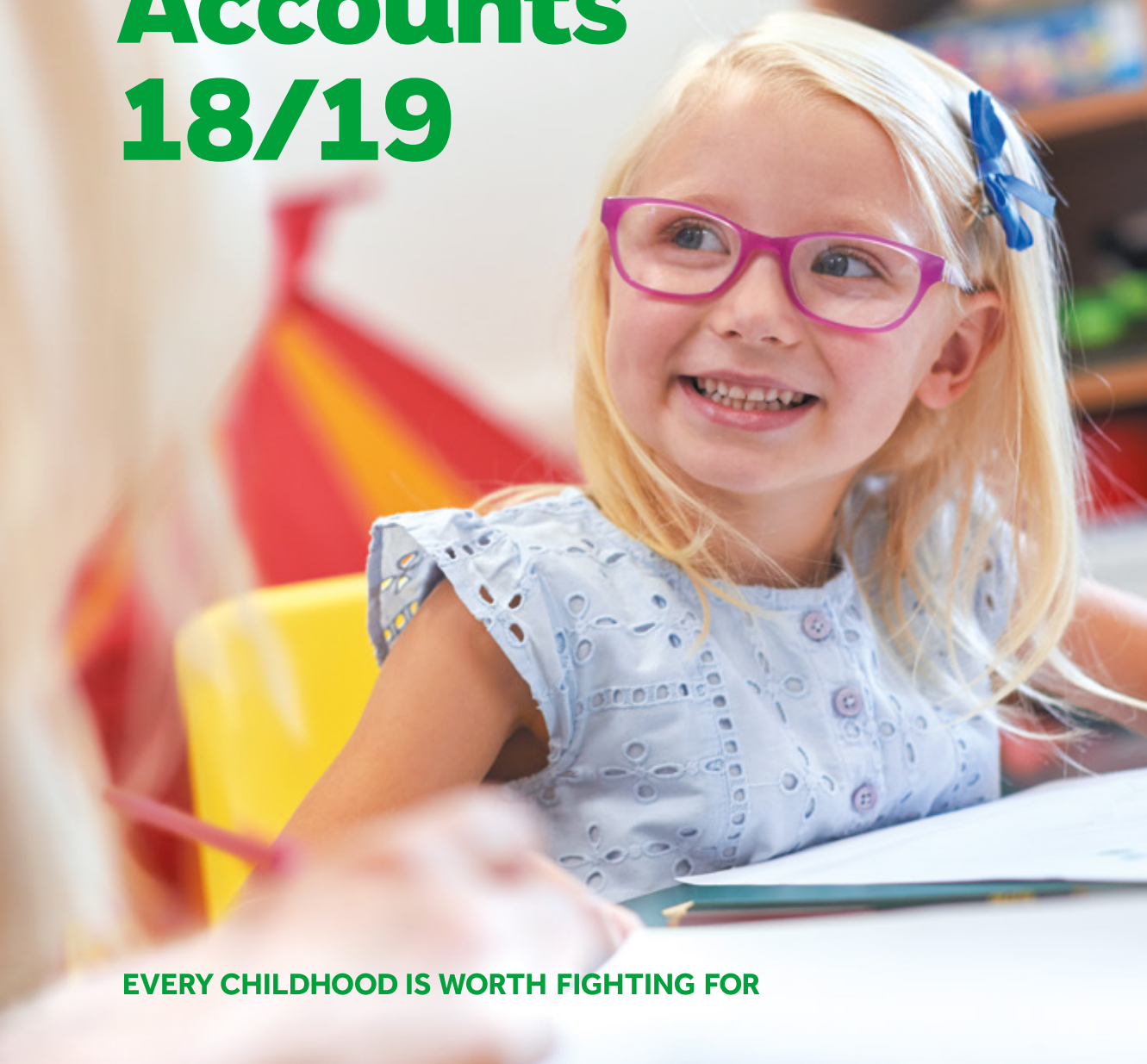


NSPCC

Annual Report and Accounts 18/19



EVERY CHILDHOOD IS WORTH FIGHTING FOR

Together, we
can give every
young person
the start in life
they deserve.

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Welcome

From our chairman



With the publication of this annual report my nine years as chairman of the board of trustees comes to an end. I am delighted that Neil Berkett will be taking over in the role. Neil has previously served as trustee and has been a supporter of the organisation for over fifteen years, returning to the Board a year ago.

Over the years there have been too many dark days when, despite our efforts, we have been only too aware of the suffering of too many of our children. The disclosures of abuse perpetrated by Savile, Harris, and Clifford have horrified us all but these are no more than the most notorious of cases. The prevalence of abuse and neglect remains far too high, the prosecutions too few, and the impact on too many of our children too easily overlooked. If child abuse left a physical scar there would be an outcry such would be the understanding of the epidemic.

But, of course, there have been many bright days too; days that gave hope, days when I could see tangible progress, days which made me proud of the NSPCC's work. I am thinking of our experts across the country dedicating themselves to helping children recover from abuse. I'm thinking of the Home Secretary listening to our campaigning, and declaring that there will be regulation of the internet so that our determination that the UK will be the safest place to be a child online comes a step closer. I'm thinking of the work we are co-ordinating in Blackpool which brings together all the various services on which the children of that town depend. I'm thinking of *The Lighthouse* in Camden where the help and support a child needs in the immediate aftermath of abuse is on hand in one place, without delay. And I'm thinking of the inexhaustible enthusiasm of the countless volunteers who day in day out, year after year, selflessly give their time to our Childline service, to our Schools Service, of their expertise

in pro bono specialist support. And all those who by running marathons, baking cakes or making jam, organising wine tastings or fabulous dinners and through all the other incredible events, raise the funds which help us to protect children and prevent abuse.

The children who we help directly benefit from a close relationship with a member of our highly expert team of counsellors and therapists. Many more children benefit from our work indirectly or remotely, while an even greater number are protected as a result of us influencing the government and lobbying for legislation and regulation. What underpins our approach is that we are there for all children across the UK and Channel Islands, regardless of their background, whenever they need us. All this work depends on hundreds of thousands of people donating money in support of our work. Over the past nine years I have had the joy and the privilege of meeting and working alongside many of you who reach out to children in all these various and important ways. On behalf of all the children we support I pass on their sincere thanks and add my own.

A handwritten signature in black ink that reads "Mark Wood". The signature is written in a cursive, slightly stylized font.

Mark Wood
Chairman of the Trustees



Welcome

From our chief executive



There are many ways people judge the difference a charity is making. For me it is essential that the NSPCC concentrates absolutely on our purpose – to prevent cruelty to children – and that in doing so we take full advantage of what makes us special:

- our independence, thanks to the support of hundreds of thousands of supporters who generously donate the overwhelming majority of our funding
- our authority, which is grounded in expert academic research and cutting-edge work directly with children and families
- the voices of children, who we listen to and learn from – not least through young people contacting Childline.

Our independence is crucial. It enables us to speak truth to power and to advocate in the very best interests of the young people who we exist to help. Our campaigning work has resulted in a transformative shift in government policy on internet safety by design to better protect young people in their digital lives. The proposed new duty of care regulator will tackle the risks associated with both gaming and social networks and promises to punish those who do not actively seek to protect young users. It is the encouragement, support, donations and expertise of NSPCC supporters that has enabled us to challenge policy makers with credibility. It is essential that we continue to raise funds in this way so that we can maintain a strong public voice and support for child safety in the face of competing considerations.

Our service delivery is underpinned by an evidence base that is founded on academic research and allows us to innovate in terms of interventions for children and models of delivery. We are delighted to be at the centre of *The Lighthouse* – a service for children and young people who have experienced sexual abuse – located in the NSPCC's north London building. It brings together medical, advocacy,

social care, police, and therapeutic support in one centre, providing a coordinated approach to supporting children and young people. This is the first project of its kind in the UK, of an approach that has proven successful internationally in transforming outcomes for young people and bringing perpetrators to justice.

We speak out for children. But first, we listen to them. Our Childline service provided over 250,000 counselling sessions to children last year. Though each session is confidential, Childline helps us develop an understanding of the issues immediately confronting young people today – helping us advocate on their behalf. We involve young people in recruitment to key roles in the organisation. We seek the perspectives of young people to inform the choices we make about our priorities and how we reflect them to those we seek to influence, to ensure we are relevant.

This report describes the impact that we have made over the past year, the diversity of our approach, the reach that we have into every community in the UK and Channel Islands and how we seek to mobilise, influence and inspire well beyond what the NSPCC can achieve alone. All the while we maintain a keen focus on our cost effectiveness to ensure that we get the very best we can for children from every pound that is invested in our work to fight for every childhood.

Peter Wanless
Chief Executive

Hello...

From our Youth Advisory Board

The Youth Advisory Board is now in its third year, harnessing and impacting upon the work carried out by the NSPCC. The Youth Advisory Board consists of young people from across the UK and the Channel Islands with a shared aim – to change the lives of children and young people, as we believe every childhood is worth fighting for.

As members of the Youth Advisory Board, we have a position of influence, working with trustees and senior staff on a vast number of projects and campaigns. We provide a young person's perspective on the NSPCC's work which helps to shape how this is carried out. We work alongside trustees, helping them to understand what children and young people think about the NSPCC, and advising them on what they could do to make a greater impact through any work that is being carried out. Some board members have prior knowledge of the NSPCC, for example by already being a volunteer for them, and others are completely new to the charity. Board members are from a range of different backgrounds, all bringing a diverse and unique set of attributes in order to ensure that the NSPCC has the best possible influence over the lives of children and young people across the UK.

This year has seen changes to initiatives such as the Young People's Participation Unit, and the role of a 'National Ambassador' within the unit. National Ambassadors represented their communities on a national scale, influencing the work of the NSPCC through volunteering at events, speaking at conferences, working together on a range of projects and campaigns and more. Despite facing difficulties and challenges, the NSPCC have always found ways to overcome them whilst still ensuring that young people are kept on the forefront of all decisions made.

The Youth Advisory Board has had a very successful year despite many challenges. Board members attended

the annual conference meeting in October 2018, and the chairman's briefing in November 2018, having the opportunity to sit on a panel and answer questions from attendees regarding the work of the Youth Advisory Board within the NSPCC. Members also formed a panel for both divisional trustees' and chair of trustees' interviews, enabling young people to have a say in who was appointed to these roles. Youth Advisory Board members regularly come together for teleconferences with a trustee and staff, including the NSPCC executive board, discussing current issues and plans for the NSPCC.

It is not only what the NSPCC does that impacts on the lives of young people – it is also what many adults, children and young people achieve independently through their fundraising schemes. From bake sales, to running marathons, climbing mountains or taking part in the NSPCC's Messathon – every penny counts towards this incredible cause. We would like to thank everyone who has supported the NSPCC through fundraising projects, as you are making an incredible difference to so many children across the UK.

We would also like to thank those of you who have supported the Youth Advisory Board for the past three years. Whether you are a volunteer, a supporter, a member of staff or a fundraiser, we hope you know that each and every one of you helped to change young people's lives through your hard work and support.

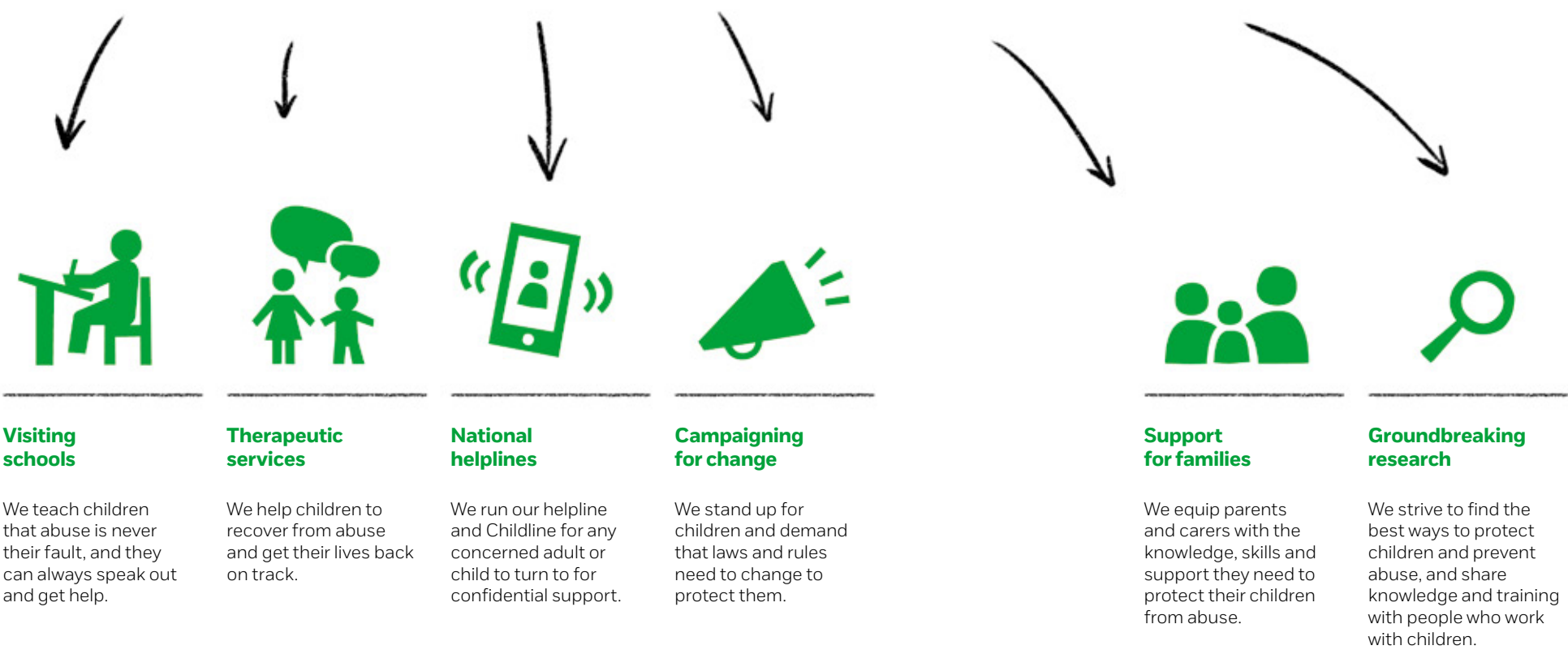
Together, we can ensure that children have the best possible support in their lives. Together, we can carry forth the ethos of the NSPCC – every childhood is worth fighting for. Thank you.

Members of The Youth Advisory Board

Written by Anna McGovern. Winner of the NSPCC's Award UK Childhood Champion for Outstanding Young Volunteer of the Year for London and the South East. Former National Ambassador and Member of the Youth Advisory Board

What we do

Everything we do protects children today and prevents abuse tomorrow so we can make child abuse a thing of the past.



But every day more children need our help and all our vital work is only possible because of our supporters. As an independent charity we receive around 90 per cent of our funding from supporters and rely on them to make sure we can reach the children who need us.

Together we can, and we will, fight for every childhood.

Our strategy

In 2016, we set ourselves an ambition to make 5 million children safer in five years. We're proud to report that we have reached this ambition in just three years.

1.

Prevent child abuse in families facing adversity.



We'll know we're making progress if:

- more families facing domestic abuse, parental substance misuse or parental mental health problems get early help from the NSPCC to prevent child abuse and neglect
- more families facing adversity receive NSPCC-evaluated services to prevent child abuse and neglect
- systems change in the prevention of child abuse and neglect in families facing adversity
- people who work with children in families facing adversity are more confident in preventing child abuse and neglect.

2.

Prevent child sexual abuse.



We'll know we're making progress if:

- more support is available to prevent harmful sexual behaviours and sexual offending
- there's increased evidence of 'what works' in preventing child sexual abuse
- people who work with children are more confident in preventing child sexual abuse
- there's increased public belief that child sexual abuse can be prevented.

3.

Help children speak out and adults take action about abuse.



We'll know we're making progress if:

- we deliver more Childline counselling sessions
- we answer more NSPCC helpline contacts
- more children understand about abuse and know who to turn to for help
- there's increased confidence in identifying risks and responding to abuse and neglect among parents and people who work with children.

4.

Help abused children get back on track.



We'll know we're making progress if:

- more help is available for children who have been abused or neglected to get back on track
- improvements are made to the justice system so it better meets the needs of children who have been abused or neglected
- there is an increased evidence base of 'what works' in getting children back on track after abuse or neglect.

5.

Make children safe from abuse online.



We'll know we're making progress if:

- more communications providers demonstrate best practice in relation to child safety online
- more children know how to keep themselves safe online
- more adults know how to keep children safe online.



Goal 1

Prevent child abuse in families facing adversity

When parents are burdened with stresses like poverty or lack of support, the weight of these problems can overload their mental and emotional capacity to take care of their children's basic needs. Over time, carrying and managing heavy burdens puts a strain on people, and can weaken their ability to care for their children. And when an especially large burden is loaded onto a person who is already overloaded – such as the loss of a job – it can cause a breakdown in care.

We can identify what some of those heavy burdens might be; issues such as poor mental health, domestic abuse, or substance misuse problems are known risk factors for all forms of abuse and neglect. We refer to families experiencing these challenges as 'families facing adversity'. However, the presence of risk does not determine a child's future: even in difficult circumstances, with the right support, children can thrive.

Finding out what helps families facing adversity

To identify what support people need, we need more evidence. This year, we looked at the concerns being raised in helpline contacts and Childline counselling sessions, to find out how living in a family facing adversity affects children's wellbeing; how children get support; and to figure out what can be done to help them get back on track.

We found that it's possible to reduce the risk of harm to children whose families are affected by these adversities: by helping parents to understand things from their child's point of view, improve their family relationships and learn new parenting skills; and by helping children build resilience and cope with the challenges they face.

Learning more about mental health

The earlier we can provide support the better. That means identifying when a potential risk factor is present as soon as possible, but it also means being aware of children's wellbeing right from the very beginning of their lives. During the perinatal period, from pregnancy up to a year after birth, women can be affected by a number of mental health problems. If these mental illnesses go untreated, there can be long-term implications for the wellbeing of women, their babies and their families.



In November 2018, we published research which found that health professionals responding to perinatal mental illness in Northern Ireland experience challenges around underfunding, overwork and growing levels and complexity of demand. This report, undertaken by NSPCC Northern Ireland in partnership with the Community Practitioners and Health Visitors Association and the

If mental illnesses go untreated, there can be long-term implications for the wellbeing of women, their babies and their families.

Royal College of Midwives in Northern Ireland, completes the picture of perinatal mental health services our reports from the other nations began

to draw, and underscores the need for better support.

Letting everyone know what works

The importance of early years on a child's mental wellbeing is hard to overstate – and yet many of the adults in a child's life, not just those struggling with their mental health, are unsure of how to create the positive experiences they need. That is why we believe that not only should our laws reflect the very real impact multiple adversities can have on a child, but that those interacting with children should have the tools they need to care for them.

This year, we launched two projects to try to close this knowledge gap from two directions: *Look Say Sing Play*, a campaign for parents, and *Sharing the Science*, a programme which shares the science behind child brain development with a whole community.



Sharing the Science

Sharing the Science uses tried and tested metaphors to explain key concepts of child development in a simple and easy-to-understand way. It targets entire communities so that parents, health, social care and education professionals can all understand how to play a part in ensuring better health for future generations.

Currently, we are piloting *Sharing the Science* in Hammersmith and Fulham, but also in our *Together for Childhood* centres in Grimsby and Glasgow. These centres are embedded within their geographical environment: they work in partnership with schools, local authorities, health, police, faith, voluntary and community groups to design and deliver services, and try to discover what works in the prevention of abuse in families where there are multiple adversities. For community work to be successful, good communication is vital. By making sure that local communities, and whole cities, understand how brain development is affected by experiences very early in life, *Sharing the Science* establishes a trauma-informed approach as the bedrock of service design.

Once fully developed, we plan to take our approach to other parts of the UK and Channel Islands. Local professionals across different agencies will then be trained to deliver this workshop to others in the area, eventually reaching all professionals in the site who work with children. And, ultimately, we want to develop materials and activities to take these concepts directly to communities and children.



Look Say Sing Play

We want to be sure everyone is equipped with the tools they need to create positive experiences for growing minds, and encourage healthy brain development as a result. So, this year we also launched a national campaign to give this information directly to parents. After speaking with more than 2,000 parents, and expectant parents, we found that 62 per cent were unaware that interactions they had with their baby in moments such as playing, singing or story time can be brain-building ones. So, we teamed up with Vroom™ to develop the Look Say Sing Play campaign and encourage new parents to use everyday scenarios to have more two-way interactions with their babies.

We launched our pilot campaign in February 2019 in Scotland, the south east of England and Yorkshire and the Humber. Parents can sign up to receive weekly emails that include both a 'brain-building tip', which goes beyond cuddling and making eye contact with their baby, and the science behind

how it helps their child. Our corporate partner Lidl is working hard to spread the word about the campaign to their customers, using their digital and instore channels, and also featuring information about the campaign at all of their major baby show stands across the country. We aimed to achieve 700 sign ups; and had made over 19,000 by the end of March, which bodes very well for the national roll-out in 2020.



Changing the law: equal protection and domestic abuse

The UK is one of only five countries within the European Union which has not yet committed to a ban on all physical punishment. But we know that positive parenting and removing violence from the home leads to better outcomes for children. We want to reform the law to give children equal protection from assault – and over the past year our campaigning has started to show some real success. In January 2019, the States of Jersey voted in favour of changing legislation in order to give children equal protection, so are now committed to making this change. The Children (Equal Protection from Assault) (Scotland) bill was introduced to the Scottish parliament in September 2018 and the Welsh government introduced The Children Wales bill in March 2019, in a media launch which took place predominantly in the NSPCC Cardiff office. This bill will remove the defence of reasonable punishment or give children equal protection under assault law.



The UK is one of only five countries within the European Union which has **not yet committed to a ban on all physical punishment.**

2019 also saw the publication of the Domestic Abuse bill, which directly referenced the three-hour workshop we organised with children and young people with lived experience of domestic abuse to tell how services can support children. The bill also



confirmed the allocation of an £8 million fund for projects supporting those suffering domestic abuse, one of which was our Domestic Abuse, Recovering Together service, which we have licensed Barnardo's to deliver in five areas in Wales. We will continue to work with other organisations to amend the draft bill once it is tabled in parliament in the autumn of 2019, and keep fighting to see children be legally recognised as victims of domestic abuse in their own right.

Giving professionals the tools they need to identify neglect

As important as prevention is, for us to be able to support a family or child in need, we must also be able to identify when a child is being abused. Neglect is a dangerous form of abuse and can have serious and long-lasting effects for children and their families. But it can often be difficult to identify, measure and effectively monitor, which can make it hard for decisions to be made about future care.

We've been working to improve identification of neglect with our specially developed assessment tool. Graded Care Profile 2 (GCP2) helps practitioners to measure the quality of care a child is receiving. It's designed to be used with families to evaluate their strengths and weaknesses so we can better identify whether a child is at risk of neglect.

GCP2 is not just available to us – we've scaled up GCP2's scope by providing training and support in how to use it to other agencies, so that more children and families can benefit from it. We've reached far more children, and helped more families thrive, than we could have done alone. There are now over 70 local authority areas across the UK licensed to deliver and use this tool.

Delegates from 40 of those local authority areas came together at our two Community of Practice events to discuss how the use of GCP2 locally is positively affecting their staff's ability to spot and assess neglect. At an event attended by Her Royal Highness Countess of Wessex and Dame Esther Rantzen they shared good practice, but also celebrated the leaders and practitioners who are really striving to make an impact for children and young people in their area.



