



Partnership for Children
Trustees' annual report and financial statements
for the year ended 31 December 2018



Partnership for Children

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Partnership for Children

The Trustees are pleased to present their annual report and financial statements for the year ended 31 December 2018.

Directors and Trustees

The Directors of Partnership for Children are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. Those serving during the year were:

Caroline Spicer, Chair

Mark Boulding

Juliana Fleury

Prof Rachel Jenkins Resigned 8 February 2018

Hein Marais Appointed 25 May 2018

Marion Panis

Prof Panos Vostanis

The Chief Executive during the year was Wendy Tabuteau.

Structure, Governance and Management

The charity is a company limited by guarantee and has no share capital. The charity was incorporated in England and Wales on 30 August 2001, with Company no. 4278914, and UK Charity no. 1089810.

The registered and principal address is 26-27 Market Place, Kingston upon Thames, Surrey, KT1 1JH.

Appointment of Trustees

Trustees are appointed or reappointed at Annual General Meetings and retire by rotation. New Trustees are appointed by the existing Trustees, and are briefed on their obligations, the content of the Memorandum and Articles of Association, the strategic plan and recent financial performance. They are introduced to the staff, and briefed extensively on the charity's work.

The Board of Trustees can have between three and nine members and holds regular meetings to oversee the charity's activities. The Chief Executive is appointed by the Trustees to manage day-to-day operations, and, to facilitate effective operations, has delegated authority for operational matters, including finance and employment. The Board met four times in 2018.

Relationships with other charities and organisations

Partnership for Children has links with organisations which run our mental health promotion programmes *Zippy's Friends*, *Apple's Friends* and *Passport* in their respective countries. These are independent organisations which run the programmes under licence. They are:

Argentina –Asociación SER+

Belgium – ASBL Educa Santé

Brazil – Associação Pela Saúde Emocional de Crianças (ASEC)

Bulgaria – Animus Association Foundation

Canada – The University of Quebec at Montreal, Centre for Research and Intervention on Suicide and Euthanasia (CRISE)

China – China Social Welfare Foundation; National Institute of Education Sciences; The Education University of Hong Kong

Czech Republic –Centrum Sociálních Služeb Praha

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Denmark – StyrkeAkademiet
El Salvador – Fundación Empresarial para el Desarrollo Educativo (FEPADE)
France – Fédération Départementale des Foyers Ruraux de Charente Maritime
Iceland – The Public Health Institute
India – The Sangath Society for Child Development and Family Guidance
Ireland – Health Service Executive
Jordan – NGO Umnyat
Korea – Nam-Gu Mental Health Welfare Centre, Gwangju
Kuwait – NGO Coping
Lithuania – Vaiko Labui
Mauritius – Service Diocésain de l’Education Catholique (SeDEC)
Netherlands – Stichting Kids en Emotionele Competenties (KEC)
Norway – Voksne for Barn
Palestine – NGO Engage
Panama – Fundación Universidad Especializada de las Américas (FUNDAMERICAS)
Poland – Centrum Pozytywnej Edukacji (COPE)
Portugal - Escutar
Reunion – Direction Diocésaine de L’Enseignement Catholique
Russia – NGO Sodeistvie
Singapore – Health Promotion Board, Preventive Health Programmes Division
Slovakia – The League for Mental Health
Trinidad and Tobago – The School Leadership Center of Trinidad and Tobago
United States – Center for Autism and Early Childhood Mental Health, Montclair State University, NJ
United Kingdom – a network of Licensed Trainers working in England, Scotland and Wales

The charity also belongs to a number of organisations and networks in pursuance of its work, including CYPMHC (Children and Young People’s Mental Health Coalition), the Anti Bullying Alliance, the Council for Disabled Children and Heads Together.

Risks and internal control

The major risks to which the charity is exposed have been identified by the Chief Executive and Trustees, and systems established to mitigate those risks are reviewed on a regular basis.

Vision and Mission

Partnership for Children’s Vision is a world in which the development of mental health and emotional resilience is part of life for every child – at home, at school and in the community.

Our Mission is to help children and young people, throughout the world, develop skills which will enhance their present and future emotional well-being.

