



Partnership for Children Trustees' annual report and financial statements for the year ended 31 December 2019



Partnership for Children

Contents

	Page
Trustees' annual report	3 - 9
Auditors' report to the members	10 - 11
Statement of financial activities	12
Balance sheet	13
Notes to the financial statements	14 - 20

Partnership for Children

The Trustees are pleased to present their annual report and financial statements for the year ended 31 December 2019.

Directors and Trustees

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

Caroline Spicer, Chair

Mark Boulding, Vice Chair

Juliana Fleury

Hein Marais

Miranda Novak

Marion Panis

Prof Panos Vostanis

The Chief Executive during the year was Wendy Tabuteau.

Structure, Governance and Management

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

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

Appointment of Trustees

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

The Board of Trustees can have between three and nine members and holds regular meetings to oversee the charity's activities. The Chief Executive is appointed by the Trustees to manage day-to-day operations and to facilitate effective operations. She has delegated authority for operational matters, including finance and HR. The Board met three times in 2019 with additional meetings for the Finance Sub Committee. In addition the Trustees and senior staff held a strategy away day in July 2019.

Relationships with other charities and organisations

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

Argentina –Asociación SER+

Belgium – ASBL Educa Santé

Brazil – Associação Pela Saúde Emocional de Crianças (ASEC)

Bulgaria – Animus Association Foundation

Canada – The University of Quebec at Montreal, Centre for Research and Intervention on Suicide, Ethical Issues and End-of-Life Practices (CRISE)

Cayman Islands – Alex Panton Foundation

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

Partnership for Children

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

Our programmes are also delivered in a number of international schools in Cambodia, The Philippines, Thailand and Vietnam.

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

Risks and internal control

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

Vision and Mission

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

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

Our Objective is to build the social and emotional skills of children across the entire primary school age range through well-evidenced programmes and a Whole School Approach. We have two main school-based programmes – *Zippy's Friends* (for 5 – 7 year olds) and *Apple's Friends* (for 7 – 9 year olds) and we launched a new programme for older children – *Passport* (for 9 – 10 year olds) in 2019. *SPARK Resilience* (for 11 – 12 year olds) is currently under development and will be ready to be piloted from September 2020. All our programmes are evidence based and help children to cope with difficult situations and feelings.

Partnership for Children

The Trustees note the Charity Commission's guidance on the need for charities to deliver a public benefit. They have complied with the duty in section 17 of the Charities Act 2011, and believe that the objective and activities outlined above show how we meet this responsibility. Summaries of our current direction and our achievements during 2019 are set out below.

During the third and final year of this Strategic Plan, the charity's four strategic priorities were:

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

In July 2019, the Trustees and senior staff met to review the current strategic priorities and to develop the strategic plan for 2020 – 2022. It was agreed that our overarching theme would be to increase our impact globally through collaborative, multi-lateral partnerships and that we would:

- Reach more children and young people, including underserved groups, through evidence-informed programmes
- Enhance partnerships to increase reach and sustainability
- Grow our funding to resource our ambitions for new programmes and partnerships
- Optimise the structure and capacity of Partnership for Children to deliver our strategic goals

Achievements and performance

By December 2019 almost 1.9 million children had benefitted from our work since Partnership for Children was founded 18 years ago. The total number of children enrolled in *Zippy's Friends*, *Apple's Friends* and *Passport* during the year the academic year was 255,545 (an increase of almost 25% on 2018).

The number of schools running our Skills for Life programmes in the UK has increased by 30% during the academic year. 8,904 children in 187 schools enrolled in our programme and 344 primary school teachers delivered *Zippy's Friends* and *Apple's Friends* over the year. In October 2019 we were delighted to launch our new programme *Passport* for children aged 9-11 years.

Our annual teacher survey provided positive feedback on the experience of teachers delivering the programme and the impact it has on children:

"There are a number of children in school who have social, emotional and mental health difficulties and *Zippy's* and *Apple's Friends* have helped them to better understand their emotions. As mental health awareness is currently at the forefront of education, this is the perfect way to cover that part of the curriculum for all children."

