)</b>	<b>(6,258)</b>	<b>(9,002)</b>	<b>66,600</b>

The closing restricted fund of £3.7m (2024: £1.8m) represents £0.5m (2024: £1.4m) of donations previously received from The Hunter Foundation (THF) plus new donations of £3m from the 2024 Appeal and the balance of £0.2m of income from the Ferdinando & Luigi Innocenti Foundation.

All funds donated in the year have been awarded as per agreed restrictions. Unrestricted funds totalling **£62m** (2024: £55.3m) are held for the following purposes:

- The 'Designated Impact Fund' of £44.6m (2024: £38.5m) is designated for grant making and will be awarded prior to the next Appeal, with the exception of a £5m contingency held to cover the uncertainty of income available to fund impact activity and /or exceptional requirement for funding.
- The 'General Continuity Fund' and 'Development Fund' totalling £13.5m (2024: £11.8m) are held to cover uncertainty of income available to fund general operating costs (£5m) and the balance is held to allow for future investment and respond to growth opportunities. £0.3m of this has been committed in the following year to transform and innovate.
- The 'Investment Continuity Fund' of £5m (2024: £5m) is to manage volatility or total return (capital value or income) from income-generating assets.

### 15b COMPARATIVE FUNDS NOTE

Funds £'000	Opening Fund 1 Jul 23	Donations	Funding	Legacies	Gift Aid	Product	Investments	Total Income	Grants Awarded in Year (Net of Adjustments)	Cost of Grant Making, Policy, Impact and Grantee Training	Cost of Raising Funds & Governance	Closing Fund 30 June 24
iWill	734	-	-	-	-	-	-	-	(314)	-	-	420
THF	1,853	-	-	-	-	-	-	-	(462)	-	-	1,391
Other partnerships	-	-	-	-	-	-	-	-	-	-	-	-
<b>Restricted Impact Fund</b>	<b>2,587</b>	-	-	-	-	-	-	-	<b>(776)</b>	-	-	<b>1,811</b>
<b>Unrestricted Designated Impact Fund</b>	<b>31,031</b>	<b>42,080</b>	<b>2,150</b>	<b>3,311</b>	-	<b>372</b>	-	<b>47,913</b>	<b>(34,935)</b>	<b>(5,426)</b>	-	<b>38,583</b>
General Continuity Fund	8,809	859	-	68	3,524	152	5,156	9,759	-	-	(7,060)	11,508
Investment Continuity Fund	5,000	-	-	-	-	-	-	-	-	-	-	5,000
Development Fund	250	-	-	-	-	-	-	-	-	-	-	250
<b>Total Unrestricted Funds</b>	<b>45,090</b>	<b>42,939</b>	<b>2,150</b>	<b>3,379</b>	<b>3,524</b>	<b>524</b>	<b>5,156</b>	<b>57,672</b>	<b>(34,935)</b>	<b>(5,426)</b>	<b>(7,060)</b>	<b>55,341</b>
<b>Total Funds</b>	<b>47,677</b>	<b>42,939</b>	<b>2,150</b>	<b>3,379</b>	<b>3,524</b>	<b>524</b>	<b>5,156</b>	<b>57,672</b>	<b>(35,711)</b>	<b>(5,426)</b>	<b>(7,060)</b>	<b>57,152</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

### 15c ANALYSIS OF NET ASSETS BY FUND

Fund balances at 30 June 2025 are represented by:

Group	Unrestricted Designated Impact Funds £'000	Restricted Funds £'000	Unrestricted General Funds £'000	Total £'000
Fixed assets	31,264	-	-	31,264
Net current assets	31,142	3,698	18,331	53,171
Long-term liabilities	(17,835)	-	-	(17,835)
<b>Net assets</b>	<b>44,571</b>	<b>3,698</b>	<b>18,331</b>	<b>66,600</b>

Fund balances at 30 June 2024 are represented by:

Group	Unrestricted Designated Impact Funds £'000	Restricted Funds £'000	Unrestricted General Funds £'000	Total £'000
Fixed assets	29,422	-	-	29,422
Net current assets	25,756	1,811	16,757	44,324
Long-term liabilities	(16,594)	-	-	(16,594)
<b>Net assets</b>	<b>38,584</b>	<b>1,811</b>	<b>16,757</b>	<b>57,152</b>

### 16 TAXATION

BBC Children in Need, a company limited by guarantee, was registered as a Charity on 7 August 2003. The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### 17 RELATED PARTIES

#### Subsidiary Undertaking

During the year, the Charity entered into transactions with a related party in the ordinary course of the Charity's activity. Trading balances outstanding at 30 June 2025 are as follows:

	2025 £'000	2024 £'000
Subsidiary Undertaking (debtor to the charity)	518	594

At the year end, BBC Children in Need had a creditor balance with the BBC Group of £1.7m (2024: £1.4m) relating to the recharge of employee costs.

During the financial year BBC Children in Need engaged with research partners Clearview and Renaisi to perform grant evaluation activity. Trustee Kenny Imafidon, Co-founder of Clearview, who also works with Renaisi, declared a conflict of interest but had no involvement in contracting the services (the total cost of the evaluation activity was circa £100k).



**B B C**  
**CHILDREN  
IN NEED**

**BBC CHILDREN IN NEED**

England & Wales - Charity number 802052

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# Accounts

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IN NEED**



**ANNUAL REPORT  
AND ACCOUNTS**

**FOR THE FINANCIAL YEAR TO 30 JUNE 2024**

# CONTENTS

<b>OVERVIEW FROM THE CHAIR</b>	<b>5</b>
<b>STRATEGIC REPORT</b>	<b>7</b>
Who We Are and How We Work	8
Strategy Update: Our Strategy Achievements Headlines	8
The Situation in the UK for Children and Young People	11
Our Impact on Children and Young People - in Numbers	14
How We Raised Our Funds - in Numbers	17
<b>PROGRESS AGAINST OUR PRIORITIES</b>	<b>21</b>
Broadening and Deepening Our Impact	23
Creatively Engaging Our Supporters and Audiences	30
Strategically Growing Our Income	33
Striving for Operational Excellence	36
Climate Justice and Sustainability	40
Our Plans for 24/25	42
<b>2024 ACCOUNTS</b>	<b>45</b>
Financial Review	46
Risk Management & Assurance	49
Structure, Governance and Management	53
Reference and Administrative Details	55
Statement of Trustees' Responsibilities	56
Independent Auditors' Report to the Trustees	57
Consolidated Statement of Financial Activities	60
Charity Statement of Financial Activities	61
Consolidated and Charity Balance Sheets	62
Consolidated Cash Flow Statement	63
Notes to the Accounts	64



## OVERVIEW

As two long standing trustees on the Board, we have always been inspired by the generosity and passion of people across the UK – and the financial year 2023/24 was no exception. It has been an incredible year, highlighted by the extraordinary “Vernon effect” through our partnership with BBC Radio 2 and Vernon Kay’s monumental Ultra Ultramarathon challenge. The sight of communities rallying behind Vernon as he embarked on his 115-mile journey was nothing short of awe-inspiring. Thousands of supporters turned out to cheer him on, with their remarkable generosity helping us to raise over £6 million. This heartfelt outpouring brought to life the very essence of what BBC Children in Need stands for—people coming together to make a difference.

The generosity of our supporters enabled us to raise an incredible £49m this year. As a result, we awarded over 580 grants - totalling £36.5m - to local projects across the UK, in communities experiencing the highest levels of need. We are proud to currently support projects in 88% of UK local authority areas – 317 out of 361 districts.

Each donation, big or small, has created a ripple effect, touching the lives of a great many children and young people. We want to send our heartfelt thanks to the millions of individual donors whose contributions go towards helping children and young people to be the best they can be; particularly in this tough economic climate. Equally, we want to thank our partners. Partnerships are a key element of the way in which we create impact, so we were thrilled to witness our collaborations with McDonald’s and Asda go from strength to strength.

This year, we scaled up our efforts to connect every McDonald’s restaurant with a local BBC Children in Need project. This initiative has been transformative, allowing youth workers to meet children and young people in the places they spend their time, ensuring those who need it most receive the support they require to thrive. And in Asda, in partnership with the BBC’s Tiny Happy People programme, we invited young families into Asda community spaces to enjoy fun, and free activities for parents, carers and their children.

Another particularly notable success was our partnership with the fundraising organisation Omaze; which generated an astonishing £3,150,000 through a prize draw that saw a member of the public win a house in Dorset. The funds received from this venture will help to provide safe spaces and support to children and young people in crisis. We are extremely grateful to everyone at Omaze, to the supporters who entered the draw and to all members of BBC Children in Need’s partnerships team for bringing this fantastic achievement to fruition.

There has been a 50% increase in the likelihood of mental health issues in children and young people over the last five years. What’s more, recent studies have revealed that 30% of the UK’s children now live in poverty – with that number rising as high as 50% in some areas. These statistics clearly illustrate the extremely challenging landscape in which BBC Children in Need is currently operating.

We continue to focus our work on the four key areas of greatest need: poverty, mental health, family challenges and social injustice. Notably, this year saw significant progress in our mental health initiatives. We launched a new £1 million partnership with The Children’s Society as part of the A Million & Me prize, which aims to support children and young people with their emotional wellbeing and mental health.

Additionally, we partnered with the BBC on our first-ever mental health campaign, The Heaviest Backpack. This campaign poignantly highlighted the often-overlooked burdens that children and young people carry and directed families to vital resources to help them ‘unpack their own backpacks.’

And as we write this note to you, we have just enjoyed a very successful 2024 appeal night and we look forward to including the full report on what the whole campaign achieved in next year’s accounts.

As we reflect on this past year, we are overwhelmed with gratitude for the incredible support we’ve received from people across the UK, enabling us to continue this important work supporting children whatever challenges they are experiencing.

We also want to acknowledge the huge contribution of Rosie Millard OBE, who has stepped down as Chair after six years of leadership. Under her guidance, the charity embraced a new charitable ambition and five-year strategy which has led us to where we are today. Rosie also led us through the Covid pandemic - a time when strong leadership and innovative thinking was essential to meet acute needs. On behalf of the Trustees and all of the countless children and young people that have been supported by the Charity during her tenure as Chair, we would like to express our sincere gratitude.

Looking forward, we are optimistic about the journey ahead and the tangible, positive, difference that we can all make by working together to improve the lives of children and young people across the UK.

Finally, we wish to extend our sincerest thanks to Simon, the rest of the Executive Board and all the BBC Children in Need staff who have worked tirelessly to achieve such incredible results this year – and to our dedicated partners and supporters who continue to give time, resources and funds so generously to our cause.

Together, we are making a tangible difference in the lives of children and young people. Thank you for the unwavering commitment you’ve shown to BBC Children in Need.

**James Fairclough, Interim Chair & Jonathan Munro, Vice Chair**



# REPORT OF THE TRUSTEES

The Trustees of BBC Children in Need (who are also the Directors for the purposes of the Companies Act 2006) are pleased to present this, their report and accounts for the year ended 30 June 2024, and incorporating the Strategic Report and the Directors' Report required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The accounts have been prepared in accordance with the Statement of Recommended Practice - Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, applicable Accounting Standards in the United Kingdom, requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

# STRATEGIC REPORT OF THE TRUSTEES

## WHO WE ARE AND HOW WE WORK

BBC Children in Need believes that every child should have the opportunity to thrive and be the best they can be. For this to happen, we want every child to have someone they can turn to for help or support to overcome the challenges they face.

We aim to make sure there's someone able to give food, clothing and beds to a child living without, someone qualified to talk to a child who is anxious, isolated or grieving, someone trained to mentor teenagers in communities facing inequality, violence or lack of opportunity and someone to be there for children living with serious illness or disability, or carrying a load that's just too heavy to manage alone.

BBC Children in Need supports children in the communities where you live. We fund amazing people in family centres, community spaces, youth clubs and refuges, homeless shelters, hospices and helplines in England, Scotland, Wales and Northern Ireland.

Only with your support can we continue to be there for hundreds of thousands of children when they need us most. Only with your support can we change their lives.

BBC Children in Need's actions are based on the following principles:

### 1. PARTNERSHIP

Maximising the collective difference we can make through working with others and funding initiatives of any scale, from the smallest of local charities through to national networks.

### 2. LEADERSHIP

Using our platform and storytelling, our convening power and our partnerships to highlight and address the key challenges faced by children and young people.

### 3. INVOLVEMENT

Engaging children and young people as active participants in our work, acting on their input and amplifying their voices.

### 4. INCLUSION

Making equity and inclusion fundamental to our work and recognising the potential in every child and young person - enabling them to feel safe, happy, secure and able to thrive.

### 5. INSIGHT

Using insight, evidence and learning across the Charity to understand the aspirations, barriers and challenges faced by children and young people.

## STRATEGY UPDATE: OUR STRATEGY ACHIEVEMENTS HEADLINES

Over the last year, we have continued to work towards our charitable ambition through the delivery of our strategy. More than ever before, we've routed our decision-making and activity around our ambition for all children and young people to have the opportunity to thrive and be the best they

can be. We have also continued to promote our charitable purpose - to create positive and lasting change across the UK for the children and young people who need us most.

### Achievements and Performance

We have made significant progress across all four of our strategic priorities to support the delivery of our five-year strategy, which serves to ensure maximum impact for children and young people. It also underpins the delivery of effective engagement and inspiration to audiences across the platforms available to us, including the BBC.

We continue to closely track and monitor our progress using essential metrics. The key highlights for 2023/24 are drawn out below:

#### Broadening and Deepening Our Impact:

- Continuing the implementation of our new strategy to ensure how and why we award grants is clear to all organisations applying for funding, while making the biggest possible impact for children and young people
- Developing our impact framework, which will drive all our grant making and strategic propositions going forwards
- Exploring the link between Poverty and Mental Health through research, convening the sector and building our response
- Launching the A Million & Me Prize
- Working closely with partners like McDonalds on a different approach to Youth Work

#### Creatively Engaging Our Supporters and Audiences:

- Reaching new audiences through innovative partnerships and activities, such as TikTok and gaming
- Continuing to ensure that we speak with one voice across all the partners that support us and the channels in which we show up to bring the Nation together through our annual campaign and each November Appeal. This includes link-ups between some of the BBC's biggest brands - such as Radio 2, The One Show and our Night of TV
- Emphasising the importance of positive relationships through the Heaviest Backpack campaign during Mental Health Awareness Week
- Developing our long term plan to guide all future content creation, which will guide all future content creation

**We have made significant progress across all four of our strategic priorities, which serve to ensure maximum impact for children and young people**



#### Strategically Growing Our Income

- Capturing the heart of the nation through Vernon Kay's Ultra Ultramarathon, which raised £6m
- Engaging with the public, inviting them to "Challenge Themselves" and take part in our Pudsey Bearpees activity to drive mass fundraising
- Exploring ways in which we can persuade our supporters to give to us on a more regular basis and support our year-round work
- Securing new corporate partnerships, including collaborations with Omaze and TikTok

#### Striving for Operational Excellence

- Launching our new Equality, Diversity and Inclusion strategy with a focus on Our People, Our Funding and Grant Making, Our Fundraising and Our Storytelling
- Starting work on our Digital Transformation Strategy and identifying the technology foundations to be put in place first
- Continuing to be an insight-driven organisation and further exploring the impact of positive relationships on children and young people
- Implementing recommendations from a governance review undertaken last year
- Continuing to ensure that our policies and processes are fit for purpose to enable us to effectively deliver against our ambition for children and young people

**We are proud to currently support projects in 88% of UK local authority areas**



## TRUSTEES' DUTY TO PROMOTE THE SUCCESS OF THE CHARITY: SECTION 172 STATEMENT

The Trustees have approved this strategic report, which provides an analysis of the Charity's performance and how it has achieved its charitable purpose while ensuring its continued viability. Its financial position is reported, as well as an insight into the Charity's objectives and the risks and uncertainties it faces.

The Trustees have considered the following matters in order to meet the requirements of section 172 of the Companies Act:

### Looking to the Future

Two years into the delivery of our 2022-2027 strategy, we are making good progress and aligning efforts against our four strategic priorities of Broadening and Deepening our Impact, Creatively Engaging with Audiences and Supporters, Strategically Growing our Income and Striving for Operational Excellence. These now represent the cornerstones of our strategic planning and reporting and are aligned to our charitable ambition.

We have robust plans in place to continue progressing our strategy. These plans take into account changing external conditions as well as new ways of connecting with audiences and responding to the challenges that children and young people face now and in the future.

Supported by our team and Trustees, we will continue to make a difference in the lives of children and young people.

### Working Within Our Employees' Interests

Our employees are vital to BBC Children in Need's success. In order to champion their interests and to develop as a fully inclusive organisation, we are focusing on building our culture through "The Pudsey Way" (see page 37). Our Trustees are also committed to making tangible steps to improve Equity, Diversity and Inclusion (EDI).

## Our reputation - and public trust in BBC Children in Need - are fundamental to our future success

### The Need to Act Fairly

The launch of our EDI strategy in 2023 (see page 38) has a specific focus on our people, our funding and grant making, our fundraising and our storytelling. It cements our ambition in this space, with quarterly reviews of progress reported to the Executive Team. Our grant making strategy ensures that we support children from all four UK nations, acting where the need is greatest.

### Our Business Relationships

Engagement with the Charity's main stakeholder groups is vital to changing children's lives right across the UK. These groups include grantee organisations (set out on pages 14 to 17), donors, fundraisers, others within the sector, corporate partners and the BBC (page 18).

### Our Impact on the Environment and the Community

All children need stability and support to thrive. With many children across the UK either currently - or soon to be - experiencing the impact of the climate crisis, we need to come together to ensure that all children have the support they need and that their voices are heard.

Many of the children and young people we support are disproportionately affected by the climate crisis. We recognise that reducing our impact on the environment and having a clear approach as to how we play our part in tackling the climate crisis are key elements of our mission. We have a responsibility to care for the environment and to minimise the environmental impact of all our activities. We also recognise that, as a leading children's charity in the UK, we must use our voice to highlight the importance of taking action.

Our reputation and the public trust in BBC Children in Need are fundamental to our future success. The Charity has a range of policies and processes in place that promote corporate responsibility and ethical behaviour, including Donor Acceptance and Community Fundraising policies, as well as Procurement and Purchasing Policies.

Following the Board Effectiveness / Governance Review undertaken in 2023, key recommendations are now being implemented and built into future plans.

## We recognise that reducing our impact on the environment is key to our mission

## THE SITUATION IN THE UK FOR CHILDREN AND YOUNG PEOPLE

Life continues to be complex and difficult for too many children and young people across the UK. The past few years have seen a multitude of challenges affecting them and their families, including the continued shadow of the pandemic and the cost-of-living crisis, alongside widening social division and inequity.

For those already dealing with challenges in their lives, these issues continue to add complexity, hardship and worry, compounding their existing struggles.

Poverty creates disparity and increasingly limits children and young people's lives, damaging their physical and emotional health and restricting their opportunities and future potential.

All children and young people should have access to the basics in order to get on in life, but far too many are going without. In terms of socio-economic differences, the UK is

now the European country with the largest gap in average life satisfaction between the most and least-advantaged young people.[1]

The mental health of children and young people is also in crisis, with rising numbers needing support with issues including anxiety and depression, whilst significant gaps in support remain - affecting their ability to access the help they need.

Many are carrying a heavy load, burdened by a range of responsibilities, pressures and difficult situations. Children and young people do not live single-issue lives, and we see that they are affected by a number of challenges, making their experience increasingly more complex and difficult. This means they need our support now more than ever.



There are an estimated **14,075,345** children and young people aged under **18** in the UK.<sup>2</sup>



### Mental Health

Around **1 in 5** children and young people have a probable mental health condition.<sup>3\*</sup>

Roughly **3 in 5** (62%) of young people feel stressed - and **over half** (55%) feel anxious.<sup>4</sup>

More 15-year-olds are reporting low life satisfaction in the UK than anywhere else in Europe.<sup>5</sup>

It is estimated that **around 75%** of young people experiencing a mental health problem are forced to wait so long for support that their condition gets worse. Many are unable to access any treatment at all.<sup>6</sup>

Almost **9 in 10** teachers have seen an **increase** in the prevalence of pupils' mental health issues in the last year.<sup>7</sup>



### Social Inequality

The UK was the European country with the **largest gap** in average life satisfaction between the 25% most "advantaged" and the 25% most "disadvantaged" 15-year-olds.<sup>15</sup>

Children and young people with learning disabilities are **over four times** more likely to develop a mental health issue.<sup>16</sup>

**92%** of young trans people have thought about taking their own life.<sup>17</sup>

Children and young people from racially minoritised communities are **less likely** to access mental health support in primary care (i.e. through their GP) and **more likely** to end up in crisis care.<sup>18</sup>

**46%** of children from Black and minority ethnic families are growing up in poverty - compared with 26% of children in White British families.<sup>19</sup>

**43%** of disabled children in the UK live in poverty.<sup>20</sup>

In the year ended March 2023, there were **145,214** hate crimes recorded by the police in England and Wales, the majority of which were **racially motivated**.<sup>21</sup>

In the UK, people living in families with disabled children were **more than twice as likely** to be living in poverty than those in families where no-one was disabled.<sup>22</sup>



### Poverty

There are **4.3 million** (30%) children living in relative poverty in the UK.<sup>8\*</sup>

**7 in 10** children affected by poverty are living in working families.<sup>9</sup>

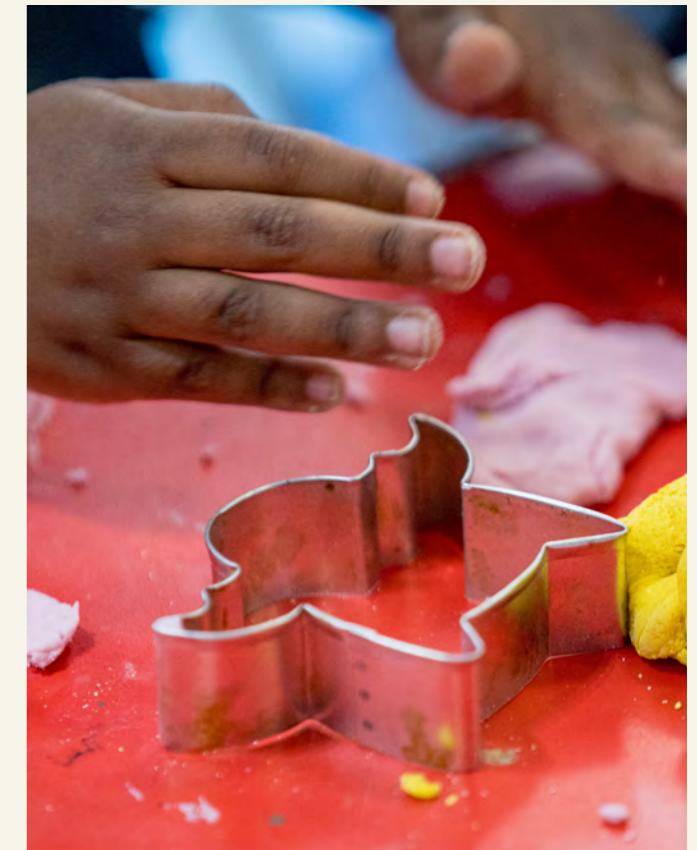
Around 1 million children experienced destitution in the UK; **nearly triple** the number of children previously recorded (2017-2022).<sup>10</sup>

**826,000** children live in households that have used foodbanks in the last year (2023/24).<sup>11</sup>

**60%** of children report experiencing worries about money.<sup>12</sup>

**2.7 million** children experienced food insecurity in June 2024.<sup>13</sup>

It is estimated that **more than 1 million children** in the UK don't have a bed of their own (i.e. sleep on the floor or share a bed).<sup>14\*</sup>



### Family Related Challenges

**More than 192,000** children in England and Wales have parents who are currently in prison.<sup>23</sup>

It is estimated that there are around **800,000** young carers in the UK.<sup>24</sup>

There are approximately **105,400** children who have been in the care of their local authority for more than 24 hours.<sup>25</sup>

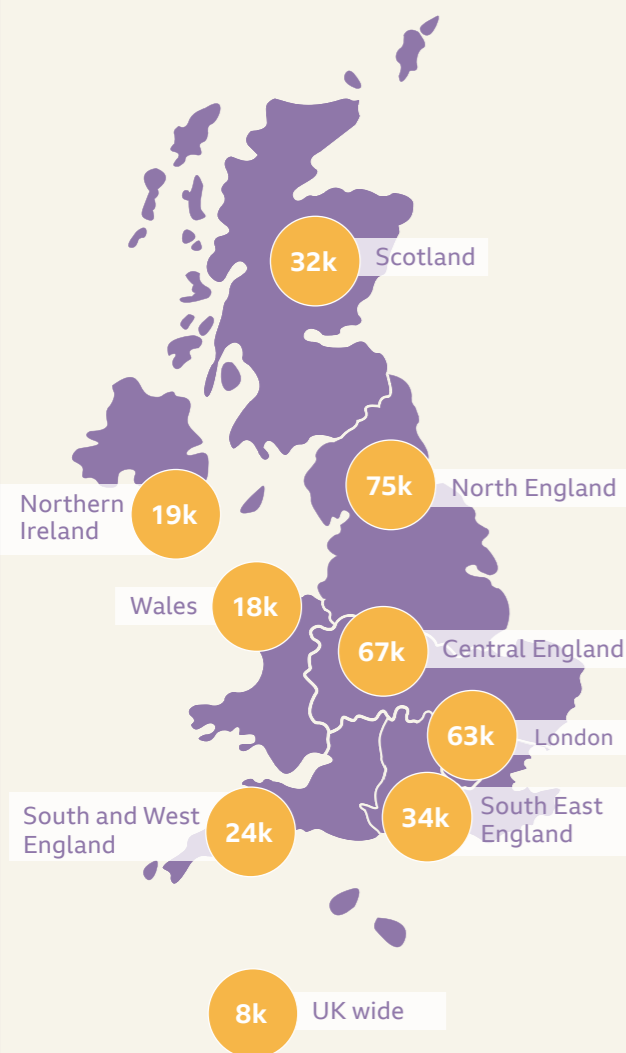
It is estimated that over **800,000** children are affected by domestic abuse.<sup>26</sup>

1. Children's Society Good Childhood Report 2024 August 2024
2. United Nations, Department of Economic and Social Affairs, Population Division (2023)
3. NHS Digital Mental Health of Children and Young People in England, 2023 - wave 4 follow up to the 2017 survey Official statistics, Survey Nov 2023 \*8 to 25 year olds in England
4. The Prince's Trust NatWest Youth Index (2024)
5. Children's Society Good Childhood Report 2024 August 2024
6. LGA Children and young people's emotional wellbeing and mental health - facts and figures September 2023
7. National Education Union State of education : Mental health of young people April 2024
8. DWP Households below average income: for financial years ending 1995 to 2023 (March 2024)
- \* Our position at BBC Children in Need is that we use the HBAI after housing costs figure for relative poverty, as this is widely accepted across the Voluntary and Community Sector - and calculating poverty after housing costs gives a more accurate measure of how much families have to live on.
9. DWP Households below average income: for financial years ending 1995 to 2023 (March 2024)
10. JRF Destitution in the UK 2023 October 2023
11. DWP Households below average income: for financial years ending 1995 to 2023 (March 2024)
12. CPAG Poverty's threat to childhood revealed by new research (June 2023)
13. Food Foundation Food Insecurity Tracking Round 15 July 2024
14. Barnardos No Crib for a Bed September 2023 YouGov Survey Bed poverty
15. Children's Society Good Childhood Report 2024 August 2024
16. LGA Children and young people's mental health: An independent review into policy success and challenges over the last decade June 2023
17. Stonewall School Report (2017) June 2017
18. NHS Race & Health Observatory: New Review Calls for Radical Action on Stark Ethnic Inequalities Across Healthcare February 2022 featured in Contact Discrimination faced by Black Children in Mental Health Services February 2022
19. End Child Poverty Child Poverty Facts and Figures
20. DWP Below Average Resources: developing a new poverty measure January 2024
21. Home Office Hate crime, England and Wales, 2022 to 2023 second edition November 2023
22. DWP Below Average Resources: developing a new poverty measure January 2024
23. MOJ Official Statistics in Development: Estimates of children with a parent in prison July 2024
24. Children's Society citing BBC; Carers Trust; Census; School Census
25. NSPCC Children in care: statistics briefing January 2024
26. Barnardos Our influencing work on domestic abuse Foundations Over 827,000 children estimated to have experienced domestic abuse this year, with concerns of increase at Christmas underscoring urgent need for stronger support December 2023

# OUR IMPACT FOR CHILDREN AND YOUNG PEOPLE - IN NUMBERS

Throughout 2023/24, we supported over 340,000 children and young people

UK reach (nearest 1k)



Targeting children and young people who are experiencing a range of challenges

**Area-related challenges, i.e. poverty and deprivation**

66,000 children & young people

**Family-related challenges**

52,000 children & young people

**Disabled children**

36,000 children & young people

**Household poverty & housing difficulties**

24,000 children & young people. When those supported via our Emergency Essentials programme are included, this figure increases to 49,000

**Marginalised identities or nationalities**

20,000 children & young people

**Mental health and emotional wellbeing**

15,000 children & young people

**Personal harm**

12,000 children & young people

**Behaviour or education engagement issues**

7,000 children & young people

**Physical wellbeing**

28,000 children & young people



Through the projects we fund, children and young people...



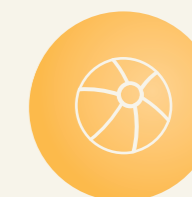
have stronger self-belief  
110,000



enjoy better relationships  
137,000



are more empowered  
75,000



have better physical wellbeing  
55,000



have increased essential skills  
91,000



have stronger emotional wellbeing  
132,000



are safer  
43,000

Note: children and young people supported by BBC Children in Need - funded projects may experience more than one positive outcome.





In the year ended 30th June 2024, we were able to award grants totalling **£36.5m**

This breaks down as follows:



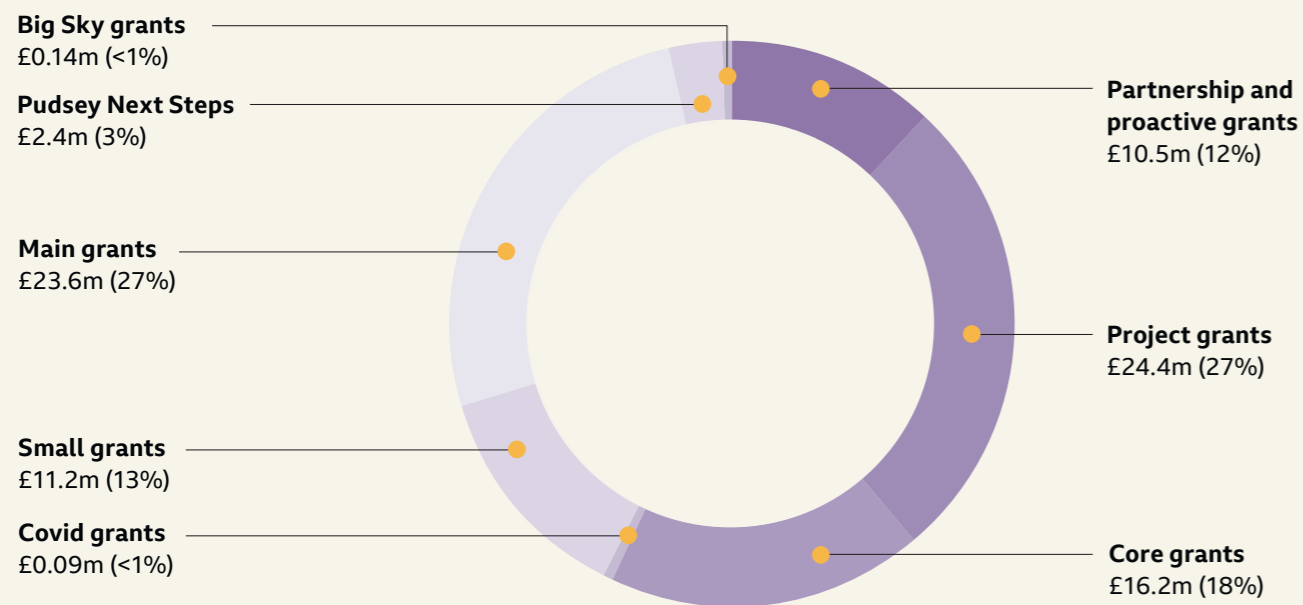
In our responsive portfolio of grants, supporting projects and organisations in communities right across the UK, as well as in our strategic funding programmes, such as our We Move programme which supports young Black people to thrive



in additional programmes that are available outside of our project and core grants

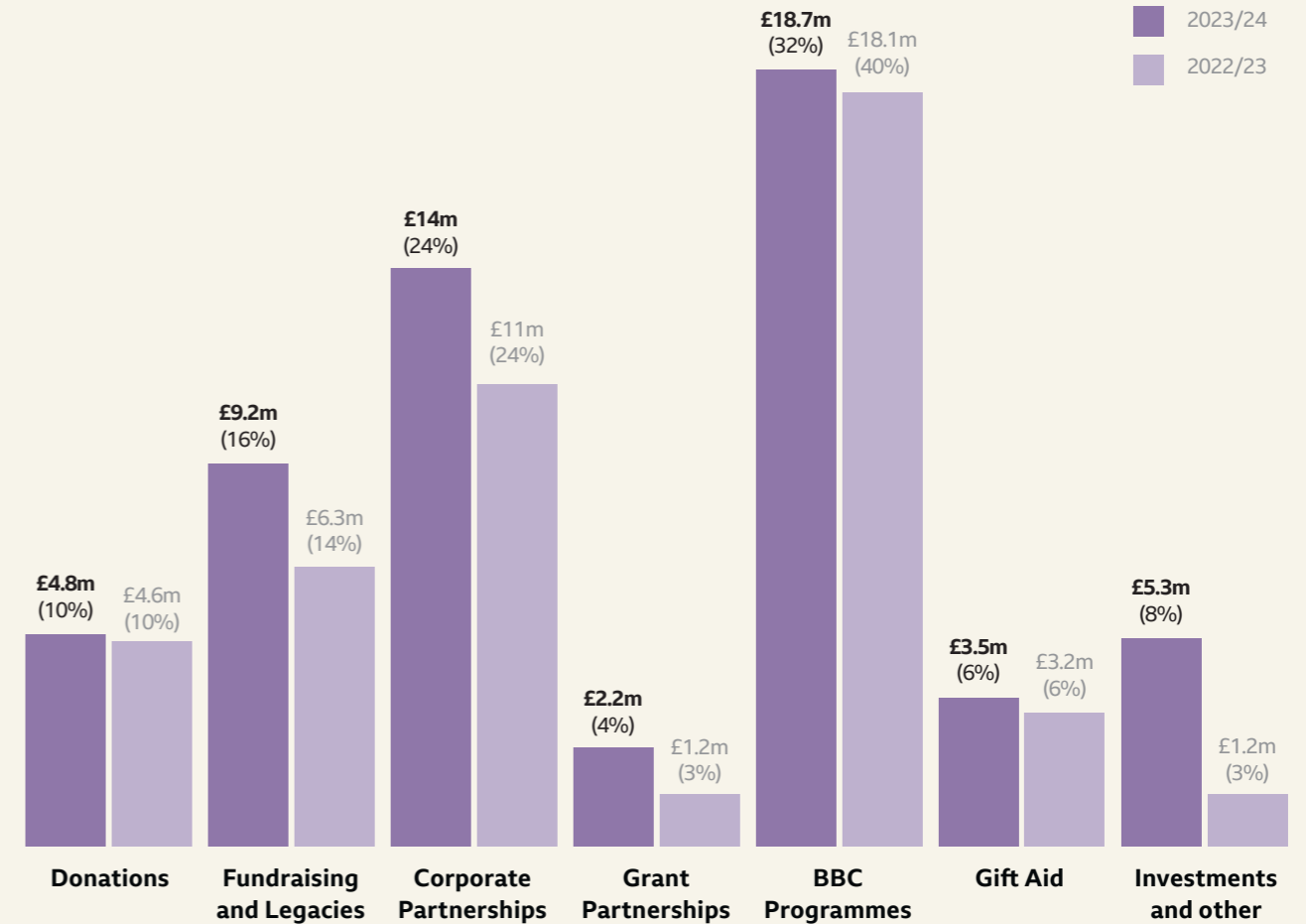
The new grants awarded take our total committed funding\* to **£88.5m**, which breaks down as follows:

\* the total value of active grants in our portfolio as at June 2024



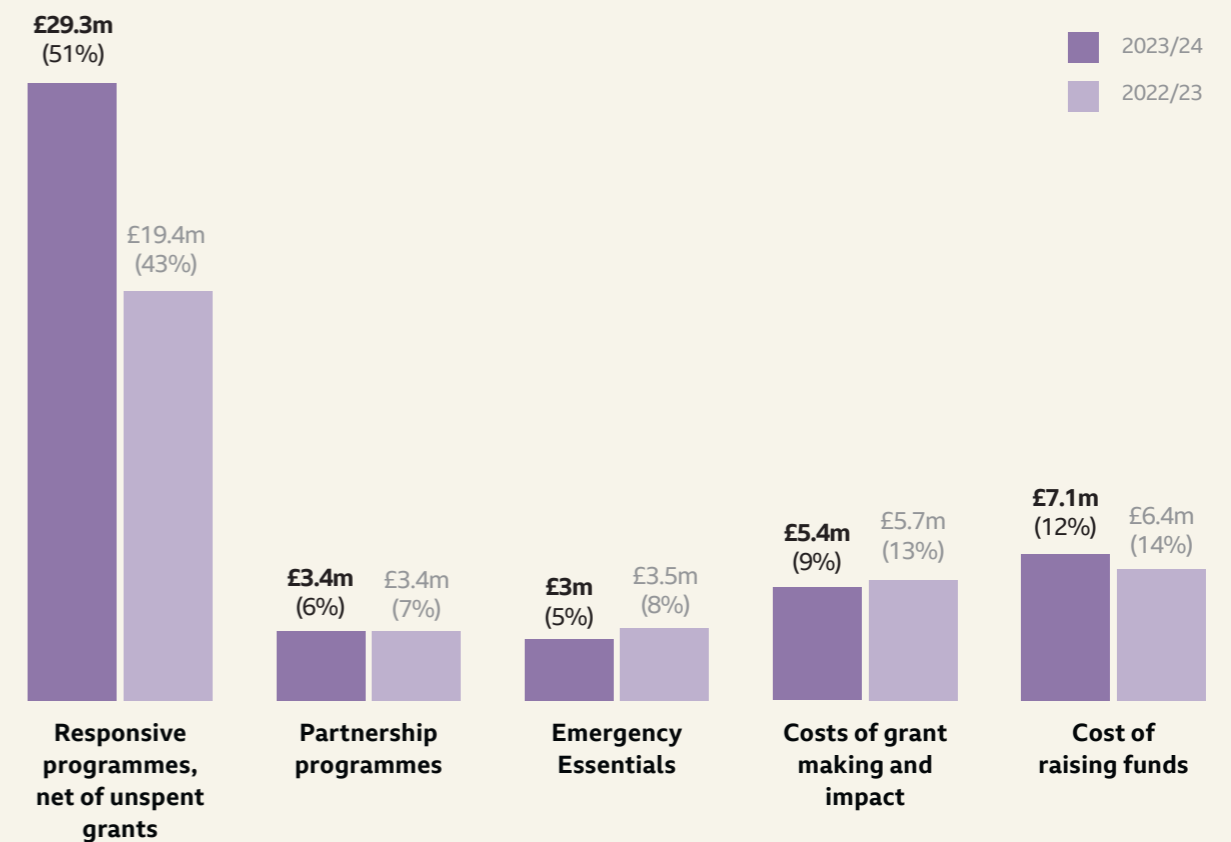
## HOW WE RAISED OUR FUNDS - IN NUMBERS

Income available for charity activity: £57.7m, net of gifts in kind. Of this, £48.9m is from donations and charitable activities, excluding Gift Aid.

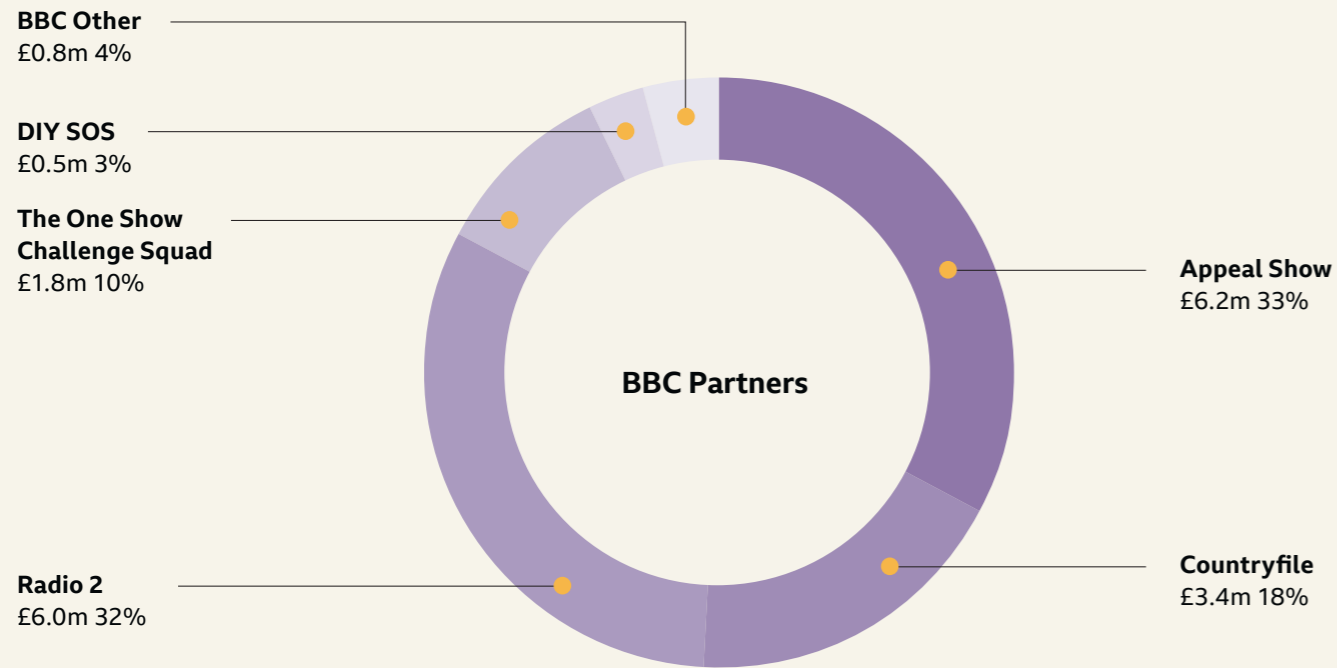
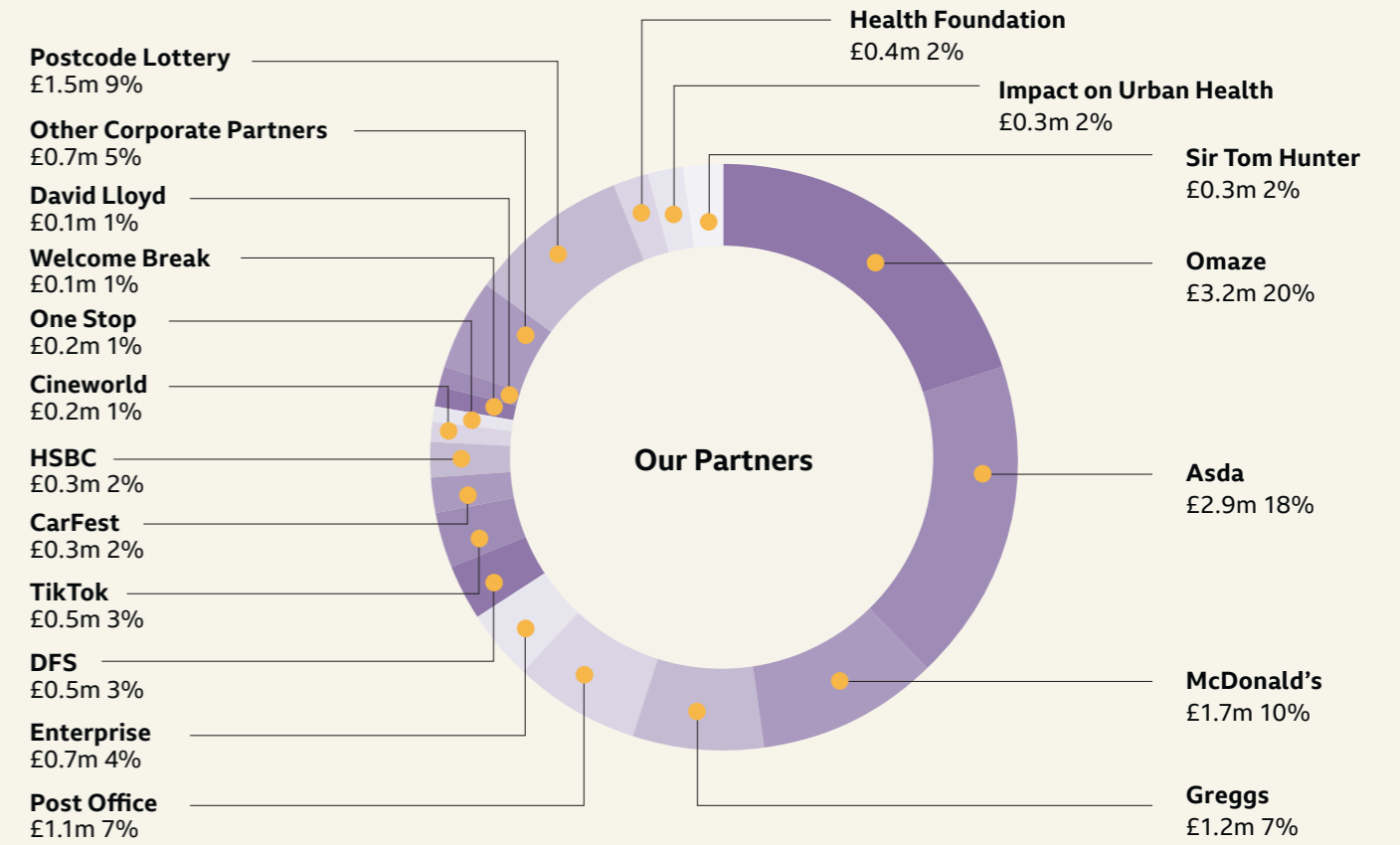


## HOW WE SPENT OUR MONEY

We spent £48.2m on charitable activity, net of gifts in kind.



# HOW WE RAISED OUR FUNDS - IN NUMBERS





**PROGRESS AGAINST  
OUR PRIORITIES**



## BROADENING AND DEEPENING OUR IMPACT



### Priorities:

**Build and maintain a relevant and contemporary grant portfolio**

**Implement and maintain flexible, proportionate and equitable grant making processes**

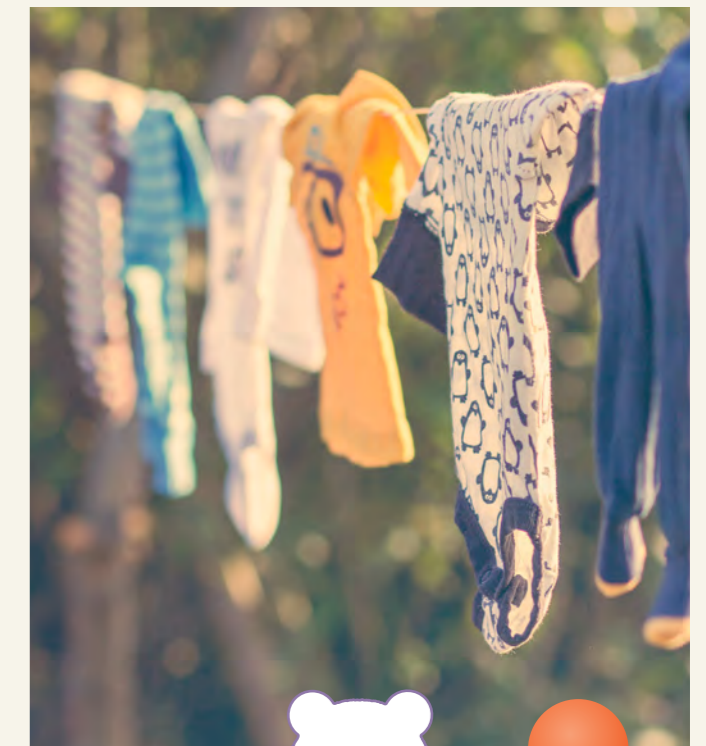
**Grow opportunities to support and influence organisations beyond grant making**

This year has been pivotal in the charity's use of both our funding and our platform to ensure that we are achieving ideal outcomes for children and young people. We recognise that, over our years in operation, we have built up a lot of internal expertise and knowledge about the critical issues facing children and young people. Our aim is to disseminate our learning more strategically so that others may also benefit.

The examples and case studies below showcase some of our impact work during the year, through the lens of our Impact Framework. They also demonstrate the effect of BBC Children in Need on the lives of individual children and young people.

### Poverty

#### *The Emergency Essentials Programme*



### Case Study: Emergency Essentials

The BBC Children in Need Emergency Essentials Programme supports children and young people who are facing exceptionally difficult circumstances. The programme provides grants for items that meet children's most basic needs, such as a bed to sleep in, a cooker – so that they can have hot meals - clothing (in a crisis) and other critical items and services. The £3 million-per-year programme is delivered in partnership with Family Fund Business Services, the UK's largest grant-making charity for families living in crisis.

During the year, we have worked hard to consider how we can be clearer about our funding focus and priorities - and the interventions we are looking to support. This work will continue to be implemented in 2024/25. The use of our impact framework, developed this year, will be central to this and to the maintenance of a relevant and contemporary grant portfolio.

The value of our grant awards grew by 35% year on year, to £36.5m. Within our overall portfolio, the number of responsive grants awarded grew by 55%, including the launch of our new Pudsey Next Steps and Big Sky programmes, with a shared value of around £2.6m. Our Pudsey Next Steps and Big Sky programme have helped us to build a diverse portfolio, supporting smaller organisations that are new to us. We have continued to see high levels of demand for our Open Call grant programmes, with over 3,000 applications during the financial year. Despite an increase in the value of grants awarded, we are currently only able to fund approximately 1 in 8 applications.

The three target groups most represented across our funding are i) area disadvantage, ii) family challenges and iii) mental health and emotional wellbeing. Each of these – alongside social inequality – are areas of ongoing focus for the organisation. With almost 1 in 3 children and young people living in relative poverty, and with 1 in 5 experiencing a probable mental health condition, we strive to support more of them, whether directly or indirectly.

During the financial year 2023/24, we commissioned a survey of applicants and grantees. This revealed that, since the previous survey, there has been a further increase in satisfaction regarding BBC Children in Need as a funder. We are using the feedback from this survey to hone our grant making processes. For example, these responses will help us to improve our communications when we decline an application. 65% of grantees surveyed also acknowledged our positive impact on the sector.

## Mental Health

### *The A Million & Me Prize*



We have continued to build on our learning from A Million & Me - and through the Centre for Mental Health's evaluation of the programme in their report 'Power of the Ordinary'. As a part of this process, we designed and developed a £1m strategic grant (in partnership with the Health Foundation and Impact on Urban Health) to scale up early intervention support for children aged 8-13 across the UK who are beginning to struggle with their mental health.

Following a competitive process, The Children's Society, alongside their partners, MACS Northern Ireland and Children 1st (Scotland), were awarded the £1m funding to provide targeted, face-to-face and digital support to children across the UK. The Children's Society has also matched the funding, taking the programme up to £2m, to increase the positive impact on children's mental health.

We have commissioned a learning partner to support us in reviewing effective early intervention approaches and the associated narratives around children's mental health.

Together with all funding and delivery partners, we aim to contribute to the body of evidence on the effectiveness of early intervention support. Additionally, we intend to build the confidence, capacity and awareness of trusted adults regarding the importance of the 'everyday magic' of ordinary positive relationships.





### Case Study: Mind Mosaic Child and Family Therapies

Mind Mosaic Child and Family Therapies supports children and young people in Greenock, Scotland, who are experiencing bereavement, anxiety, poor self-esteem and low confidence, among other issues. BBC Children in Need funding pays for a play therapist who works with the children and young people in one-to-one and group activities. Play is used as a medium to talk about difficult life events, which sometimes can't be articulated by a child or young person. This helps to improve mental health, increase happiness, build confidence and strengthen relationships.



### *'Poverty and Mental Health - the Critical Connection'*

In 2023/24, we focussed on examining the link between poverty and mental health issues in young people to understand their relationship.

While recognition of the links between poverty and mental health is growing, too many children and families are left without a financial safety net or emotional support - and more families than ever before are under strain because of the rising cost of living.

Research from the Centre for Mental Health, commissioned by BBC Children in Need, demonstrated that, for people of all ages, poverty and financial inequality are linked to a range of adverse outcomes - including mental health difficulties like anxiety and depression - and that this is a causal relationship, not an association.



We organised the 'Poverty and Mental Health - the critical connection' conference in partnership with the Maudsley Charity. This event saw charitable sector experts gather and share learning on this subject, convening organisations and funders around the intersection of poverty and mental health issues.

At this groundbreaking conference, we also heard directly from parents about the everyday impact of financial struggles on their children. These contributors wanted more action to address the root causes of poverty, mitigate its effects and ensure that those requiring mental health support can access appropriate and timely help.

This was the first conference we have organised in this way. As well as generating good feedback from the sector, it will build on our ideas for taking our actions against this issue further.



## Family Challenges



### Case Study: East Renfrewshire Young Carers

15-year-old Erin, from East Renfrewshire, is a young carer for her mum, Sinead. Sinead has a rare form of multiple sclerosis (MS), which was diagnosed back in 2016. Since then, she's found being mobile and completing basic household jobs increasingly hard. Erin cooks, cleans and helps her dad with the running of the house. Neither Erin nor her family had considered her a young carer until they were introduced to East Renfrewshire Young Carers by Erin's pastoral care teacher. The project has a grant from BBC Children in Need, which helps them to provide a safe space for young carers to share concerns, get respite from their role at home and make friends with other young carers.



## Social Inequality

### We Move

We Move is our 10-year commitment to Black children and young people, with the We Move Fund supporting a total of 66 Black-led Youth Social Action (YSA) project grants across the United Kingdom. These projects focus on a range of issues such as poverty, the environment, health, sports, communities and heritage.

In celebration of Black History Month (October 2023), the We Move Fund invited 10 grantees to attend a special roundtable event at Number 10 Downing Street, to hear from young people leading on YSA work that directly tackles issues impacting the black communities in their local area.

The young people involved in We Move-funded projects have also been engaged in celebratory events. For example, the Scotland team brought together a number of We Move and Youth Social Action projects from across the nation to showcase the achievements of their young people and provide an opportunity to network and share thoughts on what makes good social action.

The day was built around contributions from the young people, who explored themes such as the young tackling racism in schools, the production of culturally specific mental health resources and calling out stereotyping.

Similarly, in March, projects in Northern Ireland also came together to celebrate their work through engaging and interactive presentations from each We Move project. Two young people funded through We Move in Northern Ireland have started apprenticeships at BBC News and BBC Sports, showing the value of cultural capital built through youth social action.

Building on our learning and evaluation, our research partners have worked with a number of Black children and young people to develop important guidance on the design of the programme and to review the successes and challenges of delivering YSA so far. This has been carried out through a co-creation group and a steering group, as well as numerous fieldwork visits. To deepen impact, we have offered an extension of up to two years to 57 projects that currently hold We Move grants.

**We Move is our  
10-year commitment  
to Black children and  
young people**



### Case Study: We Move

Below is a case study demonstrating the importance of our focus on social inequality throughout the work we do.

*"My 17-year-old son has grown up in Pembrokeshire. He was the only child of African heritage in his primary school and only one of a handful at the two secondary schools he attended. He has white skin like his father, but afro hair like me. He suffered from bullying because of his African heritage. On one occasion he was chased from another pupil's house with taunts that his mother was a monkey. On other occasions he was subjected to racist "jokes". When he was little, he felt that something was wrong with him, that he was not normal, because he was not the same as the other kids at his schools.*

*We Move has turned this around for my son - his feelings of isolation, of wrongness, of abnormalness, of not belonging have been eased. He now has a group of young people and their parents who are of mixed heritages. With them, my son is with people who have suffered the way he has, he is with people who know what it's like to be on the sharp end of racism, people who are not going to brush it off or call it banter, or accuse him of not being able to take a joke. With these people he can relax, have fun, express himself and express his joy without being constantly tense in anticipation of that racist comment that seems inevitably to come. We Move has given him self-confidence and the knowledge that he does belong in Pembrokeshire, and in the world."*

- A parent of a young contributor to the We Move project





## Youth Work

### **Partnerships Driving Impact: How McDonald's and BBC Children in Need are Transforming Youth Work**

In 2023, McDonald's demonstrated its commitment to supporting young people across the UK by donating £1.7 million to BBC Children in Need. This generous contribution is part of an ongoing partnership that has already made a significant impact on the lives of thousands of children and young people.

Since 2021, this collaboration has supported over 185 youth projects, employed more than 320 youth workers and positively influenced the futures of over 42,500 young people.

### **Enhancing Youth Work Through Community Connections**

One of the standout initiatives of this partnership is the development of an innovative online matching platform, launched in 2024. This platform connects over 700 community organizations with their local McDonald's restaurants, fostering stronger ties between local businesses and the youth projects they support.

The most popular activities include offering refreshments for events and providing signposting in restaurants, which not only eases the burden on these projects but also helps to create a safe and supportive environment for young people.

### **Innovating Youth Work: Targeted Interventions**

McDonald's and BBC Children in Need have also focussed on targeted interventions to address specific needs in communities. For example, Spiral Skills received £100,000 over three years to deliver youth work activities at McDonald's in Brixton, with regular attendance of 40 to 50 young people per session.

Similarly, the Positive Youth Foundation was awarded £30,000 over three years to run an employability project in Coventry's McDonald's restaurants. These initiatives exemplify how partnerships can bring about innovative solutions to meet the unique needs of young people in different regions.

### **'Fun Football': Making Sports Inclusive**

The partnership's impact extends beyond traditional youth work, reaching into the realm of sports with the Fun Football program. BBC Children in Need has been instrumental in enhancing the inclusivity of this program by linking McDonald's with organizations like British Blind Sport and Access Sport.

These collaborations have made it possible for children of varying abilities, including those who are blind or partially sighted, to participate in football. This effort ensures that all children, regardless of their physical abilities, have the opportunity to enjoy the game.

### **Learning and Safeguarding: Shaping the Future of Youth Work**

To ensure that these initiatives continue to drive meaningful change, BBC Children in Need has commissioned Rocket Science and Substance to evaluate the impact of detached youth work and inclusive sports programs.

Rocket Science's evaluation will focus on the positive outcomes created by youth work in restaurants, providing an evidence base that could influence government policy and create a template for future rollouts across the UK.

In addition to these learning efforts, BBC Children in Need has connected McDonald's with Dr. Carlene Firmin, the architect of Contextual Safeguarding. Together with Power the Fight, they have developed and delivered bespoke safeguarding training to McDonald's staff, making restaurants and high streets safer spaces for young people.

### **The Power of Partnerships**

The partnership between McDonald's and BBC Children in Need showcases the incredible impact that can be achieved when businesses and charities work together. From supporting youth work projects and creating safe spaces in communities to making sports more inclusive and influencing future policy, this collaboration is a powerful example of how partnerships can drive lasting change for children and young people across the UK.

As these efforts continue to evolve, the lives of many more young people will be positively transformed, demonstrating the true power of working together.



## Case Study: Epic Partners

17-year-old Jacob has been going to Epic Partners, a youth club in Nottingham, for almost nine years. As a child, Jacob was often angry, regularly getting into fights and finding himself in trouble. He says: "The scariest thing about me at that age... was the path I was heading down. I was impressionable, trouble looked attractive and I just didn't care". At Epic Partners, Jacob met youth worker Pete. Working with him provoked a huge change. "Pete knew how to talk to me rather than shouting at me like everyone else did. He just sat me down and talked to me like I was smart enough to have a conversation with. He'd make me realise where I'd gone wrong - and we've got on ever since".

By the age of 13, Jacob had started volunteering with Epic Partners. Now, at 17, he is doing an apprenticeship with them and plans to become a youth worker. He knows how different life would have been for him without Epic Partners.

## CREATIVELY ENGAGING OUR AUDIENCES



### Priorities:

**Build a strong brand which drives awareness and understanding of our national and local presence and the work we do**

**Establish our voice on the key issues for children and young people today**

**Develop innovative and exciting ways of getting involved with BBC Children in Need**

### Engaging Audiences Through Our Annual Campaign with the BBC

This year, BBC Children in Need embarked on a campaign of many firsts, blending new creative content with beloved traditional favourites, all while adopting innovative approaches to engage and inspire our audiences.

A key highlight was our renewed focus on placing children and young people at the centre of our storytelling. The BBC One Show's brand-new Challenge Squad exemplified this approach, with an integrated narrative that spanned TV and radio from Morning Live to Radio 2 and across the BBC's Nations and Regions. The journey culminated in two standout performances by Brianna and Erin on the Night of Television (NOTV), delivering heartfelt stories that resonated deeply with viewers.

We also introduced our first child presenter, 14-year-old Lenny Rush, on the NOTV. Lenny's charismatic presence and youthful perspective received widespread acclaim, further cementing our commitment to elevating young voices within our programming.

In another groundbreaking move, Radio 2 shifted from its annual 24-hour challenge to broadcast Vernon Kay's Ultra Ultramarathon, a four-day event that captured the imagination of audiences nationwide. The marathon achieved record-breaking engagement across social media, with listeners and supporters turning out in droves as Vernon made his way from Leicester to Bolton on foot. The event's success underscored our ability to connect with audiences through compelling, real-time storytelling.

Our first-ever BBC Three activation, Game On! marked a bold entry into the gaming world, specifically targeting younger audiences. This two-hour live show, produced by BBC Studios, was a vibrant, alternative Appeal Show that not only engaged new demographics but also opened doors to exciting partnerships within the gaming industry. The event positioned BBC Children in Need as a dynamic player in this space, broadening our reach and influence. The show won a prestigious Broadcast Digital Award for Best Digital Children's Content.

Major BBC brands such as Strictly Come Dancing, Countryfile and DIY SOS also played a pivotal role in amplifying our message, featuring BBC Children in Need stories across their platforms. This extensive coverage helped us to reach diverse audiences and reinforce the importance of our work across the UK.

Our marketing efforts this year were geared towards driving a deeper understanding of the impact of our work. Through a comprehensive BBC Media Campaign, we reached 61% of UK adults, using TV adverts, radio ads and iPlayer idents to convey the significance of positive relationships in the lives of children and young people.



Over the past year, we've made notable progress as we continue to build a strong brand. In the second quarter of 2024, YouGov's "Most Famous Charities & Organisations" poll ranked BBC Children in Need 7th, revealing strong awareness across the UK. We also ranked 21st in terms of popularity - and 7th most popular among the Millennial demographic.

Source: YouGov - The most famous charities & organisations (Q2 2024)

According to data collected by Savanta, in the 12 months leading up to June 2024, BBC Children in Need ranked 4th among UK charities in terms of brand awareness.

Source: Savanta BrandVue

Our first mental health-focussed campaign in May 2024 significantly boosted awareness and understanding of our role in supporting young people with mental health issues.

Our focus remains on developing effective engagement strategies for our target audiences, most notably our core BBC viewers, families with young children and 16-24-year-olds. To that end, 2023 saw the launch of new initiatives for the latter demographic, including a partnership with TikTok and Game On! - a BBC Three show simulcast live on BBC iPlayer - celebrating the positive impact of gaming. Additionally, partnerships have played a significant role in reaching and engaging our audience, from our annual campaign with the BBC through to our collaborations with top UK brands such as Asda, Greggs and McDonald's UK.

Additionally, a targeted paid media campaign across social media, YouTube and connected TV successfully engaged younger audiences, exceeding viewership expectations and driving significant engagement.

Social media played a crucial role in our strategy, with TikTok emerging as a particularly effective platform for reaching 16-24-year-olds. Our six-week campaign culminated in the Pudsey Games, a five-hour TikTok Live broadcast that was delivered alongside Game On! and featured over 30 high-profile influencers. This event was viewed by over 250,000 unique users and achieved significant reach, helping us to grow our TikTok following by 25,000.

Our external communication efforts also yielded impressive results, with extensive coverage across national and regional media. The launch of our campaigns, including the Challenge Squad and DIY SOS, generated widespread media attention, ensuring that our message reached millions across the UK. This year's creative and strategic initiatives not only enhanced awareness and understanding of our work, but also solidified BBC Children in Need's role as a vital and innovative force for change in the lives of children and young people across the nation.



**Social media played a crucial role in our strategy, with TikTok emerging as a particularly effective platform for reaching 16-24 year olds**

## Our First Mental Health Campaign - The Heaviest Backpack

Through our 3-year research programme, A Million & Me, we learnt that, when developed at an early age, positive relationships with trusted adults have the power to prevent serious mental health problems from becoming established later in childhood. Our projects fund the people and places across the UK that bring these positive relationships into children's lives when they need them the most.

In May 2024, to coincide with Mental Health Awareness Week, we ran a campaign to raise awareness of this work, to illustrate the difference that this can make and to show how adults in the UK can create and develop those positive relationships with young people.

The creative idea was inspired by a Youth and Community worker at a BBC Children in Need-funded project, Valley Kids, who said: "Some of the kids we see walk around with the weight of the world on their shoulders."

The Heaviest Backpack campaign highlighted the burdens that follow children and young people around in their lives, weighing them down wherever they go – including anxiety, problems at home and other issues. It also explored how donations from our supporters fund the work that can make these challenges feel lighter.

Additionally, the campaign also aimed to start a conversation with parents and carers about how to strengthen positive relationships with their children in order to build mental wellbeing. We provided help and resources to support this objective.

Our [adverts](#) for this campaign appeared on BBC TV, radio and digital platforms, as well as on commercial radio, at cinemas and poster sites and on social media and digital channels. They were also promoted by key corporate partners. They featured a host of famous faces sharing their own stories about the challenges that they carried in their backpacks when they were young, including Mary Earps, Joe Wicks, Roman Kemp, Alex Scott, Vick Hope, Jamie Laing and Katie Thistleton.



### Campaign Success Statistics

A survey undertaken following our Heaviest Backpack campaign revealed that:

- **80%** of people found that the campaign helped them to understand the work that BBC Children in Need does
- **77%** of people felt the work that BBC Children in Need seemed more important after seeing the campaign
- **Over 60%** of people said that they are more likely to support BBC Children in Need after seeing the campaign. This figure rose to over three quarters amongst families with younger children

One research respondent said "It helps to remind us that, although Children in Need is on telly once a year, young people need help all year round". Source: Savanta online survey June 2024

#### Campaign: Context Statistics

- In the last five years, the likelihood of young people having a mental health issue has increased by around **50%**.<sup>1</sup>
- As of March 2024, BBC Children in Need was funding **450** projects supporting children and young people with mental health and emotional wellbeing issues to the value of **£28.3 million**.

1. NHS Mental Health of Children and Young People in England 2020 cited in Children's Society Children's Mental Health Statistics

## STRATEGICALLY GROWING OUR INCOME

### Priorities:

**Diversifying our income**

**Developing and establishing regular, sustainable and year-round income**

**Driving growth with younger audiences whilst protecting existing core supporters**

In 2023/24, BBC Children in Need focused on increasing our income in ways that not only maximized immediate returns but also built a foundation for long-term, sustainable growth. In light of a challenging fundraising landscape, with continued cost-of-living pressures and difficulties in our traditional model of raising funds through the annual telethon, our strategy centred on diversifying income streams, engaging young families, and developing partnerships to ensure future stability.

A key part of the work to diversify our income saw us develop and pilot a new regular giving proposition centred on 'the heart of the community'. Using audience insight to understand which issues are more likely to inspire support, the proposition focussed on the difference BBC Children in Need is making in local communities across the UK. Several

different approaches were employed to ask supporters to make a regular donation, with a range of methods available - including emails, paid social media posts and via our broadcast partner Countryfile. This proposition drove hundreds of new regular gifts for the charity in its first year, and has allowed the organisation to optimise campaigns in line with the most compelling messages and effective channels to elicit support for future years.

Thanks to the incredible support of our fundraisers, donors and corporate partners, we were able to announce a total fundraising amount of £33.5 million on the night of the televised Appeal Show in November 2023. Following this, our total fundraising, including gift aid reached £52.4 million as supporters and partners continued to donate and send in the amounts they had received from their fundraising efforts.

This final figure of £52.4 million represents an increase of £4.9 million (10%) over the previous year (2023: £47.4 million), largely driven by growing high-value partner support and the public's overwhelming response to Vernon's Ultra Ultramarathon challenge on BBC Radio 2. This growth helped to partially offset a slight decline in audience numbers that occurred due to a broader shift away from traditional broadcast viewing.

The income of £52.4 million shown on the Charity's Statement of Financial Activities from donations and charitable activities (2023: £47.4 million) excludes £0.1 million from licensing activities. Of the reported income, £41.5 million has been used this year to fund projects that create positive impacts, covering the associated costs. For a more detailed analysis of income, please refer to Note 2 on page 67.



## Driving Growth Through Our Annual Appeal Campaign

Our iconic Night of Television (NOTV) and BBC programme partnerships continued to be vital sources of income in 2023/24. While viewing figures for NOTV saw a slight decline, the performance was stronger than anticipated, reflecting the enduring appeal and strong conversion rates of our programming.

Radio 2's innovative four-day format, featuring Vernon Kay's Ultra Ultramarathon, was a standout success - far exceeding expectations and driving record-breaking listener engagement. The One Show's new Challenge Squad also delivered above-target results, demonstrating the effectiveness of integrating fresh content with established platforms.

Corporate partnerships have been another cornerstone of our income strategy, delivering impressive growth and fostering new relationships. This year saw significant contributions from partners like McDonald's, ASDA and TikTok, with each bringing their unique strengths to our campaign.

McDonald's extensive in-store branding and innovative customer engagement strategies helped us to connect with millions of young families across the UK, while TikTok's vibrant community of 16-24-year-olds embraced our campaign, contributing £500,000 through their most successful charity partnership to date.

ASDA continued to be a strong supporter, with product extensions and new initiatives - like the introduction of Christmas PJs - showing promising signs of future growth. The retailer's efforts to engage young families and local communities through their extensive store network have been crucial in expanding our reach and impact.

Greggs, with its wide customer base and strong colleague engagement, also played a key role in our fundraising efforts, achieving significant year-on-year growth across all fundraising activities. Meanwhile, Enterprise's RunPudsey initiative saw notable success, particularly within primary schools, suggesting a promising avenue for future engagement with young audiences.

Our public fundraising efforts were anchored by the "Challenge Yourself and be SPOTacular" campaign, which resonated well with our supporters. The introduction of new propositions, such as the Pudsey Bearpees Challenge, alongside established favourites, helped us to connect with a wide range of participants, from young families to dedicated long-term supporters. Our integrated approach with BBC programmes, particularly The One Show, proved effective in boosting engagement and driving participation.

The schools campaign, focussing on positive relationships, further strengthened our ties with young audiences. Leveraging insights from previous years, we launched targeted incentives and live events, such as the Bearpees Live finale, which saw over a million children from 5,000 schools take part. This approach not only

contributed to immediate fundraising, but also laid the foundation for future growth in this critical segment.

In the realm of major donors, we secured significant contributions, including a matched fund from the People's Postcode Lottery. These efforts underscore our ability to attract and retain high-value supporters, even in challenging circumstances.

Looking ahead, our focus on diversification, targeted audience engagement and sustainable income growth positions us well to continue making a meaningful difference in the lives of children and young people across the UK.

## Innovating with Our Key BBC Partners - Vernon Kay's Ultra Ultramarathon

Radio 2's BBC Children in Need challenge was a stand-out success for the 2023 campaign. In a bold move, the programme stepped away from their tried-and-tested challenge format of 24-hours in a studio. Instead, their newest daytime presenter, Vernon Kay, undertook a gruelling four-day Ultra Ultramarathon from Leicester to his hometown of Bolton.

Radio 2 devoted unprecedented amounts of airtime to the event and the challenge gathered huge traction across the four days, capturing the imagination of audiences nationwide. Not only did the event break the record for the amount of money raised by one individual doing a challenge for BBC Children in Need, bringing in a staggering £6m, but it also achieved record-breaking engagement for Radio 2 across social media and on BBC Sounds, with millions of listeners tuning in to the captivating content and many claiming they couldn't switch off.

Supporters turned out in their droves to cheer Vernon on from the roadside - and the areas of the country he passed through showed even more amplified engagement. The event's success underscored our ability to connect with audiences through compelling, real-time storytelling.



## New Initiatives for Younger Audiences

Game On! was an award winning, innovative BBC Three x BBC Children in Need-commissioned live show which combined a passion for video games with fundraising. It was the first of its kind for BBC Children in Need and the BBC as a whole, and was our highest performing piece of content for young audiences.

It brought together high-profile gaming influencers with members of the public who had won the chance to compete against the celebrities. By partnering with famous creators, it brought our brand to huge audiences on Twitch in an authentic and engaging way. It focussed on the positive impact of responsible gaming, enabling us to tell unique and surprising stories about our funding.

Game On! was broadcast live from Confetti X, a bespoke gaming arena associated with Nottingham Trent University, in November 2023. This was a huge achievement, particularly when one considers that Confetti-X is a non-TV studio. We offered 52 students the chance to work on the show.

Our insights found that 72% of 16-34-year-olds said it made the BBC feel more "for me", while 64% said they learnt something new about BBC Children in Need. Not only was Game On! transformational for the charity sector, but it also enabled us to build new partnerships with tech companies, gaming brands and content creators for future joint endeavours.

Alongside Game On!, we launched an exciting new partnership with TikTok, which culminated in the exhilarating Pudsey Games. The two events took place at the same time and in the same studio complex, with the Pudsey Games serving as an exciting TikTok LIVE accompaniment to Game On! It saw two teams, featuring TikTok personalities from Connect Management, battling it out through a series of nail-biting games to win the Golden Pudsey trophy.

One particular highlight was a segment sponsored by our partners at McDonald's, where celebrities played crazy golf and their own version of 'Fun Football', coached by GB Paralympian footballer Jack Rutter. McDonald's pledged £50k to the event and fuelled the production with their McFleet food van.

The Pudsey Games enabled audiences to send special edition Pudsey gifts via TikTok LIVE for the first time ever. For every Pudsey gift sent, TikTok made a donation to the Charity.

As a direct result of the livestream, the BBC Children in Need TikTok account gained 5,000 new followers, 5 million SPOTacular likes and over 20 million gifts throughout entire partnership. It also raised over half a million pounds, making an enormous difference to the lives of the children and young people who are supported by our funding.

