

**NWG Network
Company Limited by Guarantee
Financial Statements
31 March 2021**

ALLEN, WEST AND FOSTER LIMITED
Chartered Accountants & statutory auditor
Omega Court
364-366 Cemetery Road
Sheffield
S11 8FT

NWG Network

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2021

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NWG Network

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name NWG Network

Charity registration number 1125632

Company registration number 06557851

Principal office and registered office Suite 2 Innovation House
East Service Road
Raynesway
Derby
DE21 7BF

The trustees

R Cadman-Jones	
M Haughton	
N J Moulden	(Retired 8 February 2021)
G M B Nicholson	
S A Rose	
C Lewis	
J Storer	
N Jones	(Appointed 22 May 2020)
Dr C Harris	(Appointed 19 May 2020)

Auditor

Allen, West and Foster Limited
Chartered Accountants & statutory auditor
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S11 8FT

NWG Network

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) (*continued*)

Year ended 31 March 2021

Structure, governance and management

Governing documents

NWG is constituted as a company limited by guarantee, incorporated on 7th April 2008. The work of the charity is governed by the Memorandum and Articles of Association which were updated in April 2015.

Recruitment and appointment of new trustees

A director (who also serves as a trustee and management group member) must be aged 18 years or older. Directors are appointed at the Annual General Meeting or by the other directors. The Articles of Association contains the normal explanation of the duties involved. At each Annual General Meeting, one third of the directors, or, if their number is not 3 or a multiple of 3, the number nearest to one third, must retire from office by rotation. Retiring directors can stand for reappointment again if they wish to do so. However a trustee can only stand for 3 consecutive terms. Should they wish to return they can stand for reappointment after a 12 month period. Potential directors could be identified by personal recommendation, or by advertising the vacancy via the mailing list.

Membership Structure

The NWG Network is made up of professionals who are individuals, organisations and projects who work with young people at risk of, or affected by, sexual exploitation, or those undertaking policy and research work in this area.

There is a fixed fee structure for individuals and projects allowing full paying members access to the whole website.

Risk Management

The trustees have a duty to identify and review the risks to which the charitable company is exposed, and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees undertake this duty through the maintenance of a risk register which is updated on an ongoing basis. The entire register is reviewed on an annual basis.

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Trustees' Annual Report (Incorporating the Director's Report) (continued)

Year ended 31 March 2021

Objectives and activities

The charities objects are to promote, enable and develop the protection of children and young people who are affected by sexual exploitation, in particular but not exclusively by:

- providing forums for projects or organisations concerned with the sexual exploitation of young people
- providing links into current research, policy and project developments within the field of sexual exploitation of young people, and offering opportunity for examples of good, improving and developing practice to be shared and discussed
- encouraging the co-ordination of different approaches and aiming to contribute to the development of a UK wide policy and practice concerning the sexual exploitation of young people
- encouraging a child centred practice that recognises and respects diversity
- developing an appropriate support network for services working with young people at risk of, or experiencing sexual exploitation
- enabling the charity to be heard as a collective group of projects and organisations working in the field of sexual exploitation
- assisting in the eradication of the sexual exploitation of young people.

The policies adopted in furtherance of these objects are in accordance with the Memorandum and Articles of Association and other policies and procedures including the Child Protection policy and the Equality and Diversity policy. All policies are being reviewed alongside a review of the governance structure.

Public Benefit

Our aims and objectives fall within the description of the charitable purposes set out in the Charities Act 2006. The very nature of the aims and objectives is, we believe, self evidently open, outward looking and inclusive. and therefore for the public benefit. The directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Details of activities undertaken to further the aims and objectives

The NWG is a unique organisation in that it is the only body which represents and directly supports all those who work with sexually exploited children and young people. A full range of NWG meetings, activities and training events took place over the last year. The NWG remains the only UK wide network in contact with all providers of child sexual exploitation services and with an in-depth knowledge of provision across the country. One of its key strengths has been its ability to unite extremely diverse services (our membership covers statutory, voluntary and private sector organisations, generic and specialist youth provision, child protection organisations, research, policymakers and frontline practitioners) to work together effectively in this area. We have continued to work with government departments through working groups and roundtable events, individual meetings with a range of teams working on different aspects of Child Sexual Exploitation and trafficking within the UK.