Year 2 Teacher, Newcastle

"An excellent teaching resource which I enjoy delivering. *Zippy's Friends* and *Apple's Friends* help children to start discussing their emotions from an early age leading to good wellbeing as they grow up, a lifelong skill."

Family Support Worker, Gloucester

We were delighted to continue our work in Oldham in partnership with Oldham Council and Oldham Opportunity Area to offer our Skills for Life Programmes to primary schools in the region. Oldham Council are passionate about embedding The Whole School Approach to Emotional Health and Mental Wellbeing into their schools and chose our programmes to help equip their children with a range of coping skills as part of

Partnership for Children

their Whole School Approach to building happy and resilient children. We ran 6 training courses in 2019 as part of two years of funding and in total we have now trained 200 teachers from 60 schools in Oldham.

Spring 2019 marked the end of two years as Wesleyan's charity partner. Since April 2017, Wesleyan and their staff raised an incredible £100,000 to support our work promoting the mental health and emotional well-being of children in schools across the UK. This funding has allowed us to improve our programmes, expand our reach and raise our profile. Our experience working with a corporate funder and the expansion of our programmes into Scotland, funded by Wesleyan, have both contributed to securing a new and exciting corporate partnership with the Kavli Trust. Over the next four years we will be working in Dumfries and Galloway with Kavli (with additional funding from the Souter Charitable Trust and the Hugh Fraser Foundation) to pilot our new and existing programmes in primary schools in the area.

Our work to support the most vulnerable children grew in 2019. We continued to deliver training course for teachers working with children with special educational needs (SEND) and 300 children in special schools took part in the programme over the year. Thanks to generous funding from the 7Stars Foundation, the Chapman Charitable Trust, the Charlotte Bonham Carter Charitable Trust, the SMB Charitable Trust and the Diversity Project Charity, we also launched projects to reach looked after children and young carers.

We provided free training and programme resources to Sutton Young Carers Service who are running the programme with young people who are caring for a family member with an illness, disability, mental illness or who are misusing substances. The service manager shares her experience of being involved in the project so far:

"We believe that Partnership for Children's programmes will help to develop resilience in these Young Carers to help them navigate this very difficult time. Having access to a mental health promotion programme of this standard is rare for children unless they have entered the social care or mental health system. We are delighted to have been offered this opportunity and look forward to reporting on the increase it has had on the mental health, and social and relationship outcomes for young carers"

We also provided funded training and resources to four Virtual Schools within different local authorities across the country who promote the progress of children who are or have been in care. We are collecting feedback on both projects and aim to expand our work with other young carer services and virtual schools in 2020.

We worked with 34 independent partner organisations around the world and 246,759 children benefitted from our programmes overseas, an increase of 32% on the last academic year. There was notable growth in our programmes in Norway, Palestine (a new programme), China and Poland. Six partners took on *Apple's Friends* for the first time, two took on *Passport*, and two more ran *Zippy's Friends* for children with special educational needs.

As ever, we received very positive feedback from our overseas partner organisations about the effects that teachers and parents saw on the children:

'Children are more able to solve problems, more able to control their anger. They showed empathy during a session talking about families going through divorce.'

Teacher, Jordan

'Talking about Zippy's death, the teacher shed tears, recalling her father, who died last year. The children consoled their teacher... The class was very touching.'

Teacher, Korea

'Parents said the wonderful cooperation in the class was the reason for the change in the children's behaviour, especially the bullies.'

Programme Coordinator, Kuwait

Partnership for Children

'One of the teachers of *Zippy's Friends for children with special educational needs* told me she hadn't believed in the programme at the beginning. She said she was especially sceptical about the programme for children with special needs. However, the children changed her opinion about the programme very quickly, and now she is the biggest fan of *Zippy's Friends*.'

Programme Coordinator, Lithuania

'I think *Passport* makes my life better.'