# OPERATIONAL EXCELLENCE



## Priorities:

**Developing and embedding insight to drive activity across the organisation**

**Ensuring efficient and effective systems and processes**

**Creating a positive culture and prioritising EDI in everything that we do**

### Insight

Insight is leveraged across the organisation to guide BBC Children in Need's decision-making and to shape and evaluate our activity. Central to our insight work is the need to understand the challenges faced by the UK's children and young people. Those challenges are growing and becoming more complex, which is reflected in the ongoing high volume of funding applications we receive.

### Understanding the External Landscape

We monitor the landscape with a particular focus on the key themes of poverty, mental health, social inequality and family challenges, and act in response to highly valuable feedback from our grantees on these matters - which is gathered via an annual survey. Teams draw on learning reviews and an internal glossary of language guidance to inform their activity.

This year, we engaged directly with over 1,500 children and young people supported by our grantees. They fed back to us about the people and places in their lives, their hopes and worries for the future and the role of BBC Children in Need regarding their support. This insight will be shared via a full report later this year.

We continue to monitor the difference we make for children through our funding, as well as the outcomes achieved through the projects and programmes we support, and consider how best to achieve those outcomes. This learning strengthens the effectiveness of future funding.

We also monitor public and supporter perceptions of BBC Children in Need throughout the year, and we are thankful for the ongoing affection that people hold for the Charity within the challenging giving landscape of recent years. Furthermore, we explore in-depth reactions to our annual November Appeal, including live responses during Appeal night. This helps us to understand how best to connect with audiences.

This year, we had the additional opportunity to speak to audiences about our impact-led Backpack campaign, which had strong cut-through and responses, especially with our core family audience.

### Positive Relationships

Positive relationships are at heart of the work that we fund. We consistently see their value in action and appreciate the critical role they play in helping children to navigate challenges in their lives. For that reason, this year, we have begun a focussed piece of work exploring the role of positive relationships in children's lives.

### Insight and Decision-Making in 2024/25

The year ahead will see us sharing more of our learning externally, while developing additional ways for the voices of children and young people to bring to life our insight and guide our decision-making.

### Systems and Processes

In terms of our systems and processes, we have reviewed our technical infrastructure and landscape and developed a high-level Digital Transformation Strategy, identifying key projects to create a stable foundation for our digital ambitions. These will be delivered over the coming year with benefits to our governance, internal efficiencies, supporter engagement and grantee experience. Planning is already underway for the next phase of the strategy.

Financial controls and a robust reserves policy supports our strong financial position. However, we continue to monitor and evolve the funding options available to the Charity, making sure we continue to operate within our means and allocate resources to effectively deliver the strategy.

We have also implemented a revised investment strategy in line with investment risk appetite - and in doing so, we have reviewed the investment advisor and manager mandates.



## Culture and Equity, Diversity and Inclusion

Creating a great workplace for our colleagues and strengthening our culture at BBC Children in Need are both key priorities within the Charity - and are the focus of our Charity People strategy.

Throughout 2023/24, we have focussed on embedding the BBC Values and our own Pudsey Way - which sets out behaviours and elements of culture at BBC Children in Need that we want to strengthen.



**THE PUDSEY WAY**  
defines the elements of our culture that we want to strengthen at BBC Children in Need...

### We are Inclusive and Kind...

We are an inclusive organisation. We are constantly learning and advocating for Equity, Diversity and Inclusion. We seek out the diverse experiences and backgrounds of others, internally and externally, to help us learn and be successful.

### We encourage Teamwork and Collaboration...

We collaborate, share experiences and work together in a way that works for the whole team. Our relationships are based on openness, honesty and trust. Everyone is welcomed, celebrated and championed.

### We Make Good Decisions...

We use our charitable ambition to guide decision making and help us prioritise the right activity across the organisation. Data and Insight ensure our decisions are clear, informed and timely.

### We are Agile and Adaptable...

We embrace change. We are bold and creative with our ideas. We look after our own wellbeing when responding flexibly to new challenges.

### We are Results Focussed...

We are all accountable for getting the job done and for our own learning and career development. We set clear goals and measure success. We offer and receive regular feedback to help us all learn and grow.

### We put Children and Young People at the heart of everything we do...

We create meaningful opportunities to engage them in our work. We embrace all opportunities to listen and learn. We are guided by their voice.

This year, we have also been focussing on our colleague life cycle, thinking about ways to embed the Pudsey Way and developing methods to improve the employee experience at every stage.

This work has included:

- Considering the ways in which we advertise and recruit to attract a truly diverse workforce
- Improving our induction and onboarding processes to create a great experience for new joiners
- Focussing on career and personal development for our colleagues through our BBC Children in Need Careers Week, which was held in January 2024
- Ensuring that leaver conversations are offered to every person exiting the Charity to understand their experience as a colleague, then utilising this valuable feedback to help us improve for the future

**BBC Employee Survey**

The BBC employee survey is a key measurement of staff engagement. It provides us with valuable feedback on how BBC Children in Need colleagues feel about their work. This year, over 75% of Charity colleagues participated in the survey, and their feedback shows improvements in many areas - including management and leadership, growth and

The strategy focusses on four key areas:

<p><b>Our People</b> We ensure that BBC Children in Need's culture is forward thinking, open, kind, inclusive and a great place to work for all staff, including our Trustees, Committees, Volunteers</p>	<p><b>Our Funding and Grant Making</b> We recognise the inequalities in grant making systems and actively strive for equity</p>	<p><b>Our Fundraising</b> We build affinity across all groups so they can engage with and support us</p>	<p><b>Our Storytelling</b> We ensure diversity, authenticity and representation through our content creation and aim to engage diverse audiences</p>
Inclusive leadership	Specific measures to target under represented groups	Ensure minority groups feel represented	Diversify our engagement strategy
Inclusive culture	Remove inequalities in our processes	Work with diverse media partners/platforms	Align to BBC creative strategy
Inclusive hiring		Brand and community partnering	

In the past year, in support of our strategy, a number of key initiatives and activities have been undertaken, including Inclusive Leadership training for all of our leadership team, Anti-Racism training for all members of staff and the creation of a culture of open discussion and inclusivity through the introduction of "Tea Break" sessions.

We have been activity collating and monitoring the diversity of our teams and have built plans to promote inclusive attraction, including via the BBC's Extend scheme - which is the BBC's positive action employment programme for people who are deaf, disabled, or neurodivergent.

Our on screen diversity exceeds the BBC targets to which we have signed up, for both ethnicity and disability representation. Our 2023 Appeal figures were 58% male to 42% female, 28%

development and support for flexible working.

Our overall engagement score also rose by 10%, reaching 73% in 2024. While there is a lot to celebrate, we still have a great deal of work to do in order to continue improving. The feedback we received will inform our plans for 2024/25.

**Equity, Diversity and Inclusion: Our Strategy**

In 2023, we launched our updated Equity, Diversity and Inclusion strategy.

BBC Children in Need is committed to fairness and making a positive difference for children and young people. It is the responsibility of our staff to embrace a diverse, equitable and inclusive approach to everything we do. Children and young people are great at this, and we need to be just as good.

We know that improving diversity, equity and inclusion is critical to delivering positive outcomes for children and young people and ensuring the success of the organisation. Two key principles of our strategy are:

- Creating an environment where everyone feels they can belong
- Remembering that we are all accountable

ethnically diverse and 36% living with a disability.

We worked with a variety of BBC partners, including the BBC Asian Network, and launched our first collaboration with See Hear, the BBC's magazine show for the deaf community where Pudsey learnt how to sign. 2023/24 also saw us strengthening our partnership with Radio 1 Extra via the We Move Programme, which supports Black led YSA projects. £1.1m of our Pudsey Next Steps Phase 2 has been dedicated to this programme.

Our public fundraising challenge - Pudsey Bearpees - was specifically designed with accessibility in mind, removing barriers that may have otherwise prevented potential participants from joining in.



# CLIMATE JUSTICE AND SUSTAINABILITY

With children across the UK either currently or soon to be experiencing the impact of the climate crisis, we need to come together to ensure that all children have the support they need and that their voices are heard.

Many of the children and young people we support are disproportionately affected by the climate crisis. We recognise that we must reduce our impact on the environment as a key element of our mission, and that we need to maintain a clear approach to playing our part. We have a responsibility to care for the environment and to minimise the environmental impact of all our activities.

We also recognise that, as a leading children's charity in the UK, we must use our voice to highlight the importance of taking action.

## BBC Children in Need and Net Zero

BBC Children in Need's long-term goal is in line with the wider BBC's ambition regarding sustainability, which is to halve operational carbon emissions by 2030.

The BBC's sustainability strategy, to which we are aligned, has three pillars:

- Nature Positive – We manage our impact on nature and we aim to do more good than harm to our planet
- People Positive - We inform, educate and inspire on the topic. We're signatories to the climate content pledge and we measure the impact from our content – 'our brain print'
- Net Zero - We have a credible Net Zero strategy, underpinned by science, to cut our carbon footprint

## Children, Young People and the Climate Crisis

In addition to the above, BBC Children in Need's focus is on advocating for the children worst affected by the climate crisis and empowering young people to lead on change.

Advocating for climate justice means focusing on people, communities, intersectionality and fairness. Our aim is to support the shift in power to low-income and marginalised communities across the UK and to focus on Equity, Diversity and Inclusion to address human rights and social inequality.

In order to support children and young people across the UK in any way we can, we must strive to be a truly sustainable organisation – environmentally, financially and operationally. This means considering the sustainability of our operations, fundraising activities, supply chains, investments, products and partnerships.

## Our Commitment

We are signatories to the Funder Commitment on Climate Change and, as such, our approach to sustainability follows the six pillars that make up commitment. The progress made in the year is as follows:

### Educate and Learn

We delivered a 90-minute pilot session in February 2024 for our Youth Social Action Fund / We Move Youth Social Action Fund grant holders, as part of the learning support of their development phase. There were 32 participants, including young people and staff/trustees from invited organisations. The purpose of the session was to help grant holders understand climate change and its impact upon their beneficiaries and mission, and the actions they can take.

**We must use our voice to highlight the importance of taking action**

### Commit Resources

We partnered with New Philanthropy Capital (NPC) to part-fund the youth strand of their 'Everyone's Environment' Project, which aims to explore the impact of climate change on children and young people in the UK. As part of this collaboration, we lead a consultation to find out how NPC want the youth/charity sector to respond to the crisis. The outcomes of this work are now being used by other organisations to improve their understanding of the ways in which how climate change affects the children and young people they support - and to provide a clear roadmap of the tangible, child-led actions that can be taken to tackle the problem.

We also have two responsive funding programmes focussed on Youth Social Action: our Youth Social Action Fund - in partnership with the #iwill Fund and The Hunter Foundation - and We Move Fund: Youth Social Action in partnership with BBC Radio 1Xtra. Funded projects are still in the development phase, with children and young people from all over the UK choosing which issues they want to tackle and improve in their local communities, including environmental challenges.

The issue of climate change is a key priority for the Charity. We have a steering group that provides oversight and co-ordination of climate considerations across the organisation. We continue to focus on developing our strategic approach to the crisis.

## Integrate

Prioritisation of the climate crisis is specifically called out within the Charity's five year strategy, resulting in every team having a sustainability objective. All directorates are expected to apply the lens of environmental impact on any decisions made with the aim of reducing our impact on the environment.

We have worked with colleagues to identify opportunities across all directorates to raise awareness and understanding of climate justice issues using our voice and influence.

The BBC Sustainability Team also provides advice and support on how to progress the changing of our processes and systems for the better.

## Steward Our Investments for a Post-Carbon Future

The Charity's Investment Committee, made up of Trustees and co-opted members with investment expertise, work to a Statement of Investment Principles which ensures environmental, social and governance (ESG) factors are taken into account in the selection, retention and realisation of investments. In the year, we have appointed new Investment Managers with an ESG focus, and are in the process of investing specifically in sustainable funds' to 'In the year, we have appointed new Investment Managers with an ESG focus, including investment in sustainable funds.

One Trustee attended the FT Climate Capital Live 2023 Summit, which provided actionable insights on regulatory changes, business strategies and innovative financing structures.

## Decarbonise Our Operations

Specific examples of action taken to decarbonise our operations include: all productions associated with Children in Need being Albert Certified. We have also reduced our paper usage by shifting from printed to digital fundraising packs and materials for our thousands of supporters across the UK. In addition, we drive our supporters towards e-thank you certificates, and our committees now review applications electronically. Further to this, we have been working on reducing our technology portfolio through the application of asset amnesties and by encouraging colleagues to look for alternative solutions to certain issues - such as requiring a work mobile phone. The Charity also recycles and repurposes old technology assets.

## Report on Progress

We report annually on our progress against the five goals listed above. We do this via the Association of Charitable Foundation (ACF)'s annual reporting process, as well as within this Annual Report. We continue to develop our practice, to learn from others and to share our learning.

**The issue of climate change is a key priority for the Charity**



## Emissions Data

BBC Children in Need's staff reside in BBC buildings across the UK - with the majority based in our head office in Salford. Although the BBC manages and reports on the energy consumption of BBC Children in Need based on a pro-rated position, the calculated energy emissions from the space in which BBC Children in Need occupies is as follows: Electricity consumption is measured at 203,166kwh (2023: 233,733kwh) and gas at 64,021kwh (2023:79,365kwh).

This is a reduction on previous year, driven by a targeted set of initiatives by the BBC against their fossil fuel and electricity usage, which includes upgrading and exiting property, reducing gas consumption and targeting diesel usage in productions.

Greenhouse Gas Emissions 2023/24	Gross Emissions
Greenhouse gas emissions (tonnes/CO <sub>2</sub> e emissions)	54.9 reduced by 15% in year
Emissions per FTE	0.38

## OUR PLANS FOR 2024/25

Over 2024/25, we will continue to build on the work done to date on our strategic priorities.

### Broadening and Deepening Our Impact

*24/25 Headline - Embedding our impact framework to drive all our work, which will help us to apply a more strategic approach when tackling key issues, rather than being just a funder. To achieve this we will*

- Be clear-minded in what we want to achieve, and develop clear aims for our partners, regarding our four areas of focus (poverty, mental health, family challenges and social justice)
- Lead the way in building understanding around the role of positive relationships in the improvement of children's lives

### Creatively Engaging with Audiences and Supporters

*24/25 Headline - Showing up all year round and championing our purpose, culminating in a fully integrated annual campaign. To achieve this, we will:*

- Undertake a creative renewal of the Night of TV and other BBC programming
- Continue to focus on communicating with our supporters all year. This includes all messaging within a complimentary second 'peak' moment in the spring, which will allow us to talk more about the difference we make for children

### Strategically Growing Our Income

*24/25 Headline - Continue to implement the five-year income growth plan, focussing on diversification, long term sustainable income and targeting younger audiences. To achieve this, we will:*

- Continue to build and develop a stewardship and engagement programme for donors and supporters at every level, which will help us to retain support and grow donations year on year
- Continue to enable donors to give to us on a more regular basis, supporting our year round work
- Continue to grow support through partnerships

### Striving for Operational Excellence

*24/25 Headline - Setting the Charity up for success with new systems, processes and ways of working. To achieve this, we will:*

- Start to deliver our digital transformation plans, including key systems upgrades
- Continue to focus on Equity, Diversity and Inclusion and our culture through the Pudsey Way





# 2024 ACCOUNTS



## FINANCIAL REVIEW

The accounts for the year ended 30 June 2024 cover:

- income from the BBC Children in Need Appeal 2023, which was live across Autumn 2023;
- other income received year-round from 1 July 2023 to 30 June 2024; including income from funding partners and follow-on income post the appeal
- Income recognised from funding that BBC Children in Need are entitled to 1 July 2023 to 30 June 2024 but not yet received (from grants and corporate partners), and
- grants awarded to projects and funding programmes in the period 1 July 2023 to 30 June 2024

## FINANCIAL PERFORMANCE

We measure financial performance based on:

- Efficiently optimising income in order to:
- Optimise the amount of grants awarded and therefore the positive impact on children and young people;
- managing costs in line with available funds and at an appropriate level relative to income;
- managing funds in line with the Charity's policy

Income from donations and charitable activities, as shown in the Charity Statement of Financial Activity for the year, totalled £52.4m (2023: £47.4m). This included:

- Donation income and Gift Aid of £46.8m (2023: £43.4m)
- Legacy income £3.4m (2023: £2.9m)
- Grant partnership funding £2.2m (2023: £1.2m)

This represents an increase in the Charity's normal activity of £5m on the prior year, mainly due to growing corporate partner support and engagement in BBC programmes and events such as Radio 2, which partially offset the impact of lower audiences due to the general shift away from broadcast viewing. See Note 2 (page 67) of the accounts.

Of the £52.4m income generated, £47.9m is designated for impact funding, with the balance being Gift Aid (£3.5m) and 2p/£ donated (£0.9m), which is used to part-fund the costs of generating income and governance.

Of the £47.9m designated for grant funding in 2023/24, £35.7m (2023: £26.3m) has been awarded in grants and £5.4m (2023: £5.7m) is the cost of making those grants.

The balance of £6.8m has built impact reserves in the year and will be spent on grant making before new income is generated in the November 2024 appeal, which is in line with our reserves policy.

To ensure BBC Children in Need is a charity that is strong, administered appropriately and able to raise income creatively, managing funds raised professionally and operating as an effective grant maker, we incur direct costs.

Total operating costs incurred in the year were £12.9m (reported as £13.5m including gifts in kind). This breaks down into £7.4m on raising funds and governance, £5.4m on grant making, impact and gift in kind\* of £0.7m. Total costs represent 24% of our total income (2023: 26%). Grant making costs were 16% (2023: 23%) of grants awarded, other costs were 14% (2023: 15%) of income generated.

*\* Gifts in kind includes provision of office space. These have been excluded from the above analysis because income is offset by an equal amount of cost and nets to zero. Further details are given in note 3 to the accounts.*

### Results for Children in Need Limited

Children in Need Limited is a wholly owned subsidiary and holds the Charity's trading activities. The results of the company are consolidated into the Charity's accounts.

During the year ended 30 June 2024, Children in Need Limited made a profit of £0.4m (2023: £0.2m).

Our corporate partners that raise funds for the Charity by selling Pudsey branded product pay a fee for use of the brand which is accounted for in the Limited Company.

The Children in Need Limited profit is paid in full to the Charity under Gift Aid provisions.

### Investment Policy

Funds committed for grant making but not required for expenditure in the short term are invested.

Investment income for the year (including revaluation gains) was £5.1m (2023: £0.9m), representing a return of 6.7% (2023: 1.1%) on the average investment balance.

The investment policy stipulates the type and terms of investments that may be purchased and investment objectives being to:

- retain sufficient liquidity for day-to-day needs;
- maintain a measured appetite to risk; and
- maximise investment returns within the constraints of the above.

The Charity retains a conservative approach to investing and holds funds not needed for short term use in two types of investments:

- Core fixed income liquid assets – to provide a return of capital growth and income primarily through investment in a portfolio of short term cash and money market instruments, investment grade bonds and other fixed and floating rate securities. This portfolio is managed on the Charity's behalf by Schroder Investment Management (UK) Limited.
- Appropriate income/return generating assets - income generating assets such as property funds and high quality securitised credit.

The balance held within each type of investment is determined by the amount of liquid funds required to meet our grant commitments when they fall due. Social, environmental and ethical considerations are taken into account when making investment decisions.

In the year, the Charity has reviewed its investment policy with a view to increasing risk-adjusted returns while still maintaining the required liquidity and operating within the agreed risk tolerance, and in July 2024 appointed Mercer to manage our investments and assist with portfolio construction and consideration of environmental, social and governance (ESG) criteria.

## Reserves Policy

At 30 June 2024 the Group (which consists of BBC Children in Need (the Charity) and Children in Need Limited (the trading company) had total closing funds of £57.2m (2023: £47.7m) representing an increase of £9.5m on the prior year position. Impact reserves have increased as we have exceeded income expectations and these funds will be awarded in the coming months in line with our reserves policy.

Funds £'000	Opening Fund 1 Jul 23	Total Income	Grants Awarded in Year (Net of Adjustments)	Cost of Grant Making, Policy, Impact and Grantee Training	Cost of Raising Funds & Governance	Closing Fund 30 June 24
Restricted Impact Fund	2,587	-	(776)	-	-	1,811
Unrestricted Designated Impact Fund	31,031	47,913	(34,935)	(5,426)	-	38,583
General Continuity Fund	8,809	9,759	-	-	(7,060)	11,508
Investment Continuity Fund	5,000	-	-	-	-	5,000
Development Fund	250	-	-	-	-	250
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>45,090</b>	<b>57,672</b>	<b>(34,935)</b>	<b>(5,426)</b>	<b>(7,060)</b>	<b>55,341</b>
<b>TOTAL FUNDS</b>	<b>47,677</b>	<b>57,672</b>	<b>(35,711)</b>	<b>(5,426)</b>	<b>(7,060)</b>	<b>57,152</b>

The £57.7m (2023: £48.6m) of total income received in the year (as reported in note 2) includes income from donations and other charitable activities of £52.4m plus net investment income of £5.2m and trading contribution of £0.1m.

Of this £35.7m has been used to fund projects that make a positive impact and £5.4m has funded the associated costs of grant making and impact.

£40.4m is held in reserve and available for grant making in advance of generating new income in the autumn 2024 appeal (restricted £1.8m, unrestricted £38.6m).

### Restricted Fund - £1.8m

The closing fund represents £1.4m of donations received from The Hunter Foundation (THF) which will be used to create positive impact for children deemed to be on the edge of the care system, continuing our support for the existing project and is anticipated to be spent in 2024 and early 2025.

In addition, £0.4m of income from iWill will be used to continue our joint support of Youth Social Action.

### Unrestricted Fund - £38.6m

At 30 June 2024 the Charity held designated grant funds representing donation income received and to be awarded to projects in future grant making activity of £38.6m (2023: £31.0m). These funds will be awarded over the coming months but it is the intention of the Charity to maintain a level of funds to cover uncertainty of income or exceptional requirement for funding.

The Charity also holds funds to cover general operating costs in periods of uncertainty of income, to manage volatility of investment returns (capital value or income) and to allow for future investment and to respond to growth opportunities.

This represents unspent gift aid, investment income, license fees and a small proportion of donations (limited to 5p/£ donated).

In this financial year 2p/£ of unrestricted donation income and legacy income, together with gift aid, trading income and investment returns totalling £9.8m (2023: £6.4m) has been used to cover costs and provide contingency for any uncertainty over future income.

See the Charity's principal accounting policies on page 64 which explains the structure of reserves and also note 14 on pages 77- 79 which provides more detail of the restricted funds.

## RISK MANAGEMENT AND ASSURANCE

At BBC Children in Need we continue to be challenged by a wide range of risks that can affect all areas of our organisation and we plan for and manage these risks daily.

BBC Children in Need's Trustees have overall responsibility for setting the risk policy and approving the risk management processes, recognising that our approach to risk must encompass risk taking to innovate and grasp opportunities and ultimately achieve our strategic objectives.

Risk management is therefore an essential discipline to support BBC Children in Need in achieving its strategy and goals, which means identifying, assessing and mitigating risks and having effective policies, processes and controls in place.

The Charity continues to review its Risk Management Policy, Risk Framework and Risk in order to ensure appropriate consideration of risk and during the year. The Finance, Audit and Risk committee provides oversight and challenge of the management of risk and the mitigating actions and controls in place.

Our Finance, Audit and Risk Committee are also responsible for the appointment and focus of the external auditor, Crowe, and the internal audit plan - and monitoring the implementation of recommendations raised from audits.

In addition, our Investment Committee, investment advisers and fund managers identify and mitigate risks to the Charity relating to our Investments.

On the following pages we have shared what we consider are our greatest challenges to achieving our strategy and the context surrounding each risk.

### Risk Category

### Mitigations and Actions

#### Impact

Our ambition is for all children and young people to have the opportunity to thrive and be the best they can be.

There is a risk that we are unable to achieve our ambition to create positive and lasting change across the UK for the children and young people who need us most, leading to declining audience and income.

We are addressing this through broadening and deepening our impact, including:

- Developing our impact framework, which will drive all our grant making and strategic propositions going forwards
- Developing strategic national initiatives which amplify the impact of our work
- Reviewing and continuously improving our responsive grant making programmes, including a regular, insight driven review of the portfolio make up and application trends
- Surveying children and young people and the issues and challenges which are important to them

This risk is inherently linked to the requirement for income to fund the ambition, for audiences to be engaged, and for insight to drive our grant making activity.

#### Income

Confidence in - and the generation of - income is key to maximising impact for children and young people.

There is a risk that we may not meet our income growth expectation, which will have a detrimental effect on the achievement of our long-term strategy. This could partly be due to the inability to invest in growth opportunities, or to external factors outside of our control.

- We have developed our income strategy to target income growth and to address the changing nature of the way people watch television and donate or fundraise
- We are developing new diverse initiatives and establishing regular, sustainable income that we can rely on, with a larger % being generated outside of our annual appeal campaign
- We are delivering our audience and supporter engagement strategy, and developing a longer-term content strategy, in order to grow income from young families and young adults and to protect and innovate our core 55+ audience

**Financial Viability**  
Operating within our means is key to maximising impact for children and young people.

There is a risk that the Charity does not operate within its funding model affordability, or that resources are insufficient to undertake its plan, leading to an inability to deliver on our impact ambition or the generation of negative public perception of spend.

- To mitigate this risk, we are ensuring that:
- Our annual business planning and budgeting process is reviewed and challenged by Trustees, ensuring that we operate within our means
  - Sufficient cash and investments are held to fund all grant commitments, which provides certainty of funding to our grantees and funds activity until new income is generated
  - Sufficient reserves are held as a contingency to flex with seasonal income generation, respond to unexpected factors affecting children and young people across the UK and continue operations in periods of uncertainty
  - Annual going concern assessments are performed to ensure we maintain sufficient cover for grant commitments, ongoing activity and costs, any impairment of assets and have the required liquidity

**Audiences**  
Creatively engaging with our audiences and supporters is key to diversifying our supporter footprint.

There is a risk that the Charity fails to engage with existing and new audiences, negatively impacting on familiarity, awareness and relevance, leading to declining audience and income.

- We continue to mitigate this risk by:
- Building a strong brand, while driving awareness and understanding of our national and local presence and the work we do
  - Establishing our voice on the key issues affecting CYP today; driving influence, policy and the news agenda
  - Developing innovative and exciting ways of getting involved with us
  - Continuously monitoring brand metrics, supporter profiling, audience research and evaluation

**Safeguarding**  
Avoiding any harm to children and young people is our first priority.

There is a risk that the charity undertakes a project or piece of work, funds work or engages in a partnership involving the engagement of children and young people (CYP) where an incident occurs or systems and processes fail, resulting in harm being caused.

- We maintain robust safeguarding governance, policy and practice across the organisation, embedding a strong safeguarding culture throughout, with mechanisms to share learning, raise concerns and escalate
- We provide regular mandatory training and resources, as well as expert advice around working with children and vulnerable people
- We perform due diligence on the charities and projects that we fund and the partnerships and activities we engage in
- We have a formally appointed Senior Safeguarding Advisor whose role it is to inform and advise colleagues about their obligation, monitor compliance, raise awareness and advise

**Reputation**  
There is a risk that the Charity undertakes a project or piece of work, funds work, engages in a partnership or with an individual in which an event occurs, resulting in negativity regarding the Charity's reputation, potentially leading to a loss of income or trust.

- To mitigate this risk, we prioritise:
- Adherence to all appropriate laws and regulations in relation to the activities we carry out
  - A strong governance culture with clarity on responsibilities and accountability with a clear escalation process
  - Due diligence to be undertaken for all new partnerships and Commercial Participation Agreements are in place for all partnerships.
  - The assessment of the financial viability, governance and safeguarding of all grant applicants, with continual grant management requiring annual reporting from grantees

**Responsible Fundraising**  
There is a risk that fundraisers operating in our name are fraudulent and damage our reputation with the public or our partners.

- We are signed up to the Fundraising Regulator's Code of Fundraising Practice, as well as to the Fundraising Promise. We are committed to legal, open, honest and respectful fundraising and do not cause undue pressure or intrusion on donors
- We maintain robust fundraising policies, which promote the adoption and improvement of responsible fundraising practices within the UK. We expect our fundraising partners, commercial participants and professional fundraisers to observe our fundraising policies and to demonstrate a similar commitment to responsible fundraising
- There were no complaints received by the Charity and referred to the Fundraising Regulator throughout this year

**Data protection**  
We have a responsibility when dealing with personal information - and our data protection principles ensure we do not risk the trust placed in the Charity.

There is a risk of breach of data protection regulation due to lack of compliance or increasing complexity.

- In order to meet our legal, data protection and privacy obligations, we maintain robust data protection governance, policy and practice across the organisation, embedding a strong data protection culture throughout, with mechanisms to share learning, raise concerns and escalate
- Regular mandatory training and resources are provided, as well as expert advice around the use of personal information
- We have a formally appointed Data Protection Officer, whose role it is to inform and advise colleagues about their obligation, monitor compliance, raise awareness and advise
- Due diligence is performed on all systems we use in order to ensure information is appropriately managed

**Cyber Security**  
There is a risk of a successful cyber-attack due to lack of appropriate and up-to-date security measures, leading to loss or theft of data, loss of fundraising capability or operational impairment.

- The BBC and the Charity have extensive policies and procedures in place to detect and prevent cyber threats. Recovery plans are in place, and we adequately train our employees
- Information security standards are specified in every third-party contract
- Staff operate on standard devices with high-grade encryption and virus protection

The Reserve Policy for the Charity sets out the long-term target for the Charity's continuity as shown in the table below. The minimum unrestricted reserves held by the Charity of £12.75m is to ensure we have sufficient funds to flex with seasonal income generation, respond to unexpected factors affecting children and young people across the UK and continue operations in periods of uncertainty when external and internal factors influence the range of income outcomes.

In addition, additional reserves will be held at year end and utilised until new income is received in the Autumn. In effect, the purpose of the reserve is twofold - a contingency and to fund anticipated activity.

The Impact continuity fund therefore holds funds that will be allocated before new income is generated from our next Appeal in November 2024. It is envisaged that the General continuity fund will drop back in line with forthcoming commitments over the next five years as we invest funds in our future strategic ambition. The Investment Continuity Fund is in place to manage volatility in capital value or returns.

Continuity Funds £'000	Contingency Target 30 Jun 24	Forthcoming Commitments 30 Jun 24	Closing 30 Jun 24
Impact Continuity Fund	5,000	33,583	38,583
General Continuity Fund	2,500	9,008	11,508
Investment Continuity Fund	5,000	-	5,000
Development Fund	250	-	250
<b>Total</b>	<b>12,750</b>	<b>42,591</b>	<b>55,341</b>

### Going Concern

Trustees continuously monitor the impact of external factors on the Charity and its likely future financial position. In reviewing the going concern position, the Charity takes into account its ability to:

1. fund grant commitments
2. cover impairment in assets
3. satisfy going concern for 12 months from the approval of the financial statements – based on matching assets to liabilities
4. cover costs
5. maintain healthy cashflow; and ultimately
6. continue to make grants

The Trustees are satisfied that the assets are in excess of the liabilities at both the balance sheet date and at the date of approval of the financial statements. The Trustees are also satisfied that the liquidity of the portfolio is appropriate for the phasing of grant commitments over 1 to 3 years, and that the risk of market value changes in the Charity's investments can be managed appropriately.

Having taken into account all available information about the future for the period of at least, but not limited to, 12 months from the date on which the accounts are approved the Trustees are satisfied that there are no material uncertainties about the Charity's ability to continue. The accounts are therefore prepared on a going concern basis.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Formal Structure

BBC Children in Need was formed on 25 August 1988, became a registered charity with effect from 1 September 1989 and until 30 September 2003 was an unincorporated body governed by a deed of trust and administered by a board of Trustees.

With effect from the 1 October 2003 the Charity's assets and activities were transferred to a Company Limited by Guarantee ('The BBC Children in Need Appeal') with the Trustees being appointed as the Board of Directors and the BBC as the Founder Member of the Company.

As part of the process of incorporation, The BBC Children in Need Appeal was effectively re-registered as a Charity on 7 August 2003 but retained the Charity number 802052. The Charity is governed in accordance with its Articles of Association.

In 2012 the name of the Charity was changed from The BBC Children in Need Appeal to BBC Children in Need, to reflect our year round presence and the changing nature of our fundraising. BBC Children in Need is also a registered Charity in Scotland, number SC039557.

BBC Children in Need has one trading subsidiary, Children in Need Limited. Children in Need Limited is a wholly owned subsidiary which primarily exists to licence products using the 'Pudsey Bear' trade mark and to sell Pudsey merchandise.

Children in Need Limited makes a Gift Aid payment of all its taxable profits to BBC Children in Need each year.

### Governance Arrangements

As a registered charity and company limited by guarantee BBC Children in Need is governed by company and charity law and by The Statement of Recommended Practice, Charities SORP second edition (FRS 102), issued by the Charities Commission in October 2019. The SORP sets out the accounting practices and disclosure required by charities in their annual accounts. The Trustees have followed its recommendations and applicable accounting standards in presenting these accounts.

Trustees regularly review the Charity's governance arrangements against the voluntary Governance Code for Charities, and it continues to implement recommendations from the 22-23 review which fall into categories of:

- Organisational purpose
- Leadership
- Decision-making
- Risk and control
- Board effectiveness
- Diversity

### Trustee Appointment and Chair

The Trustees are appointed by the Members of the Charity in general meeting and all Trustees are Members of the Charity and Company.

Except for the Trustee who formally represents the BBC (as Founder Member), Trustees are appointed for a term of three years and may then be appointed for a further two terms of three years each.

In addition to the Trustee representing the Founder Member, the Trustees of BBC Children in Need are drawn from the BBC and non-BBC in equivalent numbers.

On appointment all Trustees go through an induction process and are provided with training specific to the role and activities that they will be required to undertake (e.g. grant making). In addition Trustees are kept up to date with any changes in governance requirements to ensure they are aware of their obligations.

### Management

The Board of Trustees holds formal meetings at least four times a year. In this financial year, the board has met formally 7 times. In between these meetings, matters are progressed through the delegation of actions to sub-committees of the board, and Officers of the Charity in line with the agreed Scheme of Delegation.

### Key Responsibilities Trustees

The following points outline the key responsibilities of Trustees.

- agree the strategic direction and policy of the Charity;
- agree the annual operating and investment budgets;
- execute all legal responsibilities in connection with the Charity;
- be aware of the content of the Charity's Articles of Association in order to comply with the Charity Commission regulations;
- support the Chair in ensuring that the Charity is following best practice in terms of its business rigour;
- provide expertise and insight into key areas of activity for the Charity; and
- represent the Charity when required.

### Trustee Sub-Committees

To support effective governance the Charity has operated with four Trustee Board sub-committees throughout the year:

- Finance, Audit & Risk – to provide oversight and support on all financial matters, scrutiny of key risks and mitigations and oversight of internal and external audit activity;
- Impact – to provide oversight and advice on matters such as the grant making Strategy, grant programmes and partnership funding. To scrutinise and approve specific grant proposals, including main grants, as delegated by the board of Trustees;
- Nominations and Remuneration – to provide oversight and support in the recruitment and development of senior staff and the Board of Trustees. Reward and remuneration of senior staff is overseen by benchmarking to the market and ensuring costs are managed in line with budget; and
- Investment – to provide oversight and advice on investment decisions.

Investment, Finance, Audit and Risk and Impact Committee all have co-opted (non-Trustee) members to bring additional advice, subject matter expertise and experience.

# REFERENCE AND ADMINISTRATIVE DETAILS

## Business Planning & Performance Management

We have continued to embed our approach to business planning. This ensures we have a clear and concise plan of objectives, at organisational, directorate, team and individual level across the organisation. Every individual has a clear line of sight of how the work they are doing supports the organisation's strategy and plan.

These plans are reviewed on a quarterly basis and progress tracked and monitored throughout the year. We continue to evolve our approach to performance management to ensure performance, behaviour and development are well understood, discussed and supported at all levels of the organisation.

## Risk Management

The Trustees are responsible for the Charity's management of risk. During the year the Trustees actively monitored and discussed risk. This process included:

- identifying the major risks facing the Charity;
- assessing the likelihood and severity of the risks;
- reviewing the existing controls that the Charity had in place to mitigate the risks; and
- identifying and implementing any further actions required to limit risk.

A statement of Trustees' responsibilities in respect of the Trustees' Annual Report and Accounts is given on page 56.

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are aware, there is no relevant audit information of which the Charitable Company's auditors are unaware; and the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Report of the Trustees, which incorporates the requirements of the Strategic Report and the Directors' Report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, was approved by the Board, in their capacity as Trustees and company directors, and signed on its behalf on 9 December 2024 by:



**James Fairclough**  
Chair



**Jonathan Munro**  
Trustee

## Trustees and Advisors

### Chair

James Fairclough<sup>3</sup> (interim chair as of 28 Oct 2024)

Rosie Millard<sup>3</sup> (resigned 28 Oct 2024)

### Vice Chair

Jonathan Munro BBC Representative

### Other Trustees

Matthew Baker (resigned 30 Sep 2023)

Kenny Imafidon<sup>2</sup>

Trevor Bradley<sup>1 3 4</sup>

Kieran Clifton<sup>2</sup>

Rhona Burns<sup>1 4</sup>

Suzanne Lamb

Sandeep Bhamra<sup>1 4</sup> (resigned 30 Sep 2024)

Cherrie Bija<sup>2 3</sup>

Randel Bryan

Patricia Hidalgo

Helen Thomas (joined 1 Mar 2024)

Jo Wallace (joined 19 Oct 2023)

### Company Secretary

Tony Okotie

### Principal Officers

Simon Antrobus

Chief Executive

Claire Hoyle

Director of Income and Engagement

Tommy Nagra

Director of Content

Joanne Ruddock

Director of Insight

Nicky Scowcroft

Director of Finance and Operations

Fozia Irfan

Director of Impact and Influence

Tony Okotie

Director of Impact: Grant Making

Nassali Douglas

Director of Change & Transformation

Jenny Wroe

Senior HR Business Partner

## Auditors

Crowe UK LLP  
St James House  
St James' Square  
Cheltenham GL50 3PR

## Bankers

HSBC Bank Plc  
City of London branch  
Queen Victoria Street  
London EC4N 4TR

## Investment Managers and Advisors

Mercer  
Tower Place West  
London  
EC3R 5BU (July 2024 onwards)

Schroder Investment Management Limited  
31 Gresham Street  
London EC2V 7QA (Until July 2024)

Willis Towers Watson  
51 Lime Street  
London  
EC3M 7DQ (Until July 2024)

## Solicitors

Fieldfisher LLP  
35 Vine Street  
London EC3N 2AA

Womble Bond Dickinson (UK) LLP  
4 More London Riverside  
London SE1 2AU

Mills & Reeve LLP  
Fountain House,  
130 Fenchurch Street  
London EC3M 5DJ

## Registered Office

Dock House  
Salford M50 2LH

1 Members of Finance, Audit and Risk Committee

2 Members of Impact Committee

3 Members of Nominations and Remuneration Committee

4 Members of Investment Committee

Registered charity England and Wales no. 802052 and Scotland no. SC039557. Registered Company 04723022

# STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF BBC CHILDREN IN NEED IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND ACCOUNTS

The Trustees are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires Trustees to prepare accounts for each financial year. Under that law they are required to prepare the group and charitable company accounts in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group and charitable company's excess of income over expenditure for that period. In preparing each of the group and charitable company accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group and the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group and charitable company and enable them to ensure that its accounts comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BBC CHILDREN IN NEED

## Opinion

We have audited the financial statements of BBC Children in Need ('the charitable company') and its subsidiary ('the group') for the year ended 30 June 2024 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including 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 accounts:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 30 June 2024 and of the group's 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

## 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 or the group'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.

## Other Information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

## Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purpose of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the strategic report and directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

## Matters on Which We are Required to Report by Exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 56, 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.

## Auditor's Responsibilities for the Audit of the Accounts

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 auditor's 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Extent to Which the Audit was Considered Capable of Detecting Irregularities, Including Fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The

laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were taxation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the grant and corporate income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance, Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Scottish Charity Regulator, designing audit procedures over the grants and corporate income streams and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

## Use of Our Report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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## Guy Biggin

Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor

4th Floor  
St James House  
St James' Square  
Cheltenham  
GL50 3PR

Date: 19 December 2024

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 30 JUNE 2024

(Incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Year to 30 June 2024			Year to 30 June 2023		
		Unrestricted Fund £'000	Restricted Fund £'000	Total Funds £'000	Unrestricted Fund £'000	Restricted Fund £'000	Total Funds £'000
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and Legacies</b>							
Donations	2, 3	46,463	-	46,463	40,224	3,000	43,224
Income from joint operation		-	-	-	-	-	-
Legacies	2	3,379	-	3,379	2,858	-	2,858
<b>Charitable Activities</b>							
Partnership funding	2	2,150	-	2,150	750	400	1,150
<b>Total Income from Donations and Charitable Activities</b>		<b>51,992</b>	<b>-</b>	<b>51,992</b>	<b>43,832</b>	<b>3,400</b>	<b>47,232</b>
Income from trading activities	7	890	-	890	1,212	-	1,212
<b>Investments</b>	9	1,354	-	1,354	952	-	952
<b>Other Income</b>		677	-	677	683	-	683
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>54,913</b>	<b>-</b>	<b>54,913</b>	<b>46,678</b>	<b>3,400</b>	<b>50,078</b>
<b>EXPENDITURE ON:</b>							
<b>Raising Funds</b>							
Cost of generating voluntary income and governance	5	7,106	-	7,106	6,280	-	6,280
Investment management fees	5	116	-	116	119	-	119
Trading operating costs	5	518	-	518	1,006	-	1,006
		<b>7,740</b>	<b>-</b>	<b>7,740</b>	<b>7,405</b>	<b>-</b>	<b>7,405</b>
<b>Charitable Activities</b>							
England		21,957	-	21,957	12,819	-	12,819
Scotland		2,564	-	2,564	2,099	-	2,099
Wales		1,458	-	1,458	1,253	-	1,253
Northern Ireland		1,631	-	1,631	1,426	-	1,426
UK wide grants		7,325	776	8,101	3,869	4,833	8,702
<b>Grants Awarded in the Year</b>	4	<b>34,935</b>	<b>776</b>	<b>35,711</b>	<b>21,466</b>	<b>4,833</b>	<b>26,299</b>
Costs of grant making & impact	5	5,789	-	5,789	5,883	236	6,119
		<b>40,724</b>	<b>776</b>	<b>41,500</b>	<b>27,349</b>	<b>5,069</b>	<b>32,418</b>
<b>TOTAL EXPENDITURE</b>		<b>48,464</b>	<b>776</b>	<b>49,240</b>	<b>34,754</b>	<b>5,069</b>	<b>39,823</b>
<b>Net (Losses) / Gains on Investments</b>	9	3,802	-	3,802	(54)	-	(54)
<b>Net Income/(Expenditure) for the Year</b>		<b>10,251</b>	<b>(776)</b>	<b>9,475</b>	<b>11,870</b>	<b>(1,669)</b>	<b>10,201</b>
<b>Net Movement in Funds</b>		<b>10,251</b>	<b>(776)</b>	<b>9,475</b>	<b>11,870</b>	<b>(1,669)</b>	<b>10,201</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward 1 July 2023		45,090	2,587	47,677	33,220	4,256	37,476
<b>Total Funds Carried Forward 30 June 2024</b>		<b>55,341</b>	<b>1,811</b>	<b>57,152</b>	<b>45,090</b>	<b>2,587</b>	<b>47,677</b>

The Group has no recognised gains or losses for the above two financial periods other than the net movement in funds shown above, all of which are derived from continuing operations.

The notes on pages 64 to 79 form part of these financial statements.

# CHARITY STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 30 JUNE 2024

(Incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Year to 30 June 2024			Year to 30 June 2023		
		Unrestricted Fund £'000	Restricted Fund £'000	Total Funds £'000	Unrestricted Fund £'000	Restricted Fund £'000	Total Funds £'000
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and Legacies</b>							
Donations	2	46,463	-	46,463	40,224	3,000	43,224
Gift aid payment from Children in Need Limited	7	372	-	372	206	-	206
Legacies	2	3,379	-	3,379	2,858	-	2,858
<b>Charitable Activities</b>							
Partnership funding	2	2,150	-	2,150	750	400	1,150
<b>Total Income from Donations and Charitable Activities</b>		<b>52,364</b>	<b>-</b>	<b>52,364</b>	<b>44,038</b>	<b>3,400</b>	<b>47,438</b>
Income from trading activities		152	-	152	290	-	290
<b>Investments</b>	9	1,354	-	1,354	952	-	952
<b>Other Income</b>		677	-	677	683	-	683
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>54,547</b>	<b>-</b>	<b>54,547</b>	<b>45,963</b>	<b>3,400</b>	<b>49,363</b>
<b>EXPENDITURE ON:</b>							
<b>Raising Funds</b>							
Cost of generating voluntary income & governance	5	7,106	-	7,106	6,280	-	6,280
Investment management fees	5	116	-	116	119	-	119
Children in Need Limited Cost Recovery	7	152	-	152	291	-	291
		<b>7,374</b>	<b>-</b>	<b>7,374</b>	<b>6,690</b>	<b>-</b>	<b>6,690</b>
<b>Charitable Activities</b>							
England		21,957	-	21,957	12,819	-	12,819
Scotland		2,564	-	2,564	2,099	-	2,099
Wales		1,458	-	1,458	1,253	-	1,253
Northern Ireland		1,631	-	1,631	1,426	-	1,426
UK wide grants		7,325	776	8,101	3,869	4,833	8,702
<b>Grants Awarded in the Year</b>	4	<b>34,935</b>	<b>776</b>	<b>35,711</b>	<b>21,466</b>	<b>4,833</b>	<b>26,299</b>
Cost of grant making and impact	5	5,789	-	5,789	5,883	236	6,119
		<b>40,724</b>	<b>776</b>	<b>41,500</b>	<b>27,349</b>	<b>5,069</b>	<b>32,418</b>
<b>TOTAL EXPENDITURE</b>		<b>48,098</b>	<b>776</b>	<b>48,874</b>	<b>34,039</b>	<b>5,069</b>	<b>39,108</b>
<b>Net (Losses) / Gains on Investments</b>	9	3,802	-	3,802	(54)	-	(54)
<b>Net Income/(Expenditure) for the Year</b>		<b>10,251</b>	<b>(776)</b>	<b>10,251</b>	<b>11,870</b>	<b>(1,669)</b>	<b>10,201</b>
<b>Net Movement in Funds</b>		<b>10,251</b>	<b>(776)</b>	<b>10,251</b>	<b>11,870</b>	<b>(1,669)</b>	<b>10,201</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward 1 July 2023		45,075	2,587	47,662	33,205	4,256	37,461
<b>Total Funds Carried Forward 30 June 2024</b>		<b>55,326</b>	<b>1,811</b>	<b>57,137</b>	<b>45,075</b>	<b>2,587</b>	<b>47,662</b>

The Charity has no recognised gains or losses for the above two financial periods other than the net movement in funds shown above, all of which are derived from continuing operations.

The notes on pages 64 to 79 form part of these financial statements.

# CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 30 JUNE 2024

Company Number 04723022

	Notes	Group 30 June 2024 £'000	Group 30 June 2023 £'000	Charity 30 June 2024 £'000	Charity 30 June 2023 £'000
<b>FIXED ASSETS</b>					
Tangible assets	8	28	8	28	8
Investment in subsidiary	7	-	-	-	-
Investments	9	29,394	18,845	29,394	18,845
		<b>29,422</b>	<b>18,853</b>	<b>29,422</b>	<b>18,853</b>
<b>CURRENT ASSETS</b>					
Investments	9	55,144	53,371	55,144	53,371
Stock		241	180	-	-
Debtors	10	9,179	7,826	9,669	8,259
Cash and cash equivalents		8,137	10,305	7,851	10,014
		<b>72,701</b>	<b>71,682</b>	<b>72,664</b>	<b>71,644</b>
Creditors: amounts falling due within one year	11	(28,377)	(32,019)	(28,355)	(31,996)
<b>NET CURRENT ASSETS</b>		<b>44,324</b>	<b>39,663</b>	<b>44,309</b>	<b>39,648</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>73,746</b>	<b>58,516</b>	<b>73,731</b>	<b>58,501</b>
Creditors: amounts falling due after more than one year	11	(16,594)	(10,839)	(16,594)	(16,876)
<b>NET ASSETS</b>		<b>57,152</b>	<b>47,677</b>	<b>57,137</b>	<b>47,662</b>
<b>RESERVES</b>					
Unrestricted funds	14	55,341	45,090	55,326	45,075
Restricted Grant Funds	14	1,811	2,587	1,811	2,587
<b>Total Funds</b>		<b>57,152</b>	<b>47,677</b>	<b>57,137</b>	<b>47,662</b>
<b>TOTAL RESERVES</b>		<b>57,152</b>	<b>47,677</b>	<b>57,137</b>	<b>47,662</b>

The notes on pages 64 to 79 form part of these financial statements.

The accounts on pages 60 to 63 were approved by the Trustees on 9 December 2024 and signed on their behalf by:

James Fairclough  
Chair

Jonathan Munro  
Trustee

# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

	Schedule	Year to 30 June 2024 £'000	Year to 30 June 2023 £'000
<b>Cash Flow from Operating Activities:</b>			
Net cash provided by/(used in) operating activities	A	<b>5,030</b>	<b>(13,055)</b>
<b>Cash Flow from Investing Activities:</b>			
Interest from investments		1,354	952
Purchase of equipment		(32)	(9)
Purchase of investments		(261,164)	(804,271)
Proceeds from sale of investments		252,644	813,148
<b>Net Cash (Used in)/Provided by Investing Activities</b>		<b>(7,198)</b>	<b>9,820</b>
<b>Change in cash and cash equivalents in the reporting period</b>			
Cash and cash equivalents at the start of the reporting period	B	10,305	13,540
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>	B	<b>8,137</b>	<b>10,305</b>

A. Reconciliation of net income to net cash flow from operating activities

	Year to 30 June 2024 £'000	Year to 30 June 2023 £'000
Net income for the year	9,475	10,201
Depreciation charges	12	28
Investment income	(1,354)	(952)
(Gain)/loss on investments	(3,802)	54
(Increase)/decrease in stock	(61)	50
(Increase) in debtors	(1,353)	(903)
Decrease/(increase) in creditors	2,113	(21,533)
<b>Net Cash Inflow/(Outflow)</b>	<b>5,030</b>	<b>(13,055)</b>

B. Analysis of cash and cash equivalents

	At 1 July 2023 £'000	Cash Flows £'000	At 30 June 2024 £'000
Cash at bank	10,305	(2,168)	8,137
Money market deposits	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>10,305</b>	<b>(2,168)</b>	<b>8,137</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2024

### 1 Principal Accounting Policies

#### Basis of Preparation

BBC Children in Need is a registered charity in England and Wales 802052 and Scotland SC039557 and a company limited by guarantee incorporated in England 04723022. The Registered Office is Dock House, MediaCity UK, Salford M50 2LH.

These accounts have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. The Charity has adapted the Companies Act formats to reflect the SORP and the special nature of the Charity's activities. The Charity is a public benefit entity.

#### Going Concern

The accounts have been prepared on the going concern basis and under the historical cost convention with the exception of listed and unlisted investments which are included at market value.

Trustees continuously monitor the impact of external factors on the Charity and its likely future financial position. They are satisfied that the assets are in excess of the liabilities at both the balance sheet date and at the date of approval of the financial statements. The Trustees are also satisfied that the liquidity of the portfolio is appropriate for the phasing of grant commitments over 1 to 3 years, and that the risk of market value changes in the Charity's investments can be managed appropriately. Having taken into account all available information about the future for the period of at least, but not limited to, 12 months from the date on which the accounts are approved the Trustees are satisfied that there are no material uncertainties about the Charity's ability to continue. The accounts are therefore prepared on a going concern basis.

The accounts were authorised for issue on 24 October 2024 by the Board of Trustees.

The accounts are prepared in Sterling which is the functional currency of the Charity and Group and rounded to the nearest £'000. The Charity and Group's presentational currency is the same as its functional currency.

The Charity funds the costs of generating income and governance from Gift Aid, interest earned on Investments and with effect from the 19/20 financial year, up to 5p in the £ from unrestricted donations. This change was necessary due to reducing returns on investments and reduced income from Gift Aid, and now provides the Charity with a level of financial stability.

#### Income

All income is recognised once the Charity has entitlement to it, it is probable that the income will be received and the monetary value of the income can be measured with sufficient reliability.

Legacy income is recognised when the criteria of probability, measurement and entitlement are met. This is considered to be on the earlier of the date cash is received or the date final estate accounts are approved.

Donated services and facilities are treated as gifts in kind and are included as income (with an equivalent amount in resources expended) at the estimated value to the Charity. This income has been recognised as the benefit to the Charity is reasonably quantifiable, measurable and material, the Charity is entitled to the donation in that control over the expected economic benefit has passed and it will more than likely flow to the Charity (further details are given in Note 3).

#### Consolidation

These consolidated accounts incorporate the results of BBC Children in Need and its wholly owned subsidiary undertaking, Children in Need Limited, for the year ended 30 June 2024, on a line by line basis. Children in Need Limited is a company registered in England and Wales and exists primarily to sell Children in Need merchandise and licence products using the Pudsey Bear trademark.

No separate Cash Flow Statement has been prepared for the Charity as permitted by Section 408 of the Companies Act 2006 and FRS102 respectively.

#### Relationship with the BBC

Although the Charity and the BBC are respectively separately governed, they remain closely associated and both parties recognise the mutual benefit of their association and collaboration: The Charity in pursuit of its charitable purposes is able to support the BBC in fulfilling its Mission and Public Purposes, including providing access to younger audiences, increasing awareness and understanding of the issues affecting children and young people in UK, and a charitable vehicle for BBC staff engagement. In return, the Charity benefits from an annual season of broadcast programming, and a range of marketing and operational support, enabling it to promote its work, raise support and money to in turn improve the lives of children and young people across the UK.

#### Grant Expenditure

Grant expenditure is recognised when grants are approved by Directors or Trustees and notified to the organisations concerned, payment is probable, it can be measured reliably and all conditions have been met. Grant expenditure not yet paid is recognised as a liability on the balance sheet. If grants are payable in less than one year they are classified as short term and if payable in more than one year then they are classified as long term. For grants payable in more than one year discounts for present value have not been applied on the basis of materiality.

#### Other Expenditure

Expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation committing the Charity and Group to the expenditure, payment is probable and it can be measured reliably. Costs have been directly attributed to a particular heading in the Statement of Financial Activities on a headcount basis or on a time basis consistent with the use of the resource.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

Cost of generating funds consists of costs incurred by the Charity in encouraging organisations and individuals to make voluntary contributions or to organise a fundraising event. This includes all costs of production and distribution of publicity materials, the costs of staff and other expenditure incurred in communicating with fundraisers and donors and the cost of Charity organised events and challenges.

Grant giving costs represent the cost of monitoring and evaluating projects to ensure the money is being used to maximum effect and ensuring that grant making is supported, processed and governed responsibly. This includes costs of staff who support the grant making process, external assessors, regional and national committee meetings and expenditure incurred in this process.

Governance costs include all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These include costs of staff, external audit and legal fees along with Trustee expenses and meeting costs.

Further details of other expenditure are shown in Note 5.

#### Tangible Fixed Assets

Tangible assets costing more than £1,000 are capitalised, included at cost and depreciated over their useful lives on a straight line basis. Depreciation is provided on all tangible assets at rates calculated to write off the costs of each asset on a straight line basis over its expected useful life as follows:

IT equipment and software            3 years

Further details of assets are shown in Note 8.

#### Investments

Grants are paid in instalments across the life of the project (typically 3 years) therefore we will always have some funds that we hold in investments.

Investments are included in the Balance Sheet at mid-market value. All gains and losses are shown in the Statement of Financial Activities. They are classified as fixed investments if they represent grants awarded and payable in more than one year (presented as a long term creditor) and grant funds due to be awarded where the payment will be made in more than one year (presented as the grant fund). They are classified as current investments if they represent grants payable in less than one year.

Further details of fixed and current investments are given in Note 9.

#### Stock

Stock is held by Children in Need Limited. Further details of the accounts of Children in Need Limited are given in Note 7. Stock is stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

### Short Term Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activity in the cost of generating voluntary income.

### Operating Leases

Operating lease rentals are charged to the Statement of Financial Activity on a straight line basis over the period of the lease.

Further details of operating leases are given in Note 13.

### Retirement Benefit Plans

Employees of the Charity participate in defined benefit and defined contribution schemes operated by the British Broadcasting Corporation. The defined benefit schemes provide benefits based on pensionable pay. The assets of the BBC's main pension scheme, the BBC Pension Scheme, to which the majority of employees belong, are held separately from those of the BBC Group.

The BBC Pension Scheme is a group-wide scheme and there is no contractual agreement or stated policy for charging the net defined benefit cost to scheme participants. The contribution rates are set by the pension scheme trustees based on valuations which take a longer-term view of the assets required to fund the scheme's liabilities. Valuations of the scheme are performed by Willis Towers Watson, consulting actuaries, with formal valuations undertaken at least every three years. Accordingly, the Company accounts for contributions payable to the scheme as if the schemes were defined contribution schemes.

### Basic Financial Instruments

#### (a) Financial assets

Basic financial assets represents stocks, trade debtors including amounts due by group undertakings; and cash and bank balances which are initially recognised at transaction price. At 30 June 2024, the group and charity had only financial assets classified as basic financial instruments. Debtors receivable in less than one year are recorded at transaction price.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled.

#### (b) Financial liabilities

Basic financial liabilities represents creditors including amounts owed to group undertakings are initially recognised at transaction price. At 30 June 2024, the group and charity had financial liabilities classified as basic financial liabilities.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

Trade creditors are recognised initially at transaction price.

Amount owed to group undertakings which are basic financial instruments are initially recorded at the present value of future payments.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### Structure of Reserves

##### Unrestricted Funds including Designated

The Charity holds the majority of donation income in the Impact Continuity Fund which is designated to ensuring maximum positive impact on disadvantaged children and young people. The money is therefore spent on BBC Children in Need's grant making activity, grant making policy and making an impact - charitable initiatives designed to make a positive difference to the lives of children and young people. This includes making awards to projects and the cost of allocating, monitoring and evaluating grants to ensure that donations are being used to maximum effect. It is not always possible to accurately match the amount of grant making activity with the amount of income in any one year therefore any unspent income is always monitored separately.

The Charity holds Gift Aid from unrestricted donations, interest earned on Investments and up to 5p in the £ from unrestricted donations in the general continuity fund. This fund is used to cover the costs of generating income and other activities which support the governance, growth and development of the Charity. A proportion is also held in reserve to cover any potential investment losses generated through short term volatility and to fund a potential short term funding deficit should future income levels fall unexpectedly.

Other Non-Grant funds also include the net assets of Children in Need Limited.

Gifts in kind is allocated across the two funds based on direct staff allocation.

##### Restricted Funds

This is restricted income held to further a specific purpose of the Charity as stipulated by the donor and is accounted for accordingly and presented separately on the face of the Statement of Financial Activities. This may also include associated Gift Aid which is also deemed to be restricted in use. This spend includes making awards to projects and the cost of allocating, monitoring and evaluating grants.

Where the donor expresses a form of non-binding preference as to the use of the funds, this falls short of imposing a formal restriction and the Charity will include the relevant donations as part of its unrestricted funds.

##### Loan to Children in Need Limited

The interest bearing loan is a basic financial instrument and is recorded at fair value on both initial recognition and subsequent recognition. As the loan is repayable on demand fair value is equal to face value.

#### Judgements and Estimates

The preparation of the accounts requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for income and expenditure during the year.

Judgement has been applied in the consideration of what gifts in kind are included in the Charities accounts. The gift in kind has been accounted for where the actual expenditure incurred by the BBC or corporate partner can be measured reliably and the Charity has received the benefit. Many of the other elements of BBC support are very difficult to quantify as they are not discrete activities but embedded, partly as newsworthy and entertainment content, within the operations and business of the BBC. The Appeal show provides valuable content, which attracts a large audience, and without it the BBC would have to produce alternative content. As such the full value of support provided by the BBC has not been included in the Charity's Statement of Financial Activities.

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 2 INCOME

Income from direct public support such as donations, public & schools fundraising, our Corporate Partners and BBC Programmes of £48.9m (2023: £44.2m) plus income such as gift aid, investment income and licence fee income of £8.8m (2023: £4.4m) which is used to fund the Charity's income generating activities, totals £57.7m of income for the Charity (2023: £48.6m).

	Unrestricted Funds				Restricted Funds		Total 2024 £000	Total 2023 £000
	Direct Public Support £000	High Value Donors & Partnerships £000	BBC Programmes £000	Other £000	Direct Public Support £000	High Value Donors & Partnerships £000		
Schools	3,523	-	-	-	-	-	3,523	3,936
Public fundraising	2,348	-	-	-	-	-	2,348	2,382
Donations	4,357	13,975	18,736	-	-	-	37,068	33,690
Gift Aid on donations	3,524	-	-	-	-	-	3,524	3,216
<b>TOTAL DONATIONS</b>	<b>13,752</b>	<b>13,975</b>	<b>18,736</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,463</b>	<b>43,224</b>
Gift aid payment from Children in Need Limited	372	-	-	-	-	-	372	206
Partnership funding	-	2,150	-	-	-	400	2,150	1,150
Legacies	3,379	-	-	-	-	-	3,379	2,858
<b>TOTAL INCOME FROM CHARITABLE ACTIVITIES</b>	<b>17,503</b>	<b>16,125</b>	<b>18,736</b>	<b>-</b>	<b>-</b>	<b>3,400</b>	<b>52,364</b>	<b>47,438</b>
Licence fee income	-	152	-	-	-	-	152	290
Return on investments	-	-	-	1,354	-	-	1,354	952
Other income - gift in kind	-	-	-	677	-	-	677	683
<b>RECONCILIATION TO CHARITY SOFA</b>				<b>54,547</b>		<b>54,547</b>	<b>54,547</b>	<b>49,363</b>
Gift in kind	-	-	-	(677)	-	-	(677)	(683)
Plus gains/less losses on investments	-	-	-	3,802	-	-	3,802	(54)
<b>RECONCILIATION TO REPORTED INCOME</b>				<b>57,672</b>		<b>57,672</b>	<b>57,672</b>	<b>48,626</b>

How the above income has been utilised in the year is shown below.

Grant Awards	(34,935)	(776)	(35,711)	(26,299)
Costs of Grant Making	(5,426)	-	(5,426)	(5,743)
Costs of Generating Income and Governance	(7,060)	-	(7,060)	(6,383)
Movement in Reserves	(10,251)	776	(9,475)	(10,201)
<b>REPORTED TOTAL INCOME</b>	<b>(57,672)</b>	<b>-</b>	<b>(57,672)</b>	<b>(48,626)</b>

Total income reported on the Charity Statement of Financial Activities is £54.5m (2023: £49.4m) is before unrealised investment income and gift in kind.

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 3 GIFTS IN KIND

BBC Children in Need is the UK corporate Charity of the BBC and as such is supported by the BBC in a number of ways including but not limited to:

- the provision of office space and other services at no charge;
- the preparation and broadcast of the annual television BBC One Appeal Show including national and regional programming content;
- the extensive support of programmes across all platforms both on the day of the Appeal and the campaign build up;
- significant promotional support and coverage of the Appeal across the BBC local television and radio network in the days before the Appeal and on Appeal night.

The costs of support through the provision of office space and other services for the last financial year have been calculated as £677k (2023 - £683k), based on actual office space utilised by BBC Children in Need during the year. This amount has been recorded as income, with an equal amount included in expenditure, in the statement of financial activities - as it meets the recognition criteria set out in the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019.

Please refer to Note 1 on page 64 for disclosure of key judgements in relation to gifts in kind.

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 4 GRANT EXPENDITURE

The grants given to charities and organisations fall into the bands detailed below:

Grants Reconciliation	Group 2024 £'000	Group 2023 £'000
<b>Grants Outstanding as at 1 July 2023</b>	39,747	61,574
Grants awarded in the period	35,711	26,299
Grants paid in the period	(33,773)	(48,126)
<b>Grants Outstanding as at 30 June 2024</b>	41,685	39,747

Total Grants Awarded In The Period	Qty	Group 2024 £'000	Qty	Group 2023 £'000
<b>Open Call Grant Award</b>				
Main & Small Extension Grants	-	-	1,658	859
Youth Investment Fund	73	2,471	-	-
Core Grants	147	9,646	98	6,650
Project Grants	238	16,276	119	8,201
Big Sky	29	142	-	-
iWill - Youth Social Action, We Move	56	1,622	131	-
	<b>543</b>	<b>30,157</b>	<b>2,006</b>	<b>15,710</b>
<b>In Partnership With:</b>				
A Million & Me Programme	8	1,081	8	605
The Hunter Foundation	1	539	5	1,869
The Children's Society	1	1,000	-	-
Legal Education Foundation	1	244	1	81
Spiral Skills	1	100	-	-
The Felix Project	1	100	1	100
National Youth Agency	1	100	-	-
Alliance for Youth Justice	-	-	1	47
HSBC Money Heroes	-	-	20	134
McDonalds Community Connections	10	16	54	135
Youth Work Alliance	-	-	1	169
Blagrove Trust	1	67	1	133
New Philanthropy Capital	-	-	1	48
Others	13	136	5	67
	<b>38</b>	<b>3,383</b>	<b>98</b>	<b>7,832</b>
<b>Emergency Funding</b>	<b>1</b>	<b>3,000</b>	<b>2</b>	<b>3,500</b>
<b>Total Grant Awards</b>	<b>582</b>	<b>36,540</b>	<b>2,106</b>	<b>27,042</b>
Grant Underspends		(830)		(743)
Training of Grantees		1		-
		<b>35,711</b>		<b>26,299</b>

In the year ended June 2024 £36,540k (2023: £27,042k) before returns and training support was awarded to projects and programmes.

Of this amount direct open call funding totalled £30,157k (2023: £20,154k), £3,000k (2023: £3,500k) was awarded in Emergency funding and £3,383k (2023: £3,388k) across other partnership programmes.

#### Main & Small Extension Grants

Prior to the Covid-19 pandemic our reactive grant making was largely made up of Small and Main Grants. When the pandemic hit, we changed the way we made grants by creating targeted programmes to get money to those who needed us most. That challenged us to review who we are as a funder, so in 2022 we launched our new grants strategy. That changed the way our reactive programmes worked and we moved away from Small and Main grants, and instead implemented a programme of Core or Project grants. This allowed applicants to come to us for funding for both running projects and for covering core running costs.

#### Adjustments to Grants

An amount of £830k (2023: £743k) has been written back to the Statement of Financial Activities in the 2024 financial year. This represents adjustments to grants and the full and partial return of grants that have been awarded in the current and the prior year which would arise when the project cannot fulfil the agreed outcomes. This amount is added back to the total available for future award.

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### Support, Education and Training

Some organisations, particularly those where the Charity is funding a staff post, are given training and support in how to measure and report the difference their project is making to the children and young people they work with. Due to this being managed inhouse, the external cost in 2024 was £1k (2023: nil).

#### 5 GROUP OPERATING COSTS EXCLUDING GIFTS IN KIND

In order to administer the Charity efficiently, fundraise creatively, manage the funds raised professionally and operate as an effective grant maker, BBC Children in Need incurs costs.

Where staff work across more than one area, costs are allocated based on the proportion of time spent on the areas of generating voluntary income, governance and making an impact which includes the cost of grant making. Office & IT costs and professional fees are allocated based on usage. The BBC Gift in Kind to support the provision of office space together with depreciation is allocated on staff numbers.

Group Operating Costs	Staff Costs £'000	Support Costs £'000	Other Direct Costs £'000	2024 Total £'000	2023 Total £'000
<b>Costs of Generating Funds</b>					
Cost of generating voluntary income	2,756	1,672	2,245	6,673	5,922
Investment management fees	-	-	116	116	119
Trading operating costs	24	-	494	518	1,006
Governance	114	318	1	433	358
<b>Charitable Activities</b>					
Grant Making, policy & impact	3,340	1,477	972	5,789	6,119
	<b>6,234</b>	<b>3,467</b>	<b>3,828</b>	<b>13,529</b>	<b>13,524</b>
Gifts in kind				(677)	(683)
<b>Operating costs</b>				<b>12,852</b>	<b>12,841</b>

Specific expenditure items included in the figures above are:

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Depreciation	12	29	12	29
Operating leases	29	45	29	45
Reimbursement of trustees expenses	4	2	4	2
<b>Auditors' Remuneration:</b>				
Audit of these accounts	52	51	52	58
Audit of the charity's subsidiary pursuant to the legislation	2	2	-	-
Taxation compliance services	2	2	-	1
Legal fees	45	37	45	37

Support costs for the group are broken down as:

	Staff Costs £'000	Office and IT Costs £'000	Depreciation £'000	Professional Fees £'000	Gifts in Kind £'000	2024 Total £'000	2023 Total £'000
<b>Costs of Generating Funds</b>							
Cost of generating voluntary income	978	250	6	136	302	1,672	1,336
Governance	219	56	1	30	12	318	259
<b>Charitable Activities</b>							
Grant making, policy and impact	795	203	5	111	363	1,477	1,270
	<b>1,992</b>	<b>509</b>	<b>12</b>	<b>277</b>	<b>677</b>	<b>3,467</b>	<b>2,865</b>

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 6 EMPLOYEE AND PENSION INFORMATION

The average number of persons employed during the period split by function is as follows:

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Generating funds	65	63	65	60
Grant giving	83	86	83	86
Governance	4	4	4	4
	<b>152</b>	<b>153</b>	<b>152</b>	<b>150</b>

The equivalent number of full time staff is 145 (2023: 144).

The breakdown of the group's salary costs is as follows:

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Wages and salaries	6,571	6,100	6,550	5,992
Social Security costs	686	672	684	660
Pension costs	552	611	552	602
Other staff costs	417	387	416	383
	<b>8,226</b>	<b>7,770</b>	<b>8,202</b>	<b>7,637</b>

#### Pension Costs

##### Defined Benefit Schemes:

The Company accounts for the BBC Pension Scheme as if it were a defined contribution scheme. This is because it is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

The pension costs for both schemes represent contributions payable by the Charity to the funds and this amounted to £552k in the year (2023: £611k).

Information about the scheme deficit that may affect the amount of future contributions, including the basis used to determine that deficit and the implications, can be found within notes D6 and D7 of the BBC Annual Report and Accounts.

##### Remuneration

Trustees do not receive any remuneration or receive any other benefits for their roles as Trustees. Trustee expenditure includes the reimbursement of expenses incurred by Trustees while carrying out their duties for the Charity, primarily for travel expenses of Trustees not based in London to attend meetings. £3k of expenses were paid in the 2024 financial year to four trustees (2023: £2k to six Trustees).

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

The emoluments of employees who are higher paid fell into the following bands of £10,000:

	Group 2024	Group 2023
£60,000 - £69,999	6	6
£70,000 - £79,999	3	2
£80,000 - £89,999	3	1
£90,000 - £99,999	1	2
£100,000 - £109,999	2	1
£110,000 - £119,999	1	-
£150,000 - £159,999	-	1
£160,000 - £169,999	1	-
	<b>17</b>	<b>13</b>

The emoluments paid to the Chief Executive in the year were £160,997 (2023: £154,044).

Retirement benefits are accruing under defined benefit schemes for four (2023: four) of the above higher paid members of staff.

### Key Management Personnel

All principal officers who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is £1,127k (2023: £993k). The Charity has invested in its leadership team in the year to ensure delivery of the long term strategy.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

### 7 INVESTMENT IN SUBSIDIARY

BBC Children in Need owns 100% of the issued ordinary share capital of £2 of Children in Need Limited (registered company 2461031), a company registered in England and Wales, which licenses products using the Pudsey Bear trademark.

A summary of the trading results and balance sheet of Children in Need Limited is set out below.

Turnover of £597k is derived from the sale of merchandise to the public through our online store and fundraising events (2023: £928k). In addition, Corporate Partners purchase BBC Children in Need product to support their fundraising activities as well as sell their own products licensed by Children in Need Limited, for this a license fee is charged £293k (2023: £284k).

The Trading Company has gifted its net profit of £372k (2023: £206k) to the Charity.

	Year to 30 Jun 24 £'000	Year to 30 Jun 23 £'000
Turnover	890	1,212
Product cost of sales	(366)	(715)
<b>Contribution</b>	<b>524</b>	<b>497</b>
Other cost of sales	(74)	(95)
<b>Gross Profit</b>	<b>450</b>	<b>402</b>
Operating expenses	(78)	(198)
<b>Net Profit</b>	<b>372</b>	<b>206</b>
Gift aid payment to BBC Children in Need Appeal	(372)	(206)
<b>Retained in Children in Need Limited</b>	<b>-</b>	<b>-</b>
	<b>30 Jun 24 £'000</b>	<b>30 Jun 23 £'000</b>
<b>Fixed Assets</b>		
<b>Current Assets</b>		
Stock	241	180
Debtors	104	66
Cash at bank and in hand	286	290
<b>TOTAL CURRENT ASSETS</b>	<b>631</b>	<b>536</b>
Creditors: amounts falling due within one year	(616)	(521)
<b>Net Current Assets / (Liabilities)</b>	<b>15</b>	<b>15</b>
Total assets less current liabilities	15	15
Creditors: amounts falling due after more than one year	-	-
<b>Net Assets</b>	<b>15</b>	<b>15</b>
Share capital	-	-
Profit and loss account	15	15
<b>Total Funds</b>	<b>15</b>	<b>15</b>

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

Within the creditors amount of £616k is £594k (2023: £499k) owing to the Charity. This is made up of an outstanding loan of £150k not due for repayment, £372k of gift aid and £72k of recharges not yet transferred back to the Charity. The movement in the creditor balance in the year of £95k is explained as follows:

Inter Company Transactions in Year	2024 £'000	2023 £'000
Staff & staff expenses recharged by charity	54	167
Donations deposited with the trading company	221	150
Trading vat transactions paid through the charity	66	117
Loan interest charged by the charity	14	16
Gift aid payment donated to charity	372	206
Merchandise and storage costs recharged to charity	(43)	(53)
Cash transferred to charity in part settlement of the above	(589)	(422)
<b>Movement</b>	<b>(95)</b>	<b>(181)</b>

## 8 TANGIBLE ASSETS

Group	IT Equipment & Software £'000	Total £'000
<b>Cost</b>		
As at 01 July 2023	371	372
Additions	32	32
Disposals	-	-
<b>As at 30 June 2024</b>	<b>403</b>	<b>403</b>
<b>Accumulated Depreciation</b>		
As at 01 July 2023	363	363
Charge for the year	12	12
Disposals	-	-
<b>As at 30 June 2024</b>	<b>375</b>	<b>375</b>
<b>Net Book Value</b>		
As at 30 June 2023	8	9
<b>As at 30 June 2024</b>	<b>28</b>	<b>28</b>
<b>Charity</b>		
	IT Equipment & Software £'000	Total £'000
<b>Cost</b>		
As at 01 July 2023	297	297
Additions	32	32
Disposals	-	-
<b>As at 30 June 2024</b>	<b>329</b>	<b>329</b>
<b>Accumulated Depreciation</b>		
As at 01 July 2023	289	289
Charge for the year	12	12
Disposals	-	-
<b>As at 30 June 2024</b>	<b>301</b>	<b>301</b>
<b>Net Book Value</b>		
As at 30 June 2023	8	8
<b>As at 30 June 2024</b>	<b>28</b>	<b>28</b>

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

## 9 FIXED AND CURRENT INVESTMENTS FOR THE GROUP

The portion of the Group and Charity's investment portfolio that is classified as fixed investments relate to grant creditors committed, or grants to be awarded and payable in more than one year. Current investments relate to grant creditors committed, or grants to be awarded and due for payment within one year plus any other short term liabilities.