Goal 2

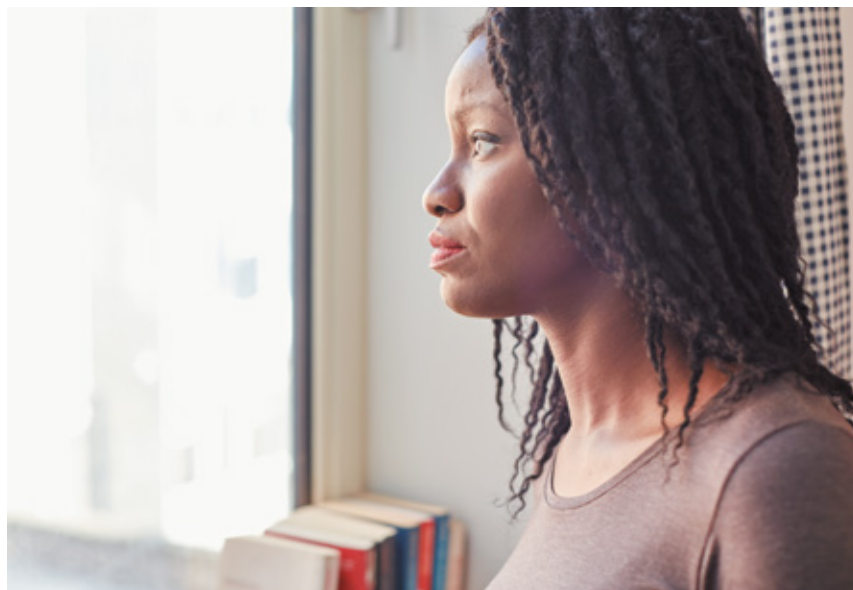
Prevent child sexual abuse

We know that we need to work together to prevent child sexual abuse. Everyone must play their part, because we all have a responsibility to help protect children. But identifying what that part is, and transforming that principle of collective responsibility into individual plans of action, can be difficult. Sometimes it feels easier to leave it up to specialist services and hope they can make a difference. But we're working to equip more people with the knowledge and skills they need.

Learning how to work with communities to prevent sexual abuse

In July 2018, we published our evaluation of the Protecting Parents Across Communities programme, which was run by the Lucy Faithfull Foundation from 2009 to 2012. The programme itself aimed to develop an approach to preventing child sexual

abuse in a non-English speaking Somali community in London, and our evaluation has proven a rich resource of information into how we might develop an approach to preventing child sexual abuse. For instance, we confirmed the importance of working directly with community members as a way to identify local risks which are less likely to be captured through other means.



Together for Childhood

If we really want to create lasting change, we need to work with whole communities and at our *Together for Childhood* sites we are working to discover how best we can do that.

Our resources are not endless, but if we can provide an evidence-based framework around which communities can build lasting social change, our power to prevent abuse is multiplied exponentially. For communities to begin building something new, they need to be empowered and inspired; that's why we put young people and their parents' voices first when setting up *Together for Childhood* in Plymouth.



In summer 2018 we partnered with the police in workshops with the National Citizen Service, on preventing child sexual exploitation with more than **600 young people** across Plymouth.

We decided upon its location, Ernesettle, after hearing from local people that this is a community that recognises that everyone has a part to play to prevent abuse from happening; it has a passion for protecting children; and there is already a thriving network of community groups carrying out vital work for children and families in the area.



By providing our expert knowledge, project management and evaluation skills, we can enable this community to decide upon programmes which fit their context, wants and needs, and develop sustainable, locally-driven change. We have made great progress creating the partnerships with the agencies (both statutory and not) and groups which will allow this. Not only was our launch event brilliantly well-attended, with over 130 people visiting our NSPCC fun day, but we were also invited by the community to attend Ernesettle carnival in September 2018 (where we spoke to at least 70 children and their families about how to have conversations to protect children from sexual abuse).

The more we build relationships, and a presence within Ernesettle, the more we see conversations about preventing child sexual abuse become a normal part of life. From those conversations, we are able to identify what a community needs and wants to make itself safer. In summer 2018 we partnered with the police and the National Citizen Service to run workshops with more than 600 young people across Plymouth on preventing child sexual exploitation. We heard that in the context of peer to peer relationships, young people were unsure what unhealthy or healthy relationships meant and looked like. So, with the help of the Samworth foundation who have awarded us £280,000, we have been running participation groups from April 2019. These support young people to explore and define for themselves what should be key messages about healthy relationships between peers.



Take Me Back

We're also constantly searching for opportunities to influence diverse communities in new ways, outside of our *Together for Childhood* sites. In December 2018, our senior consultant of faith and Black and Minority Ethnic communities took part in the after-show discussion panel of the latest play by award-winning British black female comedian, writer and producer, Angie Le Mar. *Take Me Back*, set in the context of a black Pentecostal church community, deals with family issues such as child sexual abuse and domestic abuse.

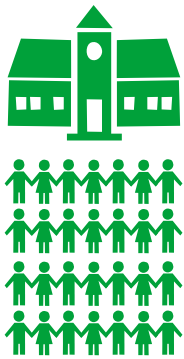
Participation in this after-show panel presented a new way of engaging with people from the black community on child abuse issues – opening discussion



on an often difficult and sensitive subject in relation to black families and church settings. As a result, the mainly black audience were given both a perspective on our work, and some key messages on continuing to protect children.

Legislating to strengthen community safeguarding

Communal responsibility is, as the name suggests, not something that can be achieved by talking to individuals alone. We need the upswell of support in a community which *Together for Childhood*, and *Take Me Back*, are seeking to create; but we also require a complementary legal framework which acknowledges the many aspects of a child's life, outside of the family home, where they are exposed to learning opportunities, and to risk.



Keeping Safe is currently being delivered in **66 schools** (including five special schools), reaching over **15,000 pupils** to date, and a randomised control trial has evidenced that the programme is very effective.

Positions of trust

Positions of trust legislation prevents teachers and social workers from having sex with the 16-17-year-olds they look after, because the power imbalance of such a relationship makes free consent impossible. However, this law doesn't cover adults who regularly look after young people in other roles, such as sports coaches or as youth leaders. This means that in England, although young people are fully protected in the classroom, they're not protected in out of school activities.

The States of Jersey recently introduced the Sexual Offence Act, which includes a wide definition of positions of trust and fully protects its children; we want to see this implemented everywhere in the UK. Our campaign, *Close the Loophole*, is calling on Westminster to make it illegal for any adult who holds a position of trust over a young person under 18 to engage in sexual activity with them. We have asked campaigners to write to their MP, asking them to contact the secretary of state for justice to

extend the positions of trust definition. There has been strong uptake from campaigners with over 2,770 campaigners completing the action.

Relationships Education and Relationships and Sex Education

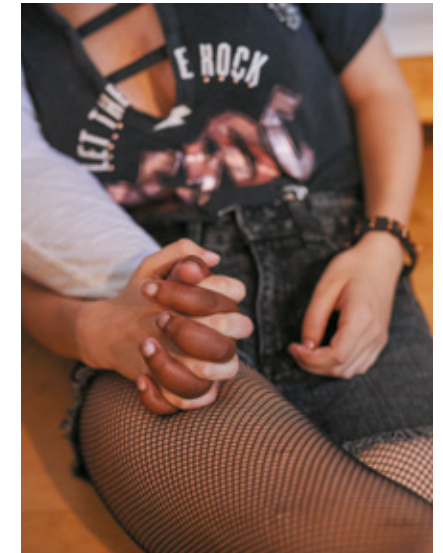
As children grow older, they start to spend more and more time socialising outside of, and away from, their families. Our research into harmful sexual behaviour means we know how important peer relationships are during adolescence especially; they set social norms which affect how young people behave and what experiences they encounter. These relationships are shaped by, and shape, the school, neighbourhood and online contexts in which they grow. If we can give schools the tools and support they need to shape healthy relationships, healthy norms will be created, and negative experiences decrease.

We have been lobbying hard to make sure these topics are addressed in all schools, and this year has seen huge success. In Northern Ireland, we have developed a whole school education programme, *Keeping Safe*, in partnership with the Department for Education, which teaches primary school children age-appropriate messages to keep them safe from all forms of abuse. *Keeping Safe* is currently being delivered in 66 schools (including five special schools), reaching over 15,000 pupils to date, and a randomised control trial has produced robust evidence that the programme is very effective.

Westminster and the Welsh government have both announced that they will institute mandatory Relationships Education beginning in September 2020. The Welsh government will also make Relationships and Sex Education compulsory in schools from age five in the new Welsh curriculum, while Westminster announced that all primary schools in England will have to teach Relationships Education (RE), secondary schools must teach Relationships and Sex Education (RSE) and all state-funded schools in England must teach Health Education.

We have shaped these new curriculums: the asks we set out in response to Westminster's consultation of their proposed RE and RSE guidance in November 2018 were almost all

included in their publication of February 2019. Our determination that the whole school must alter its context for new peer norms to be created has contributed to a curriculum which has at its bedrock respect for other people: how they differ from each other and how their boundaries differ, in a sexual or a platonic context. Children will now learn what different kinds of positive relationships look like (for example, Lesbian, Gay, Bisexual, Transgender (LGBT) content is interwoven through every aspect of Relationships and Sex Education, not relegated to a one-off lesson) and exactly what negative ones are: pornography and coercive control are explicitly mentioned, so that children confronted with unhealthy behaviour will be able to recognise what is happening.



Talk PANTS

The February 2019 guidance also directly referenced our Talk PANTS campaign as an excellent resource for discussing safeguarding as part of RE in primary schools. Talk PANTS resources are available for free, and give parents and professionals a simple framework for having conversations with their children to keep them safe from sexual abuse, without ever using scary words or even mentioning sex.

We want the messages of Talk PANTS to be accessible for as many people as possible, but we also know how important engaging with a community is for creating lasting cultural change around sexual abuse. This year Matalan, who have raised £10 million for the NSPCC over 14 years of partnership, amplified our Talk PANTS campaign. We focused on making it accessible to as many people as possible. We updated a range of Talk PANTS guides, including guides in Welsh, guides for

people with a disability and for children with autism, and embedded a campaign to teach professionals how to use the guide within a geographical community.

We also launched a Dorset-wide campaign in May 2018, covering the entire county, and working in partnership with two Local Safeguarding Children Boards (Bournemouth and Poole; and Dorset), their constituent members, and three local authorities.

This is the first time that we have run a Talk PANTS campaign across such a wide geographical area and our launch at Premier League AFC Bournemouth and our activity at the County Museum in Dorchester was a huge success. We featured at the safeguarding conference organised by the Dorset Early Years Forum, where we delivered two workshops to 180 early years workers from across the country. We also delivered six workshops across Dorset, Bournemouth and Poole to equip primary school teachers and early years workers to deliver the PANTS messages and learning in their respective settings. The workshops were held in dispersed locations to enable as many people as possible to attend and, ultimately, we were able to reach around 100 participants, the majority of whom made an enthusiastic commitment to promote PANTS.





Goal 3

Help children speak out and adults take action about abuse

Disclosures can be a long and complex journey for a child. They may delay speaking out – waiting instead for someone to notice or something else to happen. They may share their experiences over a period of time, or many years after the abuse took place. And, when they do disclose, they may not be really heard; the abuse is not acted on, or acknowledged as abuse at all.

It's essential that anyone working with children is able to recognise the signs of abuse and neglect and act on their concerns, but we must also ensure that children and young people are listened to and supported if and when they do speak out.

Someone to talk to: Childline and our helpline

Childline

To make sure that children and young people always have access to confidential support when they need it, we run Childline: the UK's free, 24-hour helpline for children and young people. With the support of the players of the People's Postcode Lottery, who gave over £2.1 million in March 2019, and everyone who attended the Unforgettable dinner at Annabel's in June 2018, we managed to deliver over 250,000 counselling sessions with children and young people about a whole range of concerns.

Childline online has helped more young people online in 2018/19 than ever before – reaching millions of young people through informative content, a strong social media presence and an array of self-help tools and user-generated peer-to-peer support. The trend of young people choosing to engage with Childline online continued

to rise this year and looks set to continue into 2019/20.

2018/19 also saw the launch of Childline's new personalised content designed specifically for young people under 12. This site is a version of the Childline website with age-appropriate language and content that better serves the issues children of this demographic typically speak to Childline about. Since its launch in September 2018 the specially designed landing page has received over 8,000 unique pageviews. Especially popular new therapeutic tools and games include the Build Your Happy Place game and the Calm Cloud.

We worked in conjunction with the University of Kent to create a serialised version of their interactive grooming simulation *Looking for Lottie*. This was released to young people over a period of two weeks as part of the *#ListenToYourSelfie* campaign and resulted in over half a million page views of Childline's 'unhealthy relationships' content lasting for 30 seconds or more.



Existing online services have also seen a rise in popularity in 2018/19. Ask Sam has seen a 30per cent increase in unique page views, totalling over 950,000 over the year. New content around exclusion from education, taking care of yourself and being young parents worked alongside improvements to existing content on Lesbian, Gay, Bisexual, Transgender, Questioning and Others (LGBTQ+) and the 1-2-1 chat experience. The Childline message boards saw over 950,000 unique page views in the last year and had thousands of posts from young people supporting each other.



During the year, the NSPCC helpline answered almost **73,000** contacts and made almost **36,000** referrals to external agencies as a result.

Our helpline

We also support adults who may have concerns that a child in their life is, or is at risk of, being abused. With advice and information that can be offered in a range of languages (from English and Welsh to Punjabi and Urdu), our trained practitioners provide advice, guidance and support to adults reaching out, and can take action on behalf of a child being abused or at risk of abuse. During the year, the NSPCC helpline answered almost 73,000 contacts and made almost 36,000 referrals to external agencies as a result. The service continues to offer advice to those with a concern about a child and handled almost 37,000 contacts where advice was provided.

Our helpline also continues to work with external agencies to operate commissioned helplines in relation to specific concerns such as radicalisation, gangs, and female genital mutilation (FGM) and in response to identified police cases. And we provide helpline services for large organisations including the travel industry, other charities and community organisations.

Letting children know where to go

Speak out. Stay safe.

In November 2018, we celebrated our 20,000th *Speak out. Stay safe.* assembly at a primary school in Solihull. Our *Speak out. Stay safe.* programme works with schools to ensure that all children are taught about child abuse in an age-appropriate and non-intimidating way. In free assemblies and workshops, children learn how to recognise what abuse is and identify a trusted adult who they can speak to if they are worried. We also provide schools with valuable resources for parents and carers, so that the entire community is equipped with the knowledge they need to support and protect children.

We want to reach every primary school in the UK, and the service has already achieved over 85 per cent overall with many areas already exceeding 90 per cent. This year we also developed and launched a new, more flexible model for *Speak out. Stay safe.* in Special Educational Needs and Disability (SEND) schools. The new model,

launched in September 2018, will enable schools to take the lead in adapting and delivering the programme to better suit the needs of their children, and will also be translated into Welsh. To further increase our scope, we have been working with organisations within the Jewish and Muslim faith. The Muslim Council of Britain have agreed to write a letter of support for *Speak out. Stay safe.* and the Partnership for Jewish Schools will be promoting the programme in their newsletters and at events.



Giving adults the tools they need

One research study showed that 90 per cent of children had a negative experience at some point when disclosing abuse, mostly when the person they spoke to responded

poorly.* We want to be sure that professionals can support a child or young person when they disclose abuse, and we want to be sure that we are equipping professionals with the best possible tools to do this.

Let children know you're listening

We conducted a review of existing evidence, held focus groups and surveyed over 1,500 people to learn about their experiences of dealing with disclosures – how they faltered and could be improved, and how they helped and should be replicated. The key insight that emerged was the importance of the adult's interpersonal skills to help a young person to feel heard.

Of course, adults who work with children know these skills well. But children told us that adults don't necessarily do these things. We wanted to create a practical resource that would keep these skills at the

front of mind and help give professionals the confidence and skills they need to better listen to and support young people.

The result is a poster that we launched in Wales in February 2019 for schools to display in the staff room, classroom, toilets – anywhere that teachers will be able to see it. It's visual and memorable and has been purposefully designed to be understood by young people too. We've also produced a briefing paper that gives more detail and background to the project and we'll soon be launching an animation so we can share this learning as far as possible.

NSPCC Learning

We want all professionals to be accessing the best resources and information, so at the beginning of September 2018, we launched NSPCC Learning. This platform is made up of a website and a learning and e-commerce resource, all created so that the external e-learning, training courses, and information products which we create for professionals are reaching as many of them as possible. We have moved all our current content for professionals, as well as online courses, from our website onto this bespoke platform to offer professionals clear and consistent access to all of our products and services.

Education professionals can also sign up to receive a monthly safeguarding in education newsletter. This includes all the latest education safeguarding and child protection news such as *Parents in Sports Week*, resources, changes in legislation and briefings. We sent our first schools bulletin in November 2018 and reached 4,570 professionals in the education sector.



We have continued to deliver training and consultancy services to professionals and those working with children throughout this year. Over 900 individuals attended a face-to-face training session ranging from our Introduction to Child Protection through to Supervision Skills training and Safer Recruitment and we worked with 1,785 organisations to help them improve their safeguarding activities, from sending them publications to specific pieces of work (like developing a self-audit tool for safeguarding).

Evaluating and refining our services

We want every child who speaks up to be listened to and feel listened to, which is why we are constantly seeking to improve and refine our services, and investigate how we can be better.

We reviewed our Childline night service, which operates between 1am and 7:30am. As the children who contact us at this time of night are often most at risk, we need to ensure that their communication with us is of a consistent high quality. In 2018, we piloted a triage process, which clearly assesses the need and the risk of the contact – and decided to begin implementing it from 12am every night.



The helpline is a key service for the general public and professionals who call us with concerns about the children in their lives.

Throughout autumn 2018 we also reviewed the structure and operation of our adult helpline. The helpline is a key service for the general public and professionals who call us with concerns about the children in their lives. We need to keep the quality of interactions and response high, while responding to increasing numbers of contacts.

By relocating our London helpline to Salford and Belfast, and only operating a live (rather than an automated) service from Monday to Friday, 8am–10pm and 9am–6pm at weekends, we can stay available 24 hours a day, seven days a week – and, during our busiest times of day, there will always be someone there to talk to.

Finally, this year, with help from the JMCMRJ Sorrell Foundation and the Health Foundation, we launched an evaluation of our *Speak Out. Stay Safe.* programme. While we are currently able to talk about how many children we reach through this programme, it is vital that we are able to provide robust evidence that the programme increases children's knowledge and helps them speak out about abuse and neglect. We evaluated * the delivery of *Speak out. Stay safe.* with ten schools and 24 volunteers and members of staff to gain some initial learning on the outcomes and delivery of the programme as well as barriers and facilitators to deliver it across schools. Children told us they knew more about bullying, abuse and neglect following *Speak out. Stay safe.* They also learnt more about who their trusted adults are, what Childline is, and why it's so important to speak out if something is wrong.

*Hollis, V. and Churchill, G. (2018) Understanding children's and teachers' views of the NSPCC's *Speak out. Stay safe.* programme. London: NSPCC. learning.nspcc.org.uk/research-resources/2018/understanding-childrens-teachers-views-speak-out-stay-safe



* Source: Allnock, D. and Miller, P. (2013) No one noticed, no one heard: a study of disclosures of childhood abuse. London: NSPCC. learning.nspcc.org.uk/research-resources/2013/no-one-noticed-no-one-heard
"For the vast majority of the young people (90 per cent), at least part of their journey, if not all, was negative"

Goal 4

Help abused children get back on track

We're gathering evidence into the way our systems support, or fail to support, the children who need help most. From investigating the justice system, to tracking the treatment of young people's mental health by our healthcare providers, we are pushing for all children who have experienced abuse to be given the tools they need to rebuild their lives. Abuse may change childhoods, but that is never the end of the story. With the right knowledge, the right services and the right kind of practical or emotional support, we can help children create a bright future for themselves.

Discovering where society is falling short

We want to be sure that the best evidence is available to support children, which is why we are so excited to see our *Falling Short* report published this year. Ten years after Joyce Plotnikoff and Richard Woolfson's landmark report *Measuring up?* investigated the treatment of children giving evidence

Through our Young Witness Service, we're able to offer free, independent and confidential assistance to any child or young person who has to attend court as a witness in Northern Ireland.

in court proceedings, the NSPCC commissioned a follow-up report to see what progress has been made in supporting the thousands of children who enter the criminal justice system every year.

Carried out by Lexicon Limited researchers Plotnikoff and Woolfson, the *Falling Short?** report aimed to understand how we can improve practices surrounding children's involvement within the criminal justice system. The research looked at over 40 policy and guidance documents and examined how these were interpreted in practice by 272 criminal justice system personnel, to identify what (and how) special measures for children are being implemented in courts in England and Wales. The results were not positive.

During this time, 62 interviews were conducted by phone or in person with: members of government departments (many responsible for developing policy); the legal professions and associated organisations; the judiciary; charities and other bodies. Their views provided background to study issues and helped inform development of questions for practitioners. These were incorporated into surveys completed by 210 respondents reflecting on their experiences in young witness cases in the previous 12 months.

* Plotnikoff, J. and Woolfson, R. (2019) *Falling short?: a snapshot of young witness policy and practice*. London: NSPCC. learning.nspcc.org.uk/research-resources/2019/falling-short-young-witness-policy-practice/



Despite the raft of commitments made by the government in the last decade, the study found that child witnesses are still being let down by the criminal justice system. Moreover, the delivery of these commitments was found to be inconsistent and not routinely monitored. This kind of insufficient support has a negative impact upon children's emotional and mental wellbeing and could lead to abuse victims being re-traumatised. This is news that none of us want to hear; but now that we have this evidence base, we are able to move forward. We can begin to evaluate current provisions surrounding a child's involvement with the criminal justice system and begin to influence public policy to shape a justice system that puts children first. We will be amply aided by our follow-up report into children's perspectives following experience of the system, which is set to launch later this year, and by our work in Northern Ireland.

Through our Young Witness Service, we're able to offer free, independent and confidential assistance to any child or young person who has to attend court as a witness in Northern Ireland. This work is supported by our partnership with Citi, who equipped the waiting room for children and young people, on top of buying Christmas presents for every child at our Craigavon service centre.



Insufficient support has a negative impact upon children's emotional and mental wellbeing and could lead to abuse victims being re-traumatised.

We have also gained ground in increasing the number of special measures beyond the Young Witness Service. Following the wide-ranging public debate prompted by the trial of two Ulster Rugby players who were acquitted of rape, Sir John Gillen launched an independent inquiry into the handling of serious sexual crime within the Northern Irish justice system. Our Young Witness Service was successful in securing a place on Sir John's reference group representing

children, and made several submissions to the review on the need for special measures to be incorporated into the system for handling young witnesses, many of these can now be found in Sir John's chapter.

Improving mental health support

We know that abuse is associated with a wide range of mental health conditions, including depression, anxiety, eating disorders and suicidal ideation. It's crucial that the impact of abuse is understood and considered when planning and delivering health services for children.

Every year, we produce a report on local transformation plans and their relationship with Clinical Commissioning Groups (CCGs) when delivering mental health services at the local level. At present, local transformation plans are required for CCGs to receive additional government funding until 2021, and set out how children and young people's mental health services will be improved locally.

In 2018, we examined the third round of CCGs' mental health service plans, to discover the extent to which they are considering the increased vulnerability of certain groups of children and young people, including those who have been abused or neglected, when planning local mental health services. We found that some positive steps had been taken since previous assessments – but the needs of children who have been abused and neglected remain overlooked. So we have met with the Department for Health and Social Care and the Department for Education to continually highlight the importance of CCGs when considering mental health and the needs of children who have experienced abuse.

Developing services

We are also committed to developing innovative services and therapeutic programmes to help children rebuild their lives. This may mean working with other organisations to coordinate children's care, developing our effective, and cost-effective, therapeutic service for survivors of sexual abuse, or designing a radical new platform where children can map their history and imagine their future.



The Lighthouse

Last year we were awarded a contract, alongside University College London Hospital NHS Trust, and the Tavistock and Portman NHS Trust, to deliver services from the UK's first Child House. Currently, when a child or young person discloses sexual abuse, they and their families are often left to navigate the health, police and courts system by themselves. Children and young people often relive their experience after making their disclosure, and risk being re-traumatised.