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Trustees' Annual Report (Incorporating the Director's Report) (*continued*)

Year ended 31 March 2021

Achievements and performance

The last year has been a testing one for everyone, changing practice to suit the restrictions we all faced and ensuring we supported practitioners to better respond to the child protection risks during the Covid-19 pandemic has been a challenge for all.

The disruption to daily routines, families, and our communities will have had negative consequences for many children and young people's wellbeing and in some cases their own safety.

Our work has developed into sharing the evolving practice virtually so that access for practitioners is easy, learning from each other, sharing innovative ways of engaging with young people and their families, what has worked and more importantly what are the improved ways of working that we will take forward with us post pandemic.

Our network was as always ready to help each other to manage the challenges they faced and supported each other to find ways forward. We have seen incredibly committed practitioners working so hard to ensure their young people were responded to in the best ways they could. We know that post pandemic there will be further challenges as the opportunities to recognise the vulnerabilities and harm some children will have experienced and that service are likely to be further stretched to meet the need.

The year has seen us develop resources with partners to support frontline practitioners such as the 'Parents as Safeguarding Partners Benchmarking Tool 2021', the Missing Children's Response Assessment tool 2021, we were part of the Commissioning Group for the Centre of Social Justice 'Unsafe Children' report and Expert Reference for the paper released by Home Secretary Priti Patel, 'Group based child Sexual Exploitation Characteristics of Offending'.

Our Child Exploitation Awareness Day was another virtual event that went well again. The benefit this year is that many local authorities, charities, police forces and others now have the day firmly embedded in their annual diaries which makes the rollout of the day so much more effective.

Our annual conference went virtual too, with presentation from the Right Honourable Sajid Javid, Thorn from the USA, Plymouth Children's Partnership, Lucy - a parent and Gavin McKenna alongside a range of special interest groups sharing practice and research. We thank them and all the network who contributed to conference for sharing their work and experiences with us.

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Trustees' Annual Report (Incorporating the Director's Report) (*continued*)

Year ended 31 March 2021

Financial review

During the year there has been an increase in the level of unrestricted reserves. At the beginning of the year these reserves stood at £220,330 and at the 31st March 2021 had moved to £250,094.

In order to achieve the objects of our strategic plan, NWG will aim:

- to continue to involve young people in consultation around issues of sexual exploitation
- to increase professional knowledge
- to share effective practice
- to develop a wide range of resources
- to work with a range of law enforcement agencies to improve responses
- to work with statutory, voluntary and community agencies, private and social enterprise companies to educate, prevent and improve responses to child sexual exploitation.

We will continue to maintain accurate records of income and expenditure and exercise vigorous financial management. We will produce regular financial reports as well as audited annual financial statements in accordance with SORP, Charity Commission and Companies House requirements.

Principal Funding Sources

The principal funding sources for the charity are set out in note 5.

Investment Policy

The Board has considered the most appropriate policy for investing funds subject to the overriding requirement of maintaining liquidity of funds. For the present it has concluded that excess funds are to be invested with the bank and available for immediate access.

Reserves Policy

The Board has considered the level of reserves that are required, and has concluded that 3 to 6 months of normal expenditure is the minimum that should be retained at present.

This level of reserves will be reviewed on an annual basis in the future.

A review of the grant contracts has led to a move in definition of which grant funding is classed as restricted and which unrestricted. As such most of the grants have been moved into the restricted category. This has had the consequence of suggesting significant spend of our unrestricted over the last 2 years but should be understood under this new context.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 13 September 2021 and signed on behalf of the board of trustees by:

Mr S A Rose
Chair of Board of Trustees

NWG Network

Company Limited by Guarantee

Independent Auditor's Report to the Members of NWG Network

Year ended 31 March 2021

Opinion

We have audited the financial statements of NWG Network (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 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 financial statements section of our report. We are independent of the charity 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 the provisions available for small entities, in the circumstances set out below, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out below:

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 charity'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.

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Company Limited by Guarantee

Independent Auditor's Report to the Members of NWG Network (*continued*)

Year ended 31 March 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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Company Limited by Guarantee

Independent Auditor's Report to the Members of NWG Network (*continued*)

Year ended 31 March 2021

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

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Company Limited by Guarantee

Independent Auditor's Report to the Members of NWG Network (continued)

Year ended 31 March 2021

Auditor's responsibilities for the audit of the financial statements

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.