Investments are analysed below, between Fixed Income and Alternatives. Fixed Income includes certificates of deposit, floating rate notes, gilts and high-quality corporate bonds. Alternatives include other income generating assets, such as property and securitised credit funds. Investments are valued at current market value as at 30 June 2024.

Income in the year of £5,196k relates to interest earned on investments held in the year £1,354k plus revaluation gains £3,802k (2023: £898k (£952k interest and -£54k losses)).

Group and Charity	2024 £'000	2023 £'000
<b>Market Value at 1 July 2023</b>	<b>72,215</b>	<b>81,146</b>
Add: acquisitions at cost	267,159	804,441
Less: disposals at market value	(252,644)	(813,148)
Add: net gains / (losses) on revaluation	3,802	(54)
<b>Market Value at 30 June 2024</b>	<b>90,532</b>	<b>72,385</b>
Add: deposits held at financial institutions	(7,251)	(1,257)
Less: deposits held at financial institutions at 30 June 2024	1,257	1,087
<b>Total Investments at 30 June 2024</b>	<b>84,538</b>	<b>72,215</b>

The investments can be analysed as follows:

	2024		2023	
	Valuation £'000	Cost £'000	Valuation £'000	Cost £'000
<b>Fixed Income</b>				
-maturing in more than 1 year	13,812	13,690	13,683	14,277
-maturing in less than 1 year	59,313	59,057	38,255	38,047
<b>Alternatives</b>				
-maturing in more than 1 year	18,664	15,021	21,531	19,658
-maturing in less than 1 year	-	-	4	-
Deposits held with financial institutions	(7,251)	(7,251)	(1,257)	(1,257)
	<b>84,538</b>	<b>80,517</b>	<b>72,216</b>	<b>70,725</b>
Included as:				
Fixed asset investments	29,394	29,394	18,845	18,845
Current investments	55,144	51,123	53,371	51,880
	<b>84,538</b>	<b>80,517</b>	<b>72,216</b>	<b>70,725</b>

Included within the above totals are cash and cash equivalents of £1,257k (2023: £1,087k).

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

#### 10 DEBTORS

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
<b>Amounts Falling Due Within One Year</b>				
Trade debtors	809	1,591	705	1,525
Amounts owed by subsidiary undertaking	-	-	594	499
Other debtors	1,543	2,277	1,543	2,277
Taxation	-	3	-	3
Prepayments and accrued Income	6,527	2,895	6,527	2,895
	<b>8,879</b>	<b>6,766</b>	<b>9,369</b>	<b>7,199</b>
<b>Amounts Falling Due After More Than One Year</b>				
Other debtors	300	1,060	300	1,060
	<b>300</b>	<b>1,060</b>	<b>300</b>	<b>1,060</b>
<b>Total Debtors</b>	<b>9,179</b>	<b>7,826</b>	<b>9,669</b>	<b>8,259</b>

Included in the £594k (2023: £499k) amount owed by subsidiary undertaking is a receivable from Children In Need Limited for gift aid of £372k and £150k intercompany loan which is repayable on demand, (2023: £207k and £150k respectively).

Prepayments and accrued income of £6,527k are split £170k and £6,357k (2023: £2,895k split £161k and £2,716k) respectively.

The accrued income relates mainly to Corporate and Investment income still to be received and other debtors falling due within one year relates to income due from the Hunter Foundation to fund ongoing partnership activity.

The debtors falling due greater than one year relate to grants receivable from the Hunter foundation in relation to the Make it Happen initiative.

#### 11 CREDITORS

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
<b>Amounts Falling Due Within One Year</b>				
Trade creditors	1,587	1,733	1,587	1,719
Grants payable	25,091	28,908	25,091	28,908
Accruals and deferred income	1,696	1,369	1,675	1,369
Taxation	3	9	2	-
	<b>28,377</b>	<b>32,019</b>	<b>28,355</b>	<b>31,996</b>
<b>Amounts Falling Due After More Than One Year</b>				
Grants payable	16,594	10,839	16,594	10,839
	<b>16,594</b>	<b>10,839</b>	<b>16,594</b>	<b>10,839</b>

Within grants payable, £25,091k (2023: £28,908k) is due to be paid within one year and £16,594k (2023: £10,839k) paid within the next two to three years. Of the total grant payable amount of £41,685k, £4,080k relates to our main and small responsive grants awarded in previous years, £31,879k relates to our core, project and emerging grants awarded and payable over the next 3 years, £2,250k relates to our emergency essential programme that is funded for the next 11 months and the balance of £3,476k relates to proactive grant partnerships including We Move, Big Sky and The Hunter Foundation.

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
<b>Details of Awarded but Unpaid Grants</b>				
Main & small responsive grants	4,080	19,578	4,080	19,578
Core, project & emerging grants	31,879	13,572	31,879	13,572
Emergency Essentials Programme	2,250	3,000	2,250	3,000
Proactive grant partnerships	3,476	3,597	3,476	3,597
	<b>41,685</b>	<b>39,747</b>	<b>41,685</b>	<b>39,747</b>

- Our main and small responsive grants were awarded in previous years
- Our core, project and emerging grants are payable over the next 3 years
- Our emergency essential programme grant is payable in the next 11 months
- Our proactive grant partnerships includes We Move, Big Sky and The Hunter Foundation

#### 12 FINANCIAL INSTRUMENTS

The group has the following financial instruments:

	Notes	Group 2024 £'000	Group 2023 £'000
Financial assets measured at amortised cost are: trade debtors, accrued income, cash and other debtors excluding prepayments	11, 12	9,895	16,713
Financial assets measured at fair value through income and expenditure	11	91,789	73,472
Financial liabilities at amortised cost are: trade creditors, grants payable, other creditors, accruals excluding deferred income	13	44,971	42,858

#### 13 OPERATING LEASES

	Group		Group	
	Land & Buildings 2024 £'000	Other 2024 £'000	Land & Buildings 2023 £'000	Other 2023 £'000
<b>Operating Leases Future Minimum Payments:</b>				
- within one year	-	22	-	38
- later than one year and not later than five years	-	15	-	24
	-	<b>37</b>	-	<b>62</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

### 14a FUNDS

The fund balances are shown below.

Funds £'000	Opening Fund 1 Jul 23	Donations	Funding	Legacies	Gift Aid	Product	Investments	Total Income	Grants Awarded in Year (Net of Adjustments)	Cost of Grant Making, Policy, Impact and Grantee Training	Cost of Raising Funds & Governance	Closing Fund 30 June 24
iWill	734	-	-	-	-	-	-	-	(314)	-	-	420
THF	1,853	-	-	-	-	-	-	-	(462)	-	-	1,391
<b>Restricted Impact Fund</b>	<b>2,587</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(776)</b>	<b>-</b>	<b>-</b>	<b>1,811</b>
<b>Unrestricted Designated Impact Fund</b>	<b>31,031</b>	<b>42,080</b>	<b>2,150</b>	<b>3,311</b>	<b>-</b>	<b>372</b>	<b>-</b>	<b>47,913</b>	<b>(34,935)</b>	<b>(5,426)</b>	<b>-</b>	<b>38,583</b>
General Continuity Fund	8,809	859	-	68	3,524	152	5,156	9,759	-	-	(7,060)	11,508
Investment Continuity Fund	5,000	-	-	-	-	-	-	-	-	-	-	5,000
Development Fund	250	-	-	-	-	-	-	-	-	-	-	250
<b>Total Unrestricted Funds</b>	<b>45,090</b>	<b>42,939</b>	<b>2,150</b>	<b>3,379</b>	<b>3,524</b>	<b>524</b>	<b>5,156</b>	<b>57,672</b>	<b>(34,935)</b>	<b>(5,426)</b>	<b>(7,060)</b>	<b>55,341</b>
<b>Total Funds</b>	<b>47,677</b>	<b>42,939</b>	<b>2,150</b>	<b>3,379</b>	<b>3,524</b>	<b>524</b>	<b>5,156</b>	<b>57,672</b>	<b>(35,711)</b>	<b>(5,426)</b>	<b>(7,060)</b>	<b>57,152</b>

The closing restricted fund of £1.8m (2023: £2.6m) represents £1.4m (2023: £1.9m) of donations previously received from The Hunter Foundation (THF) and the balance of £0.4m (2023: £0.7m) of income from iWill will be used to continue our joint support of support of children deemed to be on the edge of the care system and Youth Social Action respectively.

All funds donated in the year have been awarded as per agreed restrictions. Unrestricted funds totalling £55.3m (2023: £45.1m) are held for the following purposes:

- The 'Designated Impact Fund' of £38.6m (2023: £31m) is designated for grant making and will be awarded prior to the next Appeal with the exception of a £5m contingency held to cover the uncertainty of income available to fund impact activity and /or exceptional requirement for funding.
- The 'General Continuity Fund' of £11.5m (2023: £8.8m) is held to cover uncertainty of income available to fund general operating costs.
- The 'Development Fund' of £0.3m (2023: £0.3m) is to allow for future investment and respond to growth opportunities.
- The 'Investment Continuity Fund' of £5m (2023: £5m) is to manage volatility or total return (capital value or income) from income generating assets.

### 14b COMPARATIVE FUNDS NOTE

Funds £'000	Opening Fund 1 Jul 22	Donations	Funding	Legacies	Gift Aid	Product	Investments	Total Income	Grants Awarded in Year (Net of Adjustments)	Cost of Grant Making, Policy, Impact and Grantee Training	Cost of Raising Funds & Governance	Closing Fund 30 June 23
iWill	1,247	-	400	-	-	-	-	400	(686)	(227)	-	734
YFF	9	-	-	-	-	-	-	-	-	(9)	-	-
THF	3,000	-	-	-	-	-	-	-	(1,147)	-	-	1,853
Other partnerships	-	3,000	-	-	-	-	-	3,000	(3,000)	-	(118)	-
<b>Restricted Impact Fund</b>	<b>4,256</b>	<b>3,000</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,400</b>	<b>(4,833)</b>	<b>(236)</b>	<b>(118)</b>	<b>2,587</b>
<b>Unrestricted Designated Impact Fund</b>	<b>19,175</b>	<b>35,158</b>	<b>750</b>	<b>2,715</b>	<b>-</b>	<b>206</b>	<b>-</b>	<b>38,829</b>	<b>(21,466)</b>	<b>(5,507)</b>	<b>-</b>	<b>31,031</b>
General Continuity Fund	8,795	1,850	-	143	3,216	290	898	6,397	-	-	(6,383)	8,809
Investment Continuity Fund	5,000	-	-	-	-	-	-	-	-	-	-	5,000
Development Fund	250	-	-	-	-	-	-	-	-	-	-	250
<b>Total Unrestricted Funds</b>	<b>33,220</b>	<b>37,008</b>	<b>750</b>	<b>2,858</b>	<b>3,216</b>	<b>496</b>	<b>898</b>	<b>45,226</b>	<b>(21,466)</b>	<b>(5,507)</b>	<b>(6,383)</b>	<b>45,090</b>
<b>Total Funds</b>	<b>37,476</b>	<b>40,008</b>	<b>1,150</b>	<b>2,858</b>	<b>3,216</b>	<b>496</b>	<b>898</b>	<b>48,626</b>	<b>(26,299)</b>	<b>(5,743)</b>	<b>(6,383)</b>	<b>47,677</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2024 (CONTINUED)

### 14c ANALYSIS OF NET ASSETS BY FUND

Fund balances at 30 June 2024 are represented by:

Group	Unrestricted Designated Impact Funds £'000	Restricted Funds £'000	Unrestricted General Funds £'000	Total £'000
Fixed assets	29,422	-	-	29,422
Net current assets	25,756	1,811	16,757	44,324
Long-term liabilities	(16,594)	-	-	(16,594)
<b>Net assets</b>	<b>38,584</b>	<b>1,811</b>	<b>16,757</b>	<b>57,152</b>

Fund balances at 30 June 2023 are represented by:

Group	Unrestricted Designated Impact Funds £'000	Restricted Funds £'000	Unrestricted General Funds £'000	Total £'000
Fixed assets	18,853	-	-	18,853
Net current assets	23,017	2,587	14,059	39,663
Long-term liabilities	(10,839)	-	-	(10,839)
<b>Net assets</b>	<b>31,031</b>	<b>2,587</b>	<b>14,059</b>	<b>47,677</b>

### 15 TAXATION

BBC Children in Need, a company limited by guarantee was registered as a Charity on 7 August 2003. The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### 16 RELATED PARTIES

#### Subsidiary Undertaking

During the year the Charity entered into transactions with a related party, in the ordinary course of the charities activity. Trading balances outstanding at 30 June 2024 are as follows:

	2024 £'000	2023 £'000
Subsidiary Undertaking (debtor to the charity)	594	499

At the year end BBC Children in Need had a creditor balance with the BBC Group of £1.4m (2023: £1.3m) relating to the recharge of employee costs.

During the financial year BBC Children in Need engaged with research partners Clearview and Renaisi to perform grant evaluation activity. Trustee Kenny Imafidon, Co-founder of Clearview, who also works with Renaisi, declared a conflict of interest but had no involvement in contracting the services (the total cost of the evaluation activity was circa £100k).

**B B C**  
**CHILDREN  
IN NEED**

**BBC CHILDREN IN NEED**

England & Wales - Charity number 802052

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# Accounts

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**B B C**  
**CHILDREN  
IN NEED**



**ANNUAL REPORT  
AND ACCOUNTS**

**FOR THE FINANCIAL YEAR TO 30 JUNE 2023**

# CONTENTS

<b>MESSAGE FROM THE CHAIR</b>	<b>5</b>
<b>REPORT OF THE TRUSTEES</b>	<b>7</b>
Our 2022/23 Objectives and Activities	8
Future Plans	10
Strategic Report	12
<b>DEEPENING AND BROADENING OUR IMPACT</b>	<b>15</b>
Changing the lives of Children	16
Our Funding	19
Our Cost of Living response	26
<b>CREATIVELY ENGAGING OUR AUDIENCES AND SUPPORTERS</b>	<b>28</b>
<b>GROWING AND DIVERSIFYING OUR INCOME</b>	<b>33</b>
Income Raised	36
Support from the BBC	38
Support from the Public	42
Support from our Partners	44
<b>OPERATIONAL EXCELLENCE</b>	<b>49</b>
<b>2023 ACCOUNTS</b>	<b>55</b>
Financial Review	56
Principal Risks and Uncertainties	59
Structure, Governance and Management	61
Reference and Administrative Details	63
Statement of Trustees' Responsibilities	64
Independent Auditors' Report to the Trustees	65
Consolidated Statement of Financial Activities	68
Charity Statement of Financial Activities	69
Consolidated and Charity Balance Sheets	70
Consolidated Cash Flow Statement	71
Notes to the Accounts	72



## MESSAGE FROM THE CHAIR

Last year, as the legacy of Covid was still apparent, and as the cost of living crisis tightened, we implemented a new five-year strategy, which will enable the better delivery of our mission, which is to help children and young people to thrive and be the best they can be.

Part of this involved highlighting and focusing our aim on four main themes which encompass critical areas of social need, namely Poverty and Deprivation, Mental Health, Family Challenges and Social Inequality.

We also implemented a new three-year Grant Making Strategy. This meant closing for new applications for a short period, resulting in a reduction in the number of grants made in the year. In the longer term this new plan will make it easier for the charities we fund to get money quicker, and benefit from a more streamlined approach.

For the first time, we opened a fund to which organisations could apply for core costs rather than bespoke projects. This will help projects manage with everyday demands; to keep their doors open, meet rising costs, keep spaces warm and respond to increased demand.

The challenge of the lasting effects of the pandemic plus the cost of living crisis has meant a far greater pressure on children's mental health. It was to cope with this that we launched our 2022 Appeal. Despite the challenging climate, thousands of people came from across the UK to help support our work. Our corporate partners raised millions of pounds, while across the BBC, a host of much-loved programmes, augmented by specific fundraising initiatives, burst into people's homes, helping motivate audiences to donate and to inspire thousands across the UK to take on their own fundraising challenges and events.

Our 2022 Appeal night raised a remarkable amount of money. The generosity of the British public led to £35m raised in the lead up to, and during the Night Of TV. This grew to £44m as donations continued over the following months.

As a result, we were able to award grants to a value of £27m across our programmes in the year up to June 2023. As always, our funds supported local charities and projects addressing the urgent needs of children right across the UK. The aims of these grants were varied. They included the provision of emergency support to families in crisis, funded project workers who brought comfort to children who felt sad, lost and alone, provided help for children striving to overcome social injustice and funded aid for children longing to feel safe and secure again. Such charities are at the heartland of BBC Children in Need and represent what we have always stood for.

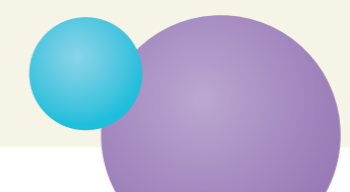
We are so proud to have been able to invest such a significant amount of money to help children across the UK. That is the good news. The not so good news is that demand significantly outweighs available funds. Last year we have been obliged to turn down so many valid and pressing requests for help.

However, we are still committed to delivering hope and a future to children and young people. We believe in the charities we fund, and above all, we believe in the life-changing difference that can be made from the help of trusted project workers, which is where the majority of the funding from BBC Children in Need goes. These individuals are remarkable. They support, encourage and inspire children and young people to thrive and be the best they can be.

I would like to thank the generous heart of the British public, our corporate partners and everyone at the BBC for helping us to change young lives for the better. My thanks must also go to the dedicated and hardworking BBC Children in Need team, our remarkable CEO Simon Antrobus and of course my colleagues, the Trustees of the Board, who are significant for their insight, commitment and wisdom; and without whose guiding hand and patient optimism this charity would be significantly reduced.



**Rosie Millard OBE**  
Chair of the Board of Trustees





# REPORT OF THE TRUSTEES

The Trustees of BBC Children in Need (who are also the Directors for the purposes of the Companies Act 2006) are pleased to present this, their report and accounts for the period ended 30 June 2023, and incorporating the Strategic Report and the Directors' Report required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The accounts have been prepared in accordance with the Statement of Recommended Practice - Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, applicable Accounting Standards in the United Kingdom, requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

# REPORT OF THE TRUSTEES

## OUR 2022/23 OBJECTIVES AND ACTIVITIES

Throughout 2022/23, our focus has been on delivering our Charitable Ambition and embedding our new five-year organisational strategy. We have made a significant commitment to continue to drive impact for children and young people through our commitment to tackling the biggest barriers they face: poverty, mental health, family challenges and social injustice. This pledge will be underpinned by our approach to transforming how we engage and inspire our audiences and supporters.

In the face of a rapidly changing media landscape and a heightened level of need for children and young people, we agreed the following priority areas of focus for this reporting period:

- 1 Finalising and implementing our Audience and Supporter Engagement Strategy, which will set out how we evolve our income generation over the next 3-5 years.
- 2 Developing a Content Strategy across the BBC, which will work hand in hand with our Audience and Supporter Engagement Strategy.
- 3 Implementing our new Grant Making Strategy, which will set out where and how we invest our funding.
- 4 Finalising work on our impact themes and developing a broader impact strategy.
- 5 Developing an approach to external communications, voice and influence, so that we can raise awareness of the challenges and barriers facing children and young people all year round.
- 6 Purposefully strengthening our BBC relationship.

It has become increasingly clear that if we want to make a real and lasting difference to the lives of the children and young people who need us most, we cannot stand still.

This year, in recognition of our Charitable Ambition, our new five-year plan and the transformation needed across the organisation, the Board supported an increase in focus on organisational resource and capacity to lead our external influence, impact and transformation plans.

These changes have enabled us to allocate staffing resource where needed, and to create a clear focus on the key objectives in our strategy. They have also ensured that all staff and volunteers are able to support the delivery of our Charitable Ambition.

### Grant Making

The new Grant Making Strategy, established in the previous year, is now in the implementation phase. We were able to re-open for new grant applications in October 2022. This funding continues to deliver impact for children and young people at local community levels.

In addition, the introduction of funding for core costs has been well-received, particularly given the increased financial pressures on all charitable organisations.

**We will be 'showing up' for children and young people across the year, not just during our appeal season**

### Broader impact

Work has now begun to develop an approach to influencing and delivering broader impact for children and young people beyond traditional grants - including using our voice and BBC platform. This has meant 'showing up' for children and young people across the year, not just during our Appeal season.

It has also led to the laying-out of four key impact themes within the new Charitable Ambition and organisational strategy: Poverty and Deprivation, Mental Health, Family Challenges and Social Inequality.

With more work to be completed in the first quarter of the new financial year, major progress has already been made with the delivery of the Behind the Bandana campaign in May 2023. This project raised awareness of the issue of Mental Health in young people and encouraged thousands of parents and trusted adults to have a conversation with children about Mental Health and keeping happy and well.

**Major progress has already been made with the delivery of the Behind the Bandana campaign**



### Audience and Supporter Engagement Strategy

Our Audience and Supporter Engagement Strategy – which drives income and support for the Charity – has been established and fully embedded across the Charity throughout the year. The key recommendations from the strategy now underpin all marketing, communications and income generating activity. This will ensure a focus on supporter retention and on reaching new audiences – specifically families with young children and 16-24 year olds. A set of KPIs has been put in place to measure progress.

**We aim to reach new audiences - specifically families with young children and 16-24 year olds**

New activities were delivered over the year as a result of the strategy's implementation, including the introduction of a BBC Children in Need TikTok channel and associated activity, Walk With Joe - a new mass walking event with Joe Wicks - and the launch of the above mentioned Behind The Bandana campaign.

In May 2023, the Board agreed a five-year income growth plan, developed to diversify income amidst a challenging income generating environment.

### Relevance

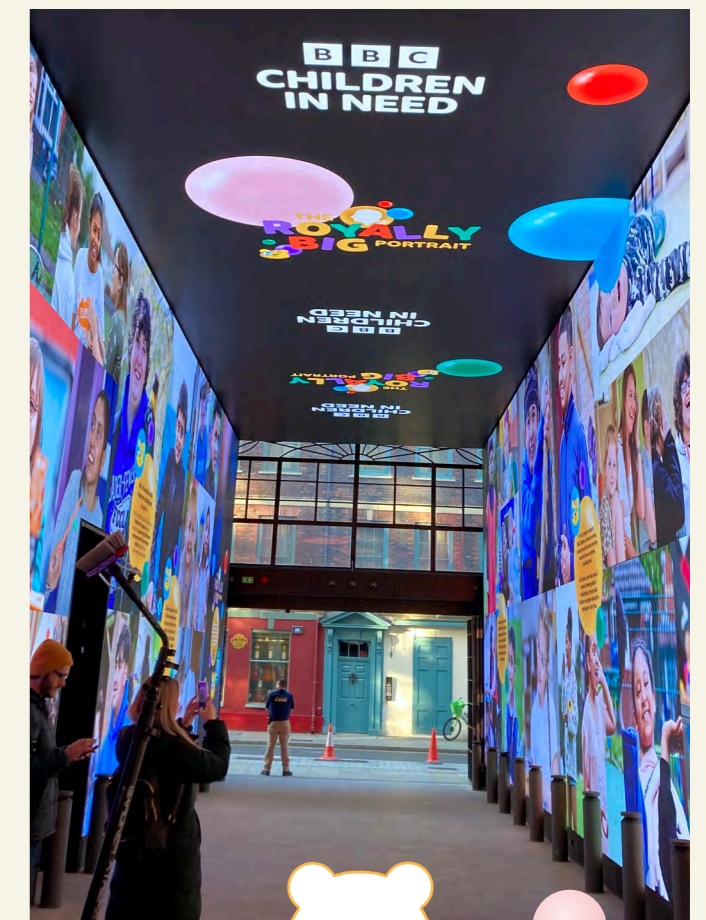
The ways in which BBC Children in Need 'shows up' across the BBC, inspiring our audience and supporters, is critical to our success, and is dependent on the content and storytelling we produce with our BBC colleagues. In an ever-competitive world of streaming, we need to ensure we are modern, contemporary and relevant.

Working with colleagues in the BBC, we have established a new Content Advisory Group, made up of Senior BBC Executives and BBC Children in Need staff. This group will work together to produce a plan to refresh our on air initiatives to help us to reach and engage new audiences.

### Partnerships

The work of our corporate supporters has continued to be vital to the achievement of our aims. Our partnership with McDonald's is delivering impact beyond fundraising income by providing opportunities for detached youth work to take place in restaurants. The Community Connections programme - which brings together BBC Children in Need funded projects with McDonald's restaurants - is now creating opportunities for work experience, financial support, mentoring and the use of restaurant spaces. There are currently 77 live connections in place.

Our relationship with the BBC remains a critical asset in everything we do. Strategically, we continue to align with the formation of the above-mentioned Content Advisory Group, recognising our shared ambitions and exploring how we can drive forwards our Digital Transformation by utilising the expertise within the BBC.



**In an ever-competitive world of streaming, we need to ensure we are modern, contemporary and relevant**

## FUTURE PLANS

Over the course of the last financial year BBC Children in Need has implemented a five-year plan which includes a refreshed charitable ambition and a set of underpinning strategies. With implementation underway, the Charity has agreed the following four priority areas with the Board to ensure focused delivery and monitoring.

### 1 Broadening and deepening our impact for children and young people through grants and beyond:

- Build and maintain a relevant and contemporary grant portfolio
- Implement and maintain flexible, proportionate and equitable grant making processes
- Grow opportunities to support and influence organisations beyond grant making

### 2 Creatively engaging with our audiences and supporters to grow and diversify our supporter footprint:

- Build a strong brand which drives awareness and understanding of our national and local presence and the work we do
- Establish our voice on the key issues for children and young people today
- Develop innovative and exciting ways of getting involved with BBC Children in Need
- Build strategic partnerships and initiatives which leverage all of our assets and platforms

### 3 Strategically growing our income:

- Diversifying our income
- Develop and establish regular, sustainable and year-round income
- Drive growth with younger audiences' whilst protecting existing core supporters

### 4 Striving for operational excellence:

- Ensure efficient and effective systems and processes
- Develop and embed insight to drive activity across the organisation
- Creating a positive culture and prioritise EDI in everything that we do

These priorities sit alongside the strategy pillars developed in our five-year plan and will form the focus of our reporting. They will also help us to hold ourselves to account in terms of the delivery of the strategy.

The development of these priorities, and the way we will execute them, is informed by strategies developed throughout the last year - such as our Audience and Engagement strategy.



## STRATEGIC REPORT

The Trustees have approved this strategic report, which provides an analysis of the Charity's performance - including its financial position - as well as an insight into the Charity's objectives and the risks and uncertainties it faces.

The report groups the headings of achievements and performance, financial review and future plans, and also considers the following matters in order to meet the requirements of section 172 of the Companies Act:

### Looking to the future

Following the development of the five-year plan in 2021/22, the Board signed off a set of six objectives to underpin the implementation of the plan (page 8). We made a commitment to deliver this activity using information and data collected through the leadership of our Insight Directorate. Progress within these areas in the reporting period will continue to be significant to the future delivery of the strategy and in helping to navigate a challenging income environment.

### Working within our employees' interests

Our employees are vital to BBC Children in Need. A focus on building a strong charity has been a key element of our activities during the year. This has included strengthening the culture across the organisation, as well as further development and integration of our approach to equity, diversity and inclusion, business continuity and employee wellbeing.

### Our business relationships

Engagement with the Charity's main stakeholder groups are key to changing children's lives right across the UK. This includes grantee organisations (set out on pages 19 to 24), donors, fundraisers, corporate partners and the BBC (pages 36 to 47).

### Our impact on the community and the environment

Many of the children and young people we support are disproportionately affected by the climate crisis. We recognise that reducing our impact on the environment is key to our mission, as is a clear approach regarding the ways in which we play our part to tackle the climate crisis. We have a responsibility to care for the environment and to minimise the environmental impact of all our activities. We also recognise that, as a leading children's charity in the UK, we must use our voice to highlight the importance of taking action of this kind. BBC Children in Need's goal is in line with the BBC's net zero ambitions.

Our reputation and the public trust in BBC Children in Need are fundamental to our future success. The Charity has a range of policies and processes in place that promote corporate responsibility and ethical behaviour, including Donor Acceptance and Community Fundraising policies, as well as Procurement and Purchasing Policies.

The Charity also commissioned a tri-annual Board Effectiveness / Governance Review at the end of 2022 to report against the standards set out in the Charity Governance Code. The aim of the review was to highlight good practice, gaps or weaknesses and make any recommendations towards the improvement and/or development of future practice.

The findings are now complete, there were no matters requiring urgent attention and the recommendations have now been built into future plans.

## We strive to be a fully inclusive organisation

### The need to act fairly

We strive to be a fully inclusive organisation. Trustees are committed to making tangible steps to improve Equity, Diversity and Inclusion (EDI). This remains an organisational objective and an important element of our overall strategy. We have EDI objectives in every directorate business plan.

## Achievements and performance

The Charity is proud of what has been achieved in the year. Real progress is being made in the delivery of the new five-year plan, which serves to ensure maximum impact for children and young people, along with the delivery of effective engagement and inspiration to audiences across the platforms available to us, including the BBC.

## Real progress is being made in the delivery of the new five-year plan

## Our reputation - and public trust in BBC Children in Need - are fundamental to our future success



## We recognise that reducing our impact on the environment is key to our mission





**DEEPENING &  
BROADENING  
OUR IMPACT**

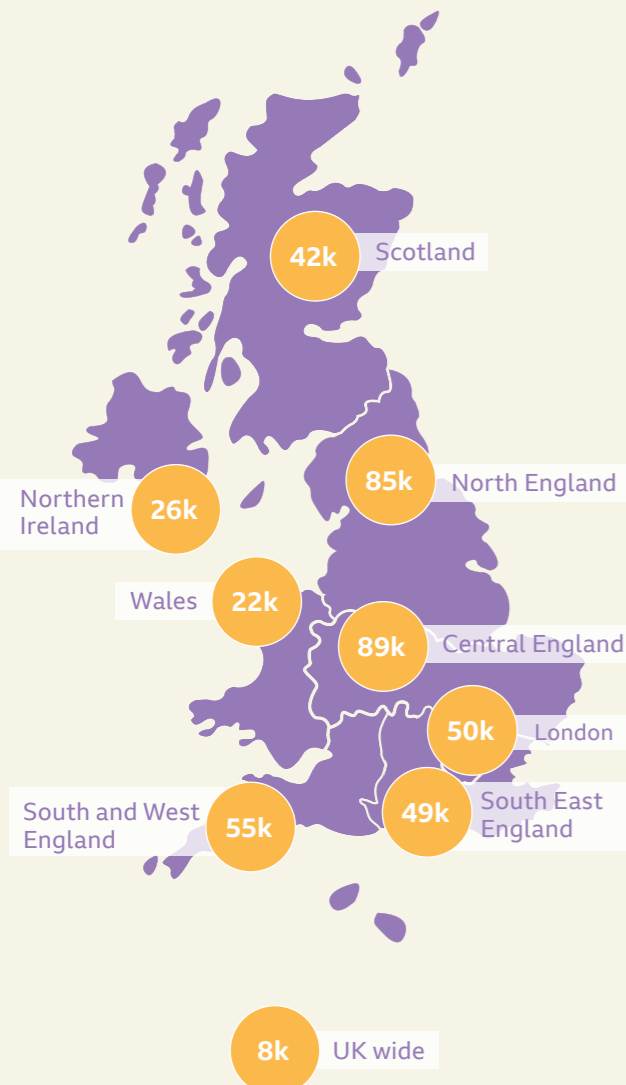
# DEEPENING & BROADENING OUR IMPACT

## Changing the lives of children

In 2022/23 BBC Children in Need supported over 426,000 children and young people across the UK who are affected by issues and challenges including poverty, disability, marginalisation, abuse, trauma or loss.

Throughout 2022/23, we supported over 426,000 children and young people

### UK reach (nearest 1k)



## Targeting children and young people who are experiencing a range of challenges

- Area disadvantage**  
94k children & young people
- Family-related challenges**  
77k children & young people
- Disabled children**  
70k children & young people
- Household poverty & housing difficulties**  
31k children & young people
- Marginalised identities or nationalities**  
28k children & young people
- Mental health and emotional wellbeing**  
21k children & young people
- Personal harm**  
15k children & young people
- Behaviour or education engagement issues**  
10k children & young people
- Physical wellbeing**  
49k children & young people

## Through the projects we fund, children and young people...



have stronger self-belief  
161k



enjoy better relationships  
218k



have increased essential skills  
132k



have stronger emotional wellbeing  
196k



are more empowered  
78k



have better physical wellbeing  
66k



are safer  
41k

Note: children and young people supported by BBC Children in Need funded projects may experience more than one positive outcome.

It has been a pivotal year for BBC Children in Need. It has seen us implement our new Grant Making Strategy and introduce a more effective and speedier grant application process to ensure our funding reaches those children who need us the most.

As the impact of the pandemic and the cost-of-living crisis compound the serious issues faced by children and young people today in the UK, we are aware that the organisations we fund are facing increasing challenges with the need for their services rising off the back of the pandemic and the cost of living crisis further compounding this.

The impact of the pandemic and the cost-of-living crisis compound the serious issues faced by children and young people today in the UK

Our annual grantee survey told us in clear terms that the situation for children and young people is deteriorating. Specifically, they have told us that they are seeing more children and young people needing support with mental health challenges and challenges around poverty and deprivation.

We also know that children and young people who face additional challenges, such as caring responsibilities, being care-experienced or disabled, are now dealing with multiple disadvantages, many of which are becoming increasingly complex.

In order to address these challenges - and the many others faced by children and young people across the UK - we have taken a number of different approaches to ensure that our funding is creating an impact.

Emotional wellbeing and economic deprivation have become the highest priorities for a significant number of our grantees



### Grantmaking Policy

Our grants are awarded in line with the following policy principles:

- 

BBC Children in Need funds projects in order to produce positive outcomes for children and young people who are experiencing disadvantage
- 

Every project and organisation we fund shall demonstrate comprehensive understanding and application of best practice in safeguarding children
- 

We fund projects that are child focussed
- 

The organisations we fund will be not-for profit organisations with appropriate, accountable and proportionate governance
- 

The projects we fund should not duplicate or substitute for statutory responsibilities
- 

Every project and organisation we fund should encourage and enable participation by children and young people in an appropriate and empowering manner

We award grants to voluntary projects, community groups and registered charities that are working with children and young people, 18 and under, who are affected by a number of issues including homelessness, neglect, abuse, disability, poverty, serious illness and bereavement. In the year being reported on we amended our responsive grants programmes, introducing a funding stream for core costs (organisational costs) for the first time, and increasing the maximum amount of our smaller grants from £10,000 per year to £15,000 per year, to support projects for up to three years. We also launched a funding stream for smaller and under-represented organisations in our portfolio.

### Our funding

The majority of our funding was disbursed through our responsive portfolio, which is managed by our national and regional teams, in the form of community grants.



**In the year ended 30 June 2023 we were able to award new grants totalling £27m**

**This breaks down as follows:**

**£19m**  
across  
**348**  
new grants

Through our project and core funding, Youth Social Action and We Move programmes.

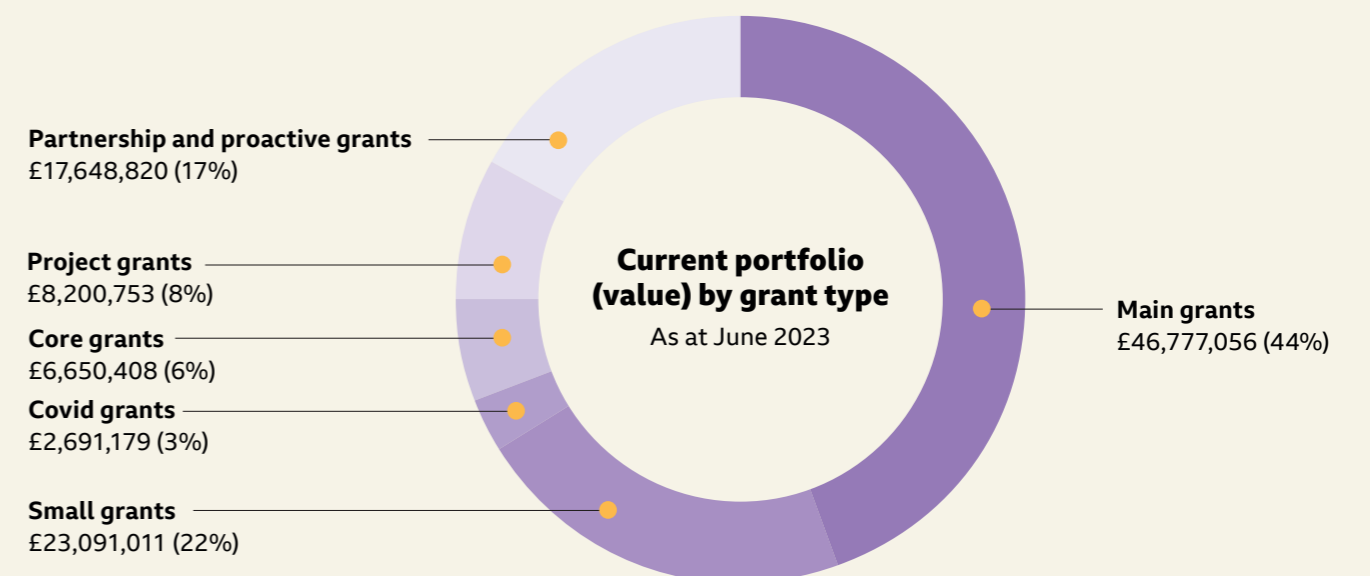
**£1m**  
across  
**1,658**  
booster grants

Helping projects meet their rising costs and respond to increased demand.

**£7m**  
across Emergency Essentials and other partnership programmes

**The new grants awarded take our total committed funding\* to £105m, which breaks down as follows:**

\* the total value of active grants in our portfolio as at June 2023



Ensuring our funding extends to all four nations, as at June 2023 we are funding over £10m in Scotland and over £6m each in Wales and Northern Ireland.

Due to the development and implementation of a new grant making strategy, with the aim of making it easier for potential Grantees to apply for and receive the right kind of funding, more quickly, we were closed to applicants for a short time. In light of this, there has been a reduction in the year in the volume and value of grants we were able to make. This will balance out over the next two years following the re-opening of applications in October 2022.

**We awarded 2,106 grants  
with a total value of  
£27m**



### **National programmes**

We ran a number of national programmes throughout 2022/23 - each focusing on different identified areas of need.

The Youth Social Action programme was launched in partnership with The Hunter Foundation and iWill, awarding over £2.5m to 65 organisations who will be empowered to deliver local projects in their communities.

Through our 'We Move' partnership with Radio 1Xtra, we provided funding of over £2m to Black-led organisations focusing on challenges faced by Black children and young people.

We continued to manage our Inspiring Futures grant programmes, which were initially launched in response to the COVID-19 pandemic - but still remain a highly impactful resource.

### **New funding programmes**

We have now introduced two additional funding programmes to ensure that our grants remain accessible to smaller organisations, projects and charities with less infrastructure.

The first of these programmes is named Pudsey Next Steps, and provides funding to smaller, community-based organisations that may otherwise be disadvantaged by their capacity. We will make our first awards this year and will continue to address barriers in our funding for under-represented organisations and communities.

The second is the Big Sky funding programme, which provides early interventions to support the emotional wellbeing and mental health of children aged 8-13 years living in rural, remote and island areas.

### **Youth-led grant making**

Finally, in response to our aim to encourage input from children and young people into our decision-making processes, and to learn from their insights, we invested in a collaboration with the Listening Fund - a pooled fund of £1.25m - in partnership with the Blgrave Trust, the National Lottery Community Foundation (NLCF), the Esmée Fairbairn Foundation and The Tudor Trust.

This fund assists organisations in the development of their listening capacity and practice. It will also provide support for a youth advisory board, who will lead on the development of a programme of youth-led grant making.



### Delivering impact through strategic partnerships

Guided by our Grant Making Strategy and Charitable Ambition, we seek to improve the lives of children and young people across the UK through the development of funding partnerships. To do this, we collaboratively fund strategic programmes which focus on innovation and long-term solutions, as well as those addressing immediate needs.

### Supporting youth work with McDonald's

Community Connections continues to grow and develop, with over 100 projects linked - or soon to be linked - with local McDonald's restaurants. The nature of the positive impact of this programme varies widely and includes the introduction of work experience and supported employment opportunities, homework clubs and safer, more welcoming environments in which young people can socialise.

### Improving financial literacy with HSBC Money Heroes

BBC Children in Need has partnered with HSBC UK and Young Enterprise's financial education brand Young Money to deliver the Money Heroes programme. Funded by HSBC UK, this initiative provides a package of support to help organisations develop and deliver financial education to children aged 3-11 years old. In total, 96 organisations received support - with 284 project workers being trained. The companies involved in the delivery of the programme have predicted that they will support around 4,800 children as result.



**We collaboratively fund strategic programmes which focus on innovation and long-term solutions, as well as those addressing immediate needs**



### Our activity portfolio with The Hunter Foundation

Our collaboration with The Hunter Foundation continues to deliver systemic, positive change for children and young people across the United Kingdom through a number of activities.

The Agency Collaboration Fund, delivered in partnership with the Youth Endowment Fund, has seen £1 million invested in five locations to develop a new model of multi-agency early help for young people at risk of being affected by violence or criminal exploitation.

Our partnership with the Legal Education Foundation has achieved significant milestones this year. In Scotland, strategic work undertaken alongside Clan Childlaw and The Promise has been influential in redesigning children's hearings to be child-centred. Thanks to this project, it is now recommended that lawyers representing children in Scotland should be qualified specialists.

The Hunter Foundation partnership also helped to further our commitment to working with families and local stakeholders through the What Matters to You (WM2U) programme in Dundee and East Ayrshire. The aim of WM2U is to empower parents and carers to challenge and change their support systems in ways that help their families stay together and thrive.

Through Street Soccer, 443 children and young people have accessed football and development sessions in South London. Sessions numbers continue to increase alongside off-pitch support, with young people reporting that they felt safer and happier as a result of their participation.

### Our programme for young black people – We Move

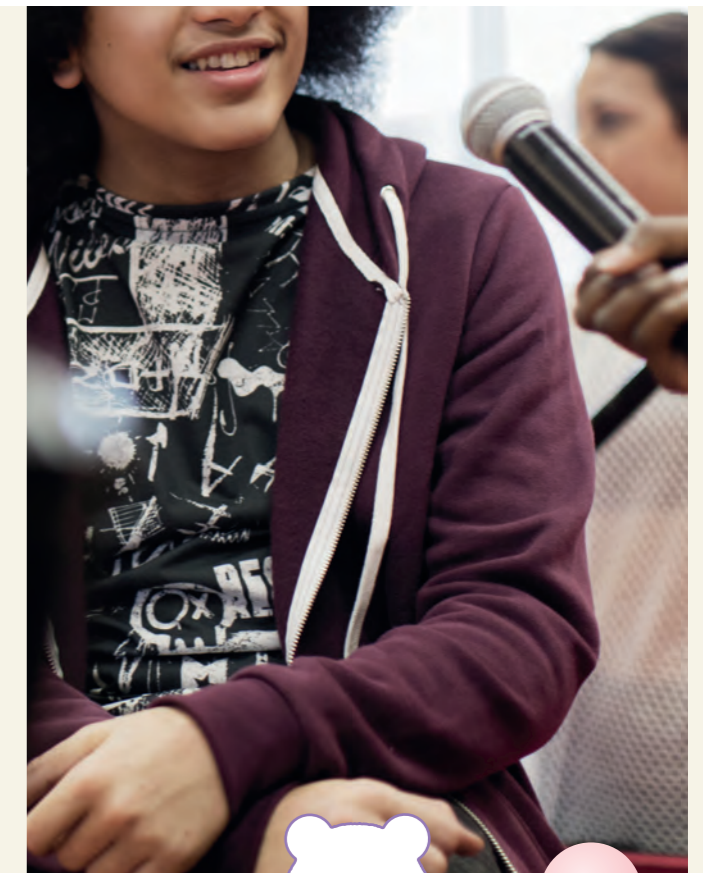
Inspired by Stormzy's commitment, in 2020 BBC Children in Need announced a commitment of £10m in funding over 10 years to create and invest in opportunities for Black children and young people.

The We Move Fund represents a significant proactive commitment from BBC Children in Need to address racial inequity and social justice issues, by removing barriers and creating opportunities for Black Children and Young People.

The We Move, Youth Social Action Fund was launched in March 2022 in partnership with 1Xtra and #iwill Fund, to invest in, support and champion young Black people's agency and initiatives to create and lead change in their local communities and beyond. This first projects under the We Move Fund serve as pilots; to build on and learn from and establish a strategy for the longer-term, 10-year commitment.

### Current portfolio

- 66 organisations were funded, totalling £2.2m
- Grants run from October 2022 to May 2024
- Average grant size of £38,000
- More than 85% are Black-led and are new organisations to BBC Children in Need
- Activities funded include arts, literature, youth progression, social mobility, integration, cohesion, digital, environment, youth leadership



## Case Study

Vanny Radio is a Coventry-based social enterprise, which supports young people from Black Minority Ethnic communities to lead a fulfilling life whilst supporting them to thrive and be the best they can be. The organisation develop innovative approaches that aim to inspire the young people to be the best they can be, and build their opportunities for the future. We have supported them with a grant to build upon current provisions and materials to enable them to pilot the youth radio project that has been planned and developed by young people.

Through our funding, Vanny radio will:

- Provide training to support young people to acquire new skills in disc jockey, music production, broadcasting, photography, video and events management
- Support the delivery of talk shows led by young people to discuss current pressing issues affecting young people today
- Use radio and broadcasting media as a platform to help prevent anti-social behaviour and to provide hope for the young people
- As a model for change - substance abusers who have gone through rehabilitation and have turned their lives around are invited to discussions to inform and advise young people about their experience.
- Use the platform to showcase the young people's talents.

### **Our Mental Health programme - A Million and Me**

This year, under the A Million and Me programme, BBC Children in Need managed two grants – one to ParentZone and one to Mind.

The grant to Mind funds Wellbeing Advisors in 3 locations across England and Wales. Within the first month of delivery alone, local teams connected to the initiative received 69 referrals.



**Mind's local Wellbeing Advisors received 69 referrals in their first month**




Through our funding, ParentZone is developing a consultation tool, co-designed by young people, to help facilitate digital participation with children and provide opportunities to reflect on the issues which matter most to them.

We also have a continuing commitment to Mental Health Innovations, The Proud Trust, #Beewell, The WOW Foundation, Voices from Care Cymru, Stormbreak, Global Black Thrive and Positive Youth Foundation.


The A Million & Me programme was evaluated externally by the Centre for Mental Health, with their final report released in October 2022. The full report can be found here: <https://www.centreformentalhealth.org.uk/publications/power-ordinary>

### **Tackling violence impacting young people**

The reduction of violence impacting young people is a key area of focus for BBC Children in Need, and our reach and efficacy in this field has been aided significantly through various partnerships. We made two new grants associated with youth violence reduction this year.



**The reduction of violence impacting young people is a key area of focus for BBC Children in Need**



One grant was delivered to Youth Work Alliance, to support their aim of working with young people to implement a Common Purpose framework addressing violence in their communities. The young people have become accredited peer researchers, producing and presenting their research in their communities. Many have now gone on to plan social action projects in their areas.

The second grant was provided to Bruce Grove Youth Space to deliver a trauma informed, detached youth approach to reducing violence in Haringey. The initiative will support young people aged 11-18 and will include a residential trip for participants and their parents/guardians. The aim is to create and foster positive relationships, as well as providing varied opportunities for young people.

We believe that our partnerships play a strategically important role in creating a broader impact in many of our targeted areas, where we know that children and young people face challenges.

Through the partnerships listed above, we have been able to extend our reach to more children and young people in the UK. The programmes have also enabled us to develop innovative solutions with other key stakeholders in the sector.



**Through our partnerships, we have been able to develop innovative solutions and extend our reach to more children and young people in the UK**

We recognise that this cannot be done alone, and that our impact is amplified by working with others within the ecosystem.

### **Providing crisis support**

Our emergency essentials programme, ran in partnership with Family Fund, delivered £3m of crisis support to children and families across the UK. The programme provided families in need with essential items such as beds, cookers and washing machines.



## OUR COST OF LIVING RESPONSE

In October 2022, in response to rising fuel bills and the cost of living crisis, paired with the ongoing effects of the pandemic, we took the decision to issue emergency support to our funded projects across the UK. With over 4.2million (29%) children and young people living in poverty across the UK, facing the difficulty, stigma, and shame of financial hardship it was important for the Charity to respond quickly.

### The impact on children

Many children, young people and their families were, and continue to, face challenges to make household budgets stretch as the cost-of-living increased. It is estimated that 23.4 million people are unable to afford the cost of living and that nearly half of all children are living in families that have to make sacrifices on essentials.



**29% of children and young people across the UK are living with the difficulty, stigma, and shame of financial hardship**

### The impact on the VCS sector

The Voluntary and Community Sector (VCS) at the time of our emergency response, was impacted by rises in costs, putting a strain on staff and their capacity to deliver. Being able to heat venues, pay for transport, remunerate staff and manage energy and food bills were key concerns.

### The impact on our grantees

Our grantees fed back to us directly about the impact of the rising cost of living in our latest annual survey. 70% see poverty and deprivation as one of the biggest issues facing children and young people, with 92% believe the situation to be worsening.

Not only is the demand for services higher than ever for 60% of our grantees, but, for 92%, running costs are going up – and fundraising is more challenging for 51%.

Alongside their own challenges, 61% are providing basic essentials such as food, clothing and toiletries to the children and young people they support, while 45% are providing financial support to enable them to access their services.

**70% see poverty and deprivation as one of the biggest issues facing children and young people, with 92% believe the situation to be worsening**

### Our actions

Our response to the challenges of rising energy bills and the pressures of the cost of living crisis included a number of immediate commitments:

- We implemented a £500,000 increase to our Emergency Essentials Programme to meet the elevated demand on their services for essential household items.
- We provided 'Booster Grants' to over 1,600 organisations as one-off payments straight to their bank accounts, totalling £1m. These grants could be spent on core and project costs for services supporting children and young people - such as rent, power and heating costs, fuel and transport, food, additional staffing hours to meet increased demand, or any other overheads that organisations were struggling to cover.

- When our application process opened in October 2022, we frontloaded our new responsive programme with an additional £1m, to provide funding to help our grantees through the difficult winter period.
- We also awarded a number of strategic grants specifically focused on food poverty across the nation. These included a grant to the Felix Project in London - to enable an urgent response to the rising crisis relating to food poverty, and one to Shelter in Bristol - to address food insecurity.
- Finally, we took part in a national child poverty mapping exercise by New Philanthropy Capital to try and build a systematic picture of how to address child poverty in the long term.

### Feedback from our grantees

Our grantees were extremely appreciative of our response to the crisis:

“Wow thank you so much for this, we can keep the heat on now and stay warm. Such a fantastic boost!”

“Thank you so so much - we were really worried about being able to afford the food for the children :)”

“Just wanted to say many thanks for this unexpected and generous financial assistance which will really help us out.”



**Feedback from our response to the crisis:**

**“Wow thank you so much for this, we can keep the heat on now and stay warm. Such a fantastic boost!”**

## CREATIVELY ENGAGING OUR AUDIENCES AND SUPPORTERS

Throughout 2022/23, our focus has been on embedding and implementing our Audience and Supporter Engagement Strategy. The importance of driving engagement and support from identified 'opportunity audiences' - namely young adults and families with young children - is clearly defined within this strategy

### 'Showing up' all year round

Another vital element involves ensuring that our communications and fundraising initiatives remain effectively focused throughout the year. Whilst we will continue to maximise the impact of our annual Appeal night, broadcast in partnership with the BBC, we no longer rely solely on this event to drive support.

### A revitalised brand

Significant work has also been undertaken to refresh our brand, and to ensure that we remain relevant both visually and verbally to our opportunity audiences. A new strapline was developed - We're There for You - alongside a new-look Pudsey Bear.

### New audiences

Good progress was made throughout the year in terms of diversifying our engagement with, and support from, opportunity audiences. This was largely driven by a focus on

being 'digital first', and through our engagement with key corporate partners - including Asda and McDonald's.

### Social media

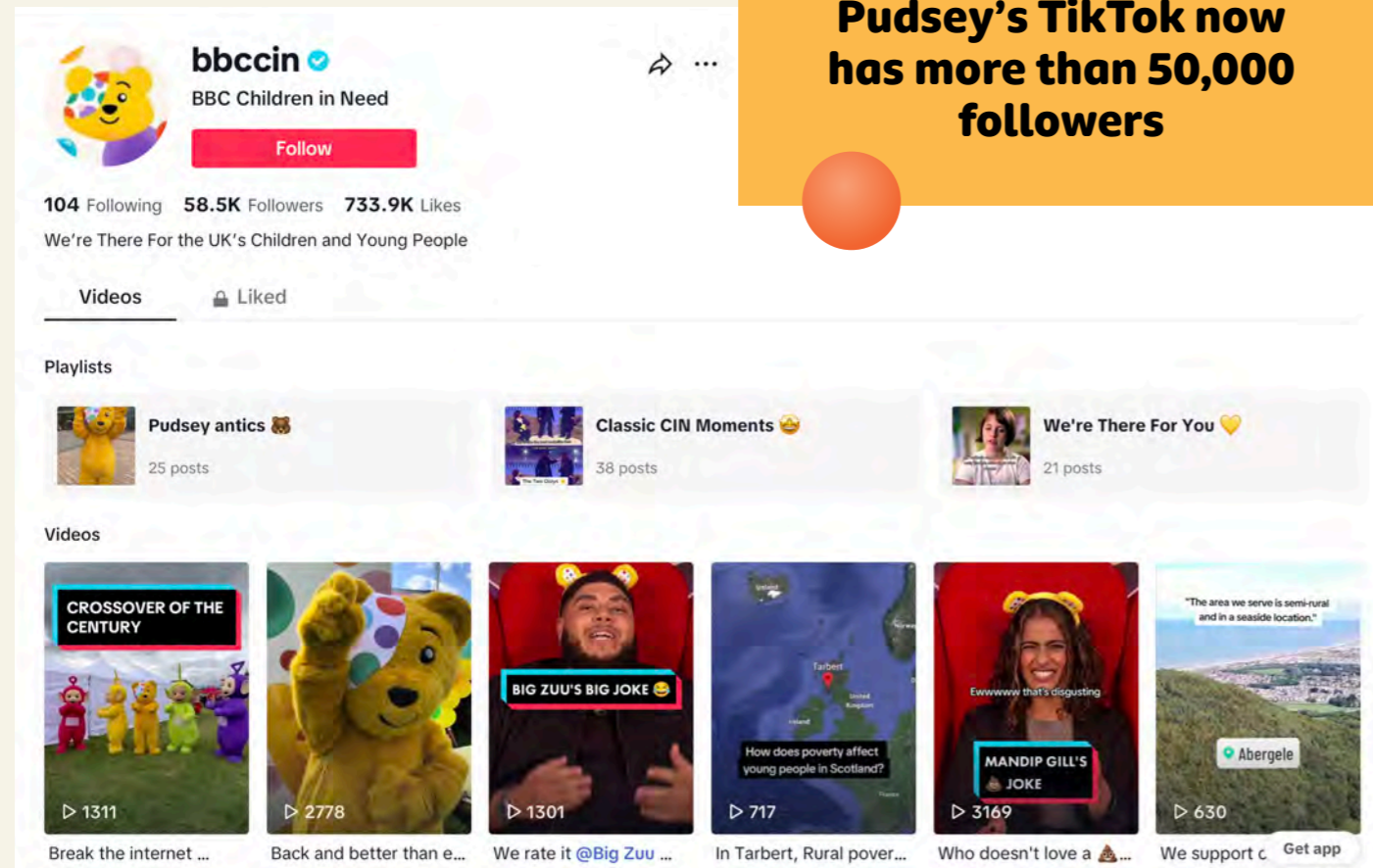
A sustained focus on driving engagement through the creative use of social media has seen us improve engagement with younger audiences.

November saw us launch our own Pudsey TikTok channel and host a 24-hour TikTok Live event in partnership with leading influencer agency, Connect Management. The event itself, hosted by popular TikTok creators and attended by over 30 other creators, enabled us to reach over 200,000 unique views and over 15M likes over the 24-hour period. This helped us to build awareness and understanding of the Charity with a 16-24 year old audience.

Providing a new, fun channel for younger audiences, Pudsey's TikTok quickly gained thousands of followers, with the number growing throughout the year to more than 50,000.




**Pudsey's TikTok now has more than 50,000 followers**



### Our annual appeal and campaign

Our 2022 annual Appeal launched in October, with renewed focus on 'why' people across the UK should get involved and support BBC Children in Need.

To achieve this, we launched a new TV and digital campaign, which was developed by the BBC. Entitled Positive Relationships, it highlighted the essential role that our supported project workers play in turning the lives of children around.

Our new brand platform, We're There For You, was at the heart of the campaign, which was targeted to reach 80% of UK adults at least once.

The BBC ensured that awareness and fundraising broadcast activity spanned multiple channels to creatively engage new audiences and supporters.

The whole BBC Network came together to deliver a diverse array of programming, with an increasing focus on engaging opportune audiences. This is something we are looking to further build on over the next 3-5 years, keeping programming approaches in line with our Audience & Supporter Engagement Strategy.

Over 80 hours of content were delivered, encompassing the Nations and Regions, BBC Children's and Education, Network TV and Radio. There were also special episodes created to accompany broadcast partnerships on the BBC iPlayer and BBC Sounds.

Alongside traditional favourites, including Countryfile, BBC Radio 2, DIY SOS and Matt Baker's Rickshaw Challenge, BBC output featured stories placing children, young people and families at the heart of the content.

Our key impact themes, including the Cost of Living crisis and Mental Health, permeated much of the content - illustrating the difference we make as a charity.

The broadcast campaign culminated in the Friday Night Appeal Show, which saw the BBC shine a spotlight on the work of the Charity in a challenging economic landscape.

The content within the 3 hour show was designed to appeal to young families. Highlights included a powerful spoken word performance from Diversity on the challenges facing young people, a spoof call centre sketch starring young comic actor Lenny Rush and a rousing finale featuring the BBC Philharmonic playing live to a performance of the Number one hit, 'Running Up That Hill'.

### Behind the Bandana

Outside of our annual appeal with the BBC, we delivered our first awareness-raising campaign, which launched on 15th May. The Behind the Bandana campaign focused on Mental Health and was informed by insight and recommendations from our A Million & Me programme.

The campaign was developed in recognition that many children who go on to have mental health problems later in life have started to show signs of illness before the age of 14. We believe that mental health issues can be prevented from escalating with early help, which starts with the right conversations.

For Mental Health Awareness Week, Pudsey removed his beloved bandana to raise awareness of the fact that mental health issues are harder to see. The campaign served to prompt parents and adults to utilise our tools, tips and resources to spark healthy conversations with children across the UK.

Content ran across all social media platforms and was amplified by gifted outdoor advertising - with thanks to Alight Media, Clear Channel, JC Decaux and Ocean Outdoor.

The campaign was fronted by the UK's Youth Mental Health Ambassador, Dr Alex George, and was supported by a number of other high profile talent to spread the word, including Jamie Oliver, Joe Wicks, Mrs Hinch, Olly Murs, Louise Pentland, Angela Scanlon, Dr Radha, Grace Victory, Anne-Marie and Mason Mount.

The combined reach of the May campaign totalled over 35m people and included coverage in a number of National press publications.



**We believe that mental health issues can be prevented from escalating with early help, which starts with the right conversations**

## MENTAL HEALTH ISSUES CAN BE HARDER TO SEE

Pudsey's removed his bandana to show that some issues aren't visible on the outside. But conversations can help keep a child's mental health on track.

For tips and tools: [bbc.co.uk/pudsey](https://bbc.co.uk/pudsey)





**GROWING AND  
DIVERSIFYING  
OUR INCOME**

## GROWING AND DIVERSIFYING OUR INCOME

Following on from the implementation of our new Audience and Supporter Strategy, work was initiated to develop a new income plan, which will drive diversification of income. This plan was developed over the second half of the financial year and was supported by the Board in Quarter four.

The plan recognises the need to offset the risk to income from the sustained reduction in live TV content consumption. This will be achieved through the diversification of income streams, a move to a year-round fundraising model and a greater focus on younger audiences.

Progress towards the delivery of this plan was initiated through the annual fundraising appeal with the BBC and will continue over the next four years.



**We aim for the diversification of income streams, a move to a year-round funding model and a greater focus on younger audiences**



### The Numbers

Thanks to the amazing support of our fundraisers, donors and corporate partners, we were able to announce a total fundraising figure of £35m on the night of the televised Appeal Show in November 2022.

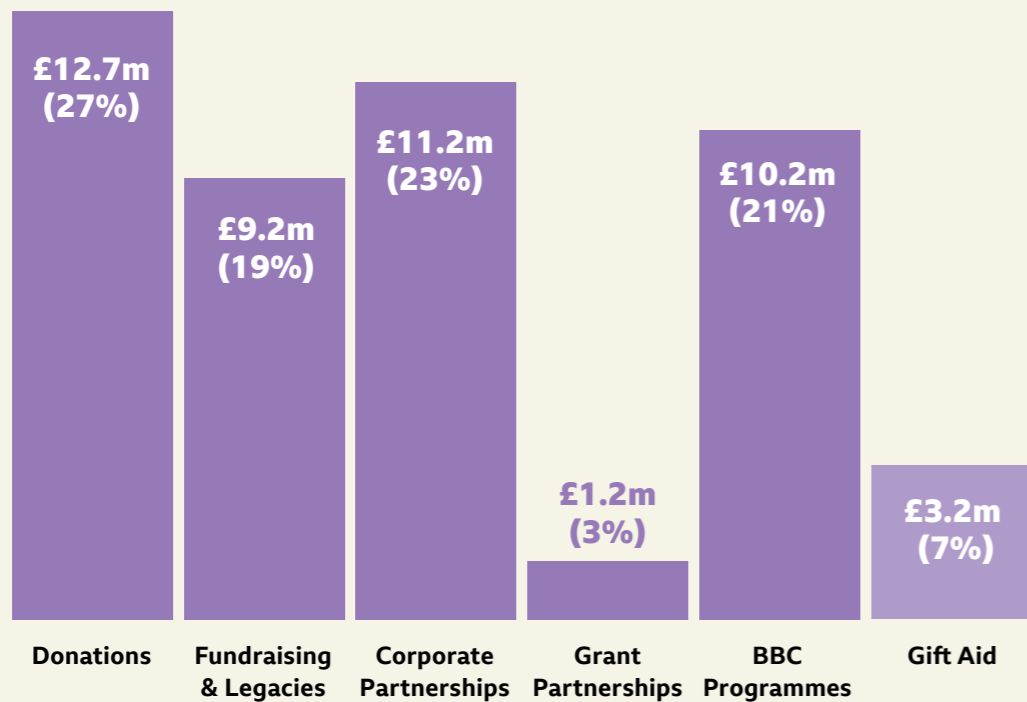
This represents a reduction of £4.1m on the previous November Appeal. This decline potentially comes as a result of the changing external environment (including the Cost of Living crisis) impacting people's ability to donate. However, critically, lower audience figures were recorded for key broadcasts.

There was continued support that followed after the show, adding a further £12.5m (2022: £28.8m) to the total as people continued to send us their fundraising amounts and donations. We also received follow-on income from both corporate and BBC partners.

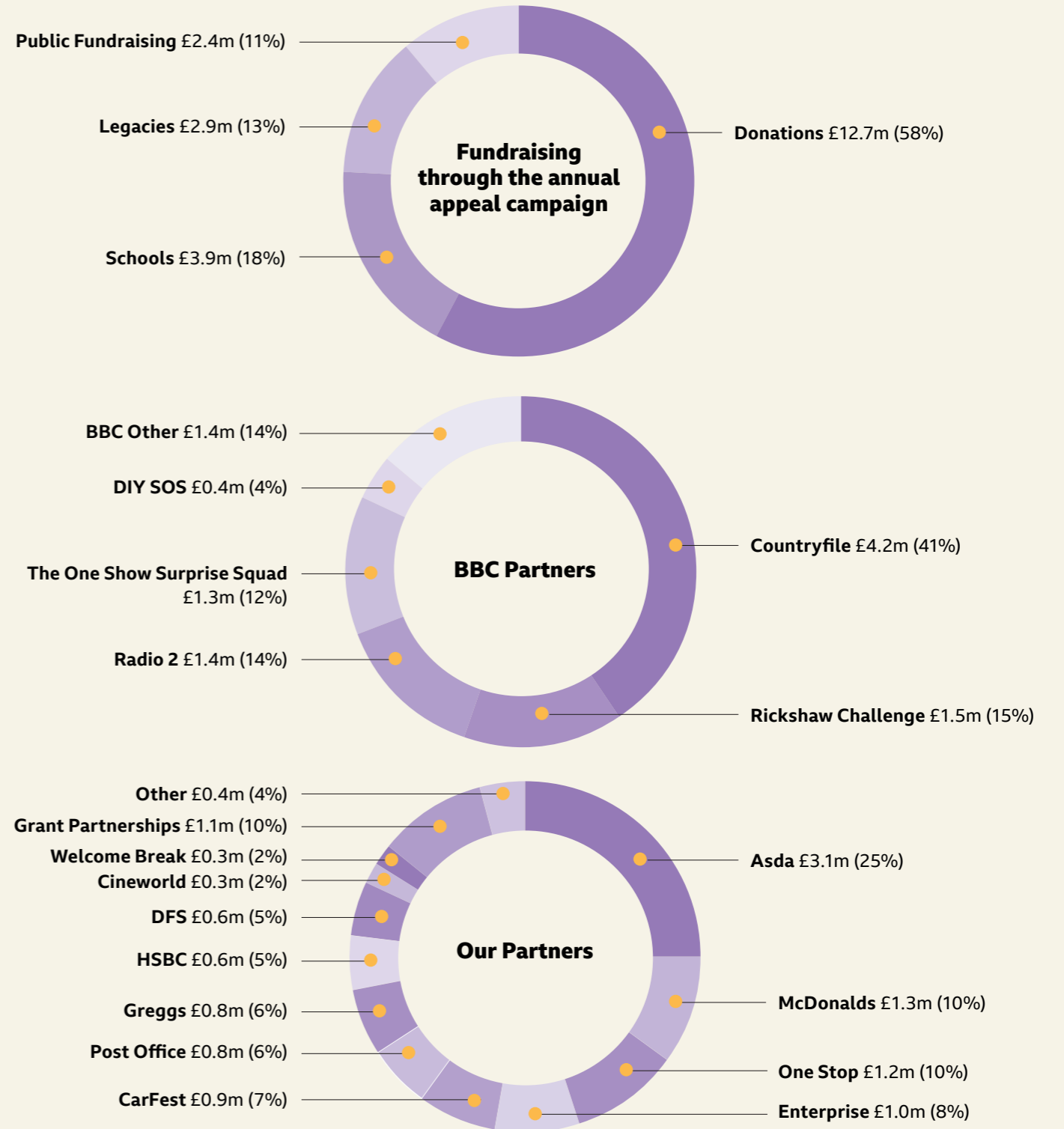
The Charity closed the year with a fundraising total of £47.7m (2022: £68m). This final amount was 30% down on the previous year, but this was mainly due to follow on income in the form of one-off funding of £12.2m from the Department for Digital, Culture, Media and Sport (DCMS) in 2021/22.

Income from donations and charitable activities	Nov 2022 Appeal Income £'000	2022/23 Follow On £'000	2022/23 FINAL Income £'000	Nov 2021 Appeal Income £'000	2021/22 Follow On £'000	2021/22 FINAL Income £'000
Other Fundraising	13,850	4,069	17,919	13,087	6,852	19,939
Schools Fundraising	2,600	1,336	3,936	2,904	1,647	4,551
Direct Public Support	16,450	5,405	21,855	15,991	8,499	24,490
High Value Donors & Partnerships	10,301	2,118	12,419	9,909	14,098	24,007
BBC Programmes and Events	8,522	1,716	10,238	13,489	1,929	15,418
Gift Aid	-	3,215	3,215	-	4,284	4,284
<b>Total Fundraising Income</b>	<b>35,273</b>	<b>12,454</b>	<b>47,727</b>	<b>39,389</b>	<b>28,810</b>	<b>68,199</b>

The income of £47.4m from donations and charitable activities (2022: £67.9m) as shown on the Charity's Statement of Financial Activities excludes income from licensing activity (£0.3m). £32.0m of this reported income will be used to fund projects which create positive impact, covering the associated costs. See note 2 on page 75 for a more detailed analysis of income.



**We were able to announce a total fundraising figure of £35m on the night of the televised Appeal Show in November 2022**



### Fundraising through the annual appeal campaign

We launched our fundraising campaign for Appeal 2023 across the UK in communities, schools, workplaces and across BBC programming in September, with a new initiative - 'Be SPOTacular for BBC Children in Need'. As ever, the BBC championed our campaign across many of its programmes.



## Our new initiative: Be SPOTacular for BBC Children in Need

### Friday Night Appeal Show

Highlights of the appeal programming included the Friday Night Appeal Show on BBC One, a star-studded event designed to maximise public support and donations through inspiring and emotional content.

A number of Appeal Films were shown, reflecting our key impact themes and featuring poignant and moving storytelling. These included:

- A brave film showcasing the work of The Positive Youth Foundation, telling the story of 3 young refugees who had fled their homelands to make Britain their home
- The touching story of 8 year old Masud and his family support worker Marissa from The Rainbow Trust funded entirely by BBC Children in Need
- A powerful montage of children voicing real stories of poverty, hunger, homelessness and anxiety and the support they have received

### DIY SOS

Another successful element of programming was the dedicated DIY SOS episode, filmed in Leeds. The team delivered an inspirational build for The Getaway Girls – a charity that supports girls and young women dealing with a range of issues including teenage pregnancy, domestic violence and child exploitation.

The DIY SOS team partnered with Radio 2 talent, including Zoe Ball, Rylan, Sara Cox, Scott Mills, Trevor Nelson and DJ Spooky to help with the build.

With hundreds of volunteers from across the country arriving on site to lend a helping hand, The Getaway Girls, comprising of a group of young women from diverse backgrounds, performed their self-written anthem live on Zoe Ball's Breakfast show.

BBC Radio 2 also produced an accompanying podcast telling the story behind the build for BBC Sounds, aimed at reaching new audiences



### The Great Scott TreadMills Challenge

Throughout the campaign, we worked with talent selected to appeal to young family audiences. The Great Scott TreadMills Challenge, on BBC Radio 2, was held during Appeal Week, and was live-streamed for 24 hours on BBC iPlayer. Scott was joined by a host of talent including Olly Murs, Louis Theroux, Mel C, Claudia Winkleman, Davina McCall, Tom Walker, Lemar and Sam Ryder.

### Further programming support from BBC Radio 2

Stories and information about BBC Children in Need projects were delivered to audiences across the Appeal day – with an accompanying podcast produced for BBC Sounds. Radio 2 also hosted a Gala Performance of Frozen The Musical, which brought young families and children to the West End for a heart-warming afternoon of fundraising.

Michael Ball's BBC Radio 2 show launched the 2022 Sir Terry Wogan Fundraiser of the Year award and to celebrate our younger supporters, we also launched the Young Fundraiser of the Year.





### The Surprise Squad

The One Show returned with The Surprise Squad, featuring five young people supported by our grantees (Zuhair, Jodie, Charlina, Max and Lauren), who set out to deliver a series of surprises and give back to charities funded by BBC Children in Need



### The Rickshaw Relay

Matt Baker saddled up for the second year of a new format for The Rickshaw Relay, an hour long documentary supported by BBC Breakfast, in which five inspirational young people were taken on a rickshaw ride through their hometowns. During the journey, they told their emotional stories and explained the support they received from BBC Children in Need helped them overcome their individual challenges.



### Nations and Regions

The Nations and Regions all broadcast extensive coverage in their areas, with Scotland and Northern Ireland producing their own Appeal Shows and Wales producing their own Weatherman Walking Special, featuring popular BBC Wales weatherman Derek Brockway who undertook a hike between Wrexham and Hope Mountain, visiting projects supported by BBC Children in Need all over Wales



### BBC Local Radio

BBC Local Radio once again amplified the local projects across all 39 regional stations throughout Appeal Week, and also ran their own fundraising challenges - including Radio Bristol breakfast presenter James Hanson's 24-hour walk around a shopping centre, Radio Leeds' Big Baton Relay and the Pier to Pier Challenge conducted by Radio Kent/Sussex and South East Today.



### Countryfile

The Countryfile Rambles saw presenters John Craven, Matt Baker, Anita Rani, Margherita Taylor and Charlotte Smith don their walking boots with children from all four nations. The programme included the powerful stories of young ramblers Saul, Isabella and Riley.

A new viewer competition to design a Countryfile bobble hat drew thousands of entries and, along with the successful Countryfile calendar, raised millions once again for BBC Children in Need.



### Morning Live

Morning Live, BBC One's new daytime series, provided supported throughout the whole BBC Children in Need campaign. They also partnered with BBC Children in Need on their Cost of Living strand, Sleep Tight Wake Bright, presented by Mr Motivator.

This segment focused on bed poverty, and shone a spotlight on our Emergency Essentials programme. It filmed with four of our supported projects in the run up to appeal night, and raised much-needed funds, while spreading all-important awareness of the plight facing so many of our projects.



### Strictly Come Dancing

BBC One's most popular entertainment show for all age groups, Strictly Come Dancing, also partnered with BBC Children in Need this year. The programme's professional dancers visited Magpie Dance to surprise and delight participants. Strictly also launched a Text To Win prize across several programmes, including It Takes Two, raising £630k.