Thanks to funding from the Home Office, The Mayor of London's Office for Policing and Crime, NHS England, the Department for Education, and our charity partner Morgan Stanley (who reached their target of £1 million to support the development of *The Lighthouse* and pay for the Morgan Stanley Therapeutic Suite) we were able to extensively refurbish and transform our service centre in London into a place young people have named

The Lighthouse. At *The Lighthouse*, children can access medical advocacy, social care, police, and therapeutic support all in one place, so that every child has a safe place to recover at their own pace and rebuild their lives.

We have been open and seeing children since October 2018 from a standing start at the beginning of the year. *The Lighthouse* is currently being evaluated, but we anticipate that it will deliver significantly improved outcomes for children and young people who have experienced the trauma of sexual abuse. We will use the learning from the development of *The Lighthouse* to help deliver this model and service of excellence to scale across the UK and Channel Islands and begin to combat the often fragmented and uncoordinated services which currently exist, and which often result in poor recovery outcomes for children and young people.



Letting the Future In

One of the services we offer at *The Lighthouse* is our flagship therapeutic programme *Letting the Future In* (LTFI). This responds to individual needs, backgrounds and levels of understanding in order to empower young people who have experienced the trauma of abuse. We know this is a great service, but we wanted to prove it. Following an economic evaluation of *LTFI*, we were thrilled to learn that the mean cost of providing *LTFI* was estimated as £2,300 per case in our original evaluation*. A conservative estimate of the lifetime cost of child abuse to society is around £90,000 per child**. *The Letting the Future In* model is now being scaled up across the UK.



Digital Life Stories

For children who have been or are in care, it can be difficult to make sense of the past, to create a positive sense of identity and a coherent narrative of their life. Not only are they likely to have experienced abuse or neglect in their early life, but the journey through care can be a chaotic one. Many move from placement to placement, forgetting where they've been and who they have met along the way. Even the special memories – such as where and how they celebrated each of their birthdays – can be forgotten.

To address this, social workers and children and family practitioners alike have been working directly with children to support them to create their own storybook of photos and special memories, in an approach, often referred to as 'life story work', which helps a child untangle and make sense of their own personal story. However, while young children often enjoy a more hands-on approach, this type of creative, therapeutic process is not necessarily

as relevant, or engaging, for teenagers in care. While glitter and Pritt stick might work for some, a vlog or online portal is more appropriate for those who feel more comfortable online. We want all children – no matter how grown up – to have a space where they can make sense of their history. So, we have created *Digital Life Stories*: a secure, permanent and private online platform where young people can express their true and honest selves in a more natural setting. They can save, edit and revisit content just as they would in a hard-copy storybook, but on their own terms. And we're working with the best in the business to make this happen, including young people themselves.

We are at a pivotal stage in our venture. We have funded the discovery phase of this project, but the key objective of the next phase is to design, test and build a *Digital Life Story* work product – and this is dependent on us securing funding from a development partner. Following this phase, we will progress to the pilot phase, where we will be able to gather evidence to demonstrate that *Digital Life Story* work can enhance practitioners' delivery of life story work and ultimately improve the lives of young people in care.



*Carpenter, J. et al. (2016) *Letting the Future In: a therapeutic intervention for children affected by sexual abuse and their carers. An evaluation of impact and implementation.* London: NSPCC

**Conti, G. et al (2017) *The economic cost of child maltreatment in the UK: a preliminary study.* London: NSPCC



Goal 5

Make children safe from abuse online

Social networks can be a great way of allowing children to stay in touch with their friends. And, as children don't distinguish between what they do online and what they do offline, they view internet relationships in the same way as they do in-person ones. That means that blanket bans of the internet can be not only difficult to enforce but difficult for children to live with. But the internet is not always a safe place. We think it's vital for adults and children to be having regular conversations, so that they are exploring and understanding, and setting boundaries in the online world – as well as the offline one – together.

Working with O2 to help parents get talking

We offer a range of resources and tools to help this process happen. Back in 2015, we brought our expertise in protecting children together with O2's technical skills to give parents the knowledge and confidence they need to help keep their kids safe online. Four years later, and our partnership has moved from strength to strength – enough so that we have agreed to spend another two years fighting hard together to keep children safe online.

and warnings relating to their child's online world. We're also engaging in-person – providing advice through the O2 and NSPCC online safety helpline, which is run by O2 advisors trained by us to give information about apps, sites, games, and safe settings. And for those struggling to set up parental controls, O2 Gurus in store will help – for anyone, on any device, not just O2 customers.

Since the summer, we've also worked closely to develop Parents vs Kids: a new quiz game where parents play against their children in a battle of digital wits. By testing both sides' knowledge of the online world, we're aiming to get families talking about the exciting possibilities of the internet, as well as the risks to look out for.

This launched on the Alexa platform in October 2018, with a new version made available in March 2019 that is available to play on desktop, tablet and mobile. Having evaluated the first phase of the campaign, we've seen really positive results, with 61 per cent of parents of 8-13 year olds who had seen the campaign or played the game going on to have a conversation about online safety with their children.



24% of surveyed young people have experienced an adult that they don't know in real life trying to contact them online.

Our Net Aware app provides a guide to around 40 of the most popular social media sites, apps and games used by young people, so that adults can keep up to date with the latest reviews, news,

Sharing the latest information with professionals

We're not just sharing knowledge with parents and carers; we're reaching out to professionals to encourage conversations so that learning can spread as far as possible. That's why the theme of our 2018 *How safe are our children?* conference was 'Growing up Online'. This annual conference provides child protection professionals with the opportunity to debate,



question and share insights about the latest strategies, policies and programmes to prevent child abuse and protect children.

A plethora of speakers and panellists discussed the issues facing us in the online world, and welcomed the launch of our latest *How safe are our children?* report which compiles and analyses the most robust and up-to-date child protection data that exists across the four nations in the UK and the Channel Islands.

This was our largest conference yet. We increased our reach to over 600 delegates from all areas of child protection (including social work, education, health and criminal justice). Attendees participated in speeches, discussions, sessions and networking, and got to hear then Secretary of State for Digital, Culture, Media and Sport, Matt Hancock MP's address. This was a speech that touched on our goal to make the online world safe: introducing legislation so that the internet is protecting its citizens, not putting them in harm's way.

Changing the law to keep children safe online

For over a decade social networking sites have repeatedly failed to keep children safe. Self-regulation has been proven, time and again, to be ineffective and the result has been an increasing number of children experiencing online abuse. In the last 18 months alone there have been over 5,000 recorded offences of sexual communication with a child in England and Wales.

The NSPCC's deeply held concerns about the lack of concerted effort by industry and government led to the launch of our Wild West Web campaign in April 2018. Through this campaign we have been calling on the government to introduce statutory regulation of social networking sites, which would force companies to enact a 'duty of care' towards their child users. We have cultivated substantial public support for our campaign with over 45,000 people adding their voice to our calls by signing our petition by the end of March 2019.

Throughout the time the campaign has been running it has garnered exceptional media coverage, with front page stories in the Telegraph, the Sun, the Times, and the Daily Mail. We have also secured ample coverage on the BBC, ITV and Sky. Our media coverage has been well supported by a number of very effective case studies which speak powerfully about the impact that online abuse can have on children and their families.

The Wild West Web campaign has achieved remarkable success. In May 2018, the government performed a u-turn when it announced that, rather than another self-regulatory initiative, it would publish a white paper on online harms in winter 2018/19.

This White Paper was published at the start of April 2019; it includes the vast majority of the recommendations that the NSPCC had made in its regulatory blueprint *Taming the Wild West Web*. For instance, the government has announced that the legislation will include:

- an independent regulator based on a duty of care model
- annual transparency reports for social networking sites
- proactive steps to tackle grooming
- a range of enforcement powers for companies that consistently fail children on their platforms including fines, blocking non-compliant services and individual liability on senior members of management.

Although there is still some way to go before this is fully enacted in law, these announcements represent a step-change in the UK and Channel Islands' approach towards children's safety online. These proposals will also be the first time that anything of their kind has been implemented anywhere in the world. We expect that the draft bill will be published in late 2019. The NSPCC will continue to be a thought leader in this space and we will also ensure that we continue to be the children's charity leading the way for robust statutory legislation to keep children safe online.

Volunteer Ruth Moss, after the death of her daughter:

"The internet is so ubiquitous these days – in cafes, on buses, on trains – that it becomes very difficult to police children and adolescents as a parent. [...] parents need to do as much as they can, but [...] parents cannot do that on their own because the internet is too ubiquitous and it's too difficult to control, it's become a giant.

"It has some hugely beneficial things for children but it comes at a cost – and it came at a cost to our family."

Our chief exec Peter Wanless:

"The popularity of live streaming has led to a dangerous cocktail of risks for children. Its immediacy means children are being pressured into going along with situations that make them feel uncomfortable. The lure of a big audience or thinking that they are chatting with someone they can trust piles on that pressure. What's really disturbing is that groomers can then screenshot or record live streamed abuse, and use it to blackmail the child or share it with others."

Fundraising

Working to end cruelty to children would be impossible without the fundraising efforts of our staff, volunteers, supporters and corporate partners.

People across the nations have been giving their support to help us prevent abuse. This year we launched our first new TV advert in almost ten years which aims to encourage people to leave a gift to us in their will and be guardians for future generations. Christmas 2018 saw two exciting fundraising initiatives: *Get Your Sparkle On*, which saw supporters donning glittery clothes, accessories – even beards; and *Battle of the Bakes*, which encourages workmates to bring in their best Mary Berry-inspired bake in the hope of raising over £100 and winning an exclusive apron for the champion baker.

Our fundraisers have also been exerting themselves in more strenuous ways – running hard and far to raise money for the NSPCC. Having won partnership status with the Cardiff Half Marathon

“My skydive was the most incredible and adventurous thing I could have done to protect children. I can’t believe that I did it – if it hadn’t have been for such a great cause I don’t think I would have done it. Thank you NSPCC.”

Archana, a long-time supporter of the NSPCC

for the past three years, this year we had nearly 800 runners take part – raising money and smashing our target by 102 per cent with an income of £200,000. We also saw an amazing turnout at the London Landmarks Half Marathon (supported at the cheer point by our volunteers) and for the Virgin London Marathon, where our runners raised £1.3 million.

The Wales appeal board, chaired by Alan Peterson OBE, has raised £3 million over three years through a series of events including golf days, rugby lunches and a dinner at the House of Commons sponsored by the secretary of state for Wales. The Wales appeal board have also worked closely with many corporate supporters over the years, including Coleg Cambria in North Wales, following an epic year of challenges which included a 24-hour relay of sports and exercise, a bake-off, carol singing, sponsored walks, salsa dancing, head shaves, a tractor pull, a snookerthon, a 15-mile bath pull, entries into the London Marathon, the Bala Canoe Challenge, a Santa Dash, lantern walks and trampolining!

May 2018 saw the launch of Childhood Day in Northern Ireland. This event took place on Belfast Green, as buildings were lit up and badges sold across the nation. Every penny raised from sales has gone towards NSPCC services in Northern Ireland, such as Childline, and our *Speak out. Stay safe.* programme for schools.



We have smashed numerous records at events this year, raising more money than ever at the Jersey Ball, the Childline Ball and at our River Café fundraiser. Over 350 supporters raised £160,000 at the biennial Jersey Ball in June 2018, and the media industry came together to raise £570,000 in support of Childline at their 12th annual ball. Through donations and a grand auction of art and experiences at our River Café fundraiser we raised a further £1.2 million, which will go to support our *Letting the Future In* therapeutic service, and towards the tens of thousands of children who have experienced sexual abuse.

Our corporate partners have been hard at work. Harrods, who have been one of our partners since 2015 and raised more than £500,000 to date, opened their first pop up shop, *Fashion Re-Told*, and all proceeds came directly to the NSPCC. Blakemore Retail, who have raised more than £3 million since 2006, renewed our partnership and

have had a year of raffles, sponsored bike rides, fancy dress days and coffee mornings to name but a few. Lidl’s continuing resolve to raise £3 million over three years has seen exciting fundraising initiatives such as the Oaklands Funsized promotion, nationwide volunteering at their Christmas Bag Packing Bonanza, and plenty more activities planned for 2019 as they aim to help us reach £1 million children in three years across the UK.

We have also joined forces with KPMG who have pledged to raise £1.5 million by 2020 to create safer childhoods and as staff from KPMG chose the NSPCC to be the company’s national charity over the next two years, we look forward to even more great outcomes. Teams of KPMG volunteers will work with the NSPCC to deliver *Speak Out. Stay Safe.* assemblies, and also host employability workshops for teenagers and young people living locally to their 22 offices located across the UK and Channel Islands.

Volunteers

Our work is only possible because of the passion and commitment of our volunteers. They have baked, cheered, organised events, and challenged themselves in extraordinary ways to raise money for our services. They have also given hours of their life every week, supporting our local services, speaking at our *Speak out. Stay safe.* assemblies, and showing up for every child who contacts Childline.

Childline

We've got to recognise the dedication of some of our volunteers in Aberdeen who have spent 15 years volunteering for Childline. Administrative volunteer Norman Hutchinson, age 100, has devoted his life to working with children and young people; Betty Bates, an ex-counsellor who cares full-time for her autistic great grandchild, volunteers every week; Kate Plumbley, George Bernstein and Sandy Phillips have volunteered as counsellors or switchboard operators since day one.



Our small Merseyside Schools Service team, have successfully reached around **90 per cent** of the **440 schools** in the area over three years.

Speak out. Stay safe.

We have wonderful volunteers across the country who give their time to lead *Speak out. Stay safe.* assemblies in local schools, but this year we want to shine a spotlight on the work of our Merseyside Schools Service. This is a small team, of less than 20, trying to reach around 440 schools over three years; and have successfully reached around 90 per cent of them.

These volunteers are people who work, people with small children and caring responsibilities. Yet they all fully throw themselves into committing their free

time whenever they can, and they are incredibly reliable and never back out of dates. Some volunteers offer incredible flexibility in dates and locations, travelling up to two hours each way on top of volunteering all day. Some go out three or more times a week in busy times and they always do so willingly, with a smile on their faces.

They understand that their time is valued and fundamental to the success of *Speak out. Stay safe.* – if they can't attend, the visit may not go ahead as planned. This has resulted in a statistic we are really proud of: we have never had to cancel or rearrange a booking due to diary clashes or lack of volunteer availability.

Advocacy and fundraising

Another fantastic ambassador for the NSPCC is Ruth Moss who joined the NSPCC when her daughter Sophie Parkinson took her own life in 2014 at the age of 13, after looking at harmful content and chatting to older men online. Not only has Ruth's determination to work with our Scottish



and English media teams produced a range of high profile articles and interviews, but she has also been ferociously active in fundraising: she has taken part in the Women's Running Series, the Edinburgh Half Marathon, Tough Mudder and last year she got together a team of 12 people and took on the Rob Roy Challenge.

Two volunteers must be commended for the lengths they have gone to in order to raise money for the NSPCC: one travelling an absurdly long way, the other giving an astonishingly long time to our cause. Su Mace, on top of acting for the last two years as a pivotal member of the Manchester Childline Ball committee, has trekked an astonishing distance for the NSPCC. She has taken part in the NSPCC Iceland Trek, The Welsh Three Peaks Challenge, The Sandstone Trail Challenge, The NSPCC Patagonia Trek, The Great Manchester Half Marathon, The NSPCC Snowdon Moonlight Challenge and is about to take part in the NSPCC Transylvania Trek.



continue her legacy. David Tait, who has raised over £1 million for the NSPCC by climbing Mount Everest six times, launched the appeal in an emotional event at Norwood Park, which will be followed by a series of landmark events in 2019, including an evening with Jonathan Agnew "Aggers" and England cricketer, Stuart Broad and a huge Diamond Ball in the autumn of 2019.

Swindon Business Cares for Children has been supporting us since 1993, when the first NSPCC service centre in Swindon was opened by Princess Margaret. To celebrate 25 years of fundraising, Chair Alan Fletcher and his fellow members are launching a Silver Appeal – they hope to raise £25,000 from local business and are actually rowing the Thames again, after doing so in 2003, taking the same route from Lechlade to Teddington over the last week in August.

Our Cardiff base has an active volunteer committee that instigates and organises events to encourage retention of volunteers (they organised a wonderful Christmas fair in December and a ten-pin bowling night too) and also gets involved in recruitment (attending events like the Eisteddfod and recruitment fairs in Cardiff). The committee also organises guest speakers to come and present to volunteers once a month on a variety of topics from relaxation and self-care to issues concerning refugees and asylum seekers.

Administrative volunteer Norman Hutchinson, age 100, has devoted his life to working with children and young people. Betty Bates, an ex-counsellor who cares full-time for her autistic great grandchild, volunteers every week. Kate Plumbley, George Bernstein and Sandy Phillips have volunteered since day one.

Over six decades, Jenny Farr has helped raise funds for the NSPCC Nottingham service centre, *Jenny Farr House*. Her determination to help us reach the young people of Nottingham who need us most has inspired, and moved, those around her. We launched the Jenny Farr Diamond Appeal in September 2018 to

Looking back

In 2016 we set ourselves an ambition to make 5 million children safer in five years. We're proud to report that we've helped make more than 5 million children safer in just three years. In the first two years of this strategy we helped make over 3.7 million individual children safer, and in the third year we reached an additional 1.4 million children.

This section of our report looks at how we reached each of our five goals over the last year.

1.

Prevent child abuse in families facing adversity.

We planned to start delivery in another *Together for Childhood* site, continuing to work to prevent child abuse and neglect through our community-based approach. We pledged to continue efforts to influence the content of the domestic abuse bill, and ensure that the needs of children who are affected by domestic abuse are met.

How we are achieving this

Our *Together for Childhood* sites in Grimsby and Glasgow are now delivering activities with their local partners to prevent abuse and neglect. The activities include addressing harmful sexual behaviour, and strengthening community responses.

Following extensive policy and campaigning work, the UK government published its domestic abuse bill in January 2019, committing to introducing statutory guidance that recognises the devastating impact that domestic abuse can have on children who are exposed to it.



2.

Prevent child sexual abuse.

We planned to work to prevent sexual abuse through *Together for Childhood* sites, to continue to develop our Impact and Evidence Hub, and to share evaluations and learning on what works to prevent child sexual abuse. We also committed to commissioning major research to understand the prevention of child sexual abuse.

How we are achieving this

Our *Together for Childhood* sites in Stoke-on-Trent and Plymouth both focus on preventing sexual abuse in their local communities, and are planning activities with partner organisations such as schools, police and local government. We launched NSPCC Learning this year, which now houses all our safeguarding and child protection training and resources. It offers all our research

and evaluation findings, case reviews and statistics, e-learning and training, classroom resources and practice guidance, and the latest safeguarding/child protection information and news. NSPCC Learning includes content previously held on the Impact and Evidence Hub.

We have commissioned research to help us understand how we can better work with and support parents of children with disabilities to help prevent child sexual abuse. In particular, this research will tell us how parents approach this now, including what resources they use and where they seek help and advice, and where they feel they need more support and resources. This work is taking place in one local area, but we anticipate the findings will have wider impact.

3. Help children speak out and adults take action about abuse.

We pledged to continue to deliver *Speak out. Stay safe.* to primary schools – to reach over 1.5 million children in schools each year – and to increase our efforts to make sure we're able to deliver the service in harder to reach schools. To reach more adults, we planned to develop NSPCC Learning, to enable us to increase the reach of our training and safeguarding tools, including provision of e-learning.

How we are achieving this

Almost 1.8 million primary school aged children attended *Speak out. Stay safe.* assemblies this year, and over 4.7 million children since the start of our current organisational strategy in 2016. In those three years we've visited 18,899 primary schools, including 245 special schools and 49 pupil referral units. Around 14 per cent of the children attending

assemblies were recipients of free school meals, which matches the UK average. We continue to work to reach all primary school children: we have developed a bespoke and flexible programme for children with special educational needs, are developing an alternative model for pupil referral units, and are working with stakeholders to engage schools we have not visited before including some independent and faith schools.

We launched NSPCC Learning this year, to better help those who work with children take action about abuse. NSPCC training and safeguarding tools and services were used almost twice as much this year than last year. Our Net Aware tool, helping parents to keep their children safe online, was the most used resource and this year had its best performance since its launch.

4. Help abused children get back on track.

We planned to evaluate our *Reflective Fostering, Protect and Respect and Infant Family Team services*. We also pledged to begin delivery of Child House with partners in Camden, and to develop two brand new services to help children rebuild their lives after abuse.

How we are achieving this

Our *Reflective Fostering Programme* uses what we know about children in care to support their carers through group-based therapy, helping them to meet the emotional and behavioural needs of children in their care more effectively from the very beginning. We are currently piloting it in two of our service centres, and are evaluating how it is run. If the service shows promise, we hope to expand it to our other centres across the UK

and Channel Islands, offering a source of community, peer support and advice for foster carers when they need it most.

We have evaluated our *Protect and Respect* service to find out what works in supporting children who have experienced or are at risk of sexual exploitation, and have redesigned *Protect and Respect* based on the key findings from our evaluation. We have extended the service so it now supports children who need support to learn about healthy relationships and children who are experiencing, or are at risk of, all forms of exploitation.

We are working with partners in South London and Glasgow to assess whether the *Infant and Family Team* service helps young children in foster care

who have been abused or neglected. We have published initial findings from research into participants' perceptions and experiences of the service and from a case audit of the first 50 children allocated to the Glasgow-based service. Full findings from a randomised controlled trial of the service are due to be published in 2020.

The Lighthouse is the UK's first Child House, which opened in September 2018. It is a service for children and

young people in Barnet, Camden, Enfield, Haringey and Islington who have experienced any form of sexual abuse, including exploitation. At *The Lighthouse* we put the child at the centre, to make sure they have a safe place to recover at their own pace and rebuild their lives. Medical, advocacy, social care, police, and therapeutic support are delivered from one place, providing a coordinated approach to supporting children and young people.

5. Make children safe from abuse online.

We planned to continue our lobbying to make sure children can exercise their 'right to remove' sexualised images, and to demand government work with key industry partners to make sure children's safety is at the heart of their policies and practices. We also pledged to disseminate and promote our Share Aware resource to make sure that more parents know how to keep their children safe. Through our Operation Blue pilot, we planned to reach children at a point of need regarding online safety, engaging with them via Childline as well as external platforms.

How we are achieving this

We are campaigning to end the #wildwestweb. We're calling for a new law to make social networks safer for children with an independent regulator, safe social network accounts for children, and reporting on how social networks are keeping children safe. Between August 2018 and March 2019, around 45,000 people signed our petition on this. In April 2019, the UK government launched an online harms white paper unveiling tough new measures to keep children safer online; a significant step towards a safer internet and a huge achievement for our campaign. Through the Online Harms White Paper, the government aims to ensure the UK is the safest place in the world to be online.

The Report Remove tool was removed from the Childline website in the summer 2018 due to concerns that mandatory reporting by US-based technology companies might lead to children using the service expecting it to be confidential, and then potentially receiving a visit from the police. In March 2019 the Home Office approved a process whereby UK law enforcement will seek to protect the confidentiality of a young person submitting an image via Report Remove. We are working with the Home Office, the National Crime Agency and the Internet Watch Foundation to re-launch Report Remove.

We are working in partnership with O2 to help keep children safe online, especially those aged 8-13. The partnership comprises a range of initiatives including online resources, parents' workshops, an advice line for parents, in-store support and the Parents vs. Kids game. We distributed Share Aware resources to over 500 organisations this year.



Looking forward

Although we have exceeded our ambition to make 5 million children safer in five years, in 2019/20 we will continue to work towards our five goals. Together we can work together, aim higher, and protect more children.

1.

Prevent child abuse in families facing adversity.



- We will develop, deliver and evaluate the effectiveness of services focussed on preventing abuse in children's early years.
- We will increase the reach of our direct work to prevent abuse in the early years by scaling up our face-to-face services and other innovations

2.

Prevent child sexual abuse.



- We will develop, deliver and evaluate the effectiveness of services focussed on transforming children's lives, to prevent child sexual abuse.
- We will build the evidence base and campaign to deliver policy, practice and behaviour change in child sexual abuse.