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

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

Audit risks identified

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management, about their own identification and assessment of the risks of irregularities;
- any matters we identified having made enquiries about the documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to income recognition, banking procedures and segregation of duties. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code and local tax legislation.

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 may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

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Independent Auditor's Report to the Members of NWG Network (continued)

Year ended 31 March 2021

As a result of performing the above, we identified income recognition, management override of controls and related party transactions as key audit matters related to the potential risk of fraud. In order to mitigate the risk identified, enquiries were made of key management personnel as to the processes surrounding the recording of transactions and recognition of income, including agreement to remittance advices and grant agreements. The existence of related parties was enquired about with key management personnel and throughout the audit and review of the accounts (as well as the transactions included therein) it was ensured that there were no disclosable items or transactions which had not been conducted at arms length.

In addressing the risk of fraud through management override of controls, our procedures included reviewing and testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business. Due to the minimal number of transactions throughout the financial year it was clear that there had been no management override of controls and that each transaction had been correctly and properly recorded as appropriate.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

NWG Network

Company Limited by Guarantee

Independent Auditor's Report to the Members of NWG Network (*continued*)

Year ended 31 March 2021

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Allen ACA FCCA (Senior Statutory Auditor)

For and on behalf of
Allen, West and Foster Limited
Chartered Accountants & statutory auditor

Omega Court
364-366 Cemetery Road
Sheffield
S11 8FT

13 September 2021

NWG Network

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2021

	Note	Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
Incoming resources					
Voluntary income	5	53,346	644,108	697,454	555,437
Investment income	6	157	—	157	622
Other income	7	<u>10,239</u>	—	10,239	—
Total income		<u>63,742</u>	<u>644,108</u>	707,850	<u>556,059</u>
Expenditure					
Expenditure on raising funds:					
Costs of generating voluntary income	8	12,516	6,016	18,532	40,736
Expenditure on charitable activities	9,10	<u>21,462</u>	<u>538,882</u>	560,344	<u>765,799</u>
Total expenditure		<u>33,978</u>	<u>544,898</u>	578,876	<u>806,535</u>
Net income/(expenditure) and net movement in funds		<u>29,764</u>	<u>99,210</u>	128,974	<u>(250,476)</u>
Reconciliation of funds					
Total funds brought forward		<u>220,330</u>	<u>131,440</u>	351,770	<u>602,246</u>
Total funds carried forward		<u>250,094</u>	<u>230,650</u>	480,744	<u>351,770</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 25 form part of these financial statements.

NWG Network

Company Limited by Guarantee

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	16	3,905	5,207
Current assets			
Debtors	17	16,926	28,127
Cash at bank and in hand		519,116	377,805
		536,042	405,932
Creditors: amounts falling due within one year	18	59,203	59,369
Net current assets		476,839	346,563
Total assets less current liabilities		480,744	351,770
Net assets		480,744	351,770
Funds of the charity			
Restricted funds		230,650	131,440
Unrestricted funds		250,094	220,330
Total charity funds	20	480,744	351,770

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

These financial statements were approved by the board of trustees and authorised for issue on 13 September 2021, and are signed on behalf of the board by:

Mr G M B Nicholson
Treasurer

Company registration number: 06557851

The notes on pages 16 to 25 form part of these financial statements.

NWG Network

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Statement of Cash Flows

Year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income/(expenditure)	128,974	(250,476)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	1,302	1,735
Other interest receivable and similar income	(157)	(622)
Interest payable and similar charges	637	571
Accrued expenses	24,312	2,205
<i>Changes in:</i>		
Trade and other debtors	11,201	104,040
Trade and other creditors	<u>(24,478)</u>	<u>47,682</u>
Cash generated from operations	141,791	(94,865)
Interest paid	(637)	(571)
Interest received	157	622
Net cash from/(used in) operating activities	<u>141,311</u>	<u>(94,814)</u>
Net increase/(decrease) in cash and cash equivalents	141,311	(94,814)
Cash and cash equivalents at beginning of year	377,805	472,619
Cash and cash equivalents at end of year	<u>519,116</u>	<u>377,805</u>

The notes on pages 16 to 25 form part of these financial statements.