**Great SPOTacular events**

Thanks to the incredible support of the BBC in driving awareness of our annual campaign, thousands of people across the UK were inspired to play their part.

Over 10,000 schools and nurseries supported again this year, joining our Great SPOTacular events by dressing up or coming to school in their own clothes, decorating cakes, tackling sponsored walks or runs.

Working to highlight the importance of Mental Health and wellbeing, many participants joined a live 'Moodbooster' moment on BBC Children in Need Day, in partnership with BBC Children's and Education. Joe Wicks, Gethin Jones and Laura Hopkinson led millions of children across the UK in keeping happy and well through exercise such as dancing and yoga.

**Spotlight on schools and local fundraisers**

Here are just a few of the schools across the UK who went above and beyond to help raise funds for BBC Children in Need.

- Kings Junior High in Canterbury raised £4,500 by asking students to come to school dressed as a worker in their dream career
- St John's Church of England Primary School in Bristol raised £2,800 by taking part in Moodboosters and by getting classes involved in RunPudsey – which increased each child's average donation to around £20.

- St Catherine's Church of England primary school in Barnett held a SPOTacular baking competition that asked classes to compete with one another using recipe cards provided by us, raising a whopping £2,100.

Fundraisers up and down the UK went to significant efforts with their involvement, with thousands getting together in workplaces and communities to raise money through spotty tea parties, dressing up, sponsored challenges and more, all to support our SPOTacular campaign.

**Thanks to the incredible support of the BBC, thousands of people across the UK were inspired to play their part in the Great SPOTacular**

12 year old Joel Kaye cycled from his home in Borehamwood, Hertfordshire to his grandparents who live in Zevenaar in The Netherlands for BBC Children in Need, covering a distance of 360miles/580Km.

Joel chose BBC Children in Need for the simple reason that he is aware of his good fortune in having family around him that can support and provide for him. Joel has friends from both his primary school and his current school who hail from a range of mixed backgrounds and circumstances, and he feels that not all have had the opportunities in life that they deserve. For this reason, he set out on his ride to fundraise for all of our projects that provide support to children and allow them to grow up doing what they love. In doing what he loves – cycling – Joel was able to raise an epic £4,140.

**Joel chose BBC Children in Need for the simple reason that he is aware of his good fortune in having family around him that can support and provide for him**

**Walk with Joe**

As part of our strategy to attract more young families and 16-34 year olds, four new mass participation walks were delivered as part of our Walk with Joe campaign, with Joe Wicks leading walks in Maidenhead, Newport, Dundee and Nottingham.

**Parkrun UK**

To maximise the reach of the campaign, we partnered with Parkrun UK, enabling the Charity to leverage Parkrun's 4 million subscriber base and existing infrastructure for each event.

Sponsorship was secured from MINI, which covered significant set-up costs for these events. Attendees were encouraged to donate what they could, or to get sponsored to take part, and each event welcomed approximately 1,000 participants (including numerous families), trebling Parkrun's usual attendance levels.

Over 400 other Parkrun locations took part in the events, with an estimated 100,000 people getting involved. Each flagship event was also attended by a BBC Children in Need-funded project, to demonstrate the Charity's impact in the local area and improve understanding of the work we do.



**OUR CORPORATE PARTNERS**



**Asda**  
After 23 years of partnership, Asda had a record-breaking year in terms of fundraising. The BBC Children in Need clothing and accessory range available from George at Asda, headlined by the official tee designed by best-selling author and illustrator Liz Pichon, sold out.

A 'top up' feature at self-checkouts across branches of their supermarket chain prompted a significant number of donations, while Asda's 400 Community champions ran local in-store events to drive fundraising and awareness of the partnership. The company also supported BBC Children in Need's ongoing collaboration with DIY SOS by providing a tea tent at their 'Big Build'.



**McDonald's**  
McDonald's also contributed significantly to BBC Children in Need in 2022 by turning their restaurants and drive-through windows 'Spotacular' throughout our annual appeal and over the Christmas period.

Customers were encouraged to 'top up' their order through the till and were also given the opportunity to donate their rewards via the MyRewards app all year round. The BBC Children in Need logo was featured on the end board of the McDonald's Christmas advert, while 10 pence of every UK download of Becky Hill's 'Only You' single, which featured on the advert, was donated.

Becky then surprised some of the young people supported by projects funded by BBC Children in Need by delivering a 'secret performance' of the new charity single at Bolton Lads and Girls Club.



**Greggs**  
BBC Children in Need also saw the continued support of Greggs throughout 2022, which was their 17th year of partnership. The bakery chain generated major contributions to our cause.

Greggs' colleagues delivered a number of SPOTacular fundraising activities and events both at head office and in stores, while their customers supported by purchasing BBC Children in Need merchandise - Pudsey biscuits & cakes - and by generously topping up at the till.



**DFS**  
DFS delivered year-round fundraising activities for BBC Children in Need through their 'Give Me 5' customer. This generated the majority of their significant donation in 2022.

The furniture retailer also supported a number of BBC Children in Need funded initiatives. They contributed to 'Project Makeovers' - giving a new lease of life to spaces used by some of our grantees - as well as supplying items for use as part of our Emergency Essentials Programme, donating furniture items through their DFS Giving Back commitment and providing further support through local connections.

Donations from DFS help BBC Children in Need to fund mental health support for children and young people across the UK.



**Welcome Break**  
Welcome Break galvanised colleagues and customers across the UK, undertaking highly effective fundraising initiatives through the implementation of on-site collections, the running of events - such as a summer ball - the introduction of a number of sponsored activities and the option to top up at their tills.

They also supported us with the marketing of the BBC Children in Need campaign by showing our TV advert on screens across all of their sites.



**Cineworld**  
Cineworld customers and colleagues delivered a superb fundraising campaign in 2022, as well as showing our appeal trail across their cinema screens.



**Enterprise**  
2022 saw Enterprise deliver a range of fundraising activities across the UK, including a Gala Dinner in the Natural History Museum, a number of golf events and fundraising with schools through their RunPudsey sponsored run programme.

We also received support from the Taylor family trust, and the company provided in kind support by supplying a fleet of vehicles for our Rickshaw Challenge.



**One Stop**  
One Stop generated excellent donations to BBC Children in Need through the sale of our merchandise and by holding a number of fundraising events in store and at their head office.



**Carfest**  
Once again, we were able to benefit from our long-standing relationship with charity partner Chris Evans through involvement with his annual festival, Carfest.  
  
We introduced three days of Pudsey, along with featured content from BBC Children's programming, through the introduction of 'Pudsey's Spot' - a special stage dedicated to entertaining families with young children.



**Post Office**  
Post Office continued to support in 2022, collecting customers' cash and contactless donations in Branches right across the UK. Making it as easy as possible to support the charity and putting us in the heart of every community. A Post Office van also accompanied our Rickshaw Relay challenge, collecting cash donations from the public along the way.



**Royally Big Portrait**  
In April and May, we ran an innovative and record-breaking campaign, which inspired over 15,000 children to take part in creating a portrait in tribute to King Charles III.

Working with artist and Tech Entrepreneur Sam Barnett, we created content designed to help children to draw their own portrait of the King. From these drawings, we created one big portrait, consisting of over 20,000 individual pictures.

We secured a digital exhibition of the portrait at the Outernet on Tottenham Court Road. The exhibition was viewed by over 150,000 people every day over a 10-day period leading up to the Coronation. The event was fully interactive, enabling visitors to draw their own portrait and upload it live into the exhibition. We also held a live auction, which raised over £50k, and we will be selling individual prints of the portrait to each contributor, to raise further funds. The campaign proved to be a great news driver and generated over 118 pieces of press coverage.





# OPERATIONAL EXCELLENCE

BBC Children in Need is constantly striving for operational excellence. Below are some of the approaches we have taken across the Charity in order to achieve this.

# OPERATIONAL EXCELLENCE

## Strategic insight cycle

The focus of this area of our work has been to ensure that the rollout of our new strategy is underpinned by data, research and insight. This will inform our decision-making and help us become an insight-driven organisation.

**Our new strategy will inform our decision-making and help us become an insight-driven organisation**

We continue to focus a significant amount of our work on developing a clear understanding of the key challenges that currently impact children and young people.

Our team constantly monitors the landscape around Poverty and Deprivation, Mental Health, Family Challenges and Social Inequality. We ensure that we understand these issues as extensively as possible, and that we continually learn about the approaches that work most effectively in terms of support. We also aid the organisation in talking about these issues externally.

This year's grantee survey reinforced the complexity of the landscape for children and young people, and for the organisations that support them. It has helped us to identify where we can make a difference, both through funding and through broader support to our grantees.

## Funding decisions and public perception

Given our focus on supporting children and young people where the need is greatest, we have developed a number of tools and reports that inform funding decisions both centrally and locally.

As we expand our 'year-round' activity, and look to attract new audiences, it becomes more important that we understand public perceptions of the Charity and the response of audiences to the approaches we take.

We use an ongoing charity brand tracker as well as our own bespoke research to ensure that we listen to - and learn from - current and prospective supporters. We use this insight to ensure we remain relevant in a changing media and fundraising landscape.

We recognise that it is more important than ever both for our supporters, and for those in the voluntary sector, to understand the difference we make through our funding.

**It is more important than ever both for our supporters, and for those in the voluntary sector, to understand the difference we make through our funding**

Much of the groundwork put in place this year will enable us to share more of our impact learning and evaluation externally next year, and we are excited to be bringing the direct voice of children and young people into that work for the first time.

## Driving Participation with Young People

We are committed to ensuring that children and young people are at the heart of our work. This year, we have taken the time to develop a Participation Model and Roadmap for the organisation. We have developed guidelines to ensure that we create meaningful ways in which to engage children and young people, and that we embrace all opportunities to listen and learn from them.

**We are committed to ensuring that children and young people are at the heart of our work**

We have worked alongside young people in recruitment, when making grant making decisions and in developing strategies and ideas.

We have also begun to develop a Young Ambassador programme that enables young people to tell their stories and to advocate for the issues that they are passionate about.

Alongside our direct work, we are committed to learning from the great participation work that is happening within the organisations we fund. We also strive to share best practice methods with those who are looking to develop their own approaches.

## People and Engagement

Staff engagement is very important to us. Throughout this year, we have continued to pursue the delivery of our Charity People Plan and priorities - focusing on culture and engagement, mobilising colleagues to take part in sessions exploring our new strategy, embedding our new executive structure and continuing to prioritise EDI.

Engagement sessions during January and February, which focused on our Charitable Ambition, provided opportunities for nearly 100 colleagues from across the Charity to get together to work on key elements of our strategy.

We've received positive feedback from staff on how the sessions have energised and inspired the workforce regarding these matters.

**EDI engagement sessions have energised and inspired our workforce**

A small group of volunteers from across the Charity have been doing deeper work to build on our Culture and Values - The Pudsey Way - and this will be a key focus of our people strategy over future years.

We have continued to focus on Equity, Diversity and Inclusion - running sessions for line managers around inclusive recruitment which align with the BBC's new Hiring Manager Toolkit and their improved approaches to interview and assessment. These sessions also focus on embedding our charity EDI commitments throughout the hiring process.

Following a thorough search and procurement process, we have identified a supplier to deliver a bespoke programme of anti-racism training for the whole Charity - including Trustees, Leaders and all colleagues. This is a key milestone in our charity EDI strategy and has been extremely well-received by all colleagues.

## Change Capability and Strategy Execution

Our ability to execute change has been strengthened by the appointment of our first Director of Change and Transformation, and by the creation of the Change and Transformation Directorate.

This will support the Charity through our transformation journey, ensuring specialist expertise to support our biggest change projects. It will also improve our change capability across the Charity.

As we execute our strategy roadmap, we have also highlighted four strategic priorities and related objectives, which have supported future planning and decision making.

## Strengthening our BBC relationship

The team at BBC Children in Need has started looking at how we harness the power of BBC colleagues as our biggest advocates.

This year more than ever before, we have worked closely with the BBC on the execution of our campaign. We have built on our existing partnership with them to effectively deliver activations such as Behind the Bandana and, strategically, we are ensuring that content plans and opportunities are curated through the Content Board.

## Risk and governance framework

Business continuity and risk management are significant areas of focus for the Charity. In the year we have continued to mitigate against all perceived risks and in doing so have minimised issues faced. With the development of new activities in the year ensuring the safeguarding of children and young people and responsible fundraising has been paramount.

To ensure best practice of a robust governance framework, the Charity commissioned a Governance Review. The report referenced the strong arrangements that we already have in place, and provided recommendations on how we can further add value through good governance. All those recommendations will be implemented in the new year.

## Efficient and effective operations

Thanks to our focus on the compliance, controls and smooth operation of all of our technology systems - along with our accounting and reporting processes - data risk is minimised, enhanced support is delivered, and efficiencies are achieved by integrating platforms.

Because of the robust processes and controls we have implemented, we are able to place reliance on our donation platforms, grant making database and finance systems, as well as the technology infrastructure underpinning staff operations.

The implementation of a monthly IT service report, detailing all the status of all platforms, gives clear updates on any gaps in service and the action taken to mitigate any issues going forward.

## Supporter audience/user journey

The Charity's supporters are key to our success, and so we strive to ensure that our supporter journey is of a high standard. We strive to keep the audience experience consistent across all of our platforms and campaigns.

All public-facing supporter contact is directed to our Supporter Care team, who are subject matter experts across all campaign activity, and so are able to provide a diligent and supportive service.

## Long term financial planning

During the year to June 2023, 95% of donations went into grant making activity - with 5p in every pound donated funding costs not attributable to grant making. This funding has allowed the Charity to support our continuing five-year financial plan, which underpins the achievement of the long-term strategy.

The financial challenges for the Charity, including our donors' propensity to give, volatility in the value of - and return from - our investments, our cashflow and the availability of liquid funds, have been exacerbated by further worsening of the UK and global economy.

However, our internal funding model, reserves policy and investment policy have provided financial stability, and have afforded a level of financial flexibility that enables us to continue in our ongoing work supporting children and young people at the very time when they need it most.

In the year we have reviewed our long-term financial plan to ensure we are able to focus resources and invest in our long-term strategy.

**Equality, diversity and inclusion**

Through the past year we have made equality, diversity and inclusion a priority within our emerging strategy, considering what it means for us as an employer, as a funder, as a fundraiser and as a storyteller.

Significant progress was made through our We Move programme, which was aimed at supporting Black led organisations, along with the introduction of Anti-Racism training to all BBC Children in Need staff and Trustees.

We continue to align to the BBC's creative diversity strategy for on-screen diversity, surpassing targets for race and disability representation at over 30% for both.

We have continued to focus on Equity, Diversity and Inclusion across our workforce with a particular focus on recruitment, culture and leadership. We have made progress on diversity representation across our workforce, with increases over the year in representation of ethnicity, LGBTQ+ and Disability. At our most senior levels – including Board of Trustees, Executive directors and senior leadership roles across the charity - we have significantly increased diversity, particularly in levels of representation of minority ethnicities.

**Climate Justice and Sustainability**

BBC Children in Need believes that every child should have the chance to thrive and be the best they can be. We know that climate change is a threat to making this happen and will disproportionately affect children and young people, and particularly those who already face poverty and marginalisation.

For this reason, we continue to increase our activity around climate justice and sustainability.

In line with the BBC's science-based climate targets for Net Zero, we are working towards halving our operational carbon emissions by 2030. We make mindful decisions about business travel and reduce this by using digital technology wherever possible. We continue to limit waste by using recycled materials in our merchandise and reducing supply chain emissions. Increasingly our fundraising is moving away from direct mail and focuses on digital methods. All of our broadcast activity is part of the Albert Plus carbon calculator scheme, enabling us to monitor and manage carbon emissions related to our annual Appeal show.

We are also stepping up efforts to manage our investments so that wherever possible, we are not inadvertently supporting any actions which would damage the environment and undermine our efforts elsewhere in the organisation.

But we know that greening our operations is not enough - young people themselves have made this clear.

In line with the Funders Commitment on Climate Change, we are also exploring ways we can support our grantholders, partners and other stakeholders to learn about the potential impact of climate change on the children they support and the work they deliver. We have supported the youth strand of NPC's Everyone's Environment project, which has seen the philanthropic think tank and their partners consult with children and young people across the UK to establish how they want the charity sector to respond to climate and environmental crises. As their findings are shared, we are already seeing this research catalyse climate action across the youth sector.

15% of the DCMS Youth Investment Fund grants we awarded included sustainable elements such as electric vehicles, improving green spaces or installing solar panels. In partnership with the #iwill Fund, The Hunter Foundation and BBC 1extra, we are also delivering two funds to a total of £4m to support organisations to embed youth social action across the UK. More than 15 projects across our portfolio are empowering young people to take action on climate and environmental issues locally and nationally. Children are tackling air pollution in Blackburn, setting up a community garden in Ipswich, and sharing creative work in Nottingham which explores black children and young people's right to access the natural environment.

Centring children's wishes in any actions we take to tackle the climate emergency is crucial to both mitigating environmental damage effectively and countering the negative mental health impact of environmental crises on young people. We aim to share the learning from these funded projects to encourage further, faster action across our portfolio, and the wider funding sector.

Our newly formed Climate Justice & Sustainability Steering Group will coordinate efforts across the charity to limit our impact on the environment, while weaving environmental themes into our storytelling to engage and inspire audiences, partners and donors. For young people to thrive, the planet must thrive, and we will continue to create opportunities for children and the organisations who support them to lead on positive change.

The calculated energy emissions from the space in which BBC Children in Need occupies is as follows. Electricity consumption is measured at 233,773kwh (2022: 241,097 kwh) and gas at 79,365kwh (2022: 135,144 kwh) which equates to the following emissions:

<b>Greenhouse gas emissions 2022/23</b>	<b>Gross emissions</b>
Greenhouse gas emissions (tonnes/CO2e emissions)	64.2 reduced by 15% in year
Emissions per FTE	0.45







## FINANCIAL REVIEW

The accounts for the year ended 30 June 2023 cover:

- income from the BBC Children in Need Appeal 2022, which was live across Autumn 2022;
- other income received year-round from 1 July 2022 to 30 June 2023; including income from funding partners and follow-on income post the appeal; and
- grants awarded to projects and funding programmes in the period 1 July 2022 to 30 June 2023.

## FINANCIAL PERFORMANCE

We measure financial performance based on:

- optimising income;
- optimising the amount of grants awarded;
- managing costs in line with available funds and at an appropriate level relative to income;
- managing funds in line with the Charity's policy.

Income from donations and charitable activities as shown in the Charity Statement of Financial Activity for the year totalled £47.4m (2022: £67.9m) including donation income and gift aid of £43.4m (2022: £50.9m), legacy income £2.9m (2022: £2.1m) and partnership funding £1.2m (2022: £14.9m). This represents a reduction in the Charity's normal activity of £20.5m on the prior year. See note 2 (page 75) to the accounts.

The grant awards net of returns of £26.3m (2022: £62.2m) relate to the spending of income generated from the November Appeal and grant partnership funding received in the year. The Charity paused grant making in the first half of the financial year while the new grant making strategy was implemented so part of the year on year reduction in grant awards is due to timing but part is also due to the reduced income from donations and charitable activities.

To ensure BBC Children in Need is a strong charity, administered appropriately, able to raise income creatively, manage the funds raised professionally and operate as an effective grant maker, we incur direct costs. Total costs incurred in the year were £12.8m (reported as £13.5m including gift in kind: £7.1m on raising funds and governance, £5.7m on grantmaking, impact and gift in kind\* of £0.7m). Total costs represent 26% of our total income (2022: 17%). Grantmaking costs are 23% (2022: 9%) of grants awarded, other costs are 15% (2022: 10%) of income generated. Costs are proportionately high due to the pause in grant making and no comparable funding from DCMS in the year.

*\* Gifts in kind includes provision of office space. These have been excluded from the above analysis because income is offset by an equal amount of cost and nets to zero. Further details are given in note 3 to the accounts.*

### Results for Children in Need Limited

Children in Need Limited is a wholly owned subsidiary and holds the Charity's trading activities. The results of the company are consolidated into the Charity's accounts. During the year ended 30 June 2023, Children in Need Limited made a profit of £0.2m (2022: £0.2m).

Our corporate partners that raise funds for the Charity by selling Pudsey branded product pay a fee for use of the brand which is accounted for in the Limited Company. The Children in Need Limited profit is paid in full to the Charity under Gift Aid provisions.

### Investments

Funds committed for grantmaking but not required for expenditure in the short term are invested. Investment income for the year (including revaluation gains) was £0.9m (2022: £1.2m), representing a return of 1.1% (2022: 1.4%) on the average investment balance. This return is within the Charity's internal 1.0% to 1.5% target.

The investment policy stipulates the type and terms of investments that may be purchased and investment objectives being to:

- retain sufficient liquidity for day-to-day needs;
- maintain a measured appetite to risk; and
- maximise investment returns within the constraints of the above.

The Charity retains a conservative approach to investing and holds funds not needed for short term use in two types of investments:

- Core fixed income liquid assets – to provide a return of capital growth and income primarily through investment in a portfolio of short term cash and money market instruments, investment grade bonds and other fixed and floating rate securities. This portfolio is managed on the Charity's behalf by Schroder Investment Management (UK) Limited.
- Appropriate income/return generating assets - income generating assets such as property funds and high quality securitised credit.

The balance held within each type of investment is determined by the amount of liquid funds required to meet our grant commitments when they fall due. Social, environmental and ethical considerations are taken into account when making investment decisions.

## Funds

At 30 June 2023 the Group (which consists of BBC Children in Need (the Charity) and Children in Need Limited (the trading company) had total closing funds of £47.7m (2022: £37.5m) representing an increase of £10.2m on the prior year position. Impact reserves have reduced as we deliver impact for children and young people where most needed and these funds will be awarded in the coming months in line with our reserves policy.

Funds £'000	Opening Fund 1 Jul 22	Total Income	Grants awarded in year (net of adjustments)	Cost of grant making, policy, impact and grantee training	Cost of raising funds & governance	Closing fund 30 June 23
<b>Restricted impact fund</b>	<b>4,256</b>	<b>3,400</b>	<b>(4,833)</b>	<b>(236)</b>	-	<b>2,587</b>
Unrestricted designated impact fund	19,175	38,829	(21,466)	(5,507)	-	31,031
General continuity fund	8,795	6,397	-	-	(6,383)	8,809
Investment continuity fund	5,000	-	-	-	-	5,000
Development fund	250	-	-	-	-	250
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>33,220</b>	<b>45,226</b>	<b>(21,466)</b>	<b>(5,507)</b>	<b>(6,383)</b>	<b>45,090</b>
<b>TOTAL FUNDS</b>	<b>37,476</b>	<b>48,626</b>	<b>(26,299)</b>	<b>(5,743)</b>	<b>(6,383)</b>	<b>47,677</b>

The £48.6m of total income received in the year includes income from donations and other charitable activities of £47.4m plus net investment income of £0.9m and trading income of £0.3m. Of this £26.3m has been used to fund projects that make a positive impact and £5.7m has funded the associated costs of grant making and impact. £33.6m is held in reserve and available for grantmaking in advance of generating new income in the autumn 2023 appeal (restricted £2.6m, unrestricted £31.0m).

### Restricted Fund - £2.6m

The closing fund represents £1.9m of donations received from The Hunter Foundation (THF) which will be used to create positive impact for children deemed to be on the edge of the care system, continuing our support for the existing project. In addition, £0.7m of income from iWill will be used to continue our joint support of support of Youth Social Action. In the year funds have been received but fully spent including £2.8m from Asda in support of the Emergency Essential Programme.

### Unrestricted Fund - £31.0m

At 30 June 2023 the Charity held designated grant funds representing donation income received and to be awarded to projects in future grantmaking activity of £31.0m (2022: £19.2m). These funds will be awarded over the coming months but it is the intention of the Charity to maintain a level of funds to cover uncertainty of income or exceptional requirement for funding.

The Charity also holds funds to cover general operating costs in periods of uncertainty of income, to manage volatility of investment returns (capital value or income) and to allow for future investment and respond to growth opportunities. This represents unspent gift aid, investment income, license fees and a small proportion of donations (limited to 5p/£ donated). In this financial year 5p/£ of unrestricted donation income and legacy income, together with gift aid, trading income and investment returns totalling £6.4m (2022: £8.1m) has been used to cover costs, provide contingency for any uncertainty over future income.

See the Charity's principal accounting policies on page 72 which explains the structure of reserves and also note 14 on pages 85-87 which provides more detail of the restricted funds.

## PRINCIPAL RISKS AND UNCERTAINTIES

Maintaining levels of income, in light of the changing nature of the way people watch television and donate or fundraise, continues to be one the principal risks for the Charity. The key priorities for the Charity are growing and diversifying our income, delivery of our audience and supporter engagement strategy, and the development of a longer term content strategy.

There are risks attached to the levels of funds which are used to finance the costs of governance and generating income for the Charity. Some of these income streams such as Gift Aid conversion and investment income are driven primarily by factors outside of the Charity's control. We manage the risk of an unexpected drop by retaining sufficient funds in reserve, assuming a prudent view of the anticipated income and using up to 5p/£ to finance our costs not attributable to grantmaking.

Sufficient cash and investments are held to fund all grant commitments made and provide a minimum level of reserves. This provides certainty of funding to our grantees, funds anticipated activity until new income is generated and provides a level of contingency to flex with seasonal income generation, respond to unexpected factors affecting children and young people across the UK and continue operations in periods of uncertainty when external and internal factors influence the range of income outcomes.

The Reserve Policy for the Charity sets out the long-term target for the Charity's continuity as shown in the table below. The minimum unrestricted reserves held by the Charity of £12.75m is to ensure we have sufficient funds to flex with seasonal income generation, respond to unexpected factors affecting children and young people across the UK and continue operations in periods of uncertainty when external and internal factors influence the range of income outcomes. In addition, additional reserves will be held at year end and utilised until new income is received in the Autumn. In effect, the purpose of the reserve is twofold - a contingency and to fund anticipated activity.

The Impact continuity fund therefore holds funds that will be allocated before new income is generated from our next Appeal in November 2023. It is envisaged that the General continuity fund will drop back in line with forthcoming commitments over the next five years as we invest funds in our future strategic ambition. The Investment Continuity Fund is in place to manage volatility in capital value or returns.

Continuity funds £'000	Contingency Target 30 Jun 23	Forthcoming Commitments 30 Jun 23	Closing 30 Jun 23
Impact continuity fund	5,000	26,031	31,031
General continuity fund	2,500	6,309	8,809
Investment continuity fund	5,000	0	5,000
Development fund	250	0	250
<b>Total</b>	<b>12,750</b>	<b>32,340</b>	<b>45,090</b>

Clearly there are key risks that the Trustees, Executive and Leadership team will continue to face. Our organisational risk assessment reporting, review and management process will enable us to remove or mitigate these risks. We continued to draw on the expertise and support of our Finance, Audit and Risk Committee and our Investment Committee, investment advisers and fund managers to identify and mitigate risks to the Charity. We will continue to report, monitor and manage these through our risk register with input from our legal team, regular reporting and review at Executive and Leadership meetings, through the Finance, Audit and Risk Committee and the Board of Trustees. We continue to mitigate against all perceived risks including the following:

### Safeguarding risk

Avoiding any harm to children and young people is our first priority, and as such, we have maintained robust safeguarding governance and practice across the organisation -as well as due diligence regarding the charities and projects that we fund. Through our safeguarding policies (which specifically provide guidance on the protection of vulnerable people), our training and our resources, we ensure that our culture and practices are safe and appropriate.

### Responsible fundraising

BBC Children in Need is signed up to the Fundraising Regulator's Code of Fundraising Practice, as well as to the Fundraising Promise. We are committed to legal, open, honest and respectful fundraising, and do not cause undue pressure or intrusion on donors.

We maintain robust fundraising policies, which promote the adoption and improvement of responsible fundraising practices within the UK. We expect our fundraising partners, commercial participants and professional fundraisers to observe our fundraising policies, and to demonstrate a similar commitment to responsible fundraising.

There were no complaints received by the Charity and referred to the Fundraising Regulator throughout this year.

## Fraud and financial crime prevention

There remains a risk that fundraisers operating in the Charity's name are fraudulent and fail to pass on donations intended for the Charity, reducing the amount of income received and damaging our reputation with the public. Sound controls and financial and fundraising management ensures we remain vigilant.

The Charity has previously pursued a criminal case against a fraudulent fundraiser, showing the Charity's intent to protect funds and assets from misuse. This fraud was previously reported to the Charity Commission.

In the year, there were three incidents that were reported to the Charity Commission. One was a financial crime which occurred at an organisation that used to administer grants on behalf of the Charity.

In this case, there was little or no impact on the operations or finances of the Charity, as the organisation ceased delivering the programme on our behalf in 2018-19.

The second was a grantee who went into administration and failed to report on whether their promised service had been delivered.

The final incident relates to a data breach at the BBC, which is mentioned as part of our section on cyber-crime below.

## Data protection

Data protection compliance is a key risk for the Charity. We have a responsibility when dealing with personal information, and our data protection principles ensure we do not risk the trust placed in the Charity. They serve to protect our supporters from possible misuse, whether it be accidental or deliberate. Consequences can include reputational damage, complaints or claims, as well as severe financial penalties.

## Cyber-crime

The risk of cyber-crime remains. To mitigate this risk, the BBC and the Charity has extensive policies and procedures in place to detect and prevent cyber threats. Recovery plans are in place, and we adequately train our employees.

This year, the BBC was affected by a data breach, and personal data for some Charity staff - both past and present – was disclosed. This was reported to the Charity Commission as a serious incident.

In co-ordinating a response to the incident, the BBC enacted its pre-prepared incident response plan and made a joint notification to the Information Commissioner's Office (ICO). Those impacted were alerted quickly and clarity was provided about what personal data had been shared. Affected staff have been provided with practical support.

## Governance Review

To ensure we have a robust governance framework, the Charity commissioned a Governance Review. The report referenced the strong arrangements that we already have in place, and provided recommendations on how we can further add value through good governance.

These recommendations, which are to be implemented in the new financial year, fall into categories of:

- Organisational purpose
- Leadership
- Decision-making
- Risk and control
- Board effectiveness
- Diversity

## Adequacy of Assets to Fulfil Obligations

Trustees continuously monitor the impact of external factors on the Charity and its likely future financial position. In reviewing the going concern position the Charity takes into account its ability to:

1. fund grant commitments
2. cover impairment in assets
3. satisfy going concern for 12 months – based on matching assets to liabilities
4. cover costs
5. maintain healthy cashflow; and ultimately
6. continue to make grants

The Trustees are satisfied that the assets are in excess of the liabilities at both the balance sheet date and at the date of approval of the financial statements. The Trustees are also satisfied that the liquidity of the portfolio is appropriate for the phasing of grant commitments over 1 to 3 years, and that the risk of market value changes in the Charity's investments can be managed appropriately.

Having taken into account all available information about the future for the period of at least, but not limited to, 12 months from the date on which the accounts are approved the Trustees are satisfied that there are no material uncertainties about the Charity's ability to continue. The accounts are therefore prepared on a going concern basis.

# STRUCTURE, GOVERNANCE AND MANAGEMENT

## Formal Structure

BBC Children in Need was formed on 25 August 1988, became a registered charity with effect from 1 September 1989 and until 30 September 2003 was an unincorporated body governed by a deed of trust and administered by a board of Trustees.

With effect from the 1 October 2003 the Charity's assets and activities were transferred to a Company Limited by Guarantee ('The BBC Children in Need Appeal') with the Trustees being appointed as the Board of Directors and the BBC as the Founder Member of the Company. As part of the process of incorporation, The BBC Children in Need Appeal was effectively re-registered as a Charity on 7 August 2003 but retained the Charity number 802052. The Charity is governed in accordance with its Articles of Association. These were updated in the previous year to reflect updated charitable objects.

In 2012 the name of the Charity was changed from The BBC Children in Need Appeal to BBC Children in Need, to reflect our year round presence and the changing nature of our fundraising. BBC Children in Need is also a registered Charity in Scotland, number SC039557.

BBC Children in Need has one trading subsidiary, Children in Need Limited. Children in Need Limited is a wholly owned subsidiary which primarily exists to licence products using the 'Pudsey Bear' trade mark and to sell Pudsey merchandise. Children in Need Limited makes a Gift Aid payment of all its taxable profits to BBC Children in Need each year.

## Governance Arrangements

As a registered charity and company limited by guarantee BBC Children in Need is governed by company and charity law and by The Statement of Recommended Practice, Charities SORP second edition (FRS 102), issued by the Charities Commission in October 2019. The SORP sets out the accounting practices and disclosure required by charities in their annual accounts. The Trustees have followed its recommendations and applicable accounting standards in presenting these accounts. Trustees regularly review the charity's governance arrangements against the voluntary Governance Code for Charities, and in 22-23 will formally undertake a governance review, undertaken every three years.

## Trustee Appointment and Chair

The Trustees are appointed by the Members of the Charity in general meeting and all Trustees are Members of the Charity and Company. Except for the Trustee who formally represents the BBC (as Founder Member), Trustees are appointed for a term of three years and may then be appointed for a further two terms of three years each. In addition to the Trustee representing the Founder Member, the Trustees of BBC Children in Need are drawn from the BBC and non-BBC in equivalent numbers.

On appointment all Trustees go through an induction process and are provided with training specific to the role and activities that they will be required to undertake (e.g. grantmaking). In addition Trustees are kept up to date with any changes in governance requirements to ensure they are aware of their obligations.

## Management

The Board of Trustees holds formal meetings at least four times a year. In this financial year, the board has met formally 7 times. In between these meetings, matters are progressed through the delegation of actions to sub-committees of the board, and Officers of the Charity in line with the agreed Scheme of Delegation.

## Key Responsibilities Trustees

The following points outline the key responsibilities of Trustees.

- agree the strategic direction and policy of the Charity;
- agree the annual operating and investment budgets;
- execute all legal responsibilities in connection with the Charity;
- be aware of the content of the Charity's Articles of Association in order to comply with the Charity Commission regulations;
- support the Chair in ensuring that the Charity is following best practice in terms of its business rigour;
- provide expertise and insight into key areas of activity for the Charity; and
- represent the Charity when required.

## Trustee Sub-Committees

To support effective governance the Charity has operated with four Trustee Board sub-committees throughout the year:

- Finance, Audit & Risk – to provide oversight and support on all financial matters, scrutiny of key risks and mitigations and oversight of internal and external audit activity;
- Impact – to provide oversight and advice on matters such as the Grantmaking Strategy, grant programmes and partnership funding. To scrutinise and approve specific grant proposals, including main grants, as delegated by the board of Trustees;
- Nominations and Remuneration – to provide oversight and support in the recruitment and development of senior staff and the Board of Trustees. Reward and remuneration of senior staff is overseen by benchmarking to the market and ensuring costs are managed in line with budget; and
- Investment – to provide oversight and advice on investment decisions.

Investment, Finance, Audit and Risk and Impact Committee all have co-opted (non-Trustee) members to bring additional advice, subject matter expertise and experience.

# REFERENCE AND ADMINISTRATIVE DETAILS

## Business Planning & Performance Management

We have continued to embed our approach to business planning. This ensures we have a clear and concise plan of objectives, at organisational, directorate, team and individual level across the organisation. Every individual has a clear line of sight of how the work they are doing supports the organisation's strategy and plan.

These plans are reviewed on a quarterly basis and progress tracked and monitored throughout the year. We continue to evolve our approach to performance management to ensure performance, behaviour and development are well understood, discussed and supported at all levels of the organisation.

## Risk Management

The Trustees are responsible for the Charity's management of risk. During the year the Trustees actively monitored and discussed risk. This process included:

- identifying the major risks facing the Charity;
- assessing the likelihood and severity of the risks;
- reviewing the existing controls that the Charity had in place to mitigate the risks; and
- identifying and implementing any further actions required to limit risk.

A statement of Trustees' responsibilities in respect of the Trustees' Annual Report and Accounts is given on page 64.

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are aware, there is no relevant audit information of which the Charitable Company's auditors are unaware; and the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Report of the Trustees, which incorporates the requirements of the Strategic Report and the Directors' Report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, was approved by the Board, in their capacity as Trustees and company directors, and signed on its behalf on 19 October 2023 by:




**Rosie Millard**  
Chair

**Rhona Burns**  
Treasurer

## Trustees and Advisors

### Chair

Rosie Millard

### Vice Chair

Robert Shennan<sup>3</sup>

BBC Representative (resigned 31 Mar 2023)

### Other Trustees

Leigh Tavaziva

(joined 1 Oct 2022)

Matthew Baker

(resigned 30 Sep 2023)

Kenny Imafidon<sup>2</sup>

Trevor Bradley<sup>1 3 4</sup>

Kieran Clifton<sup>2</sup>

Rhona Burns<sup>1 4</sup>

Jonathan Munro

Suzanne Lamb

James Fairclough

Sandeep Bhamra<sup>1 4</sup>

Cherrie Bija<sup>2 3</sup>

(joined 11 May 2022)

Randel Bryan

(joined 17 Jan 2022)

### Company Secretary

Tony Okotie

### Principal Officers

Simon Antrobus

Chief Executive

Claire Hoyle

Director of Income and Engagement

Tommy Nagra

Director of Content

Joanne Ruddock

Director of Insight

Nicky Scowcroft

Director of Finance and Operations

Fozia Irfan

Director of Impact and Influence

Tony Okotie

Director of Impact: Grant Making

Nassali Douglas

Director of Change & Transformation

Jenny Wroe

Senior HR Business Partner

## Auditors

Crowe UK LLP  
St James' House  
St James' Square  
Cheltenham GL50 3PR

## Bankers

HSBC Bank Plc  
City of London branch  
Queen Victoria Street  
London EC4N 4TR

## Investment Managers

Schroder Investment Management Limited  
31 Gresham Street  
London EC2V 7QA

## Investment Advisors

Willis Towers Watson  
51 Lime Street  
London EC3M 7DQ

## Solicitors

Fieldfisher LLP  
35 Vine Street  
London EC3N 2AA

Womble Bond Dickinson (UK) LLP  
4 More London Riverside  
London SE1 2AU

Mills & Reeve LLP  
Fountain House,  
130 Fenchurch Street  
London EC3M 5DJ

## Registered Office

Bridge House  
Salford M50 2BH

1 Members of Finance, Audit & Risk Committee

2 Members of Impact Committee

3 Members of Nominations and Remuneration Committee

4 Members of Investment Committee

# STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF BBC CHILDREN IN NEED IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND ACCOUNTS

The Trustees are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires Trustees to prepare accounts for each financial year. Under that law they are required to prepare the group and charitable company accounts in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group and charitable company's excess of income over expenditure for that period. In preparing each of the group and charitable company accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group and the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group and charitable company and enable them to ensure that its accounts comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BBC CHILDREN IN NEED

## Opinion

We have audited the financial statements of BBC Children in Need ('the charitable company') and its subsidiary ('the group') for the year ended 30 June 2023 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including 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 accounts:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 30 June 2023 and of the group's 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

## 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 or the group'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.

## Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

## Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purpose of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the strategic report and directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 64, 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.

## Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 auditor's 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The

laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were taxation and employment legislation.

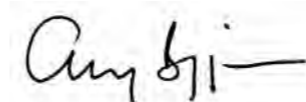
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and timing of legacies, grant and corporate income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance, Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Scottish Charity Regulator, designing audit procedures over the completeness and timing of legacies, grants and corporate income streams and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



## Guy Biggin

Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor

4th Floor  
St James House  
St James' Square  
Cheltenham  
GL50 3PR

13 December 2023

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 30 JUNE 2023

(Incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Year to 30 June 2023			Year to 30 June 2022		
		Unrestricted fund £'000	Restricted fund £'000	Total funds £'000	Unrestricted fund £'000	Restricted fund £'000	Total funds £'000
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and legacies</b>							
Donations	2, 3	40,224	3,000	43,224	48,249	2,432	50,681
Income from joint operation		-	-	-	-	-	-
Legacies	2	2,858	-	2,858	2,147	-	2,147
<b>Charitable activities</b>							
Partnership funding	2	750	400	1,150	1,000	13,901	14,901
<b>Total Income from donations and charitable activities</b>		<b>43,832</b>	<b>3,400</b>	<b>47,232</b>	<b>51,396</b>	<b>16,333</b>	<b>67,729</b>
Income from trading activities	7	1,212	-	1,212	979	-	979
Investments	9	952	-	952	564	-	564
Other income		682	-	682	656	-	656
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>46,678</b>	<b>3,400</b>	<b>50,078</b>	<b>53,595</b>	<b>16,333</b>	<b>69,928</b>
<b>EXPENDITURE ON:</b>							
<b>Raising Funds</b>							
Cost of generating voluntary income and governance	5	6,280	-	6,280	5,753	118	5,871
Investment management fees	5	119	-	119	116	-	116
Trading operating costs	5	1,006	-	1,006	806	-	806
		<b>7,405</b>	<b>-</b>	<b>7,405</b>	<b>6,675</b>	<b>118</b>	<b>6,793</b>
<b>Charitable Activities</b>							
England		12,819	-	12,819	34,392	11,712	46,104
Scotland		2,099	-	2,099	4,513	-	4,513
Wales		1,253	-	1,253	2,702	-	2,702
Northern Ireland		1,426	-	1,426	2,737	-	2,737
UK wide grants		3,869	4,833	8,702	3,665	2,528	6,193
<b>Grants awarded in the year</b>	4	<b>21,466</b>	<b>4,833</b>	<b>26,299</b>	<b>48,009</b>	<b>14,240</b>	<b>62,249</b>
Costs of grant making & impact	5	5,883	236	6,119	4,493	987	5,480
		<b>27,349</b>	<b>5,069</b>	<b>32,418</b>	<b>52,502</b>	<b>15,227</b>	<b>67,729</b>
<b>TOTAL EXPENDITURE</b>		<b>34,754</b>	<b>5,069</b>	<b>39,823</b>	<b>59,177</b>	<b>15,345</b>	<b>74,522</b>
Net (losses) / gains on investments	9	(54)	-	(54)	600	-	600
<b>Net income/(expenditure) for the year</b>		<b>11,870</b>	<b>(1,669)</b>	<b>10,201</b>	<b>(4,982)</b>	<b>988</b>	<b>(3,994)</b>
<b>Net Movement in Funds</b>		<b>11,870</b>	<b>(1,669)</b>	<b>10,201</b>	<b>(4,982)</b>	<b>988</b>	<b>(3,994)</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward 1 July 2022		33,220	4,256	37,476	38,202	3,268	41,470
<b>Total funds carried forward 30 June 2023</b>		<b>45,090</b>	<b>2,587</b>	<b>47,677</b>	<b>33,220</b>	<b>4,256</b>	<b>37,476</b>

The Group has no recognised gains or losses for the above two financial periods other than the net movement in funds shown above, all of which are derived from continuing operations.

The notes on pages 72 to 87 form part of these financial statements.

# CHARITY STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 30 JUNE 2023

(Incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Year to 30 June 2023			Year to 30 June 2022		
		Unrestricted fund £'000	Restricted fund £'000	Total funds £'000	Unrestricted fund £'000	Restricted fund £'000	Total funds £'000
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and legacies</b>							
Donations	2	40,224	3,000	43,224	48,249	2,432	50,681
Gift aid payment from Children in Need Limited	7	206	-	206	173	-	173
Legacies	2	2,858	-	2,858	2,147	-	2,147
<b>Charitable activities</b>							
Partnership funding	2	750	400	1,150	1,000	13,901	14,901
<b>Total Income from donations and charitable activities</b>		<b>44,038</b>	<b>3,400</b>	<b>47,438</b>	<b>51,569</b>	<b>16,333</b>	<b>67,902</b>
Income from trading activities		290	-	290	298	-	298
Investments	9	952	-	952	564	-	564
Other income		683	-	683	656	-	656
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>45,963</b>	<b>3,400</b>	<b>49,363</b>	<b>53,087</b>	<b>16,333</b>	<b>69,420</b>
<b>EXPENDITURE ON:</b>							
<b>Raising Funds</b>							
Cost of generating voluntary income & governance	5	6,280	-	6,280	5,753	118	5,871
Investment management fees	5	119	-	119	116	-	116
Children in Need Limited Cost Recovery	7	291	-	291	299	-	299
		<b>6,690</b>	<b>-</b>	<b>6,690</b>	<b>6,168</b>	<b>118</b>	<b>6,286</b>
<b>Charitable Activities</b>							
England		12,819	-	12,819	34,392	11,712	46,104
Scotland		2,099	-	2,099	4,513	-	4,513
Wales		1,253	-	1,253	2,702	-	2,702
Northern Ireland		1,426	-	1,426	2,737	-	2,737
UK wide grants		3,869	4,833	8,702	3,665	2,528	6,193
<b>Grants awarded in the year</b>	4	<b>21,466</b>	<b>4,833</b>	<b>26,299</b>	<b>48,009</b>	<b>14,240</b>	<b>62,249</b>
Cost of grant making and impact	5	5,883	236	6,119	4,493	987	5,480
		<b>27,349</b>	<b>5,069</b>	<b>32,418</b>	<b>52,502</b>	<b>15,227</b>	<b>67,729</b>
<b>TOTAL EXPENDITURE</b>		<b>34,039</b>	<b>5,069</b>	<b>39,108</b>	<b>58,670</b>	<b>15,345</b>	<b>74,015</b>
Net (losses) / gains on investments	9	(54)	-	(54)	600	-	600
<b>Net income/(expenditure) for the year</b>		<b>11,870</b>	<b>(1,669)</b>	<b>10,201</b>	<b>(4,983)</b>	<b>988</b>	<b>(3,995)</b>
<b>Net Movement in Funds</b>		<b>11,870</b>	<b>(1,669)</b>	<b>10,201</b>	<b>(4,983)</b>	<b>988</b>	<b>(3,995)</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward 1 July 2022		33,205	4,256	37,461	38,188	3,268	41,456
<b>Total funds carried forward 30 June 2023</b>		<b>45,075</b>	<b>2,587</b>	<b>47,662</b>	<b>33,205</b>	<b>4,256</b>	<b>37,461</b>

The Charity has no recognised gains or losses for the above two financial periods other than the net movement in funds shown above, all of which are derived from continuing operations.

The notes on pages 72 to 87 form part of these financial statements.

# CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 30 JUNE 2023

Company Number 04723022

	Notes	Group 30 June 2023 £'000	Group 30 June 2022 £'000	Charity 30 June 2023 £'000	Charity 30 June 2022 £'000
<b>FIXED ASSETS</b>					
Tangible assets	8	8	28	8	28
Investment in subsidiary	7	-	-	-	-
Investments	9	18,845	15,666	18,845	15,666
		<b>18,853</b>	<b>15,694</b>	<b>18,853</b>	<b>15,694</b>
<b>CURRENT ASSETS</b>					
Investments	9	53,371	65,480	53,371	65,480
Stock		180	230	-	-
Debtors	10	7,826	6,923	8,259	7,152
Cash and cash equivalents		10,305	13,540	10,014	13,515
		<b>71,682</b>	<b>86,173</b>	<b>71,644</b>	<b>86,147</b>
Creditors: amounts falling due within one year	11	(32,019)	(47,515)	(31,996)	(47,504)
<b>NET CURRENT ASSETS</b>		<b>39,663</b>	<b>38,658</b>	<b>39,648</b>	<b>38,643</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>58,516</b>	<b>54,352</b>	<b>58,501</b>	<b>54,337</b>
Creditors: amounts falling due after more than one year	11	(10,839)	(16,876)	(10,839)	(16,876)
<b>NET ASSETS</b>		<b>47,677</b>	<b>37,476</b>	<b>47,662</b>	<b>37,461</b>
<b>RESERVES</b>					
Unrestricted funds	14	45,090	33,220	45,075	33,205
Restricted Grant Funds	14	2,587	4,256	2,587	4,256
<b>Total Funds</b>		<b>47,677</b>	<b>37,476</b>	<b>47,662</b>	<b>37,461</b>
<b>TOTAL RESERVES</b>		<b>47,677</b>	<b>37,476</b>	<b>47,662</b>	<b>37,461</b>

The notes on pages 72 to 87 form part of these financial statements.

The accounts on pages 68 to 87 were approved by the Trustees on 19 October 2023 and signed on their behalf by:



Rosie Millard  
Chair



Rhona Burns  
Treasurer

# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2023

	Schedule	Year to 30 June 2023 £'000	Year to 30 June 2022 £'000
<b>Cash flow from operating activities:</b>			
Net cash provided by operating activities	A	(13,055)	(2,618)
<b>Cash flow from investing activities:</b>			
Interest from investments		952	564
Purchase of equipment		(9)	0
Purchase of investments		(804,271)	(1,111,786)
Proceeds from sale of investments		813,148	1,119,299
<b>Net cash used in investing activities</b>		<b>9,820</b>	<b>8,077</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(3,235)</b>	<b>5,459</b>
<b>Cash and cash equivalents at the start of the reporting period</b>	B	13,540	8,081
<b>Cash and cash equivalents at the end of the reporting period</b>	B	<b>10,305</b>	<b>13,540</b>

A. Reconciliation of net income to net cash flow from operating activities

	Year to 30 June 2023 £'000	Year to 30 June 2022 £'000
Net income/(expenditure) for the year	10,201	(3,994)
Depreciation charges	28	69
Investment income	(952)	(564)
Loss/(gain) in investment	54	(600)
Decrease/(increase) in stock	50	(39)
(Increase)/decrease in debtors	(903)	3,640
(Increase) in creditors	(21,533)	(1,130)
<b>Net cash (outflow) provided by operating activities</b>	<b>(13,055)</b>	<b>(2,618)</b>

B. Analysis of cash and cash equivalents

	At 30 June 2022 £'000	Cash Flows £'000	At 30 June 2023 £'000
Cash at bank	13,540	(3,235)	10,305
Money market deposits	-	-	-
<b>Total cash and cash equivalents</b>	<b>13,540</b>	<b>(3,235)</b>	<b>10,305</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2023

### 1 Principal accounting policies

#### Basis of preparation

BBC Children in Need is a registered charity in England and Wales 802052 and Scotland SC039557 and a company limited by guarantee incorporated in England 04723022. The Registered Office is Bridge House, MediaCity UK, Salford M50 2BH.

These accounts have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. The Charity has adapted the Companies Act formats to reflect the SORP and the special nature of the Charity's activities. The Charity is a public benefit entity.

#### Going concern

The accounts have been prepared on the going concern basis and under the historical cost convention with the exception of listed and unlisted investments which are included at market value.

Trustees continuously monitor the impact of external factors on the Charity and its likely future financial position. They are satisfied that the assets are in excess of the liabilities at both the balance sheet date and at the date of approval of the financial statements. The Trustees are also satisfied that the liquidity of the portfolio is appropriate for the phasing of grant commitments over 1 to 3 years, and that the risk of market value changes in the Charity's investments can be managed appropriately. Having taken into account all available information about the future for the period of at least, but not limited to, 12 months from the date on which the accounts are approved the Trustees are satisfied that there are no material uncertainties about the Charity's ability to continue. The accounts are therefore prepared on a going concern basis.

The accounts were authorised for issue on 19 October 2023 by the Board of Trustees.

The accounts are prepared in Sterling which is the functional currency of the Charity and Group and rounded to the nearest £'000. The Charity and Group's presentational currency is the same as its functional currency.

The Charity funds the costs of generating income and governance from Gift Aid, interest earned on Investments and with effect from the 19/20 financial year, up to 5p in the £ from unrestricted donations. This change was necessary due to reducing returns on investments and reduced income from Gift Aid, and now provides the Charity with a level of financial stability.

#### Income

All income is recognised once the Charity has entitlement to it, it is probable that the income will be received and the monetary value of the income can be measured with sufficient reliability.

Legacy income is recognised when the criteria of probability, measurement and entitlement are met. This is considered to be on the earlier of the date cash is received or the date final estate accounts are approved.

Donated services and facilities are treated as gifts in kind and are included as income (with an equivalent amount in resources expended) at the estimated value to the Charity. This income has been recognised as the benefit to the Charity is reasonably quantifiable, measurable and material, the Charity is entitled to the donation in that control over the expected economic benefit has passed and it will more than likely flow to the Charity (further details are given in Note 3).

#### Consolidation

These consolidated accounts incorporate the results of BBC Children in Need and its wholly owned subsidiary undertaking, Children in Need Limited, for the year ended 30 June 2023, on a line by line basis. Children in Need Limited is a company registered in England and Wales and exists primarily to sell Children in Need merchandise and licence products using the Pudsey Bear trademark.

No separate Cash Flow Statement has been prepared for the Charity as permitted by Section 408 of the Companies Act 2006 and FRS102 respectively.

#### Relationship with the BBC

Although the Charity and the BBC are respectively separately governed, they remain closely associated and both parties recognise the mutual benefit of their association and collaboration: The Charity in pursuit of its charitable purposes is able to support the BBC in fulfilling its Mission and Public Purposes, including providing access to younger audiences, increasing awareness and understanding of the issues affecting children and young people in UK, and a charitable vehicle for BBC staff engagement. In return, the Charity benefits from an annual season of broadcast programming, and a range of marketing and operational support, enabling it to promote its work, raise support and money to in turn improve the lives of children and young people across the UK.

#### Grant expenditure

Grant expenditure is recognised when grants are approved by Directors or Trustees and notified to the organisations concerned, payment is probable, it can be measured reliably and all conditions have been met. Grant expenditure not yet paid is recognised as a liability on the balance sheet. If grants are payable in less than one year they are classified as short term and if payable in more than one year then they are classified as long term. For grants payable in more than one year discounts for present value have not been applied on the basis of materiality.

#### Other expenditure

Expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation committing the Charity and Group to the expenditure, payment is probable and it can be measured reliably. Costs have been directly attributed to a particular heading in the Statement of Financial Activities on a headcount basis or on a time basis consistent with the use of the resource.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

Cost of generating funds consists of costs incurred by the Charity in encouraging organisations and individuals to make voluntary contributions or to organise a fundraising event. This includes all costs of production and distribution of publicity materials, the costs of staff and other expenditure incurred in communicating with fundraisers and donors and the cost of Charity organised events and challenges.

Grant giving costs represent the cost of monitoring and evaluating projects to ensure the money is being used to maximum effect and ensuring that grantmaking is supported, processed and governed responsibly. This includes costs of staff who support the grantmaking process, external assessors, regional and national committee meetings and expenditure incurred in this process.

Governance costs include all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These include costs of staff, external audit and legal fees along with Trustee expenses and meeting costs.

Further details of other expenditure are shown in Note 5.

#### Tangible fixed assets

Tangible assets costing more than £1,000 are capitalised, included at cost and depreciated over their useful lives on a straight line basis. Depreciation is provided on all tangible assets at rates calculated to write off the costs of each asset on a straight line basis over its expected useful life as follows:

IT equipment and software	3 years
Furniture, fixtures and fittings	3 years

Further details of assets are shown in Note 8.

#### Investments

Grants are paid in instalments across the life of the project (typically 3 years) therefore we will always have some funds that we hold in investments.

Investments are included in the Balance Sheet at mid-market value. All gains and losses are shown in the Statement of Financial Activities. They are classified as fixed investments if they represent grants awarded and payable in more than one year (presented as a long term creditor) and grant funds due to be awarded where the payment will be made in more than one year (presented as the grant fund). They are classified as current investments if they represent grants payable in less than one year.

Further details of fixed and current investments are given in Note 9.

#### Stock

Stock is held by Children in Need Limited. Further details of the accounts of Children in Need Limited are given in Note 7. Stock is stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

#### Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activity in the cost of generating voluntary income.

#### Operating leases

Operating lease rentals are charged to the Statement of Financial Activity on a straight line basis over the period of the lease.

Further details of operating leases are given in Note 13.

#### Retirement benefit plans

Employees of the Charity participate in defined benefit and defined contribution schemes operated by the British Broadcasting Corporation. The defined benefit schemes provide benefits based on pensionable pay. The assets of the BBC's main pension scheme, the BBC Pension Scheme, to which the majority of employees belong, are held separately from those of the BBC Group.

The BBC Pension Scheme is a group-wide scheme and there is no contractual agreement or stated policy for charging the net defined benefit cost to scheme participants. The contribution rates are set by the pension scheme trustees based on valuations which take a longer-term view of the assets required to fund the scheme's liabilities. Valuations of the scheme are performed by Willis Towers Watson, consulting actuaries, with formal valuations undertaken at least every three years. Accordingly, the Company accounts for contributions payable to the scheme as if the schemes were defined contribution schemes.

#### Basic financial instruments

##### (a) Financial assets

Basic financial assets represents stocks, trade debtors including amounts due by group undertakings; and cash and bank balances which are initially recognised at transaction price. At 30 June 2023, the group and charity had only financial assets classified as basic financial instruments. Debtors receivable in less than one year are recorded at transaction price.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled.

##### (b) Financial liabilities

Basic financial liabilities represents creditors including amounts owed to group undertakings are initially recognised at transaction price. At 30 June 2023, the group and charity had financial liabilities classified as basic financial liabilities.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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.

Amount owed to group undertakings which are basic financial instruments are initially recorded at the present value of future payments.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### Structure of Reserves

#### Unrestricted Funds including Designated

The Charity holds the majority of donation income in the Impact Continuity Fund which is designated to ensuring maximum positive impact on disadvantaged children and young people. The money is therefore spent on BBC Children in Need's grantmaking activity, grantmaking policy and making an impact - charitable initiatives designed to make a positive difference to the lives of children and young people. This includes making awards to projects and the cost of allocating, monitoring and evaluating grants to ensure that donations are being used to maximum effect. It is not always possible to accurately match the amount of grant making activity with the amount of income in any one year therefore any unspent income is always monitored separately.

The Charity holds Gift Aid from unrestricted donations, interest earned on Investments and up to 5p in the £ from unrestricted donations in the general continuity fund. This fund is used to cover the costs of generating income and other activities which support the governance, growth and development of the Charity. A proportion is also held in reserve to cover any potential investment losses generated through short term volatility and to fund a potential short term funding deficit should future income levels fall unexpectedly.

Other Non-Grant funds also include the net assets of Children in Need Limited.

Gifts in kind is allocated across the two funds based on direct staff allocation.

#### Restricted Funds

This is restricted income held to further a specific purpose of the Charity as stipulated by the donor and is accounted for accordingly and presented separately on the face of the Statement of Financial Activities. This may also include associated Gift Aid which is also deemed to be restricted in use. This spend includes making awards to projects and the cost of allocating, monitoring and evaluating grants.

Where the donor expresses a form of non-binding preference as to the use of the funds, this falls short of imposing a formal restriction and the Charity will include the relevant donations as part of its unrestricted funds.

#### Consolidation

These consolidated accounts incorporate the results of BBC Children in Need and its wholly owned subsidiary undertaking, Children in Need Limited, for the year ended 30 June 2023, on a line by line basis. Children in

Need Limited is a company registered in England and Wales and exists primarily to sell Children in Need merchandise and license products using the Pudsey Bear trademark.

No separate Cash Flow Statement has been prepared for the Charity as permitted by Section 408 of the Companies Act 2006 and FRS102 respectively.

#### Loan to Children in Need Limited

The interest bearing loan is a basic financial instrument and is recorded at fair value on both initial recognition and subsequent recognition. As the loan is repayable on demand fair value is equal to face value.

#### Judgements and estimates

The preparation of the accounts requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for income and expenditure during the year.

Judgement has been applied in the consideration of what gifts in kind are included in the Charities accounts. The gift in kind has been accounted for where the actual expenditure incurred by the BBC or corporate partner can be measured reliably and the Charity has received the benefit. Many of the other elements of BBC support are very difficult to quantify as they are not discrete activities but embedded, partly as newsworthy and entertainment content, within the operations and business of the BBC. The Appeal show provides valuable content, which attracts a large audience, and without it the BBC would have to produce alternative content. As such the full value of support provided by the BBC has not been included in the Charity's Statement of Financial Activities.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

### 2 INCOME

Income from donations and gift aid totalling £43,224k (2022: £50,681k) is generated from direct public support, our Corporate Partners and BBC Programmes. Together with partnership funding and legacies the total reported from charitable activities is £47,438k (2022: £67,902k). Total income per the Charity Statement of Financial Activities is £49,363k (2022: £69,420k)

	Unrestricted funds				Restricted funds		Total 2023 £000	Total 2022 £000
	Direct public support £000	High value donors & partnerships £000	BBC programmes £000	Other £000	High value donors & partnerships £000			
Schools	3,936	-	-	-	-	3,936	4,551	
Public fundraising	2,382	-	-	-	-	2,382	3,398	
Donations	12,472	7,980	10,238	-	3,000	33,690	38,447	
Gift aid on donations	3,216	-	-	-	-	3,216	4,285	
<b>TOTAL DONATIONS</b>	<b>22,006</b>	<b>7,980</b>	<b>10,238</b>	<b>-</b>	<b>3,000</b>	<b>43,224</b>	<b>50,681</b>	
Gift aid payment from Children in Need Limited	206	-	-	-	-	206	173	
Partnership funding	-	750	-	-	400	1,150	14,901	
Legacies	2,858	-	-	-	-	2,858	2,147	
<b>TOTAL INCOME FROM CHARITABLE ACTIVITIES</b>	<b>25,070</b>	<b>8,730</b>	<b>10,238</b>	<b>-</b>	<b>3,400</b>	<b>47,438</b>	<b>67,902</b>	
Licence fee income	-	290	-	-	-	290	298	
Return on investments	-	-	-	952	-	952	564	
Other income - Gift in Kind	-	-	-	683	-	683	656	
<b>RECONCILIATION TO CHARITY SOFA</b>						<b>49,363</b>	<b>69,420</b>	
Gift in Kind						(683)	(656)	
Less losses / plus gains on investments						(54)	600	
<b>RECONCILIATION TO REPORTED INCOME</b>						<b>48,626</b>	<b>69,364</b>	

How the above income has been utilised in the year is shown below.

Grant Awards	(21,466)	(4,833)	(26,299)	(62,249)
Costs of grantmaking	(5,507)	(236)	(5,743)	(5,102)
Costs of Generating Income and Governance	(6,383)	-	(6,383)	(6,007)
Movement in reserves	(11,870)	1,669	(10,201)	3,994
<b>REPORTED TOTAL INCOME</b>	<b>(45,226)</b>	<b>(3,400)</b>	<b>(48,626)</b>	<b>(69,364)</b>

Income as reported by the charity is £47,727k (2022:£68,199k) which is the income reported on the SOFA of £49,363k excluding gift in kind of £683k and investment returns of £952k.

### 3 GIFTS IN KIND

BBC Children in Need is the UK corporate Charity of the BBC and as such is supported by the BBC in a number of ways including but not limited to:

- the provision of office space and other services at no charge;
- the preparation and broadcast of the annual television BBC One Appeal Show including national and regional programming content;
- the extensive support of programmes across all platforms both on the day of the Appeal and the campaign build up;
- significant promotional support and coverage of the Appeal across the BBC local television and radio network in the days before the Appeal and on Appeal night.

The costs of support through the provision of office space and other services for the last financial year have been calculated as £683k (2022 - £656k) based on actual office space utilised by BBC Children in Need during the year. This amount has been recorded as income, with an equal amount included in expenditure, in the statement of financial activities as it meets the recognition criteria set out in the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019.

Please refer to note 1 on page 72 for disclosure of key judgements in relation to Gifts in Kind.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

### 4 GRANT EXPENDITURE

The grants given to charities and organisations fall into the bands detailed below:

Grants Reconciliation	Group 2023 £'000	Group 2022 £'000
<b>Grants outstanding as at 1 July 2022</b>	61,574	65,055
Grants awarded in the period	26,299	62,249
Grants paid in the period	(48,126)	(65,730)
<b>Grants outstanding as at 30 June 2023</b>	39,747	61,574

Total Grants Awarded In The Period	Qty	Group 2023 £'000	Group 2022 £'000
<b>Open Call grant award</b>			
Main & Small Extension Grants	1,658	859	44,663
Youth Investment Fund	-	-	11,917
Core Grants	98	6,650	-
Project Grants	119	8,201	-
	<b>1,875</b>	<b>15,710</b>	<b>56,580</b>
<b>In Partnership with:</b>			
A Million & Me Programme	8	605	814
The Hunter Foundation	5	1,869	507
iWill - Youth Social Action, We Move	131	4,444	481
NSPCC	-	-	168
Premier League	-	-	667
Children's Society	-	-	133
Legal Education Foundation	1	81	220
Alliance for Youth Justice	1	47	47
HSBC	20	134	97
McDonalds Community Connections	54	135	-
Youth Work Alliance	1	169	-
Blagrave Trust	1	133	-
New Philanthropy Capital	1	48	-
The Felix Project	1	100	-
Others	5	67	-
	<b>229</b>	<b>7,832</b>	<b>3,134</b>
<b>Emergency Funding</b>	<b>2</b>	<b>3,500</b>	<b>3,100</b>
<b>Total Grant Awards</b>	<b>2,106</b>	<b>27,042</b>	<b>62,814</b>
Grant Underspends		(743)	(593)
Training of Grantees		-	28
		<b>26,299</b>	<b>62,249</b>

In the year ended June 2023 £27,042k before returns and training support (2022: £62,814k) was awarded to projects and programmes. The Charity paused grant making in the first half of the financial year while the new grant making strategy was implemented so part of the year on year reduction in grant awards is due to timing but part is also due to the reduced income from donations and charitable activities.

Of this amount direct open call funding totalled £15,710k (2022: £56,580k), £3,500k (2022: £3,100k) was awarded in Emergency funding and £7,832k (2022: £3,134k) across other partnership programmes.

#### Adjustments to grants

An amount of £743k (2022: £593k) has been written back to the Statement of Financial Activities. This represents adjustments to grants and the full and partial return of grants that have been awarded in the current and the prior year which would arise when the project cannot fulfil the agreed outcomes. This amount is added back to the total available for future award.

## Support, education and training

Some organisations, particularly those where the Charity is funding a staff post, are given training and support in how to measure and report the difference their project is making to the children and young people they work with. Due to the pausing of grant making the cost in 2023 was nil (2022: £28k).

## 5 OPERATING COSTS EXCLUDING GIFTS IN KIND

In order to administer the Charity efficiently, fundraise creatively, manage the funds raised professionally and operate as an effective grant maker, BBC Children in Need incurs costs.

Where staff work across more than one area, costs are allocated based on the proportion of time spent on the areas of generating voluntary income, governance and making an impact which includes the cost of grantmaking. Office & IT costs and professional fees are allocated based on usage. The BBC Gift in Kind to support the provision of office space together with depreciation is allocated on staff numbers.

	Staff costs £'000	Support costs £'000	Other direct costs £'000	2023 total £'000	2022 total £'000
<b>Costs of generating funds</b>					
Cost of generating voluntary income	2,549	1,336	2,037	5,922	5,557
Investment management fees	-	-	119	119	116
Trading operating costs	133	-	873	1,006	806
Governance	95	259	4	358	314
<b>Charitable activities</b>					
Grantmaking, policy & Impact	3,409	1,270	1,440	6,119	5,480
	<b>6,186</b>	<b>2,865</b>	<b>4,473</b>	<b>13,524</b>	<b>12,273</b>
Gifts in kind				(683)	(657)
<b>Operating costs</b>				<b>12,841</b>	<b>11,616</b>

Specific expenditure items included in the figures above are:

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Depreciation	29	69	29	69
Operating leases	45	35	45	35
Reimbursement of trustees expenses	2	3	2	3
<b>Auditors' remuneration:</b>				
Audit of these accounts	58	50	58	50
Audit of the charity's subsidiary pursuant to the legislation	2	2	-	-
Taxation compliance services	2	2	1	1
Legal fees	37	33	37	33

Support costs are broken down as:

	Staff costs £'000	Office and IT costs £'000	Depreciation £'000	Professional fees £'000	Gifts in kind £'000	2023 total £'000	2022 total £'000
<b>Costs of generating funds</b>							
Cost of generating voluntary income	754	190	14	81	297	1,336	1,122
Governance	181	45	3	20	10	259	229
<b>Charitable activities</b>							
Grant making, policy and impact	649	163	12	70	376	1,270	1,130
	<b>1,584</b>	<b>398</b>	<b>29</b>	<b>171</b>	<b>683</b>	<b>2,865</b>	<b>2,481</b>

# NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

## 6 EMPLOYEE AND PENSION INFORMATION

The average number of persons employed during the period split by function is as follows:

	Group 2023	Group 2022	Charity 2023	Charity 2022
Generating funds	63	60	60	57
Grant giving	86	87	86	87
Governance	4	3	4	3
	<b>153</b>	<b>150</b>	<b>150</b>	<b>147</b>

The equivalent number of full time staff is 144 (2022: 141).

The breakdown of the group's salary costs is as follows:

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Wages and salaries	6,100	6,007	5,992	5,892
Social Security costs	672	634	660	623
Pension costs	611	599	602	591
Other staff costs	387	406	383	402
	<b>7,770</b>	<b>7,646</b>	<b>7,637</b>	<b>7,508</b>

## Pension Costs

### Defined benefit schemes:

The Company accounts for the BBC Pension Scheme as if it were a defined contribution scheme. This is because it is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

The pension costs for both schemes represent contributions payable by the Charity to the funds and this amounted to £611k in the year (2022: £599k).

Information about the scheme deficit that may affect the amount of future contributions, including the basis used to determine that deficit and the implications, can be found within notes D6 and D7 of the BBC Annual Report and Accounts.

### Remuneration

Trustees do not receive any remuneration or receive any other benefits for their roles as Trustees. Trustee expenditure includes the reimbursement of expenses incurred by Trustees while carrying out their duties for the Charity, primarily for travel expenses of Trustees not based in London to attend meetings. £2k of expenses were paid in the period to 6 trustees (2022: £3k).

The emoluments of employees who are higher paid fell into the following bands of £10,000:

	Group 2023	Group 2022
£60,000 - £69,999	6	5
£70,000 - £79,999	2	4
£80,000 - £89,999	1	2
£90,000 - £99,999	2	1
£100,000 - £109,999	1	-
£110,000 - £119,999	-	2
£120,000 - £129,999	-	-
£130,000 - £139,999	-	1
£140,000 - £149,000	-	-
£150,000 - £160,000	1	-
	<b>13</b>	<b>15</b>

The emoluments paid to the Chief Executive in the year were £154,044 (2022: £138,198).

Retirement benefits are accruing under defined benefit schemes for four (2022: five) of the above higher paid members of staff

#### Key Management Personnel

All principal officers who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is £993k (2022: £794k). The Charity has invested in its leadership team in the year to ensure delivery of the long term strategy.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

### 7 INVESTMENT IN SUBSIDIARY

BBC Children in Need owns 100% of the issued ordinary share capital of £2 of Children in Need Limited (registered company 2461031), a company registered in England and Wales, which licenses products using the Pudsey Bear trademark.

A summary of the trading results and balance sheet of Children in Need Limited is set out below.

Turnover of £928k is derived from the sale of merchandise to the public through our online store and fundraising events (2022: £687k). In addition, Corporate Partners purchase BBC Children in Need product to support their fundraising activities as well as sell their own products licensed by Children in Need Limited, for this a license fee is charged £284k (2022: £292k).

The Trading Company has gifted its net profit of £206k (2022: £172k) to the Charity.

	Year to 30 Jun 23 £'000	Year to 30 Jun 22 £'000
Turnover	1,212	979
Product cost of sales	(715)	(508)
<b>Contribution</b>	<b>497</b>	<b>471</b>
Other cost of sales	(95)	(108)
<b>Gross profit</b>	<b>402</b>	<b>363</b>
Operating expenses	(198)	(191)
Interest receivable	2	-
<b>Net profit</b>	<b>206</b>	<b>172</b>
Gift aid payment to BBC Children in Need Appeal	(206)	(172)
<b>Retained in Children in Need Limited</b>	<b>-</b>	<b>-</b>
	<b>30 Jun 23 £'000</b>	<b>30 Jun 22 £'000</b>
<b>Fixed assets</b>		
Tangible assets	-	-
<b>Current assets</b>		
Stock	180	230
Debtors	66	89
Cash at bank and in hand	290	25
<b>TOTAL CURRENT ASSETS</b>	<b>536</b>	<b>344</b>
Creditors: amounts falling due within one year	(521)	(329)
<b>Net current assets / (liabilities)</b>	<b>15</b>	<b>15</b>
Total assets less current liabilities	15	15
Creditors: amounts falling due after more than one year	-	-
<b>Net assets</b>	<b>15</b>	<b>15</b>
Share capital	-	-
Profit and loss account	15	15

Within the creditors amount of £521k is £499k (2022: £318k) owing to the Charity. This is made up of an outstanding loan of £150k not due for repayment, £206k of gift aid and £13k of recharges not yet transferred back to the Charity. The movement in the creditor balance in the year of £181k is explained as follows:

Inter Company Transactions in year	2023 £'000	2022 £'000
Staff & staff expenses recharged by charity	167	155
Donations deposited with the trading company	150	199
Trading vat transactions paid through the charity	117	81
Loan interest charged by the charity	16	7
Gift aid payment donated to charity	206	173
Merchandise and storage costs recharged to charity	(53)	(20)
Cash transferred to charity in part settlement of the above	(422)	(790)
<b>Movement</b>	<b>(181)</b>	<b>(195)</b>

## 8 TANGIBLE ASSETS

Group	IT equipment & software £'000	Furniture, fixtures & fittings £'000	Total £'000
<b>Cost</b>			
As at 01 July 2022	779	1	780
Additions	9	-	9
Disposals	(417)	(1)	(418)
<b>As at 30 June 2023</b>	<b>371</b>	<b>-</b>	<b>371</b>
<b>Accumulated depreciation</b>			
As at 01 July 2022	751	1	752
Charge for the year	28	-	28
Disposals	(416)	(1)	(417)
<b>As at 30 June 2023</b>	<b>363</b>	<b>-</b>	<b>363</b>
<b>Net Book Value</b>			
As at 30 June 2022	28	-	28
<b>As at 30 June 2023</b>	<b>8</b>	<b>-</b>	<b>8</b>
Charity	IT equipment & software £'000	Furniture, fixtures & fittings £'000	Total £'000
<b>Cost</b>			
As at 01 July 2022	704	1	705
Additions	9	-	9
Disposals	(416)	(1)	(417)
<b>As at 30 June 2023</b>	<b>297</b>	<b>-</b>	<b>297</b>
<b>Accumulated depreciation</b>			
As at 01 July 2022	677	1	678
Charge for the year	28	-	28
Disposals	(416)	(1)	(417)
<b>As at 30 June 2023</b>	<b>289</b>	<b>-</b>	<b>289</b>
<b>Net Book Value</b>			
As at 30 June 2022	27	-	27
<b>As at 30 June 2023</b>	<b>8</b>	<b>-</b>	<b>8</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

### 9 FIXED AND CURRENT INVESTMENTS

The portion of the Group and Charity's investment portfolio that is classified as fixed investments relate to grant creditors committed, or grants to be awarded and payable in more than one year. Current investments relate to grant creditors committed, or grants to be awarded and due for payment within one year plus any other short term liabilities.