Our Objective is to build the social and emotional skills of children across the entire primary school age range through well-evidenced programmes and a Whole School Approach. We have two main school-based programmes – *Zippy’s Friends* (for 5 – 7 year olds) and *Apple’s Friends* (for 7 – 9 year olds) and two new programmes for older children – *Passport* (for 9 – 10 year olds) and *SPARK Resilience* (for 11 – 12 year olds) are currently under development. All our programmes are evidence based and help children to cope with difficult situations and feelings.

The Trustees note the Charity Commission’s guidance on the need for charities to deliver a public benefit. They have complied with the duty in section 17 of the Charities Act 2011, and believe that the objective and activities outlined above show how we meet this responsibility. Summaries of our current direction and our achievements during 2018 are set out below.

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In July 2016, the Trustees and Senior Leadership Team met to review the current strategic priorities and to develop the strategic plan for 2017 – 2019. During the second year of this Strategic Plan, the charity's four strategic priorities were:

- To build a portfolio of complementary programmes across the full primary age range
- To invest in and disseminate evidence to support our programmes
- To use our programmes as a platform to promote a Whole School Approach (WSA)
- To develop sustainable, self-funding hubs of partners around the world.

Achievements and performance

By December 2018 almost 1.8 million children had benefitted from our work since Partnership for Children was founded 17 years ago. The total number of children enrolled in *Zippy's Friends* and *Apple's Friends* during the academic year was 192,970.

Our work in the UK continues to develop with 6,694 children in 152 schools enrolled in our programmes during the academic year. We recruited an additional nine Licensed Trainers and 263 primary school teachers were delivering *Zippy's Friends* and *Apple's Friends*. We send out an annual survey to teachers who have run the programme during the year and the feedback is consistently good.

A teacher in Greater London who is running *Apple's Friends* told us:

"This programme is successful in reinforcing social skills in children of ranging backgrounds. It allows children to develop emotional wellbeing by encouraging them to cope in difficult situations and how to address their feelings in a positive way."

Apple's Friends allows children to discuss personal experiences amongst their peers and to be able to express their feelings and emotions. By conducting sessions as an open and safe forum, enabled by the structure of the course material, children are able to speak freely and often offer advice to each other on how to best deal with certain situations.

All in all, the programme is an easy, well planned, resource that offers opportunities for children to discuss, question and learn life skills that they will benefit from in the long term."

We continued to expand our work with children with Special Educational Needs and to develop our work with children who are at high risk of poor mental health. Thanks to grants from The Leathersellers' Charitable Company, the John Ellerman Foundation and the Souter Charitable Trust, 18 Special Schools in the UK are now running *Zippy's Friends for Pupils with Special Educational Needs* (up from five schools in 2017). During the year we started to look at how we could work more closely with other groups of vulnerable children such as Looked After Children, young carers, refugee children and children who are victims of crime.

In 2018 we entered the second year and final year of our charity partnership with Wesleyan Financial Services. Wesleyan have provided both financial support through an extensive programme of employee fundraising events (raffles, dinners, sponsored walks, half marathons) and pro-bono advice and contacts to help build our work. Wesleyan funded the launch of a storybook 'Curse of the Nomed'. The book is based on ideas from a group of secondary school pupils who wanted to create a story about the transition from primary to secondary school. All profits from the sale of the book go to Partnership for Children.



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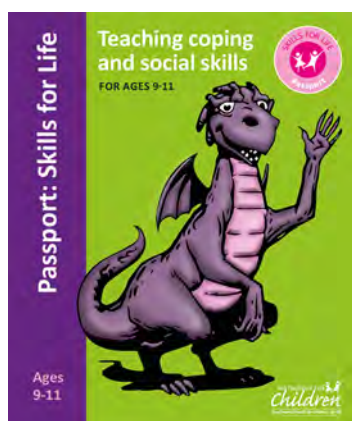
The results from the Education Endowment Fund evaluation study were published in the summer. Teachers reported improvements in self-regulated learning but no improvements in emotional self-regulation as reported by the children. However teachers responded very positively to running *Zippy's Friends* and we are in discussion with EEF about future collaboration around our programme for pupils with special educational needs and disabilities (SEND).

We worked with 32 independent partner organisations around the world and 186,276 children benefitted from our programmes overseas. We ran training courses for partners in Kuwait and Norway for *Zippy's Friends for Pupils with Special Needs* and trained our partner in Russia to deliver *Apple's Friends*. Our Middle East coordinator (who is based in Jordan) has been promoting the programme in the region and we were delighted to launch *Zippy's Friends* in Palestine during 2018.