Pupil, Norway

In addition to the expansion with existing partners, we signed licence agreements two new partner organisations: Alex Panton Foundation in the Cayman Islands, and Premier Academy in Nairobi, Kenya. The former is the first partner organisation to take on *Zippy's Friends*, *Zippy's Friends for children with special educational needs* and *Apple's Friends* from the start; the latter is our first Africa based partner. PFC staff travelled to both locations to deliver training to trainers and teachers. Again, feedback was very positive:

'Great stories that children can relate to. Great that it's for all and not just those with mental health issues.'

Trainer, Cayman Islands

'The training was an eye-opener for me to realise and understand that children's feelings and emotions, if not developed in a positive way, could have negative impact on later stages of their lives.'

Trainer, Kenya

Where funding allows, we visit partner organisations and their schools to see the programme in action and to discuss local issues face to face. In 2019 we visited Portugal for the first time since the original training for trainers, and were impressed with their use of our Inclusion Supplement which provides additional activities for children with special needs. Funding for *Apple's Friends* enabled us to visit Russian schools and present at a conference in Karelia on 'Whole School Approach to Children's Health'; support for the partner there is vital due to the ever changing political environment. Visits to Trinidad and to Sint Maarten in the Caribbean were enabled by the funded training in the Cayman Islands; Trinidad and Tobago is an enthusiastic partner that has been hampered by recent lack of funding; in Sint Maarten, the development of the programme was severely challenged by the effects of Hurricane Irma in 2017, but is starting to expand again. We also visited Norway to see *Passport* being piloted, and Ireland, where a flourishing *Zippy's Friends* programme has spread across the country.

Financial Review

Finance and Funding

In 2019 our income was £494,856 (£483,585 in 2018) and expenditure was £398,445 (£392,657 in 2018), resulting in a surplus of £96,411 (£90,928 in 2018).

This year 42% of our income was earned from licence fees, royalties, training and sale of materials and 58% was from voluntary donations. The increase in the percentage of voluntary donations was thanks to a significant legacy which we received towards the end of 2019.

We continued to receive significant funding from various trusts and foundations including core funding from The Vivmar Foundation and a new grant from the Kavli Foundation. We continued to receive funding for our programme working with pupils with special educational needs from the Leathersellers' Charitable Foundation and a grant from the John Ellerman Foundation to support our work with children most at risk of poor mental health. The invaluable regular donations from our *Friends* were reinforced by a steady stream of donations from a range of charitable trusts, companies and individuals both in the UK and overseas. In

Partnership for Children

November 2019 we were delighted to receive a generous legacy which we have designated to invest in programme development work. The Trustees and staff are deeply grateful to everyone who supported our work during the year.

The charity remains financially stable, with a broad income base, a balance between earned and voluntary income and tightly controlled costs. The charity participates in the voluntary system of fundraising regulation operated by the Fundraising Regulator. From 2020 we will be embarking on our ambitious new strategy to reach more children, including underserved groups and to enhance our partnerships both in the UK and around the world. These activities will be funded from our general unrestricted fund and our designated fund, which has been set aside to develop our programmes.

The Trustees noted that total charitable expenditure in 2019 was equivalent to just £1.94 for each child who completed *Zippy's Friends*, *Apple's Friends* and *Passport*.

Investment powers and policy

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

Reserves policy

The charity has a policy of holding a Special Reserve equivalent to three months' core expenditure, in order to ensure that our work is not disrupted by short-term revenue problems, and that in the unlikely event of the charity having to close down, all costs could be covered. The Special Reserve of £70,000 was maintained at this level throughout the year and increased to £100,000 at the year end to reflect the size and activity of the charity which has grown over the past 3 years.

Indemnity insurance

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

Plans for future periods

The Trustees believe that the charity continues to be in good shape and well-placed to achieve our mission and our new strategy. *Zippy's Friends*, *Apple's Friends*, *Passport* and our work with vulnerable children and underserved groups will continue to expand in 2020, both nationally and internationally. *SPARK Resilience*, the new programme for older children, will be piloted, meaning that we will have four programmes to cover the full primary school age range under our *Skills for Life* banner. We are continuing to update our materials to ensure they remain relevant and in line with current teaching practice. We will also continue to expand our work with children who are at most risk of poor mental health and adapt our materials to suit different ways of working with these children. Internationally we plan to work in two new countries in 2020 and increase the reach and depth of our engagement with our existing Licensed Partners as well as expand our work in resource poor settings.