Investments are analysed below, between Fixed Income and Alternatives. Fixed Income includes certificates of deposit, floating rate notes, gilts and high-quality corporate bonds. Alternatives include other income generating assets, such as property and securitised credit funds. Investments are valued at current market value as at 30 June 2023.

Income in the year of £898k relates to interest earned on investments held in the year £952k plus revaluation losses -£54k (2022: £1,164k (£564k interest and £600k gains)).

Group and Charity	2023 £'000	2022 £'000
<b>Market Value at 1 July 2022</b>	<b>81,146</b>	<b>88,059</b>
Add: acquisitions at cost	804,441	1,119,375
Less: disposals at market value	(813,148)	(1,119,299)
Add: net (losses) / gains on revaluation	(54)	600
<b>Market Value at 30 June 2023</b>	<b>72,385</b>	<b>88,735</b>
Add: deposits held at financial institutions	(1,257)	(1,087)
Less: deposits held at financial institutions at 30 June 2022	1,087	(6,502)
<b>Total Investments at 30 June 2023</b>	<b>72,215</b>	<b>81,146</b>

The investments can be analysed as follows:

	2023		2022	
	Valuation £'000	Cost £'000	Valuation £'000	Cost £'000
<b>Fixed income</b>				
-maturing in more than 1 year	13,683	14,277	13,535	14,013
-maturing in less than 1 year	38,255	38,047	38,701	38,674
<b>Alternatives</b>				
-maturing in more than 1 year	21,531	19,658	29,997	27,274
-maturing in less than 1 year	4	-	-	-
Deposits held with financial institutions	(1,257)	(1,257)	(1,087)	(1,086)
	<b>72,216</b>	<b>70,725</b>	<b>81,146</b>	<b>78,875</b>
Included as:				
Fixed asset investments	18,845	18,845	15,666	15,666
Current investments	53,371	51,880	65,480	63,209
	<b>72,216</b>	<b>70,725</b>	<b>81,146</b>	<b>78,875</b>

Included within the above totals are cash and cash equivalents of 1,087k (2022: -£6,502k).

## 10 DEBTORS

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Trade debtors	1,591	241	1,525	155
Amounts owed by subsidiary undertaking	-	-	499	318
Other debtors	2,277	3,824	2,277	3,824
Taxation	3	160	3	157
Prepayments and accrued income	2,895	2,440	2,895	2,440
	<b>6,766</b>	<b>6,665</b>	<b>7,199</b>	<b>6,894</b>
<b>Amounts falling due after more than one year</b>				
Other debtors	1,060	258	1,060	258
	<b>1,060</b>	<b>258</b>	<b>1,060</b>	<b>258</b>

Included in the £499k (2022: £318k) amount owed by subsidiary undertaking is a receivable from Children In Need Limited for gift aid of £207k and £150k intercompany loan which is repayable on demand, (2022: £173k and £150k respectively).

Prepayments and accrued income of £2,895k are split £161k and £2,716k (2022: £2,440k split £22k and £2,418k) respectively.

The accrued income relates mainly to Corporate and Grant Partnership income still to be received and amounts falling due after more than one year relates to income due from The Hunter Foundation to fund ongoing partnership activity.

## 11 CREDITORS

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
<b>Amounts falling due within one year</b>				
Trade creditors	1,733	1,589	1,719	1,583
Grants payable	28,908	44,698	28,908	44,698
Accruals and deferred income	1,369	1,228	1,369	1,223
Taxation	9	-	-	-
	<b>32,019</b>	<b>47,515</b>	<b>31,996</b>	<b>47,504</b>
<b>Amounts falling due after more than one year</b>				
Grants payable	10,839	16,876	10,839	16,876
	<b>10,839</b>	<b>16,876</b>	<b>10,839</b>	<b>16,876</b>

Within grants payable, £28,908k (2022: £44,698k) is due to be paid within one year and £10,839k (2022: £16,876k) paid within the next two to three years. Of the total grant payable amount of £39,747k, £19,578k relates to our main and small responsive grants awarded over the last 1-3 years, £13,572k relates to our core and project grants awarded and payable over the next 3 years, £3,000k relates to our emergency essential programme that is funded for the next 11 months and the balance of £3,597k relates to proactive grant partnerships including Premier League, iWill and Wellcome Trust.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

### 12 FINANCIAL INSTRUMENTS

The group has the following financial instruments:

	Notes	Group 2023 £'000	Group 2022 £'000
Financial assets measured at amortised cost are:			
trade debtors, accrued income, cash and other debtors excluding prepayments	10	16,713	19,353
Financial assets measured at fair value through income and expenditure	9	73,472	82,233
Financial liabilities at amortised cost are:			
trade creditors, grants payable, other creditors, accruals excluding deferred income	11	42,858	64,391

### 13 OPERATING LEASES

	Group		Group	
	Land & buildings 2023 £'000	Other 2023 £'000	Land & buildings 2022 £'000	Other 2022 £'000
<b>Operating leases future minimum payments:</b>				
- within one year	-	38	-	47
- later than one year and not later than five years	-	24	-	54
	-	<b>62</b>	-	<b>101</b>

### 14a FUNDS

The fund balances are shown below.

Funds £'000	Opening Fund 1 Jul 22	Donations	Funding	Legacies	Gift Aid	Product	Investments	Total Income	Grants awarded in year (net of adjustments)	Cost of grant making, policy, impact and grantee training	Cost of raising funds & governance	Closing fund 30 June 23
iWill	1,247	-	400	-	-	-	-	400	(686)	(227)	-	734
YFF	9	-	-	-	-	-	-	-	-	(9)	-	-
THF	3,000	-	-	-	-	-	-	-	(1,147)	-	-	1,853
Other partnerships	-	3,000	-	-	-	-	-	3,000	(3,000)	-	-	-
<b>Restricted Impact Fund</b>	<b>4,256</b>	<b>3,000</b>	<b>400</b>	-	-	-	-	<b>3,400</b>	<b>(4,833)</b>	<b>(236)</b>	-	<b>2,587</b>
<b>Unrestricted designated impact fund</b>	<b>19,175</b>	<b>35,158</b>	<b>750</b>	<b>2,715</b>	-	<b>206</b>	-	<b>38,829</b>	<b>(21,466)</b>	<b>(5,507)</b>	-	<b>31,031</b>
General continuity Fund	8,795	1,850	-	143	3,216	290	898	6,397	-	-	(6,383)	8,809
Investment continuity Fund	5,000	-	-	-	-	-	-	-	-	-	-	5,000
Development Fund	250	-	-	-	-	-	-	-	-	-	-	250
<b>Total unrestricted funds</b>	<b>33,220</b>	<b>37,008</b>	<b>750</b>	<b>2,858</b>	<b>3,216</b>	<b>496</b>	<b>898</b>	<b>45,226</b>	<b>(21,466)</b>	<b>(5,507)</b>	<b>(6,383)</b>	<b>45,090</b>
<b>Total funds</b>	<b>37,476</b>	<b>40,008</b>	<b>1,150</b>	<b>2,858</b>	<b>3,216</b>	<b>496</b>	<b>898</b>	<b>48,626</b>	<b>(26,299)</b>	<b>(5,743)</b>	<b>(6,383)</b>	<b>47,677</b>

The closing restricted fund of £2.6m (2022: £4.3m) represents £1.9m of donations previously received from The Hunter Foundation (THF) and the balance of £0.7m (2022: £1.2m) of income from iWill will be used to continue our joint support of support of children deemed to be on the edge of the care system and Youth Social Action respectively. New funds of £3m have also been received from Asda and fully spent in support of the Emergency Essential Programme.

All funds donated in the year have been awarded as per agreed restrictions.

Unrestricted funds totalling £45.1m (2022: £33.2m) are held for the following purposes:

- The 'Designated Impact Fund' of £31.0m (2022: £19.2m) is designated for grant making and will be awarded prior to the next Appeal with the exception of a £5m contingency held to cover the uncertainty of income available to fund impact activity and /or exceptional requirement for funding.
- The 'General Continuity Fund' of £8.8m (2022: £8.8m) is held to cover uncertainty of income available to fund general operating costs.
- The 'Development Fund' of £0.3m (2022: £0.3m) is to allow for future investment and respond to growth opportunities.
- The 'Investment Continuity Fund' of £5.0m (2022: £5.0m) is to manage volatility or total return (capital value or income) from income generating assets.

## 14b COMPARATIVE FUNDS NOTE

Funds £'000	Restated Opening Fund 1 Jul 21							Total Income	Grants awarded in year (net of adjustments)	Cost of grant making, policy, impact and grantee training	Cost of raising funds & governance	Closing fund 30 June 22
	Donations	Funding	Legacies	Gift Aid	Product	Investments						
DCMS	-	-	12,173	-	-	-	-	12,173	(11,650)	(523)	-	-
iWill	-	-	1,728	-	-	-	-	1,728	(481)	-	-	1,247
YFF	-	-	-	-	-	-	-	-	9	-	-	9
THF	3,000	-	-	-	-	-	-	-	-	-	-	3,000
TBNI	-	78	-	-	-	-	-	78	(71)	(7)	-	-
Other partnerships	268	2,354	-	-	-	-	-	2,354	(2,047)	(457)	(118)	-
<b>Restricted Impact Fund</b>	<b>3,268</b>	<b>2,432</b>	<b>13,901</b>	-	-	-	-	<b>16,333</b>	<b>(14,240)</b>	<b>(987)</b>	<b>(118)</b>	<b>4,256</b>
<b>Unrestricted designated impact fund</b>	<b>26,320</b>	<b>41,766</b>	<b>1,000</b>	<b>2,040</b>	-	<b>173</b>	-	<b>44,979</b>	<b>(48,009)</b>	<b>(4,115)</b>	-	<b>19,175</b>
General continuity Fund	6,632	2,198	-	107	4,285	298	1,164	8,052	-	-	(5,889)	8,795
Investment continuity Fund	5,000	-	-	-	-	-	-	-	-	-	-	5,000
Development Fund	250	-	-	-	-	-	-	-	-	-	-	250
<b>Total unrestricted funds</b>	<b>38,202</b>	<b>43,964</b>	<b>1,000</b>	<b>2,147</b>	<b>4,285</b>	<b>471</b>	<b>1,164</b>	<b>53,031</b>	<b>(48,009)</b>	<b>(4,115)</b>	<b>(5,889)</b>	<b>33,220</b>
<b>Total funds</b>	<b>41,470</b>	<b>46,396</b>	<b>14,901</b>	<b>2,147</b>	<b>4,285</b>	<b>471</b>	<b>1,164</b>	<b>69,364</b>	<b>(62,249)</b>	<b>(5,102)</b>	<b>(6,007)</b>	<b>37,476</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

### 14c ANALYSIS OF NET ASSETS BY FUND

Fund balances at 30 June 2023 are represented by:

Group	Unrestricted designated impact funds £'000	Restricted funds £'000	Unrestricted general funds £'000	Total £'000
Fixed assets	18,853	-	-	18,853
Net current assets	23,017	2,587	14,059	39,663
Long-term liabilities	(10,839)	-	-	(10,839)
<b>Net assets</b>	<b>31,031</b>	<b>2,587</b>	<b>14,059</b>	<b>47,677</b>

Fund balances at 30 June 2022 are represented by:

Group	Unrestricted designated impact funds £'000	Restricted funds £'000	Unrestricted general funds £'000	Total £'000
Fixed assets	15,694	-	-	15,694
Net current assets	20,357	4,256	14,045	38,658
Long-term liabilities	(16,876)	-	-	(16,876)
<b>Net assets</b>	<b>19,175</b>	<b>4,256</b>	<b>14,045</b>	<b>37,476</b>

### 15 TAXATION

BBC Children in Need, a company limited by guarantee was registered as a Charity on 7 August 2003. The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### 16 RELATED PARTIES

#### Subsidiary Undertaking

During the year the Charity entered into transactions with a related party, in the ordinary course of the charities activity. Trading balances outstanding at 30 June 2023 are as follows:

	2023 £'000	2022 £'000
Subsidiary Undertaking	499	318

The Company has taken advantage of the exemption under paragraph 33.1a of FRS 102 not to disclose transactions with the parent company as it is wholly owned.

At the yearend BBC Children in Need had a creditor balance with the BBC Group of £1.3m (2022: £0.7m) relating to the recharge of employee costs.

**B B C**  
**CHILDREN  
IN NEED**

**BBC CHILDREN IN NEED**

England & Wales - Charity number 802052

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# Accounts

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**BBC**  
**CHILDREN**  
**IN NEED**



**ANNUAL REPORT**  
**AND ACCOUNTS**

**FOR THE FINANCIAL YEAR TO 30 JUNE 2022**



# CONTENTS

## 2022 Report

<b>Message from the Chair</b>	<b>7</b>
<b>Report of the Trustees</b>	<b>9</b>
Strategic Report	12
<b>Finding and Funding</b>	<b>15</b>
Changing the Lives of Children	16
Grant Portfolio Overview	20
Grantmaking Policy	24
<b>Raising Funds to Transform Young Lives</b>	<b>27</b>
Direct Public Support	30
High Value Donors and Partnerships	32
Support from the BBC	34
<b>Building on our Strengths</b>	<b>41</b>
Using Insight to Inform our Decisions	42
Building a Strong Charity	44

## 2022 Accounts

Financial Review	47
Future Plans	53
Structure, Governance and Management	54
Reference and Administrative Details	56
Statement of Trustees' Responsibilities	57
Independent Auditors' Report to the Trustees	58
Consolidated Statement of Financial Activities	61
Charity Statement of Financial Activities	62
Consolidated and Charity Balance Sheets	63
Consolidated Cash Flow Statement	64
Notes to the Accounts	65



# 2022 REPORT



# MESSAGE FROM THE CHAIR

This summer, the mood was one of optimism as the UK emerged from the pandemic, yet the legacy of lockdown has been astonishingly tough on children and young people across the nations and regions. Across the UK, as always, members of the public, our corporate partners and the entire BBC have joined in a shared vision to make things better for children and young people. Together, we were there for the children and young people across the UK who needed us most.

In the year ending June 2022 I am proud to state that we have awarded 1,600 grants worth £51 million, supporting local charities and projects addressing urgent needs of children across the UK. This total includes £11m to charities which support the emotional wellbeing and mental health of young people, and £10m in grants to support those facing increased financial uncertainty. In addition to this total of £51m, BBC Children in Need also administered a further £12m for the first phase of the Government's Youth Investment Fund (YIF). This amount was broken down into 419 grants which will benefit over 290,000 children and young people across England and has been spent on capital investment such as transport, equipment and infrastructure for youth clubs.

The impact of Covid-19 has been significant on our children and young people, and it was to cope with this that we launched our Appeal, entitled 'Together, We Can' which sought to help children and young people overcome the lasting effects of the pandemic. From sustained isolation and bereavement, to increased financial uncertainty and damage to education, we sought to avert the very real danger that the crisis could affect the future of a generation.

To support us in this mission, our corporate partners raised millions of pounds to help make a difference, while across the BBC a plethora of inspiring programming and fundraising initiatives burst onto the airwaves and across the internet. Audiences were treated to delights including BBC weather presenter Owain Wyn Evans drumming for 24 hours, five inspirational young people in The One Show's Surprise Squad delivering treats to local communities and BBC Children in Need funded projects, and Rhod Gilbert and his team on DIY SOS transforming 2.5 acres of weeds into a purpose-built adventure campsite for the children of St Michael's Youth Project in Hull. There was a 2021 Ramble special, which saw Countryfile presenters accompany inspirational young people in six breath-taking locations across the UK, and The Great Rickshaw Relay Challenge, in which Matt Baker and his team of young people embarked on a relay ride across the UK. Sophie Ellis-Bextor disco danced in her kitchen for 24 hours on Radio 2 and Dr Alex George fronted a powerful documentary, Our Young Mental Health Crisis.

As always, our Friday night 2021 Appeal united the nation, raising smiles, tears, hope and an astonishing amount of money. The British public's generosity meant £39million was raised on the night, growing to £51million as donations continued over the following months. We have since refreshed our branding, bringing us in line with the BBC family, and devised a five year strategic plan to ensure we are in the best possible place to help meet the huge range of serious needs faced by children and young people across the UK.

Right now, millions of children and young people across the UK have been plunged into poverty by the cost of living crisis. We know that poverty is one of the biggest obstacles to the happiness and secure future of children and young people. We aim to ensure no child is held back or denied access to basic essentials, or misses out on activities and opportunities. We are working hard at it. Thanks to our experience and our structure we have the networks, skills and expertise to deliver funding across the UK quickly and efficiently when it is needed most.

But of course we cannot do this without funds. On behalf of everyone at BBC Children in Need, I would like to thank all of our supporters and partners. The money you have given us has helped change lives and futures. You have helped 450,000 children and young people in communities across the UK. Thank you.



**ROSIE MILLARD**  
Chair of Trustees



# REPORT OF THE TRUSTEES



# REPORT OF THE TRUSTEES

The Trustees of BBC Children in Need (who are also the Directors for the purposes of the Companies Act 2006) are pleased to present this, their report and accounts for the period ended 30 June 2022, and incorporating the Strategic Report and the Directors' Report required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The accounts have been prepared in accordance with the Statement of Recommended Practice - Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, applicable Accounting Standards in the United Kingdom, requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## Brief History

Christmas Day 1927 saw the first BBC Appeal for children. Over time, the Appeal has evolved and 1980 saw the first Children in Need telethon hosted by Sir Terry Wogan, Sue Lawley and Esther Rantzen.

The telethon's 42nd appeal was held during this year. Since inception the Appeal has cumulatively raised over £1,232m to help children thrive and be the best they can be, right here in the UK.

## Objectives & Activities

Throughout 2021/22 our focus has been on continuing to explore how best to find and fund the inspiring work that changes the lives of children and young people through our grantmaking programming, and at the same time to develop the plans to ensure that we are able to be where the need is greatest for children. As a result we agreed with the Board the following objectives for this reporting period:

1. Implement a new grantmaking strategy, which delivers effective and equitable funding programmes and partnerships that support and champion children and young people to thrive and be the best they can be
2. Transform the way we engage with audiences and supporters by implementing a modern and contemporary income and content strategy, embracing digital opportunities
3. Take tangible and measurable actions to improve equity, diversity and inclusion (EDI) as a leading charity, as an employer, a funder, a fundraiser and storyteller
4. Learn from the last year to think about future ways of working, evolving day to day systems and processes and strengthening our culture to ensure that we are a resilient, effective organisation set up for future success

In the year, we finalised and launched our new grantmaking strategy, which will be implemented in the first half of 22/23. The new strategy, which was co-created with young people, staff, grantees and external stakeholders, will simplify and streamline the application process for funding, offer more flexibility for funding and crucially enable the Charity to respond to the growing need for funding of core costs.

To ensure our income and engagement model is fit for the future, a comprehensive review was undertaken of the external landscape to help identify how we can better reach and engage audiences and supporters in the future. We

know that much is changing in terms of TV viewing, media consumption and giving behaviour, and that a 'one size fits all' isn't appropriate given the breadth and diversity of our supporter base. We were able to identify where to focus our efforts in order to retain our much-valued existing supporters whilst also attracting new ones. A new audience strategy is now in place which sets the framework for our plans around income generation, marketing and our content strategy with the BBC.

Equity, Diversity and Inclusion (EDI) remains a core priority, and during 21/22, progress included:

- Within our content and storytelling, 27% of stories in our November 2021 Appeal featured children and young people from Black, Asian & Minority Ethnic communities, compared to the BBCs creative diversity target of 20% target. On disability and gender representation we are over indexing;
- We have agreed the steps we will take to increase and retain diversity in our workforce;
- We have begun to address inequalities of outcome and experience in our grantmaking processes and investments by embedding an Equity, Diversity and Inclusion framework in all of our grantmaking including targeting under-represented groups led by those with lived experience and designing an accessible, inclusive application process to remove barriers to access.

**During the year, we finalised our new charitable ambition:**

**Every child and young person deserves the opportunity to thrive and be the best they can be.**

**At BBC Children in Need, we act where the need is greatest. Our ambition is to create positive and lasting change across the UK for the children and young people who need us most.**

**Together with the BBC and our partners, we aim to inspire the nation and unite communities to support us in our work.**

**In this financial year, we have created the structure to bring the charitable ambition to life. This includes considering the following priorities when activating our strategy in line with our new charitable ambition;**

- **Our Impact themes – our focus for change**
- **Our Principles – the way we make a difference**
- **Our Pillars – the activities we should focus on, now and over the long term**
- **Our Culture – creating the right and most productive environment for our staff to succeed**
- **Becoming the organisation we need to be**





## Strategic Report

The Trustees have approved this strategic report which provides an analysis of the Charity's performance, its financial position and an insight into the Charity's objectives and the risks and uncertainties it faces. The report groups the headings of achievements and performance, financial review and future plans and also considers the following matters meeting the requirements of section 172 of the Companies Act:

### The likely consequence of any decision in the long term

Following the development of the new charitable ambition, further work has been undertaken in translating the new ambition into a five year organisational strategy which will be implemented in 2022/23. The roadmap for this is set out on page 53. We made a commitment to complete this work using information and data collected through the leadership of our Insight Directorate. Ongoing work in the reporting period will continue to be a significant factor going forward. This includes, our strategic work in developing our key impact themes; thinking about our approach to delivering broader

impact for children and young people and transforming to become an organisation that is active year round, beyond our November Appeal period. The future uncertainty does contain some risk and page 51 gives more information on our plans to mitigate risk.

### The interests of the charity's employees

Our employees are vital to BBC Children in Need. A focus on building a strong charity has been a key element of our activities during the year. This has included: strengthening the culture across the organisation; further development and integration of our approach to equity, diversity and inclusion; business continuity; and employee wellbeing.

### The need to foster the charity's business relationships with suppliers, grantees and others

Engagement with the Charity's main stakeholder groups are key to changing children's lives right across the UK. This includes grantee organisations (set out on pages 18 to 25), donors and fundraisers (pages 30 to 33), and the BBC (pages 34 to 37).

## The impact of the charity's operations on the community and the environment

We continue to recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. During the year we have been focussing on how we can help support the BBC's net zero ambitions by reflecting the importance of sustainability in our objective setting. Our long term goal is in line with the BBC's ambition to be a Net Positive organisation, giving back more to the planet than what we take. In addition, our focus is on advocating for communities worst affected by the climate crisis, and empowering children and young people to lead on change.

We fund work in local communities right across the UK and the report provides examples of our approach to this.

### The desirability of the charity to maintain a reputation for high standards of business conduct

Our reputation and public trust in BBC Children in Need is fundamental to our future success.

The Charity has in place a range of policies and processes that promote corporate responsibility and ethical behaviour,

including Donor Acceptance and Community Fundraising polices and Procurement and Purchasing Policies.

### The need to act fairly

We strive to be a fully inclusive organisation. We will not discriminate against anyone.

Trustees are committed to making tangible steps to improve Equity, Diversity and Inclusion (EDI) and, this remains an organisational objective and an important element of our overall strategy. We have EDI objectives in every directorate business plan, and have recruited a Senior Advisor to support us. Our revised grantmaking programmes have equity at their heart, and a programme of learning events for staff is in place. We will be finalising our EDI strategy in 22/23.

## Achievements And Performance

The Charity is proud of what has been achieved in the year. This report describes how we have been finding and funding the inspiring ideas that change the lives of children and young people whilst building our commercial proposition to raise as much money as possible and building on our strengths to ensure we are in the strongest possible position to create lasting change.

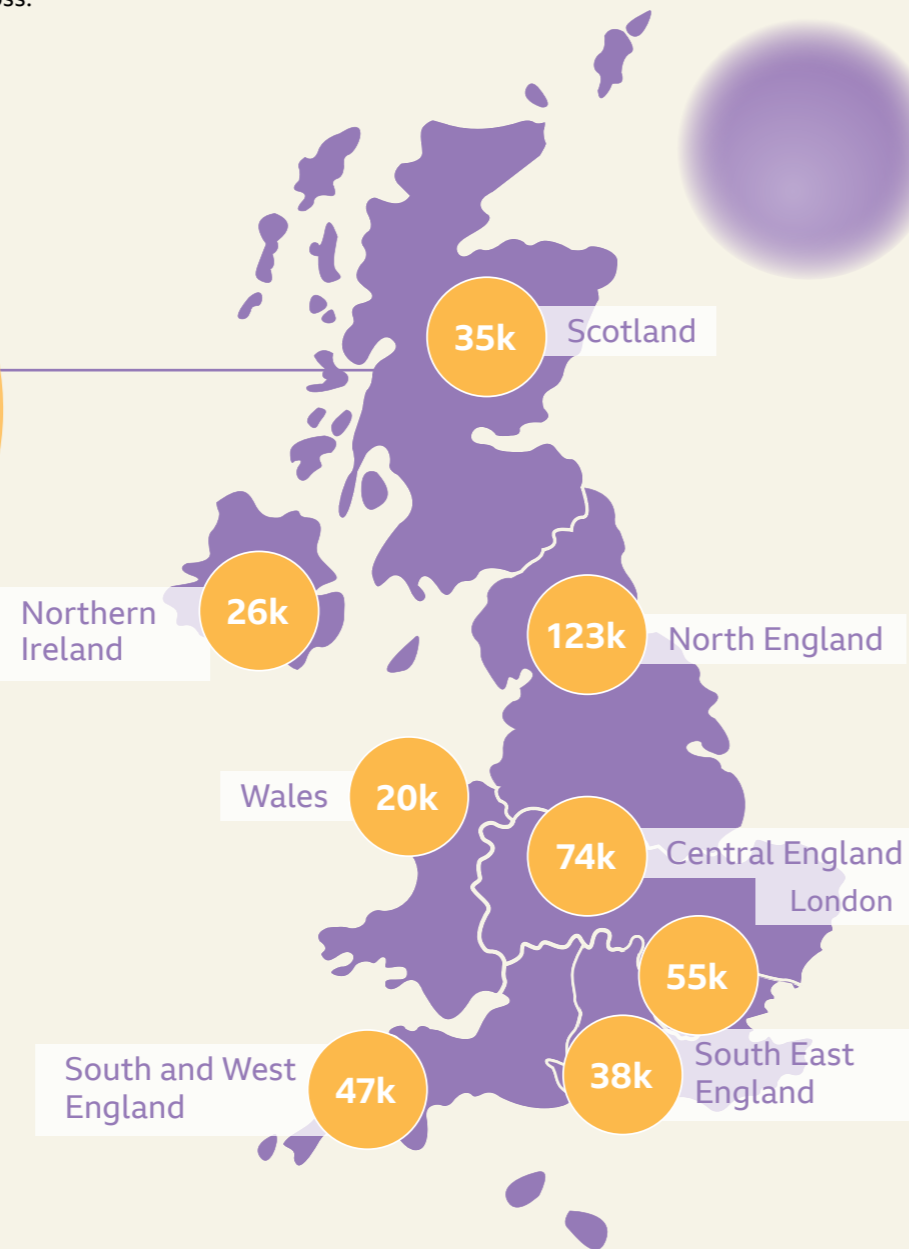


**FINDING AND FUNDING  
THE INSPIRING IDEAS  
THAT CHANGE THE  
LIVES OF CHILDREN**

# CHANGING THE LIVES OF CHILDREN

In 2021/22 BBC Children in Need supported over 450,000 children and young people across the UK who are affected by issues and challenges including poverty, disability, marginalisation, abuse, trauma or loss.

**450,000**  
children and young people supported



## TARGETING CHILDREN AND YOUNG PEOPLE WHO ARE EXPERIENCING A RANGE OF CHALLENGES.

### Area disadvantage

99,000 children & young people

### Family-related challenges

61,000 children & young people

### Mental health and emotional wellbeing

56,000 children & young people

### Disabled children

66,000 children & young people

### Household poverty & housing difficulties

16,000 children & young people

### Behaviour or education engagement issues

9,000 children & young people

### Marginalised identities or nationalities

20,000 children & young people

### Personal harm

13,000 children & young people

### Physical health

45,000 children & young people

*Differences in the report total relate to the Emergency Essentials programme which supports UK wide.*

Through the projects we fund, children and young people...



have stronger  
Self-Belief  
159k



enjoy better  
relationships  
182k



have increased  
essential skills  
131k



have stronger  
emotional wellbeing  
168k



are more  
empowered  
73k



have better  
physical wellbeing  
79k



are safer  
35k

Note: children and young people may experience more than one positive outcome.



# GRANT PORTFOLIO OVERVIEW

As at June 2022

We are currently funding  
**2,183 PROJECTS**  
to the value of  
**£154.4M**

In 2021/22 we awarded  
**2,111 GRANTS**  
totalling  
**£62.8M**

of this amount, direct  
responsive funding totalled

**£44.7M**  
**(71% of spend)**

consisting of 1,578 main and small grants

In addition, 419 YIF grants valued at

**£11.9M**

of the remaining £6.2m,

**£3M**

was awarded to our Emergency  
Essentials Programme and

**£3.2M**

across other partnership  
programmes



# THE DIFFERENCE WE MAKE FOR CHILDREN AND YOUNG PEOPLE

The impact we create for children and young people lies at the heart of our work at BBC Children in Need. This year has been significant for the organisation as we undertook a transformation of our grantmaking to ensure that we reach those children and young people who need us the most, and that we can enable them to be the best they can be.

We are proud to have committed to a substantial and deep period of consultation with our many internal and external stakeholders, including charities, youth groups, sector leaders and young people in order to ascertain how we can best use the donations provided to us, to ensure the change we wish to see. This resulted in creating an innovative new Grantmaking Strategy to articulate our role and responsibilities as a funder and to embody best practices in equitable and inclusive grantmaking.

The new Grantmaking Strategy reflects and responds to the rapidly changing environment faced by children and young people, by emphasising the importance of broad place-based funding whilst recognising the need for more strategic national funding partnerships. It also recognises the importance of our platform with the BBC and the ambition to share our knowledge and collaborate with others, who share our vision.

The Strategy provides a framework to specifically guide our grantmaking in order to ensure that we are able to address the most important needs of children and young people across the UK. Key drivers to the strategy are:

- Sharing Power with Children and Young People – ensuring children’s views and voices are at the heart of our decision-making processes.
- Equity, Diversity and Inclusion – ensuring our grant making practice incorporates approaches to EDI at every level and stage
- Sustainability – ensuring that our processes are sustainable and that our grant-making recognises the effects of climate change on the most marginalised communities.

This year saw ongoing challenges for children and young people, where issues emerging from the effects of the pandemic continued to affect their lives. Although schooling returned to some normality, many children and young people continued to experience isolation and exclusion, and mental health was reported as a concern affecting most children, young people and their families.

We also recognise that the increasing cost of living challenges will have significant impact on the children and young people who are already experiencing issues relating to poverty, isolation and deprivation. Our insight from those we work with through data and evidence, has demonstrated that children, young people and their families are facing difficult financial choices in their lives and this will likely increase in the year ahead.

BBC Children in Need responded with the following support to help with these issues:

- The return of our Main and Small Grants responsive programmes to enable 2020/21’s Covid response programmes to be delivered. £31.7million was distributed through our Main and Small Grants programmes to projects and organisations supporting children and young people across the UK, facing critical issues in their lives.
- Emergency Essentials funding of £3million delivered by Family Fund Business Services, to provide grants for families living in severe financial, health, and social difficulties to provide items which meet children’s most basic needs
- Extension grants of £12.9million provided to our grantees to support them to continue to deliver their services during our strategy development period
- Continued management of Inspiring Futures and Next Steps grants, provided in emergency response to the pandemic
- Delivering and managing partnership grants awarded through HSBC Money Heroes

The funding we provide covers a breadth of issues facing children and young people, from poverty and mental health to family relationships and inequality. For example, we funded counselling services such as Mindspace in Perth which dealt with increased demand for mental health services. The specialist and highly trained counsellors which Mindspace provide with BBC Children in Need’s funding facilitates a safe place for young people to talk about their thoughts, feelings and the issues that cause them distress, leading to improved emotional wellbeing for them.

Our funding has an impact directly on children and young people and this is demonstrated through the stories we hear, such as that of Max who attended the Collyhurst and Moston Boxing Club in Manchester. They were awarded a grant of £30,000 to support children affected by local deprivation. The club provides sport activities and mental health workshops, as well as opportunities for the young people to socialise and build friendships, improving their social behaviour, mental health and helping them to develop aspirations and ambitions for the future. Max was a young person presenting with some significant challenges around his behaviour and attitude to his academic learning and life. In terms of hobbies and interests, prior to this programme Max was not a regular participator in sports activities outside of his mainstream PE lessons but decided to attend this boxing programme. Since then his behaviour improved dramatically and strong relationships with the boxing mentors, has allowed him to deal with difficult situations more effectively. He has developed resilience and his emotional wellbeing has

increased. Max attributes this to the boxing programme, not just in the physical aspect but also the mentoring from the coaches as trustworthy, positive role models.

This is one example amongst thousands, of children and young people across the UK who have benefitted from the funding provided by BBC Children in Need. The grants, which are provided in all four nations to the charities working directly with children and young people, are a lifeline for both the organisations and the children and young people. In the last 12 months, we have amplified and increased our efforts to reach those most in need during the Covid pandemic and we will continue to place them at the core of our mission.

As we look forward to the implementation of our new Grantmaking Strategy through a major re-design of our grantmaking processes, we are mindful of the need to continuously evolve and improve the way we work to ensure that our funding delivers our charitable ambition of helping those children and young people most in need. We know that children and young people are facing challenging times ahead and we remain committed to ensuring that our funding has a meaningful and lasting impact on the organisations we fund, and the children and young people they work with.



# DELIVERING IMPACT THROUGH FUNDING PARTNERSHIPS

Guided by our Grantmaking Strategy and Charitable Ambition, our funding partnerships seek to improve children and young people's lives. We do this by collaboratively funding strategic programmes focussed on innovation and on long term solutions, as well as those which address immediate needs.

This year we have continued to invest in the Emergency Essentials small grants programme delivered in partnership with Family Fund Business Services. These grants provide basic essential items to families affected by severe poverty, who lack the basic facilities which most of us take for granted. These families often experience additional pressures such as domestic violence, disability or poor health in the family.

We were also able to continue to support the work of Newlife the Charity for Disabled Children. It provides essential quality of life equipment that makes a significant difference to ensuring a child's physical and emotional wellbeing. We also continued to support The Children's Society's Co-ordinated Community Support Programme. This grant has now developed a scalable model which will help children and families receive the emergency support provision they need at the time they need it, as well as being offered ongoing support that might help prevent the recurrence of emergency need.

We also managed grants through our £6.4m Inspiring Futures Programme, funded in partnership with the Youth Futures Foundation. The 107 grants are for not for profit organisations across the UK working to improve employment outcomes for children and young people.

We built on our reducing violence impacting young people (VIYP) work through various partnerships. Two new grants were made this year to Young Westminster for a community grants fund with young people as decision-makers, and to Alliance for Youth Justice, supporting their Young Advocates project. Young Manchester Foundation continue as our grant making partner for the delivery of the violence focussed element of our #iwill partnership. In addition, the final phase of our partnership with the Premier League and Premier League Charitable Fund (PLCF) is underway, whereby the 45 projects supported are now transitioning into their next model, embedding learning from the Kicks Targeted programme.

In the past year, fundraising by McDonald's has enabled us to fund £1.2m directly to 60 projects in urban centres and rural isolated areas across the UK both on the street and in youth work settings. These projects deliver youth services, employing up to 100 youth workers, many of whom are from the communities where the projects are based. This funding supports around 11,500 young people. The projects deliver a wide variety of activities including: employability/skills development, cooking, budgeting, sport and arts. Most of all, these young people are being supported to have fun with their friends in spaces where they feel safe and supported by adults they trust.

In February 2022, we also launched the pilot of our Community Connections programme, which aims to strengthen connections in communities by offering BBC Children in Need funded projects the opportunity to grow local community relationships by connecting with McDonald's

restaurants. Since launch, we have connected 18 projects to restaurants across the UK, with each project on average having the potential to support 250 young people and up to 4,000 across all projects. We have also just launched phase 2 where we're connecting a further 54 projects and restaurants.

We have continued to support informal science opportunities for children and young people and the next year will see a focus on learning, evaluation and influence through events to support grantees as well as disseminating the learning which has noted significant growth for children and young people in the areas of skills outcomes and mental wellbeing.

Our partnership with The Hunter Foundation saw our shared commitment to continue working with families and local stakeholders through the What Matters to You (WM2U) approach in Dundee and East Ayrshire. The aim of WM2U is to empower parents and carers to challenge and change their support systems in ways that help their families stay together and thrive. It will continue to integrate learning approaches that will help measure the effectiveness of WM2U. It is currently exploring opportunities for future development.

Through this funding partnership with The Hunter Foundation we also continued our support of Street Soccer London, and provided additional funding to The Legal Education Foundation's Justice First Fellowship programme as well the strategic development grant for the UK Child Law Network which has developed a suite of resources and training materials to develop and improve the practice of child centred lawyering. This is now being developed into a formal e-learning programme.

Missing People's Is This Ok? digital advice service, delivered in partnership with NSPCC, has demonstrated through an independent evaluation the importance of the programme as a key nationally available prevention and intervention service and is exploring further roll out of the programme across the country.

We have also been developing work under our key strategic theme of Sharing Power with Children and Young People launching two youth social action funds. The first to launch in Spring 2022 was the Youth Social Action Programme in partnership with the #iwill Fund and The Hunter Foundation followed shortly by the We Move Fund: Youth Social Action Programme aiming to empower Black children and young people, through youth social action, working in partnership with BBC Radio 1Xtra. This is the first funding stream of the £10 million over 10 years commitment BBC Children in Need made in 2020, to create and invest in opportunities for Black children and young people. These grants will all be awarded later in 2022.

Our partnership with the #iwill Fund has also enabled us to invest in a number of strategic grants including a 2 year grant to the Trussell Trust to deliver a youth social action project that will support and empower young people impacted by severe food insecurity and acute poverty to increase understanding of the drivers of food bank use and to inspire action in support of long-term solutions.

In addition, we have also partnered with The Listening Fund, a small group of funders led by The Blagrove Trust which aims to make the youth sector more accountable to young people.

Our work with them is focused on supporting deeper learning across three distinct strands: funding youth organisations to develop their listening skills, appointing an advisory youth board, and influencing the wider sector. Nine children's organisations have been funded to develop their listening capacity and practice, and to support these organisations to share their learnings more widely. An advisory youth board has been recruited from across England and they have been working on designing a funding strategy with a focus on youth leadership. An external partner, has been appointed working across all three strands of the Fund to draw together learning and help share those lessons, insights and ideas as widely as possible.

We recognise with the Grantmaking Strategy that our grantmaking will always be broad based, as we strive to deliver change for children and young people across the UK. However, the work we have highlighted above also demonstrates the need for key strategic investment in partnerships that systemically improve the lives of children and young people. We will continue to build on and develop these funding partnerships in the future, as a critical part of the solution to addressing the ever evolving needs of children and young people.

## A Million & Me

In 2018 the BBC Children in Need Trustees made a far-sighted and bold investment of £10 million to explore how children in the tricky transition phase of aged 8-13 could be better supported to avoid mental health challenges needing clinical intervention and becoming embedded in later life.

Since 2019 Centre for Mental Health (CMH) has been a critical friend and learning partner to the programme, producing their final evaluation and review in July 2022, The Power of the Ordinary.

In this the third and final year of A Million & Me, ten funded partners worked with children in the 8-13 age range, offering fun, purpose and trusted company to help those who are beginning to struggle with their mental health. A diverse range of project - from a capacity building programme for project workers to surfing in Cornwall - engaged with children and their parents, carers and friends, supporting them to share their worries and get help how, when and where they feel comfortable.

Tens of thousands of children across the UK have been helped to feel better, and trusted adults in their lives have been given access to information and tools on how to listen to children and offer support. The impact of the Covid-19 pandemic created difficult issues associated with isolation and loneliness but also generated momentum to improve digital accessibility and creative offers, such as the Ollee app developed by Parent Zone and the text helpline Shout.

As projects develop and some conclude the learning identified by CMH is helping inform the next phase of our contribution to supporting children to have good mental health. More than 90% of our main portfolio of responsive grants identify this as a focus for their work. The messages from A Million & Me include the need for additional support to children who are poorly served and who are managing multiple disadvantages, for example as a result of poverty, isolation, or gender or racial inequality. The current cost of living crisis has also had an impact on children's wellbeing, with evidence of increased levels of anxiety and uncertainty.

The approach taken of proactively working with partners to develop proposals over time and with flexibility to respond to need - listening to children and the trusted adults in their

lives - was identified by CMH as an effective model. The support of an expert Advisory Group and the range of skills within the Charity - evaluation, press and PR, content for BBC and digital platforms, legal and financial grant management - offers a framework that allows the projects to focus on outcomes and the needs of children. As well as informing internal practice and priorities, the learning from A Million & Me will be shared and promoted externally to encourage fun, purpose and trusted relationships among children of this age, at a time when they need it most.

In January 2022, we partnered with the Department of Culture, Media and Sport (DCMS) to deliver phase 1 of the Youth Investment Fund (YIF) on their behalf. The aim of YIF is to create, expand and improve local youth facilities and their services, in order to drive positive outcomes for young people, including improved health and wellbeing, and skills for work/employability and life.

Phase 1 initially comprised £10m for youth provision in left-behind areas of England, and was funding for small-scale capital projects, including capital equipment, small redevelopments and other capital projects that could be delivered by 31 March 2022. Given the quality of applications and overall demand, DCMS increased the fund to £11.65m, with a small additional contribution from CIN. 419 grants were awarded, including grants for minibuses and vehicular outreach bases for detached youth work; 172 building improvements, and for 225 IT equipment projects, including 80 media technology projects.



Our grants are awarded in line with the following policy principles:

### Grantmaking Policy



1 BBC Children in Need funds projects in order to produce positive outcomes for children and young people who are experiencing disadvantage



4 The organisations we fund will be not-for profit organisations with appropriate, accountable and proportionate governance



2 Every project and organisation we fund shall demonstrate comprehensive understanding and application of best practice in safeguarding children



5 The projects we fund should not duplicate or substitute for statutory responsibilities



3 We fund projects that are child focussed

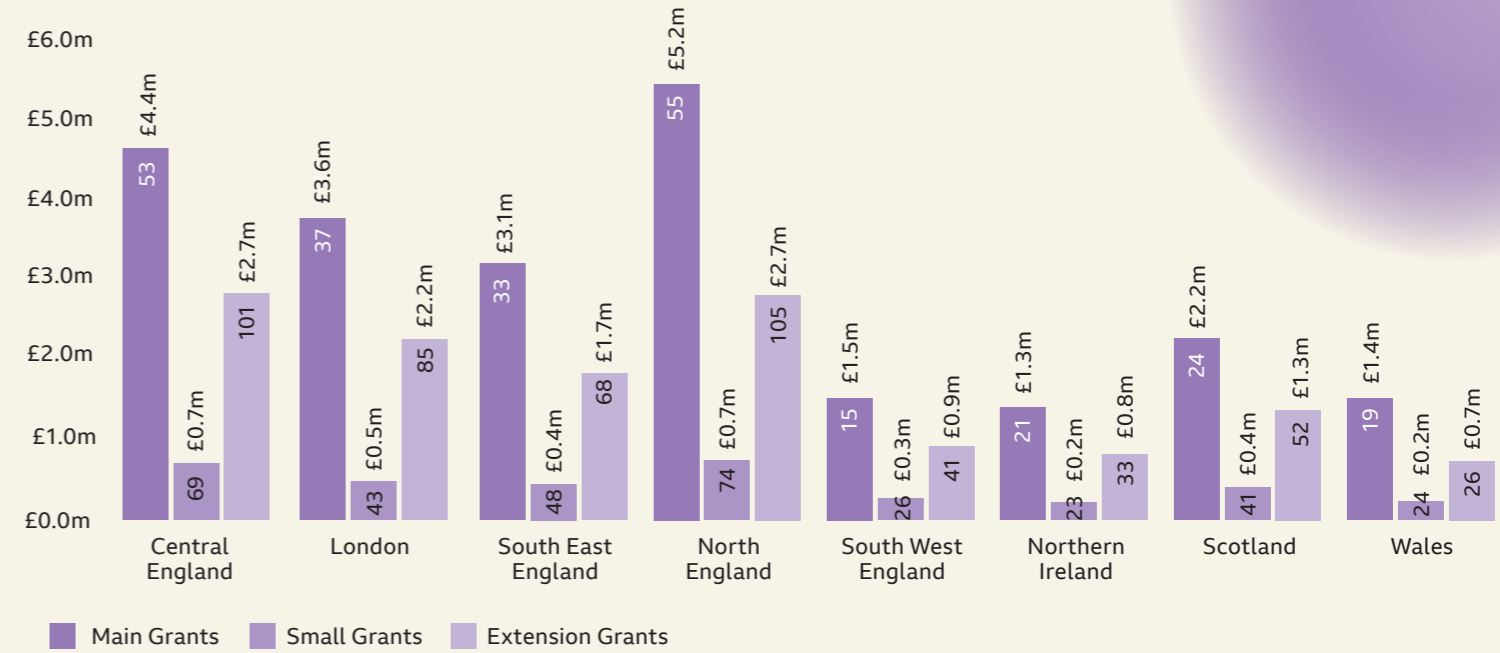


6 Every project and organisation we fund should encourage and enable participation by children and young people in an appropriate and empowering manner

We award grants to voluntary projects, community groups and registered charities that are working with children and young people, 18 and under, who are affected by a number of issues including homelessness, neglect, abuse, disability, poverty, serious illness and bereavement. We award two types of responsive grants. Our Small Grants Programme includes grants up to and including £10,000 per year, supporting a project for up to three years, while the Main Grants Programme is for grants over £10,000 per year to support projects for up to three years.

The implementation of our new grantmaking strategy will see some significant changes to our grantmaking model. We will reflect the need to dedicate continued resource to a range of grant sizes including small grants for up to 3 years, and introduce core costs (organisational costs) as a separate grant stream alongside our project based funding stream, similar to how we have in the past. In spring 2023, we will launch a funding stream for smaller, emerging organisations. This stream is aimed at organisations who may need greater support to access our funding.

### NEW RESPONSIVE GRANTS AWARDED IN THE YEAR

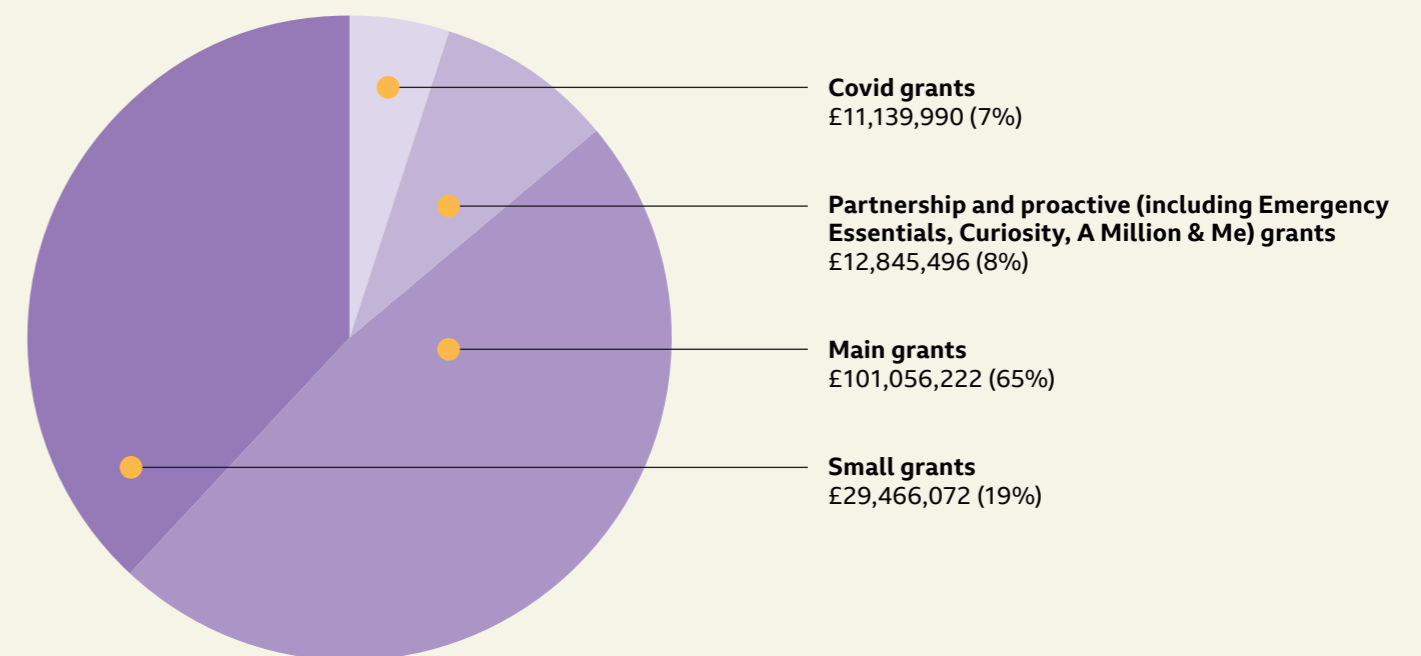


In addition to the above awards, we have continued to fund years 2 & 3 of 462 small grants.

### CURRENT PORTFOLIO (VALUE) BY GRANT TYPE

As at June 2022

Following all of the above awards during the year, the distribution of all active grants across our portfolio is now as follows:





**RAISING FUNDS  
TO TRANSFORM  
YOUNG LIVES**

## RAISING FUNDS TO TRANSFORM YOUNG LIVES

Once again supporters and partners across the UK showed their generosity and creativity in generating significant funds for children and young people, with thousands of people joining our Together, We Can fundraising campaign.

Following on from the Covid-19 restrictions that were in place the previous year, this year we saw a return to what makes BBC Children in Need so special – people getting together in schools, communities and work places right across the UK, united in a desire to support children and young people. Our corporate partners stuck with us after a very difficult 2020, bringing back fundraising activity for colleagues and customers alike.

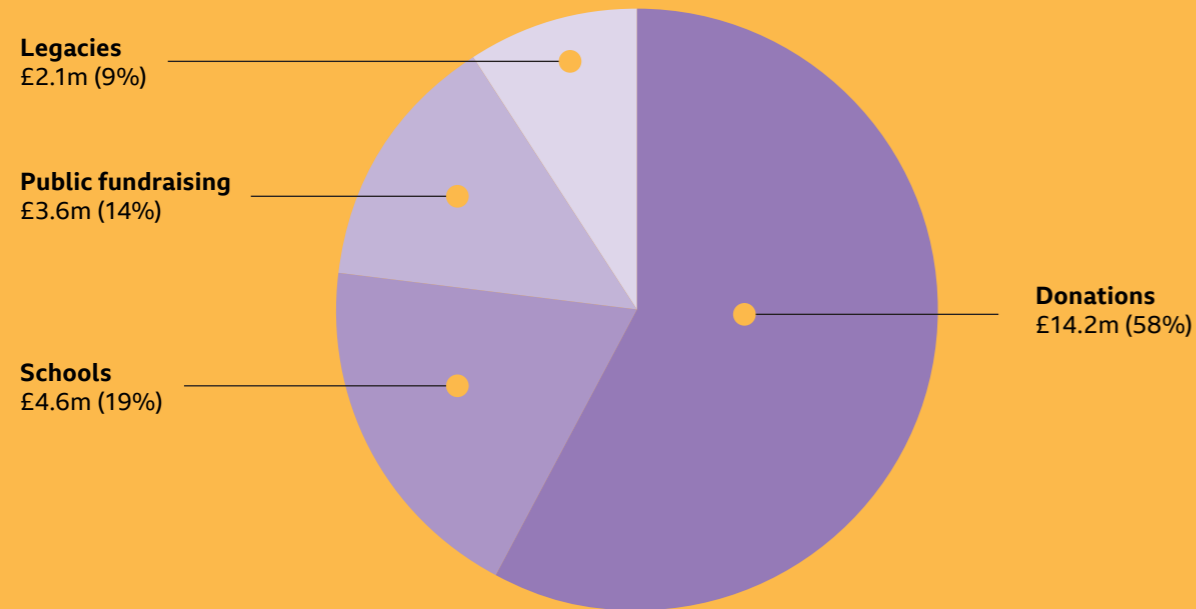
Our BBC programme partners pulled out all the stops for us, including BBC Breakfast delivering an incredible 24 hour Drumathon, fronted by Owain Wyn Evans and a re-vamped Rickshaw Challenge, alongside the Appeal show, inspiring thousands of people across the UK to donate through watching BBC programming.

Following the delivery of the 2021 fundraising campaign, a significant piece of work was undertaken to develop a roadmap for diversifying income over the next five years, in a bid to build on the innovation in fundraising off the back of Covid-19 and to reflect the challenge of the decline of linear TV viewing. The plan adopts an audience-led approach and we look forward to evaluating our progress towards growing share with new opportunity audiences over the coming years.



# DIRECT PUBLIC SUPPORT

## Direct Public Support



## Supporting Our Amazing Fundraisers

This year we asked the UK public to add some sparkle to their fundraising and to 'Get their Strictly On!' We rallied the nation to get involved in our Strictly Come Dancing themed fundraising, including glittery cake bakes, epic dance challenges to getting fully glammed up for CiN. The campaign was a hit with community groups, such as Girlguiding, who also many primary schools who got behind the theme.

People were also invited to raise money by taking on their own 'athon' challenge – raising money doing something that they love and turning it into an 'athon', by doing it for longer, making it harder, or completing it with a twist. Supporters were also encouraged to complete their own organised rambles with family and loved ones, getting sponsored to do so. And for those who love cycling, we asked them to Pedal for Pudsey – inspired by the Rickshaw Challenge - and to raise money from their bike rides.



## Teachers and Children in Schools showed that together, we can

We delivered three differentiated campaigns to our school audience again this year. For Early Years, we partnered with CBeebie's Bing, to provide fresh twist on the simple Appeal day activities – including Bing and Pudsey inspired dress-up, games and resources.

Mental wellbeing was a continued focus in primary schools, with Dr Ranj hosting a Mindfulness Moment exercise, and supporting mindfulness resources for teachers provided by Twinkl. On Appeal day, we encouraged schools to take part in a Dress Up Day and Joe Wicks get active activity.

For the secondary schools campaign, we focused on promoting wellbeing (including videos and printable resources) and inspirational Be Yourself stories, culminating on Appeal day by encouraging schools to take part in a Dress Down day.

We were delighted to have been able to partner with ParentPay and with IRIS to enable us to offer parents the chance to donate to BBC Children in Need via their online school payment systems this year.

## Sales of Fantastic Pudsey Products

Once again our brilliant partners and our online shop sold a range of Pudsey-inspired product to help people to show their support for the Charity. Thousands of people across the UK bought Pudsey ears, wristbands and pin badges and enjoyed getting behind our new product range of mugs and tea towels, delivered in partnership with designer, Eleanor Bowmer.

# HIGH VALUE DONORS AND PARTNERSHIPS

Our corporate and philanthropic partners have been hard at work again this year.



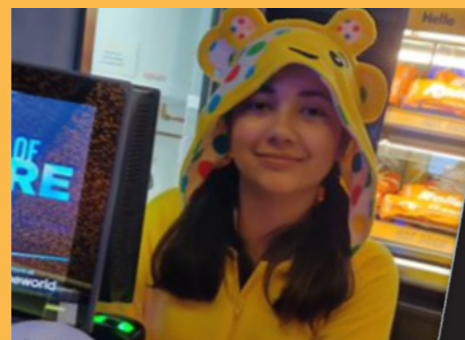
## ASDA

Long standing partner of 21 years, Asda raised an incredible £2.4m in 2021. Once again, adults and children alike were able to get all of their Pudsey-inspired clothing from the brilliant George at Asda with products from sweatshirts, PJs and socks flying off the shelves. Asda also created our Official T-shirt, which this year was designed by children from BBC Children in Need funded projects across the UK. Asda's fundraising was invested into funding our Emergency Essentials programme which provides items like cookers, washing machines and beds for families in need. They also helped us to expand the campaign far and wide through paid social marketing campaigns and digital fundraising.



## CARFEST

We were delighted to have been able to work with the team at Brand Events and Chris Evans to bring back CarFest in 2021. We were the first festival out of the blocks in 2021 following the cancellations in 2020 due to Covid-19. BBC Children in Need benefited from a 12.5% donation from every ticket sale and brought Pudsey's Spot to the festival – in the North and the South – where we were able to offer children and families the chance to come to our tent and meet Pudsey and Blush. We were also joined by the brilliant Yolanda and her Band Jam who entertained with a high energy set.



## CINEWORLD

The team at Cineworld were able to re-open their doors and raised £0.1m with customer and colleague fundraising and special BBC Children in Need screenings. They also helped us to spread the message of our campaign far and wide through featuring our TV advert on their cinema screens with a gift in kind media value of circa £0.5m.



## HSBC

Following HSBC UK's brilliant donation to the Big Night In back in 2020, we were delighted to have been able to have created a year round partnership with them. In 2021 we joined forces to roll out Money Heroes financial wellbeing training & resources to 100 BBC Children in Need projects with co-created adapted resources across braille, audio & large print. They also raised £0.5m via colleague fundraising, paid digital marketing campaigns and company donations.



## THE HUNTER FOUNDATION

Sir Tom Hunter and his Foundation continued their fantastic support of BBC Children in Need in 2021 through a donation of £0.2m to the annual Appeal campaign. This was in addition to the programme funding being delivered to support children and young people in and on the edge of care in Scotland.



## MCDONALD'S

BBC Children in Need and McDonald's launched a 5 year strategic partnership in 2021, aligned to our charitable ambitions and McDonald's Plan for Change strategy. The partnership has to date raised £1.2m for youth focused BBC Children in Need funded projects, and opened up significant opportunities for us to reach and engage our strategic audiences (16-24 year olds and young families) through McDonald's platforms and events, alongside roll out of a UK wide Community Connections programme.

The Community Connections programme matches McDonald's restaurant crew with BBC Children in Need funded projects at local grassroots level to offer a range of direct support. The pilot phase successfully matched 18 restaurants to projects in 2022 and Phase II is now underway.



## DFS

DFS has continued to support BBC Children in Need through its key customer facing activation Give Me 5, which invites customers visiting the store to purchase a raffle ticket, giving them the chance to win back the cost of their sofa. In 2021 DFS raised their highest ever total for BBC Children in Need at £0.8m with funding allocated to mental health projects in line with our charitable ambitions and DFS' Corporate Social Responsibility strategy.



## ENTERPRISE

The team at Enterprise were able to get out and about again in 2021 and ran a hold host of events right across the UK, including golf days, run Pudsey events, colleague fundraising and also donated as a company (the Taylor Family) to raise £0.4m. Enterprise also supported the Rickshaw Challenge by providing a fleet of vehicles to get the children and crew around the UK.



## GREGGS

Greggs celebrated 16 years of partnership with BBC Children in Need in 2021. Post pandemic donations were back up with £0.6m raised through Greggs staff fundraising and the sale of their much loved Pudsey cakes and biscuits.



## ONE STOP

Colleagues and customers at One Stop raised a brilliant £0.1m through the sale of merchandise, fundraising events in store and pop up shops.



## WELCOME BREAK

Welcome Break galvanised colleagues and customers across their sites raising £0.1m, through the running of events at sites across the UK, challenge events and top up at the till. They also supported with the marketing of the campaign through the showing of our TV ad on their screens across all sites as well as supporting the Rickshaw Challenge during their many pit stops.

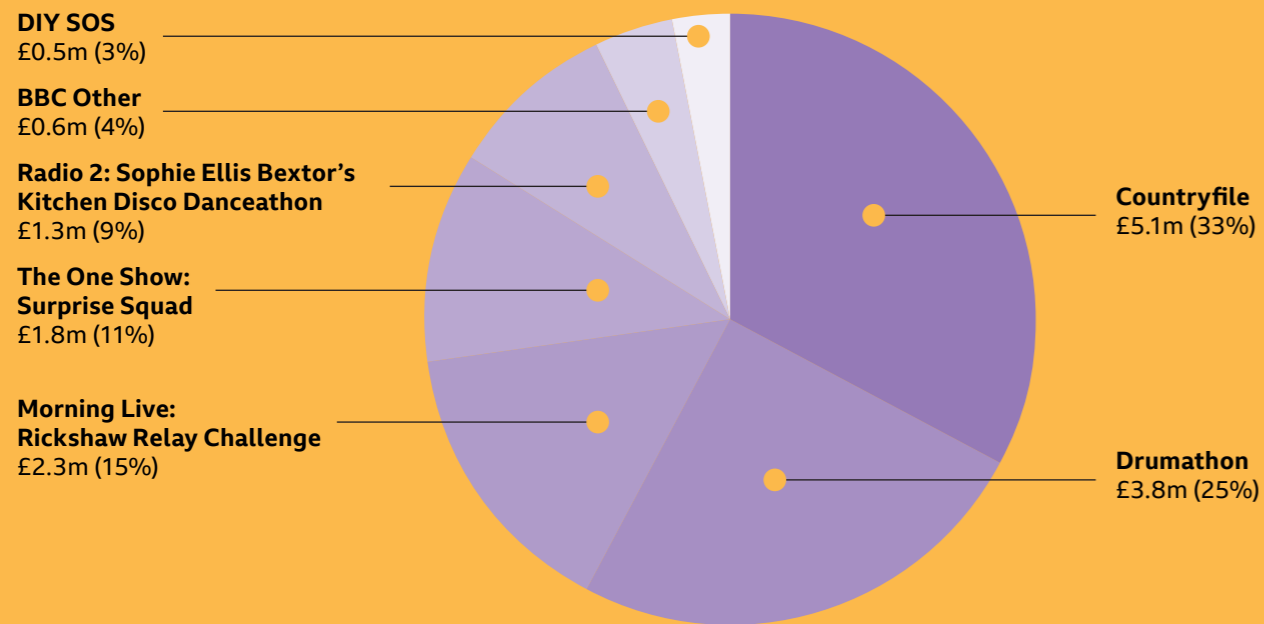
# BBC PROGRAMMES

The 2021 Appeal Campaign saw all parts of the BBC come together to support the Charity in a year of broadcast activity that, whilst still impacted by the pandemic, went on to bring the UK together to help make a difference to young lives. The level of editorial ambition, scale and range of BBC Children in Need content was raised across all channels spanning Television, Radio, Online, Nations & Regions, Children's & Education, and not only inspired the UK to do all they could to make a difference, but shone a spotlight on the challenges facing children and young people today. We re-invented much of our content, created new broadcast

partnerships, innovated our portfolio and tried new ways of reaching audiences on BBC platforms – most notably BBC iPlayer.

Despite facing a busy and challenging year, in 2021 BBC Children In Need content permeated every corner of the BBC and saw us significantly increase the number of BBC Programmes we partnered with to inspire and engage our audiences.

## BBC Programmes & Events





### Friday Night Appeal Show

For the first time in our 41 year history, the live show came from outside of London and was filmed at dock10 Studios in Salford. Once again this was a 3 hour show packed with an array of sketches, thank you messages, text to win prizes and poignant Appeal films that shed a spotlight on a number of our impact themes and galvanised our wonderful supporters to donate. These ranged from young carers, a focus on food poverty and bereavement support to a truly special moment which saw 13 year old Sam, who benefitted from BBC Children in Need funding after his father's death, take to the stage to give a breathtakingly beautiful performance of Lost Without You by Freya Ridings.

As always, Children & Young people sat at the heart of the show alongside a diverse and eclectic range of star studded entertainment with highlights including:

- A spectacular performance from global superstar, Ed Sheeran MBE, who performed, Overpass Graffiti, to kick-off the show
- An I Can See Your Voice special, hosted by Paddy McGuinness, which saw Jimmy Carr, Alison Hammond and Amanda Holden investigate the musical talents of BBC Sport presenter Mike Bushell, broadcaster and Radio 2 presenter Jason Mohammad and Newsreader Kate Silverton
- A hilarious sketch which saw EastEnders' Janine Butcher (played by Charlie Brooks) looking for love and turning to Channel 4's hit dating show First Dates to help with her search
- A heart-warming special of The Repair Shop, which a very special teddy restoration for Billy and his mum, Mandy. The poignant special reflected on the support Billy had received from a BBC Children in Need funded project, and saw his beloved teddy, Henry, restored to his former glory.
- A poignant performance from children and young people with the BBC Children in Need choir singing a beautiful cover of Andra Day's Rise Up

- A standout sketch which saw the likes of Basil Brush, Zippy, George, Bungle, Dodge, Hacker T Dog and Mr Blobby (and many more) join forces for one of the biggest singalongs BBC Children in Need has ever seen
- Mel Giedroyc and Graham Norton facing the iconic black chair and the glare of the spotlight as they took on Mastermind for BBC Children in Need, under the watchful eye of Clive Myrie
- The cast of 9-5: The Musical treating viewers to showstopping performance alongside some of the stars from Drag Race UK
- Star of BBC Three's Angels of the North, Sammyjo, and her team of Longlox girls welcoming two very special guests for a well-deserved pampering session at the infamous Gateshead super salon
- A Graham Norton Red Chair special, which saw Stephen Fry, Oti Mabuse, Johnny Vegas, and Shaun Wallace having their fate decided by a group of children who took control of the notorious lever!

### The Great Rickshaw Relay Challenge

After 10 years of The Rickshaw Challenge on The One Show, in 2021 we re-invented the format into a relay challenge that was made into a one hour primetime documentary on BBC One during Appeal Week. The documentary saw Matt Baker MBE lead a team of 5 young riders on a journey to their hometowns in a heart-warming and life affirming journey that once again resonated with the public.

With support from the new BBC Daytime series Morning Live, it became clear that appetite for The Rickshaw Challenge remains as strong as ever from our supporters judging by the £2.3m raised after the documentary had aired. The documentary has had the highest conversion rate of donations for any show outside of the Appeal Show.

### The One Show Surprise Squad

This was a new fundraising proposition from The One Show. The premise featured a squad of young people supported by BBC Children in Need 'giving back' to projects by surprising and delighting them on location. The One Show devoted significant airtime to this brand new fundraising proposition. Running over 3 weeks and filmed around the UK, The Surprise Squad raised £1.8m in its first year and will be returning in 2022.

### 24 hour Challenges

Appeal 2021 saw us undertake two very different and highly successful 24 hour challenges with BBC Radio 2 and the iPlayer supported by BBC Breakfast.

Our 24 hour Drumathon with Owain Wyn Evans was a major breakthrough for BBC Children in Need. Supported on air by BBC Breakfast on BBC One, BBC Children in Need's Content Team produced a 24hr stream on iPlayer. Pan BBC support came from across the BBC including BBC Radio 1, 5Live, 6 Music, BBC Children's and most significantly a simulcast across every BBC English Region featuring weather presenters at 6.50pm. The peak of viewing across BBC England came via the 'Big Bang' moment where a cast of drummers joined Owain in playing out the BBC News theme tune. This clip has gone viral with millions of views and attracted international coverage in The Washington Post, The Delhi Times and across Europe – France, Germany, Italy. and the challenge has proved to be our most lucrative 24 hour initiative to date – raising £3.8 million

Most significantly the challenge brought new activations for the BBC iPlayer and new supporters who donated to BBC Children in Need for the first time. The diversity and range of contributors over the 24 hours gave our campaign a contemporary edge with Owain exuding warmth, authenticity and passion for BBC Children in Need and the projects we support.

BBC Radio 2 also produced their own 24 hour challenge in the shape of Sophie Ellis Bextor's Kitchen Disco Danceathon which raised over £1.3m. Broadcast across every R2 show and streamed on the iPlayer and via the red button the iPlayer team confirmed that BBC Children in Need was the 2nd highest activating brand for under 35's on iPlayer during our Appeal Week.

BBC Radio 2 also held their Annual BBC Children in Need Takeover Day featuring projects supported by the Charity selecting music throughout Appeal Day and Michael Ball's show celebrated our Sir Terry Wogan Fundraiser of The Year Award with the winner receiving their award on the Friday night Appeal Show.

Our 2021 DIY SOS BBC Children in Need Special saw Rhod Gilbert as guest presenter, stepping into Nick Knowles' steel capped boots to deliver a heart-warming edition featuring a big build at St Mikes Youth Project in Hull. The Big Build was promoted in a range of press as well as The One Show, Morning Live, Lorraine, and This Morning on ITV. The show tapped into Rhod's social media following and alongside leaving a lasting legacy in Hull it raised £0.5million.

There are many highlights from our traditional big fundraisers including the **Countryfile Ramble** which saw Countryfile presenters and inspirational children and young people rambling in six breath-taking locations across the UK, contributing to Countryfile's incredible 2021 fundraising total of £5.1m

The mental health of young people was one of the key impact themes for our 2021 campaign and we were delighted that Dr Alex George gave his time to present and front a powerful documentary on BBC One: **Our Young Mental Health Crisis**. This high impact BBC One documentary provoked debate and shone the spotlight on an issue that is all too real for so many of the children and young people we support. The documentary featured case studies of young people and projects supporting mental health and well-being.

## The Numbers

Thanks to the amazing support of our fundraisers, donors and corporate partners, we were able to announce a total fundraising figure of £39m on the night of the televised Appeal Show in November 2021. This represents an increase of £2.4m on the previous year like-for-like, due mainly to being able to take advantage of a brief respite in Covid-19 restrictions allowing the return to more traditional face to face production processes and in some ways a return to normality for audiences.

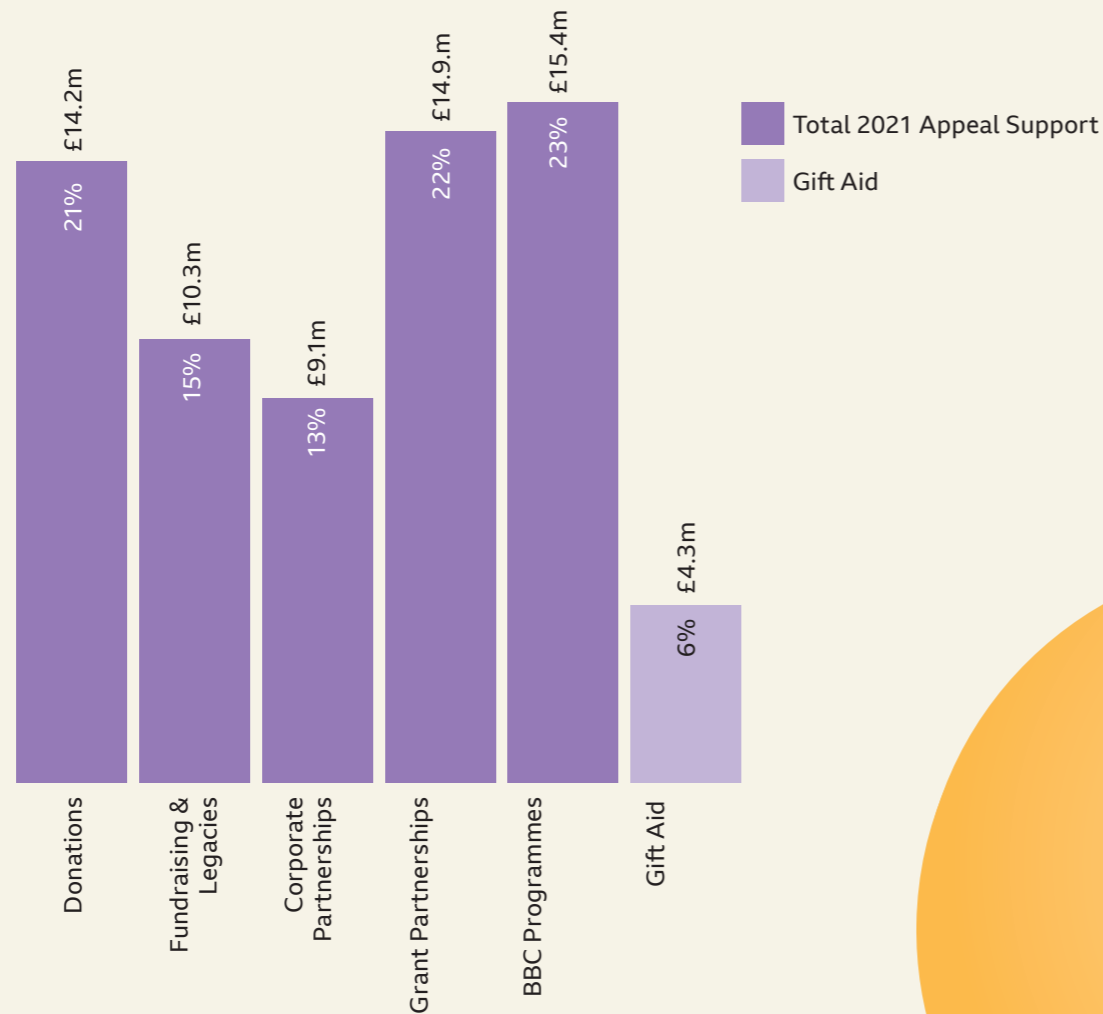
There was continued support that followed after the show and a further £28.8m (2021: £26.4m) was added to the total as people continued to send us their fundraising amounts and their donations together with follow-on income from both corporate and BBC partners.

The Charity closed the year with a fundraising total of £68.2m (2021: £63.4m, 7.5% up). This is higher than our headline figure of £51m as it includes other sources of income, as explained below.

Income from donations and charitable activities	Nov 2021 Appeal Income £'000	2021/22 Follow On £'000	2021/22 FINAL Income £'000	Nov 2020 Appeal Income £'000	2020/21 Follow On £'000	2020/21 FINAL Income £'000
Other Fundraising	13,087	6,852	19,939	13,068	10,481	23,549
Schools Fundraising	2,904	1,647	4,551	2,000	2,122	4,122
Direct Public Support	15,991	8,499	24,490	15,068	12,603	27,671
High Value Donors & Partnerships	9,909	14,098	24,007	8,198	4,553	12,751
BBC Programmes and Events	13,489	1,929	15,418	13,767	3,499	17,266
Gift Aid	-	4,284	4,284	-	5,756	5,756
<b>Total Fundraising Income</b>	<b>39,389</b>	<b>28,810</b>	<b>68,199</b>	<b>37,033</b>	<b>26,411</b>	<b>63,444</b>

The income from donations and charitable activities of £67.9m (2021: £63.3m) as shown on the Charity's Statement of Financial Activities excludes income from licensing activity (£0.3m). £67.4m of this reported income will be used to fund projects which create positive impact and associated costs.

In July 2022 the Charity publicly declared a total of £51m which excluded gift aid and licensing activity of £4.6m and income from the Department for Digital, Culture and Media and Sport (DCMS) of £12.2m. See note 2 on page 68 for a more detailed analysis of income.