NWG Network

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Suite 2 Innovation House, East Service Road, Raynesway, Derby, DE21 7BF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Going concern

There are no material uncertainties about the charity's ability to continue as a going concern. This is despite the ongoing Covid 19 pandemic and is due to the charity retaining sufficient reserves and cash balances to meet its obligations as they become due.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

NWG Network

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 31 March 2021

3. Accounting policies (*continued*)

Incoming resources

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

Investment income is included when receivable.

Income from charitable trading activity is accounted for when earned.

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

NWG Network

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 31 March 2021

3. Accounting policies (*continued*)

Tangible assets

All fixed assets are initially recorded at cost.

The charitable company received funding in the past which had been spent on certain fixed assets, mainly office furniture and computer equipment and these items had been treated as revenue rather than capital at the time. Accordingly these assets do not appear on the charitable company's balance sheet.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor Vehicles	-	25% reducing balance
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Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Every member of the Company undertakes to contribute such an amount as may be required, but not exceeding £1, to the Company's assets if it should be wound up while he/she is a member, or within one year after he/she ceases to be a member of the Company, for payment of the Company's debts and liabilities contracted before he/she ceases to be a member and of the costs, charges and expenses of the winding up and for the adjustment of the rights of the contributors among themselves.

NWG Network

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 31 March 2021

5. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	2,468	—	2,468
Grants			
Grants	—	644,108	644,108
Subscriptions			
Operational scrutiny	8,032	—	8,032
Other donations and legacies			
Membership fees	16,585	—	16,585
Conference and seminar receipts	1,374	—	1,374
Consultancy fees	24,781	—	24,781
Awareness literature	106	—	106
	<u>53,346</u>	<u>644,108</u>	<u>697,454</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	422	—	422
Grants			
Grants	46,720	378,432	425,152
Subscriptions			
Operational scrutiny	21,210	—	21,210
Other donations and legacies			
Membership fees	16,006	—	16,006
Conference and seminar receipts	22,317	—	22,317
Consultancy fees	66,609	—	66,609
Awareness literature	3,721	—	3,721
	<u>177,005</u>	<u>378,432</u>	<u>555,437</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
UK bank interest receivable	<u>157</u>	<u>157</u>	<u>622</u>	<u>622</u>

NWG Network

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

7. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Other income	<u>10,239</u>	<u>10,239</u>	—	—

8. Costs of generating voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Costs of generating voluntary income	<u>12,516</u>	<u>6,016</u>	<u>18,532</u>
Costs of generating voluntary income	<u>29,367</u>	<u>11,369</u>	<u>40,736</u>

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable activities	(71,434)	532,806	<u>461,371</u>
Support costs	<u>92,896</u>	<u>6,076</u>	<u>98,973</u>
	<u>21,462</u>	<u>538,882</u>	<u>560,344</u>
Charitable activities	112,645	535,707	<u>648,353</u>
Support costs	<u>109,555</u>	<u>7,892</u>	<u>117,446</u>
	<u>222,200</u>	<u>543,599</u>	<u>765,799</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken	Total funds	Total fund
	directly	2021	2020
	£	£	£
Charitable activities	461,371	90,434	<u>551,805</u>
Governance costs	—	8,539	<u>8,539</u>
	<u>461,371</u>	<u>98,973</u>	<u>560,344</u>

NWG Network

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

11. Analysis of support costs

	activity £	Analysis of support costs	
		Total 2021 £	Total 2020 £
Premises	90,434	90,434	107,439
Finance costs	8,539	8,539	10,750
	98,973	98,973	118,189

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	1,302	1,735
Operating lease rentals	—	316

13. Auditors remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	6,600	7,700

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	384,705	483,206
Social security costs	34,689	45,827
Employer contributions to pension plans	8,869	11,157
	428,263	540,190

Included within wages and salaries is redundancy costs of £6,144 (2020: £6,900).