3.

Help children speak out and adults take action about abuse.



- We will ensure every child has somewhere to turn by increasing the number of Childline counselling sessions we hold with children, and develop further self-help services through Childline online.
- We will increase the reach of our *Speak out. Stay safe.* programme, with an ambition of delivering our safeguarding messages in all primary schools.
- We will further develop and deliver services for adults including NSPCC Learning, to support professionals to better protect children and young people from abuse and consolidate the adult helpline to provide advice, support and guidance to enable anyone with concerns to take action.

4.

Help abused children get back on track.



- We will build the evidence base and campaign to deliver policy, practice and behaviour change in what works in helping children get back on track after abuse.
- We will deliver policy change across the UK through influencing on making the justice system better suited to the needs of children.

5.

Make children safe from abuse online.



- We will achieve change in practice and policy to keep children safe from abuse online by influencing online safety policy and practice, and communications providers through #wildwestweb and our *How safe are our children?* conference in 2019.
- We will refresh Net Aware so it can help parents even more effectively to keep their children safe online.

Our values

Our values, principles and standards

As the leading charity focused on ending child cruelty across the UK, everything we do protects children and prevents abuse. The values that embody our charity, as well as reflecting what we stand for are:

Putting children first

For more than 130 years we've put children first. We believe in children, we want what's best for them and we will fight to end cruelty to children.

Taking a stand

We are brave in our actions and we stand up for what is right, regardless of who is committing the wrong. We campaign to change laws where necessary, lead public debate and we're on the frontline, supporting those who work with children, and challenging those who should do more to keep them safe. We will speak out when something is wrong and celebrate success with those who help things improve.

Making an impact

Our work won't end until we've transformed attitudes and services for children, protected every child and prevented abuse. We base our decisions and actions on evidence and the difference these will make to ending cruelty to children. We're brave in our actions and prepared to be unpopular when necessary and sometimes force society to face uncomfortable truths where things get in the way of achieving our goal.

Striving for excellence

We always strive to do and be the best we can, so that we can – directly and indirectly – give every child the start in life they deserve.

Working together

We can't end cruelty to children on our own. Luckily we don't have to. Our passion inspires others, and our desire to listen, to learn and to improve means we continually work with inspirational people, organisations and children. We always achieve more for children through working together.

Remuneration policy

We aim to be an employer of choice and we have around 1,900 paid staff operating from ten regions in the UK. We engage with staff and volunteers regularly, value their opinions, and receive feedback through a variety of events and surveys.

We recognise the importance of attracting and retaining talented staff to ensure our continued success. While we aim to maximise our impact in improving the lives of our beneficiaries, we know that doing this successfully means balancing different needs. We strive for value for money in everything we do, including how we pay our staff, while offering a wage which enables us to attract, retain and motivate people with the right knowledge, experience and skills.

The board of trustees has overall responsibility for our pay policy and the salaries of executive directors. We exercise this through the remuneration committee, which is a sub-group of the board of trustees. The committee approves executive pay and any annual pay awards in line with appropriate best practice standards, including those of the National Council for Voluntary Organisations (NCVO).

In line with NCVO recommendations, the annual salaries of our chief executive and other executive board members are disclosed on our website, no more than two clicks away from the homepage. The table on the next page shows the annual remuneration of the executive board as at 31 March 2019, including defined contribution pension and other benefits.



Executive board annual remuneration

as at 31 March 2019

Executive board director	Responsibilities	Annual salary* £'000	FTE~	Salary £'000	Benefits £'000	Pension £'000
Chief executive Peter Wanless	Leading the organisation, which has an annual income of £118 million and employs over 1,900 staff, delivering services across the UK and Channel Islands.	173	1.0	173	1	19
Director of Corporate Services David Roberts	Manages the directorate responsible for ensuring that the NSPCC has effective financial controls; robust and enabling technology infrastructure and systems; a fit-for-purpose property portfolio; and appropriate information to support the efficient use of resources.	137	1.0	136	1	17
Director of Children's Services Sherry Malik	Manages the directorate responsible for the development and delivery of preventive, assessment and therapeutic services that work directly with children, young people and their families.	133	1.0	132	1	14
Director of Communications Alison Jeremy	Manages the directorate responsible for all communication initiatives; ensuring that all communication on behalf of the organisation is appropriate, consistent with our brand and key messages, and of a high standard. Also works on behalf of the whole organisation promoting the NSPCC's work, policies, campaigns and publications.	122	1.0	122	3	15
Director of Fundraising and Engagement Josephine Swinhoe (Appointed 7 January 2019)	Manages the directorate responsible for generating the financial resources we need to help end cruelty to children. Responsible for managing the NSPCC's supporters and delivering income from donations, legacies and other trading activities of around £104 million.	104	0.8	25	–	–
Director of Strategy, Policy and Evidence Kate Stanley	Manages the directorate responsible for the formulation of the five-year strategy, and for developing and testing activities that will help us to achieve our strategic objectives. Responsible for our research programme, the evaluation of our services and our policy influencing work.	100	0.9	92	–	11
Director of People Brett Terry	Manages the directorate responsible for recruitment, development, and retention for over 1,900 NSPCC staff and thousands of volunteers across the NSPCC.	103	1.0	103	–	4
Director of National Services Claire Johnson (Acting Director 1 February 2018, permanently appointed 24 January 2019)	Manages the directorate responsible for providing a range of universal national services that are focused on protecting children and young people and preventing abuse.	100	1.0	92	–	10

**Annual salary refers to annual salary excluding benefits in kind at 31 March 2019. Differences between salaries paid in year and annual salary arise due to annual pay rises that take effect in July each year and as a result of individuals joining or moving in to an executive board role during the reporting period. ~full time equivalent*

Our policy is to pay at rates which are competitive within the charity sector, reflect the nature and complexity of roles, take account of contribution by rewarding strong performers the most, and are consistent with our charitable objectives and what we can afford. Our rates of pay are above the national minimum wage and living wage.

In 2019 we paid increases, based on annual performance ratings, of up to 2.25 per cent for the highest performers (2018 up to 2 per cent). Pay is also reviewed when existing staff take on additional responsibilities. New recruits are usually paid between the minimum and mid-point of the relevant pay band, as below, depending

on their experience and skills. In exceptional circumstances, where it is required, they may be paid at a higher rate, but not more than the pay range maximum. For some roles which are difficult to recruit to, a market premium of up to 10 per cent above the pay ranges may be paid. The reasons for recruiting at market premium rates must be explained in a business case which must be approved by the relevant executive board director and the director of People. We also have 57 staff who are paid at 'spot rates' outside these ranges, including our executive board whose annual remuneration details are shown on the previous page.

We have pay ranges based on seven grades as follows:

Grade	Min £	Mid £	Max, including market premium £
P1	16,380	16,959	17,993
P2	16,380	18,705	21,485
P3	19,000	22,659	28,951
P4	24,000	28,651	36,632
P5	29,500	35,161	44,903
P6	34,000	40,633	51,993
P7	41,500	49,217	62,628

Pay ranges exclude any regional allowances which may be given.

In compliance with the Pensions Act 2008 we operate an auto enrolment pension scheme, in which all eligible employees are automatically enrolled following a postponement period of three months, with employer contribution rates set in line with legislative requirements. Staff are also offered a salary exchange defined contribution pension scheme, where

employer contribution rates match employee contributions, ranging from four per cent to a maximum of seven per cent. We continue to operate a historic defined contribution pension scheme, now closed to new entrants. Our staff based in the Channel Islands have different pension arrangements in compliance with local legislation.

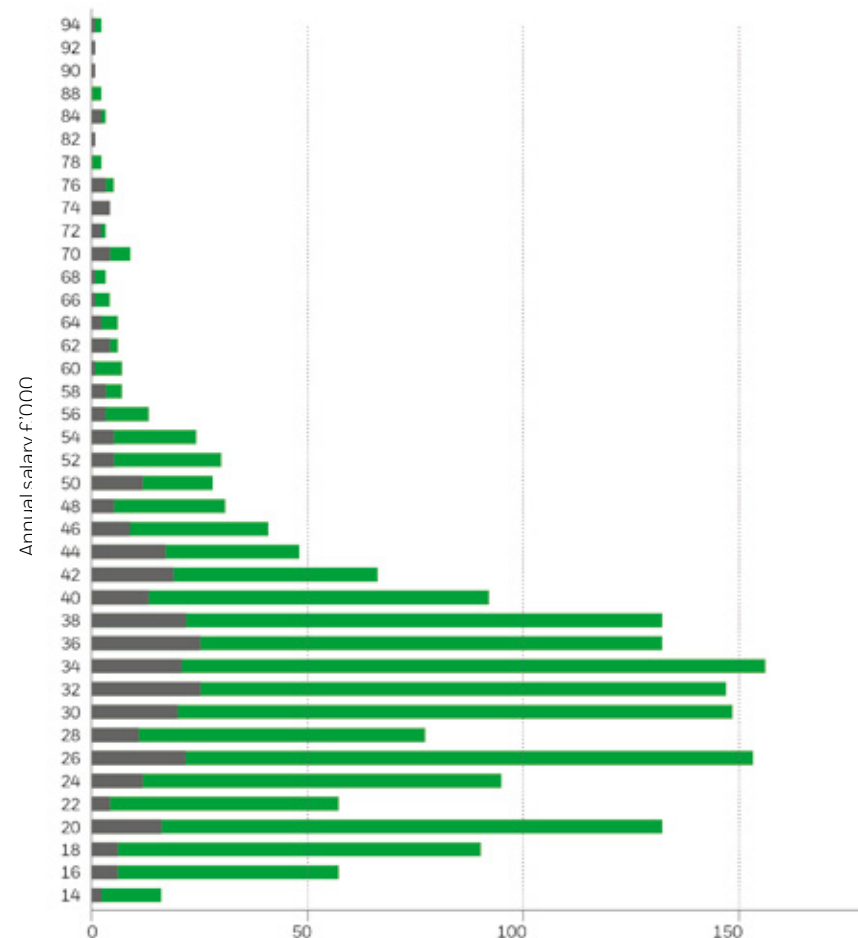
Members of the defined pension contribution scheme receive life assurance cover equivalent to five times their annual salary. Non-members, those auto-enrolled and our staff based in the Channel Islands receive life assurance cover equivalent to one times their annual salary.

At 31 March, the ratio between the highest paid and median salaries is as follows:

	2019	2018
Highest paid salary (£'000)	173	173
Median (£'000)	33	33
Ratio	5.3	5.3

The spread of annual salary entitlements for all our staff, excluding executive board members is detailed in the graph below. Gender pay information is available on our website in line with The Equality Act 2010.

Annual salary entitlements (full time equivalent basis) for all NSPCC staff, excluding executive board, employed at 31 March 2019



Expenses policy

Our expenses policy is applicable to trustees, staff and volunteers. The policy highlights each claimant's obligation to only incur costs if necessary, and to always choose the most economical option. Use of video conferencing and teleconference facilities is encouraged, to further reduce expenditure on staff travel and to save staff time. Expenses are only reimbursed when authorised by the relevant line manager, up to maximum limits set in the expenses policy.

We make use of a travel management company, who provide bookings for rail, air, hotel accommodation, conference and event venues and vehicle hire in order to reduce travel costs and promote value for money. Such bookings are paid for directly by the organisation.

All of our trustees give their time on a voluntary basis; they receive no remuneration or other benefits. Trustees' expenses incurred in furtherance of their duties are detailed in note six of the accounts. Executive board directors' expenses incurred on our business are disclosed below.

Executive board directors' expenses incurred on our business, and reclaimed or paid directly by the charity in the year – for directors in post at 31 March 2019

	Flights £	Hotels £	Rail £	Other £	2019 £	2018 £
Chief Executive – Peter Wanless	361	292	920	139	1,712	3,024
Director of Childrens' Services – Sherry Malik	457	801	2,236	224	3,718	4,709
Director of Communications – Alison Jeremy	334	301	784	199	1,618	1,684
Director of Corporate Services – David Roberts	–	105	776	–	881	1,268
Director of Fundraising and Engagement – Jo Swinhoe (appointed 07/01/2019)	–	–	319	–	319	–
Director of National Services – Claire Johnson (Acting Director 01/02/2018, permanently appointed 24/01/2019)	356	503	1,678	153	2,690	2,802
Director of People – Brett Terry (appointed 30/01/2018)	–	95	806	100	1,001	140
Director of Strategy, Policy and Evidence – Kate Stanley	61	64	334	117	576	977
Total	1,569	2,161	7,853	932	12,515	14,604

Procurement policy and modern slavery statement

We are committed to acting ethically and with integrity both internally and in our business relationships, and we expect the same high standards from the organisations we work with. Our ethical values and procurement principles are communicated to our suppliers, and new suppliers are asked to evidence that they share our values. We will never knowingly support or do business with organisations in any way connected with slavery, human trafficking or child labour.

Our procurement process aims to ensure we achieve value for money and that preferred suppliers meet or exceed our requirements in respect of ethical procurement. Suppliers are asked to demonstrate that they embrace diversity, understand the risks within their own supply chain and remunerate their staff fairly.

Our supply chain is predominantly UK-based and is compliant with UK legislation. We take a risk-based approach to purchasing, applying increased levels of scrutiny to high risk supply categories such as goods sourced from overseas. We focus our scrutiny on the policies, procedures and controls demonstrated by our direct suppliers, recognising that it is not always possible for us to have a close relationship with all parties in a supply chain.

Our relationship with donors and funders

The NSPCC subscribes to the Fundraising Regulator’s fundraising promise, which is available to download on our website. And, in addition, we have published our commitment to supporters (previously our fundraising promise) as follows:

Our commitment to supporters

- We will always tell you about how you are helping to change children’s lives so you know how your money is being spent.
- We will always take action if others acting on our behalf fail to meet our high standards.
- We will never phone you unless you have expressed an interest in the work of the NSPCC.

- We will always check first that you’re happy to speak to us when we phone.
- We will never sell your data to anyone else or share it without your permission*.
- If you tell us you don’t want to hear from us again, or want to hear from us less, we will respect that.

We receive around 90 per cent of our funding from generous supporters. We have an Individual Giving team, who focus on raising funds from individuals through one-off donations, regular donations by direct debit, payroll giving, gifts in wills, gaming products such as raffle and lottery, and sales of products. We communicate with our supporters through a selection of mailings, telephone calls, email, and SMS. We have also recruited new donors during 2018/19 through online activity, inserts, television advertising, doordrops, payroll giving, legacy promotion activity, face-to-face cash, contactless and direct debit payment collections and door-to-door fundraising.

During 2018/19, we had external agencies fundraising directly with the public on our behalf including outbound calls to existing supporters; handling calls from the public to make a donation in response to television advertising, and face-to-face activity including door-to-door, venue and experiential fundraising.

We strictly adhere to the Fundraising Regulator’s code of fundraising practice and all relevant Institute of Fundraising rulebooks as well as guidance on fundraising activity including the Treating Donors Fairly guidance. All fundraisers representing us receive rigorous training to ensure they understand the standards we expect when they are speaking to members of the public on our behalf and to ensure a positive experience for the people they talk to. Above and beyond industry guidance, we also have additional levels of protection built into our contracts and the training and guidance we provide to all fundraisers. Our donors do not receive more than two financial asks in any fundraising interaction.

This year we undertook a full review of all our safeguarding in fundraising policies, including those relating to potentially vulnerable members of the community. Our aim was to ensure

the guidance available for fundraisers is as clear and accessible as possible; effectively protects members of the community who may not have full decision making capability; and ensures intended protections do not potentially discriminate against anyone choosing to donate to the NSPCC.

As a result of the review, some updates were made to ensure our aims are met. These changes included: introducing clearer guidance on potential indicators of vulnerability; introducing a set of objective questions to ensure consistent treatment in assessing whether to accept a gift; and clearer guidance on how to support a donor’s choice to safely make a gift should they choose to do so.

We also voluntarily subscribe to the following fundraising bodies and uphold their standards:

Body	Standards
Fundraising Regulator	The Fundraising Promise The Code of Fundraising Practice Rulebooks for street fundraising, private site fundraising and door fundraising
Institute of Fundraising (IoF)	IOF Rulebooks Treating Donors Fairly Guidance Compliance and monitoring pilot schemes – we are one of the charities working with the IoF during the development of a compliance and monitoring framework for the sector.
Direct Marketing Association	The Direct Marketing Code of Practice
Cabinet Office / Department for Culture, Media and Sport	National Exemption Order operational guidance

We have a complaints policy published on our website, which includes reference to inappropriate or improper fundraising methods. We are committed to dealing with all complaints constructively, impartially and effectively and will make every effort to ensure that all complaints receive a complete, accurate and timely response. No complaint is ever disregarded. In the year to date, we received (either directly or through a person acting on our behalf) a total of 954 complaints relating to individual giving and 250 complaints relating to other fundraising. We define a complaint as ‘any expression of dissatisfaction’ and we actively encourage members of the public to share with us their views on our work to resolve problems and to improve our performance.

All agencies we worked with were closely monitored while carrying out fundraising on our behalf. For telephone agencies, we listened to a random selection of calls each week to ensure compliance with regulatory and legislative standards, and that our supporters have been offered a positive experience. For door-to-door activity, we have conducted ‘shadowing’ where we follow fundraisers to ensure they are representing our values when speaking to the public. For our private site and experiential fundraising activity, we ‘mystery shop’ our fundraisers to ensure consistency in the quality of compliance and donor experience. Across all our face-to-face activity, we listen to a random sample of the verification and welcome calls to new donors to ensure they had a positive interaction and necessary steps were taken by the fundraiser during the solicitation. For outbound telephone and face-to-face activity, we have surveyed our donors, providing the opportunity to feedback on the interaction they have had. All scores were monitored to ensure our donors are being treated appropriately, and to provide the learning to continue to improve the donor experience. All complaints received are tracked and discussed with our agencies on a weekly basis to ensure anything highlighted that could be improved upon is addressed and developed where needed.

*It’s necessary for the NSPCC to allow its carefully vetted suppliers to use supporter data to carry out work on behalf of the NSPCC, such as completing donation transactions and/or communicating with our supporters. We may also sometimes have to share data in other circumstances, for example where there’s a legal requirement to do so. Please see our privacy policy.

Governance

How we're organised and governed

We were initially founded as The London Society for the Prevention of Cruelty to Children in 1884. We then became the National Society for the Prevention of Cruelty to Children (NSPCC), incorporated by Royal Charter in 1895. We are also a charity registered with the Charity Commission in England and Wales, the Office of the Scottish Charity Regulator, and with the relevant authorities in Guernsey and Jersey.

We are still the only UK children's charity with statutory powers that enable us to take action to safeguard children at risk of abuse.

Working in England, Wales, Scotland, Northern Ireland, and the Channel Islands, our services for children and young people are adapted appropriately in the light of relevant regional and local interests.

Our board of trustees

Our board of trustees (the board) has collective responsibility for everything that we do, including the legal responsibility to ensure the charity is controlled and properly managed. In discharging their collective responsibilities our trustees:

- exercise their powers in accordance with our Royal Charter, other legal requirements and the principles of good governance
- act in the best interests of the organisation and our work to protect children and young people
- ensure that we are and will remain solvent and that there is proper financial management
- approve our strategic plans, budgets and reserves policies and monitor and evaluate our progress against those planned objectives and financial targets.

The board delegates responsibility for operational management to the chief executive, who leads a senior management team – the executive board. The executive board develop most of the organisation's plans, policies and processes, and are responsible for their implementation, following the board's advice and approval.

Board composition

Our board currently comprises 17 trustees who have a broad range of skills and experience.

Trustees usually serve an initial term of three years. This can be extended once up to a maximum of six years, and in very exceptional circumstances there may be a further extension, in accordance with the Charity Governance Code.

All of our trustees give their time on a voluntary basis; they receive no remuneration or any other benefits. Any out-of-pocket expenses along

with other costs paid directly by the charity, which the trustees have incurred in furtherance of their duties, are set out in note 6 to the financial statements. Our trustees are recruited through a variety of means, including open advertising. During 2018/19, we recruited six new trustees as a number of trustees reached the end of their term of office. All trustees were recruited against skills need and were recruited following a competitive process. We place particular emphasis on ensuring that we have the appropriate balance of skills and experience that we need so will use more targeted recruitment searches where necessary and keep under review the balance of trustees with regard to gender and diversity. There are currently ten male trustees and seven female trustees.

We also recruit divisional trustees from within our branch and district and volunteer networks, enabling us to benefit from the involvement and expertise of our valued supporters across the UK and Channel Islands. There are currently six divisional trustees.

Our nominations and governance committee recommend prospective trustees for approval to the full board, and they are then elected formally by members of the NSPCC Council at our Annual Council Meeting. The Board recognises the importance of diversity, and has recently undertaken a skills and diversity audit, and is seeking to improve the diversity of the Board and its trustees when recruiting to fill future vacancies.

Our trustees undergo a comprehensive induction programme and are offered training and development opportunities throughout their trusteeship.

Following publication of the Charity Governance Code in July 2017, Trustees evaluated the Board's performance

against each of the principles of the Code. They found that the Society meets most of the outcomes in the Code. Trustees have adopted the Code and aspire to exceed the requirements and agreed an action plan which will aid continual improvement in the Society's governance.

Board meetings

Our board meets six times a year; we also hold an annual board away day, which enables trustees and the executive board to focus on key strategic issues in more depth.

We have a session at most trustee meetings to highlight a particular service area. This gives trustees the opportunity to hear first-hand from practitioner staff as well as from young people.

We also have a Youth Advisory Board, a group of young people from inside and outside of the NSPCC, who give consideration to Board papers and provide their views to the Board.

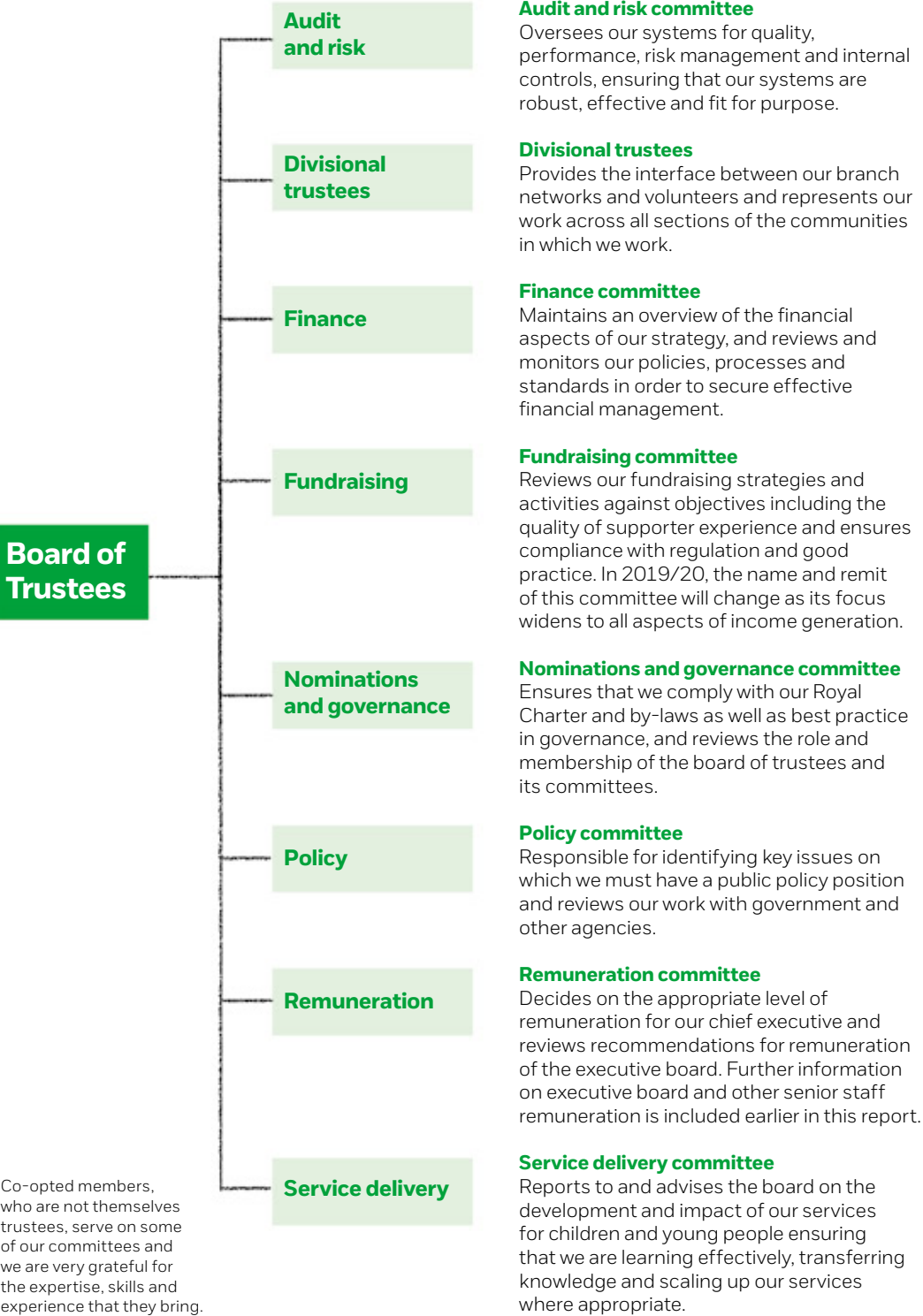
There are certain matters which the board reserves to itself through a written schedule. These include approval of our annual plan and budget, and our overall strategic direction.