**BUILDING ON OUR  
STRENGTHS**

# USING INSIGHT TO INFORM OUR DECISIONS

We are constantly using insight and evidence to inform our strategic direction, decision making and storytelling. We implement monitoring, evaluation and learning approaches across all our funding, so that we can better understand and respond to the needs of children and young people and the organisations that support them. We seek to understand the outcomes they are achieving and the ways in which they're achieving them.

We use our insight to inform future funding decisions via our national and regional grantmaking plans. Local teams are able to use a 'need mapping tool' and access our repository of insight into challenges and interventions in children's lives to inform areas of interest within their geographic regions.

We conducted our first comprehensive grantee survey since 2014. The 2021 version focused on the experiences of applicants and grantees when applying to BBC Children in Need for funding. It also asked about their experiences of supporting children and young people. The survey and follow-up interviews provided insight on the ongoing impact of the pandemic and emerging messaging on the cost of living crisis. We have since followed up on these themes in our 2022 survey.

We continue to evaluate and learn from the wide range of projects and in-depth programmes we fund. Notable learning and evaluation events over the past year include:

- The final evaluation report written by the Centre for Mental Health on 'A Million and Me' - our mental health and wellbeing programme for 8 to 13 year olds. The programme has been successful in making a positive difference and left a blueprint for a future preventative system of 'ordinary magic' that will ensure children's mental health will not get worse.
- After six years of continuous learning and evolution, our partnership with the Premier League has led to targeted support for preventing youth violence being embedded in the open access community offers of football clubs across England and Wales.
- The year two evaluation report for our 'Curiosity' programme has shown a positive connection between informal science learning and personal and social outcomes for children and young people.
- The integrated learning approach for 'What Matters to You', a jointly funded programme with The Hunter Foundation supporting families and helping them thrive in Dundee & East Ayrshire, has led to a commitment to extend the initiative and sparked interest to scale out the approach to other local authorities in Scotland.
- The recommendations from last year's comprehensive review into the needs of young people and the role of community-based youth workers in supporting them, have informed the strategic direction and impact focus of our partnership with McDonald's - who have committed to connect each of their 1,400 UK restaurants with a youth project.

Alongside our funding work, insight is integral to the development of our Marketing and Fundraising activity.

We continue our focus on ensuring we have a comprehensive understanding of public response to our annual appeal. We have a dialogue with audiences through appeal night, we run a large scale public survey in the week following our appeal, and we survey schools and fundraisers directly to help us to understand their attitudes and behaviours. This insight helps us to identify challenges and opportunities which we can then use to inform future appeal development.

Alongside this, we monitor public perceptions of BBC Children in Need alongside other charities on an ongoing basis, to ensure that we remain salient and relevant, and that the work we do is understood.

We track such measures amongst others via digital performance dashboards to ensure we keep focused on the continuing strength of the Charity with the public going forward.

This year we also undertook a comprehensive review of the external landscape to help identify how we can continue to successfully reach and engage audiences and supporters in the future. We know that much is changing in terms of TV viewing, media consumption and giving behaviour, and that 'one size fits all' isn't appropriate given the breadth and diversity of our supporter base. We were able to identify where to focus our efforts in order to retain our much-valued existing supporters whilst also attracting new ones. Audience research helped us to bring this to life and thus shape our audience engagement strategy for the future.



# BUILDING A STRONG CHARITY

Every charity requires strong foundations to support their charitable ambitions, and that is equally true of BBC Children in Need if we are to be able to create positive and lasting change across the UK for the children and young people who need us most.

Having an engaged workforce and strong culture continues to be key to our success. Over the previous two years, Covid-19 provided operational and strategic challenges for the Charity and tested our adaptability and resilience. Our People Strategy has continued on its journey to develop, support and retain talent, to enable us to focus on doing the great things we do to change the lives of children. During this year, as we emerged from the pandemic and restrictions eased we have reflected on our approach, undertaking a comprehensive learning review with our staff team, to gather feedback on wellbeing, engagement and development. We have used this colleague feedback and insight to develop the 'The Pudsey Way' – the culture and the associated behaviours we expect of all colleagues across the organisation.

With the end of Covid-19 restrictions during the year we have also focussed on 'future ways of working', supporting "hybrid working" where the team spend some of their working week in the office and some time at home, aiming to encourage good work-life balance, productivity and wellbeing.

Business Continuity and risk management continue to be significant areas of focus, in relation to the pandemic, especially when planning for significant events such as CarFest and the mass fundraising events during the autumn appeal period.

The financial challenges for the Charity, including our donors propensity to give, volatility in the value of, and return from, our investments, cashflow and availability of liquid funds, have been exacerbated by worsening of the UK and global economy. However, our internal funding model, reserves policy, and investment policy have provided financial stability and afforded a level of financial flexibility to enable our ongoing work supporting children and young people at the very time when they need it most.

Sufficient cash and investments are held to fund all grant commitments made and provide a minimum level of reserves. This provides certainty of funding to our grantees, funds anticipated activity until new income is generated and provides a level of contingency to flex with seasonal income generation, respond to unexpected factors affecting children and young people across the UK and continue operations in periods of uncertainty when external and internal factors influence the range of income outcomes.

During the year to June 2022, an average of 95% of donations went into grantmaking activity with 5p in every pound donated funding costs not attributable to grantmaking. This funding has allowed the Charity to invest in a five year financial plan which underpins the achievement of the long term strategy.

We continued to draw on the expertise and support of our Finance, Audit and Risk Committee and our Investment Committee, investment advisers and fund managers to identify and mitigate risks to the Charity.

## Climate Justice and Sustainability

We continue to recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities.

We are mindful of the resources we use and how we use them, and our long term goal regarding sustainability is to reduce our impact on the environment by not exhausting natural resources and not contributing to climate change through carbon emissions. This is in line with the BBC's ambition to be a Net Positive organisation by 2030, giving back more to the planet than what we take. During the year we have been focussing on how we can help support the BBC's net zero ambitions by reflecting the importance of sustainability in our objective setting.

In addition, we are committed to advocating for communities worse affected by the climate crisis and empowering children and young people to lead on change.

Advocating for climate justice means focussing on people, communities, intersectionality and fairness and our aim is to support the shift in power to poor and marginalised communities across the UK and focus on diversity, equity and inclusion to address human rights and social inequality.

In the year the Charity has signed up to the Funder Commitment on Climate Change. BBC Children in Need has taken significant steps to play our part in tackling the causes and impacts of the climate crisis, alongside many other funders. The spirit of the Funder Commitment is that we all pledge to strive to do more and we've committed to educate and learn, commit resources, integrate, steward our investments for a post carbon future and decarbonise our operations. We've already made progress by engaging other charities in learning conversations; putting resources towards research into the impact of the climate crisis on children and young people in the UK. We are supporting our grantees by offering training to learn alongside us to recognise the intersectionality of climate justice, empowering them to make sustainable choices in their own sphere of work alongside young people, enabling them to lead on change. We continue to review our statement of investment principles and holding asset managers to account for ESG decisions, increasing the use of recycled materials in our merchandise and agreeing to focus on sustainability in our business plans. We've committed ongoing staff resource to evolve and deliver our plan and committed time and space for teams to engage.

We have followed the Government guidance on how to measure and report greenhouse gas emissions. The BBC, which reports on emissions across all their sites, provide the space which BBC Children in Need occupies and the energy that it uses without charge. We have therefore calculated our emissions by pro-rating the BBC data from the period April 2021 to March 2022. Electricity consumption is measured at 241,097kwh (2021: 252,967 kwh) and gas at 135,144kwh (2021: 123,678) which equates to the following emissions:

Greenhouse gas emissions 2021/22	Gross emissions
Greenhouse gas emissions (tonnes/CO2e emissions)	75.9 reduced by 1% in year
Emissions per FTE	0.57

Gas consumption increased in the year because in order to ensure our key workers safe BBC buildings continued to be heated to improve air circulation during the Covid-19 pandemic. The BBC purchases REGO backed renewable electricity which impacts the carbon emissions from a 'location' perspective when reporting on emissions. Factoring this in would mean a reduction in our greenhouse gas emissions. If using a 'location' based conversion factor our greenhouse gas emissions = 30.6 and therefore 0.22 tonnes/CO2e emissions per FTE.



**2022  
FINANCIAL  
REVIEW**



## FINANCIAL REVIEW

The accounts for the year ended 30 June 2022 cover:

- income from the BBC Children in Need Appeal 2021, which was live across Autumn 2021;
- other income received year-round from 1 July 2021 to 30 June 2022; including income from funding partners and follow-on income post the appeal; and
- grants awarded to projects and funding programmes in the period 1 July 2021 to 30 June 2022.

## FINANCIAL PERFORMANCE

We measure financial performance based on:

- optimising income;
- optimising the amount of grants awarded;
- managing costs in line with available funds and at an appropriate level relative to income;
- managing funds in line with the Charity's policy.

Income from donations and charitable activities as shown in the Charity Statement of Financial Activity for the year totalled £67.9m (2021: £63.3m) including donation income and gift aid of £50.9m (2021: £54.3m), legacy income £2.1m (2021: £2.7m) and partnership funding £14.9m (2021: £6.3m). This represents an increase in the Charity's normal activity of £4.6m on the prior year. See note 2 (page 68) to the accounts.

The grant awards net of returns of £62.2m (2021: £51.1m) relate to the spending of income generated from the November Appeal and grant partnership funding received in the year.

To ensure BBC Children in Need is a strong charity, administered appropriately, able to raise income creatively, manage the funds raised professionally and operate as an effective grant maker, we incur direct costs. Total direct costs incurred in the year were £11.6m (£12.3m reported as £6.5m on raising funds and governance, £5.1m on grantmaking, impact and gift in kind\* of £0.7m). Total costs represent 17% of our total income (2021: 15%) (19% of our total grantmaking (2021: 20%)). Grantmaking costs are 9% (2021: 10%) of grants awarded, other costs are 10% (2021: 8%) of income generated.

*\* Gifts in kind includes provision of office space. These have been excluded from the above analysis because income is offset by an equal amount of cost and nets to zero. Further details are given in note 3 to the accounts*

### Results for Children in Need Limited

Children in Need Limited is a wholly owned subsidiary and holds the Charity's trading activities. The results of the company are consolidated into the Charity's accounts. During the year ended 30 June 2022, Children in Need Limited made a profit of £0.2m (2021: £0.3m).

Our corporate partners that raise funds for the Charity by selling Pudsey branded product pay a fee for use of the brand which is accounted for in the Limited Company. The Children in Need Limited profit is paid in full to the Charity under Gift Aid provisions.

### Investments

Funds committed for grantmaking but not required for expenditure in the short term are invested. Investment income for the year (including revaluation gains) was £1.2m (2021: £2.3m), representing a return of 1.4% (2021: 1.7%) on the average investment balance. This return is within the Charity's internal 1.0% to 1.5% target which was reduced to reflect the lower return environment as the economic performance was still impacted by the Covid-19 pandemic and the war in Ukraine. The investment policy stipulates the type and terms of investments that may be purchased and investment objectives being to:

- retain sufficient liquidity for day-to-day needs;
- maintain a measured appetite to risk; and
- maximise investment returns within the constraints of the above.

The Charity retains a conservative approach to investing and holds funds not needed for short term use in two types of investments:

- A. Core fixed income liquid assets – to provide a return of capital growth and income primarily through investment in a portfolio of short term cash and money market instruments, investment grade bonds and other fixed and floating rate securities. This portfolio is managed on the Charity's behalf by Schroder Investment Management (UK) Limited.
- B. Appropriate income/return generating assets - income generating assets such as property funds and high quality securitised credit.

The balance held within each type of investment is determined by the amount of liquid funds required to meet our grant commitments when they fall due. We do not hold equities directly or through fund managers and social, environmental and ethical considerations are taken into account when making investment decisions.

## Funds

At 30 June 2022 the Group (which consists of BBC Children in Need (the Charity) and Children in Need Limited (the trading company) had total closing funds of £37.5m (2021: £41.5m) representing a reduction of £4.0m on the prior year position. Impact reserves have reduced as we deliver impact for children and young people where most needed and these funds will be awarded in the coming months in line with our reserves policy.

Funds £'000	Restated Opening Fund 1 Jul 21	Total Income	Grants awarded in year (net of adjustments)	Cost of grant making, policy, impact and grantee training	Cost of raising funds & governance	Closing fund 30 June 22
Restricted impact fund	3,268	16,333	(14,240)	(987)	(118)	4,256
Unrestricted designated impact fund	26,320	44,979	(48,009)	(4,115)	-	19,175
General continuity fund	6,632	8,052	-	-	(5,889)	8,795
Investment continuity fund	5,000	-	-	-	-	5,000
Development fund	250	-	-	-	-	250
<b>Total unrestricted funds</b>	<b>38,202</b>	<b>53,031</b>	<b>(48,009)</b>	<b>(4,115)</b>	<b>(5,889)</b>	<b>33,220</b>
<b>Total funds</b>	<b>41,470</b>	<b>69,364</b>	<b>(62,249)</b>	<b>(5,102)</b>	<b>(6,007)</b>	<b>37,476</b>

The £69.4m of total income received in the year includes income from donations and other charitable activities of £67.9m plus net investment income of £1.2m and trading income of £0.3m. Of this, £62.2m has been used to fund projects that make a positive impact, and £5.1m has funded the associated costs of grantmaking and impact. £23.4m is held in reserve and available for grantmaking in advance of generating new income in the autumn 2022 appeal (restricted: £4.3m, unrestricted but designated for grantmaking: £19.2m).

### Restricted Fund - £4.3m

The closing fund represents £3m of donations received from The Hunter Foundation (THF) which will be used to create positive impact for children deemed to be on the edge of the care system, continuing our support for the existing project. In addition, £1.2m of income from iWill will be used to continue our joint support of Youth Social Action. In the year funds have been received, but fully spent, including £2.3m from Asda in support of the Emergency Essential Programme and £12.2m from The Department for Digital, Culture, Media and Sport (DCMS) to fund the Youth Investment Fund (YIF) of capital grants to the youth sector.

### Unrestricted Fund - £33.2m

At 30 June 2022 the Charity held designated grant funds representing donation income received and to be awarded to projects in future grantmaking activity of £19.2m (2021: £26.3m). These funds will be awarded over the coming months but it is the intention of the Charity to maintain a level of funds to cover uncertainty of income or exceptional requirement for funding.

The Charity also holds funds to cover general operating costs in periods of uncertainty of income, to manage volatility of investment returns (capital value or income) and to allow for future investment and respond to growth opportunities. This represents unspent gift aid, investment income, licence fees and a small proportion of donations (limited to 5p/£ donated). In this financial year 5p/£ of unrestricted donation income and legacy income, together with gift aid, trading income and investment returns totalling £8.1m has been used to cover costs, provide contingency for any uncertainty over future income.

See the Charity's principal accounting policies on page 67 which explains the structure of reserves and also note 15a on page 78 which provides more detail of the restricted funds.

### Change in Accounting Policy

In 2022 the Charity changed its policy on how it accounts for small grants. In the prior year, the accounting policy assumed the conditions in the grant agreement meant the 3 year liability should not be recognised, however, we have aligned our approach to our main grant accounting policy.

The long standing practice for our 'main' grant accounting is to recognise multi year awards in full on the day of making the commitment and recognising this obligation to pay in full in order to give our grantees certainty of their award. This is in line with the recognition principles of obligation, probability and measurability, despite their being conditions imposed. Our premise is that the main grant accounting policy reflects the substance of the agreement in that we usually fund for the full term because the conditions imposed are met. As long as our grantees use the funds as intended and deliver the outcomes then all commitments will be paid. This is proven by an established pattern of practice and time always being given to meet conditions.

In addition to the above, the Charity has changed its accounting policy regarding legacies. Legacies are now accounted for based on settlement of the estate or receipt of payment, whichever is the earlier. Previously, pecuniary legacy income was recognised once probate had been granted and where sufficient information had been received to meet the criteria of probability, measurement and entitlement. We believe the new policy is preferable to ensure we mitigate financial risk.

The change in legacy policy does not require a material adjustment, however the 2021 numbers shown in these accounts have been restated to reflect the change in grant accounting, the effects of which are shown in Note 7 on page 73.

# PRINCIPAL RISKS AND UNCERTAINTIES

Avoiding any harm to children and young people is our first priority and as such we have maintained robust safeguarding governance and practice across the organisation and due-diligence of those charities and projects we fund.

Every child and young person deserves the opportunity to thrive and be the best they can be and our ambition is to create positive and lasting change across the UK for the children and young people who need us most. To avoid the risk that we do not keep up with the ever evolving areas of need for Children and Young People across the UK, to understand the disadvantages we should be addressing, and to remain relevant, we have reviewed and refreshed our charitable ambition, and set out the actions we will take to achieve our aspirations for and with children and young people. This includes finalising our work on our impact themes and developing a broader impact strategy, which will provide greater clarity about the areas where we can have maximum impact; developing an approach to external communications, voice, and influence, so that we can raise awareness of the challenges and barriers facing children and young people, on an all-year-round basis; and ensuring that our work and decisions are underpinned by data, evidence and insight. A major foundation of this work is the increased engagement, participation and involvement of children and young people in our work and informing and influencing the decisions we take.

Maintaining levels of income, in light of the changing nature of the way people watch television and donate or fundraise, continues to be one of the principal risks for the Charity. Delivery of our audience and supporter engagement strategy, and the development of a longer term content strategy, are designed to inject more diversity in both our income sources and programme content removing reliance on a few principal corporate and programming partners.

The Charity's brand and reputation continue to be strong, with further potential to grow our supporter base. We continue to focus our efforts and resources on activities that are uniquely BBC Children in Need, protect and develop our existing partners, diversify to bring in new sources of income and new ways to engage with us. We will continue to put our supporters, children and young people at the heart of everything we do to ensure we build sustainable income sources.

There remains a risk that fundraisers operating in the Charity's name are fraudulent and fail to pass on donations intended for the Charity reducing the amount of income received but also damaging our reputation with the public. Sound controls and financial management are an essential defence for charities against fraud and financial crime and we continue remaining vigilant to protect our funds and assets from misuse.

BBC Children in Need is signed up to the Fundraising Regulator's Code of Fundraising Practice as well as to the Fundraising Promise. We are committed to legal, open, honest and respectful fundraising and do not cause undue pressure or intrusion on donors. We maintain robust fundraising policies, which promote the adoption and improvement of responsible fundraising practices within the UK. Our policy specifically provides guidance on the protection of vulnerable people and our practices reflect our safeguarding role. We expect our fundraising partners, commercial participators and professional fundraisers

to observe our fundraising policies and to demonstrate a similar commitment to responsible fundraising. There were no complaints received by the Charity in the year which were referred to the Fundraising Regulator.

The Charity has a responsibility when dealing with personal information and our data protection principles ensure we do not risk the trust placed in the Charity, protecting our supporters from possible misuse, whether it be accidental or deliberate. The consequences can include reputational damage, complaints or claims and severe financial penalties and so, despite increased complexity, compliance is still a key risk for the Charity. During the year, BBC Internal Audit undertook an audit for us on our data protection practice which has helped us further reflect and refine our approach. The risk of cyber-crime remains, and to mitigate this risk the BBC and the Charity has extensive policies and procedures in place to prevent/detect cyber threats, recovery plans are in place and we adequately train our employees.

There are also risks attached to the levels of funds which are used to finance the costs of governance and generating income for the Charity. Some of these income streams such as Gift Aid conversion and investment income are driven primarily by factors outside of the Charity's control. We manage the risk of an unexpected drop by retaining sufficient funds in reserve, assuming a prudent view of the anticipated income and using up to 5p/£ to finance our costs not attributable to grantmaking.

The Reserve Policy for the Charity sets out the long-term target for the Charity's continuity as shown in the table on the next page. The minimum unrestricted reserves held by the Charity of £12.75m is to ensure we have sufficient funds to flex with seasonal income generation, respond to unexpected factors affecting children and young people across the UK and continue operations in periods of uncertainty when external and internal factors influence the range of income outcomes. In addition, additional reserves will be held at year end and utilised until new income is received in the Autumn. In effect, the purpose of the reserve is twofold - a contingency and to fund anticipated activity.

The Impact continuity fund therefore holds funds that will be allocated before new income is generated from our next Appeal in November 2022. It is envisaged that the General continuity fund will drop back in line with forthcoming commitments over the next five years as we invest funds in our future strategic ambition. The Investment Continuity Fund is in place to manage volatility in capital value or returns.

Continuity funds £'000	Contingency Target 30 Jun 22	Forthcoming Commitments 30 Jun 22	Closing 30 Jun 22
Impact continuity fund	5,000	14,175	19,175
General continuity fund	2,500	6,295	8,795
Investment continuity fund	5,000	0	5,000
Development fund	250	0	250
<b>Total</b>	<b>12,750</b>	<b>20,470</b>	<b>33,220</b>

Clearly there are key risks that the Trustees, Executive and Leadership team will continue to face. Our organisational risk assessment reporting, review and management process will enable us to remove or mitigate these risks.

We will continue to report, monitor and manage these through our risk register with input from our legal team, regular reporting and review at Executive and Leadership meetings, through the Finance, Audit and Risk Committee and the Board of Trustees.

#### Adequacy of Assets to Fulfil Obligations

Trustees continuously monitor the impact of external factors on the Charity and its likely future financial position. In reviewing the going concern position the Charity takes into account its ability to:

1. fund grant commitments
2. cover impairment in assets
3. satisfy going concern for 12 months – based on matching assets to liabilities
4. cover costs
5. maintain healthy cashflow; and ultimately
6. continue to make grants

The Trustees are satisfied that the assets are in excess of the liabilities at both the balance sheet date and at the date of approval of the financial statements. The Trustees are also satisfied that the liquidity of the portfolio is appropriate for the phasing of grant commitments over 1 to 3 years, and that the risk of market value changes in the Charity's investments can be managed appropriately.

Having taken into account all available information about the future for the period of at least, but not limited to, 12 months from the date on which the accounts are approved the Trustees are satisfied that there are no material uncertainties about the Charity's ability to continue. The accounts are therefore prepared on a going concern basis.

## FUTURE PLANS

BBC Children in Need has implemented a five year plan which includes a refreshed charitable ambition:

Every child and young person deserves the opportunity to thrive and be the best they can be.

At BBC Children in Need, we act where the need is greatest. Our ambition is to create positive and lasting change across the UK for the children and young people who need us most.

Together with the BBC and our partners, we aim to inspire the nation and unite communities to support us in our work.

To live our charitable ambition and achieve our aspirations for children and young people, we are developing, finalising, and implementing the following strategies and plans. These twelve areas of focus will set out, in a more detailed way, the approach and actions we will take – the how we will deliver our new charitable ambition - supporting children and young people to thrive and be the best they can be, in a modern, contemporary way, at the same time addressing the overall decline in income:

1. Finalising and implementing our Audience and Supporter Engagement Strategy, which will set out how we evolve our income generation over the next 3-5 years
2. Developing a Content Strategy, across the BBC, which will work hand in hand with our Audience and Supporter Engagement strategy, setting out our approach to diversify audiences. The development of a Content Board will spearhead this work
3. Implementing our new grantmaking strategy, setting out where and how we invest our funding to help children and young people be the best they can be
4. Finalising our work on our impact themes and developing a broader impact strategy, which will provide greater clarity about the areas where we can have maximum impact
5. Developing an approach to external communications, voice, and influence, so that we can raise awareness of the challenges and barriers facing children and young people, on an all-year-round basis
6. Purposefully strengthening our BBC Relationship

#### These will be supported and underpinned by:

7. Work on our long-term funding model and organisational design
8. Digital transformation
9. Taking tangible steps to improve equity, diversity and inclusion
10. Evolving our approach to campaign planning and the Appeal Hub
11. Developing a strategic insight cycle, to underpin our new ambition and priorities
12. An organisational approach to Participation, developing how we work with, as well as for, children and young people.

#### The Charity we want to become

This is how BBC Children in Need should look and 'feel' over the next few years– think of it as the activities which capture our spirit, a compass to guide our decisions, and a chart to measure our progress, providing us with renewed perspective.

- ALWAYS CELEBRATING - We believe in children and young people and we will always champion, empower and celebrate who they are today and what they will be tomorrow.
- ALWAYS ON - We are an all year round charity, always on and relevant. There is always a story to be told and work to be done...an audience to engage with and a partner to enthuse...a question to ask and an answer to seek.
- ALWAYS DISTINCTIVE - We will make the most of our unique position within the BBC alongside others, to be the best that we can be, as a force for good and an inspiration for the UK to do all they can for children and young people.
- ALWAYS LOOKING - We never stop discovering, nurturing and developing new thinking and ways of working that will make a positive transformation for children and young people.

# STRUCTURE, GOVERNANCE AND MANAGEMENT

## Formal Structure

BBC Children in Need was formed on 25 August 1988, became a registered charity with effect from 1 September 1989 and until 30 September 2003 was an unincorporated body governed by a deed of trust and administered by a board of Trustees.

With effect from the 1 October 2003 the Charity's assets and activities were transferred to a Company Limited by Guarantee ('The BBC Children in Need Appeal') with the Trustees being appointed as the Board of Directors and the BBC as the Founder Member of the Company. As part of the process of incorporation, The BBC Children in Need Appeal was effectively re-registered as a Charity on 7 August 2003 but retained the Charity number 802052. The Charity is governed in accordance with its Articles of Association. These were updated in the previous year to reflect updated charitable objects.

In 2012 the name of the Charity was changed from The BBC Children in Need Appeal to BBC Children in Need, to reflect our year round presence and the changing nature of our fundraising. BBC Children in Need is also a registered Charity in Scotland, number SC039557.

BBC Children in Need has one trading subsidiary, Children in Need Limited. Children in Need Limited is a wholly owned subsidiary which primarily exists to licence products using the 'Pudsey Bear' trade mark and to sell Pudsey merchandise. Children in Need Limited makes a Gift Aid payment of all its taxable profits to BBC Children in Need each year.

## Governance Arrangements

As a registered charity and company limited by guarantee BBC Children in Need is governed by company and charity law and by The Statement of Recommended Practice, Charities SORP second edition (FRS 102), issued by the Charities Commission in October 2019. The SORP sets out the accounting practices and disclosure required by charities in their annual accounts. The Trustees have followed its recommendations and applicable accounting standards in presenting these accounts. Trustees regularly review the charity's governance arrangements against the voluntary Governance Code for Charities, and in 22-23 will formally undertake a governance review, undertaken every three years.

## Trustee Appointment and Chair

The Trustees are appointed by the Members of the Charity in general meeting and all Trustees are Members of the Charity and Company. Except for the Trustee who formally represents the BBC (as Founder Member), Trustees are appointed for a term of three years and may then be appointed for a further two terms of three years each. In addition to the Trustee representing the Founder Member, the Trustees of BBC Children in Need are drawn from the BBC and non-BBC in equivalent numbers.

On appointment all Trustees go through an induction process and are provided with training specific to the role and activities that they will be required to undertake (e.g. grantmaking). In addition Trustees are kept up to date with any changes in governance requirements to ensure they are aware of their obligations.

## Management

The Board of Trustees holds formal meetings at least four times a year. In this financial year, the board has met formally 7 times. In between these meetings, matters are progressed through the delegation of actions to sub-committees of the board, and Officers of the Charity in line with the agreed Scheme of Delegation.

## Key Responsibilities Trustees

The following points outline the key responsibilities of Trustees.

- agree the strategic direction and policy of the Charity;
- agree the annual operating and investment budgets;
- execute all legal responsibilities in connection with the Charity;
- be aware of the content of the Charity's Articles of Association in order to comply with the Charity Commission regulations;
- support the Chair in ensuring that the Charity is following best practice in terms of its business rigour;
- provide expertise and insight into key areas of activity for the Charity; and
- represent the Charity when required.

## Trustee Sub-Committees

To support effective governance the Charity has operated with four Trustee Board sub-committees throughout the year:

- Finance, Audit & Risk – to provide oversight and support on all financial matters, scrutiny of key risks and mitigations and oversight of internal and external audit activity;
- Impact – to provide oversight and advice on matters such as the Grantmaking Strategy, grant programmes and partnership funding. To scrutinise and approve specific grant proposals, including main grants, as delegated by the board of Trustees;
- Nominations and Remuneration – to provide oversight and support in the recruitment and development of senior staff and the Board of Trustees. Reward and remuneration of senior staff is overseen by benchmarking to the market and ensuring costs are managed in line with budget; and
- Investment – to provide oversight and advice on investment decisions.

The Investment and Impact Committee both have co-opted (non-Trustee) members to bring additional advice, subject matter expertise and experience.

## Business Planning & Performance Management

We have continued to embed our approach to business planning. This ensures we have a clear and concise plan of objectives, at organisational, directorate, team and individual level across the organisation. Every individual has a clear line of sight of how the work they are doing supports the organisation's strategy and plan.

These plans are reviewed on a quarterly basis and progress tracked and monitored throughout the year. We continue to evolve our approach to performance management to ensure performance, behaviour and development are well understood, discussed and supported at all levels of the organisation.

## Risk Management

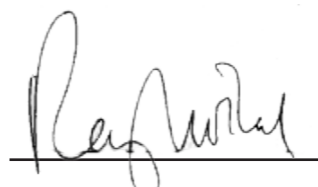
The Trustees are responsible for the Charity's management of risk. During the year the Trustees actively monitored and discussed risk. This process included:

- identifying the major risks facing the Charity;
- assessing the likelihood and severity of the risks;
- reviewing the existing controls that the Charity had in place to mitigate the risks; and
- identifying and implementing any further actions required to limit risk.

A statement of Trustees' responsibilities in respect of the Trustees' Annual Report and Accounts is given on page 57.

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are aware, there is no relevant audit information of which the Charitable Company's auditors are unaware; and the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Report of the Trustees, which incorporates the requirements of the Strategic Report and the Directors' Report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, was approved by the Board, in their capacity as Trustees and company directors, and signed on its behalf on 6 December 2022 by:



**Rosie Millard**  
Chair



**Rhona Burns**  
Treasurer

# REFERENCE AND ADMINISTRATIVE DETAILS

## Trustees and Advisors

### Chair

Rosie Millard

### Vice Chair

Robert Shennan<sup>3</sup> BBC Representative

### Other Trustees

Matthew Baker  
 Kenny Imafidon<sup>2</sup>  
 Trevor Bradley<sup>1 3 4</sup>  
 Rhona Burns<sup>1 4</sup>  
 Kieran Clifton<sup>2</sup>  
 Jonathan Munro  
 Suzanne Lamb  
 James Fairclough (joined 1 Oct 2021)  
 Sandeep Bhamra<sup>1 4</sup> (joined 14 Oct 2021)  
 Cherrie Bija<sup>2 3</sup> (joined 11 May 2022)  
 Randel Bryan (joined 17 Jan 2022)  
 Leigh Tavaziva (joined 1 Oct 2022)  
 Joanna Berry (resigned 21 Jun 2022)  
 Luke Mayhew (resigned 30 Sep 2021)  
 Ade Adepitan (resigned 21 Jun 2022)  
 Gillian Sheldon (resigned 30 Sep 2021)

### Company Secretary

Tony Okotie

### Principal Officers

Simon Antrobus Chief Executive  
 Karen Bass Chief Operating Officer (resigned Oct 22)  
 Claire Hoyle Commercial Director  
 Tommy Nagra Director of Content  
 Joanne Ruddock Director of Insight  
 Fozia Irfan Director of Impact

### Auditors

Crowe UK LLP  
 St James House  
 St James Square  
 Cheltenham GL50 3PR

### Investment Managers

Schroder Investment Management Limited  
 31 Gresham Street  
 London EC2V 7QA

### Investment Advisors

Willis Towers Watson  
 51 Lime Street  
 London EC3M 7DQ

### Registered Office

Bridge House  
 Salford M50 2BH

### Bankers

HSBC Bank Plc  
 City of London branch  
 Queen Victoria Street  
 London EC4N 4TR

### Solicitors

Fieldfisher LLP  
 35 Vine Street  
 London EC3N 2AA

Womble Bond Dickinson (UK) LLP  
 4 More London Riverside  
 London SE1 2AU

Mills & Reeve LLP  
 Fountain House,  
 130 Fenchurch Street  
 London EC3M 5DJ

Registered charity England and Wales no. 802052  
 and Scotland no. SC039557.

Registered Company 04723022

- 1 Members of Finance, Audit & Risk Committee
- 2 Members of Impact Committee
- 3 Members of Nominations and Remuneration Committee
- 4 Members of Investment Committee

# STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF BBC CHILDREN IN NEED IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND ACCOUNTS

The Trustees are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires Trustees to prepare accounts for each financial year. Under that law they are required to prepare the group and charitable company accounts in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group and charitable company's excess of income over expenditure for that period. In preparing each of the group and charitable company accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group and the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group and charitable company and enable them to ensure that its accounts comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BBC CHILDREN IN NEED

## Opinion

We have audited the financial statements of BBC Children in Need ('the charitable company') and its subsidiary ('the group') for the year ended 30 June 2022 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including 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 accounts:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 30 June 2022 and of the group's 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

## 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 or the group'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.

## Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

## Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purpose of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the strategic report and directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 57, 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.

## Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 auditor's 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-

compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Extent to which the audit was considered capable of detecting irregularities, including fraud

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud.

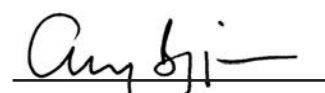
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with the completeness and timing of legacies, grant and corporate income, the recognition of grant expenditure and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance, and the General-Purpose Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Scottish Charity Regulator, designing audit procedures over the completeness and timing of legacies, grants and corporate income streams and grant expenditure and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Guy Biggin**

Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor

4th Floor  
St James House  
St James' Square  
Cheltenham  
GL50 3PR

19 December 2022

#### Notes:

- The maintenance and integrity of the BBC Children in Need web site is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the accounts since they were initially presented on the web site.
- Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 30 JUNE 2022

(Incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Year to 30 June 2022			Year to 30 June 2021		Restated total funds £'000
		Unrestricted fund £'000	Restricted fund £'000	Total funds £'000	Unrestricted fund £'000	Restricted fund £'000	
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and legacies</b>							
Donations	2 3	48,249	2,432	50,681	51,097	2,887	53,984
Legacies	2	2,147	-	2,147	2,744	-	2,744
<b>Charitable activities</b>							
Partnership funding	2	1,000	13,901	14,901	-	6,269	6,269
<b>Total income from donations and charitable activities</b>		<b>51,396</b>	<b>16,333</b>	<b>67,729</b>	<b>53,841</b>	<b>9,156</b>	<b>62,997</b>
Income from trading activities	8	979	-	979	920	-	920
<b>Investments</b>	10	564	-	564	1,004	-	1,004
<b>Other income</b>		656	-	656	649	-	649
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>53,595</b>	<b>16,333</b>	<b>69,928</b>	<b>56,414</b>	<b>9,156</b>	<b>65,570</b>
<b>EXPENDITURE ON:</b>							
<b>Raising Funds</b>							
Cost of generating voluntary income and governance	5	5,753	118	5,871	4,549	-	4,549
Cost of joint operation		-	-	-	-	10	10
Investment management fees	5	116	-	116	140	-	140
Trading operating costs	5	806	-	806	657	-	657
		<b>6,675</b>	<b>118</b>	<b>6,793</b>	<b>5,346</b>	<b>10</b>	<b>5,356</b>
<b>Charitable Activities</b>							
England		34,392	11,712	46,104	14,642	19,964	34,606
Scotland		4,513	-	4,513	2,077	2,195	4,272
Wales		2,702	-	2,702	1,084	1,283	2,367
Northern Ireland		2,737	-	2,737	1,193	1,351	2,544
UK wide grants		3,665	2,528	6,193	3,727	3,567	7,294
<b>Grants awarded in the year</b>	4	<b>48,009</b>	<b>14,240</b>	<b>62,249</b>	<b>22,723</b>	<b>28,360</b>	<b>51,083</b>
Costs of grant making & impact	5	4,493	987	5,480	2,350	2,674	5,024
		<b>52,502</b>	<b>15,227</b>	<b>67,729</b>	<b>25,073</b>	<b>31,034</b>	<b>56,107</b>
<b>TOTAL EXPENDITURE</b>		<b>59,177</b>	<b>15,345</b>	<b>74,522</b>	<b>30,419</b>	<b>31,044</b>	<b>61,463</b>
<b>Net gains on investments</b>	10	<b>600</b>	<b>-</b>	<b>600</b>	<b>1,283</b>	<b>-</b>	<b>1,283</b>
<b>Net income / (expenditure) for the year</b>		<b>(4,982)</b>	<b>988</b>	<b>(3,994)</b>	<b>27,278</b>	<b>(21,888)</b>	<b>5,390</b>
<b>Net Movement in Funds</b>		<b>(4,982)</b>	<b>988</b>	<b>(3,994)</b>	<b>27,278</b>	<b>(21,888)</b>	<b>5,390</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward 1 July 2021		38,202	3,268	41,470	10,924	25,156	36,080
<b>Total funds carried forward 30 June 2021</b>		<b>33,220</b>	<b>4,256</b>	<b>37,476</b>	<b>38,202</b>	<b>3,268</b>	<b>41,470</b>

The Group has no recognised gains or losses for the above two financial periods other than the net movement in funds shown above, all of which are derived from continuing operations.

The notes on pages 65 to 80 form part of these financial statements.

# CHARITY STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2022

(Incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Year to 30 June 2022			Year to 30 June 2021		Restated Total funds £'000
		Unrestricted fund £'000	Restricted fund £'000	Total funds £'000	Unrestricted fund £'000	Restricted fund £'000	
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and legacies</b>							
Donations	2	48,249	2,432	50,681	51,097	2,887	53,984
Gift aid payment from Children in Need Limited	8	173	-	173	263	-	263
Legacies	2	2,147	-	2,147	2,744	-	2,744
<b>Charitable activities</b>							
Partnership funding	2	1,000	13,901	14,901	-	6,269	6,269
<b>Total income from donations and charitable activities</b>		<b>51,569</b>	<b>16,333</b>	<b>67,902</b>	<b>54,104</b>	<b>9,156</b>	<b>63,260</b>
<b>Income from trading activities</b>		<b>298</b>	<b>-</b>	<b>298</b>	<b>184</b>	<b>-</b>	<b>184</b>
<b>Investments</b>	10	<b>564</b>	<b>-</b>	<b>564</b>	<b>1,004</b>	<b>-</b>	<b>1,004</b>
<b>Other income</b>		<b>656</b>	<b>-</b>	<b>656</b>	<b>649</b>	<b>-</b>	<b>649</b>
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>53,087</b>	<b>16,333</b>	<b>69,420</b>	<b>55,941</b>	<b>9,156</b>	<b>65,097</b>
<b>EXPENDITURE ON:</b>							
<b>Raising Funds</b>							
Cost of generating voluntary income & governance	5	5,753	118	5,871	4,549	-	4,549
Cost of joint operation		-	-	-	-	10	10
Investment management fees	5	116	-	116	140	-	140
Children in Need Limited Cost Recovery	5	299	-	299	184	-	184
		<b>6,168</b>	<b>118</b>	<b>6,286</b>	<b>4,873</b>	<b>10</b>	<b>4,883</b>
<b>Charitable Activities</b>							
England		34,392	11,712	46,104	14,642	19,964	34,606
Scotland		4,513	-	4,513	2,077	2,195	4,272
Wales		2,702	-	2,702	1,084	1,283	2,367
Northern Ireland		2,737	-	2,737	1,193	1,351	2,544
UK wide grants		3,665	2,528	6,193	3,727	3,567	7,294
<b>Grants awarded in the year</b>	4	<b>48,009</b>	<b>14,240</b>	<b>62,249</b>	<b>22,723</b>	<b>28,360</b>	<b>51,083</b>
Cost of grant making and impact	5	4,493	987	5,480	2,350	2,674	5,024
<b>TOTAL EXPENDITURE</b>		<b>58,670</b>	<b>15,345</b>	<b>74,015</b>	<b>29,946</b>	<b>31,034</b>	<b>60,990</b>
<b>Net gains on investments</b>	10	<b>600</b>	<b>-</b>	<b>600</b>	<b>1,283</b>	<b>-</b>	<b>1,283</b>
<b>Net income/(expenditure) for the year</b>		<b>(4,983)</b>	<b>988</b>	<b>(3,995)</b>	<b>27,278</b>	<b>(21,888)</b>	<b>5,390</b>
<b>Net Movement in Funds</b>		<b>(4,983)</b>	<b>988</b>	<b>(3,995)</b>	<b>27,278</b>	<b>21,888</b>	<b>5,390</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward 1 July 2021		38,188	3,268	41,456	10,910	25,156	36,066
<b>Total funds carried forward 30 June 2022</b>		<b>33,205</b>	<b>4,256</b>	<b>37,461</b>	<b>38,188</b>	<b>3,268</b>	<b>41,456</b>

The Charity has no recognised gains or losses for the above two financial periods other than the net movement in funds shown above, all of which are derived from continuing operations.

The notes on page 65 to 80 form part of these financial statements.

# CONSOLIDATED AND CHARITY BALANCE SHEETS

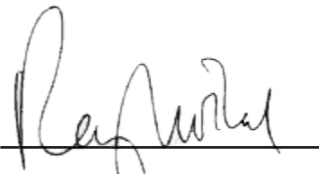
AS AT 30 JUNE 2022

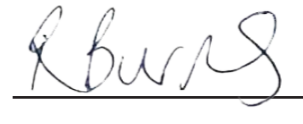
Company Number 04723022

	Notes	Group 30 June 2022 £'000	Restated Group 30 June 2021 £'000	Charity 30 June 2022 £'000	Restated Charity 30 June 2021 £'000
<b>FIXED ASSETS</b>					
Tangible assets	9	28	97	28	97
Investment in subsidiary	8	-	-	-	-
Investments	10	15,666	28,893	15,666	28,893
		<b>15,694</b>	<b>28,990</b>	<b>15,694</b>	<b>28,990</b>
<b>CURRENT ASSETS</b>					
Investments	10	65,480	59,166	65,480	59,166
Stock		230	191	-	-
Debtors	11	6,923	10,563	7,152	10,834
Cash and cash equivalents		13,540	8,081	13,515	7,960
		<b>86,173</b>	<b>78,001</b>	<b>86,147</b>	<b>77,960</b>
Creditors: amounts falling due within one year	12	(47,515)	(51,675)	(47,504)	(51,648)
<b>NET CURRENT ASSETS</b>		<b>38,658</b>	<b>26,326</b>	<b>38,643</b>	<b>26,312</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>54,352</b>	<b>55,316</b>	<b>54,337</b>	<b>55,302</b>
Creditors: amounts falling due after more than one year	12	(16,876)	(13,846)	(16,876)	(13,846)
<b>NET ASSETS</b>		<b>37,476</b>	<b>41,470</b>	<b>37,461</b>	<b>41,456</b>
<b>RESERVES</b>					
Unrestricted funds	15	33,220	38,202	33,205	38,188
Restricted Grant Funds	15	4,256	3,268	4,256	3,268
<b>Total Funds</b>		<b>37,476</b>	<b>41,470</b>	<b>37,461</b>	<b>41,456</b>
<b>TOTAL RESERVES</b>		<b>37,476</b>	<b>41,470</b>	<b>37,461</b>	<b>41,456</b>

The notes on page 65 to 80 form part of these financial statements.

The accounts on pages 61 to 80 were approved by the Trustees on 6 December 2022 and signed on their behalf by:

  
 Rosie Millard  
 Chair

  
 Rhona Burns  
 Treasurer

# CONSOLIDATED CASH FLOW STATEMENT

## FOR THE YEAR ENDED 30 JUNE 2022

	Schedule	Year to 30 June 2022 £'000	Restated year to 30 June 2021 £'000
<b>Cash flow from operating activities:</b>			
Net cash provided by operating activities	A	(2,618)	(8,180)
<b>Cash flow from investing activities:</b>			
Interest from investments		564	1,004
Purchase of equipment		-	(48)
Purchase of investments		(1,111,786)	(588,443)
Proceeds from sale of investments		1,119,299	591,377
<b>Net cash used in investing activities</b>		<b>8,077</b>	<b>3,890</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>5,459</b>	<b>(4,290)</b>
<b>Cash and cash equivalents at the start of the reporting period</b>		<b>8,081</b>	<b>12,371</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>13,540</b>	<b>8,081</b>

### A. Reconciliation of net income to net cash flow from operating activities

	Year to 30 June 2022 £'000	Year to 30 June 2021 £'000
Net expenditure / income for the year	(3,994)	(1,355)
Depreciation charges	69	73
Investment income	(564)	(1,004)
(Gain) in investment	(600)	(1,283)
(Decrease) in stock	(39)	(90)
Decrease in debtors	3,640	15,858
(Decrease) in creditors	(1,130)	(20,379)
<b>Net cash (outflow) provided by operating activities</b>	<b>(2,618)</b>	<b>(8,180)</b>

### B. Analysis of cash and cash equivalents

	At 30 June 2021 £'000	Cash Flows £'000	At 30 June 2022 £'000
Cash at bank	8,081	5,459	13,540
Money market deposits	-	-	-
<b>Total cash and cash equivalents</b>	<b>8,081</b>	<b>5,459</b>	<b>13,540</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2022

### 1 Principal accounting policies

#### Basis of preparation

BBC Children in Need is a registered charity in England and Wales 802052 and Scotland SC039557 and a company limited by guarantee incorporated in England 04723022. The Registered Office is Bridge House, MediaCity UK, Salford M50 2BH.

These accounts have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. The Charity has adapted the Companies Act formats to reflect the SORP and the special nature of the Charity's activities. The Charity is a public benefit entity.

#### Going concern

The accounts have been prepared on the going concern basis and under the historical cost convention with the exception of listed and unlisted investments which are included at market value.

Trustees continuously monitor the impact of external factors on the Charity and its likely future financial position. They are satisfied that the assets are in excess of the liabilities at both the balance sheet date and at the date of approval of the financial statements. The Trustees are also satisfied that the liquidity of the portfolio is appropriate for the phasing of grant commitments over 1 to 3 years, and that the risk of market value changes in the Charity's investments can be managed appropriately. Having taken into account all available information about the future for the period of at least, but not limited to, 12 months from the date on which the accounts are approved the Trustees are satisfied that there are no material uncertainties about the Charity's ability to continue. The accounts are therefore prepared on a going concern basis.

The accounts were authorised for issue on 6 December 2022 by the Board of Trustees.

The accounts are prepared in Sterling which is the functional currency of the Charity and Group and rounded to the nearest £'000. The Charity and Group's presentational currency is the same as its functional currency.

The Charity funds the costs of generating income and governance from Gift Aid, interest earned on Investments and with effect from the 19/20 financial year, up to 5p in the £ from unrestricted donations. This change was necessary due to reducing returns on investments and reduced income from Gift Aid, and now provides the Charity with a level of financial stability.

#### Income

All income is recognised once the Charity has entitlement to it, it is probable that the income will be received and the monetary value of the income can be measured with sufficient reliability.

Legacy income is recognised when the criteria of probability, measurement and entitlement are met. This is considered to be on the earlier of the date cash is received or the date final estate accounts are approved.

Donated services and facilities are treated as gifts in kind and are included as income (with an equivalent amount in resources expended) at the estimated value to the Charity. This income has been recognised as the benefit to the Charity is reasonably quantifiable, measurable and material, the Charity is entitled to the donation in that control over the expected economic benefit has passed and it will more than likely flow to the Charity (further details are given in Note 3).

#### Consolidation

These consolidated accounts incorporate the results of BBC Children in Need and its wholly owned subsidiary undertaking, Children in Need Limited, for the year ended 30 June 2022, on a line by line basis. Children in Need Limited is a company registered in England and Wales and exists primarily to sell Children in Need merchandise and licence products using the Pudsey Bear trademark.

No separate Cash Flow Statement has been prepared for the Charity as permitted by Section 408 of the Companies Act 2006 and FRS102 respectively.

#### Relationship with the BBC

Although the Charity and the BBC are respectively separately governed, they remain closely associated and both parties recognise the mutual benefit of their association and collaboration: The Charity in pursuit of its charitable purposes is able to support the BBC in fulfilling its Mission and Public

Purposes, including providing access to younger audiences, increasing awareness and understanding of the issues affecting children and young people in UK, and a charitable vehicle for BBC staff engagement. In return, the Charity benefits from an annual season of broadcast programming, and a range of marketing and operational support, enabling it to promote its work, raise support and money to in turn improve the lives of children and young people across the UK.

#### Grant expenditure

Grant expenditure is recognised when grants are approved by Directors or Trustees and notified to the organisations concerned, payment is probable, it can be measured reliably and all conditions have been met. Grant expenditure not yet paid is recognised as a liability on the balance sheet. If grants are payable in less than one year they are classified as short term and if payable in more than one year then they are classified as long term. For grants payable in more than one year discounts for present value have not been applied on the basis of materiality.

In 2022 the Charity changed its policy on how it accounts for small grants. In the prior year, the accounting policy assumed the conditions in the grant agreement meant the liability should not be recognised, however, we have aligned our approach to our main grant accounting policy. See note 7 on page 73 for further details.

#### Other expenditure

Expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation committing the Charity and Group to the expenditure, payment is probable and it can be measured reliably. Costs have been directly attributed to a particular heading in the Statement of Financial Activities on a headcount basis or on a time basis consistent with the use of the resource.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

Cost of generating funds consists of costs incurred by the Charity in encouraging organisations and individuals to make voluntary contributions or to organise a fundraising event. This includes all costs of production and distribution of publicity materials, the costs of staff and other expenditure incurred in communicating with fundraisers and donors and the cost of Charity organised events and challenges.

Grant giving costs represent the cost of monitoring and evaluating projects to ensure the money is being used to maximum effect and ensuring that grantmaking is supported, processed and governed responsibly. This includes costs of staff who support the grantmaking process, external assessors, regional and national committee meetings and expenditure incurred in this process.

Governance costs include all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These include costs of staff, external audit and legal fees along with Trustee expenses and meeting costs.

Further details of other expenditure are shown in Note 5.

### Tangible fixed assets

Tangible assets costing more than £1,000 are capitalised, included at cost and depreciated over their useful lives on a straight line basis. Depreciation is provided on all tangible assets at rates calculated to write off the costs of each asset on a straight line basis over its expected useful life as follows:

IT equipment and software	3 years
Furniture, fixtures and fittings	3 years

Further details of assets are shown in Note 9.

### Investments

Grants are paid in instalments across the life of the project (typically 3 years) therefore we will always have some funds that we hold in investments.

Investments are included in the Balance Sheet at mid-market value. All gains and losses are shown in the Statement of Financial Activities. They are classified as fixed investments if they represent grants awarded and payable in more than one year (presented as a long term creditor) and grant funds due to be awarded where the payment will be made in more than one year (presented as the grant fund). They are classified as current investments if they represent grants payable in less than one year.

Further details of fixed and current investments are given in Note 10.

### Stock

Stock is held by Children in Need Limited. Further details of the accounts of Children in Need Limited are given in Note 8. Stock is stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be

incurred to completion and disposal.

### Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activity in the cost of generating voluntary income.

### Operating leases

Operating lease rentals are charged to the Statement of Financial Activity on a straight line basis over the period of the lease.

Further details of operating leases are given in Note 14.

### Retirement benefit plans

Employees of the Charity participate in defined benefit and defined contribution schemes operated by the British Broadcasting Corporation. The defined benefit schemes provide benefits based on pensionable pay. The assets of the BBC's main pension scheme, the BBC Pension Scheme, to which the majority of employees belong, are held separately from those of the BBC Group.

The BBC Pension Scheme is a group-wide scheme and there is no contractual agreement or stated policy for charging the net defined benefit cost to scheme participants. The contribution rates are set by the pension scheme trustees based on valuations which take a longer-term view of the assets required to fund the scheme's liabilities. Valuations of the scheme are performed by Willis Towers Watson, consulting actuaries, with formal valuations undertaken at least every three years. Accordingly, the Company accounts for contributions payable to the scheme as if the schemes were defined contribution schemes.

### Basic financial instruments

#### (a) Financial assets

Basic financial assets represents stocks, trade debtors including amounts due by group undertakings; and cash and bank balances which are initially recognised at transaction price. At 30 June 2022, the group and charity had only financial assets classified as basic financial instruments. Debtors receivable in less than one year are recorded at transaction price.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled.

#### (b) Financial liabilities

Basic financial liabilities represents creditors including amounts owed to group undertakings are initially recognised at transaction price. At 30 June 2022, the group and charity had financial liabilities classified as basic financial liabilities.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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.

Amount owed to group undertakings which are basic financial instruments are initially recorded at the present value of future payments.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### Structure of Reserves

#### Unrestricted Funds including Designated

The Charity holds the majority of donation income in the Impact Continuity Fund which is designated to ensuring maximum positive impact on disadvantaged children and young people. The money is therefore spent on BBC Children in Need's grantmaking activity, grantmaking policy and making an impact - charitable initiatives designed to make a positive difference to the lives of children and young people. This includes making awards to projects and the cost of allocating, monitoring and evaluating grants to ensure that donations are being used to maximum effect. It is not always possible to accurately match the amount of grant making activity with the amount of income in any one year therefore any unspent income is always monitored separately.

The Charity holds Gift Aid from unrestricted donations, interest earned on Investments and up to 5p in the £ from unrestricted donations in the general continuity fund. This fund is used to cover the costs of generating income and other activities which support the governance, growth and development of the Charity. A proportion is also held in reserve to cover any potential investment losses generated through short term volatility and to fund a potential short term funding deficit should future income levels fall unexpectedly.

Other Non-Grant funds also include the net assets of Children in Need Limited.

Gifts in kind is allocated across the two funds based on direct staff allocation.

#### Restricted Funds

This is restricted income held to further a specific purpose of the Charity as stipulated by the donor and is accounted for accordingly and presented separately on the face of the Statement of Financial Activities. This may also include associated Gift Aid which is also deemed to be restricted in use. This spend includes making awards to projects and the cost of allocating, monitoring and evaluating grants.

Where the donor expresses a form of non-binding preference as to the use of the funds, this falls short of imposing a formal restriction and the Charity will include the relevant donations as part of its unrestricted funds.

### Loan to Children in Need Limited

The interest bearing loan is a basic financial instrument and is recorded at fair value on both initial recognition and subsequent recognition. As the loan is repayable on demand fair value is equal to face value.

### Judgements and estimates

The preparation of the accounts requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for income and expenditure during the year.

Judgement has been applied in the consideration of what gifts in kind are included in the Charities accounts. The gift in kind has been accounted for where the actual expenditure incurred by the BBC or corporate partner can be measured reliably and the Charity has received the benefit. Many of the other elements of BBC support are very difficult to quantify as they are not discrete activities but embedded, partly as newsworthy and entertainment content, within the operations and business of the BBC. The Appeal show provides valuable content, which attracts a large audience, and without it the BBC would have to produce alternative content. As such the full value of support provided by the BBC has not been included in the Charity's Statement of Financial Activities

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

### 2 CHARITY INCOME

Income from donations and gift aid totalling £50,681k (2021: £53,984k) is generated from direct public support, our Corporate Partners and BBC Programmes. Together with partnership funding and legacies the total reported from charitable activities is £67,902k (2021: £63,260k). Total income per the Charity Statement of Financial Activities is £69,420k (2021: £65,097k).

	Unrestricted funds				Restricted funds		Total 2022 £000	Total 2021 £000
	Direct public support £000	High value donors & partnerships £000	BBC programmes £000	Other £000	Direct public support £000	High value donors & partnerships £000		
Schools	4,551	-	-	-	-	-	4,551	4,122
Public fundraising	3,398	-	-	-	-	-	3,398	3,264
Donations	14,143	6,454	15,418	-	78	2,354	38,447	40,842
Gift aid on donations	4,285	-	-	-	-	-	4,285	5,756
<b>TOTAL DONATIONS</b>	<b>26,377</b>	<b>6,454</b>	<b>15,418</b>	<b>-</b>	<b>78</b>	<b>2,354</b>	<b>50,681</b>	<b>53,984</b>
Gift aid payment from Children in Need Limited	173	-	-	-	-	-	173	263
Partnership funding	-	1,000	-	-	-	13,901	14,901	6,269
Legacies	2,147	-	-	-	-	-	2,147	2,744
<b>TOTAL INCOME FROM CHARITABLE ACTIVITIES</b>	<b>28,697</b>	<b>7,454</b>	<b>15,418</b>	<b>-</b>	<b>78</b>	<b>16,255</b>	<b>67,902</b>	<b>63,260</b>
Licence fee income	-	298	-	-	-	-	298	184
Return on investments	-	-	-	564	-	-	564	1,004
Other income - Gift in Kind	-	-	-	656	-	-	656	649
<b>RECONCILIATION TO CHARITY SOFA</b>				<b>53,087</b>		<b>16,333</b>	<b>69,420</b>	<b>65,097</b>
Gift in Kind				(656)			(656)	(649)
Plus gains on investments				600			600	1,283
<b>RECONCILIATION TO REPORTED INCOME</b>				<b>53,030</b>		<b>(16,333)</b>	<b>69,364</b>	<b>65,731</b>

How the above income has been utilised in the year is shown below.

Grant Awards	(48,009)	(14,240)	(62,249)	(51,083)
Costs of grantmaking	(4,115)	(987)	(5,102)	(4,646)
Costs of Generating Income and Governance	(5,889)	(118)	(6,007)	(4,612)
Movement in reserves	(4,982)	(988)	3,994	(5,390)
<b>REPORTED TOTAL INCOME</b>	<b>(53,030)</b>	<b>(16,333)</b>	<b>(69,364)</b>	<b>(65,731)</b>

Income as reported by the Charity is £68,200k which is the income reported on the SOFA of £69,421k excluding gift in kind of £657k and investment returns of £564k (2021: £63,444k).

### 3 GIFTS IN KIND

BBC Children in Need is the UK corporate Charity of the BBC and as such is supported by the BBC in a number of ways including but not limited to:

- the provision of office space and other services at no charge;
- the preparation and broadcast of the annual television BBC One Appeal Show including national and regional programming content;
- the extensive support of programmes across all platforms both on the day of the Appeal and the campaign build up;
- significant promotional support and coverage of the Appeal across the BBC local television and radio network in the days before the Appeal and on Appeal night.

The costs of support through the provision of office space and other services for the last financial year have been calculated as £656k (2021 - £649k) based on actual office space utilised by BBC Children in Need during the year. This amount has been recorded as income, with an equal amount included in expenditure, in the statement of financial activities as it meets the recognition criteria set out in the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019.

Please refer to note 1 on page 65 for disclosure of key judgements in relation to Gifts in Kind.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

### 4 GRANT EXPENDITURE

The grants given to charities and organisations fall into the bands detailed below:

Grants Reconciliation	Group 2022 £'000	Restated Group 2021 £'000
Grants outstanding as at 1 July 2021	65,055	81,558
Grants awarded in the period	62,249	51,083
Grants paid in the period	(65,730)	(67,586)
<b>Grants outstanding as at 30 June 2022</b>	<b>61,574</b>	<b>65,055</b>

Total Grants Awarded In The Period	Qty	Group 2022 £'000	Restated Group 2021 £'000
<b>Open Call grant award</b>			
Main & Small Grants	1,578	44,663	21,195
Youth Investment Fund	419	11,917	-
Inspiring Futures	-	-	6,419
Covid response	-	-	17,109
	<b>1,997</b>	<b>56,580</b>	<b>44,723</b>
<b>In Partnership with:</b>			
A Million & Me Programme	6	814	1,122
Hunter Foundation	1	507	352
iWill	3	481	-
NSPCC	1	168	75
Premier League	1	667	667
Children's Society	1	133	133
Legal Education Foundation	1	220	145
Alliance for Youth Justice	1	47	-
HSBC	1	97	-
Others	-	-	188
	<b>112</b>	<b>3,134</b>	<b>2,682</b>
<b>Emergency Funding</b>	<b>2</b>	<b>3,100</b>	<b>4,361</b>
<b>Total Grant Awards</b>	<b>2,111</b>	<b>62,814</b>	<b>51,766</b>
Grant Underspends		(593)	(699)
Training of Grantees		28	16
		<b>62,249</b>	<b>51,083</b>

In the year ended June 2022 £62,814k before returns and training support (2021: £51,766k) was awarded to projects and programmes.

Of this amount direct open call funding totalled £56,580k (2021: £44,723k), £3,100k (2021: £4,361k) was awarded in Emergency funding and £3,134k (2021: £2,682k) across other partnership programmes.

#### Adjustments to grants

An amount of £593k (2021: £699k) has been written back to the Statement of Financial Activities. This represents adjustments to grants and the full and partial return of grants that have been awarded in the current and the prior year which would arise when the project cannot fulfil the agreed outcomes. This amount is added back to the total available for future award.

#### Support, education and training

Some organisations, particularly those where the Charity is funding a staff post, are given training and support in how to measure and report the difference their project is making to the children and young people they work with. The cost in 2022 amounted to a value of £28k (2021: £16k).

For further details on the purpose and policy grantmaking refer to the Trustee Report (page 24).

### 5 OPERATING COSTS EXCLUDING GIFTS IN KIND

In order to administer the Charity efficiently, fundraise creatively, manage the funds raised professionally and operate as an effective grant maker, BBC Children in Need incurs costs.

Where staff work across more than one area, costs are allocated based on the proportion of time spent on the areas of generating voluntary income, governance and making an impact which includes the cost of grantmaking. Office & IT costs and professional fees are allocated based on usage. The BBC Gift in Kind to support the provision of office space together with depreciation is allocated on staff numbers.

	Staff costs £'000	Support costs £'000	Other direct costs £'000	2022 total £'000	2021 total £'000
<b>Costs of generating funds</b>					
Cost of generating voluntary income	2,435	1,122	2,000	5,557	4,299
Investment management fees	-	-	116	116	140
Trading operating costs	144	-	662	806	657
Governance	74	229	10	314	260
<b>Charitable activities</b>					
Grantmaking, policy & Impact	3,596	1,130	754	5,480	5,024
	<b>6,249</b>	<b>2,481</b>	<b>3,542</b>	<b>12,273</b>	<b>10,380</b>
Gifts in kind				(657)	(649)
<b>Operating costs</b>				<b>11,616</b>	<b>9,731</b>

Specific expenditure items included in the figures above are:

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Depreciation	69	73	69	72
Operating leases	35	16	35	16
Reimbursement of trustees expenses	3	-	3	-
<b>Auditors' remuneration:</b>				
Audit of these accounts	50	49	50	49
Audit of the charity's subsidiary pursuant to the legislation	2	2	-	-
Taxation compliance services	2	-	1	1
Legal fees	33	33	33	33

Support costs are broken down as:

	Staff costs £'000	Office and IT costs £'000	Depreciation £'000	Professional fees £'000	Gifts in kind £'000	2022 total £'000	2021 total £'000
<b>Costs of generating funds</b>							
Cost of generating voluntary income	655	92	32	72	271	1,122	1,080
Governance	170	24	8	19	8	229	180
<b>Charitable activities</b>							
Grant making, policy and impact	578	81	29	64	378	1,130	1,168
	<b>1,403</b>	<b>197</b>	<b>69</b>	<b>155</b>	<b>657</b>	<b>2,481</b>	<b>2,428</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

### 6 EMPLOYEE AND PENSION INFORMATION

The average number of persons employed during the period split by function is as follows:

	Group 2022	Group 2021	Charity 2022	Charity 2021
Generating funds	60	55	57	53
Grant giving	87	84	87	84
Governance	3	3	3	3
	150	142	147	140

The equivalent number of full time staff is 141 (2021: 133).

The breakdown of the group's salary costs is as follows:

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Wages and salaries	6,007	5,442	5,892	5,391
Social Security costs	634	550	623	545
Pension costs	599	493	591	489
Other staff costs	406	154	402	154
	7,646	6,639	7,508	6,579

#### Pension Costs

##### Defined benefit schemes:

The Company accounts for the BBC Pension Scheme as if it were a defined contribution scheme. This is because it is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

The pension costs for both schemes represent contributions payable by the Charity to the funds and this amounted to £599k in the year (2021: £493k).

Information about the scheme deficit that may affect the amount of future contributions, including the basis used to determine that deficit and the implications, can be found within notes C6 and C7 of the BBC Annual Report and Accounts.

#### Remuneration

Trustees do not receive any remuneration or receive any other benefits for their roles as Trustees. Trustee expenditure includes the reimbursement of expenses incurred by Trustees while carrying out their duties for the Charity, primarily for travel expenses of Trustees not based in London to attend meetings. £3k of expenses were paid in the period to 6 trustees (2021: £nil).

The emoluments of employees who are higher paid fell into the following bands of £10,000:

	Group 2022	Group 2021
£60,000 - £69,999	5	7
£70,000 - £79,999	4	2
£80,000 - £89,999	2	1
£90,000 - £99,999	1	1
£100,000 - £109,999	-	1
£110,000 - £119,999	2	1
£120,000 - £129,999	-	-
£130,000 - £140,000	1	1
	15	14

The emoluments paid to the Chief Executive in the year were £138,198 (2021: £138,198).

Retirement benefits are accruing under defined benefit schemes for one (2021: one) of the above higher paid members of staff.

#### Key Management Personnel

All principal officers who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is £794k (2021: £738k).

### 7 CHANGE IN ACCOUNTING POLICIES

In 2022 the Charity changed its policy on how it recognises small grants. In the prior year, the accounting policy assumed the conditions in the grant agreement meant the 3 year liability should not be recognised, however, we have aligned our approach to our main grant accounting policy.

The prior year figure for grant awards has been adjusted to reflect a commitment to year 2 and 3 small grants of £8.7m previously not recognised giving our grantees certainty of their award by setting aside the funds to cover future payments.

The 2021 comparatives have been restated to take account of a prior year adjustment to reflect the change to the small grant accounting policy. The impact of this adjustment means that unrestricted reserves at 1 July 2020 and 30 June 2021, have decreased by £6.7m and £8.7m respectively.

The effects of the change is detailed in the table below:

	Group At 30 June 2021 £'000	Group At 1 July 2020 £'000	Charity At 30 June 2021 £'000	Charity At 1 July 2020 £'000
<b>Reconciliation of 2021 unrestricted reserves:</b>				
Reserves (as previously stated)	46,862	17,669	46,848	17,655
Grant accounting - change in basis	(8,660)	(6,745)	(8,660)	(6,745)
<b>Reserves (as restated):</b>	<b>38,202</b>	<b>10,924</b>	<b>38,188</b>	<b>10,910</b>
<b>Reconciliation of 2021 surplus for the period:</b>				
2021 Surplus (as previously stated)	29,193		29,193	
Grant accounting movement - change on basis	(1,915)		(1,915)	
<b>2021 Surplus (as restated):</b>	<b>27,278</b>		<b>27,278</b>	

In addition to the above, the Charity has changed its accounting policy regarding legacies. Legacies are now accounted for based on settlement of the estate or receipt of payment, whichever is the earlier. Previously, pecuniary legacy income was recognised once probate had been granted. However, the change in legacy policy does not require a material adjustment to the prior period financial statements.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

### 8 INVESTMENT IN SUBSIDIARY

BBC Children in Need owns 100% of the issued ordinary share capital of £2 of Children in Need Limited (registered company 2461031), a company registered in England and Wales, which licenses products using the Pudsey Bear trademark.

A summary of the trading results and balance sheet of Children in Need Limited is set out below.

Turnover of £687k is derived from the sale of merchandise to the public through our online store and fundraising events (2021: £651k). In addition, Corporate Partners purchase BBC Children in Need product to support their fundraising activities as well as sell their own products licensed by Children in Need Limited, for this a licence fee is charged £292k (2021: £269k).

The Trading Company has gifted its net profit of £172k (2021: £263k) to the Charity.

	Year to 30 Jun 22 £'000	Year to 30 Jun 21 £'000
Turnover	979	921
Product cost of sales	(508)	(473)
<b>Contribution</b>	<b>471</b>	<b>448</b>
Other cost of sales	(108)	(63)
<b>Gross profit</b>	<b>363</b>	<b>385</b>
Operating expenses	(191)	(122)
<b>Net profit</b>	<b>172</b>	<b>263</b>
Gift aid payment to BBC Children in Need Appeal	(172)	(263)
<b>Retained in Children in Need Limited</b>	<b>-</b>	<b>-</b>
	<b>30 Jun 22 £'000</b>	<b>30 Jun 21 £'000</b>
<b>Fixed assets</b>		
Tangible assets	-	-
<b>Current assets</b>		
Stock	230	191
Debtors	89	242
Cash at bank and in hand	25	122
<b>TOTAL CURRENT ASSETS</b>	<b>344</b>	<b>555</b>
Creditors: amounts falling due within one year	(329)	(540)
<b>Net current assets / (liabilities)</b>	<b>15</b>	<b>15</b>
Total assets less current liabilities	15	15
Creditors: amounts falling due after more than one year	-	-
<b>Net assets</b>	<b>15</b>	<b>15</b>
Share capital	-	-
Profit and loss account	15	15
<b>Total funds</b>	<b>15</b>	<b>15</b>

Within the creditors amount of £329k is £318k (2021: £513k) owing to the Charity. This is made up of an outstanding loan of £150k not due for repayment, £173k of gift aid and £6k of recharged salary costs not yet transferred back to the Charity. The movement in the creditor balance in the year of £195k is explained as follows:

Inter Company Transactions in year	2022 £'000
Staff & staff expenses recharged by charity	155
Donations deposited with the trading company	199
Trading vat transactions paid through the charity	81
Loan interest charged by the charity	7
Gift aid payment donated to charity	173
Merchandise and storage costs recharged to charity	(20)
Cash transferred to charity in part settlement of the above	(790)
<b>Movement</b>	<b>(195)</b>

### 9 TANGIBLE ASSETS

Group	IT equipment & software £'000	Furniture, fixtures & fittings £'000	Total £'000
<b>Cost</b>			
As at 01 July 2021	779	1	780
Additions	-	-	-
Disposals	-	-	-
<b>As at 30 June 2022</b>	<b>779</b>	<b>1</b>	<b>780</b>
<b>Accumulated depreciation</b>			
As at 01 July 2021	682	1	683
Charge for the year	69	-	69
Disposals	-	-	-
<b>As at 30 June 2022</b>	<b>751</b>	<b>1</b>	<b>752</b>
<b>Net Book Value</b>			
As at 30 June 2021	97	-	97
<b>As at 30 June 2022</b>	<b>28</b>	<b>-</b>	<b>28</b>
Charity	IT equipment & software £'000	Furniture, fixtures & fittings £'000	Total £'000
<b>Cost</b>			
As at 01 July 2021	704	1	705
Additions	-	-	-
Disposals	-	-	-
<b>As at 30 June 2022</b>	<b>704</b>	<b>1</b>	<b>705</b>
<b>Accumulated depreciation</b>			
As at 01 July 2021	607	1	608
Charge for the year	70	-	70
Disposals	-	-	-
<b>As at 30 June 2022</b>	<b>677</b>	<b>1</b>	<b>678</b>
<b>Net Book Value</b>			
As at 30 June 2021	97	-	97
<b>As at 30 June 2022</b>	<b>27</b>	<b>-</b>	<b>27</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

### 10 FIXED AND CURRENT INVESTMENTS

The portion of the Group and Charity's investment portfolio that is classified as fixed investments relate to grant creditors committed, or grants to be awarded and payable in more than one year. Current investments relate to grant creditors committed, or grants to be awarded and due for payment within one year plus any other short term liabilities.

Investments are analysed below, between Fixed Income and Alternatives. Fixed Income includes certificates of deposit, floating rate notes, gilts and high-quality corporate bonds. Alternatives include other income generating assets, such as property and securitised credit funds. Investments are valued at current market value as at 30 June 2022.

Income in the year of £1,164k relates to interest earned on investments held in the year £564k plus revaluation gains £600k (2021: £2,287k (£1,004k interest and £1,283k gains)).

Group and Charity	2022 £'000	2021 £'000
<b>Market Value at 1 July 2021</b>	<b>88,059</b>	<b>89,702</b>
Add: acquisitions at cost	1,119,375	585,200
Less: disposals at market value	(1,119,299)	(591,377)
Add: net gains / (losses) on revaluation	600	1,283
<b>Market Value at 30 June 2022</b>	<b>88,735</b>	<b>84,808</b>
Add: deposits held at financial institutions	(1,087)	6,502
Less: deposits held at financial institutions at 30 June 2021	(6,502)	(3,251)
<b>Total Investments at 30 June 2022</b>	<b>81,146</b>	<b>88,059</b>

The investments can be analysed as follows:

	2022		2021	
	Valuation £'000	Cost £'000	Valuation £'000	Cost £'000
<b>Fixed income</b>				
-maturing in more than 1 year	13,535	14,013	7,614	7,611
-maturing in less than 1 year	38,701	38,674	40,507	40,571
<b>Alternatives</b>				
-maturing in more than 1 year	29,997	27,274	33,437	31,846
-maturing in less than 1 year	-	-	-	-
Deposits held with financial institutions	(1,087)	(1,086)	6,502	6,502
	<b>81,146</b>	<b>78,875</b>	<b>88,060</b>	<b>86,530</b>
Included as:				
Fixed asset investments	15,666	15,666	28,893	28,893
Current investments	65,480	63,209	59,166	57,636
	<b>81,146</b>	<b>78,875</b>	<b>88,059</b>	<b>86,529</b>

Included within the above totals are cash and cash equivalents of £6,502k (2021: £3,251k).

### 11 DEBTORS

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Trade debtors	241	437	155	385
Amounts owed by subsidiary undertaking	-	-	318	513
Other debtors	3,824	3,886	3,824	3,886
Taxation	160	2	157	2
Prepayments and accrued Income	2,440	5,669	2,440	5,479
	<b>6,665</b>	<b>9,994</b>	<b>6,894</b>	<b>10,265</b>
<b>Amounts falling due after more than one year</b>				
Other debtors	258	569	258	569
	<b>258</b>	<b>569</b>	<b>258</b>	<b>569</b>

Included in the £318k (2021:£513k) amount owed by subsidiary undertaking is a receivable from Children In Need Limited for gift aid of £173k and £150k intercompany loan which is repayable on demand, (2021: £263k and £150k respectively).

Prepayments and accrued income of £2,440k are split £22k and £2,418k (2021: £5,669k split £55k and £5,614k) respectively.

The accrued income relates mainly to Corporate and Grant Partnership income still to be received and amounts falling due after more than one year relates to income due from The Hunter Foundation to fund ongoing partnership activity.