The average head count of employees during the year was 12 (2020: 14). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of staff in all departments	12	14

The number of employees whose remuneration for the year fell within the following bands, were:

	2021 No.	2020 No.
£60,000 to £69,999	1	1

NWG Network

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 31 March 2021

15. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

16. Tangible fixed assets

	Motor vehicles £	Total £
Cost		
At 1 Apr 2020 and 31 Mar 2021	<u>10,098</u>	<u>10,098</u>
Depreciation		
At 1 Apr 2020	4,891	4,891
Charge for the year	1,302	1,302
At 31 Mar 2021	<u>6,193</u>	<u>6,193</u>
Carrying amount		
At 31 Mar 2021	<u>3,905</u>	<u>3,905</u>
At 31 Mar 2020	<u>5,207</u>	<u>5,207</u>

17. Debtors

	2021 £	2020 £
Prepayments and accrued income	4,397	8,416
Other debtors	<u>12,529</u>	<u>19,711</u>
	<u>16,926</u>	<u>28,127</u>

18. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	13,299	15,498
Accruals and deferred income	32,017	7,705
Social security and other taxes	8,900	28,697
Other creditors	<u>4,987</u>	<u>7,469</u>
	<u>59,203</u>	<u>59,369</u>

19. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £8,869 (2020: £11,157).

NWG Network

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

20. Analysis of charitable funds

Unrestricted funds

	At At 1 Apr 2020 £	Income £	Expenditure £	31 Mar 2021 £
General funds	<u>220,330</u>	<u>63,742</u>	<u>(33,978)</u>	<u>250,094</u>

	At At 1 Apr 2019 £	Income £	Expenditure £	31 Mar 2020 £
General funds	<u>294,270</u>	<u>177,627</u>	<u>(251,567)</u>	<u>220,330</u>

Restricted funds

	At At 1 Apr 2020 £	Income £	Expenditure £	31 Mar 2021 £
Comic relief	—	—	(4,500)	(4,500)
John Laing	—	16,917	(16,917)	—
EU Sports	—	—	—	—
Paul Hamlyn	—	—	—	—
Sports England	10,000	197,372	(197,372)	10,000
Esmee Fairbairn	121,440	183,461	(159,605)	145,296
Voice Project	—	—	—	—
Samworth	—	50,000	(50,000)	—
Samworth Digital Investment	—	48,687	—	48,687
Trilateral Funding	—	9,190	(9,190)	—
Bromley Foundation	—	5,000	(500)	4,500
National Lottery	—	75,587	(75,587)	—
HMRC Furlough	—	28,596	(28,596)	—
Other	—	2,631	(2,631)	—
Samworth Extra	—	26,667	—	26,667
	<u>131,440</u>	<u>644,108</u>	<u>(544,898)</u>	<u>230,650</u>

NWG Network

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

20. Analysis of charitable funds (continued)

	At At 1 Apr 2019 £	Income £	Expenditure £	31 Mar 2020 £
Comic relief	–	7,500	(7,500)	–
John Laing	6,575	–	(6,575)	–
EU Sports	315	–	(315)	–
Paul Hamlyn	15,903	–	(15,903)	–
Sports England	185,850	197,371	(373,221)	10,000
Esmee Fairbairn	99,333	123,461	(101,354)	121,440
Voice Project	–	12,600	(12,600)	–
Samworth	–	37,500	(37,500)	–
Samworth Digital Investment	–	–	–	–
Trilateral Funding	–	–	–	–
Bromley Foundation	–	–	–	–
National Lottery	–	–	–	–
HMRC Furlough	–	–	–	–
Other	–	–	–	–
Samworth Extra	–	–	–	–
	<hr/> <u>307,976</u>	<hr/> <u>378,432</u>	<hr/> <u>(554,968)</u>	<hr/> <u>131,440</u>

Restricted Funds

John Laing - grant received towards the cost of the Youth Participation programme.

EU Sports - grant towards the cost of research into abuse in sport.

Department of Education - funding the Response Unit activity.

Paul Hamlyn:- supporting the youth participation programme

Sport England:- to support sports infrastructure providers and practitioners to improve their capacity to safeguard young people.

Esmee Fairbairn Foundation - Supports the post of the new Chief Operating Officer (COO), implementation of a 5 year plan and growth of our established network.

Voice Project - Voices for Truth and Dignity Project generated crucial evidence on Child Sexual Abuse in European sport whilst enabling victims to engage with, and become part of, the policy-making landscape.

Samworth - support to strengthen our infrastructure and improve our sustainability.

NWG Network

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	3,905	—	3,905
Current assets	246,189	230,650	476,839
Net assets	250,094	230,650	480,744

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	5,207	—	5,207
Current assets	215,123	131,440	346,563
Net assets	220,330	131,440	351,770

22. Analysis of changes in net debt

	At At 1 Apr 2020 £	Cash flows £	At 31 Mar 2021 £
Cash at bank and in hand	377,805	141,311	519,116

23. Related parties

During the year under review, the charity paid Juno Telecoms Limited £7,770 (2020 - £8,028). G M B Nicholson, one of the trustees, is the managing director of Juno Telecoms Limited.