"The children have become emotionally more responsive. I can see that it is very important for them to share life events (verbally and through drawing) and the rules are important to them, helping them to make decisions. Parents are happy to support the children with the 'homework' and to grow with their children. Parents told us that the rules help them, not only in communicating with their children, but also in making adult decisions. The methodology is convenient for teachers, all the material is at hand, and most importantly it's effective."
Apple's Friends Teacher, Russia

A team from the UK visited our longest running partner in Lithuania to share ideas and experience and to see their work with children with disabilities and 67 SEND teachers in Lithuania are now trained.



Thanks to the generosity of our donors during our Skills for Life Appeal in December 2017, we finalised work on *Passport* (for 9-11 year olds) in collaboration with our Canadian partner and the programme is now being piloted in Norway. We will refine the programme using feedback from Norway and plan to launch it worldwide in Autumn 2019. Work has also begun on *SPARK Resilience* (for 11-12 year olds). We aim to have the first draft completed in the Spring and plan to trial it in the Autumn. In addition, we are updating *Zippy's Friends* and *Apple's Friends*. We have commissioned new illustrations and we are working with a group of practitioners to update the content where necessary in line with current thinking and to bring the resources up to date.

Financial Review

Finance and Funding

In 2018 our income was £483,585 (£431,446 in 2017) and expenditure was £392,657 (£418,090 in 2017), resulting in a surplus of £90,928 (£13,356 in 2017).

This year 49% of our income was earned from sales and 51% was donated. We received significant funding from various trusts and foundations including core funding from The Vivmar Foundation and a new grant from the Garfield Weston Foundation. We received funding for our programme working with pupils with special educational needs from the Leathersellers' Charitable Foundation and a new three-year grant from the John Ellerman Foundation to support our work with children most at risk of poor mental health. The invaluable regular donations from our *Friends* were reinforced by a steady stream of donations from charitable trusts, churches, companies and individuals both in the UK and overseas. The Trustees and staff are deeply grateful to everyone who supported our work during the year.

The charity remains financially stable, with a broad income base, a balance between earned and voluntary income and tightly controlled costs. In 2019 we will once again allocate significant resources to developing

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two new programmes for older children and will further develop our work with vulnerable children. These activities will be funded from the general unrestricted reserve, which was £264,022 at the year end.

The Trustees noted that total charitable expenditure in 2018 was equivalent to just £2.04 for each child who completed *Zippy's Friends* and *Apple's Friends*.

Investment powers and policy

Under the Memorandum and Articles of Association, the charity may invest its surplus funds in any way the Trustees wish. We maintain two current accounts at HSBC Bank plc, and also maintain one interest bearing deposit account at CAF Bank Ltd and one interest bearing deposit account at Bath Building Society.

Reserves policy

The charity has a policy of holding a Special Reserve equivalent to three months' core expenditure, in order to ensure that our work is not disrupted by short-term revenue problems, and that in the unlikely event of the charity having to close down, all costs could be covered. The Special Reserve of £70,000 was maintained at this level throughout the year.

Indemnity insurance

The charity paid insurance premiums of £190 for the period to indemnify Trustees from any loss arising from neglect or defaults of Trustees and any consequent loss.

Plans for future periods

The Trustees believe that the charity continues to be in good shape and well-placed to achieve our objective of building the social and emotional skills of children across the entire primary school age range. *Zippy's Friends* and *Apple's Friends* and *Zippy's Friends for Pupils with Special Educational Needs* will continue to expand in 2019, both nationally and internationally. *Passport* and *SPARK Resilience*, the new programmes for older children, will be launched, meaning that we will have four programmes to cover the full primary school age range under our *Skills for Life* banner. We will be updating our materials to ensure they remain relevant and in line with current teaching practice. We will also be working more closely with children who are at most risk of poor mental health and adapting our materials to suit different ways of working with these children. Internationally we plan to work in two new countries in 2019 and to continue to support a wide range of partner organisations to run our new and existing programmes. As we come to the end of our Three-Year Strategy, the Trustees and staff team will be developing the new strategy for 2020 and beyond.

Statement of Trustees' responsibilities

Company and charity law requires the Trustees to prepare the trustees' report and the financial statements in accordance with FRS102 and the charity SORP (FRS 102). The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for that period.

In doing so, the Trustees are responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making sound judgements and estimates that are reasonable and prudent;

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- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- the maintenance and integrity of the corporate and financial information included on the charity's website.