### 12 CREDITORS

	Group 2022 £'000	Restated Group 2021 £'000	Charity 2022 £'000	Restated Charity 2021 £'000
<b>Amounts falling due within one year</b>				
Trade creditors	1,589	67	1,583	65
Grants payable	44,698	51,209	44,698	51,209
Accruals and deferred income	1,228	397	1,223	374
Taxation	-	2	-	-
	<b>47,515</b>	<b>51,675</b>	<b>47,504</b>	<b>51,648</b>
<b>Amounts falling due after more than one year</b>				
Grants payable	16,876	13,846	16,876	13,846
	<b>16,876</b>	<b>13,846</b>	<b>16,876</b>	<b>13,846</b>

Within grants payable, £44,698k (2021: £51,209k) is due to be paid within one year and £16,876k (2021: £13,846k) paid within the next two to three years. Of the total grant payable amount of £61,574k, £56,320k relates to our main and small responsive grants awarded over the last 1-3 years, £2,550k relates to our emergency essential programme that is funded for the next 11 months and the balance of £2,703k relates to proactive grant partnerships including Premier League, iWill and Wellcome Trust.

Included in accruals and deferred income is an amount of £nil (2021: £25k) related to a deferred marathon event.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

### 13 FINANCIAL INSTRUMENTS

The group has the following financial instruments:

	Notes	Group 2022 £'000	Group 2021 £'000
Financial assets measured at amortised cost are: trade debtors, accrued income, cash and other debtors excluding prepayments	11	19,096	24,520
Financial assets measured at fair value through income and expenditure	10	82,233	81,557
Financial liabilities at amortised cost are: trade creditors, grants payable, other creditors, accruals excluding deferred income	12	64,391	65,519

### 14 OPERATING LEASES

	Group		Group	
	Land & buildings 2022 £'000	Other 2022 £'000	Land & buildings 2021 £'000	Other 2021 £'000
<b>Operating leases future minimum payments:</b>				
- within one year	-	47	-	19
- later than one year and not later than five years	-	54	-	23
	-	101	-	42

### 15a FUNDS

The fund balances are shown below.

Funds £'000	Restated Opening Fund 1 Jul 21	Donations	Funding	Legacies	Gift Aid	Product	Investments	Total Income	Grants awarded in year (net of adjustments)	Cost of grant making, policy, impact and grantee training	Cost of raising funds & governance	Closing fund 30 June 22
DCMS	-	-	12,173	-	-	-	-	12,173	(11,650)	(523)	-	-
iWill	-	-	1,728	-	-	-	-	1,728	(481)	-	-	1,247
YFF	-	-	-	-	-	-	-	-	9	-	-	9
THF	3,000	-	-	-	-	-	-	-	-	-	-	3,000
TBNI	-	78	-	-	-	-	-	78	(71)	(7)	-	-
Other partnerships	268	2,354	-	-	-	-	-	2,354	(2,047)	(457)	(118)	-
<b>Restricted Impact Fund</b>	<b>3,268</b>	<b>2,432</b>	<b>13,901</b>	-	-	-	-	<b>16,333</b>	<b>(14,240)</b>	<b>(987)</b>	<b>(118)</b>	<b>4,256</b>
<b>Unrestricted designated impact fund</b>	<b>26,320</b>	<b>41,766</b>	<b>1,000</b>	<b>2,040</b>	-	<b>173</b>	-	<b>44,979</b>	<b>(48,009)</b>	<b>(4,115)</b>	-	<b>19,175</b>
General continuity Fund	6,632	2,198	-	107	4,285	298	1,164	8,052	-	-	(5,889)	8,795
Investment continuity Fund	5,000	-	-	-	-	-	-	-	-	-	-	5,000
Development Fund	250	-	-	-	-	-	-	-	-	-	-	250
<b>Total unrestricted funds</b>	<b>38,202</b>	<b>43,964</b>	<b>1,000</b>	<b>2,147</b>	<b>4,285</b>	<b>471</b>	<b>1,164</b>	<b>53,031</b>	<b>(48,009)</b>	<b>(4,115)</b>	<b>(5,889)</b>	<b>33,220</b>
<b>Total funds</b>	<b>41,470</b>	<b>46,396</b>	<b>14,901</b>	<b>2,147</b>	<b>4,285</b>	<b>471</b>	<b>1,164</b>	<b>69,364</b>	<b>(62,249)</b>	<b>(5,102)</b>	<b>(6,007)</b>	<b>37,476</b>

The closing restricted fund of £4.3m (2021: £3.3m) represents £3m of donations received.

The closing fund represents £3m of donations received from the Hunter Foundation (THF) which will be used to create positive impact for children deemed to be on the edge of the care system, continuing our support for the existing project. In addition, £1.2m of income from iWill will be used to continue our joint support of Youth Social Action. In the year funds have been received but fully spent including £2.3m from Asda in support of the Emergency Essential Programme and £12.2m from The Department for Digital, Culture, Media and Sport (DCMS) to fund our Youth investment Fund (YIF) of capital grants to the youth sector.

All funds donated in the year have been awarded as per agreed restrictions.

Further income in response to The Big Night In (TBNI) Appeal in April 2020 was received in the year and was spent on Covid-19 related issues. Grant returns of £9k relate to the Youth Futures Foundation (YFF) funding which improved employment outcomes for children and young people. This amount will be re-awarded in line with agreed restrictions.

Unrestricted funds totalling £33.2m (2021: £38.2m) are held for the following purposes:

- The 'Designated Impact Fund' of £19.2m (2021: £26.3m) is designated for grant making and will be awarded prior to the next Appeal with the exception of a £5m contingency held to cover the uncertainty of income available to fund impact activity and /or exceptional requirement for funding.
- The 'General Continuity Fund' of £8.8m (2021: £6.6m) is held to cover uncertainty of income available to fund general operating costs.
- The 'Development Fund' of £0.3m (2021: £0.3m) is to allow for future investment and respond to growth opportunities.
- The 'Investment Continuity Fund' of £5.0m (2021: £5.0m) is to manage volatility or total return (capital value or income) from income generating assets.

### 15b COMPARATIVE FUNDS NOTE

Funds £'000	Opening Fund 1 Jul 20	Donations	Funding	Legacies	Gift Aid	Product	Investments	Total Income	Grants awarded in year (net of adjustments)	Cost of grant making, policy, impact and grantee training	Cost of raising funds & governance	Restated Closing fund 30 June 21
Public Covid	17,923	-	0	-	310	-	-	310	(16,532)	(1,691)	10	-
DCMS	4,146	-	2,500	-	-	-	-	2,500	(6,185)	461	-	0
YFF	-	-	3,500	-	-	-	-	3,500	(3,220)	280	-	0
THF	3,000	-	-	-	-	-	-	-	-	-	-	3,000
Other partnerships	87	2,578	269	-	-	-	-	2,847	(2,423)	(242)	(1)	268
<b>Restricted Impact Fund</b>	<b>25,156</b>	<b>2,578</b>	<b>6,269</b>	-	<b>310</b>	-	-	<b>9,157</b>	<b>(28,360)</b>	<b>(2,674)</b>	<b>(11)</b>	<b>3,268</b>
<b>Unrestricted Designated Impact Fund</b>	<b>3,463</b>	<b>44,685</b>	-	<b>2,689</b>	-	<b>178</b>	-	<b>47,552</b>	<b>(22,707)</b>	<b>(1,988)</b>	-	<b>26,320</b>
General continuity Fund	3,295	965	-	55	5,446	269	1,203	7,938	-	-	(4,601)	6,632
Investment continuity Fund	4,066	-	-	-	-	-	934	934	-	-	-	5,000
Development Fund	100	-	-	-	-	-	150	150	-	-	-	250
<b>Total unrestricted funds</b>	<b>10,924</b>	<b>45,650</b>	-	<b>2,744</b>	<b>5,446</b>	<b>447</b>	<b>2,287</b>	<b>56,574</b>	<b>(20,792)</b>	<b>(1,988)</b>	<b>(4,602)</b>	<b>38,202</b>
<b>Total funds</b>	<b>36,080</b>	<b>48,228</b>	<b>6,268</b>	<b>2,744</b>	<b>5,756</b>	<b>447</b>	<b>2,287</b>	<b>65,731</b>	<b>(49,152)</b>	<b>(4,662)</b>	<b>(4,612)</b>	<b>41,470</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

### 15c ANALYSIS OF NET ASSETS BY FUND

Fund balances at 30 June 2022 are represented by:

Group	Unrestricted designated impact funds £'000	Restricted funds £'000	Unrestricted general funds £'000	Total £'000
Fixed assets	15,694	-	-	15,694
Net current assets	20,357	4,256	14,045	38,658
Long-term liabilities	(16,876)	-	-	(16,876)
<b>Net assets</b>	<b>19,175</b>	<b>4,256</b>	<b>14,045</b>	<b>37,476</b>

Fund balances at 30 June 2021 are represented by:

Group	Unrestricted designated impact funds £'000	Restricted funds £'000	Unrestricted general funds £'000	Total £'000
Fixed assets	28,990	-	-	28,990
Net current assets	11,176	3,268	11,882	26,326
Long-term liabilities	(13,846)	-	-	(13,846)
<b>Net assets</b>	<b>26,320</b>	<b>3,268</b>	<b>11,882</b>	<b>41,470</b>

### 16 TAXATION

BBC Children in Need, a company limited by guarantee was registered as a Charity on 7 August 2003. The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### 17 RELATED PARTIES

#### Subsidiary Undertaking

During the year the Charity entered into transactions with a related party, in the ordinary course of the charities activity. Trading balances outstanding at 30 June 2022 are as follows:

	2022 £'000	2021 £'000
Subsidiary Undertaking	318	513

At the year end BBC Children in Need had a creditor balance with the BBC Group of £0.7m (2021: nil) relating to the recharge of employee costs.

**BBC**  
**CHILDREN**  
**IN NEED**

**BBC CHILDREN IN NEED**

England & Wales - Charity number 802052

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# Accounts

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# ANNUAL REPORT AND ACCOUNTS

YEAR TO  
30 JUNE 2021

**BBC**  
**Children  
in Need**

Registered Charity (England and Wales) 802052  
Registered Charity (Scotland) SC039557  
Registered Company 04723022



# CONTENTS

## 2021 Report

<b>Message from the Chair</b>	<b>6</b>
<b>Report of the Trustees</b>	<b>9</b>
Strategic Report	12
<b>Finding and Funding</b>	<b>15</b>
Changing the Lives of Children	16
The Difference We Make for Children and Young People	18
Grantmaking Policy	22
New Grants Awarded in the Year	23
<b>Raising Funds to Transform Young Lives</b>	<b>27</b>
Direct Public Support	30
High Value Donors and Partnerships	32
Support from the BBC	34
<b>Building on our Strengths</b>	<b>41</b>
Using Insight to Inform our Decisions	42
Building a Strong Charity	44

## 2021 Accounts

<b>Financial Review</b>	<b>47</b>
<b>Future Plans</b>	<b>53</b>
<b>Structure, Governance and Management</b>	<b>54</b>
<b>Reference and Administrative Details</b>	<b>56</b>
<b>Statement of Trustees' Responsibilities</b>	<b>57</b>
<b>Independent Auditors' Report to the Trustees</b>	<b>58</b>
<b>Consolidated Statement of Financial Activities</b>	<b>61</b>
<b>Charity Statement of Financial Activities</b>	<b>62</b>
<b>Consolidated and Charity Balance Sheets</b>	<b>63</b>
<b>Consolidated Cash Flow Statement</b>	<b>64</b>
<b>Notes to the Accounts</b>	<b>65</b>





2021

REPORT

# MESSAGE FROM THE CHAIR

The year ending June 2021 has been a truly remarkable one. Over the past twelve months, the charity has continued to respond to the Covid-19 pandemic and support children and young people across the UK who have been hit hard by the crisis. Throughout it all, the British public, our BBC colleagues and our partners have been right beside us, united in our resolve to change young lives for the better.

Following the success of The Big Night In emergency appeal in April 2020, new funding programmes were rapidly developed to ensure the money raised would reach those in need as quickly as possible. I would like to recognise the efforts of our BBC colleagues, our staff and volunteers, many of whom faced their own challenges during the pandemic but were unwavering in their commitment to help young people at a time when they needed us most. I must also pay tribute to the many local charities we fund around the UK who adapted their services to ensure that children were still able to access support in lockdown. These projects have been a lifeline for so many families.

Preparations for the BBC Children in Need 2020 Appeal in November took place amidst great uncertainty. Inevitably, we had to make significant changes to our plans. And yet, despite the obstacles, people in every corner of the UK stepped up for children and young people facing ever more complex challenges. Beginning in October, our 'Together, We Can' Appeal campaign sought to unite the British public in a show of support for children and young people. We were delighted to have the backing of so many of our projects and high-profile supporters who lent their voices to the launch. Our colleagues at the BBC skilfully navigated Covid-19 restrictions to safely deliver an array of special programming and fundraising initiatives. These included: The One Show's Rickshaw Challenge in its 10th year, led by the inimitable Matt Baker; the ever popular Countryfile Calendar and Ramble; an uplifting DIY SOS: The Big Build special with Nick Knowles and the Purple Shirts; whilst over at Radio 2, Schools Ambassador and lockdown hero Joe Wicks conquered a 24 Hour PE Challenge. In addition, musical stars from around the world joined forces to record a very special version of the Oasis track 'Stop Crying Your Heart Out' to help raise funds. As always, the Friday night Appeal Show brought laughter, entertainment and above all, inspiration, moving viewers to donate with astounding generosity. We were thrilled to have raised £37m by the end of the night, with more donations rolling in over the subsequent days, weeks and months to reach an astonishing £57m.

We are already developing plans for the 2021 Appeal and will do everything in our power to help children and young people overcome the long-term consequences of the Covid-19 pandemic. Sadly, we know that the events of the past year will have repercussions for an entire generation. From the impact of sustained isolation on emotional wellbeing and mental health, to increased financial uncertainty, to inequality of opportunities and subsequent impact for those with disabilities, to the ongoing risk to children and young people facing harm and the impact of bereavement on those who have lost loved ones, children and young people need our support more than ever.

On behalf of everyone at BBC Children in Need, I would like to thank all of our supporters and partners for their support over the past year. Thanks to you, we have allocated millions of pounds in funding to help change the lives of 460,000 children and young people across the UK. We could not be more grateful to the British public, whose outpouring of generosity was a national act of kindness at such a challenging time. As we move forward, we will remember that every day, in communities across the UK, there are millions of children facing challenges too complex and difficult to overcome alone. Together, we can give them hope for a brighter future.







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**GYM & FITNESS**  
With Youth On Solid Ground



Learn to use Cardio and Resistance Equipment, Free Weights, Learn About Sport, Health and Fitness, Nutrition, Develop Your Physical and Mental Wellbeing

**8-12yrs**  
6 - 7pm

**13-18yrs**  
7 - 8pm

FOR BOTH BOY'S & GIRL'S

ALL VOLUNTARY DONATIONS ARE WELCOME





# REPORT OF THE TRUSTEES



# REPORT OF THE TRUSTEES

The Trustees of BBC Children in Need (who are also the Directors for the purposes of the Companies Act 2006) are pleased to present this, their report and accounts for the period ended 30 June 2021, and incorporating the Strategic Report and the Directors' Report required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The accounts have been prepared in accordance with the Statement of Recommended Practice - Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, applicable Accounting Standards in the United Kingdom, requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## Brief History

Christmas Day 1927 saw the first BBC Appeal for children. Over time, the Appeal has evolved and 1980 saw the first BBC Children in Need telethon hosted by Sir Terry Wogan, Sue Lawley and Esther Rantzen.

The telethon's 41st appeal was held during this year. Since inception the Appeal has cumulatively raised over £1.168m for disadvantaged children and young people right here in the UK.

## Objectives & Activities

Throughout the reporting period our focus has continued to explore how best to find and fund the inspiring ideas that change the lives of children and young people. This has been impacted considerably by the global pandemic and Covid-19. Our comprehensive insight gathering with young people, across the charitable sector and with our grantees has very clearly identified the significant impact Covid-19 has had on children and young people. It's clear that all the UK's children and young people have been challenged by the pandemic but for those already experiencing disadvantage this has been an even more challenging year. Equally, the charities and projects we fund across the UK have also been adversely affected by the crisis – in terms of an ability to raise much needed funds and also adapting to the restrictions in order to continue to deliver the much needed help and support. Similarly, we too at BBC Children in Need have had to think carefully about our plans and approach to meeting these needs as well as our own fundraising efforts.

Ahead of the reporting year we had begun the process of reviewing our long term strategy and the objectives and activities that follow. It was clear that, in order to continue to fund positive outcomes for children and young people, we too would need to adapt and change.

Partnership and collaboration, strengthening our equity based approach, focusing on the greatest areas of need and genuinely engaging and sharing power with children and young people have become key drivers influencing the review of our charitable ambition and our objectives and activities.

Increasingly our focus must turn to not only ensuring children and young people are safe, happy and secure – these are an important foundation but in addition, our focus must shift to ensuring all children and young people have the opportunity to thrive and best the best they can be.

As a result our objectives for the reporting period have reflected this:

1. Continuing to implement effective funding programmes which support and champion CYP to reach their potential
2. Continuing to reinvent how we develop and deliver modern, contemporary fundraising, content and storytelling, to inspire supporters to action
3. Taking tangible and measurable actions to improve diversity, equity and inclusion; as a leading charity, as an employer, a funder, a fundraiser and storyteller
4. Ensuring that the organisation is set up for future success by focusing on organisational resilience, health and wellbeing, and taking notice of and evolving our culture concentrating initially on making good decisions, collaboration, adaptability and results focus.
5. Increasing our focus on longer-term strategic planning and integrating the various change projects, engaging and giving clarity to all stakeholders on the future direction of travel

Our commitment to long term planning included:

- I. Redefining our charitable ambition
- II. Redefining our strategic partnership with the BBC and improving our relationship with other external stakeholders
- III. Evolving our income development model
- IV. Digital Transformation

As part of this the Board of Trustees agreed a revised charitable ambition – the statement that defines our direction of travel over the next five years.

Our charitable ambition (below) drives all activity across the organisation.

Every child and young person deserves the opportunity to thrive and be the best they can be.

At BBC Children in Need, we act where the need is greatest.

Our ambition is to create positive and lasting change across the UK for the children and young people who need us most.

Together with the BBC and our partners, we aim to inspire the nation and unite communities to support us in our work.

As we approach the new financial year, work is underway to create the structure to bring the charitable ambition to life.

This includes considering the following;

**Our Impact** – the difference we want to make

**Our Principles** – the way we work to bring about change for children and young people, including how we involve and engage children and young people as active participants in our work, acting on their input and amplifying their voices.

**Our Pillars** – the activities we should focus on, now and over the long term

**Our Culture** – creating the right and most productive environment for our staff to succeed





## Strategic Report

The Trustees have approved this strategic report which provides an analysis of the Charity's performance, its financial position and an insight into the Charity's objectives and the risks and uncertainties it faces. The report groups the headings of achievements and performance, financial review and future plans and also considers the following matters:

### The likely consequence of any decision in the long term

The Trustees committed to a review of our overarching strategic objectives which was last refreshed in 2016. This review has been completed and a new long term charitable ambition has been agreed and included on page 10.

We made a commitment to complete this work using information and data collected through the leadership of our Insight Directorate. With the impact of Covid-19 it has become even more important that we truly understand the environment in which we work, the needs of children and young people and the charities we support as well as the motivation and engagement of our audience and supporters. And whilst the prevailing challenges of a global pandemic have focused our attention on the here and now, we have had to keep a firm grip on the long term future of the organisation and its role in delivering change for children and young people. Ongoing work in the reporting period will continue to be a significant factor going forward. This includes, our strategic work on insight and impact as well as income and making best use of digital and its transformational opportunities. The future

uncertainty does contain some risk and page 51 gives more information on our plans to mitigate risk.

### The interests of the charity's employees

Our employees are vital to BBC Children in Need. A focus on building a strong charity has been a key element of our activities during the year. This has included: strengthening the culture across the organisation; further development and integration of our approach to diversity, equity and inclusion; business continuity; and employee wellbeing.

### The need to foster the charity's business relationships with suppliers, grantees and others

Engagement with the Charity's main stakeholder groups are key to changing children's lives right across the UK. This includes grantee organisations (set out on pages 18 to 25), donors and fundraisers (pages 30 to 33), and the BBC (pages 34 to 37).

### The impact of the charity's operations on the community and the environment

We continue to recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. The Charity undertook an audit in relation to its impact on the environment in the year reported on, and intended to further develop its approach for 20/21 using this, but this work was delayed due to the impact of Covid-19. However, the charity made significant improvements in the year triggered by the pandemic eg through reduction of travel. This experience will allow us to learn and challenge the previously



unthinkable options for our future ways of operating. Our approach to sustainability now has an Executive level sponsor and will be progressed in 21/22.

We fund work in local communities right across the UK and the report provides examples of our approach to this.

#### **The desirability of the charity to maintain a reputation for high standards of business conduct**

Our reputation and public trust in BBC Children in Need is fundamental to our future success.

The Charity has in place a range of policies and processes that promote corporate responsibility and ethical behaviour, and we have further strengthened our approach during the course of the year. This includes Donor Acceptance and Community Fundraising policies and Procurement and Purchasing Policies.

#### **The need to act fairly**

We strive to be a fully inclusive organisation. We will not discriminate against anyone.

Trustees are committed to making tangible steps to improve Diversity, Equity and Inclusion (DEI) and, as described above, this was an organisational objective during 20/21 and remains so for 21/22. We have DEI objectives in every directorate business plan, are reviewing our grantmaking through an equity lens, established a DEI Action Group and created space with staff to discuss key DEI themes and topics.

#### **Achievements And Performance**

The Charity is proud of what has been achieved in the year. This report describes how we have been finding and funding the inspiring ideas that change the lives of children and young people, building our commercial proposition to raise as much money as possible and building on our strengths.





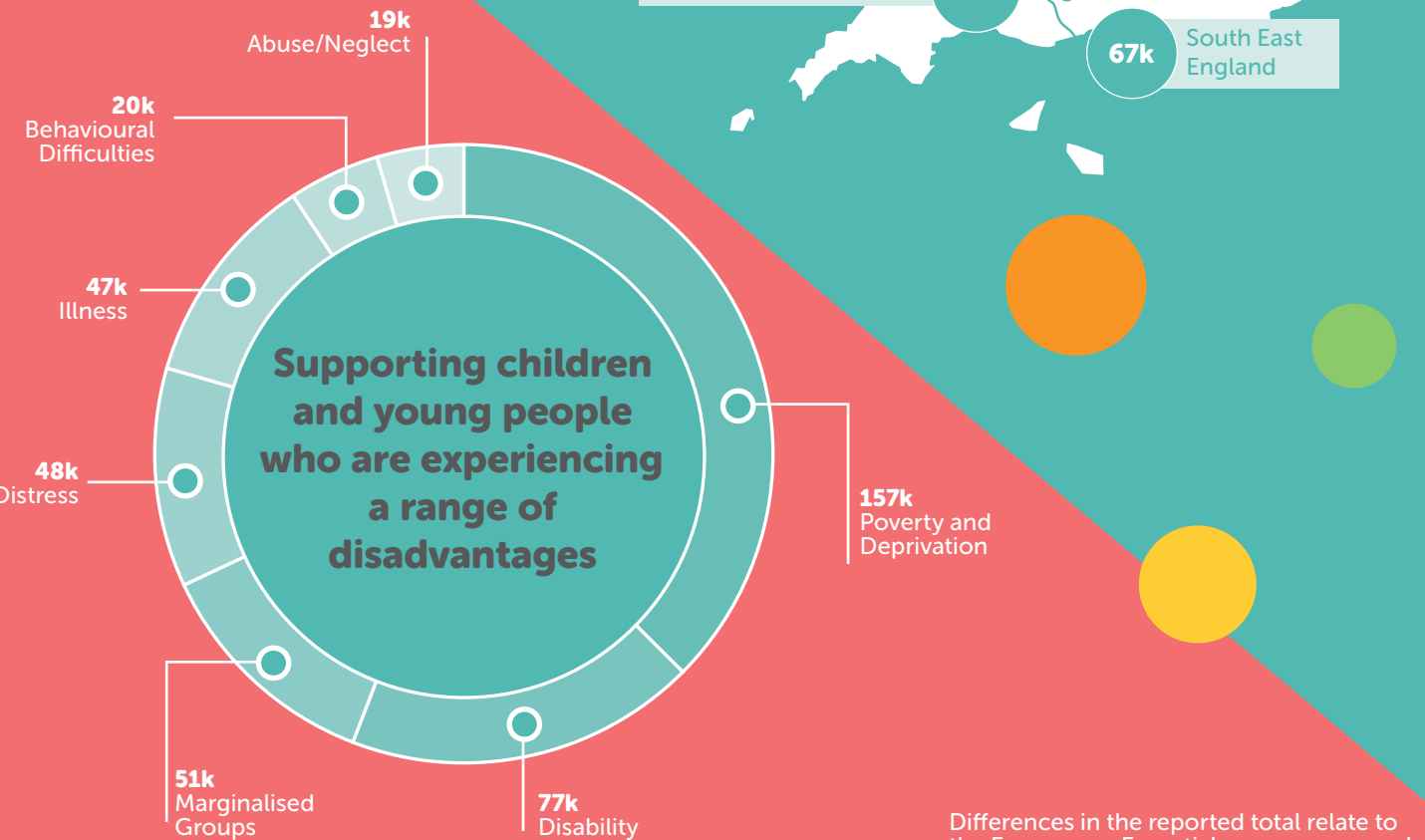
# FINDING AND FUNDING



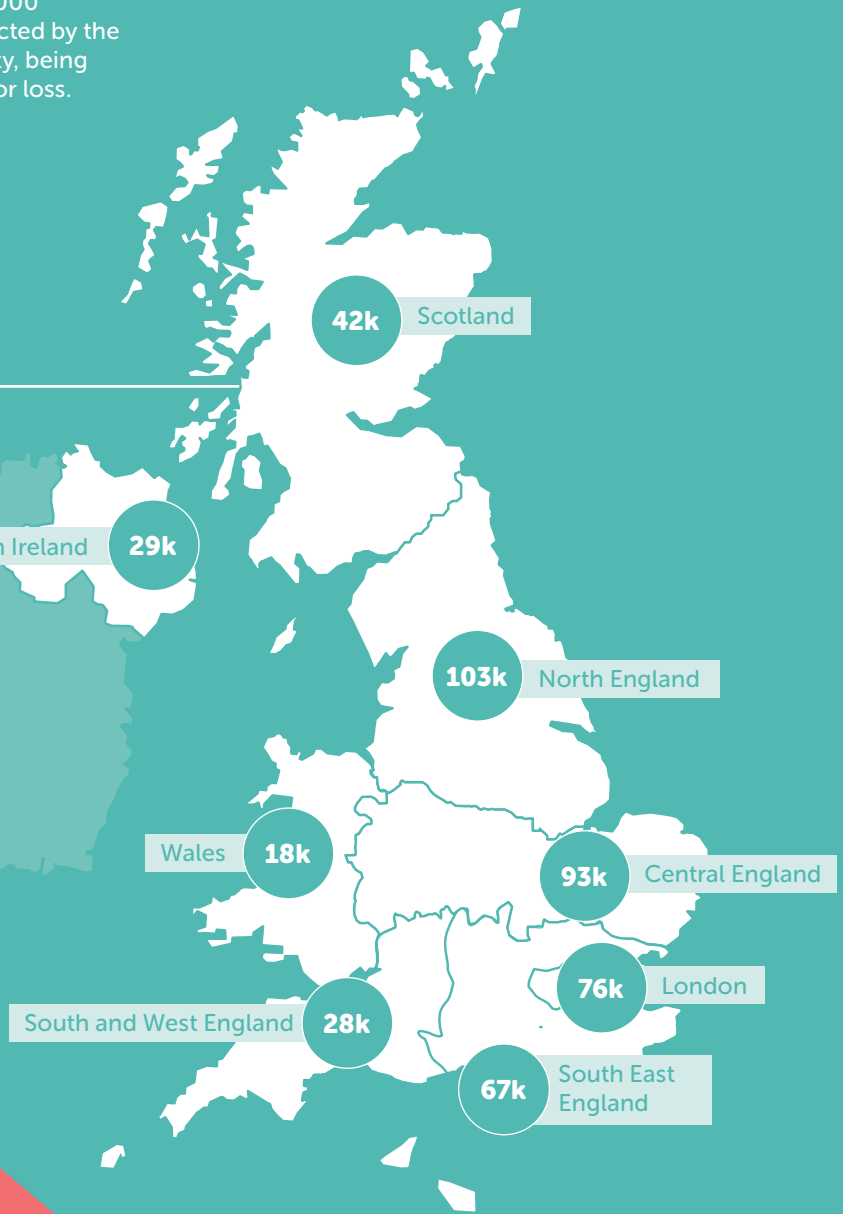
# CHANGING THE LIVES OF CHILDREN

In 2020/21 BBC Children in Need supported over 460,000 children and young people across the UK who are affected by the disadvantages they experience, such as living in poverty, being disabled, marginalised or experiencing abuse, trauma or loss.

**460,000**  
children and young people supported across the UK



**Supporting children and young people who are experiencing a range of disadvantages**



Differences in the reported total relate to the Emergency Essentials programme and roundings

Of the children and young people supported by the projects we fund...



**179k**  
have stronger  
Self-Belief



**179k**  
enjoy better  
relationships



**150k**  
have increased  
essential skills



**151k**  
have stronger  
emotional wellbeing



**83k**  
are more  
empowered



**83k**  
have better  
physical wellbeing



**32k**  
are safer

Note: children and young people may experience more than one positive outcome.

The following stories show how children and young people have been helped by some of the projects, community groups and charities that we support.



### Preston's Story

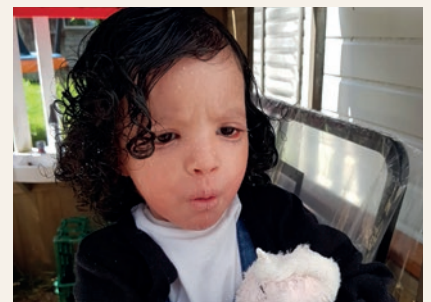
Ten-year-old Preston is a happy, friendly boy whose life-threatening heart condition doesn't stop him from running around and playing with his sister, Febbie. His mum and dad, Julia and Isaac, have been told that as Preston only has the use of one lung, he cannot have further surgery.

Rainbows Hospice for Children and Young People provides much needed emotional and practical support to families with children like Preston. It has been invaluable, particularly during lockdown, with Julia describing it like a holiday for the whole family. The children both love it, and thanks to your donations, Preston is safe and happy doing things that he normally can't, like swimming in the hydrotherapy pool.



### Julia's Story

Last year, 14-year-old Julia needed emergency surgery on a brain tumour that was diagnosed when she was seven. With this, her mum battling recurring cancer, plus the pandemic, it's been a difficult time. Julia and her family have spent time at Daisy Lodge, Cancer Fund for Children, Northern Ireland. This is a purpose built therapeutic centre where families impacted by cancer can come for some quality time together on a therapeutic short break, in a safe and supportive environment. Julia and her brother Daniel have both been able to access group support remotely during the pandemic via online group work programmes. This enabled them to connect with other young people their age who were also facing similar challenges with a cancer diagnosis in the family. Julia has been able to access face-to-face and virtual therapeutic support, on a one-to-one basis as she needs it. This one-to-one time, along with her group work experience, provides Julia a safe space to process and learn to cope with the emotional, mental and physical challenges that cancer and its treatment has brought to her life.



### Sakinah's story

Three-year-old Sakinah was born with Epidermolytic Ichthyosis, a rare skin condition meaning her skin cracks and becomes infected. She requires frequent hospital visits and home care. With other children to look after, and the loss of her own mother, Sakinah's mum found herself struggling during lockdown.

Thanks to funding from BBC Children in Need, Home-Start are there to help any family that needs it, supporting children with their play and development and providing advice and resources. Sakinah's condition means she can't play in direct sunlight, so Home-Start provided a gazebo so she can play safely outdoors, plus resources for her siblings to continue their home-schooling.

# THE DIFFERENCE WE MAKE FOR CHILDREN AND YOUNG PEOPLE

We exist to find and fund the inspiring ideas which change children's lives, aiming to achieve positive impact with and for children and young people, who experience disadvantage. Our Impact Strategy states clearly our focus on addressing the breadth of issues facing children and young people, whilst ensuring that our projects are able to target locally identified need.

This year posed some of the most significant challenges to face children and young people for a generation. During a time when formal schooling, socialisation and traditional milestones for children and young people disappeared, new and immediate issues arose which included digital exclusion, food poverty and a deterioration in mental health. In order to address the crisis facing children and young people, we responded immediately with additional funding:

- Emergency Essentials funding of £3.7m to the Family Fund to provide grants for families living in severe financial, health and social difficulties to provide items which meet children's most basic needs.
- £0.5m to the Good Things Foundation to provide devices, connectivity and support to young people to enable them to continue their education.
- Over £17m to our existing grantees working on the frontline to provide immediate support and services to children and young people, based in local communities all across the UK.
- Partnering with the Youth Futures Foundation to provide £6.4m of grant funding to charities addressing the youth employment crisis.

We are particularly proud of the way in which we were able to respond at speed by streamlining our traditional grantmaking processes and setting up more agile and flexible systems. This required new ways of working to be able to distribute large volumes of funding effectively, whilst ensuring that we built our relationships with the organisations we fund, to provide them with the support and advice they needed.

We also recognise that changing times require us to ensure that we are effective in listening to the voices of children and young people and embodying processes which are equitable. This year we have made a commitment to 'Sharing Power' with children and young people and ensuring that the principles of Diversity, Equity and Inclusion are embedded in our work. Although at the formative stages of these developments, we envision that these principles will become central in the way in which we ensure our funding is distributed both fairly and with children and young people at the heart of our grantmaking.

More importantly, in order to be able to adapt to the changing needs of children and young people, we have also embarked on the ambitious and ground breaking development of a new Grantmaking Strategy. This acknowledges the need for a strategic framework to specifically guide our grantmaking in order to ensure that we are able to address the most important needs of children and young people.

This Grantmaking Strategy is a significant milestone in our history as it will for the first time, clearly articulate our identity and role as a funder, our principles for funding distribution and our funding model. The aim is for this not only to provide a framework for our grantmaking internally, but to support our applicants and the sector externally, in understanding and applying for our funding.

Critical to the development of this strategy has been the co-design and consultation element of the process with the active involvement of young people, grantees and sector practitioners as well as our team and trustees. This extensive consultation has enabled us to hear first-hand, how children and young people feel we can do better, what is important to them about our grantmaking and what they envision our future funding should look like. We are aiming to complete the Grantmaking Strategy by the end of the 2021 calendar year in order to set an ambitious and clear direction and framework for our grantmaking to ensure we remain the leading independent funder of children and young people in the UK.

The year ahead for many children and young people still remains uncertain after the volatility and challenges they have faced and we anticipate the consequences of the pandemic to be felt by this generation for many years to come. We have developed remarkable insight from those we work with, gathering statistics, data and evidence to demonstrate the profound impact of the pandemic. What we also recognise is the sense of loss, trauma and disconnection being suffered by children and young people, which is less quantifiable and tangible. However, this has emphasised the importance of our role in re-building the joy, trust and hope of this generation and through the impact of our funding we will ensure this remains central to our mission.



# DELIVERY IMPACT THROUGH FUNDING PARTNERSHIPS

This year we have continued to invest in the **Emergency Essentials** small grants programme delivered in partnership with Family Fund Business Services. These grants provide basic essential items to families affected by severe poverty, who lack the basic facilities which most of us take for granted and experience additional pressures such as domestic violence, disability or poor health in the family. This programme has never been more critical than during the pandemic and we invested an additional £0.4m to enable the programme to provide **digital devices and connectivity** to support children and young people to engage in education, connect to vital support services as well as keep in touch with friends and family.

A grant of £0.5m to the Good Things Foundation provided further support for children to access digital devices and connectivity. As well as providing digital equipment, Good Things Foundation supported families with the essential skills needed to use it through their network of local community-based organisations.

We made a grant to **Newlife** the Charity for Disabled Children to provide essential quality of life equipment that makes a significant difference to ensuring a child's physical and emotional wellbeing and continued to support **The Children's Society's** Co-ordinated Community Support Programme, working across four pilot areas. The aim of the pilots is to develop a scalable model which will help children and families receive the emergency support provision they need at the time they need it, as well as being offered any ongoing support that might help prevent the recurrence of emergency need.

Our £6.4m **Inspiring Futures Programme**, funded in partnership with the **Youth Futures Foundation**, provided 107 grants to not for profit organisations across the UK working to improve employment outcomes for children and young people.

We continued to develop our approach to reducing violence impacting young people (VIYP) through our partnership with **Social Finance**, which has explored the role for BBC Children in Need in supporting young person led, collaborative efforts for change within communities. One of those communities has been Manchester, where the Young Manchester Foundation will act as our grant making partner for the delivery of the violence focussed element of our **#iwill** partnership. Alongside this, the third phase of our partnership with the **Premier League and Premier League Charitable Fund (PLCF)** continued to support 46 projects to adapt and continue through the disruption of Covid-19.

In early 2021, the arrangements for **Curiosity**, our joint programme with the **Wellcome Trust** changed. Wellcome took a step back from direct involvement and provided BBC CiN with additional funding to support us to successfully deliver the remainder of the programme.

Our partnership with **The Hunter Foundation** saw our shared commitment to continue working with families and local stakeholders through the **What Matters to You (WM2U)** approach in Dundee and East Ayrshire until June 2024. The aim of WM2U is to empower parents and carers to challenge and change their support systems in ways that help their families stay together and thrive. It will continue to integrate learning approaches that will help measure the effectiveness of WM2U and define its blueprint for future replication.

Through this funding partnership with The Hunter Foundation

we also continued our support of **Streetsoccer London**, which entered its second year, and provided additional funding to The Legal Education Foundation's Justice First Fellowship programme as well a strategic development grant for the UK Child Law Network which is focused on developing and improving the practice of child centred lawyering.

We continued our support of the **NSPCC's** Childline service, enabling them to reach more children and young people with a safe, supportive and confidential space where they can get information and advice, talk and be listened to, and start to get the help they need. **Missing People's Is This Ok?** Ok digital advice service, delivered in partnership with NSPCC, moved into the next stage of its launch, with young people having been involved in developing the look and feel of the service to maximise engagement and a targeted marketing campaign which will run on key social media platforms.

## A Million & Me

Launched in April 2019, **A Million & Me (AM&M)** is a BBC Children in Need Impact Theme designed to support children aged 8-13 who are beginning to struggle with their mental health and wellbeing. Projects are funded as a result of a proactive, consultative process to determine their sustainability, scalability and potential for systemic change – in addition to an evidenced capacity to create positive outcomes for children.

Throughout Year 2 of the programme the portfolio of funded partners has worked to a clear common aim of increasing the number of children who are enjoying good mental health, through diverse approaches and across diverse target groups. During this year new partners joined, expanding the reach, to include **WOWsers: A Creative Explosion** working with girls from Children in Need projects across the UK; **Black Thrive** addresses wellbeing and mental health through a racial lens; **Proud Trust** provides expert advice and support to children and young people who identify as LGBTQ+ and their families and carers; **Voices from Care Cymru** focuses on the emotional needs of young people coming into the care system.

The Year 2 evaluation report of **A Million & Me** produced by the Centre for Mental Health highlighted some key learning. The core finding is the assertion that it is positive, trusted relationships around a child that are critical to good mental health. Across the portfolio this has been demonstrated and captured in both quantitative data and qualitative narratives of individual situations. Anna Freud Centre was commissioned to design and deliver a capacity building programme to build on the trusted relationships that are so important between children and the staff and volunteers in the thousands of projects funded by Children in Need. This online training programme, **Trust Me**, is currently being delivered to at least 1,000 organisations across the UK.

The final report of the programme, together with the individual findings from across the funded partners, will be shared widely across the sector, among other funders and with relevant policy makers across the four jurisdictions. In partnership with the BBC we will continue to promote expert resources, advice and models of good practice that can help more children to feel better. We are very grateful to the **A Million & Me** Advisory Group of experts who regularly give their time to offer support and direction to the programme.



Our grants are awarded in line with the following policy principles:

### Grantmaking Policy



1 BBC Children in Need funds projects in order to produce positive outcomes for children and young people who are experiencing disadvantage



4 The organisations we fund will be not-for profit organisations with appropriate, accountable and proportionate governance



2 Every project and organisation we fund shall demonstrate comprehensive understanding and application of best practice in safeguarding children



5 The projects we fund should not duplicate or substitute for statutory responsibilities



3 We fund projects that are child focussed



6 Every project and organisation we fund should encourage and enable participation by children and young people in an appropriate and empowering manner

We award grants to voluntary projects, community groups and registered charities that are working with children and young people, 18 and under, who are affected by a number of issues including homelessness, neglect, abuse, disability, poverty, serious illness and bereavement. We award two types of responsive grants. Our Small Grants Programme includes grants up to and including £10,000, which supports projects for up to three years, while the Main Grants Programme is for grants over £10,000 per year to support projects for up to three years.



## New grants awarded in the year

In 2020/21 we awarded grants totalling £49.8m.

Of this amount, direct responsive funding totalled £42.6m (85% of spend) and the geographical split is shown below. This was split as follows:

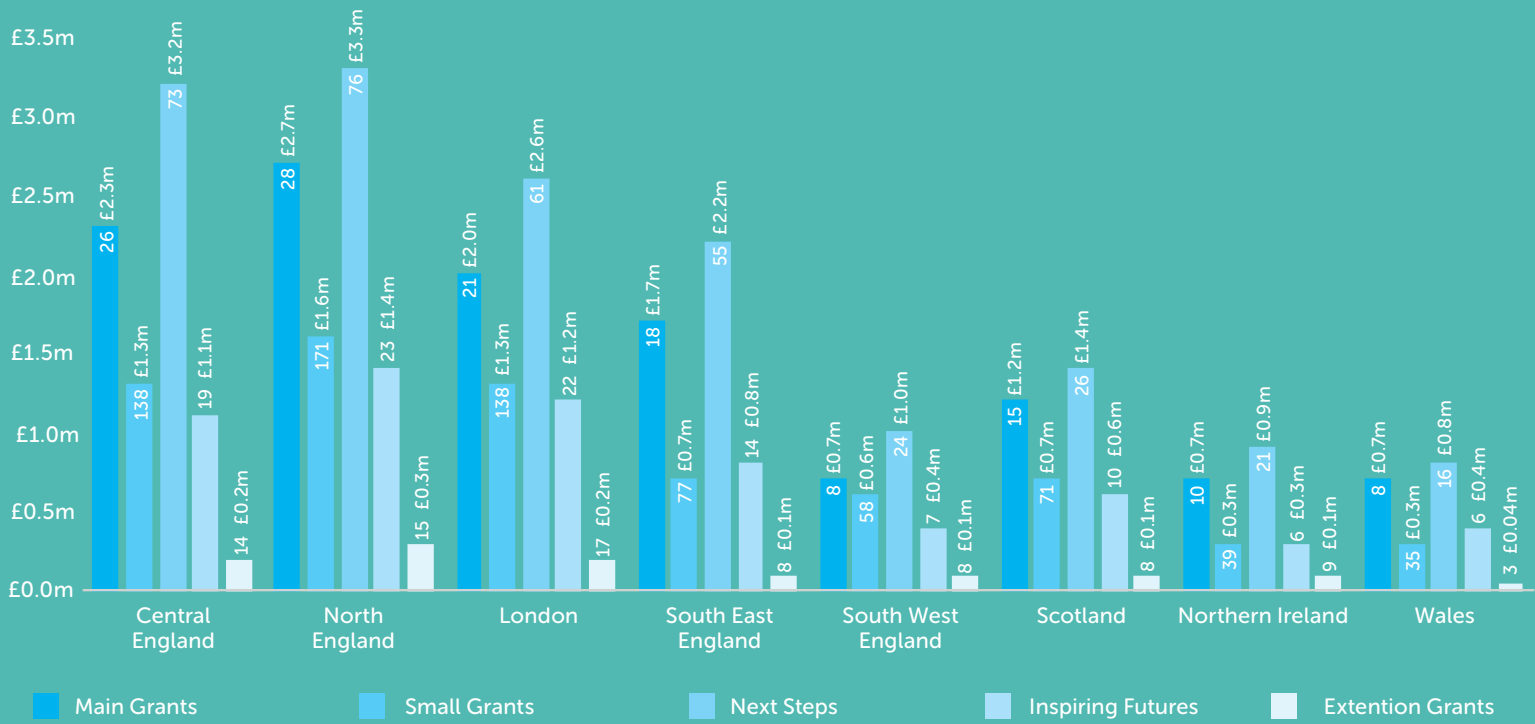
362 main and small grants valued at £14.8m to organisations that applied to us in this time period.

Years 2 and 3 of funding to 583 existing small grant holders, valued at £5.7m.

352 Next Steps grants valued at £15.7m and 107 Inspiring Futures grants at £6.4m.

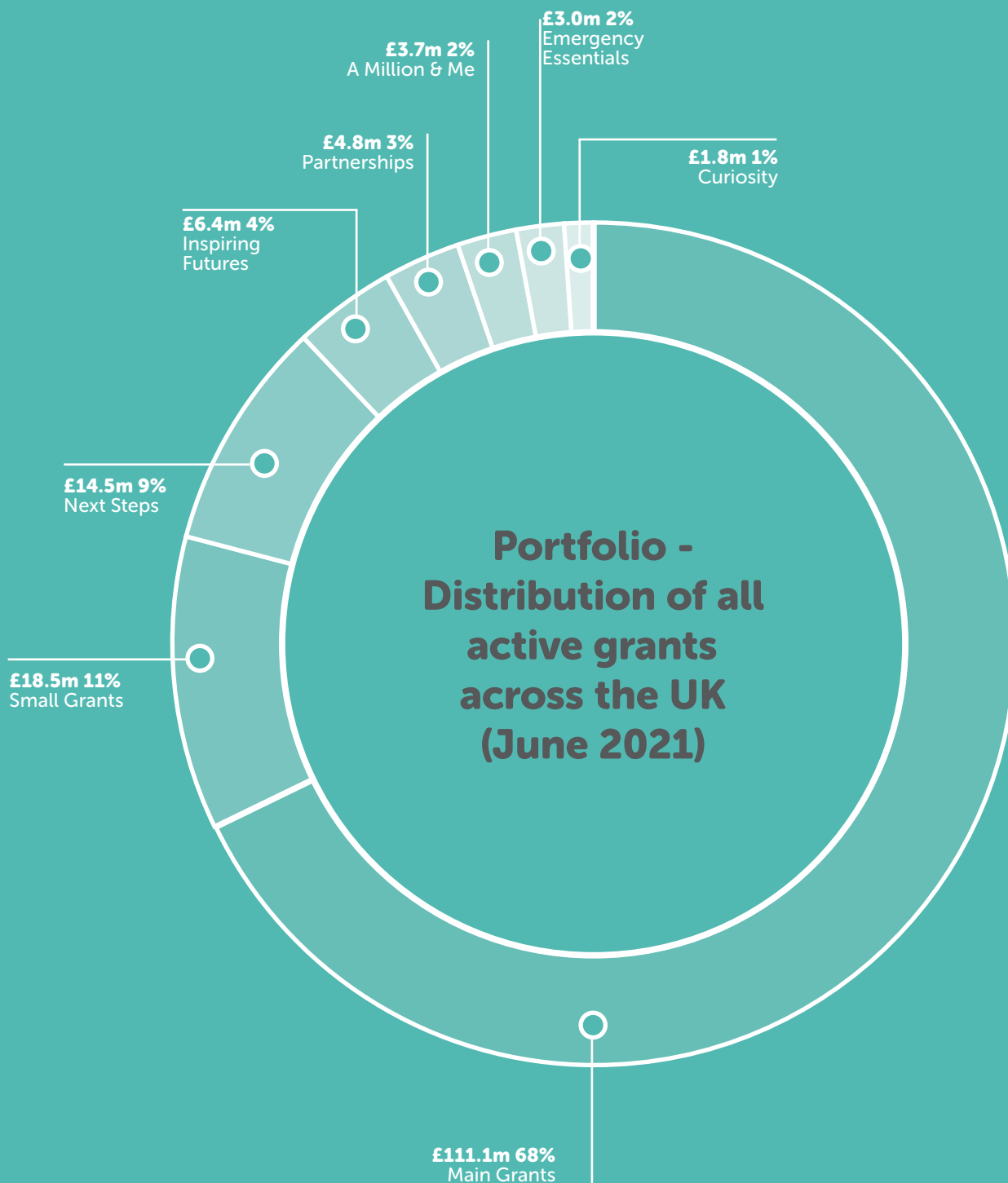
Of the remaining £7.2m, £3m was awarded to our Emergency Essentials programme, £1.1m was awarded in emergency response to assist those affected by Covid-19, £0.4m to support the digital divide and £2.7m across other partnership programmes.

## New responsive grants awarded in the year





Following all of the above awards during the year, the distribution of all active grants across our portfolio is now as follows:







RAISING  
FUNDS TO  
TRANSFORM  
YOUNG LIVES



# BUILDING OUR COMMERCIAL PROPOSITION TO RAISE AS MUCH MONEY AS POSSIBLE

Across the UK, supporters and partners went to extraordinary lengths to fundraise for us while keeping themselves and their communities safe, raising £63.4m, helping us to provide support for the children and young people who needed it more than ever before.

A big part of our fundraising relies on people getting together every November in communities, work places and within our corporate partners to put on fundraising events, and Covid-19 restrictions meant that many people were unable to do this, and this hit our fundraised income significantly. Like other charities, we experienced a drop in Public and Schools Fundraising income of around £1.8m (18%) less than in 2019. Yet despite everything, our dedicated supporters continued to support us; if they couldn't get together and raise money, many donated or bought merchandise instead. Teachers and children in schools rallied and really got behind the campaign.

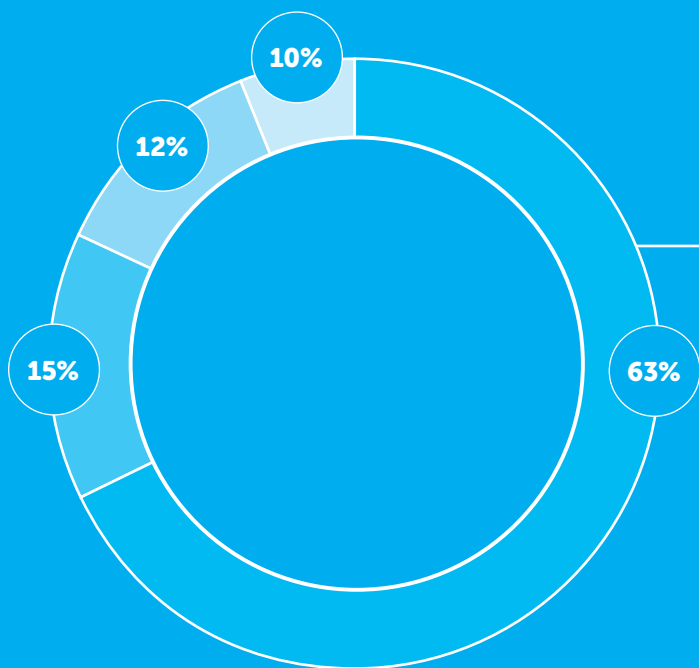
Our corporate partners were there for us every step of the way, despite experiencing their own challenges with Covid-19 and many being closed for periods of the year; they pivoted their activity and innovated to ensure they were able to continue to support us and delivered an amazing £6.5m.

And of course because the UK went into a second lockdown in November, our donations through the BBC programmes and our Night of TV benefited from increased viewing figures due to people being at home. We were also delighted that the Nation's favourite PE Teacher, Joe Wicks was able to take on an extraordinary challenge for Children in Need by working out for 24 hours, raising over £2.6m! All of this helped to offset the drop in fundraised income, raising a total of £63.4m.





# DIRECT PUBLIC SUPPORT



## Direct Public Support

63%	£17.4m	Donations
15%	£4.1m	Schools
12%	£3.3m	Public Fundraising
10%	£2.7m	Legacies

## Supporting Our Amazing Fundraisers

Following on from the success of The Big Night In Appeal during April 2020, we knew that we must innovate to help our fundraisers up and down the UK to fundraise safely within the Covid-19 restrictions. Working closely with the BBC, we developed a new fundraising proposition – Act Your Age – which enabled fundraisers to raise money easily, be it on their own virtually or as part of a group. The simple ask of ‘take your age and do something good with it’ saw thousands of fundraisers walk, cycle, do press ups and much more for the Charity. This activity was supported by the BBC Breakfast team who encouraged their presenters to ‘act their age’ for BBC Children in Need, and saw Dan Walker and Louise Minchin combine their ages to see who could do 95 skips first, while Mike Bushell took on a space hopper challenge over 54 fences in his back garden.

We also teamed up for the first time with the fantastic Girlguiding UK who took on the ‘Act your Age’ challenge too – raising £157k! Thousands of girls across the UK got involved, with challenges ranging from online danceathons to learning the spellings of hundreds of new words. There was also support from famous ex-girl guides, including BBC presenter Kate Silverton, Girlguiding Ambassador and adventurer, Anna McNuff England lionesses Rachel Daly and Millie Bright, and HRH the Countess of Wessex. To celebrate the partnership, a special Pudsey badge was also created and sold – representing both organisations mission and commitment to children and young people.





### **Teachers and Children went the Extra Mile**

In spite of Covid-19 restrictions, teachers and children were excited to be back in schools in November and relished the opportunity to have some fun raising money for BBC Children in Need. We recognised the tough few months they had been faced with the pandemic and being at home, so provided lots of helpful wellness and mindfulness activities that could take place in the classroom. This, coupled with the chance for schools to join in live with Joe Wicks' 24 hour PE Challenge on the morning of BBC Children in Need Day, inspired over 3 million children to get involved, raising an incredible £4.1m.

### **Sales of Fantastic Pudsey Products**

We continue to expand our range of Pudsey merchandise to support the fundraising efforts of all of our supporters. When we approach our range planning and new product development we have the needs of our supporters at the heart of everything we do. We endeavour to create products that delight and have broad appeal for all ages, tastes and budgets from £1 upwards. We had a bumper year for Pudsey product sales in 2020, with many supporters choosing to purchase products instead of doing fundraising activity due to Covid-19 restrictions.

# HIGH VALUE DONORS AND PARTNERSHIPS

Our corporate and philanthropic partners have been hard at work again this year.



## ASDA

ASDA supported our Emergency Essentials campaign by raising £2.0m to support children and young people across the UK who are in need of essential items such as a washing machine, cooker to make hot meals or a bed to sleep in. Asda sold a huge range of products from Pudsey onesies, PJ's and the official tee. The official tee was co-created with the Norwich project, The Garage, where young people worked with ASDA designers to create the final design.



## Boots

Boots went digital with their fundraising with a Pudsey selfie filter on Instagram. They also sold merchandise including face masks and colleagues took up virtual fundraising challenges, including joining Joe Wicks on his 24 hour PE challenge. In total the partnership raised £0.7m. Through all their fundraising, their focus was on improving the mental wellbeing of children and young people. We are extremely proud of our 17 year partnership with Boots UK and would like to thank staff past and present for their dedication to supporting children and young people facing disadvantage across the UK. Boots UK colleagues have worked tirelessly to positively impact the lives of children and young people, raising an incredible £14.5m along the way, a truly remarkable amount of money which has changed countless young lives.



## Greggs

Greggs sold the amazing Pudsey and Blush buns and biscuits in store as well as selling BBC Children in Need merchandise. Alongside this, they supported our Duck Race by sharing across their channels and their brilliant colleagues raised further funds for us totalling £0.4m.



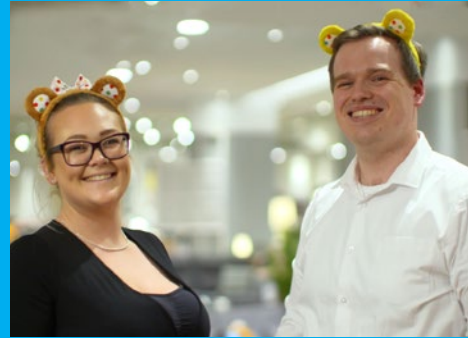
## Costco

Our longest standing partner Costco – raised £0.1m through the sale of BBC Children in Need merchandise.



### HSBC UK

New partner HSBC UK raised £1.1m through extensive customer and colleague engagement channels including digital fundraising, paid social activity and advertising. In addition their amazing colleagues across the branch network joined forces and took on personal challenges including – 9 marathons in 9 days and 100 mile cycle rides. Not only this but together HSBC UK and BBC Children in Need created educational online content with HSBC UK colleagues delivering workshops to young people supported by a BBC Children in Need funded project.



### DFS

Despite DFS having to close for several months of the year, they still managed to raise an astonishing £0.6m. This was through their year round 'Give Me Five' customer fundraising competition and their incredible colleague fundraising activities. A highlight was their first ever virtual 'Big Night In' comedy night to raise funds with celebrity guests and challenges throughout the evening.



### Welcome Break

On the back of a challenging year – long standing partners Welcome Break still heroically raised £0.1m through top up at till when their sites re-opened.



# BBC PROGRAMMES

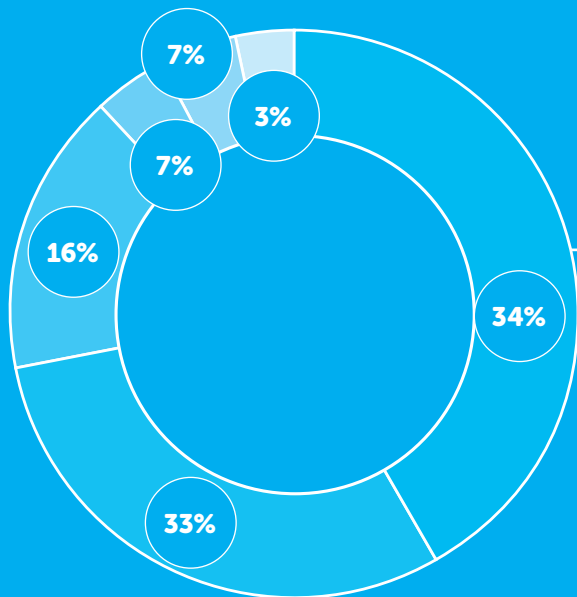
The 2020 appeal campaign across TV, Radio and online was severely impacted by the pandemic and resulted in adapting production, changing direction, and in some cases cancelling plans altogether. Despite this, a range of pan BBC content was delivered across Network TV, Radio, BBC Children's and across all the Nations & Regions culminating in the big Night of TV on BBC One to mark the 40th anniversary of BBC Children In Need.

This year's Appeal Show was shorter in length and 3 hours in duration, filmed with a virtual audience and introduced new presenters Chris Ramsay and Alex Scott alongside Stephen Mangan and Mel Giedroyc. The appeal films had a strong emphasis on the impact of Covid-19 and the difference BBC Children in Need makes to the hundreds of thousands of children and young people we support. These included the story

of Skylar whose mental health had been exacerbated by feelings of isolation and anxiety during lockdown; food poverty in Glasgow introduced by Marcus Rashford; and the poignant story of Eva, a young girl with a rare condition who tragically lost her fight for life over Christmas.

Children and Young People's voices were at the heart of the content with an increased emphasis on the local impact far and wide across the UK alongside entertainment, music performances and sketches.

Many of our broadcast partnerships exceeded all our income projections - contributing to approx. 51% of the overall total raised. £12.0m was raised through viewer donations during the show and £17.3m was raised through the range of BBC Programmes.



## BBC Programmes & Events

34%	£5.9m	The One Show: Rickshaw Challenge
33%	£5.7m	Countryfile
16%	£2.8m	Radio 2
7%	£1.3m	DIY SOS
7%	£1.1m	BBC Other
3%	£0.4m	BBC Breakfast & Morning Live



**BBC**  
RADIO

**2**

**THE  
JOE  
WICKS**

**24 HOUR PE  
CHALLENGE**



**BBC**  
Children  
in Need



### **The One Show: Rickshaw Challenge**

In its tenth year on The One Show, The Rickshaw Challenge proved to be the most challenging of productions given the pandemic risks and nature of the event. The entire event was meticulously planned to incorporate the changing scenario and ensure the young people selected were safe, secure and protected throughout. With strict Covid-19 protocols in place the event was initially moved to The Goodwood racetrack to minimise risk. However the entire challenge had to swiftly transition into a virtual one with all of the riders relocating to their homes to complete the challenge on exercise bikes. Despite the drastic change of plan and editorial challenges this posed, support for the Rickshaw Challenge remained as strong as ever with £5.9m raised – a record year for donations.

### **Radio Two**

Radio Two built on the 2019 Rylan Karaokeathon with the hugely successful Joe Wicks 24 hour PE Challenge. Our Schools ambassador cemented his reputation as the nation's PE teacher during lockdown and underwent a gruelling 24 hours of fitness. This was all produced virtually from the enclosed BBC radio theatre with powerful story packages and guests joining him remotely from home to raise a phenomenal £2.6m.

Streamed on both the iPlayer and Red Button, the challenge proved to be a huge hit with audiences across all ages enhanced by partnering with YouTube for key segments. It brought new audiences to Radio 2 and iPlayer along the way.

In addition Radio 2 held 3 Superstar Text To Win packages, their annual BBC Children in Need Takeover Day showcasing projects as well as hosting Michael Ball's Ultimate VIP Party over Zoom to replace the traditional gala event at The Savoy – raising a grand total overall of £2.8m from the station.

Radio 2 also released the official single for Children In Need, 'Stop Crying Your Heart Out' featuring a diverse range of stellar artists in their cover of the Oasis classic. Artists included Cher, Lenny Kravitz, Kylie Minogue, Robbie Williams, Mel C, Bryan Adams, Anoushka Shankar and James Morrison, reaching the UK Top 10 with the video being premiered on the Appeal Show.

2020 was also a record breaking year for many of our regular shows. Countryfile has broken through the £5 million barrier with both the Rambles and sales of the calendar. DIYSOS achieved their highest ever total, doubling previous years by raising almost £1.3m for their BBC Children in Need Big Build which due to the pandemic was relocated from Nottingham to Wales with a powerful programme featuring the build of a state of the art eco-friendly surfing shack for the charity "Surfability". Bargain Hunt produced a special edition to mark our anniversary year looking back at previous editions and the story of Pudsey – bringing a tenfold increase in donations raising over £0.1m.



Documentaries on BBC 1 added to the spread of content across the broadcast campaign on TV. Life In Lockdown was a fast turnaround documentary telling impactful stories of the effect of the pandemic on young lives. A diverse range of voices told the stories of children living with disability, underlying health conditions, dealing with bereavement alongside the realities of poverty and facing an uncertain future.

40 Years of BBC Children in Need celebrated the last 40 years of the BBC Children in Need telethon, fronted by our Trustee Ade Adepitan and featuring an entertaining look back over the years and the difference made by the Charity. Continuing the entertainment theme, University Challenge fronted by Emily Maitlis saw celebrity teams from ITV take on the BBC in this one off broadcast on BBC Two. And BBC One also supported our efforts through Strictly It Takes Two with endboards and viewers dance challenges.

BBC Children's and Education once again supported BBC Children in Need with Blue Peter celebrating young fundraisers with their special on Appeal Day and presenting Joe Wicks with the ultimate accolade of a Gold Blue Peter badge on the appeal show. BBC Education also launched a co-production with BBC Children in Need and A Million & Me through their Super Mood Movers campaign, promoting emotional wellbeing for primary school children through song and dance with Pudsey.

New broadcast partners supported the 2020 campaign. BBC Breakfast, AutumnWatch and the new daytime series Morning Live all featured stories of BBC Children in Need-funded projects throughout Appeal Week, as well as Text To Donate packages bringing in additional income. Both Radio 1Xtra and BBC Asian Network produced special shows throughout Appeal Week showcasing the diversity of our funding, whilst Radio 1 produced Life Hacks, a 90 min CiN special and podcast.

BBC English Regions had to change plans for a public facing event due to lockdown restrictions. This was adapted into the Big Bubble Singalong launched by McFly and supported by the 39 local stations from across the country. BBC colleagues from all corners of the UK shared local funding stories and shone a spotlight on some of the UK's brightest fundraisers. Despite the teams dealing with significant weather and Covid-19 challenges, all BBC Nations and Regions TV and radio stations delivered powerful and engaging appeal activity. Whilst much of the local fundraising needed to be scaled back, production teams across the UK supported the overall 'Together, We Can' messaging, across all broadcast outlets. Local radio teams collaborated once again to produce BBC Children in Need themed 'The Listening Project' conversations, covering impact themes such as illness, bereavement and mental health. These were broadcast across local radio and Radio 4. Efforts from our local BBC partners helped raise more than £0.1m.

## The Numbers

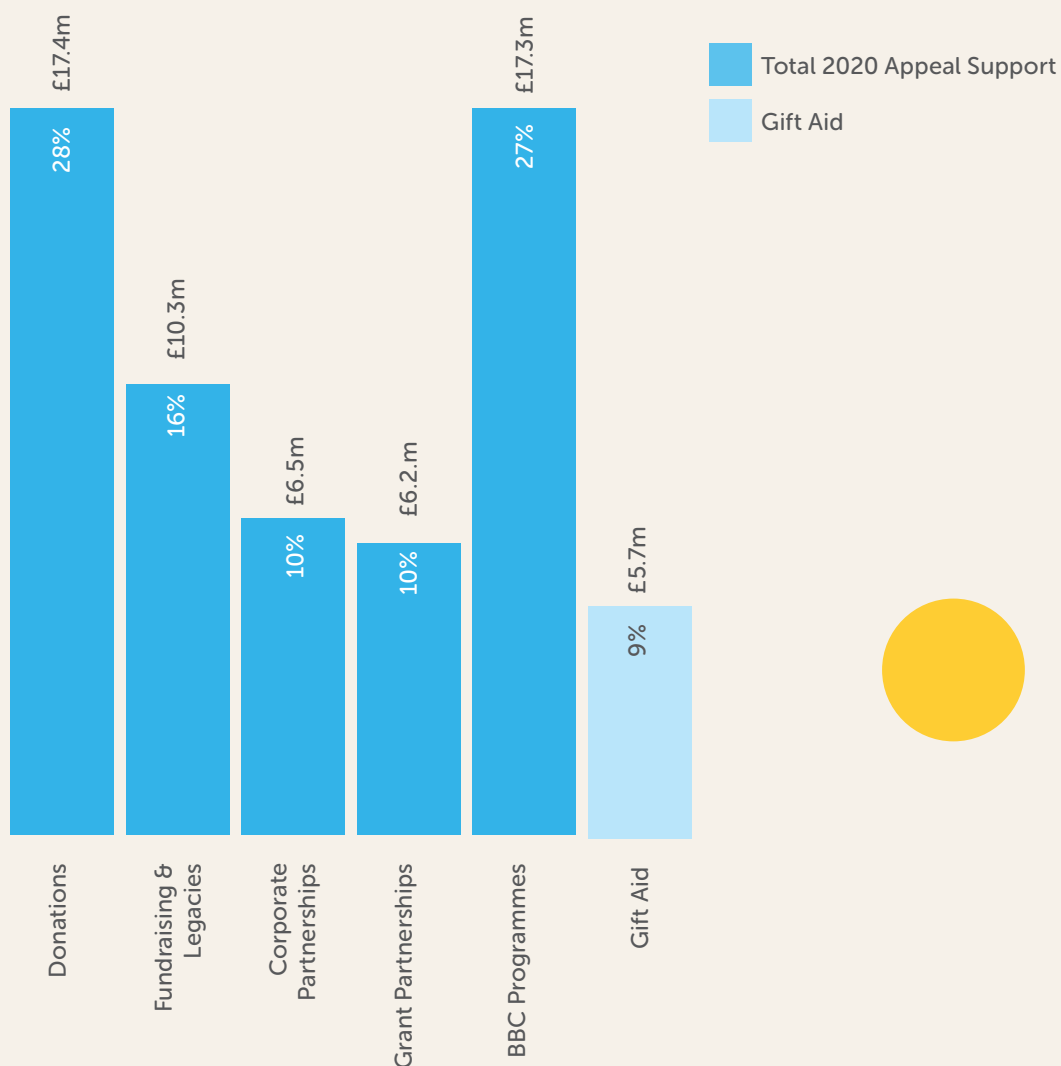
Thanks to the amazing support of our fundraisers, donors and corporate partners, we were able to announce a total fundraising figure of £37m on the night of the televised Appeal Show in November 2020. This represents a reduction of £10.8m on the previous year like-for-like, due mainly to the limitations imposed by Covid-19 on our Corporate Partners and the uncertainty around fundraising activities.

However there was considerable support that followed after the show and a further £26.4m was added to the total as people continued to send us their fundraising amounts and their donations together with follow-on income from both corporate and BBC partners.

The Charity closed the year with a fundraising total of £63.4m (2020: £83.9m but excluding income from The Big Night In Appeal £57.3m, 7% up). This is higher than our headline figure of £57m as it includes other sources of income, as explained below.

Income from donations and charitable activities	Nov 2020 Appeal Income £'000	2020/21 Follow On £'000	2020/21 FINAL Income £'000	Nov 2019 Appeal Income £'000	2019/20 Follow On £'000	2020 TBNI Income £'000	2019/20 FINAL Income £'000
Other Fundraising	13,068	10,481	23,549	17,612	2,027	9,869	29,508
Schools Fundraising	2,000	2,122	4,122	5,250	-	-	5,250
Direct Public Support	15,068	12,603	27,671	22,862	2,027	9,869	34,758
High Value Donors & Partnerships	8,198	4,553	12,751	13,076	1,926	15,298	30,300
BBC Programmes and Events	13,767	3,499	17,226	11,948	1,856	-	13,804
Gift Aid	-	5,756	5,756	-	3,651	1,391	5,042
<b>Total Fundraising Income</b>	<b>37,033</b>	<b>26,411</b>	<b>63,444</b>	<b>47,886</b>	<b>9,460</b>	<b>26,558</b>	<b>83,904</b>

The income of £63.4m as shown on the Charity's Statement of Financial Activities includes gift aid of £5.8m earned on the above donations to reflect the total income generated from our supporters. £56.7m of the reported income will be used to fund projects which create positive impact and associated costs. Total income from donations and charitable activities as per the Consolidated Statement of Financial Activities is £63,917k (2020: £84,275k). This is higher than the Charity's fundraising income shown as only profits not all income is gifted to the Charity from the sale of products. See note 2 on page 68 for a more detailed analysis of income.









BUILDING  
ON OUR  
STRENGTHS



# USING INSIGHT TO INFORM OUR DECISIONS

We are committed as a charity to using insight and evidence to inform our decision making.

We are constantly learning from our grantees across a broad range of projects, supporting children and young people with a broad range of needs. We seek to understand the outcomes they are achieving and the way in which they're achieving them, so that over time we can maximise the impact on children and young people of the work that we fund. This year we have updated our reporting framework, to ensure that we are accurately reflecting the work that we are funding.

We use our insight to inform future funding decisions via our national and regional grantmaking plans. Tools and processes have been developed to enable teams to draw on local intelligence and centralised data and knowledge about the needs of children and young people and where they are located. Local teams are able to use a 'need mapping tool' and access our repository of insight into challenges and interventions in children's lives to inform areas of interest with their geographic regions.

We continue to evaluate and learn from the in-depth programmes we fund. This enables us to build on our experience and thus maximise future impact. Current learning and evaluation initiatives include:

- Our third and final year of integrated learning and evaluation across 'A Million and Me' - our mental health and wellbeing programme. There is greater emphasis on understanding the interconnections of support to improve emotional wellbeing for 8 to 13 year olds and evaluating our impact.
- Continuing to evaluate the expanded work with the Premier League across over 40 football clubs around reducing youth violence in local communities.
- Continued evaluation of our 'Curiosity' programme – evaluating how informal science learning can create positive change for children and young people.
- Evaluation of 'What Matters to You' - two place based initiatives in Dundee & East Ayrshire looking to create new systems for supporting vulnerable families and helping them thrive.

This year has also seen the completion of a thematic review into the needs of young people and the role of community-based youth workers in supporting them. The youth review

involved young people and youth workers from our projects steering the research questions and final recommendations. We have learned a lot about the ways we can better fund and support the youth sector and will be implementing many of the recommendations and sharing our learning with our partners and other funders.

Last year we issued a report into the implications of the pandemic for children and young people and the projects that support them. Since that time we have continued to monitor the need landscape to ensure that we fully understand and reflect the emerging challenges in our work, from a funding as well as a storytelling perspective.

Alongside our Impact work, Insight is a critical input to our fundraising activity.

The pandemic has also impacted our supporters and the way they engaged with us through lockdown, and so we have been equally mindful of the need to understand how public attitudes and behaviours have changed. We were strongly focussed on audience and supporter response through our 2020 Appeal, learning directly from audiences on the night, as well as via online surveys in the week following the appeal show. All of this has enabled us to understand the impact of the pandemic on supporter behaviour and inform our future appeal and fundraising efforts.

Future planning has also been enhanced through developments in our Customer Relationship Management (CRM) capability, via the launch of a new system which is enabling us to develop and manage relationships with the full range of our valued supporters more effectively. This has further improved our ability to track income and analyse the performance of our fundraising activity.

Understanding the evolving landscape, and bringing the voices of children and young people and of our supporters into our approach will continue to be a key focus of our Insight efforts as we shape our 2021 Appeal alongside the development of our long-term charitable ambition and supporting strategies.





# BUILDING A STRONG CHARITY

Our strong charity strategic theme relates to the essential foundation and building blocks that need to be in place to enable us to focus our efforts on delivering positive impact for children and young people across the UK. It has been another extraordinary year in this respect – the continued impact of Covid-19 has meant further operational and strategic challenges for the charity. The circumstances in the UK for the year to June 2021 have continued to test the foundations and adaptability of the charity. It has been another difficult period but one in which the charity has been able to adapt, learn and continue to make progress for the benefit of children and young people across the UK who have needed our support more than ever.

Our People Strategy has continued on its journey to develop, support and retain talent, to enable us to focus on doing the great things we do to change the lives of children. However, it has become increasingly apparent over the last year that the pandemic has taken its toll on our staff team.

Alongside most organisations in the UK, a number of our staff team have experienced direct health implications of the Covid-19 virus. On top of this, the wider impact on individual and team wellbeing has been significant. These challenges reflect the implications for many UK employees; how to continue to work at home whilst also juggling carer responsibilities plus other challenges and anxieties that the pandemic has created for many. There is another theme emerging for the team, reflecting working within a charity that is striving to help children and young people really need our help right now, due to the significant generational implications of the pandemic. This exposure to the issues facing the UK's children and young people is what drives us on, but can take a toll on staff wellbeing.

Therefore, the work we had already done as a charity to focus on wellbeing and the importance of looking after ourselves as individuals and teams continues to be tested, and we remain focused on ensuring our colleagues are supported. We have benefited from feedback from employee engagement surveys, which has enabled us to understand and respond to the key challenges for our staff. We continue to monitor and adapt our approach today as we plan for the future. We have tried to focus on priorities and have also put in temporary measures to mitigate short-term gaps in capacity due to sickness or burn-out.