As I write this report, we are in the midst of the global Covid-19 outbreak which has meant that we have had to quickly adapt our way of working so that we can continue to work with our stakeholders to deliver our strategy. We have brought forward our planned work to digitalise our resources and to provide online training so that teachers can continue to run our programmes remotely and new teachers and trainers can be trained in advance of the reopening of schools. This has been a challenging time but as a small and

Partnership for Children

organisation, we are able to respond quickly and the surplus carried forward from 2019 will help to ensure that we can survive during these challenging times.

Statement of Trustees' responsibilities

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

In doing so, the Trustees are responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making sound judgements and estimates that are reasonable and prudent;
- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- the maintenance and integrity of the corporate and financial information included on the charity's website.

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

Auditors

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

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

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

Small company provisions

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

By order of the Trustees



Caroline Spicer
Chair
Board of Trustees

Date

5/5/20

Partnership for Children

Independent auditors' report to the members of Partnership for Children

We have audited the financial statements of Partnership for Children for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31st December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Partnership for Children

Independent auditors' report to the members of Partnership for Children

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Philip Lane FCCA

Senior Statutory Auditor

For and on behalf of David Howard, Statutory Auditors

1 Park Road

Hampton Wick

Kingston-on-Thames

Surrey KT1 4AS

Date: 5/5/2020

Partnership for Children

Statement of financial activities (including Income and Expenditure account) for the year ended 31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
Income:					
Donations and legacies	4	189,989	98,577	288,566	248,559
Income from charitable activities	5	205,503	-	205,503	234,184
Income from investments	6	787	-	787	842
Total income		396,279	98,577	494,856	483,585
Expenditure					
Expenditure on raising funds	7	34,218	4,068	38,286	37,882
Expenditure on charitable activities	8	311,375	48,784	360,159	354,775
Total expenditure		(345,593)	(52,852)	(398,445)	(392,657)
Net income/(expenditure) before transfers for the year		50,686	45,725	96,411	90,928
Gross transfers between funds		8,115	(8,115)	-	-
Net income/(expenditure) and net movement in funds for the year		58,801	37,610	96,411	90,928
Fund balances at 1 January 2019		334,022	8,333	342,355	251,427
Fund balances at 31 December 2019		392,823	45,943	438,766	342,355

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

Partnership for Children

Balance sheet
as at 31 December 2019

	Note	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	13		1,826		4,505
Current assets					
Stock		67,434		22,455	
Debtors	14	89,816		55,974	
Cash at bank and in hand		339,271		287,184	
		<u>496,521</u>		<u>365,613</u>	
Liabilities					
Creditors falling due within one year	15	(59,581)		(27,763)	
Net current assets			436,940		337,850
Net assets	16		<u>438,766</u>		<u>342,355</u>
The funds of the charity:					
Restricted income funds	17		45,943		8,333
Unrestricted income funds	18		392,823		334,022
Total charity funds			<u>438,766</u>		<u>342,355</u>

The financial statements are prepared in accordance with the special provisions of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102))

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



Ms B C M Spicer

Chair

Date: 5/5/20

Charity number: 1089810

Company number: 4278914

Partnership for Children

Notes to the financial statements for the year ended 31 December 2019

1. Accounting policies

1.1. Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

1.2. Income

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

1.3. Expenditure

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

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

1.4. Tangible fixed assets and depreciation

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

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

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

1.5. Stock

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

1.6. Funds structure

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

1.7. Pensions

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

Partnership for Children

Notes to the financial statements for the year ended 31 December 2019

1.8. Creditors and provisions

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

1.9. Debtors

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

2. Turnover

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

3. Information and legal status of the charity

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

4. Donations and legacies

	Unrestricted funds £	Restricted funds £	2019 £	2018 £
Donations	94,317	-	94,317	205,409
Gift Aid recovered	425	-	425	150
Special Needs	-	54,159	54,159	14,000
Legacy	95,247	-	95,247	-
Special Projects	-	44,418	44,418	25,000
	<u>189,989</u>	<u>98,577</u>	<u>288,566</u>	<u>248,559</u>

5. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2019 £	2018 £
Licence fees, training and support	131,397	-	131,397	138,274
Sale of materials	74,106	-	74,106	95,910
	<u>205,503</u>	<u>-</u>	<u>205,503</u>	<u>234,184</u>

6. Income from investments

	Unrestricted funds £	2019 £	2018 £
Bank deposit interest	787	787	842
	<u>787</u>	<u>787</u>	<u>842</u>

Partnership for Children

Notes to the financial statements for the year ended 31 December 2019

7. Expenditure on Raising funds	Unrestricted			2018
	funds	2019	2018	
	£	£	£	
Fundraising costs	38,286	38,286	37,882	
	38,286	38,286	37,882	
	38,286	38,286	37,882	
8. Expenditure on Charitable activities				
	Unrestricted	Restricted	2019	2018
	funds	funds	£	£
Activities undertaken directly:				
Staff costs	137,612	39,406	177,018	163,222
Material & programme development costs	69,458	8,310	77,768	83,784
	213,282	45,890	259,172	237,621
	213,282	45,890	259,172	237,621
Support costs:				
Print and web design staff costs	14,534	-	14,534	11,060
Administration staff costs	13,250	-	13,250	18,875
Development of Middle East	6,526	-	6,526	8,682
Office accommodation	16,084	-	16,084	15,771
Insurance	594	-	594	411
Printing, postage and stationery	7,674	70	7,644	4,657
Communication costs	995	-	995	1,298
Computer costs	5,268	-	5,268	4,976
Travel	5,429	360	5,789	5,876
Accountancy fees	6,823	-	6,823	3,649
Publicity	1,079	-	1,079	2,472
Consultancy	8,781	606	9,387	9,601
Recruitment costs	802	32	834	463
Subscriptions	512	-	512	311
Depreciation and amortisation	4,329	-	4,329	3,775
Bank charges	618	-	618	904
VAT irrecoverable*	4,309	-	4,309	9,565
	95,507	1,068	98,575	102,346
	95,507	1,068	98,575	102,346

Partnership for Children

Notes to the financial statements for the year ended 31 December 2019

Governance costs:

Audit fees	3,680	-	3,680	2,880
Confirmation statement fee	13	-	13	13
Trustees' expenses	2,978	-	2,978	2,403
Trustees' indemnity insurance	127	-	127	127
	<u>6,798</u>	<u>-</u>	<u>6,798</u>	<u>5,420</u>
Total cost of charitable activities	<u>311,375</u>	<u>48,784</u>	<u>360,159</u>	<u>354,775</u>

9. Net income for the year	2019	2018
	£	£
Net income for the year is stated after charging:		
Depreciation and other amounts written off tangible assets	4,329	3,775
Auditors' remuneration – in respect of audit services (£696 over accrued 2017).	3,680	2,880
The auditors did not carry out any non-audit services in 2018 or 2019.	<u> </u>	<u> </u>

10. Staff

Staff numbers

The average number of employees (full time equivalents) during the year was:	2019	2018
	Number	Number
Administrative and programme staff	<u>5</u>	<u>5</u>

Analysis of staff costs

	Unrestricted funds	Restricted funds	2019	2018
	£	£	£	£
Wages and salaries	169,214	38,754	207,968	196,107
Social security costs	15,257	2,974	18,231	17,248
Other pension costs	7,618	1,746	9,364	8,934
	<u>192,089</u>	<u>43,474</u>	<u>235,563</u>	<u>222,289</u>

There were no employees with emoluments above £60,000 during the year (2018 - nil).

11. Trustees' emoluments

Trustees do not receive remuneration but are reimbursed for expenses. During the year ended 31 December 2019 three Trustees were reimbursed their travel and subsistence costs. A total of £2,978 (2018 - £2,403) was spent on Trustee expenses plus £13 confirmation statement fee.