As a measure of board effectiveness we have included trustee attendance within our trustees listing on pages 67-68.

Delegation

Those matters that are not reserved for decision by the full board are delegated to committees of the board who report back to the board or to the chief executive on a regular basis. A framework for levels of decision-making (including financial authority levels) is also in place for all of our staff. This is regularly reviewed and updated as necessary.

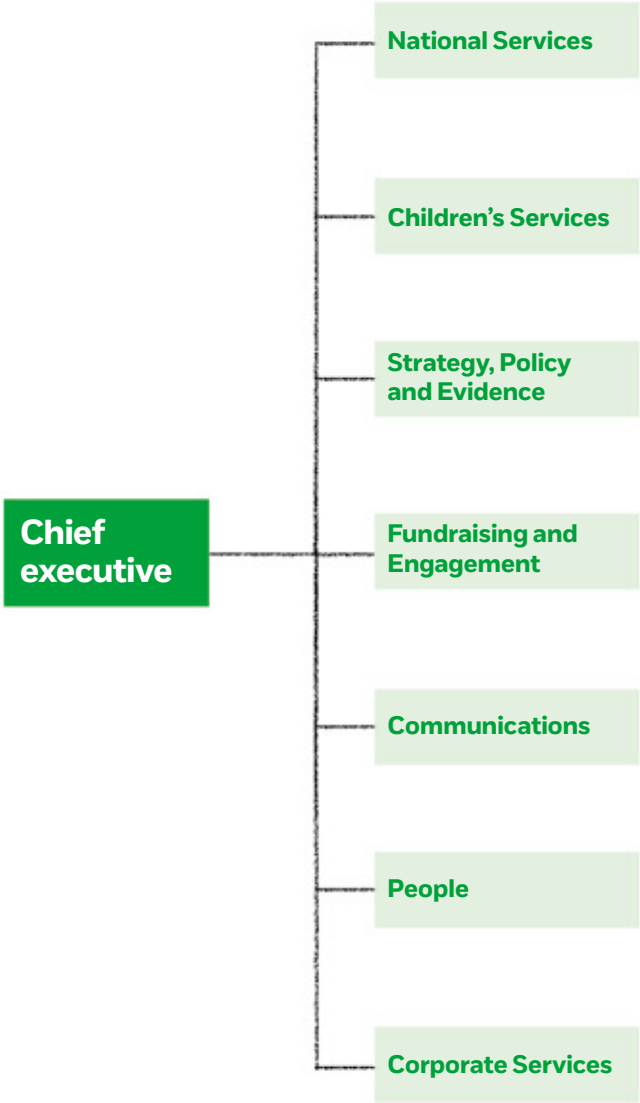
Committees of the board



NSPCC directorates

National volunteer board
This board acts as a co-ordinating body for our volunteer network across the UK, bringing together our valued volunteers with a passion and commitment to raise funds. It is responsible for the key elements of our volunteer fundraising, including a number of significant events.

Our activities are organised under the following directorates:



Principal risks and uncertainties

Risk environment

The NSPCC works in a high-risk environment. Most of the children we work closely with are at some level of risk. What's more, to target our resources effectively, we choose to focus our more intensive face-to-face work in parts of the UK where need is great. Working in this way increases our level of risk. This is something our board of trustees accepts as a consequence of our strategy.

Added to the risks, which are part of our frontline work, there are fundraising challenges. Our services are mainly funded by the generosity of supporters through voluntary donations. It's important for us to retain our financial independence so that we can encourage others to act in the best interests of children. However, reliance upon voluntary donations in a competitive and highly regulated environment heightens levels of uncertainty and a reduction in financial support could hinder our ability to deliver.

Measuring, monitoring and reporting risk

The board of trustees has agreed how our risks are to be measured. We score all risks by considering the impact of the risk and by the probability of the risk occurring.

The NSPCC's risk framework measures each identified risk on the basis of its 'inherent score' (the risk that an activity would pose where few – if any – controls are in place) and its 'current score' (based upon the status of controls currently in place). A target score is given to each risk. This target score is the level of risk acceptable to the board of trustees. As a rule each risk will meet its target score once all the right controls are in place and are

working effectively. All three scores are calculated by multiplying the probability of a risk occurring by the impact of that risk occurring in line with agreed organisation-wide criteria. Key to the effectiveness of the risk management system is the annual review of the Strategic Risk Register (SRR) by the board of trustees and the reviews of risk by the audit and risk committee. Risks are also considered at each directorate's quarterly business review.

There is an established process for the identification of risks, involving senior management leadership teams, risk owners and risk champions in the regular review of the NSPCC's strategic and operational risks.

Strategic risks

The SRR defines those risks which, if they were to occur, could threaten our ability to deliver our strategy.

Of the 13 risks currently on our SRR, at 31 March 2019, the following five risks are at their target score with controls in place to sufficiently mitigate the risks.

Insufficient business continuity and resilience

This risk is in regard to insufficient business continuity and resilience should there be an adverse event that impacts the charity. All controls are in place following an increase in the current score in October 2018 to allow for organisational refocus with some controls where actions were required. The risk will be monitored at an operational level.

Weaknesses in staff recruitment and retention

This risk is in regard to the inability to effectively and safely recruit staff. This risk had maintained its target score since September 2016. Following an internal inspection conducted during August 2018, there were some outcomes that required updating actions. The current score was increased to reflect this. Now, as the actions have now all been completed, the current score has been reduced back to the target score.

Legal/regulatory

There are separate risks identified for subjects where compliance-related risks are particularly high (i.e. where there is active regulation and where non-compliance would be a particularly sensitive issue e.g. data protection, health and safety, and safeguarding). The critical control for the mitigation of the legal risk is the identification of the principle legislation and regulations with each senior management team, and putting in place the necessary measures to ensure compliance.

Our compliance and legal team, combined with our internal processes, ensure that legal and regulatory controls are now in place. The current score has therefore been reduced to the target score to reflect this and the risk will be monitored at an operational level.

The NSPCC failing to respond effectively to the 'Independent inquiry into child sexual abuse' (IICSA)

In failing to respond effectively to the inquiry, we would let down the child and adult victims of historic childhood sexual abuse. We remain confident that we are able to provide support in respect of any requests from IICSA. As the Inquiry is still ongoing, risks and controls continue to be monitored at both operational and strategic levels with updates as and when required.

Insufficient pace of digital transformation at the NSPCC

This risk was approved for inclusion on the SRR in June 2018 expanding on the previous 'digital capability' risk. If adequate controls were not in place to mitigate the risk, it could lead to: limited stakeholder engagement; reduced campaign effectiveness; loss of brand equity; impaired fundraising efforts; over-spending of charitable funds; insufficient service delivery innovation; unawareness of latest digital behaviour channels and trends impacting young people. Controls are in place to mitigate this risk with the target score achieved.

These risks have yet to reach their target score. Progress in relation to each of the outstanding risks is set out below.

Fundraising Individual Giving income

Regular donations from individuals (Individual Giving) have been in decline for a number of years, largely due to the increased cost of acquiring new regular givers to replace donors we lose in any given year.

The controls identified to mitigate this risk are designed to ensure that the revenues from this source of donating remain in line with the assumptions in our strategic plan.

This risk has not materialised to date as actual income from Individual Giving has been in line with forecast.

There was an outstanding control relating to managing acquisition and new product development. We are recruiting into a post where the role will include responsibility for this area.

Volunteer recruitment and retention

This risk had reached its target score in 2015/16 but this assessment was revised by management at the end of 2016/17. Following an internal inspection in February 2017, evidence was provided that all of the recommendations were implemented. However, last year, a number of controls were identified as under development relating to the implementation of a programme of work to further improve and standardise the recruitment, induction, training, recognition, communications and engagement of volunteers. Progress towards achieving the target score will be reviewed at the start of this financial year given the interdependencies sitting across the organisation. This is to assess if new processes and procedures are being consistently applied across the organisation with stakeholder buy-in and agreement of solutions.

Safeguarding

The risk title has been revised to reflect that through action or omission the NSPCC can leave a child or young person or adult at risk in a situation which in turn increases the risk to them of death, serious injury or serious harm. The increased risk of death, serious injury or harm to a child or young person or adult at risk through action or omission within our own arrangements for safeguarding and child protection is our most critical risk. The scores have also been adjusted in order that the assessment of this risk is more closely aligned to the outcomes of inspections.

As an organisation we work with some of the most vulnerable children and continually strives to help make them safer. We constantly monitor the status of controls and we are confident that every year we get closer to ensuring that this risk is mitigated to a level acceptable to the board of trustees reflected in the target score. We invest in both internal quality assurance and an independent inspection function to continually strive to improve practice, systems and processes. We recognise that working with children and young people who have suffered the most extreme forms of adversity brings with it significant challenges to help make them safer. Although, we have a wide

range of controls in place, the target score has not been reached as there are a few controls that remained under development. This was due to inspection and ongoing practice review as we continually challenge ourselves to strive towards achieving, embedding and maintaining high standards.

Information security

It is in the nature of this risk that new threats constantly emerge in the information security world. This requires that we continually review information security policies and supporting technology to ensure that they are adequate to provide defence against the latest threat profile. Throughout this period of change this risk's profile will continue to fluctuate dependent upon emergence of external information security threats, and as new technology initiatives go live.

An external company are acting as a second line of defence to oversee operational security provided by the IS service providers and to act as a trusted adviser to us. In this role, they will continue to work with our IS team and the managed service providers to enhance the security posture to provide a more effective security service. This company may identify areas which require more work which may lead to the need for new/enhanced controls.

NSPCC's actions fall short of stakeholder expectations

We have a wide range of stakeholders and should any of the risks on the SRR materialise it is likely we would fall short of stakeholders' expectations.

This risk cannot therefore reach its target score until all other risks are on target. This risk has had considerable internal audit coverage in the last few years and there are a number of internal audits over the current strategic plan period which will cover this risk.

Data protection

In common with all organisations, we have worked hard to ensure compliance with the General Data Protection Regulation 2016 (GDPR), which came into force across the UK from 25 May 2018 and the Data Protection Act 2018.

A new control framework for data protection was implemented when the chief data protection officer (CDPO) left the organisation. An external Data Protection Officer Service was appointed that provides access to a central email and telephone advice line with an assigned primary and secondary Data Protection Officer (DPO).

The NSPCC has appointed Data Privacy Champions from its employees. They are all being trained to Certified Privacy Information Professional Europe (CIPP/E) level by an external training organisation with some becoming Certified Information Privacy Practitioners.

Other second line of defence controls added to this risk included: external data protection specialists appointed to offer independent advice on GDPR, data protection and privacy regulation.

Inability to achieve NSPCC organisational goals through Childline

The Doing More for Children Programme was completed in April 2018 and the associated strategic risk closed. Following this, a new strategic and operational risk related to the Childline Development Programme was opened and is due to complete at the end of 2019. There are deliverables against each project and their successful implementation over this period will enable us to mitigate the current risk level.

NSPCC Strategy 2016-21 is not well executed

In June 2018, this risk replaced the previous risk 'NSPCC Strategy 2016-21 is not implemented'. The current score was reduced due to decisions made as a result of our mid-strategy review reducing the potential impact of the strategy not being well delivered. The risk will not reach the target score until these decisions are implemented.

Public benefit and how our activities deliver it

We have a duty to report on our organisation's public benefit under section four of the Charities Act 2011. We are confident that we meet those public benefit requirements having taken Charity Commission guidance into consideration.

Our vision is to end cruelty to children in the UK; although such a vision may take many generations to be fulfilled. We believe cruelty to children is preventable and that through having our strategy in place we can achieve much more: 'Every childhood is worth fighting for'.

We believe we meet the public benefit requirements through the range of activities we undertake, most significantly through Childline, our free confidential helplines and our range of services for children and families. We deliver projects in local communities for children who have experienced or are at risk of abuse as well as those in care, focusing on children who most need help.

We also provide advice to adults and professionals who are concerned about children and work with other organisations that come into contact with children to ensure that they protect children and challenge those who do not. We visit schools, providing young people with the knowledge and resilience to keep themselves safe. And we campaign to make children safer, and improve the child protection system across the UK and Channel Islands.

Trustees' responsibility statement

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland).

The law applicable to charities in England, Wales and Scotland requires the trustees to prepare financial statements for each financial year. These must give a true and fair view of the state of affairs of the charity, and of the incoming resources and application of resources of the charity 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 Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed
- 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 proper accounting records that 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the royal charter. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Subsidiaries and related parties

NSPCC Trading Company Limited and Childline are both wholly owned subsidiaries of the NSPCC, and their accounts are consolidated in the accounts presented on pages 80 to 105.

The principal activities of NSPCC Trading Company Limited are corporate sponsorship and fundraising events, sale of goods – including Christmas cards, and income from promotional activities. The company has seen increased income this year due to an increase in sponsorship income and fees from fundraising events. The company had a profitable year and continues to develop its activities to support our work. The profit before tax of £1.6 million (2018 £1.9 million) was donated under Gift Aid to the NSPCC.

Childline continues as a separate legal entity in order to receive legacy income not otherwise receivable by the NSPCC. In the year ending 31 March 2019 it received £0.9 million legacy income (2018 £0.3 million). This is paid by way of a grant to the NSPCC towards the operation for the Childline service for which the funds were received.

Patrons, trustees, officers and professional advisors

Royal Patron

HRH The Countess of Wessex

President

HRH The Countess of Wessex

Board of trustees

Attendance at board and committee meetings is given in brackets against each trustee.

Mark Wood CBE DBA FCA BA

Trustee since 2010

Chairman

Board of trustees (5/7),
Finance (1/5), Fundraising (2/5),
Nominations and governance (4/4),
Policy (2/3), Remuneration (1/1)

Neil Berkett

Trustee since 4 October 2018

Vice-chair from 22 November 2018

Board of trustees (2/3),
Finance (3/4), Nominations and
governance (1/1)

Formerly a trustee from 2010 to 2017

Elizabeth Brash

Trustee since 2015

Vice-chair since 23 November 2017

Board of trustees (7/7),
Divisional trustees (Chair) (5/5)
Fundraising committee (5/5)
Nominations and governance (4/4)
Remuneration (1/1)

James Bailey

Chartered FCSI NASD Series 7

Trustee since 2013

Board of trustees (6/7),
Audit and risk (2/4),
Divisional trustees (4/5)

Dr Joanna Begent MBBS

Trustee since 2015

Board of trustees (6/7),
Policy (3/4)
Service delivery committee (3/4)

Andy Briggs FIA

Trustee since 2016

Board of trustees (7/7),
Fundraising (Chair) (5/5),

Royal Patron of Childline

HRH The Countess of Wessex

President of Childline

Dame Esther Rantzen DBE

Clem Brohier ACMA CGMA FRSA

Trustee since 2016

Board of trustees (4/7),
Audit and risk (4/4)

Professor Tanya Byron PsychD

Trustee since 2016

Board of trustees (5/7),
Policy (4/4)
Service delivery committee (1/1)

Antonia Consett Chartered FCSI

Trustee from 2016 to 4 October 2018

Board of trustees (2/5),
Divisional trustees (1/2), Finance
(continues as a co-opted member (3/5)

Fiona Curteis

Trustee since 2013

Lead trustee with responsibility
for safeguarding
Board of trustees (6/7),
Audit and risk (4/4),
Divisional trustees (5/5)

Pippa Gough MA, MSc, PGCEA, RN, RM, HV, FQNI, FRSA

Trustee since 4 October 2018

Board of trustees (2/3)
Policy (2/3)

Andrew Kerr

Trustee since 4 October 2018

Board of trustees (2/3)
Policy (3/3), service delivery (3/3)

Tarek Khlat MBA

Trustee since 2015

Board of trustees (5/7),
Fundraising (4/5)

Lady Brenda McLaughlin CBE

Dip Soc Stds

Trustee since 2012
Board of trustees (6/7),
Divisional trustees (5/5),
Service delivery (Chair) (3/4)

Ann Morrison

Trustee from 2009 to 4 October 2018
Vice-chairman to 23 November 2017
Board of trustees (4/5),
Divisional trustees (2/2),
Fundraising (3/3)

Sir David Normington GCB *FCIPD*

Trustee since 2012 to 4 October 2018
Vice-chairman to 4 October 2018
Board of trustees (3/5),
Nominations and governance (3/3),
Policy (Chair until 4 October 2018)
(2/2), Remuneration (1/1)

Derrick Mortimer

Trustee since 4 October 2018
Board of trustees (3/3)
Divisional trustees (3/3)
Finance (4/4)
Service delivery (3/3)

Dame Esther Rantzen DBE

Trustee since 2006 to
4 October 2018
Board of trustees (3/5),
Policy (1/2), Service delivery (1/1)

Sarah Ridgway

Trustee since 4 October 2018
Board of trustees (3/3),
Divisional trustees (3/3),
Service delivery (3/3)

Thomas Toumazis MBE

Trustee since 4 October 2018
Board of trustees (2/3)
Fundraising (2/2)

John Worth *FCA*

Trustee since 2016
Honorary treasurer
Board of trustees (7/7),
Audit and risk (4/4), Finance (Chair)
(5/5), Remuneration (1/1)

Co-opted members

*We thank the following for the support
on our committees, recognising the
expert advice they give:*

Catherine Baxendale *FCIPD*

Service delivery (4/4)

David Barker

Appointed 25 September 2018
Finance (2/4)

Mark Corbidge

Appointed 27 February 2018
Finance (4/5)

Gavin Dein

Fundraising (3/5)

John Devaney

Appointed 1 March 2018
Policy (2/4)

Steve Hart

Appointed 1 March 2018
Audit and Risk (3/4)

Brian Ledbetter

Fundraising (1/5)

Mark Luboff

Appointed 25 September 2018
Finance (4/4)

Jonathan Middup *FCA*

Audit and risk (4/4)

Gavin Sanderson *FCA*

Finance (4/5)

Paul Snell

Service Delivery (2/4)

Rajesh Tugnait *MBA CIM*

Diploma in Professional Marketing
Fundraising (2/5)

Francesca Valli

Fundraising (5/5)

*We also thank the trustees of the
NSPCC Pension Scheme Limited:*

Steve Delo (Chair)**Alex Camm**

Tracey Dawkins (from 9 August 2018)

Clare Murray**Philippa Webster****Senior management
(the executive board)****Chief executive**

Peter Wanless

Director of Children's Services

Sherry Malik

**Director of Communications
and Marketing**

Ali Jeremy

Director of Corporate Services

David Roberts

**Director of Fundraising
and Engagement**

Simon Lande (to 31 May 2018)
Jo Swinhoe from 1 May 2018

Director of National Services

Claire Johnson

Director of People

Brett Terry

**Director of Strategy,
Policy and Evidence**

Kate Stanley

**Bankers and
professional advisers****Bankers****Barclays Bank Plc**

One Churchill Place
London E14 5HP

The Co-operative Bank Plc

2nd Floor, 10 Warwick Lane,
London EC4M 7BP

NatWest Plc

250 Bishopsgate
London EC2M 4AA

Auditor**Deloitte LLP**

Registered Auditor
Hill House, 1 Little New Street
London, EC4A 3TR

Investment managers**Credit Suisse (UK) Limited**

One Cabot Square
London E14 4QJ

J.P. Morgan International Bank Ltd.

25 Bank Street,
Canary Wharf,
London, E14 5JP

Legal advisors**Bates Wells & Braithwaite**

10 Queen Street Place
London EX4R 1BE

Bond Dickinson

4 More London Riverside
London SE1 2AU

Charles Russell

5 Fleet Place
London EC4M 7RD

Wilson's Law

4 Lincoln's Inn Fields
London WC2A 3AA

Withersworldwide

16 Old Bailey
London EC4M 7EG
(who also give us advice
on a pro-bono basis)

*We would like to thank the following
firms for their pro-bono work:*

Mayer Brown International LLP

201 Bishopsgate,
London, EC2M 3AF

Baker & McKenzie

100 New Bridge Street
London, EC4V 6JA

Carson McDowell LLP

Murray House,
Murray Street,
Belfast, BT1 6DN

Clifford Chance

10 Upper Bank Street
London E14 5JJ

CMS Cameron McKenna**Nabarro Olswang LLP**

Cannon Place,
78 Cannon Street,
London, EC4N 6AF

DLA Piper

3 Noble Street
London EC2V 7EE

Drystone Chambers

35 Bedford Row
London
WX1R 4JH

Gowling WLG

3 Waterhouse Square
142 Holborn
London EC1N 2SW

Herbert Smith Freehills LLP

Exchange House,
Primrose Street,
London, EC2A 2EG

Matrix Chambers

Griffin Building
Gray's Inn London
WC1R 5LN

Simmons and Simmons

CityPoint
One Ropemaker Street
London EC2Y 9SS

Walker Morris

Kings Court
12 King Street
Leeds LS1 2HL

Weil, Gotshal & Manges

110 Fetter Lane
London EC4A 1AY



Financial review

Summary

Our goal is always to do the most for children with the limited resources that we have. In 2016 we set ourselves an ambition to make 5 million children safer in five years. We're proud to report that we've helped make more than 5 million children safer in just three years. A significant part of this is due to our pioneering *Speak out. Stay safe.* programme, which delivers safeguarding messages to children in primary schools right across the UK and Channel Islands, which in November 2018 celebrated our 20,000th school assembly.

We have managed to achieve this, in an environment where income has been in decline, by a relentless focus on cost control and improving efficiencies as well as reducing support costs so that just 4.1 pence in the pound is spent on support costs. This has allowed us to increase the percentage spent on raising new funds, to ensure that we are able to continue to undertake our vital work. We have maintained the percentage spent on directly helping children and families at close to 80 per cent, meaning that for every pound we spend, 80 pence* goes on charitable activities.

Although we have received less income this year, income from supporters (donations and legacies, and other trading activities) remains at around 90 per cent of total income received, which continues to illustrate the clear mandate we hold to act on behalf of the public to protect children. We would like to thank everyone who has stood with us in the fight for every childhood over the past year, and who continue to support our work. We have provided a detailed section on our relationship with donors and funders on page 56.

* Expenditure on charitable activities is 79.9 per cent (2018: 80.4 per cent) of total expenditure excluding other expenditure.

How we helped children

Although total expenditure for the year reduced by £2.0 million to £114.6 million (2018: £116.6 million), the amount spent to directly help children and families remained close to 80 per cent of expenditure.* Expenditure on charitable activities was however £3.6 million lower than last year at £89.7 million (2018: 93.4 million).