The Trustees are responsible for maintaining 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.

Auditors

David Howard are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

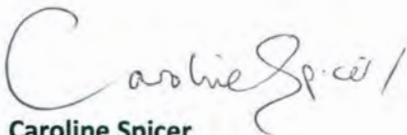
In so far as the Trustees are aware, at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- the Trustees, having made enquiries of fellow Trustees and the charity's auditors that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the Trustees



Caroline Spicer
Chair
Board of Trustees

Date: 17/4/2019

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Independent auditors' report to the members of Partnership for Children

We have audited the financial statements of Partnership for Children for the year ended 31 December 2018 which comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and 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 31st December 2018 and of 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. 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.

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.

Independent auditors' report to the members of Partnership for Children

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' Annual 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare the Report of the Trustees.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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.

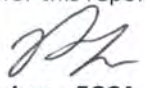
Our responsibilities for the audit of the financial statements

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.

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

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.

 17/4/19

Philip Lane FCCA

Senior Statutory Auditor

For and on behalf of David Howard, Statutory Auditors

1 Park Road

Hampton Wick

Kingston-on-Thames

Surrey KT1 4AS

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Statement of financial activities (including Income and Expenditure account) for the year ended 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Income:					
Donations and legacies	4	209,559	39,000	248,559	256,446
Income from charitable activities	5	234,184	-	234,184	174,364
Income from investments	6	842	-	842	636
Total income		444,585	39,000	483,585	431,446
Expenditure					
Expenditure on raising funds	7	34,354	3,528	37,882	11,025
Expenditure on charitable activities	8	299,964	54,811	354,775	407,065
Total expenditure		(334,318)	(58,339)	(392,657)	(418,090)
Net income/(expenditure) and net movement in funds for the year		110,267	(19,339)	90,928	13,356
Reconciliation of funds					
Fund balances at 1 January 2018		223,755	27,672	251,427	238,071
Fund balances at 31 December 2018		334,022	8,333	342,355	251,427

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

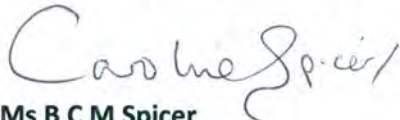
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Balance sheet as at 31 December 2018

		2018		2017	
	Note	£	£	£	£
Fixed assets					
Tangible assets	13		4,505		6,525
Current assets					
Stock		22,455		38,752	
Debtors	14	55,974		27,530	
Cash at bank and in hand		287,184		203,052	
		<u>365,613</u>		<u>269,334</u>	
Liabilities					
Creditors falling due within one year	15	(27,763)		(24,432)	
Net current assets			337,850		244,902
Net assets	16		<u>342,355</u>		<u>251,427</u>
The funds of the charity:					
Restricted income funds	17		8,333		27,672
Unrestricted income funds	18		334,022		223,755
Total charity funds			<u>342,355</u>		<u>251,427</u>

The financial statements are prepared in accordance with the special provisions of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102))

The financial statements were approved by the Board and signed on its behalf by


Ms B C M Spicer

Chair

Date:

17/4/2019

Charity number: 1089810

Company number: 4278914

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Notes to the financial statements for the year ended 31 December 2018

1. Accounting policies

1.1. Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2. Income

Income is recognised in full in the Statement of Financial Activities in the year in which it is receivable and when the effect of a transaction results in an increase in the charity's assets.

1.3. Expenditure

Expenditure is recognised in the year in which the liability is incurred.

Charitable activities' direct costs and support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Internal costs are allocated to restricted activities on the basis of time spent by staff on pursuing such projects, and external costs are allocated where they are incurred directly for that purpose. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.4. Tangible fixed assets and depreciation

Individual fixed assets costing £250 or more are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	-33% straight line
Office furniture	-20% straight line

1.5. Stock

Stock of programme materials is included at the lower of cost or net realisable value.

1.6. Funds structure

The charity operates a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose. Movement in this category is disclosed in note 18.

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

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Notes to the financial statements for the year ended 31 December 2018

1.8. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

1.9. Debtors

Trade and other debtors are recognised at the settlement amount due .

2. Turnover

Turnover is the amount derived from ordinary activities, and stated net of VAT. Income attributable to geographical markets outside the United Kingdom amounted to 43% for the year.