We have spent the majority of the last twelve months continuing to work from home. We have been granted access to BBC offices where required but on an exceptions basis. As measures are now easing, we are in the process of planning for future “hybrid working” where the team will spend some of their working week in the office and some time at home. We continue to focus on Business Continuity in relation to the pandemic, especially when planning for significant events such as CarFest and the mass fundraising events during the autumn appeal period.

One of the key implications of the pandemic that continued to impact the majority of this financial year was a worsening of the UK and global economy due to ongoing lockdowns. This had the potential to impact the charity's financial stability in a variety of ways, including volatility in the value of, and return from, our investments. At the same time we had to remain mindful of cashflow and availability of liquid funds. We continued to draw on the expertise and support of our

Investment Committee, investment advisers and fund managers through this period to reduce such risks to the charity. We continue to monitor the situation closely and are in the process of further updating our investment principles.

As we reported on previously, we made some structural changes to our internal funding model in 2019 to protect the long-term financial stability of the charity.

The financial challenges for the charity have been exacerbated by the pandemic and related financial crisis across the UK and globally. The structural change to our internal funding has therefore proved vital to the financial stability of the charity during the last eighteen months and has afforded a level of financial flexibility to enable our ongoing work supporting children and young people at the very time when they need it most. During the year to June 2021, an average of 98% of donations went into grantmaking activity with 2p in every pound donated funding costs not attributable to grantmaking.

We have reflected on further learning from the financial shocks of the pandemic and have implemented extra measures to protect the charity's future and therefore the future of our beneficiaries. The Charity holds reserves to ensure we have sufficient funds to flex with seasonal income generation, respond to unexpected factors affecting children and young people across the UK and continue operations in periods of uncertainty when external and internal factors influence the range of income outcomes. A key development in the year is an update to this reserves policy, which Trustees agreed in April 2021. Our intention in this update was

- to take on board learning from the pandemic and increase the minimum level or reserves to be held as a contingency by £1.5m;
- to adapt to the long-term reduction in retained grant reserves;
- to illustrate the pattern of reserves throughout the CiN cycle and to reflect this appropriately in our reserves policy.

In making this change we have considered the risk of any uncertainty over future income or the risk of unexpected calls on the charity's funds balanced against the onus to use donors' money to help CYP who need support today. The new reserves policy is explained in more detail on page 52.

These measures have strengthened our financial adaptability which has continued to be critical in helping the charity navigate the pandemic to date. It has meant that we have confidence that we can continue to operate for the foreseeable future and continue to provide invaluable support to small local charities right across the UK and help them adapt in very challenging circumstances so that UK children and young people that really need it right now continue to benefit from our collective help.

## Sustainability and carbon reporting

Amidst the disruption caused by the Covid-19 pandemic over the year, the Charity has been able to re-examine the way in which we operate as an organisation, and by extension, our environmental impact. With almost all staff working exclusively at home from March 2020, far more was achieved than might have been thought possible. Whilst working from home, colleagues have delivered not just one but two Appeals to support children and young people (one of which took place towards the beginning of the pandemic in the previous financial year) with a range of activities, meetings and relationships all managed remotely. During this financial year, the Charity therefore significantly reduced travel and consequent environmental impact (also saving £0.2m) and we will be applying what we've learned from the past year to our plans for future ways of working.

Whilst Covid-19 has brought about some inadvertent but significant travel and cost savings, the Charity has been actively striving to make other changes in addition to this. As part of the BBC we're committed to the BBC's Net Zero 2030 target – this will form a core component of our business planning from 2021. Each directorate has been asked to include objectives relating to sustainability in Business Plans for 2021-2022. Our Legal team have joined 'Lawyers for Net Zero', and the Impact directorate is exploring our ability to sign up to the Funder's Commitment on Climate Change. We have taken steps to improve on the recyclability and sourcing of our merchandising range. We've also started to look into our Investment strategy to ensure fit for a post-carbon future.

With regard to our range of merchandise in 2020/21, whilst trying to minimise single use plastics we have tried wherever possible to use plastics that have a high post-consumer recycled content and are widely recycled from the curb side making them part of the circular economy. Additionally, our plush, wristbands and lanyards are produced from recycled fabrics. We understand that like us, our supporters care for the planet, and want to be able to pledge their support for the Charity in a positive, sustainable way, so we restrict the use of virgin materials in the development of our Pudsey products. We recognise that, in our desire to help improve the lives of children and young people across the UK, securing a future for the planet is a key part of this. We take responsibility for our actions and what we produce, doing our best to ensure our products are not wasteful and do not harm the environment. We are committed to improving this even further over the months and years to come, continuing to buy locally within the UK to support local businesses, and choosing options for transporting goods from overseas that have the lowest carbon footprint.

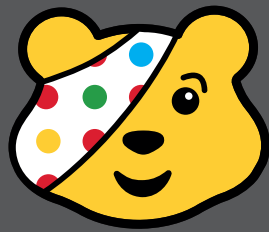
We have followed the Government guidance on how to measure and report greenhouse gas emissions. The BBC, which reports on emissions across all their sites, provide the space which BBC Children in Need occupies and the energy that it uses without charge. We have therefore calculated our emissions by pro-rating the BBC data from the period April 2020 to March 2021. Electricity consumption is measured at 252,967kwh (2020: 370,151 kwh) and gas at 123,678kwh (2020: 117,748) which equates to the following emissions:

Greenhouse gas emissions 2020/21	Gross emissions
----------------------------------	-----------------

Greenhouse gas emissions (tonnes/CO2e emissions)	76.4 reduced by 34% in year
Emissions per FTE	0.57

Gas consumption increased in the year because in order to ensure our key workers safe BBC buildings continued to be heated to improve air circulation during the Covid-19 pandemic. The BBC purchases REGO backed renewable electricity which impacts the carbon emissions from a 'location' perspective when reporting on emissions. Factoring this in would mean a reduction in our greenhouse gas emissions. If using a 'location' based conversion factor our greenhouse gas emissions = 28.8 and therefore 0.2 tonnes/CO2e emissions per FTE.





2021

FINANCIAL  
REVIEW



# FINANCIAL REVIEW

The accounts for the year ended 30 June 2021 cover:

- income from the BBC Children in Need Appeal 2020, which was live across Autumn 2020;
- other income received year-round from 1 July 2020 to 30 June 2021; including income from funding partners and follow-on income post the appeal; and
- grants awarded to projects and funding programmes in the period 1 July 2020 to 30 June 2021.

# FINANCIAL PERFORMANCE

We measure financial performance based on:

- optimising income;
- optimising the amount of grants awarded;
- managing costs in line with available funds and at an appropriate level relative to income;
- managing funds in line with the Charity's policy.

Income from donations and charitable activities as shown in the Charity Statement of Financial Activity for the year totalled £63.4m (2020: £57.3m) including donation income £48.2m (2020: £48.6m), gift aid of £5.8m (2020: £5.0m), legacy income £2.7m (2020: £2.1m), partnership funding £6.3m (2020: £0.9m) and gross income from Children in Need Limited of £0.4m (2020: £0.7m). This represents an increase in the Charity's normal activity of £6.1m on the prior year excluding £26.6m raised from the one off event 'The Big Night In' (TBNi). See note 2 (pg68) to the accounts.

The grant awards of £49.8m (2020: £48.8m) after returns net to £49.2m (2020: £47.9m) and relate to the spending of income generated from the November Appeal (£26.4m) and awards made from TBNi income in response to the Covid-19 pandemic (£22.7m).

To ensure BBC Children in Need is a strong charity, administered appropriately, able to raise income creatively, manage the funds raised professionally and operate as an effective grantmaker, we incur direct costs. Total direct costs incurred in the year were £10.4m (£10.9m reported as £4.8m on raising funds, £4.7m on grantmaking, policy and impact, £0.3m on governance and gift in kind\* of £0.6m) Total costs represent 15% of our total income (2020: 12%) (20% of our total grantmaking (2020: 21%)). Grantmaking costs are 10% (2020: 11%) of grants awarded, other costs are 8% (2020: 7%) of income generated.

\* Gifts in kind includes provision of office space and Corporate Partner fundraising support. These have been excluded from the above analysis because income is offset by an equal amount of cost and nets to zero. Further details are given in note 3 to the accounts.

## Results for Children in Need Limited

Children in Need Limited is a wholly owned subsidiary and holds the Charity's trading activities. The results of the company are consolidated into the Charity's accounts. During the year ended 30 June 2021, Children in Need Limited made a profit of £0.3m (2020: £0.4m).

Our corporate partners that raise funds for the charity by selling Pudsey branded product pay a fee for use of the brand which is accounted for in the Limited Company. The Children in Need Limited profit is paid in full to the Charity under Gift Aid provisions.

## Investments

Funds committed for grantmaking but not required for expenditure in the short term are invested. Investment income for the year (including revaluation losses) was £2.3m (2020: £0.5m), representing a return of 1.7% (2020: 0.6%) on the average investment balance. This return is within the Charity's internal 1.5% - 2.5% target as the economic performance improved following the impact of the Covid-19 pandemic. The investment policy stipulates the type and terms of investments that may be purchased and investment objectives of:

- retain sufficient liquidity for day-to-day needs;
- maintain a measured appetite to risk; and
- maximise investment returns within the constraints of the above.

The Charity retains a conservative approach to investing and holds funds not needed for short term use in two types of investments:

- A. Core fixed income liquid assets – to provide a return of capital growth and income primarily through investment in a portfolio of short term cash and money market instruments, investment grade bonds and other fixed and floating rate securities. This portfolio is managed on the Charity's behalf by Schroder Investment Management (UK) Limited.
- B. Appropriate income/return generating assets - income generating assets such as property funds and high quality securitised credit.

The balance held within each type of investment is determined by the amount of liquid funds required to meet our grant commitments when they fall due. We do not hold equities directly or through fund managers and social, environmental and ethical considerations are taken into account when making investment decisions.

## Funds

At 30 June 2021 the Group (which consists of BBC Children in Need (the Charity) and Children in Need Limited (the trading company)) had total closing funds of £50.1m (2020: £42.8m) representing an increase of £7.3m on the prior year position. The primary reasons for this build in reserves are investment performance which has built general continuity reserves and the shift in our grantmaking calendar which has temporarily built impact reserves. These impact reserves will be awarded in the coming months in line with the revised reserves policy to deliver impact for children and young people where most needed.

Funds £'000	Opening fund 1 Jul 20	Donations	Funding	Legacies	Gift Aid	Product	Investments	Total Income	Grants awarded in year (net of adjustments)	Costs of grantmaking, policy, impact & grantee training	Cost of raising funds and governance	Closing fund 30 June 21
Public Covid	17,923	-	-	-	310	-	-	310	(16,532)	(1,691)	(10)	-
DCMS	4,146	-	2,500	-	-	-	-	2,500	(6,185)	(461)	-	-
YFF	-	-	3,500	-	-	-	-	3,500	(3,220)	(280)	-	-
THF	3,000	-	-	-	-	-	-	-	-	-	-	3,000
Other partnerships	87	2,578	269	-	-	-	-	2,847	(2,423)	(242)	-	269
<b>Restricted Impact Fund</b>	<b>25,156</b>	<b>2,578</b>	<b>6,269</b>	<b>-</b>	<b>310</b>	<b>-</b>	<b>-</b>	<b>9,157</b>	<b>(28,360)</b>	<b>(2,674)</b>	<b>(10)</b>	<b>3,269</b>
<b>Unrestricted Impact continuity Fund</b>	<b>10,208</b>	<b>44,685</b>	<b>-</b>	<b>2,689</b>	<b>-</b>	<b>178</b>	<b>-</b>	<b>47,552</b>	<b>(20,792)</b>	<b>(1,988)</b>	<b>-</b>	<b>34,980</b>
General continuity fund	3,295	965	-	55	5,446	269	1,203	7,938	-	-	(4,602)	6,631
Investment continuity fund	4,066	-	-	-	-	-	934	934	-	-	-	5,000
Development fund	100	-	-	-	-	-	150	150	-	-	-	250
<b>Total unrestricted funds</b>	<b>17,669</b>	<b>45,650</b>	<b>-</b>	<b>2,744</b>	<b>5,446</b>	<b>447</b>	<b>2,287</b>	<b>56,574</b>	<b>(20,792)</b>	<b>(1,988)</b>	<b>(4,602)</b>	<b>46,861</b>
<b>Total funds</b>	<b>42,825</b>	<b>48,228</b>	<b>6,269</b>	<b>2,744</b>	<b>5,756</b>	<b>447</b>	<b>2,287</b>	<b>65,731</b>	<b>(49,152)</b>	<b>(4,662)</b>	<b>(4,612)</b>	<b>50,130</b>

The £65.7m of total income received in the year includes income from donations and other charitable activities of £63.4m plus net investment income of £2.3m. Of this £57.1m (the known figure at the time excluding gift aid, investment income and licence fees) was publicly announced in July 2021 and used to fund projects that make a positive impact and the associated costs. The equivalent figure reported in these statements is now £57.4m.

In the year £49.2m (net of returns) has been spent on grantmaking activity and a further £38.2m is held in reserve and available for grantmaking in advance of generating new income in the autumn 2021 appeal (restricted £3.3m, unrestricted £35.0m).

### Restricted Fund - £3.3m

There has been a significant reduction in the restricted fund during the year, as significant support related to Covid-19 has been awarded in the year. The closing fund represented donations received from the Hunter Foundation (THF) which will be used to create positive impact for children deemed to be on the edge of the care system, continuing our support for the existing project. In addition, the Wellcome Trust have granted the Charity additional funds of £0.3m to support our Curiosity Programme.

Income of £2.6m (from Asda to support the Emergency Essential Programme and Boots to support Mental Health Issues) has also been received in the year but fully spent.

### Unrestricted Fund - £46.8m

At 30 June 2021 the Charity held designated grant funds representing donation income received and to be awarded to projects in future grantmaking activity of £35.0m (2020: £10.2m). These funds will be awarded over the coming months but it is the intention of the Charity to maintain a level of funds to cover uncertainty of income or exceptional requirement for funding. The significant increase in the funds held is mainly due to timing of grant rounds and 40% of funds held have been awarded in the first two months of the 2021/22 financial year.

The Charity also holds funds to cover general operating costs in periods of uncertainty of income, to manage volatility of investment returns (capital value or income) and to allow for future investment and respond to growth opportunities. This represents unspent gift aid, investment income, license fees and a small proportion of donations (limited to 5p/£ donated). In this financial year 2p/£ of unrestricted donation income of £965k and legacy income of £55k, together with £5,446k of unrestricted gift aid, license fee £269k and investment returns £2,287k has been used to cover costs and uncertainty of future income.

See the Charity's principal accounting policies on page 65 which explains the structure of reserves and also note 16 on page 77 which provides more detail of the restricted funds.

# PRINCIPAL RISKS AND UNCERTAINTIES

The charity monitors and manages what it considers to be the principal risks and uncertainties.

One of the key risks for the charity continues to be maintaining levels of income, and this was tested over the financial year during the Covid-19 pandemic. The Charity has developed its income and insight strategy to address the changing nature of the way people watch television and donate or fundraise. We have developed plans to inject more diversity in both our income sources and programme content removing reliance on a few principal corporate and programming partners.

The Charity's brand and reputation continue to be strong, with further potential to grow our supporter base. We continue to focus our efforts and resources on activities that are uniquely BBC Children in Need, protect and develop our existing partners, diversify to bring in new sources of income and new ways to engage with us. We will put our supporters, children and young people at the heart of everything we do to ensure we build sustainable income sources.

The Charity exists to create a positive impact on Children and Young People. There is a risk that we do not keep up with the ever evolving areas of need for Children and Young People across the UK or understand the disadvantages we should be addressing. To ensure we reach the most appropriate recipients we enhance learning from the external environment, collaborate with the sector and continue to analyse data, trends and outcomes across our portfolio and apply this insight-informed learning to our decision making. A major foundation of this work is the increased engagement and involvement of children and young people in the development of our grantmaking programmes and the subsequent funding decisions we take.

Avoiding any harm to children and young people is our priority and as such we have maintained robust safeguarding governance across the organisation and with those charities and projects we fund. This has included ensuring strong safeguarding practice is maintained during Covid-19, as large numbers of the charities and projects we fund have delivered services remotely. We maintained our programme of training for those involved with the charity, and our Finance, Audit and Risk Committee reviewed activity and took considerable assurance of the measures we have in place to ensure no harm comes to children and young people as the result of our activities.

There is a risk that fundraisers operating in the Charity's name are fraudulent and fail to pass on donations intended for the Charity reducing the amount of income received but also damaging our reputation with the public. Sound financial controls and financial management are an essential defence for charities against fraud and financial crime and during the year we strengthened our policies and controls to ensure we continue to protect our funds and assets from misuse.

BBC Children in Need is signed up to the Fundraising Regulator's Code of Fundraising Practice as well as to the Fundraising Promise. We are committed to legal, open, honest and respectful fundraising and do not cause undue pressure or intrusion on donors. We maintain robust fundraising policies, which promote the adoption and improvement of responsible fundraising practices within the UK. Our policy specifically provides guidance on the protection of vulnerable people and our practices reflect our safeguarding role. We expect our fundraising partners, commercial participators and professional fundraisers to observe our fundraising policies and to demonstrate a similar commitment to responsible fundraising. The Charity monitored activities in the year by performing compliance spot checks on our fundraising partners at events and working closely with commercial participators to understand and promote best practice. There were no complaints received by the Charity in the year which were referred to the Fundraising Regulator.

The Charity has a responsibility when dealing with personal information and our data protection principles ensure we do not risk the trust placed in the Charity, protecting our supporters from possible misuse, whether it be accidental or deliberate. The consequences can include reputational damage, complaints or claims and severe financial penalties, and so despite increased complexity compliance is still a key risk for the Charity. Specifically, the risk of cyber-crime is increasing both in volume and severity. To mitigate this risk the BBC has extensive policies and procedures in place to prevent/detect cyber threats, recovery plans are in place and we adequately train our employees. In addition, in the year we updated our donor privacy policy.

There are also risks attached to the levels of funds which are used to finance the costs of governance and generating income for the Charity. Some of these income streams such as Gift Aid conversion and investment income are driven primarily by factors outside of the Charity's control so we manage the risk of an unexpected drop by retaining sufficient funds in reserve, assuming a prudent view of the anticipated income and using up to 5p/£ to finance our costs not attributable to grantmaking.

The Investment Continuity Fund and the General Continuity Fund are in place to cover any volatility and risk of an unexpected drop in income.

The Reserve Policy for the Charity sets out the long-term target for the Charity's continuity as shown in the table below. In the year, we have increased the minimum level of unrestricted reserves to be held by the Charity by £1.5m (£11.25m to £12.75m) to ensure we have sufficient funds to flex with seasonal income generation, respond to unexpected factors affecting children and young people across the UK and continue operations in periods of uncertainty when external and internal factors influence the range of income outcomes. In addition, due to a change in the timing of grant rounds and a desire to fund pre appeal planned activity, reserves will be held at year end and utilised until new income is received in the Autumn. In effect, the purpose of the reserve is now twofold - a contingency and to fund anticipated activity.

The Impact continuity fund therefore holds funds that will be allocated before new income is generated from our next Appeal in November 2021. It is envisaged that the General continuity fund will drop back in line with forthcoming commitments in the future. The Investment Continuity Fund is in place to manage any future impact on investment returns.

<b>Continuity funds £'000</b>	<b>Contingency Target 30 Jun 21</b>	<b>Forthcoming Commitments 30 Jun 21</b>	<b>Closing 30 Jun 21</b>
Impact continuity fund	5,000	29,980	34,980
General continuity fund	2,500	4,131	6,631
Investment continuity fund	5,000	0	5,000
Development fund	250	0	250
<b>Total</b>	<b>12,750</b>	<b>34,111</b>	<b>46,861</b>

Clearly there are key risks that the Trustees, Executive and Leadership team will continue to face. Our organisational risk assessment reporting, review and management process will enable us to remove or mitigate these risks.

We will continue to report, monitor and manage these through our risk register with input from our legal team, regular reporting and review at Executive and Leadership meetings, through the Finance, Audit and Risk Committee and the Board of Trustees.

#### **Adequacy of Assets to Fulfil Obligations**

Investments are held to meet liabilities as they fall due and the Trustees have continued to monitor the impact of the pandemic on the Charity itself and its likely future financial position. They are satisfied that the assets are in excess of the liabilities at both the balance sheet date and at the date of approval of the financial statements. The Trustees are also satisfied that the liquidity of the portfolio is appropriate for the phasing of grant commitments over 1 to 3 years, and that the risk of market value changes in the Charity's investments can be managed appropriately. Having taken into account all available information about the future for the period of at least, but not limited to, 12 months from the date on which the accounts are approved the Trustees are satisfied that there are no material uncertainties about the Charity's ability to continue. The accounts are therefore prepared on a going concern basis.

# FUTURE PLANS

BBC Children in Need has completed the cycle of the strategic plan agreed in 2016 and is introducing a new five year plan to run from July 2021.

This includes a refreshed charitable ambition:

Every child and young person deserves the opportunity to thrive and be the best they can be.

At BBC Children in Need, we act where the need is greatest.

Our ambition is to create positive and lasting change across the UK for the children and young people who need us most.

Together with the BBC and our partners, we aim to inspire the nation and unite communities to support us in our work.

To bring this new charitable ambition to life, the charity will focus on five key principles

- PARTNERSHIP - Maximising the collective difference we can make, through working with others and funding the smallest of local charities through to national networks
- LEADERSHIP - Using our platform and storytelling, our convening power and partnerships, to highlight and address the key challenges faced by children and young people
- INVOLVEMENT - Engaging children and young people as active participants in our work, acting on their input and amplifying their voices
- INCLUSION - Making equity and inclusion fundamental to our work and recognising the potential in all children and young people - helping them to feel safe, happy and secure so they're able to thrive
- INSIGHT - Using insight, evidence and learning across the charity to understand the aspirations, barriers and challenges faced by children and young people

Initial work commencing in July 2021 will help take this important strategic development forward.

We will begin to bring our revised charitable ambition to life and align our strategies and activities behind it, working alongside the BBC. In addition,

1. Implement a new grantmaking strategy, which delivers effective and equitable funding programmes and partnerships that support and champion Children and Young People (CYP) to thrive and be the best they can be
2. Transform the way we engage with audiences and supporters by implementing a modern contemporary income and content strategy, embracing digital opportunities
3. Taking tangible and measurable actions to improve diversity, equity and inclusion as a leading charity, as an employer, a funder, a fundraiser and storyteller

To support this:

4. Learning from the last year to think about future ways of working, evolving day to day systems and processes and strengthening our culture to ensure that we are a resilient, effective organisation set up for future success

# STRUCTURE, GOVERNANCE AND MANAGEMENT

## Formal Structure

BBC Children in Need was formed on 25 August 1988, became a registered charity with effect from 1 September 1989 and until 30 September 2003 was an unincorporated body governed by a deed of trust and administered by a board of Trustees.

With effect from the 1 October 2003 the Charity's assets and activities were transferred to a Company Limited by Guarantee ('The BBC Children in Need Appeal') with the Trustees being appointed as the Board of Directors and the BBC as the Founder Member of the Company. As part of the process of incorporation, The BBC Children in Need Appeal was effectively re-registered as a Charity on 7 August 2003 but retained the Charity number 802052. The Charity is governed in accordance with its Articles of Association. These were updated in the previous year to reflect updated charitable objects.

In 2012 the name of the Charity was changed from The BBC Children in Need Appeal to BBC Children in Need, to reflect our year round presence and the changing nature of our fundraising. BBC Children in Need is also a registered Charity in Scotland, number SC039557.

BBC Children in Need has one trading subsidiary, Children in Need Limited. Children in Need Limited is a wholly owned subsidiary which primarily exists to license products using the 'Pudsey Bear' trade mark and to sell Pudsey merchandise. Children in Need Limited makes a Gift Aid payment of all its taxable profits to BBC Children in Need each year.

## Governance Arrangements

As a registered charity and company limited by guarantee BBC Children in Need is governed by company and charity law and by The Statement of Recommended Practice, Charities SORP second edition (FRS 102), issued by the Charities Commission in October 2019. The SORP sets out the accounting practices and disclosure required by charities in their annual accounts. The Trustees have followed its recommendations and applicable accounting standards in presenting these accounts.

## Trustee Appointment and Chair

The Trustees are appointed by the Members of the Charity in general meeting and all Trustees are Members of the Charity and Company. Except for the Trustee who formally represents the BBC (as Founder Member), Trustees are appointed for a term of three years and may then be appointed for a further two terms of three years each. In addition to the Trustee representing the Founder Member, the Trustees of BBC Children in Need are drawn from the BBC and non-BBC in equivalent numbers.

On appointment all Trustees go through an induction process and are provided with training specific to the role and activities that they will be required to undertake (e.g. grantmaking). In addition Trustees are kept up to date with any changes in governance requirements to ensure they are aware of their obligations.

## Management

The Board of Trustees holds formal meetings at least four times a year. In this financial year, the board has met formally 9 times. In between these meetings, matters are progressed through the delegation of actions to sub-committees of the board, and Officers of the Charity in line with the agreed Scheme of Delegation.

## Key Responsibilities Trustees

The following points outline the key responsibilities of Trustees.

- agree the strategic direction and policy of the Charity;
- agree the annual operating and investment budgets;
- execute all legal responsibilities in connection with the Charity;
- be aware of the content of the Charity's Articles of Association in order to comply with the Charity Commission regulations;
- support the Chair in ensuring that the Charity is following best practice in terms of its business rigour;
- provide expertise and insight into key areas of activity for the Charity; and
- represent the Charity when required.

## Trustee Sub-Committees

To support effective governance the Charity has operated with four Trustee Board sub-committees throughout the year:

- Finance, Audit & Risk – to provide oversight and support on all financial matters, scrutiny of key risks and mitigations and oversight of internal and external audit activity;
- Impact – to provide oversight and advice on matters such as the Impact Strategy, grant programmes and partnership funding. To scrutinise and approve specific grant proposals, including main grants, as delegated by the board of Trustees;
- Nominations and Remuneration – to provide oversight and support in the recruitment and development of senior staff and the Board of Trustees. Reward and remuneration of senior staff is overseen by benchmarking to the market and ensuring costs are managed in line with budget; and
- Investment – to provide oversight and advice on investment decisions.

The Investment and Impact Committee both have co-opted (non-Trustee) members to bring additional advice, subject matter expertise and experience.

## Business Planning & Performance Management

We have continued to embed our approach to business planning. This ensures we have a clear and concise plan of objectives, at organisational, directorate, team and individual level across the organisation. Every individual has a clear line of sight of how the work they are doing supports the organisation's strategy and plan.

These plans are reviewed on a quarterly basis and progress tracked and monitored throughout the year. We continue to evolve our approach to performance management to ensure performance, behaviour and development are well understood, discussed and supported at all levels of the organisation.

## Risk Management

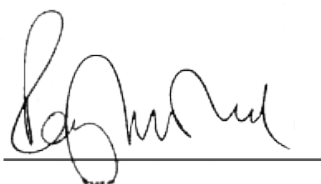
The Trustees are responsible for the Charity's management of risk. During the year the Trustees actively monitored and discussed risk. This process included:

- identifying the major risks facing the Charity;
- assessing the likelihood and severity of the risks;
- reviewing the existing controls that the Charity had in place to mitigate the risks; and
- identifying and implementing any further actions required to limit risk.

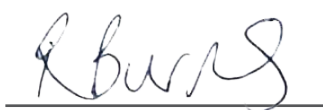
A statement of Trustees' responsibilities in respect of the Trustees' Annual Report and Accounts is given on page 57.

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are aware, there is no relevant audit information of which the Charitable Company's auditors are unaware; and the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Report of the Trustees, which incorporates the requirements of the Strategic Report and the Directors' Report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, was approved by the Board, in their capacity as Trustees and company directors, and signed on its behalf on 12 October 2021 by:



**Rosie Millard**  
Chair



**Rhona Burns**  
Treasurer

# REFERENCE AND ADMINISTRATIVE DETAILS

## Trustees and Advisors

### Chair

Rosie Millard

### Vice Chair

Robert Shennan<sup>3</sup>                      BBC Representative

### Other Trustees

Matthew Baker

Joanna Berry<sup>2 3</sup>

Luke Mayhew                      (resigned 30 Sep 2021)

Gillian Sheldon<sup>1 4</sup>                (resigned 30 Sep 2021)

Kenny Imafidon<sup>2</sup>

Trevor Bradley<sup>1 4</sup>

Kieran Clifton<sup>2</sup>

Rhona Burns<sup>1 4</sup>

Jonathan Munro

Ade Adepitan                      (joined 17 Sep 2020)

Suzanne Lamb                    (joined 7 Dec 2020)

James Fairclough                (joined 1 October 2021)

### Company Secretary

Tony Okotie                        (appointed 11 Dec 2020)

### Principal Officers

Simon Antrobus	Chief Executive
Karen Bass	Chief Operating Officer
Claire Hoyle	Commercial Director
Tommy Nagra	Director of Content
Joanne Ruddock	Director of Insight
Fozia Irfan	Director of Children & Young People

### Auditors

Ernst & Young LLP  
2 St Peter's Square  
Manchester  
M2 3EY

### Investment Managers

Schroder Investment Management Limited  
31 Gresham Street  
London EC2V 7QA

### Investment Advisors

Willis Towers Watson  
51 Lime Street  
London EC3M 7DQ

### Registered Office

Bridge House  
Salford M50 2BH

### Bankers

HSBC Bank Plc  
Fenchurch Street Branch  
60 Fenchurch Street  
London EC3M 4BA

### Solicitors

Fieldfisher LLP  
35 Vine Street  
London EC3N 2AA

Womble Bond Dickinson (UK) LLP  
4 More London Riverside  
London SE1 2AU

Mills & Reeve LLP  
Fountain House,  
130 Fenchurch Street  
London EC3M 5DJ

- 1 Members of Finance, Audit & Risk Committee
- 2 Members of Impact Committee
- 3 Members of Nominations and Remuneration Committee
- 4 Members of Investment Committee

Registered charity England and Wales no. 802052  
and Scotland no. SC039557.

Registered Company 04723022

# STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF BBC CHILDREN IN NEED IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND ACCOUNTS

The Trustees are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires Trustees to prepare accounts for each financial year. Under that law they are required to prepare the group and charitable company accounts in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group and charitable company's excess of income over expenditure for that period. In preparing each of the group and charitable company accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group and the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group and charitable company and enable them to ensure that its accounts comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BBC CHILDREN IN NEED

## Opinion

We have audited the accounts of BBC Children in Need ('the parent charitable company') and its subsidiaries (the 'group') for the year ended 30 June 2021 which comprise the Consolidated Statement of Financial Activities, Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes 1 to 18 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the group's and of the parent charitable company's affairs as at 30 June 2021 and of the group and parent charitable company's incoming resources and application of resources, including their 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## 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 Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the group and the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC'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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 group and parent charitable company's ability to continue as a going concern for a period of at least, but not limited to, 12 months from the date on which the accounts are approved by the trustees.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report. However, because not all future events

or conditions can be predicted, this statement is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

## Other information

The other information comprises the information included in the annual report set out on pages 6 to 57, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in this 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 accounts 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 there is a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purpose of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the strategic report and directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 57, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant laws and regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 accounts.

### ***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

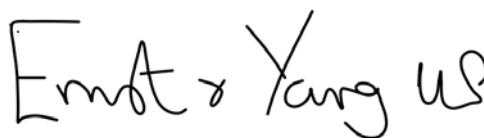
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the parent charitable company and determined that the most significant are those in relation to FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 and the following legislation applicable to charities for both England and Wales, and Scotland:
  - The Charities Act 2011, 2006 & 1992, 2016
  - The Charities and Trustee Investment (Scotland) Act 2005
  - The Charities (Accounts and Reports) Regulations 2008
  - The Charities Accounts (Scotland) Regulations 2006 and The Charities Accounts (Scotland) Amendment Regulations 2010
- We understood how BBC Children in Need is complying with those frameworks by performing inquiry of management and of those charged with governance over the policies in place to ensure compliance and any instances of non-compliance identified. We corroborated our enquiries by reviewing supporting documentation, including board minutes.
- We assessed the susceptibility of the group's and parent charitable company's accounts to material misstatement, including how fraud might occur by performing inquiry of management about the risks of fraud and the controls in place to address these risks.
- We identified risks in relation to corporate income being recognised in advance of contractual terms and/or restrictions on the use of such income not being appropriately recognised. These risks were considered to apply to pre-existing and new agreements. We selected a sample of corporate income transactions applying a lower threshold and testing to ensure that income had been recognised and classified correctly by reference to underlying agreements.

- We also identified risks in relation to grants being recognised prior to the charity's approval policy process being completed and/or not in accordance with the accounting requirements of the SORP. In addition we recognised a risk that grant payments may have been made prior to the year end in advance of approval processes including approved payment dates. In response to these risks we tested controls on the approval and payment of grants in the period and confirmed, for those selected, that controls and procedures had been completed before the recognition and payment of grants awarded. Additionally, we tested individual transactions to a lower threshold back to source documentation, including grant approval and, where relevant, payment documentation.
- We considered there to be a risk of management override including through the recording of manual journals posted to revenue prior to the year end. In response to the risks identified, we incorporated data analytics into our audit approach to assist in our targeted review of journals. Our procedures involved testing journal entries identified by specific risk criteria, including manual journals to record revenue close to the period end. We tested specific transactions back to source documentation.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures included reviewing correspondence with the charity's regulators and reviewing the accounts to gain assurance regarding their compliance with relevant laws and regulations.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



### Julian Yates

(Senior statutory auditor)

for and on behalf of  
Ernst & Young LLP, Statutory Auditor Manchester

13 October 2021

### Notes:

1. The maintenance and integrity of the BBC Children in Need web site is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the accounts since they were initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 30 JUNE 2021

(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Year to 30 June 2021			Year to 30 June 2020		
		Unrestricted fund £'000	Restricted fund £'000	Total funds £'000	Unrestricted fund £'000	Restricted fund £'000	Total funds £'000
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and legacies</b>							
Donations	2	45,651	2,887	48,538	43,779	6,247	50,026
Income from joint operation		-	-	-	-	26,558	26,558
Gift aid on donations		5,446	-	5,446	3,651	-	3,651
Legacies	2	2,744	-	2,744	2,067	-	2,067
<b>Charitable activities</b>							
Product income	9	920	-	920	1,069	-	1,069
Partnership funding	2	-	6,269	6,269	-	904	904
<b>Total Income from donations and charitable activities</b>		<b>54,761</b>	<b>9,156</b>	<b>63,917</b>	<b>50,566</b>	<b>33,709</b>	<b>84,275</b>
<b>Investments</b>	11	1,004	-	1,004	895	-	895
<b>Other</b>		-	-	-	-	-	-
<b>Gifts in kind</b>	3	649	-	649	615	-	615
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>56,414</b>	<b>9,156</b>	<b>65,570</b>	<b>52,076</b>	<b>33,709</b>	<b>85,785</b>
<b>EXPENDITURE ON:</b>							
<b>Raising Funds</b>							
Cost of generating voluntary income	7	4,289	-	4,289	4,619	-	4,619
Cost of joint operation	7	-	10	10	-	86	86
Investment management fees	7	140	-	140	155	-	155
Trading operating costs	9	657	-	657	611	-	611
		<b>5,086</b>	<b>10</b>	<b>5,096</b>	<b>5,385</b>	<b>86</b>	<b>5,471</b>
<b>Charitable Activities</b>							
England		13,745	19,964	33,709	26,923	4,816	31,739
Scotland		1,920	2,195	4,115	2,930	1,226	4,156
Wales		1,014	1,283	2,297	2,138	428	2,566
Northern Ireland		1,101	1,351	2,452	2,044	244	2,288
UK wide grants		3,711	3,567	7,278	6,898	1,177	8,075
<b>Grants awarded in the year</b>	4	<b>21,491</b>	<b>28,360</b>	<b>49,851</b>	<b>40,933</b>	<b>7,891</b>	<b>48,824</b>
Adjustments to grants given	6	(699)	-	(699)	(908)	-	(908)
Training and support for grantees	5	16	-	16	32	-	32
Grantmaking, policy and impact	7	2,350	2,674	5,024	4,653	576	5,229
Governance	7	260	-	260	242	-	242
		<b>23,418</b>	<b>31,034</b>	<b>54,452</b>	<b>44,952</b>	<b>8,467</b>	<b>53,419</b>
<b>TOTAL EXPENDITURE</b>		<b>28,504</b>	<b>31,044</b>	<b>59,548</b>	<b>50,337</b>	<b>8,553</b>	<b>58,890</b>
<b>Net (losses) / gains on investments</b>	11	<b>1,283</b>	-	<b>1,283</b>	<b>(384)</b>	-	<b>(384)</b>
<b>Net income / (expenditure) for the year</b>		<b>29,193</b>	<b>(21,888)</b>	<b>7,305</b>	<b>1,355</b>	<b>25,156</b>	<b>26,511</b>
Transfers between Funds	2	-	-	-	-	-	-
<b>Net Movement in Funds</b>		<b>29,193</b>	<b>(21,888)</b>	<b>7,305</b>	<b>1,355</b>	<b>25,156</b>	<b>26,511</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward 1 July 2020		17,669	25,156	42,825	16,314	-	16,314
<b>Total funds carried forward 30 June 2021</b>		<b>46,862</b>	<b>3,268</b>	<b>50,130</b>	<b>17,669</b>	<b>25,156</b>	<b>42,825</b>

The Group has no recognised gains or losses for the above two financial periods other than the net movement in funds shown above, all of which are derived from continuing operations.

# CHARITY STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 30 JUNE 2021

(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Year to 30 June 2021			Year to 30 June 2020		
		Unrestricted fund £'000	Restricted fund £'000	Total funds £'000	Unrestricted fund £'000	Restricted fund £'000	Total funds £'000
<b>INCOME AND ENDOWMENTS FROM:</b>							
<b>Donations and legacies</b>							
Donations	2	45,651	2,887	48,538	43,779	6,247	50,026
Income from joint operation		-	-	-	-	26,558	26,558
Gift aid on donations		5,446	-	5,446	3,651	-	3,651
Legacies	2	2,744	-	2,744	2,067	-	2,067
<b>Charitable activities</b>							
Gift aid payment from Children in Need Limited	9	447	-	447	698	-	698
Partnership funding	2	-	6,269	6,269	-	904	904
<b>Total income from donations and charitable activities</b>		<b>54,288</b>	<b>9,156</b>	<b>63,444</b>	<b>50,195</b>	<b>33,709</b>	<b>83,904</b>
<b>Investments</b>	11	1,004	-	1,004	895	-	895
<b>Other</b>		-	-	-	-	-	-
<b>Gifts in kind</b>	3	649	-	649	615	-	615
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>55,941</b>	<b>9,156</b>	<b>65,097</b>	<b>51,705</b>	<b>33,709</b>	<b>85,414</b>
<b>EXPENDITURE ON:</b>							
<b>Raising Funds</b>							
Cost of generating voluntary income	7	4,289	-	4,289	4,619	-	4,619
Cost of joint operation	7	-	10	10	-	86	86
Investment management fees	7	140	-	140	155	-	155
Children in Need Limited Cost Recovery	9	184	-	184	239	-	239
		<b>4,613</b>	<b>10</b>	<b>4,623</b>	<b>5,013</b>	<b>86</b>	<b>5,099</b>
<b>Charitable Activities</b>							
England		13,745	19,964	33,709	26,923	4,816	31,739
Scotland		1,920	2,195	4,115	2,930	1,226	4,156
Wales		1,014	1,283	2,297	2,138	428	2,566
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Adjustments to grants given	6	(699)	-	(699)	(908)	-	(908)
Training and support for grantees	5	16	-	16	32	-	32
Grantmaking, policy and impact	7	2,350	2,674	5,024	4,653	576	5,229
Governance	7	260	-	260	242	-	242
		<b>23,418</b>	<b>31,034</b>	<b>54,452</b>	<b>44,952</b>	<b>8,467</b>	<b>53,419</b>
<b>TOTAL EXPENDITURE</b>		<b>28,031</b>	<b>31,044</b>	<b>59,075</b>	<b>49,965</b>	<b>8,553</b>	<b>58,518</b>
<b>Net (losses)/gains on investments</b>	11	<b>1,283</b>	-	<b>1,283</b>	(384)	-	(384)
<b>Net income/(expenditure) for the year</b>		<b>29,193</b>	<b>(21,888)</b>	<b>7,305</b>	<b>1,356</b>	<b>25,156</b>	<b>26,512</b>
Transfers between Funds	2	-	-	-	-	-	-
<b>Net Movement in Funds</b>		<b>29,193</b>	<b>(21,888)</b>	<b>7,305</b>	<b>1,356</b>	<b>25,156</b>	<b>26,512</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward 1 July 2020		17,655	25,156	42,811	16,299	-	16,299
<b>Total funds carried forward 30 June 2021</b>		<b>46,848</b>	<b>3,268</b>	<b>50,116</b>	<b>17,655</b>	<b>25,156</b>	<b>42,811</b>

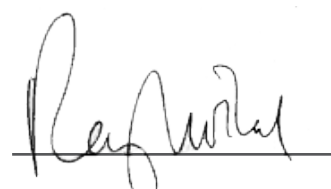
The Charity has no recognised gains or losses for the above two financial periods other than the net movement in funds shown above, all of which are derived from continuing operations.

# CONSOLIDATED AND CHARITY BALANCE SHEETS

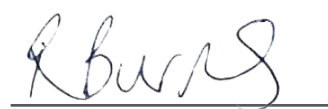
## AS AT 30 JUNE 2021

	Notes	Group 30 June 2021 £'000	Group 30 June 2020 £'000	Charity 30 June 2021 £'000	Charity 30 June 2020 £'000
<b>FIXED ASSETS</b>					
Tangible assets	10	97	123	97	122
Investment in subsidiary	9	-	-	-	-
Investments	11	28,893	24,240	28,893	24,240
		<b>28,990</b>	<b>24,363</b>	<b>28,990</b>	<b>24,362</b>
<b>CURRENT ASSETS</b>					
Investments	11	59,166	65,462	59,166	65,462
Stock		191	107	-	-
Debtors (including amounts due after more than one year)	12	10,563	26,421	10,834	26,658
Cash and cash equivalents		8,081	12,372	7,960	12,201
		<b>78,001</b>	<b>104,362</b>	<b>77,960</b>	<b>104,321</b>
Creditors: amounts falling due within one year	13	(43,015)	(58,745)	(42,988)	(58,717)
<b>NET CURRENT ASSETS</b>		<b>34,986</b>	<b>45,617</b>	<b>34,972</b>	<b>45,604</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>63,976</b>	<b>69,980</b>	<b>63,962</b>	<b>69,966</b>
Creditors: amounts falling due after more than one year	13	(13,846)	(27,155)	(13,846)	(27,155)
<b>NET ASSETS</b>		<b>50,130</b>	<b>42,825</b>	<b>50,116</b>	<b>42,811</b>
<b>RESERVES</b>					
Unrestricted funds	16	46,862	17,669	46,848	17,655
Restricted Grant Funds	16	3,268	25,156	3,268	25,156
<b>Total Designated Funds</b>		<b>50,130</b>	<b>42,825</b>	<b>50,116</b>	<b>42,811</b>
<b>TOTAL RESERVES</b>		<b>50,130</b>	<b>42,825</b>	<b>50,116</b>	<b>42,811</b>

The accounts on pages 61 to 80 were approved by the Trustees on 12 October 2021 and signed on their behalf by:



**Rosie Millard**  
Chair



**Rhona Burns**  
Treasurer

# CONSOLIDATED CASH FLOW STATEMENT

## FOR YEAR ENDED 30 JUNE 2021

	Schedule	Year to 30 June 2021 £'000	Year to 30 June 2020 £'000
<b>Cash flow from operating activities:</b>			
Net cash provided by operating activities	A	(8,180)	(12,501)
<b>Cash flow from investing activities:</b>			
Interest from investments		1,004	895
Purchase of equipment		(48)	(154)
Purchase of investments		(588,443)	(49,680)
Proceeds from sale of investments		591,377	72,364
<b>Net cash used in investing activities</b>		<b>3,890</b>	<b>23,425</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(4,290)</b>	<b>10,924</b>
<b>Cash and cash equivalents at the start of the reporting period</b>		<b>12,371</b>	<b>1,447</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>8,081</b>	<b>12,371</b>

### A. Reconciliation of net income to net cash flow from operating activities

	Year to 30 June 2021 £'000	Year to 30 June 2020 £'000
Net income for the year	7,305	26,511
Depreciation charges	73	124
Investment income	(1,004)	(895)
Loss / (gain) on investments	(1,283)	384
(Increase) in stock	(90)	(6)
(Increase) / decrease in debtors	15,860	(18,033)
(Decrease in creditors)	(29,041)	(20,586)
<b>Net cash inflow provided by operating activities</b>	<b>(8,180)</b>	<b>(12,501)</b>

### B. Analysis of cash and cash equivalents

	At 30 June 2020 £'000	Cash Flows £'000	At 30 June 2021 £'000
Cash at bank	12,371	(4,290)	8,081
Money market deposits	-	-	-
<b>Total cash and cash equivalents</b>	<b>12,371</b>	<b>(4,290)</b>	<b>8,081</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2021

### 1 Principal accounting policies

#### Basis of preparation

BBC Children in Need is a registered charity and a company limited by guarantee incorporated in England. The Registered Office is Bridge House, Media City UK, Salford M50 2BH.

These accounts have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. The Charity has adapted the Companies Act formats to reflect the SORP and the special nature of the Charity's activities. The Charity is a public benefit entity.

The accounts have been prepared on the going concern basis and under the historical cost convention with the exception of listed and unlisted investments which are included at market value.

As per page 57 the Trustees have a reasonable expectation that the Group will continue in existence for the next 12 months and, therefore, have adopted the going concern basis in preparing these accounts.

The accounts were authorised for issue on 12 October 2021 by the Board of Trustees.

The accounts are prepared in Sterling which is the functional currency of the Charity and Group and rounded to the nearest £'000. The Charity and Group's presentational currency is the same as its functional currency.

The Charity funds the costs of generating income and governance from Gift Aid, interest earned on Investments and with effect from the 19/20 financial year, up to 5p in the £ from unrestricted donations. This change was necessary due to reducing returns on investments and reduced income from Gift Aid, and now provides the Charity with a level of financial stability.

#### Income

All income with the exception of legacy income and gifts in kind is recognised once the Charity has entitlement to it, it is probable that the income will be received and the monetary value of the income can be measured with sufficient reliability.

Legacy income is recognised when the criteria of probability, measurement and entitlement are met. For pecuniary legacies this is considered to be on the granting of probate. For residuary legacies this is considered to be on the earlier of the date cash is received or the date final estate accounts are approved.

Donated services and facilities are treated as gifts in kind and are included as income (with an equivalent amount in

resources expended) at the estimated value to the charity. This income has been recognised as the benefit to the charity is reasonably quantifiable, measurable and material, the Charity is entitled to the donation in that control over the expected economic benefit has passed and it will more than likely flow to the charity (further details are given in Note 3).

#### Grant expenditure

Grant expenditure is recognised when grants are approved by Directors or Trustees and notified to the organisations concerned, payment is probable, it can be measured reliably and all conditions have been met. Grant expenditure not yet paid is recognised as a liability on the balance sheet. If grants are payable in less than one year they are classified as short term and if payable in more than one year then they are classified as long term. For grants payable in more than one year discounts for present value have not been applied on the basis of materiality.

#### Other expenditure

Expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation committing the Charity and Group to the expenditure, payment is probable and it can be measured reliably. Costs have been directly attributed to a particular heading in the Statement of Financial Activities on a headcount basis or on a time basis consistent with the use of the resource.

Cost of generating funds consists of costs incurred by the Charity in encouraging organisations and individuals to make voluntary contributions or to organise a fundraising event. This includes all costs of production and distribution of publicity materials, the costs of staff and other expenditure incurred in communicating with fundraisers and donors and the cost of Charity organised events and challenges.

Grant giving costs represent the cost of monitoring and evaluating projects to ensure the money is being used to maximum effect and ensuring that grantmaking is supported, processed and governed responsibly. This includes costs of staff who support the grantmaking process, external assessors, regional and national committee meetings and expenditure incurred in this process.

Governance costs include all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These include costs of staff, external audit and legal fees along with Trustee expenses and meeting costs.

Further details of other expenditure are shown in Note 7.

## Tangible fixed assets

Tangible assets costing more than £1,000 are capitalised, included at cost and written off over their useful lives on a straight line basis. Depreciation is provided on all tangible assets at rates calculated to write off the costs of each asset on a straight line basis over its expected useful life as follows:

IT equipment and software	3 years
Furniture, fixtures and fittings	3 years

Further details of assets are shown in Note 10.

## Investments

Grants are released in instalments across the life of the project (typically 3 years) therefore we will always have some funds that we hold in investments.

Investments are included in the Balance Sheet at mid-market value. All gains and losses are shown in the Statement of Financial Activities. They are classified as fixed investments if they represent grants awarded and payable in more than one year (presented as a long term creditor) and grant funds due to be awarded where the payment will be made in more than one year (presented as the grant fund). They are classified as current investments if they represent grants payable in less than one year.

Further details of fixed and current investments are given in Note 11.

## Stock

Stock is held by Children in Need Limited. Further details of the accounts of Children in Need Limited are given in Note 9. Stock is stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

## Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activity in the cost of generating voluntary income.

## Operating leases

Operating lease rentals are charged to the Statement of Financial Activity on a straight line basis over the period of the lease.

Further details of operating leases are given in Note 15.

## Retirement benefit plans

Employees of the Charity participate in defined benefit and defined contribution schemes operated by the British Broadcasting Corporation. The defined benefit schemes provide benefits based on pensionable pay. The assets of the BBC's main pension scheme, the BBC Pension Scheme, to which the majority of employees belong, are held separately from those of the BBC Group.

The BBC Pension Scheme is a group-wide scheme and there is no contractual agreement or stated policy for charging the net defined benefit cost to scheme participants. The contribution rates are set by the pension scheme trustees based on valuations which take a longer-term view of the assets required to fund the scheme's liabilities. Valuations of the scheme are performed by Willis Towers Watson, consulting actuaries, with formal valuations undertaken at least every three years. Accordingly, the Company accounts for contributions payable to the scheme as if the schemes were defined contribution schemes, as is required by IAS 19 Employee Benefits.

## Basic financial instruments

### (a) Financial assets

Basic financial assets represents stocks, trade debtors including amounts due by group undertakings; and cash and bank balances are initially recognised at transaction price. At 30 June 2021, the group and charity had only financial assets classified as basic financial instruments. Debtors receivable in less than one year are recorded at transaction price.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled.

### (b) Financial liabilities

Basic financial liabilities represents creditors including amounts owed to group undertakings are initially recognised at transaction price. At 30 June 2021, the group and charity had financial liabilities classified as basic financial liabilities.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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.

Amount owed to group undertakings which are basic financial instruments are initially recorded at the present value of future payments.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)

### Structure of Reserves

#### Unrestricted Funds

The Charity holds the majority of donation income in the Impact Continuity Fund which is designated to ensuring maximum positive impact on disadvantaged children and young people. The money is therefore spent on BBC Children in Need's grantmaking activity, grantmaking policy and making an impact - charitable initiatives designed to make a positive difference to the lives of children and young people. This includes making awards to projects and the cost of allocating, monitoring and evaluating grants to ensure that donations are being used to maximum effect. It is not always possible to accurately match the amount of grant making activity with the amount of income in any one year therefore any unspent income is always monitored separately.

The Charity holds Gift Aid from unrestricted donations, interest earned on Investments and up to 5p in the £ from unrestricted donations in the general continuity fund. This fund is used to cover the costs of generating income and other activities which support the governance, growth and development of the Charity. A proportion is also held in reserve to cover any potential investment losses generated through short term volatility and to fund a potential short term funding deficit should future income levels fall unexpectedly.

Other Non-Grant funds also include the net assets of Children in Need Limited.

Gifts in kind is allocated across the two funds based on direct staff allocation.

#### Restricted Funds

This is restricted income held to further a specific purpose of the Charity as stipulated by the donor and is accounted for accordingly and presented separately on the face of the Statement of Financial Activities. This may also include associated Gift Aid which is also deemed to be restricted in use. This spend includes making awards to projects and the cost of allocating, monitoring and evaluating grants.

Where the donor expresses a form of non-binding preference as to the use of the funds, this falls short of imposing a formal restriction and the Charity will include the relevant donations as part of its unrestricted funds.

#### Consolidation

These consolidated accounts incorporate the results of BBC Children in Need and its wholly owned subsidiary undertaking, Children in Need Limited, for the year ended 30 June 2021, on a line by line basis. Children in Need Limited is a company registered in England and Wales and exists primarily to sell Children in Need merchandise and license products using the Pudsey Bear trademark.

No separate Cash Flow Statement has been prepared for the Charity as permitted by Section 408 of the Companies Act 2006 and FRS102 respectively.

#### Loan to Children in Need Limited

The interest bearing loan is a basic financial instrument and is recorded at fair value on both initial recognition and subsequent recognition. As the loan is repayable on demand fair value is equal to face value.

#### Judgements and estimates

The preparation of the accounts requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for income and expenditure during the year.

Judgement has been applied in the consideration of what gifts in kind are included in the Charities accounts. The gift in kind has been accounted for where the actual expenditure incurred by the BBC or corporate partner can be measured reliably and the Charity has received the benefit. Many of the other elements of BBC support are very difficult to quantify as they are not discrete activities but embedded, partly as newsworthy and entertainment content, within the operations and business of the BBC. The Appeal show provides valuable content, which attracts a large audience, and without it the BBC would have to produce alternative content. As such the full value of support provided by the BBC has not been included in the Charity's Statement of Financial Activities

## 2 INCOME

Income from donations totalling £48,228k (2020: £75,193k) is generated from direct public support, our Corporate Partners and BBC Programmes. Together with partnership funding, legacies, licensed and trading income and Gift Aid the total reported is £63,444k (2020: £83,904k). Total income per the Charity Statement of Financial Activities is £65,097k (2020: £84,414k).

	Unrestricted funds				Restricted funds		Total 2021 £000	Total 2020 £000
	Direct public support £000	High value donors & partnerships £000	BBC programmes £000	Other £000	Direct public support £000	High value donors & partnerships £000		
Schools	4,122	-	-	-	-	-	4,122	5,061
Public fundraising	3,264	-	-	-	-	-	3,264	3,936
Donations	17,363	3,635	17,266	-	-	2,578	40,842	66,196
<b>TOTAL DONATIONS</b>	<b>24,749</b>	<b>3,635</b>	<b>17,266</b>	<b>-</b>	<b>-</b>	<b>2,578</b>	<b>48,228</b>	<b>75,193</b>
Partnership funding	-	-	-	-	-	6,269	6,269	904
Legacies	2,744	-	-	-	-	-	2,744	2,067
Product income	178	269	-	-	-	-	447	698
Gift aid on donations	5,446	-	-	-	310	-	5,756	5,042
<b>TOTAL INCOME FROM CHARITABLE ACTIVITIES</b>	<b>33,117</b>	<b>3,904</b>	<b>17,266</b>	<b>-</b>	<b>310</b>	<b>8,847</b>	<b>63,444</b>	<b>83,904</b>
Return on investments				1,004			1,004	895
Gift in Kind				649			649	615
<b>RECONCILIATION TO CHARITY SOFA</b>							<b>65,097</b>	<b>85,414</b>
Less Gift in Kind				(649)			(649)	(615)
Less (losses) / plus gains on investments				1,283			1,283	(384)
<b>TOTAL INCOME</b>				<b>56,574</b>		<b>9,157</b>	<b>65,731</b>	<b>84,415</b>

How the above income has been utilised in the year is shown below.

USED TO COVER					
Grant Awards		(20,792)	(28,360)	(49,152)	(47,916)
Costs of grantmaking		(1,988)	(2,674)	(4,662)	(4,904)
Costs of Generating Income and Governance		(4,602)	(10)	(4,612)	(5,084)
Movement in reserves		(29,192)	21,887	(7,305)	(26,511)
		<b>(56,574)</b>	<b>(9,157)</b>	<b>(65,731)</b>	<b>(84,415)</b>

Income from donations of £48,228k plus gift aid from The Big Night In follow on donations of £310k reconciles to the donation income reported on the face of the SOFA.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)

### 3 GIFTS IN KIND

BBC Children in Need is the UK corporate Charity of the BBC and as such is supported by the BBC in a number of ways including but not limited to:

- the provision of office space and other services at no charge;
- the preparation and broadcast of the annual television BBC One Appeal Show including national and regional programming content;
- the extensive support of programmes across all platforms both on the day of the Appeal and the campaign build up;
- significant promotional support and coverage of the Appeal across the BBC local television and radio network in the days before the Appeal and on Appeal night.

The costs of support through the provision of office space and other services for the last financial year have been calculated as £649k (2020 - £615k) based on actual office space utilised by BBC Children in Need during the year. This amount has been recorded as income, with an equal amount included in expenditure, in the statement of financial activities as it meets the recognition criteria set out in the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019.

	Group 2021 £'000	Group 2020 £'000
Provision of office space	649	615
	649	615

Please refer to note 1 on page 65 for disclosure of key judgements in relation to Gifts in Kind.

### 4 GRANT EXPENDITURE

The grants given to charities and organisations fall into the bands detailed below:

	Qty	2021 £'000	Qty	2020 £'000
£1 - £1,000	1	1	6	6
£1,001 - £5,000	26	102	976	3,062
£5,001 - £10,000	712	6,792	1,162	10,971
£10,001 - £25,000	175	3,026	60	1,160
£25,001 - £100,000	478	30,803	221	14,005
Over £100,000	37	9,127	111	19,620
	<b>1,429</b>	<b>49,851</b>	<b>2,536</b>	<b>48,824</b>

In the year ended June 2021 £49,851k before returns (2020: £48,824k) was awarded to projects and programmes.

Of this amount direct responsive funding totalled £42,617k (2020: £40,794k), £3,000k (2020: £4,135k) was awarded to our Emergency Essentials programme and £4,234k (2020: £3,940k) across other partnership programmes.

For further details on the purpose and policy grantmaking refer to the Trustee Report (page 22).

### 5 SUPPORT, EVALUATION AND TRAINING

Some organisations, particularly those where the Charity is funding a staff post, are given training and support in how to measure and report the difference their project is making to the children and young people they work with. The cost in 2021 amounted to a value of £16k (2020: £32k).

### 6 ADJUSTMENTS TO GRANTS GIVEN

An amount of £699k (2020: £908k) has been written back to the Statement of Financial Activities. This represents adjustments to grants and the full and partial return of grants that have been awarded in the current and the prior year which would arise when the project cannot fulfil the agreed outcomes. This amount is added back to the total available for future award.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)

### 7 OPERATING COSTS

In order to administer the Charity efficiently, fundraise creatively, manage the funds raised professionally and operate as an effective grant maker, BBC Children in Need incurs costs.

Where staff work across more than one area, costs are allocated based on the proportion of time spent on the areas of generating voluntary income, governance and making an impact which includes the cost of grantmaking. Office & IT costs and professional fees are allocated based on usage. The BBC Gift in Kind to support the provision of office space together with depreciation is allocated on staff numbers.

	Staff costs £'000	Support costs £'000	Other direct costs £'000	2021 total £'000	2020 total £'000
<b>Costs of generating funds</b>					
Cost of generating voluntary income <i>including joint operation</i>	2,081	1,080	1,138	4,299	4,705
Investment management fees	-	-	140	140	155
Trading operating costs	75	-	582	657	611
<b>Charitable activities</b>					
Grantmaking, policy & Impact	3,129	1,168	727	5,024	5,229
Governance	76	180	3	260	242
	<b>5,361</b>	<b>2,428</b>	<b>2,590</b>	<b>10,380</b>	<b>10,942</b>
Gifts in kind				(649)	(615)
<b>Operating costs</b>				<b>9,731</b>	<b>10,327</b>

Specific expenditure items included in the figures above are:

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Depreciation	73	124	72	112
Operating leases	16	22	16	22
Reimbursement of trustees expenses	-	6	-	6
<b>Auditors' remuneration:</b>				
Audit of these accounts	46	46	46	46
Audit of the charity's subsidiary pursuant to the legislation	2	2	-	-
Taxation compliance services	1	2	1	1
Legal fees	33	36	33	36

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)

Support costs are broken down as:

	Staff costs £'000	Office and IT costs £'000	Depreciation £'000	Professional fees £'000	Gifts in kind £'000	2021 total £'000	2020 total £'000
<b>Costs of generating funds</b>							
Cost of generating voluntary income	594	138	33	53	262	1,080	1,328
<b>Charitable activities</b>							
Grant giving costs	574	133	32	51	378	1,168	1,326
Governance	124	29	7	11	9	180	179
	<b>1,292</b>	<b>300</b>	<b>72</b>	<b>115</b>	<b>649</b>	<b>2,428</b>	<b>2,833</b>

### 8 EMPLOYEE AND PENSION INFORMATION

The average number of persons employed during the period split by function is as follows:

	Group 2021	Group 2020	Charity 2021	Charity 2020
Generating funds	55	55	53	53
Grant giving	84	77	84	77
Governance	3	3	3	3
	<b>142</b>	<b>135</b>	<b>140</b>	<b>133</b>

The equivalent number of full time staff is 133 (2020: 128).

The breakdown of the group's salary costs is as follows:

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Wages and salaries	5,442	5,284	5,391	5,196
Social Security costs	550	542	545	533
Pension costs	493	472	489	468
Other staff costs	154	144	154	140
	<b>6,639</b>	<b>6,442</b>	<b>6,579</b>	<b>6,337</b>

#### Pension Costs

##### Defined benefit schemes:

The Company accounts for the BBC Pension Scheme as if it were a defined contribution scheme. This is because it is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

The pension costs for both schemes represent contributions payable by the Charity to the funds and this amounted to £493k in the year (2020: £472k).

Information about the scheme deficit that may affect the amount of future contributions, including the basis used to determine that deficit and the implications, can be found within notes C6 and C7 of the BBC Annual Report and Accounts.

## Remuneration

Trustees do not receive any remuneration or receive any other benefits for their roles as Trustees. Trustee expenditure includes the reimbursement of expenses incurred by Trustees while carrying out their duties for the Charity, primarily for travel expenses of Trustees not based in London to attend meetings. No expenses were paid in the period to any trustees (2020: £5,989 to 5 trustees).

The emoluments of employees who are higher paid fell into the following bands of £10,000:

	Group 2021	Group 2020
£60,000 - £69,999	7	5
£70,000 - £79,999	2	2
£80,000 - £89,999	1	1
£90,000 - £99,999	1	2
£100,000 - £109,999	1	2
£110,000 - £119,999	1	-
£120,000 - £129,999	-	-
£130,000 - £140,000	1	1
	<b>14</b>	<b>13</b>

The emoluments paid to the Chief Executive in the year were £138,198 (2020: £137,917).

Retirement benefits are accruing under defined benefit schemes for one (2020: one) of the above higher paid members of staff.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)

### 9 INVESTMENT IN SUBSIDIARY

BBC Children in Need owns 100% of the issued ordinary share capital of £2 of Children in Need Limited (registered company 2461031), a company registered in England and Wales, which licenses products using the Pudsey Bear trademark.

A summary of the trading results and balance sheet of Children in Need Limited is set out below.

Turnover of £651k is derived from the sale of merchandise to the public through our online store and fundraising events (2020: £561k). In addition, Corporate Partners purchase BBC Children in Need product to support their fundraising activities as well as sell their own products licensed by Children in Need Limited, for this a license fee is charged £269k (2020: £509k).

	Year to 30 Jun 21 £'000	Year to 30 Jun 20 £'000
Turnover	920	1,070
Product cost of sales	(473)	(371)
<b>Contribution</b>	<b>447</b>	<b>699</b>
Other cost of sales	(62)	(75)
<b>Gross profit</b>	<b>385</b>	<b>624</b>
Operating expenses	(122)	(166)
<b>Net profit</b>	<b>263</b>	<b>458</b>
Gift aid payment to BBC Children in Need Appeal	(263)	(458)
<b>Retained in Children in Need Limited</b>	<b>-</b>	<b>-</b>
	<b>30 Jun 21 £'000</b>	<b>30 Jun 20 £'000</b>
<b>Fixed assets</b>		
Tangible assets	-	1
<b>Current assets</b>		
Stock	191	107
Debtors	242	61
Cash at bank and in hand	122	172
<b>TOTAL CURRENT ASSETS</b>	<b>555</b>	<b>340</b>
Creditors: amounts falling due within one year	(540)	(326)
<b>Net current assets / (liabilities)</b>	<b>15</b>	<b>14</b>
Total assets less current liabilities	15	15
Creditors: amounts falling due after more than one year		
<b>Net assets</b>	<b>15</b>	<b>15</b>
Share capital	-	-
Profit and loss account	15	15
<b>Total funds</b>	<b>15</b>	<b>15</b>

## 10 TANGIBLE ASSETS

Group	IT equipment & software £'000	Furniture, fixtures & fittings £'000	Total £'000
<b>Cost</b>			
As at 01 July 2020	731	1	732
Additions	48	-	48
Disposals	-	-	-
<b>As at 30 June 2021</b>	<b>779</b>	<b>1</b>	<b>780</b>
<b>Accumulated depreciation</b>			
As at 01 July 2020	609	1	610
Charge for the year	73	-	73
Disposals	-	-	-
<b>As at 30 June 2021</b>	<b>682</b>	<b>1</b>	<b>683</b>
<b>Net Book Value</b>			
As at 30 June 2020	122	-	122
<b>As at 30 June 2021</b>	<b>97</b>	<b>-</b>	<b>97</b>
<b>Charity</b>			
Charity	IT equipment & software £'000	Furniture, fixtures & fittings £'000	Total £'000
<b>Cost</b>			
As at 01 July 2020	656	1	657
Additions	48	-	48
Disposals	-	-	-
<b>As at 30 June 2021</b>	<b>704</b>	<b>1</b>	<b>705</b>
<b>Accumulated depreciation</b>			
As at 01 July 2020	535	1	536
Charge for the year	72	-	72
Disposals	-	-	-
<b>As at 30 June 2021</b>	<b>607</b>	<b>1</b>	<b>608</b>
<b>Net Book Value</b>			
As at 30 June 2020	121	-	121
<b>As at 30 June 2021</b>	<b>97</b>	<b>-</b>	<b>97</b>

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)

### 11 FIXED AND CURRENT INVESTMENTS

The portion of the Group and Charity's investment portfolio that is classified as fixed investments relate to grant creditors committed, or grants to be awarded and payable in more than one year. Current investments relate to grant creditors committed, or grants to be awarded and due for payment within one year plus any other short term liabilities.

Investments are analysed below, between Fixed Income and Alternatives. Fixed Income includes certificates of deposit, floating rate notes, gilts and high-quality corporate bonds. Alternatives include other income generating assets, such as property and securitised credit funds. Investments are valued at current market value as at 30 June 2021.

Income in the year of £2,287k relates to interest earned on investments held in the year £1,004k plus revaluation gains £1,283k (2020: £511k (£895k interest and £384k losses)).

	2021 £'000	2020 £'000
<b>Market Value at 1 July 2020</b>	<b>89,702</b>	<b>112,772</b>
Add: acquisitions at cost	585,200	47,735
Less: disposals at market value	(591,377)	(72,364)
Add: net gains / (losses) on revaluation	1,283	(384)
<b>Market Value at 30 June 2021</b>	<b>84,808</b>	<b>87,759</b>
Add: deposits held at financial institutions	6,502	3,251
Less: deposits held at financial institutions at 30 June 2020	(3,251)	(1,308)
<b>Total Investments at 30 June 2021</b>	<b>88,059</b>	<b>89,702</b>

The investments can be analysed as follows:

	2021		2020	
	Valuation £'000	Cost £'000	Valuation £'000	Cost £'000
<b>Fixed income</b>				
-maturing in more than 1 year	7,614	7,611	28,818	28,422
-maturing in less than 1 year	40,506	40,570	18,428	18,156
<b>Alternatives</b>				
-maturing in more than 1 year	33,437	31,846	39,205	39,187
-maturing in less than 1 year	-	-	-	-
Deposits held with financial institutions	6,502	6,502	3,251	3,251
	<b>88,059</b>	<b>86,529</b>	<b>89,702</b>	<b>89,016</b>
Included as:				
Fixed asset investments	28,893	28,893	24,240	24,240
Current investments	59,166	57,636	65,462	64,776
	<b>88,059</b>	<b>86,529</b>	<b>89,702</b>	<b>89,016</b>

Included within the above totals are cash and cash equivalents of £6,502k (2020: £3,251k) and listed investments of £30,928k (2020: £46,400k).

## 12 DEBTORS

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Trade debtors	437	500	385	439
Amounts owed by subsidiary undertaking	-	-	513	298
Other debtors	3,886	4,785	3,886	4,785
Taxation	2	2	2	2
Prepayments and accrued Income	5,669	21,134	5,479	21,134
	<b>9,994</b>	<b>26,421</b>	<b>10,265</b>	<b>26,658</b>
<b>Amounts falling due after more than one year</b>				
Other debtors	569	-	569	-
	<b>569</b>	<b>-</b>	<b>569</b>	<b>-</b>

Included in the £513k amount owed by subsidiary undertaking is a receivable from Children In Need Limited for gift aid of £263k and £150k intercompany loan which is repayable on demand, these amounts are net of income owed to the subsidiary.

The accrued income relates mainly Corporate and Grant Partnership income still to be received and amounts falling due after more than one year relates to income due from The Hunter Foundation.

## 13 CREDITORS

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
<b>Amounts falling due within one year</b>				
Trade creditors	67	1,278	65	1,278
Grants payable	42,549	56,318	42,549	56,318
Accruals and deferred income	397	1,123	374	1,123
Taxation	2	26	-	-
	<b>43,015</b>	<b>58,745</b>	<b>42,988</b>	<b>58,717</b>
<b>Amounts falling due after more than one year</b>				
Grants payable	13,846	27,155	13,846	27,155
	<b>13,846</b>	<b>27,155</b>	<b>13,846</b>	<b>27,155</b>

Within grants payable, £42,549k (2020: £56,318k) is due to be paid within one year and £13,846k (2020: £27,155k) paid within the next two to three years.

Included in accruals and deferred income is an amount of £25k (2020: £25k) related to deferred income.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)

### 14 FINANCIAL INSTRUMENTS

The group has the following financial instruments:

	Notes	Group 2021 £'000	Group 2020 £'000
Financial assets measured at amortised cost are: trade debtors, accrued income, cash and other debtors excluding prepayments	11, 12	24,520	41,923
Financial assets measured at fair value through income and expenditure	11	81,557	86,451
Financial liabilities at amortised cost are: trade creditors, grants payable, other creditors, accruals excluding deferred income	13	56,859	85,900

### 15 OPERATING LEASES

	Group		Group	
	Land & buildings 2021 £'000	Other 2021 £'000	Land & buildings 2020 £'000	Other 2020 £'000
<b>Operating leases which expire:</b>				
- within one year	-	19	-	2
- later than one year and not later than five years	-	23	-	1
	-	42	-	3

### 16 FUNDS

The fund balances and movements are shown in the table on page 50, the targeted funds are shown on page 52.

**Unrestricted Funds** are held for the following purposes:

- The 'Impact Continuity Fund' of £35.0m is held to cover uncertainty of income available to fund impact activity and/or exceptional requirement for funding
- The 'General Continuity Fund' of £6.6m is held to cover uncertainty of income available to fund general operating costs.
- The 'Development Fund' of £0.3m is to allow for future investment and respond to growth opportunities.
- The 'Investment Continuity Fund' of £5.0m is to manage volatility or total return (capital value or income) from income generating assets.

## Restricted Funds - £3.3 million (2020: £25.2m)

All funds donated in the year have been awarded as per agreed restrictions.

		Public £'000	DCMS £'000	The Hunter Foundation £'000	Corporate Partnerships £'000	Youth Futures Foundation £'000	Total £'000
<b>Opening Balance</b>	<b>Impact</b>	<b>17,923</b>	<b>4,146</b>	<b>3,000</b>	<b>87</b>	<b>-</b>	<b>25,156</b>
Asda	Emergency Essentials				1,846		1,846
Boots	Mental Health				732		732
Wellcome Trust	Curiosity				269		269
Youth Futures Foundation	Employability					3,500	3,500
TBNI & DCMS	Covid Issues	310	2,500				2,810
<b>Income</b>		<b>310</b>	<b>2,500</b>	<b>-</b>	<b>2,847</b>		<b>9,157</b>
England		12,355	4,389			3,220	19,964
Scotland		1,782	413				2,195
Wales		1,052	231				1,283
Northern Ireland		1,151	200				1,351
UK wide grants		192	952		2,423		3,567
<b>Grant Spend</b>		<b>16,532</b>	<b>6,185</b>	<b>-</b>	<b>2,423</b>	<b>3,220</b>	<b>28,360</b>
<b>Costs Of Grantmaking</b>		<b>1,691</b>	<b>461</b>		<b>242</b>	<b>280</b>	<b>2,674</b>
<b>Costs of Generated Income</b>		<b>10</b>					<b>10</b>
<b>Closing Balance</b>		<b>-</b>	<b>-</b>	<b>3,000</b>	<b>269</b>	<b>-</b>	<b>3,269</b>

Income generated by the public response to The Big Night In (TBNI) in April 2020 together with funding from the Department for Digital, Culture, Media and Sport (DCMS) was fully spent in the year on Covid-19 related issues. Support from our Corporate Partner Asda was fully spent in the year on the Emergency Essential programme which provides basic essential items to families affected by severe poverty and Donations from Boots continued to support work supporting Mental Health. The Youth Futures Foundation provided joint funding to the Inspiring Futures Programme which was developed to improve employment outcomes for children and young people aged 10-24.

Unspent restricted funds include £3m from The Hunter Foundation (THF) and £0.3m from Wellcome Trust. A programme funded by THF is being developed to support Children on the edge of the care system and will start to be spent in the 21/22 financial year, and additional funding from Wellcome Trust will enable BBC Children in Need to deliver the remainder of the Curiosity programme.

## 17 TAXATION

BBC Children in Need, a company limited by guarantee was registered as a Charity on 7 August 2003. The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)

### 18 RELATED PARTIES

#### Subsidiary Undertaking

During the year the Charity entered into transactions with a related party, in the ordinary course of the charities activity. Trading balances outstanding at 30 June are as follows:

	2021 £'000	2020 £'000
Subsidiary Undertaking	513	278

The Company has taken advantage of the exemption under paragraph 33.1a of FRS 102 not to disclose transactions with the parent company as it is wholly owned.

At the year end BBC Children in Need had a creditor balance with the BBC Group of £0m (2020: £1.1m) as the recharge of employee costs for the year was fully paid up.

#### Key Management Personnel

All principal officers who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel. Total remuneration in respect of these individuals is £738k (2020: £765k).