The purchases were on normal commercial terms and were approved by the board. The balance outstanding due to Juno Telecoms at 31st March 2021 was £Nil (2020 - £Nil).

Further, Rebecca Cadman-Jones, one of the trustees, is a director of KC Jones (Conference and Events) Limited who are event organisers used by NWG Network. KC Jones (Conference and Events) Limited were paid £Nil during the year under review (2020 - £4,409).

The purchases were on normal commercial terms and were approved by the board. The balance outstanding due to KC Jones at 31st March 2021 was £Nil (2020 - £Nil).

NWG Network

Company Limited by Guarantee

Management Information

Year ended 31 March 2021

The following pages do not form part of the financial statements.

NWG Network

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
Incoming resources		
Voluntary income		
Donations	2,468	422
Grants	<u>644,108</u>	425,152
Operational scrutiny	8,032	21,210
Membership fees	16,585	16,006
Conference and seminar receipts	1,374	22,317
Consultancy fees	24,781	66,609
Awareness literature	106	3,721
	<u>697,454</u>	<u>555,437</u>
Investment income		
UK bank interest receivable	<u>157</u>	<u>622</u>
Other income		
Other income	<u>10,239</u>	<u>—</u>
Total income	<u>707,850</u>	<u>556,059</u>

NWG Network

Company Limited by Guarantee

Detailed Statement of Financial Activities (*continued*)

Year ended 31 March 2021

	2021 £	2020 £
Expenditure		
Costs of generating voluntary income		
Seminar costs	3,294	5,833
Cost of resources	<u>15,238</u>	<u>34,903</u>
	<u>18,532</u>	<u>40,736</u>
Expenditure on charitable activities		
Wages and salaries	384,705	483,206
Employer's NIC	34,689	45,827
Pension costs	8,869	11,157
Operating leases	—	316
Rent	26,580	34,080
Repairs and maintenance	14,548	13,693
Insurance	6,688	5,488
Other motor/travel costs	4,631	26,454
Legal and professional fees	31,667	42,311
Telephone	2,711	2,162
Other office costs	1,171	2,514
Depreciation	1,302	1,735
Other interest payable and similar charges	637	571
Sundries	10,361	10,791
Promotion and communications	2,090	5,570
Knowledge Management	1,320	41,528
Training costs	5,623	20,491
IT support and web development	<u>22,752</u>	<u>17,905</u>
	<u>560,344</u>	<u>765,799</u>
Total expenditure	<u><u>578,876</u></u>	<u><u>806,535</u></u>
Net income/(expenditure)	<u><u>128,974</u></u>	<u><u>(250,476)</u></u>

NWG Network

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
Costs of generating voluntary income		
Costs of generating voluntary income		
Seminar costs	3,294	5,833
Cost of resources	<u>15,238</u>	<u>34,903</u>
	<u>18,532</u>	<u>40,736</u>
Costs of generating voluntary income	<u>18,532</u>	<u>40,736</u>
Expenditure on charitable activities		
Charitable activities		
<i>Activities undertaken directly</i>		
Wages	384,705	483,206
Employer's NIC	34,689	45,827
Pension costs	8,869	11,157
Motor and travel expenses	4,631	26,454
Legal support	25,067	34,611
Promotion and communications	2,090	5,570
Knowledge management	<u>1,320</u>	<u>41,528</u>
	<u>461,371</u>	<u>648,353</u>
<i>Support costs</i>		
Equipment rental	–	316
Rent, rates and water	26,580	34,080
Equipment costs	14,548	13,693
Insurance	6,688	5,488
Telephone	2,711	2,162
Postage and stationery	1,171	2,514
Sundries	10,361	10,791
Training costs	5,623	20,491
IT support and web development	<u>22,752</u>	<u>17,905</u>
	<u>90,434</u>	<u>107,440</u>
Governance costs		
Audit fees	6,600	7,700
Depreciation	1,302	1,735
Other finance costs	<u>637</u>	<u>571</u>
	<u>8,539</u>	<u>10,006</u>
Expenditure on charitable activities	<u>560,344</u>	<u>765,799</u>