3. Information and legal status of the charity

The charity is a company limited by guarantee and has no share capital. The charity was incorporated in England and Wales on 30 August 2001, with Company no. 4278914, and UK Charity no. 1089810. The registered office is 26-27 Market Place, Kingston Upon Thames, Surrey, KT1 1JH.

4. Donations and legacies

	Unrestricted funds £	Restricted funds £	2018 £	2017 £
Donations	205,409	-	205,409	139,499
Gift Aid recovered	150	-	150	2,216
Special Needs	-	14,000	14,000	26,034
EEF Evaluation	-	-	0	88,697
Special Projects	-	25,000	25,000	-
	<u>205,559</u>	<u>39,000</u>	<u>248,559</u>	<u>256,446</u>

5. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2018 £	2017 £
Licence fees, training and support	138,274	-	138,274	78,471
Sale of materials	95,910	-	95,910	95,893
	<u>234,184</u>	<u>-</u>	<u>234,184</u>	<u>174,364</u>

6. Income from investments

	Unrestricted funds £	2018 £	2017 £
Bank deposit interest	842	842	636
	<u>842</u>	<u>842</u>	<u>636</u>

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Notes to the financial statements for the year ended 31 December 2018

7. Expenditure on Raising funds

	Unrestricted funds £	2018 £	2017 £
Fundraising costs	37,882	37,882	11,025
	<u>37,882</u>	<u>37,882</u>	<u>11,025</u>

8. Expenditure on Charitable activities

	Unrestricted funds	Restricted funds	2018 £	2017 £
Activities undertaken directly:				
Staff costs	109,962	53,260	163,222	177,172
Material costs	69,245	76	69,321	45,127
Workshop, conference and reception costs	5,028	50	5,078	1,470
	<u>184,235</u>	<u>53,386</u>	<u>237,621</u>	<u>223,769</u>
Support costs:				
Print and web design staff costs	11,060	-	11,060	10,480
Administration staff costs	18,875	-	18,875	18,113
Development of Latin America and Middle East	8,682	-	8,682	12,664
Office accommodation	15,771	-	15,771	15,416
Insurance	411	-	411	753
Printing, postage and stationery	4,584	73	4,657	7,146
Communication costs	1,298	-	1,298	1,236
Computer costs	4,976	-	4,976	5,690
Travel	5,594	282	5,876	4,368
Accountancy fees	3,649	-	3,649	4,493
Publicity	2,472	-	2,472	4,005
Consultancy	8,559	1,042	9,601	5,590
EEF Co-ordinator costs	-	-	-	23,500
EEF Research	-	-	-	40,000
Programme Development	9,385	-	9,385	11,940
Recruitment costs	435	28	463	588
Subscriptions	311	-	311	60
Depreciation and amortisation	3,775	-	3,775	3,127
Bank charges	904	-	904	2,354
VAT irrecoverable*	9,565	-	9,565	5,779
	<u>110,306</u>	<u>1,425</u>	<u>111,731</u>	<u>177,302</u>

* The amount of irrecoverable VAT has increased this year as a result of the partial exemption annual adjustments made in respect of last year and this year. The balance of exempt income to Vatable income has increased from estimates which has resulted in an adjustment to reduce the amount of VAT that can be reclaimed, and therefore increased the amount of irrecoverable VAT.

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Notes to the financial statements for the year ended 31 December 2018

Governance costs:

Audit fees	2,880	-	2,880	4,833
Trustees' expenses	2,416	-	2,416	971
Trustees' indemnity insurance	127	-	127	190
	<u>5,423</u>	<u>-</u>	<u>5,423</u>	<u>5,994</u>
Total cost of charitable activities	<u>299,964</u>	<u>54,811</u>	<u>354,775</u>	<u>407,065</u>

9. Net income for the year

	2018	2017
	£	£

Net income for the year is stated after charging:

Depreciation and other amounts written off tangible assets	3,775	3,127
Auditors' remuneration – in respect of audit services (£696 over accrued 2017).	2,880	4,833
The auditors did not carry out any non-audit services in 2017 or 2018.	<u> </u>	<u> </u>

10. Staff

Staff numbers

The average number of employees
(full time equivalents) during the year was:

	2018	2017
	Number	Number

Administrative and programme staff	<u>5</u>	<u>5</u>
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Analysis of staff costs

	Unrestricted funds	Restricted funds	2018	2017
	£	£	£	£
Wages and salaries	145,085	51,022	196,107	180,670
Social security costs	13,642	3,606	17,248	16,559
Other pension costs	8,934	-	8,934	8,536
	<u>167,661</u>	<u>54,628</u>	<u>222,289</u>	<u>205,765</u>

There were no employees with emoluments above £60,000 during the year (2017 - nil).