Expenditure on Childline and our schools service decreased by £0.6 million to £20.1 million (2018: £20.7 million). Despite this reduction we delivered almost 250,000 counselling sessions through Childline (2018: almost 280,000) and our schools service visited nearly 8,000 schools, slightly down on last year (2018: over 8,000) reaching almost 1.8 million children (2018: just under 1.8 million children) talking to them about how they can stay safe through our *Speak out. Stay safe.* programme, which you can read more about on page 27.

Expenditure on child protection advice and awareness decreased by £2.5 million to £24.5 million (2018: £27.0 million). Last year we ran our two successful national Talk PANTS and Share Aware campaigns. This year we ran the PANTS campaign at a more localised level and didn't run a further Share Aware campaign. During the year, our helpline responded to almost 73,000 contacts in relation to child welfare, our highest ever number (2018: over 65,000).

Expenditure on services for children and families reduced by £0.8 million on the previous year to £40.0 million (2018: £40.8 million). We spent an additional £1.0 million on the 'Blackpool Better Start' project, which is a 10 year project aiming to give every new baby in Blackpool a better start in life and is fully funded by the Big Lottery. This is the fourth year of the project which has included additional spend on innovation projects as well as community and engagement. We have also incurred additional expenditure on fitting costs to establish The Lighthouse in Camden, where the help and support a child needs in the immediate aftermath of abuse is on hand in one place, without delay. You can read more about The Lighthouse on page 33. However this year we also closed two service centres in Southampton and Catterick.

Expenditure on child protection consultancy increased by £0.3 million to £5.1 million (2018: £4.8 million). This year saw the launch of NSPCC Learning our range of online courses which help organisations and individuals working with children and young people to gain the knowledge and skills they need to keep them safe. You can read more about this service on page 28.

Our efforts over the years to streamline all that we do have enabled us to continually reduce support costs, which in 2012 were 7.0 per cent of our total expenditure and are now 4.1 per cent at £4.7 million (2018: £5.3 million, 4.6 per cent). Support costs include expenditure on governance activities of £0.5 million (2018: £0.5 million). Governance costs include the cost of internal audit, legal advice, costs associated with meeting constitutional and statutory requirements and strategic planning.

The support we received

This year our total income remained broadly in line with last year, reducing by £0.4 million to £117.9 million (2018: £118.3 million). As anticipated, in this challenging environment there has been a decline in income from individual giving, and we experienced an unexpected reduction in legacy income due to a lower average value of gifts left in wills. We actively sought new income streams and have seen an increase in trading activities and charitable activities. We will continue to explore a variety of new ways to encourage the public to support our vital work.

Overall income from donations and legacies fell by £4.2 million to £93.0 million (2018: £97.2 million). Income from individual giving including regular donations reduced by £1.5 million to £54.0 million (2018: £55.5 million), continuing the decline experienced over recent years, with the number of committed regular giving relationships reducing in line with expectations to 522,000 (2018: 542,000). During the year we re-established a number of our face to face acquisition channels, that increased the number of new regular donors by 13,000 to 32,000 (2018: 19,000).

Legacy income decreased by £1.8 million to £19.7 million (2018: £21.5 million), as the decline in the volume of notifications experienced in previous years continued to have an impact

combined with a decrease in the average value of higher value gifts.

Other voluntary income streams decreased by £0.8 million in aggregate.

Income from trading activities increased by £2.8 million to £11.1 million (2018: £8.3 million). Within this figure income from fundraising events increased by £1.0 million to £5.8 million (2018: £4.8 million), following the return of our biennial River Café event that generated a record £1.2 million. Sales of goods and other activities increased by £1.8 million to £5.3 million (2018: £3.5 million), predominantly due to £2.2 million received from the People's Postcode Lottery for two draws held in aid of the NSPCC.

Income from charitable activities, received primarily from government and other statutory sources, through grants and contracts, increased by £1.1 million to £12.6 million (2018: £11.5 million). We received an additional £1.0 million from the Big Lottery for 'Blackpool Better Start', which aims to transform services for pre-birth to three-year-olds and to engage and support parents during this critical stage of a child's development. We also received £0.2 million from University College London Hospitals NHS Foundation Trust for The Lighthouse, which you can read more about on page 33. Last year we received £0.1 million from the Greater Manchester Combined Authority, who gave funding to operate a helpline service for anyone affected by the terrorist attack on Manchester Arena in May 2017.

Although we have received less income this year, income from supporters (donations and legacies, and other trading activities) remains close to 90 per cent of total income received, which continues to illustrate the clear mandate we hold to act on behalf of the public to protect children. We would like to thank all our supporters for their commitment to the cause and their passion for what we do, which leads them to give generously in so many ways. This support is as vital as it's ever been, and we simply could not reach the children who need us without our supporters standing with us.

Reserves

Total funds now stand at £75.6 million, an increase of £1.7 million compared to last year. We aim to retain sufficient general funds in a range equivalent to

approximately three to five months' forward expenditure. We hold these general reserves in case of any sudden decline in income, so that we can honour our commitments to children and young people by ensuring contractual obligations to staff, premises and funding partners can be made with some confidence. At 31 March 2019 unrestricted general funds were £63.4 million (2018: £64.0 million). The actuarial valuation of our closed defined benefit pension scheme has resulted in a pension deficit and a negative pension reserve of £15.8 million a reduction of £2.2 million against last year (2018: £18.0 million). Further details on pensions are given in the pensions section below. Our combined unrestricted general funds, including the pension reserve, total £47.6 million (2018: £46.0 million) and are equivalent to 4.8 months forward expenditure (2018: 4.6 months).

At 31 March 2019 designated funds were £18.4million (2018: £18.9 million). Designated funds are funds set aside by the trustees out of general funds to cover the value of property fixed assets held, which includes freehold and leasehold properties, or to fund specific future purposes or projects. Currently the designated fund balance relates to property fixed assets, with a land value of £1.3 million, an investment property value of £0.9m and depreciating property assets of £16.2 million. The remaining average depreciation time for these property assets is 25 years.

At 31 March 2019 restricted funds were £8.2 million (2018: £7.7 million). Restricted funds are funds received for undertaking an activity specified by the donor when making the gift, or may result from the terms of an appeal for funds. Of the restricted funds represented by tangible fixed assets, £6.0 million relates to freehold and leasehold property, with a land value of £0.8 million and depreciating assets of £5.2 million with a remaining average depreciation time of 35 years. A further £0.8 million relates to development software intangible fixed assets with a remaining average depreciation time of three years. The remaining balance of restricted funds at 31 March 2019 represents unspent restricted income of £1.4 million, including £0.6 million received for The Lighthouse and £0.3 million for Childline and our schools service which will be used to fund future activities.

Investments and cash

The trustees have wide investment powers set out in the Royal Charter and by-laws. The trustees have delegated their responsibilities for investments to the Finance Committee.

The Finance Committee undertook a review of the level of investment returns, investment risk and updated our investment policy. Following a tender exercise, JP Morgan and Credit Suisse were appointed as our investment managers and investments previously held in pooled funds were reinvested into direct holdings held by JP Morgan and Credit Suisse. Each investment manager actively manages a mixed portfolio of Equities, Bonds and cash deposits with the aim to

limit the level of market volatility, and applies a set of ethical screens using industry recognised screening tools provided by MSCI ESG (Environmental, Social and Governance) Research and ECPI Research.

At 31 March 2019 fixed asset investments totalled £62.8 million (2018: £64.2 million) of which £23.6 million was held in equities (2018: £nil), £32.1 million was held in fixed income bonds (2018: £26.8 million), £6.2 million was held in bank deposits (2018: £36.5 million). A total of £60.9 million is held by Credit Suisse and JP Morgan, with the Society holding £1.0 million in a fixed notice bank deposit and £0.9 million in investment property (2018: £0.9 million).

The table below shows the performance of our investment managers at 31 March 2019:

Fund manager	Benchmarks used	Fund value 31 March 2019 £'000		Inception	Performance since Inception %	
JP Morgan	49% MSCI All Country World (Local Currency) 51% Barclays Global Aggregate Corporate 1-10 Years Ex. JPY (GBP Hedged)	Equities	14,249	1st October 2018	Performance	3.18
		Bonds	10,579		Benchmark	0.96
		Deposits	1,064			
		Total	25,892		Variance	2.22
Credit Suisse	61% Citigroup GBP AAA/AA/A Bonds 31% MSCI World Idx TR Net Hdg into GBP 8% GBP 1 Month Deposit	Equities	9,396	2nd July 2018	Performance	2.59
		Bonds	18,818		Benchmark	2.24
		Deposits	1,963			
		Total	30,177~		Variance	0.35

~ Credit Suisse also holds £4.8 million of investments that were bonds transferred from our previous investment managers. These investments have relatively short periods until maturity and will be re-invested into the JP Morgan and Credit Suisse portfolios.

Current investments and cash were £4.6 million (2018: £4.0 million), comprising operational cash held plus overnight money market investments. The overall return on cash investments

for the year ending 31 March 2019 was 0.7 per cent (2018: 0.5 per cent). We also earned rental income of £0.1 million (2018: £0.1 million) from our investment property.

Pensions

We provide a group personal pension, which is a defined contribution pension scheme available to all staff, operated by Aviva. We also operate a defined benefit scheme. The non-contributory section was closed to new members on 1 July 2002, and the contributory section was closed to new members on 1 July 2008. The full scheme was closed to future accrual on 31 December 2009; on closure members of the scheme had the opportunity to join the defined contribution scheme.

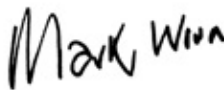
The valuation of the defined benefit pension scheme is based on the latest agreed triennial actuarial valuation as at 31 March 2015, and this showed a deficit of £17.0 million. We have currently agreed with the scheme trustees that we will aim to eliminate the 2015 assessed deficit over a period of seven years and nine months from 5 April 2015 by the payment of £1.0 million per annum until 31 March 2017 and £2.0 million per annum from 1 April 2017 to 31 December 2022. These contributions include £0.4 million per annum as an allowance in respect of levies to the Pensions Protection Fund, scheme management and administration expenses. The recovery plan also agreed balloon payments of £3.5 million in March 2019 and £3.3 million in March 2022, in the event that the deficit assessed at 31 March 2018 or 31 March 2021 exceeds the expected deficit based on the statement of funding principles dated 22 September 2016. This was the case when the deficit was assessed on 31 March 2018 and £3.5 million was paid to the scheme in March 2019. We continue to discuss with the pension trustees the value of the deficit of the 2018 triennial valuation and the associated funding plan. The society trustees consider that the pension deficit is recoverable from future cash flows.

The basis of calculating a pension surplus and deficit for funding purposes is different to the basis that needs to be adopted to determine an accounting valuation under FRS 102. The FRS 102 valuation as at 31 March 2019 showed assets of £173.3 million with liabilities of £189.1 million giving a deficit of £15.8 million (2018: a deficit of £18.0 million).

Going concern

We have outlined the charity’s financial position and performance in the financial review above. We have assessed projected future income, expenditure and cash flows over the period to 31 March 2021, and analysed the strength of the charity’s reserves, liquid assets and its ability to withstand a material fall in income. We have considered donor attrition rates and the stability and diversity of various income streams in making this assessment.

We have concluded that there is a reasonable expectation that the charity and its subsidiaries have adequate resources to continue their activities for the foreseeable future. Therefore we have continued to adopt the going concern basis in preparing the financial statements.



Mark Wood
Chairman

18 July 2019

*Expenditure on charitable activities is 79.9 per cent (2018: 80.4 per cent) of total expenditure excluding other expenditure.

Independent auditor's report to the trustees of the NSPCC

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of NSPCC (the 'charity') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2019 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 and the Royal Charter.

We have audited the financial statements which comprise:

- the NSPCC Consolidated Statement of Financial Activities;
- the NSPCC and Consolidated Balance Sheets;
- Consolidated Cash Flow Statement; and
- the related notes 1 to 26.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and of the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Standard's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the trustees' use of the going concern basis of accounting in 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 group's and the parent 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.

We have nothing to report in respect of these matters.

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 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 respect of these matters.

Responsibilities of 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 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 group's and the parent 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 group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with those Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP

**Deloitte LLP
Statutory Auditor
London, United Kingdom
18 July 2019**

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

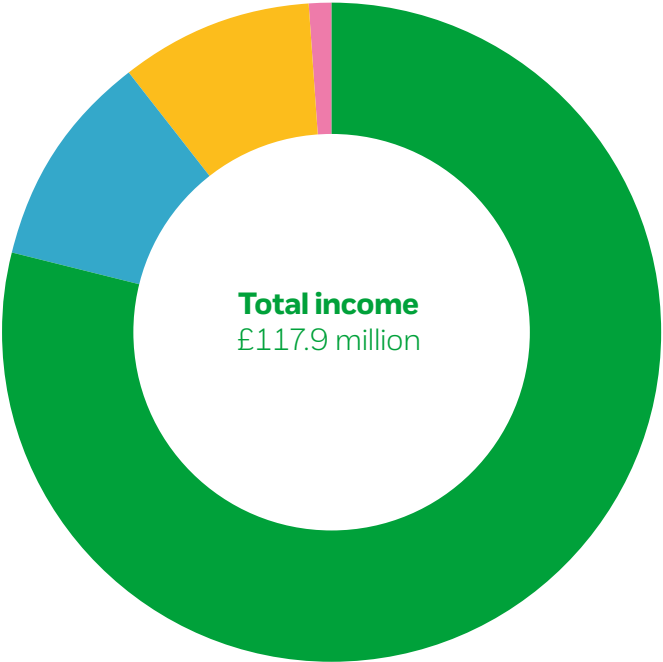
The support we received

Donations and legacies

£93.0 million (78.9%)

Voluntary donations made by our supporters on a regular or one-off basis, including grants which do not have performance-conditions attached.

(£97.2 million in 2018)



Income from carrying out our charitable work

£12.7 million (10.8%)

Income which we receive in the course of carrying out our charitable work. For example income received from service level agreements with local authorities; government grants; and income received from provision of training and education in child protection to professional groups.

(£11.5 million in 2018)

Other trading activities

£11.1 million (9.4%)

Activities undertaken for the purpose of raising funds to support our charitable work. For example dinners and balls, auctions, challenge events, sale of Christmas cards and allowing commercial organisations to use our name and logo in their marketing activity.

(£8.3 million in 2018)

Investment income

£1.1 million (0.9%)

Income received from our bank accounts and investment holdings.

(£1.2 million in 2018)

Other income

£nil

This includes profit on sale of properties and other capital assets.

(£0.1 million in 2018)

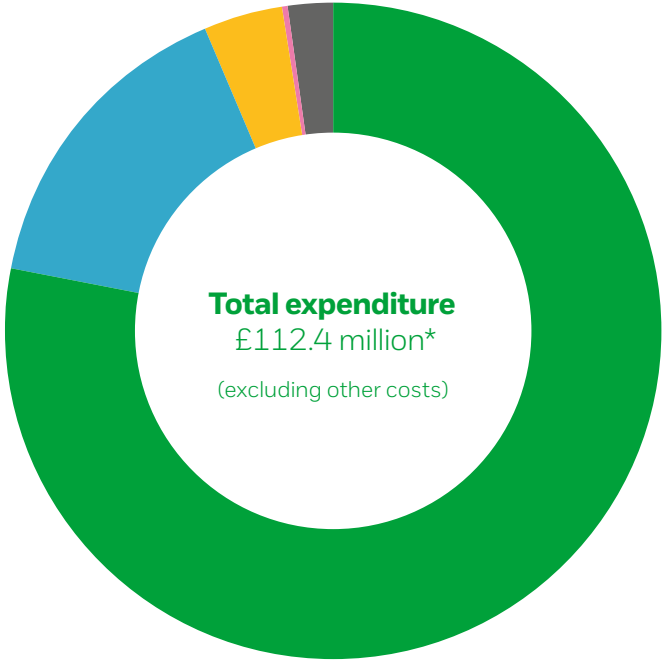
How we helped protect children

Charitable expenditure

£89.7 million (79.9%)

The cost of undertaking direct charitable activities which are defined under the following headings: (£93.4 million in 2018)

- Services for children and families £40.0 million (£40.8 million in 2018)
- Childline and the Schools service £20.1 million (£20.7 million in 2018)
- Child protection advice and awareness £24.5 million (£27.0 million in 2018)
- Child protection consultancy £5.1 million (£4.8 million in 2018)



Raising donations and legacies

£17.7 million (15.8%)

The cost of receiving voluntary donations, attracting new supporters and ongoing supporter care.

(£18.2 million in 2018)

Other trading activities

£4.8 million (4.2%)

The cost of fundraising events, attracting support for our weekly lottery and other trading activities to raise funds to support our work.

(£4.3 million in 2018)

Investment management costs

£0.1 million (0.1%)

The cost of managing our investments.

(£0.2 million in 2018)

Other*

£2.2 million

Other costs incurred which do not relate to on-going activities.

(£0.5 million in 2018)

*Total expenditure was £114.6 million (£116.6 million in 2018) including other expenditure of £2.2 million (£0.5 million 2018). These costs have been excluded from the figures presented above as they are non-recurring.

NSPCC consolidated statement of financial activities for the year ended 31 March 2019

		Unrestricted funds	Restricted & endowment funds [i]	Year ended 31 March 2019	Year ended 31 March 2018
	Notes	£'000	£'000	£'000	£'000
Income from:					
Donations and legacies	3	81,588	11,454	93,042	97,218
Charitable activities	4	4,441	8,204	12,645	11,509
Other trading activities	3	7,216	3,898	11,114	8,290
Investments	3	1,096	7	1,103	1,241
Other	5	–	–	–	70
Total income		94,341	23,563	117,904	118,328
Expenditure on:					
Raising donations and legacies	6	17,239	459	17,698	18,248
Other trading activities	6	4,757	16	4,773	4,297
Investment management costs	6	136	4	140	184
Raising funds		22,132	479	22,611	22,729
Net income available for charitable application		72,209	23,084	95,293	95,599
Expenditure on:					
Services for children and families		29,089	10,915	40,004	40,843
Childline and the Schools Service		10,780	9,368	20,148	20,675
Child protection advice and awareness		23,025	1,500	24,525	27,015
Child protection consultancy		4,318	750	5,068	4,844
Charitable activities	6	67,212	22,533	89,745	93,377
Other	6	2,204	–	2,204	542
Total expenditure		91,548	23,012	114,560	116,648
Net income before investment gains / (losses)		2,793	551	3,344	1,680
Net gains/(losses) on investments	14	626	14	640	(47)
Net income		3,419	565	3,984	1,633
Other recognised (losses)/gains:					
Actuarial (losses)/gains on defined benefit pension scheme	21	(2,259)	–	(2,259)	2,185
Net movement in funds		1,160	565	1,725	3,818
Reconciliation of funds:					
Total funds brought forward		64,829	9,071	73,900	70,082
Total funds carried forward		65,989	9,636	75,625	73,900

[i] The net gains on investments shown under Restricted & endowment funds are attributable to permanent endowment investments and along with the allocation of investment management fees are the only movements on the Permanent endowment fund. All other income and expenditure relates to restricted funds. Details of the Permanent endowment fund are given within notes 23 and 24.

There were no other recognised gains and losses other than those listed above and the net income for the year. All income relates to continuing operations.

The Consolidated Statement of Financial Activities with fund comparatives is detailed within note 2.

NSPCC and consolidated balance sheets as at 31 March 2019

		Group		Charity	
	Notes	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Fixed assets					
Tangible assets	12	24,799	25,335	24,799	25,335
Intangible assets	12	3,874	4,760	3,874	4,760
Investments	14	62,818	64,194	62,818	64,194
Total fixed assets		91,491	94,289	91,491	94,289
Current assets					
Debtors	15	11,855	12,572	11,906	12,623
Investments	16	3,773	3,445	3,773	3,445
Cash at bank and in hand	16	816	513	616	306
Total current assets		16,444	16,530	16,295	16,374
Creditors: amounts falling due within one year	17	(12,348)	(14,545)	(12,229)	(14,419)
Net current assets		4,096	1,985	4,066	1,955
Total assets less current liabilities		95,587	96,274	95,557	96,244
Creditors – amounts falling due after one year	18	(104)	(338)	(104)	(338)
Provisions for liabilities	19	(4,080)	(4,032)	(4,080)	(4,032)
Net assets excluding pension scheme liability		91,403	91,904	91,373	91,874
Defined benefit pension scheme liability	21	(15,778)	(18,004)	(15,778)	(18,004)
Total net assets		75,625	73,900	75,595	73,870
Total funds					
Endowment funds	23	1,400	1,390	1,400	1,390
Restricted income funds	23	8,236	7,681	8,236	7,681
<i>Unrestricted funds:</i>					
Designated funds	23	18,420	18,866	18,420	18,866
General funds	23	63,347	63,967	63,317	63,937
<i>Unrestricted funds excluding pension liability</i>		81,767	82,833	81,737	82,803
Pension reserve	23	(15,778)	(18,004)	(15,778)	(18,004)
<i>Total unrestricted funds</i>		65,989	64,829	65,959	64,799
Total funds		75,625	73,900	75,595	73,870

The accompanying notes form part of these accounts.

Approved by the Board of Trustees on 18 July 2019 and signed on its behalf by

Mark Wood
Chairman

John Worth
Treasurer

Consolidated cash flow statement

for the year ended 31 March 2019

	Notes	2019 £'000	2018 £'000
Cash flows from operating activities:			
Net cash used in operating activities	a	(541)	(1,228)
Cash flows from investing activities:			
Dividends and interest from investments		1,103	1,241
Proceeds from the sale of tangible and intangible fixed assets		–	228
Purchase of tangible and intangible fixed assets		(1,947)	(1,275)
Proceeds from sale of investments		115,909	17,321
Purchase of investments		(113,893)	(25,767)
Net cash used in investing activities		1,172	(8,252)
Change in cash and cash equivalents in the reporting period		631	(9,480)
Cash and cash equivalents at the beginning of the reporting period	b	3,958	13,438
Cash and cash equivalents at the end of the reporting period	b	4,589	3,958
Notes to the cash flow statement			
		2019 £'000	2018 £'000
a. Reconciliation of net income to net cash flow from operating activities			
Net income		3,984	1,633
Adjustments for:			
Depreciation and amortisation charges		3,402	3,073
Impairment reversals		(33)	(182)
(Gains)/losses on investments		(640)	47
Dividends and interest from investments		(1,103)	(1,241)
Profit on the sale of tangible and intangible fixed assets		–	(70)
Decrease/(increase) in debtors		717	(1,773)
(Decrease) in creditors		(2,431)	(599)
Increase/(decrease) in other provisions		48	(1,295)
Difference between pension contributions paid and charges made		(4,485)	(821)
Net cash provided by operating activities		(541)	(1,228)
b. Analysis of cash and cash equivalents			
Cash at bank and in hand		816	513
Current investments		3,773	3,445
Total cash and cash equivalents		4,589	3,958

Notes to the consolidated accounts

for the year ended 31 March 2019

1. Accounting policies

1.1 Basis of accounting

The NSPCC is a public benefit entity. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The accounts are prepared under the historical cost convention as modified for the revaluation of investments.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

After making enquiries, the trustees have a reasonable expectation that the Society and its subsidiaries have adequate resources to continue their activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.2 Consolidated accounts

The results of NSPCC Trading Company Limited (the "Trading Company") and Childline, which are wholly-owned subsidiaries, have been consolidated on a line-by-line basis in the Statement of Financial Activities (SOFA) and Balance Sheet. A summary of the results of the parent charity are given within note 11.

Where Childline is used to describe part of charitable income or expenditure by activity, this does not refer to the results of the statutory entity. Childline the entity exists to receive legacy income otherwise not receivable by the NSPCC. Childline the charitable activity provides support and advice to ensure that every child is listened to and protected.

NSPCC Pension Scheme Limited, a wholly owned subsidiary, has not been consolidated as it is a dormant entity with no assets or liabilities. The company acts solely as a corporate trustee of the NSPCC Pension Scheme and does not trade on its own behalf.