12. Pension costs

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £9,364 (2018- £8,934).

Partnership for Children

Notes to the financial statements for the year ended 31 December 2019

13. Tangible fixed assets		Office and computer equipment £	Office furniture £	Total £
	Cost			
	At 1 January 2019	26,822	2,348	29,170
	Additions	1,650	-	1,650
	At 31 December 2019	28,472	2,348	30,820
	Depreciation			
	At 1 January 2019	22,463	2,202	24,665
	Charge for the year	4,264	65	4,329
	At 31 December 2019	26,727	2,267	28,994
	Net book values			
	At 31 December 2019	1,745	81	1,826
	At 31 December 2018	4,359	146	4,505
14. Debtors			2019 £	2018 £
	Trade debtors		85,037	52,376
	Other taxes		425	150
	Prepayments and accrued income		4,354	3,448
			89,816	55,974
15. Creditors: amounts falling due within one year			2019 £	2018 £
	Trade creditors		4,715	12,201
	Other taxes and social security costs		8,098	8,658
	Other creditors		1,499	1,549
	Accruals and deferred income		45,269	5,355
			59,581	27,763
16. Analysis of net assets between funds		Unrestricted funds £	Restricted funds £	Total funds £
	Fund balances at 31 December 2019 as represented by:			
	Tangible fixed assets	1,826	-	1,826
	Current assets	450,578	45,943	496,521
	Current liabilities	(59,581)	-	(59,581)
		390,997	45,943	436,940
		390,997	45,943	436,940

Partnership for Children

Notes to the financial statements for the year ended 31 December 2019

17. Restricted income funds	1 Jan '19 £	Incoming £	Outgoing £	31 Dec '19 £
Corporate Kavli Foundation	-	54,159	9,113	45,046
Special Projects	8,333	44,418	51,855	897
	<u>8,333</u>	<u>98,577</u>	<u>60,968</u>	<u>45,943</u>

Purposes of restricted income funds

The corporate donation from the Kavli Foundation was allocated to new work piloting our programmes in schools in Dumfries and Galloway, Scotland. Printing costs for this programme are shown on the balance sheet as stock. The Special Projects Fund pays for the expansion of our work with vulnerable children who are most at risk of mental health difficulties. This includes children with special educational needs (SEND), looked after children and young carers. Sufficient resources are held in appropriate form to enable each fund to be applied in accordance with any restrictions.

18. Unrestricted income funds	1st Jan '19 £	Incoming £	Outgoing £	31st Dec '19 £
Designated fund		85,000		85,000
General fund	264,022	281,279	(337,478)	207,823
Special Reserve fund	70,000	30000	-	100,000
	<u>334,022</u>	<u>396,279</u>	<u>(337,478)</u>	<u>392,823</u>

Purposes of unrestricted income funds

Funds received from a legacy in 2019 have been designated by the Trustees to be used to develop our social and emotional learning programmes.

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

The Special Reserve Fund has been designated by the Trustees to be held in order to cover three months' core running costs, to ensure that the charity's work is not adversely affected by short-term cash flow difficulties. This fund has been increased from £70,000 to £100,000 to reflect the increase in the size of the charity. The Fund is also more than sufficient to cover costs in the unlikely event of the charity having to close.

19. Financial commitments

At 31 December 2019 the company had annual commitments under non-cancellable operating leases as follows:

	2019 £	2018 £
Expiry date:		
In less than one year	6,000	5,000
	<u>6,000</u>	<u>5,000</u>

Partnership for Children
Notes to the financial statements
for the year ended 31 December 2019

20. Indemnity insurance

The charity paid insurance premiums of £127 (2018 - £127) for the period to indemnify Trustees from any loss arising from neglect or defaults of Trustees and any consequent loss.

21. Related party transactions

Marion Panis was a Trustee of Partnership for Children and Director of Stichting Kids en Emotionele Competenties (KEC), our Licensed Partner in the Netherlands. During the year £335 (2018 £nil) was receivable from Stichting Kids in respect of Licence fees and Royalties. No amounts were due at the year end.

22. Taxation

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