11. Trustees' emoluments

Trustees do not receive remuneration but are reimbursed for expenses. During the year ended 31 December 2018 three Trustees were reimbursed their travel and subsistence costs. A total of £2,403 (2017 - £971) was spent on Trustee expenses plus £13 confirmation statement fee.

12. Pension costs

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £8,934 (2017- £8,536).

Partnership for Children

Notes to the financial statements for the year ended 31 December 2018

13. Tangible fixed assets	Office and computer equipment	Office furniture	Total
	£	£	£
Cost			
At 1 January 2018	25,262	2,153	27,415
Additions	1,560	195	1,755
At 31 December 2018	26,822	2,348	29,170
Depreciation			
At 1 January 2018	18,737	2,153	20,890
Charge for the year	3,726	49	3,775
At 31 December 2018	22,463	2,202	24,665
Net book values			
At 31 December 2018	4,359	146	4,505
At 31 December 2017	6,525	-	6,525
14. Debtors	2018	2017	
	£	£	
Trade debtors	52,376	22,480	
Other taxes	150	1,847	
Prepayments and accrued income	3,448	3,203	
	55,974	27,530	
15. Creditors: amounts falling due within one year	2018	2017	
	£	£	
Trade creditors	12,201	12,342	
Other taxes and social security costs	8,658	4,891	
Other creditors	1,549	1,377	
Accruals and deferred income	5,355	5,822	
	27,763	24,432	
16. Analysis of net assets between funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 December 2018 as represented by:			
Tangible fixed assets	4,505	-	4,505
Current assets	357,280	8,333	365,613
Current liabilities	(27,763)	-	(27,763)
	334,022	8,333	342,355

Partnership for Children

Notes to the financial statements for the year ended 31 December 2018

17. Restricted income funds	1 Jan '18 £	Incoming £	Outgoing £	31 Dec '18 £
Special Needs - general	27,672	14,000	41,672	-
Special Projects	-	25,000	16,667	8,333
	<u>27,672</u>	<u>39,000</u>	<u>58,339</u>	<u>8,333</u>

Purposes of restricted income funds

The Special Needs Fund pays for the expansion of *Zippy's Friends* to include children who have special educational needs (SEN)

Special Projects Fund pays for the expansion of our work with the most disadvantaged children.

Sufficient resources are held in appropriate form to enable each fund to be applied in accordance with any restrictions.

18. Unrestricted income funds	1st Jan '18 £	Incoming £	Outgoing £	31st Dec '18 £
Designated funds	-	-	-	-
General fund	153,755	444,585	(334,318)	264,022
Special Reserve fund	70,000	-	-	70,000
	<u>223,755</u>	<u>444,585</u>	<u>(334,318)</u>	<u>334,022</u>

Purposes of unrestricted income funds

The General Fund has arisen from the normal activities of the charity. It is unrestricted and can be used in accordance with the charitable objects at the discretion of the Trustees.

The Special Reserve Fund has been designated by the Trustees to be held in order to cover three months' core running costs, to ensure that the charity's work is not adversely affected by short-term cash flow difficulties. The Fund is also more than sufficient to cover costs in the unlikely event of the charity having to close.

19. Financial commitments

At 31 December 2018 the company had annual commitments under non-cancellable operating leases as follows:

	2018 £	2017 £
Expiry date:		
In less than one year	5,000	4,500
	<u>5,000</u>	<u>4,500</u>

Partnership for Children
Notes to the financial statements
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20. Indemnity insurance

The charity paid insurance premiums of £127 (2017 - £190) for the period to indemnify Trustees from any loss arising from neglect or defaults of Trustees and any consequent loss.

21. Related party transactions

Marion Panis is a Trustee and Director of Stichting Kids en Emotionele Competenties (KEC), our partner organisation in the Netherlands. During the year £Nil (2017 £91) was receivable from Stichting Kids in respect of Licence fees and Royalties. No amounts were due at the year end.

22. Taxation

The company is a registered charity and no provision is considered necessary for taxation. The charity's trading activities are exempt from taxation.