1.3 Principal accounting estimates and judgements

In the application of the Charity's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates, along with their underlying assumptions, are continually reviewed. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following is a critical judgement that has been made in the process of applying the Charity's accounting policies and that has the most significant effect on the amounts recognised in the financial statements:

- Legacy income recognition: Income from pecuniary and residuary legacies are recognised when there is entitlement and the income is measurable and probable as detailed within accounting policy 1.5.
- Expenditure allocations: Expenditure is apportioned where it relates to more than one cost category as detailed within accounting policy 1.6.

1. Accounting policies (continued)

The following are the key sources of estimation uncertainty:

- Actuarial assumptions: See detailed disclosure within note 21.

1.4 Financial instruments and financial liabilities

Financial assets and financial liabilities are recognised when the Society becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of fixed asset investments.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of the bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. 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 after allowing for any trade discounts due.

1.5 Income

All income is accounted for in the SOFA when the Charity is legally entitled to the income, it is probable that the income will be received, and the amount can be quantified with reasonable accuracy.

For pecuniary legacies the recognition point is normally when notification of the grant of probate is received, and residuary legacies are normally recognised when draft estate accounts are available or other suitable information which allows the legacy to be measured with reasonable accuracy. Income is not recognised for legacies which remain subject to a life interest.

Income received from fundraising activities organised by volunteer groups operating under the Charity’s control is in many cases received net of related expenditure. An estimate of the expenditure has been calculated according to payments made out of the branch bank accounts and returns sent from the volunteer groups. Income and expenditure have been increased by this amount. The trustees have concluded that this is a reasonable estimate to use given the cost and administrative effort involved to account for the actual gross branch income.

Gifts in kind and donated services have been included at the lower of their value to the Society and their estimated open market value. No amount has been included for services donated by volunteers.

All grants and contractual payments are included on a receivable basis. Contract income is recognised as performance obligations are satisfied. Grant income with performance related conditions received in advance of delivering specified goods and services, or income with a time restriction placed on it by the donor, is deferred until the donor stipulated criteria are met. Income is also deferred if it is probable it could become refundable. Income from contracted services and performance related grants generated through the delivery of goods and services furthering the objects of the Charity is included under income from charitable activities.

1.6 Expenditure

Expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts.

Charitable activities expenditure enables the Society to meet its charitable aims and objectives. Expenditure on raising funds includes expenditure incurred in raising donations and legacies, other trading activities and investment management costs. These costs are regarded as necessary to generate funds that are needed to finance charitable activities.

Expenditure is apportioned where it relates to more than one cost category, such as communication with the public around child protection advice and awareness with the parallel purpose of encouraging potential donors to contribute funds to the Society. The method of apportionment uses the most appropriate basis in each case.

Marketing activities with the dual purpose of generating funds and informing the public about child protection are allocated based on content. An analysis of the split between directly attributable costs and allocated costs incurred for fundraising activities and child protection advice and awareness is detailed within note 7.

Support costs are those costs which enable raising funds and charitable activities to be undertaken. These costs include finance, human resources, information systems, communications, property management, legal costs, and governance costs. All support costs are apportioned on the basis of full time equivalent staff numbers, except costs relating to information systems which are apportioned based on the number of computers and laptops in use.

Redundancy costs are recognised when there is a legal or constructive obligation. Employment related costs and redundancy costs are detailed within note 9.

Any irrecoverable VAT is included as part of the cost to which it relates. The amount suffered in the year is detailed within note 6.

1.7 Fund accounting

General funds - these are funds given freely to the organisation that can be applied at the discretion of the trustees in accordance with the Society’s charitable objects.

Designated funds - these are funds set aside by the trustees out of general funds, to cover the value of property fixed assets held, or to fund specific future purposes or projects.

Restricted funds - these are funds received for undertaking an activity specified by the donor when making the gift, or may result from the terms of an appeal for funds.

Endowment funds - these are funds where the assets must be held permanently by the Society, principally in the form of investments. Endowment funds are not shown separately on the SOFA on the basis of materiality but are detailed within note 23. Income received from endowments is added to the appropriate fund in accordance with any restriction placed upon it. Any capital gains or losses arising on the investments form part of the fund.

Further explanation of the nature and purpose of each fund is detailed within note 23.

1.8 Tangible and intangible fixed assets

Tangible and intangible fixed assets are stated at cost. Depreciation and amortisation is calculated to write off the cost of fixed assets by equal annual instalments over their expected useful lives as follows:

Freehold property – 50 years

Leasehold property – the shorter of the lease term or 50 years

Furniture, fittings and equipment – 2 - 5 years

No depreciation is provided on freehold land.

Tangible and intangible fixed assets costing less than £2,000 are not capitalised, and are written off in the year of purchase.

Impairment reviews on properties are conducted on an annual basis and if found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

1.9 Investments

Other than investments in subsidiaries, which are stated at cost, and donated shares as in the paragraph below, investments are stated at fair value (market value) through profit and loss.

Investment properties are held by the Society to earn rentals or for capital appreciation, or both rather than for use by the entity. Investment properties are initially recognised at cost which includes purchase cost and any directly attributable expenditure. They are subsequently held at fair value with the fair value assessment being conducted triennially by an independent valuer. The valuation, which conforms to International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties.

No depreciation is provided on the investment properties and changes in fair value are recognised in the Statement of Financial Activities.

Rental income from operating leases is recognised as income from investments in the Statement of Financial Activities on a straight line basis over the term of the lease.

Donated shares that come with a requirement that they be held for a fixed period or are infrequently traded are included in the balance sheet at the lower of market value if available and a value assessed by the trustees. This value is reviewed by the trustees at each balance sheet date.

Realised and unrealised gains and losses are combined in the appropriate section in the statement of financial activities.

1. Accounting policies (continued)

1.10 Pension costs

The NSPCC defined benefit scheme is closed to new entrants and to further accrual. The assets of the scheme are held separately from those in the group, in a separate trustee administered fund. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet. Whilst the scheme includes a provision to allow the Society to claim a refund after the payment of all outstanding benefits, the scheme trustees retain full discretion over whether to grant such a refund and may instead apply any balance of assets to augment members' benefits. As such, the Society does not recognise an asset in respect of potential future refunds. Full actuarial valuations are obtained triennially.

The amounts charged in expenditure are gains and losses on settlements and curtailments. These are included as part of staff costs together with losses and gains due to benefit changes which are recognised immediately if the benefits have vested. The net amount of interest cost and the discount rate applied to the assets are included within other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately under Other recognised gains and losses.

Costs incurred in relation to the defined contribution scheme are included in staff pension costs. Costs recognised are equivalent to the contributions in the year and are recognised on an accruals basis and any unsettled amounts are included in other creditors.

1.11 Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1.12 Tax

The NSPCC as a registered charity is exempt from tax under Chapter 3 of Part 11 to the Corporation Tax Act 2010 or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes. No corporation tax charge has arisen in the Charity's subsidiaries since all their profits are gifted to the NSPCC.

1.13 Cash flow

The Society meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption in relation to presentation of a cash flow statement in respect of its separate financial statements, which are presented alongside the consolidated financial statements.

2. Consolidated statement of financial activities with fund comparatives

	Unrestricted funds £'000	Restricted & endowment funds £'000	Year ended 31 March 2019 £'000	Unrestricted funds £'000	Restricted & endowment funds £'000	Year ended 31 March 2018 £'000
Income from:						
Donations and legacies	81,588	11,454	93,042	88,240	8,978	97,218
Charitable activities	4,441	8,204	12,645	4,070	7,439	11,509
Other trading activities	7,216	3,898	11,114	5,626	2,664	8,290
Investments	1,096	7	1,103	1,236	5	1,241
Other	–	–	–	70	–	70
Total income	94,341	23,563	117,904	99,242	19,086	118,328
Expenditure on:						
Raising donations and legacies	17,239	459	17,698	17,826	422	18,248
Other trading activities	4,757	16	4,773	4,279	18	4,297
Investment management costs	136	4	140	181	3	184
Raising funds	22,132	479	22,611	22,286	443	22,729
Net income available for charitable application	72,209	23,084	95,293	76,956	18,643	95,599
Expenditure on:						
Services for children and families	29,089	10,915	40,004	32,952	7,891	40,843
Childline and the Schools Service	10,780	9,368	20,148	11,346	9,329	20,675
Child protection advice & awareness	23,025	1,500	24,525	25,567	1,448	27,015
Child protection consultancy	4,318	750	5,068	3,931	913	4,844
Charitable activities	67,212	22,533	89,745	73,796	19,581	93,377
Other	2,204	–	2,204	542	–	542
Total expenditure	91,548	23,012	114,560	96,624	20,024	116,648
Net income before investment gains/(losses)	2,793	551	3,344	2,618	(938)	1,680
Net gains/(losses) on investments	626	14	640	(37)	(10)	(47)
Net income	3,419	565	3,984	2,581	(948)	1,633
Other recognised (losses)/gains:						
Actuarial (losses)/gains on defined benefit pension scheme	(2,259)	–	(2,259)	2,185	–	2,185
Net movement in funds	1,160	565	1,725	4,766	(948)	3,818
Reconciliation of funds:						
Total funds brought forward	64,829	9,071	73,900	60,063	10,019	70,082
Total funds carried forward	65,989	9,636	75,625	64,829	9,071	73,900

3. Analysis of income from raised funds

	2019 £'000	2018 £'000
Donations and legacies:		
Individual giving including regular donations	54,031	55,546
Legacies	19,664	21,512
Regional and community fundraising	8,089	7,991
Corporates, trusts and major donors	8,526	7,859
Schools fundraising	2,061	2,278
Other donations and gifts	671	2,032
Total	93,042	97,218
Other trading activities:		
Fundraising events	5,793	4,783
Sale of goods and other activities*	5,321	3,507
Total	11,114	8,290
Investments:		
Dividends - UK	118	2
Interest	873	1,128
Rents from investment property	112	111
Total	1,103	1,241

*Other activities include sponsorship, promotions, training, sundry sales, lotteries and rental income, none of which are individually material.

Donated goods and services amounted to £393,000 (2018 £208,000), of which £312,000 (2018 £293,000) has been recognised within Other donations and gifts, £55,000 (2018 £15,000) within Corporates, trusts and major donors and £26,000 (2018 £nil) within Individual giving including regular donations.

Donations and legacies includes £140,000 (2018 £nil) income received for a capital purpose recognised within Other donations and gifts.

Income from donations and legacies includes £6,433,000 from non-performance related grants (2018 £6,410,000), of which £1,129,000 are government grants (2018 £1,156,000). There were no unfulfilled conditions or other contingencies relating to government grant income recognised in the year. None of the income received from government grants has been used to fund political campaigning.

Although required to disclose the aggregate donated by trustees the Society recognises that all of our trustees give their time on a voluntary basis and make valuable nonfinancial contributions. Total trustee donations of £26,000 (2018 £182,000) have been received in the year, of which £19,000 (2018 £16,000) was restricted. Included in fundraising events is £20,000 (2018 £12,000) income reflecting trustee support for other trading activities (such as the purchase of tickets).

Lottery Income

During the year the NSPCC received the proceeds of lotteries held by People's Postcode Lottery ("PPL"). The NSPCC has no ability to alter the price of tickets, determine the prizes or reduce the management fee. As such, PPL is treated as acting as the principal, and therefore only the net proceeds due to the NSPCC are recognised within Sale of goods and other activities above. The NSPCC also runs its own lottery, with proceeds reported gross of prize monies and other expenditure. This income is also recognised within Sale of goods and other activities above. The net proceeds received from PPL are analysed as follows:

	2019 £'000	2018 £'000
Ticket value	6,743	–
Prize fund	(2,697)	–
Third party administration fee	(1,888)	–
Net lottery income received by the NSPCC	2,158	–

4. Analysis of income from charitable activities

Income raised by the following child protection activities:

	Statutory funding		Non-Statutory funding		Total 2019 £'000	Total 2018 £'000
	Contracts and fees £'000	Performance related grants £'000	Contracts and fees £'000	Performance related grants £'000		
Services for children and families	1,928	4,602	425	–	6,955	5,496
Childline and the schools service	1	1,964	–	–	1,965	2,102
Child protection advice and awareness	5	531	49	–	585	673
Child protection consultancy	389	643	2,108	–	3,140	3,238
Total	2,323	7,740	2,582	–	12,645	11,509

Statutory funding includes income received from government, government agencies and similar bodies whether local, national or international.

Income from charitable activities includes £7,740,000 from performance related grants (2018 £6,833,000), of which £7,740,000 are government grants (2018 £6,774,000). There were no unfulfilled conditions or other contingencies relating to government grant income recognised in the year. Other forms of government assistance include income from statutory contracts and fees of £2,323,000 (2018 £1,985,000). None of the income received from government grants has been used to fund political campaigning.

Statutory contracts and fees include donated services and facilities under service level agreements (SLAs) of £nil (2018 £42,000) in respect of staff secondments, and £19,000 (2018 £15,000) in respect of premises and other facilities which have been recognised as gifts in kind.

Statutory performance related grants include £nil (2018 £nil) income received for a capital purpose.

5. Analysis of other income

	2019 £'000	2018 £'000
Profit from sale of tangible and intangible fixed assets	–	70
Total	–	70

6. Analysis of total expenditure

Notes	Direct Costs £'000	Support Costs £'000	Total 2019 £'000	Total 2018 £'000
Expenditure on raising funds:				
Expenditure on raising donations and legacies:				
Individual giving including regular donations	6,179	132	6,311	6,552
Legacies	1,608	48	1,656	1,335
Regional and community fundraising	5,073	184	5,257	5,336
Corporates, trusts and major donors	2,970	124	3,094	3,707
Schools fundraising	1,201	67	1,268	1,232
Other donations and gifts	101	11	112	86
Total	17,132	566	17,698	18,248
Expenditure on other trading activities:				
Fundraising events	3,251	119	3,370	3,325
Sale of goods and other activities	1,381	22	1,403	972
Total	4,632	141	4,773	4,297
Investment management costs	140	–	140	184
Total expenditure on raising funds	7	21,904	707	22,611
Expenditure on charitable activities:				
Services for children and families	38,075	1,929	40,004	40,843
Childline and the schools service	19,159	989	20,148	20,675
Child protection advice and awareness	7 23,665	860	24,525	27,015
Child protection consultancy	4,899	169	5,068	4,844
Total expenditure on charitable activities	85,798	3,947	89,745	93,377
Other expenditure:				
Dilapidations	442	–	442	(248)
Restructuring	780	–	780	(208)
Impairment reversals	(33)	–	(33)	(182)
Defined benefit pension costs (see note 21)	1,015	–	1,015	1,180
Total other expenditure	2,204	–	2,204	542
Total expenditure	109,906	4,654	114,560	116,648

Included in total expenditure is irrecoverable Value Added Tax of £4,709,000 (2018 £4,522,000).

Included in total expenditure are grant payments of £2,016,000 have been made to organisations to perform charitable activities, of which £2,011,000 (2018 £1,219,000) are grants to Blackpool council for delivery of services for the Big Lottery funded 'Better Start' programme, £5,000 (2018 £nil) is a grant to a local authority for community voluntary organisations to support vulnerable children and families, £nil (2018 £113,000) are grants to various institutions for research programmes into child protection and prevention and £nil (2018 £15,000) are grants to other institutions to promote children's rights and evidence based practice.

During the year the Society completed a full review of the potential liability to dilapidations at the end of the leases on occupied buildings. The provision is calculated based on average historic landlord claims received. The movement on the provision reflects both changes in the average landlord claims and changes in properties occupied by the Society.

The restructuring costs relate to the cost of redundancies and onerous contracts.

6. Analysis of total expenditure (continued)

The activities underlying the costs above under each heading are:

Services for children and families - work with children, young people, families and communities throughout Great Britain, Northern Ireland and the Channel Islands to provide preventive, therapeutic and assessment services across the United Kingdom. The services work in partnership with local authorities and Local Safeguarding Children Boards, health services and other statutory and voluntary agencies; and children and young people's participation activities.

Childline and the schools service - work to provide accessible support and advice to ensure that every child is listened to and protected. Childline includes a free 24-hour

helpline (telephone, online and automated text services) for children and young people to access advice and support from trained counsellors; and work with primary schools to educate children about how to protect themselves.

Child protection advice and awareness - work in partnership with adults across the UK, empowering them to take action on behalf of children. This includes the NSPCC helpline (telephone and online services) providing advice and support to adults; the Child Trafficking Advice Centre (CTAC); the provision of comprehensive and expert information services; public campaigning and government lobbying; and activities to raise awareness and influence behaviour within adult audiences.

Child protection consultancy - work with organisations, networks and professionals that come into contact with children, challenging them to ensure that children are protected from harm. This includes the provision of training and consultancy services; use of the NSPCC's authorised person status; work in partnership with other bodies; and representation on boards and committees where the NSPCC can influence change.

Expenditure on raising donations and legacies - promoting the awareness of the NSPCC and its work to create the income flow needed to support our activities.

Expenditure on other trading activities - investing in products and organising events to create the income flow needed to support our activities.

	2019 £'000	2018 £'000
Total expenditure is stated after charging:		
Operating lease rentals:		
Land and buildings	1,629	1,113
Other	320	293
Fees payable to the Charity's auditor for:		
Statutory audit of the Charity and Group accounts	101	98
Statutory audit of the Charity's subsidiaries' accounts	7	7
Total audit fees	108	105
Other assurance services	8	8
Other consultancy	–	4
Total non-audit fees	8	12
Charges on owned assets:		
Depreciation and amortisation	3,402	3,073
Impairment	(33)	(182)
Trustees' expenses:		
Trustees' travel, subsistence and other expenses	13	13

Our trustees are based all over the United Kingdom and give their time on a voluntary basis; the trustees are not entitled to and did not receive any remuneration or other benefits during the year (2018 £nil).

Total trustee expenses of £13,000 (2018 £13,000) were incurred in the year, in respect of seven trustees (2018 eleven). In addition the Society paid indemnity insurance in respect of the trustees of £8,000 (2018 £8,000).

The trustee expenses disclosed above were incurred solely in furtherance of their duties. Trustee expenses include travel, subsistence and other incidental expenses reclaimed or paid directly by the charity, along with a contribution towards the cost of providing a Personal Assistant for the President of Childline in support of her important ambassadorial and fundraising role for the Childline service.

7. Child protection advice and awareness

As part of its mission to end cruelty to children, and in accordance with its Royal Charter, the NSPCC undertakes a broad range of publicity and educational work aimed at influencing adults. It aims to work in partnership with adults across the UK, empowering them to take action on behalf of children. Expenditure of this nature:

- makes the public aware of the incidence and effects of child abuse and everyone's shared responsibility to act to stop it;
- provides comprehensive and expert advice and information on child protection to professionals and other relevant parties;
- provides advice, guidance and support to adults who are concerned about the welfare of a child or young person, enabling them to take appropriate action; and
- informs the public and fellow professionals about the NSPCC's own action to protect children and young people through its services for them and their families.

Communication with the public through child protection advice and awareness has a parallel purpose of encouraging potential donors to contribute funds to achieve the mission of the NSPCC.

	2019		2018	
	Raising funds	Child protection advice and awareness	Raising funds	Child protection advice and awareness
	£'000	£'000	£'000	£'000
Charged directly	8,460	8,490	8,068	11,957
Allocated costs	13,444	15,175	13,848	14,071
Direct costs allocated	21,904	23,665	21,916	26,028
Support costs allocated	707	860	813	987
Total	22,611	24,525	22,729	27,015

Expenditure incurred each year is, where possible, charged directly to raising awareness or raising funds. Where there is more than one purpose, costs are shared between the activities in proportion to the work undertaken. For example, marketing materials are evaluated by content.

8. Allocation of support costs

Type of cost	Raising funds	Charitable activities	Total 2019	Total 2018
	£'000	£'000	£'000	£'000
Central management and administration	463	2,534	2,997	3,484
Premises, infrastructure and communications	179	1,051	1,230	1,366
Governance	65	362	427	482
Total support costs allocated	707	3,947	4,654	5,332

Central management and administration costs includes the relevant proportion of human resources, legal services and risk management, and central finance including procurement and transaction processing.

Premises, infrastructure and communications are costs which enable the buildings and NSPCC facilities to operate effectively, this include provision of information system services and internal and external communications.

Governance cost are costs associated with the governance arrangements of the NSPCC, including internal and external audit costs, legal advice for trustees and costs associated with constitutional and statutory requirements.

Support costs are allocated on the basis of relevant full time equivalent staff numbers. Information Systems support costs are allocated on the basis of personal and laptop computers in use.

9. Employees

	2019 £'000	2018 £'000
Total staff costs recognised in the year		
Wages and salaries	55,240	55,686
Social security costs	5,732	5,887
Pension costs	6,936	5,329
Other forms of employee benefits	771	1,586
Total	68,679	68,488

Redundancy costs of £510,000 have been paid (2018 £262,000). The amount expensed in the accounts is £818,000 (2018 £95,000).

Included within pension costs of £6,936,000 (2018 £5,329,000) are costs relating to the defined contribution scheme of £5,921,000 (2018 £4,149,000) and costs relating to the defined benefit scheme of £1,015,000 (2018 1,180,000). Pension costs in relation to the defined benefit pension scheme are detailed within note 21.

Other forms of employee benefits include life assurance, risk benefits and car allowances, where applicable.

The average number of employees on the payroll for the year was 1,922 (2018 1,889). The average number of employees, calculated on a full time equivalent basis for the year was 1,692 (2018 1,672). The NSPCC operates a family-friendly policy including part-time work and job-sharing. The above numbers include staff responsible for the management and support of the volunteers.

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	2019 Number	2018 Number
Activities to end cruelty to children	1,362	1,337
Raising funds	203	207
Support and governance	127	128
Total	1,692	1,672

The number of employees whose total employee benefits (excluding employer pension and national insurance costs) for the reporting period amounted to over £60,000 was as follows:	2019 Number	2018 Number
£170,001 - £180,000	1	1
£130,001 - £140,000	2	2
£120,001 - £130,000	1	1
£110,001 - £120,000	–	2
£100,001 - £110,000	1	–
£90,001 - £100,000	5	3
£80,001 - £90,000	5	4
£70,001 - £80,000	15	18
£60,001 - £70,000	23	24
Total	53	55

The table above does not include termination benefits paid in the year. If these were included, three additional employees would be included in the banding £60,001-£70,000 (2018 none), four in the banding £70,001-£80,000 (2018 none) and one in the banding £80,001-£90,000 (2018 none). In addition, in 2018 one in the banding of £70,001-£80,000 would be included in the banding £80,001-£90,000.

In addition, for one employee the frequency of attendance at a second office meant that this was deemed as a second permanent workplace and therefore the related travel expenses became classified as a taxable benefit. If these were included, this employee would move from the banding of £90,001-£100,000 and be included in the banding £110,001-£120,000 (2018 none).

Key management personnel – Group and Charity	2019 £'000	2018 £'000
Total employee benefits* received by the Executive board for their services during the year	1,104	1,168

*Employee benefits are all forms of consideration paid by a charity in exchange for the service rendered by employees, including trustees, and include all remuneration, salary, employer's pension and national insurance contributions and any termination payments made.

10. Contribution from volunteers

We are very grateful to our large and hugely supportive volunteer base. Some work tirelessly to raise funds for our work, whilst others work directly with children, young people and families through our services such as being a trained volunteer counsellor for our Childline service or delivering our schools service.

- Our Childline service delivers 24/7 support to children throughout the year. Our Childline counselling service delivered almost 250,000 counselling sessions (2018 almost 280,000 sessions) with the help of over 1,400 volunteer counsellors (2018 1,300 volunteer counsellors) providing over 176,000 hours (2018 over 157,000 hours).
- Our ‘*Speak Out, Stay Safe*’ service delivers assemblies and workshops in primary schools to equip pupils with the knowledge and resilience to protect themselves from abuse, and the confidence to seek help. This year, with the help of over 900 School Services volunteers (2018 over 800 School Services volunteers) we’ve visited almost 8,000 schools (2018 visited over 8,000 schools) reaching almost 1,800,000 children across the UK (2018 reaching just under 1,800,000 children).

- Supporting our fundraising team, there are a number of Special Events Committees, Volunteer and Business Boards, each focussing on NSPCC activities they feel particularly passionate about, and where their skills and expertise can be best utilised. Our Board and Committee members use their expertise and contacts from their own fields of business, employing a range of fundraising techniques, from corporate introductions to charity event creation, securing major gifts and legacies, and raising awareness. In the year, the Boards and Committees supported our fundraising team in generating income of £4,240,000 (2018 £3,568,000).
- We have 155 branches and over 550 districts (2018 155 branches and over 550 districts) raising funds around the UK, with around 4,200 members (2018 around 5,600 members) who raised over £2,600,000 (2018 over £2,500,000) in the year through organising local community fundraising events. A review of branches and districts has been performed in the year, which resulted in a number of closures due to inactivity.

- In addition there are approximately 96 volunteers (2018 approximately 133 volunteers) working in our service centres across the country in a range of roles, from providing support through our young witness service in Northern Ireland, to transporting families to and from our centres, representing parents in the target group for our “Blackpool Better Start” programme, and offering advice to new mums.

Given the absence of a reliable measurement basis, donated services from our volunteers are not included within the financial statements. This is in line with the requirements of Charities SORP (FRS 102).

11. Subsidiary companies and their activities

The Charity has three wholly-owned subsidiaries. Information and financial data on Childline and NSPCC Trading Company Limited are detailed below. The NSPCC Pension Scheme Limited acts solely as a corporate trustee of the NSPCC Pension Scheme, does not trade on its own behalf and has no assets or liabilities.

NSPCC Trading Company Limited
NSPCC Trading Company Limited (NSPCC Trading) is incorporated in the UK (Company registration number 00890446). The main activities consist of mail order catalogue sales, corporate sponsorships and fundraising events. There is a small amount of sales of donated goods from one NSPCC charity shop.

A summary of the trading company results are below. The information is taken from the audited accounts for the company and therefore includes transactions undertaken with the NSPCC.

	NSPCC Trading 2019 £’000	NSPCC Trading 2018 £’000
Profit and loss account		
Revenue	1,876	2,280
Cost of sales	(139)	(86)
Gross profit	1,737	2,194
Net operating costs	(182)	(278)
Operating profit	1,555	1,916
Amount gift aided to NSPCC	(1,555)	(1,916)
Retained profit for the year	-	-
Assets, liabilities and funds:		
Assets	1,371	1,858
Liabilities	(1,341)	(1,828)
Total funds including 100 ordinary shares of £1 each	30	30

Profits from NSPCC Trading are gift aided to the NSPCC at the value of the taxable profits.

Childline
Childline is a charitable company limited by guarantee, registered in England and Wales and incorporated in the UK (company registration number 2622689, charity

registration number 1003758). Childline the entity exists to receive legacy income otherwise not receivable by the NSPCC. These funds are paid by way of a grant to the NSPCC.

A summary of Childline results are below. The information is taken from the audited accounts for the charity and therefore includes transactions undertaken with the NSPCC.

	Childline 2019 £’000	Childline 2018 £’000
Total income	876	316
Total expenditure	(876)	(316)
Net expenditure	-	-
Reconciliation of funds:		
Total funds brought forward	-	-
Funds balance carried forward	-	-
Assets, liabilities and funds:		
Assets	47	47
Liabilities	(47)	(47)
Total funds	-	-

11. Subsidiary companies and their activities (continued)

NSPCC results (excluding subsidiaries)

A summary of the results of the parent charity are below.

	NSPCC excluding subsidiaries 2019 £'000	NSPCC excluding subsidiaries 2018 £'000
Total income	116,115	116,631
Total expenditure	(112,771)	(114,951)
Net gains/(losses) on investments	640	(47)
Net income	3,984	1,633
Actuarial (losses)/gains on defined benefit pension scheme	(2,259)	2,185
Net movement in funds	1,725	3,818
Reconciliation of funds:		
Total funds brought forward	73,870	70,052
Funds balance carried forward	75,595	73,870

Total income for the NSPCC excluding subsidiaries, includes the gift aid donation from the NSPCC Trading Company Limited of £1,555,000 (2018 £1,916,000) and the grant from Childline of £876,000 (2018 £316,000).

12. Tangible and intangible fixed assets

Group and Charity	Freehold property £'000	Leasehold property £'000	Furniture, fittings, and equipment £'000	Total Tangible assets £'000	Total Intangible assets £'000	Total Fixed assets £'000
Cost						
1 April 2018	27,419	15,188	6,414	49,021	10,175	59,196
Additions	465	180	638	1,283	664	1,947
Disposals	–	(1,081)	(265)	(1,346)	(2,195)	(3,541)
31 March 2019	27,884	14,287	6,787	48,958	8,644	57,602
Depreciation and amortisation						
1 April 2018	9,526	9,154	5,006	23,686	5,415	29,101
Depreciation and amortisation	415	708	729	1,852	1,550	3,402
Impairment	–	(33)	–	(33)	–	(33)
Disposals	–	(1,081)	(265)	(1,346)	(2,195)	(3,541)
31 March 2019	9,941	8,748	5,470	24,159	4,770	28,929
Net book value						
31 March 2019	17,943	5,539	1,317	24,799	3,874	28,673
31 March 2018	17,893	6,034	1,408	25,335	4,760	30,095

Intangible assets represent the cost of software development and other computer software.

The Society undertakes annual property impairment reviews, comparing the properties' net book value to value in use. Properties identified with a net book value in excess of value in use are written down to the higher of market value or value in use.

13. Capital commitments

There were capital commitments of £300,000 at 31 March 2019 (2018 £220,000).

14. Investments

Group and Charity	Equities £'000	Bonds £'000	Bank deposits £'000	Investment properties £'000	Total 2019 £'000	Total 2018 £'000
Market value at 1 April	–	26,837	36,457	900	64,194	55,292
Transferred from fixed assets	–	–	–	–	–	503
Purchases at cost	26,363	30,360	57,170	–	113,893	25,767
Disposals at carrying value	(3,765)	(24,803)	(87,341)	–	(115,909)	(17,321)
Realised loss on investment	(102)	(498)	(151)	–	(751)	(118)
Unrealised gain on investment	1,149	159	83	–	1,391	71
Value at 31 March	23,645	32,055	6,218	900	62,818	64,194
Historical cost as at 31 March	22,118	32,299	6,218	837	61,472	61,354

Within the financial year pooled funds have been reinvested into direct holdings held by Credit Suisse and JP Morgan. Bank deposits also include £1,032,000 of deposits held directly. Investments are accounted for as detailed within note 1.9.

With reference to FRS 102 properties that are held to generate rental income have been transferred from tangible fixed assets to investments properties. The space is leased to an NHS trust, however as their activities are not in line with NSPCC charitable objectives, this element of the property is classified as an investment property. The property has been revalued on the basis on an independent valuation carried out as at 31 March 2018.

Future minimum lease payments for rent receivable under non-cancellable operating leases on investment properties are:

Group and Charity	Total 2019 £'000	Total 2018 £'000
Less than 1 year	82	82
Between 1 and 5 years	81	163
Total	163	245

15. Debtors

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade debtors	1,225	1,953	898	936
Amounts owed by group undertakings	–	–	1,223	1,701
Prepayments	2,600	2,379	1,954	1,938
Accrued income	4,864	4,902	4,770	4,781
Other debtors	3,166	3,338	3,061	3,267
Total	11,855	12,572	11,906	12,623

16. Current investments and cash at bank and in hand

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Current investments	3,773	3,445	3,773	3,445
Cash at bank and in hand	816	513	616	306
Total	4,589	3,958	4,389	3,751

Current investments represents monies invested through the NSPCC's bankers in short-term money market instruments, and available for return on demand.

17. Creditors: amounts falling due within one year

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade creditors	1,869	1,839	1,866	1,831
Accruals	5,757	8,533	5,729	8,484
Deferred income (see note 20)	1,260	1,081	1,173	1,012
Taxation and social security	1,423	1,438	1,423	1,438
Other creditors	806	614	805	614
Grants payable	1,233	1,040	1,233	1,040
Total	12,348	14,545	12,229	14,419

18. Creditors: amounts falling due after one year

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Grants payable due after one year and less than five years	104	338	104	338
Total	104	338	104	338

19. Provisions for liabilities

Group and Charity	Dilapidations on leasehold properties		Restructuring £'000	Other £'000	Total £'000
	£'000	£'000			
Carrying amount at 1 April 2018	2,535	1,448	49	–	4,032
Additions and remeasurement	483	272	–	–	755
Amounts charged against the provision	(10)	(499)	–	–	(509)
Unused amounts reversed	(35)	(163)	–	–	(198)
Carrying amount at 31 March 2019	2,973	1,058	49	–	4,080
Commitments are likely to be met:					
Within one year	890	506	49	–	1,445
After one year and less than five years	1,937	552	–	–	2,489
After five years	146	–	–	–	146
Total	2,973	1,058	49	–	4,080

The provision for dilapidations on leasehold properties relates to the estimated future cost of landlord claims at the end of the lease.

The provision for restructuring relates to the cost of redundancies and onerous contracts.

No discounting has been applied to any of the provisions as the effect of this would be immaterial.

20. Deferred income

	1 April 2018 £'000	Deferred £'000	Released £'000	31 March 2019 £'000
Statutory sources	83	76	(83)	76
Other non-statutory sources	149	229	(149)	229
Income from fundraising activities	780	868	(780)	868
Total for the Charity	1,012	1,173	(1,012)	1,173
Income from fundraising activities	69	87	(69)	87
Total for the Group	1,081	1,260	(1,081)	1,260

The main reasons for deferrals are as follows:

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Performance related grant conditions not met	–	45	–	45
Potentially refundable income received for future events	956	849	868	780
Other deferrals	304	187	305	187
Total	1,260	1,081	1,173	1,012

21. NSPCC pension schemes

The NSPCC operates both a defined contribution and a defined benefit pension scheme which require contributions to be made to separately administered funds for the benefit of the employees. Further details of these schemes are provided below.

NSPCC defined contribution pension scheme

The pension costs for the year in relation to the defined contribution pension scheme were £5,921,000 (2018 £3,317,000). As at 31 March 2019, £498,000 was outstanding and included in creditors (2018 £353,000). Expenditure is allocated to the appropriate heading in the accounts on the basis of full time equivalent staff numbers.

NSPCC defined benefit pension scheme

The Society operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. An actuarial valuation is currently being carried out at 31 March 2018 and the preliminary results have been updated to 31 March 2019 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

This most recent actuarial valuation at 31 March 2015 showed a deficit of £17,000,000. The Society has agreed with the trustees that it will aim to eliminate the deficit over a period of seven years and nine months from 5 April 2015 by the payment of £1,000,000

per annum until 31 March 2017 and £2,000,000 per annum from 1 April 2017 to 31 December 2022. These amounts include £400,000 per annum as a contribution in respect of levies to the Pensions Protection Fund, scheme management and administration expenses. In the event that the deficit assessed at 31 March 2018 or 31 March 2021 exceeds the expected deficit based on the statement of funding principles dated 22 September 2016 and financial conditions at 31 March 2015, the Society will make additional payments to the scheme as set out in the schedule of contributions dated 22 September 2016. This was the case when the deficit was assessed on 31 March 2018 and the Society made a balloon payment of £3,500,000 to the scheme in March 2019.

21. NSPCC pension schemes (continued)

Present values of defined benefit obligation, fair value of assets and defined benefit asset:

	31 March 2019 £'000	31 March 2018 £'000
Group and Charity		
Fair value of plan assets	173,359	168,368
Present value of defined benefit obligation	(189,137)	(186,372)
Defined benefit liability to be recognised	(15,778)	(18,004)

Reconciliation of opening and closing balances of the defined benefit obligation:

	31 March 2019 £'000	31 March 2018 £'000
Defined benefit obligation at start of period	186,372	190,394
Expenses	610	632
Interest expense	4,749	5,046
Actuarial losses/(gains)	5,471	(2,062)
Benefits paid and expenses	(8,065)	(7,638)
Defined benefit obligation at end of period	189,137	186,372

Expenses include £97,000 Pension Protection Fund levy and £14,000 pension regulator fee.

Reconciliation of opening and closing balances of the fair value of plan assets:

	31 March 2019 £'000	31 March 2018 £'000
Fair value of plan assets at start of period	168,368	169,385
Interest income	4,344	4,498
Actuarial losses	3,212	123
Contributions by the Society	5,500	2,000
Benefits paid and expenses	(8,065)	(7,638)
Fair value of plan assets at end of period	173,359	168,368

The actual return on the plan assets over the period ended 31 March 2019 was £7,556,000 (2018 £4,621,000).

Defined benefit costs recognised in the Statement of Financial Activities:

	31 March 2019 £'000	31 March 2018 £'000
Expenses	610	632
Net interest cost	405	548
Defined benefit costs recognised in expenditure	1,015	1,180
Actuarial gains on assets	3,212	123
Actuarial (losses)/gains on liabilities	(5,471)	2,062
Actuarial (losses)/gains on defined benefit pension scheme	(2,259)	2,185

Assets:

	2019 £'000	2018 £'000
UK equities	9,665	10,710
Overseas equities	9,782	11,309
Absolute return fund	–	18,865
Diversified growth fund	58,910	39,448
Property	9,736	9,398
Cash	9,028	3,302
Insured annuities	50,693	52,491
Liability driven investments	25,545	22,845
Total assets	173,359	168,368

None of the fair values of the assets shown above include any direct investments in the Society's own financial instruments or any property occupied by, or other assets used by, the Society.

Assumptions:

	2019 £'000	2018 £'000
Discount rate	2.5% pa	2.6% pa
Inflation (RPI)	3.3% pa	3.1% pa
Inflation (CPI)	2.2% pa	2.1% pa
Allowance for revaluation of deferred pensions of CPI or 5% pa if less	2.2% pa	2.1% pa
Allowance for pension in payment increases of RPI or 5% pa if less	3.2% pa	3.1% pa

The mortality assumptions adopted at 31 March 2019 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2019	20.6
Female retiring in 2019	22.5
Male retiring in 2039	21.6
Female retiring in 2039	23.7

22. Operating lease commitments

Total of future minimum lease payments for the Group and Charity under non-cancellable operating leases for each of the following periods:

	Land and buildings 2019 £'000	Other 2019 £'000	Land and buildings 2018 £'000	Other 2018 £'000
Group and Charity				
Not later than one year	1,317	38	1,155	25
Later than one year and not later than five years	1,518	49	1,855	23
Later than five years	–	–	24	–
Total	2,835	87	3,034	48

23. Endowment, restricted and designated funds

	Balance 1 April 2017 £'000	Income £'000	Expenditure £'000	Gains / (losses) £'000	Transfers £'000	Balance 31 March 2018 £'000	Income £'000	Expenditure £'000	Gains / (losses) £'000	Transfers £'000	Balance 31 March 2019 £'000
Permanent endowment funds											
Charity											
Permanent endowment fund	1,374	–	(3)	(10)	–	1,361	–	(4)	14	–	1,371
N Knatchbull endowment fund	10	–	–	–	–	10	–	–	–	–	10
M Glaister fund	10	–	–	–	–	10	–	–	–	–	10
A Sykes fund	9	–	–	–	–	9	–	–	–	–	9
Total permanent endowment funds	1,403	–	(3)	(10)	–	1,390	–	(4)	14	–	1,400
Restricted funds											
Charity											
Childline restricted funds received by NSPCC including funding received from the Child's Voice Appeal for the Helpline Development Project	734	7,306	(7,707)	–	–	333	8,223	(8,228)	–	–	328
Activities to end cruelty to children funded by other restricted donations	642	5,068	(5,369)	–	(16)	325	7,434	(6,704)	–	–	1,055
Capital Projects, including Acquisition of Buildings	6,540	–	(198)	–	–	6,342	140	(243)	–	–	6,239
Details are given below in respect of restricted funds where separate disclosure is required by the funder:											
Childline and NSPCC Helpline funded by the Department for Education	–	2,000	(2,000)	–	–	–	2,000	(2,000)	–	–	–
Capital Project, Helpline Information System Transformation funded by the Department for Education	700	–	(35)	–	–	665	–	(143)	–	–	522
Childline Foyle Helpline in Londonderry funded by the Department of Education Northern Ireland	–	266	(266)	–	–	–	266	(266)	–	–	–
Childline counselling staff salaries in Northern Ireland funded by the Department of Health, Social Services & Public Safety (DSSHPS) of Northern Ireland	–	47	(47)	–	–	–	47	(47)	–	–	–
'A Better Start' project in Blackpool funded by the Big Lottery Fund	–	3,065	(3,065)	–	–	–	4,080	(4,080)	–	–	–
The London 'Child Sexual Exploitation (CSE) Hub and Spoke Project' funded by the Big Lottery Fund	–	146	(146)	–	–	–	106	(106)	–	–	–
The 'Young Mum's Participation' project in Scotland funded by the Big Lottery Fund	–	1	(1)	–	–	–	–	–	–	–	–
Childline's anti-bullying work in Scotland funded by the Scottish Government	–	83	(83)	–	–	–	83	(83)	–	–	–
Funding for a volunteer co-ordinator in Scotland from the Scottish Government	–	32	(32)	–	–	–	32	(32)	–	–	–
Childline in Wales funded by the Welsh Government 'Children and Families Organisation' (CFOG)	–	95	(95)	–	–	–	90	(90)	–	–	–
Schools Service in South Wales funded by Masonic Charitable Foundation	–	25	(25)	–	–	–	–	–	–	–	–
The London 'Child Sexual Exploitation (CSE) Hub and Spoke Project' funded by Comic Relief	–	130	(130)	–	–	–	92	(92)	–	–	–
Funding for the salary costs of two 'Protect and Respect' case workers from The City of London Corporation's charity, City Bridge Trust	–	90	(90)	–	–	–	90	(85)	–	–	5
Adverse childhood experiences Coordinator Service Police Innovation Fund Early Intervention and Prevention funded by South Wales Police and Crime Commissioner	–	42	(42)	–	–	–	–	–	–	–	–
Northern Ireland Young Witness Support Service funded by the Department of Justice Northern Ireland	–	441	(441)	–	16	16	444	(437)	–	–	23
Modern Slavery Innovation Fund funded by the Home Office	–	249	(249)	–	–	–	251	(251)	–	–	–
Support for victims and survivors of child sexual abuse funded by the Home Office	–	–	–	–	–	–	185	(121)	–	–	64
Total restricted funds	8,616	19,086	(20,021)	–	–	7,681	23,563	(23,008)	–	–	8,236
Total restricted and endowment funds	10,019	19,086	(20,024)	(10)	–	9,071	23,563	(23,012)	14	–	9,636
Designated funds											
Charity											
Freehold and leasehold properties	19,240	–	(932)	397	161	18,866	–	(951)	–	505	18,420
Total designated funds	19,240	–	(932)	397	161	18,866	–	(951)	–	505	18,420
Other unrestricted funds											
Charity											
General funds	61,802	96,646	(91,916)	(434)	(2,161)	63,937	91,589	(86,830)	626	(6,005)	63,317

23. Endowment, restricted and designated funds (continued)

Total general funds for the Charity	61,802	96,646	(91,916)	(434)	(2,161)	63,937	91,589	(86,830)	626	(6,005)	63,317
Subsidiary companies											
NSPCC Trading Company Limited	30	2,280	(2,280)	–	–	30	1,876	(1,876)	–	–	30
Childline	–	316	(316)	–	–	–	876	(876)	–	–	–
Total general funds for the Group	61,832	99,242	(94,512)	(434)	(2,161)	63,967	94,341	(89,582)	626	(6,005)	63,347
Pension reserve	(21,009)	–	(1,180)	2,185	2,000	(18,004)	–	(1,015)	(2,259)	5,500	(15,778)
Total funds for the Group	70,082	118,328	(116,648)	2,138	–	73,900	117,904	(114,560)	(1,619)	–	75,625

Income within general funds for the charity excludes the gift aid donation of £1,555,000 (2018 £1,916,000) from NSPCC Trading Company Limited and the grant of £876,000 from Childline (2018 £316,000).

The transfers from general funds are £5,500,000 for payments in relation to pensions (2018 £2,000,000) and £505,000 to designated funds in relation to property additions (2018 £161,000).

24. Analysis of group net assets between funds

Fund balances are represented by:

	Unrestricted				2019	Unrestricted				2018
	General £'000	Designated £'000	Restricted £'000	Endowment £'000	Total funds £'000	General £'000	Designated £'000	Restricted £'000	Endowment £'000	Total funds £'000
Tangible and intangible fixed assets	4,392	17,520	6,761	–	28,673	4,245	17,966	6,984	–	30,095
Investments	60,518	900	–	1,400	62,818	62,804	900	–	1,390	64,194
Current assets and liabilities	2,517	–	1,475	–	3,992	950	–	697	–	1,647
Provisions	(4,080)	–	–	–	(4,080)	(4,032)	–	–	–	(4,032)
Total net assets excluding pension reserve	63,347	18,420	8,236	1,400	91,403	63,967	18,866	7,681	1,390	91,904
Pension reserve	(15,778)	–	–	–	(15,778)	(18,004)	–	–	–	(18,004)
Total net assets	47,569	18,420	8,236	1,400	75,625	45,963	18,866	7,681	1,390	73,900

Of the restricted funds represented by tangible & intangible fixed assets £5,963,000 relates to freehold and leasehold property (2018 £5,962,000), £798,000 relates to intangible assets (2018 £1,020,000) and £nil relates to other tangible fixed assets (2018 £3,000).

Included in the restricted funds represented by current assets and liabilities figure is £nil which relates to restricted donations to be spent on Intangible assets - development software (2018 £23,000).

25. Legacies

The NSPCC has been notified of 763 legacies (2018: 724 legacies) which have not been included within the financial statements as they do not yet meet the income recognition criteria. This includes 84 pecuniary legacies which have an average value of £13,133 (2018: 83 cases with an average value of £5,904). Pecuniary legacies are only recognised once notification of probate is received. The remaining 679 are residuary legacies,

which have an average value of £39,715 (2018: 641 cases with an average value of £46,113). Residuary legacies are normally recognised once draft accounts are received or other information which allow them to be measured with reasonable accuracy. Included within the above figures are 12 pecuniary legacies (2018: 12) and 117 residuary legacies (2018: 132) which are not recognised because they are subject to a life interest.

The NSPCC has waived the rights to one legacy entitlement totalling £13,333 (2018 None) related to claims made by family of the deceased on the basis that the claims reflected the deceased's wishes. The trustees agreed that there was a moral obligation to waive these rights and approval was granted from the Charity Commission.

26. Related party transactions

Advantage has been taken of exemptions under FRS 102 not to disclose related party transactions with and between wholly-owned subsidiaries.

Related party transactions with NSPCC Pension Scheme are disclosed in note 21. Related party transactions with the trustees are detailed within in notes 3 and 6. There were no transactions with other related parties in the year.



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Together we can help children who've been abused to rebuild their lives. Together we can protect children at risk. And, together, we can find the best ways of preventing child abuse from ever happening.

We change the law. We visit schools across the country, helping children understand what abuse is. And, through our Childline service, we give young people a voice when no one else will listen.

But all this is only possible with your support. Every pound raised, every petition you sign, every minute of your time, will help make sure we can fight for every childhood.

EVERY CHILDHOOD IS WORTH FIGHTING FOR

The National Society for the Prevention of Cruelty to Children (NSPCC) is registered with the Charity Commission under registration number 216401, and with the Office of the Scottish Charity Regulator under number SC037717; it is also registered as a Guernsey Registered Charity (registered number CH214) and as a Non-Profit Organisation in Jersey (NP00588). ©NSPCC 2019. Photography by Tom Hull, Ross Bolger, Owen Richards, Colin Baldwin, Dominic Nicholls and Tony Hay. The children and adults pictured are volunteers and models. 20191047.