



Our impact

2023/24

The Children's Society's
impact summary, annual report,
and financial statements

**The
Children's
Society**

*"If The Children's Society
hadn't helped me,
I wouldn't be where
I am now."*

Rosie

The young people and practitioners' stories featured in this report are true but names and identifying details have been changed to protect them. All photographs have been posed by actors.

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Charity no: 221124 Company no: 40004



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Young trustees' introduction

We're excited to share this year's annual impact report with you, which gives a flavour of some of the brilliant work that The Children's Society has been doing over the past year. We'd like to take this opportunity to tell you about some of the work we've been doing as young trustees, and the impact this has had on us and on The Children's Society more broadly.

The young trustees are a group of young people who meet online regularly and sometimes face-to-face at board meetings. We are advocates for change to help ensure a better tomorrow for other young people. We hold trustees and the senior leadership team accountable to what they say they're going to do. We give our input into decisions on strategies within The Children's Society. At the board meetings, we are the only young people involved so we must represent all young people across the board.

Being a young trustee gives structure to our days and it's something we always look forward to. It helps to give us a sense of purpose that we are doing something to help young people all around the country. Personally, the impact of being a young trustee has helped us develop a unique set of skills such as critical thinking, problem solving, public speaking, confidentiality, professionalism, and working collaboratively.

We are a team that inspires one another. We bounce ideas off each other. We like the fact that the board wants to know what we think and feel – it makes us feel valued and that our opinions matter. We started out not knowing each other and now we're like our own little family. One of the best parts of being a young trustee is meeting new young people from backgrounds that are different from our own, and every time we meet a new young person, we learn something new.

As a board of trustees, we collectively learn from each other. Us young trustees learn from the adult trustees and their different experiences. What they learn from us is how things have changed for young people nowadays.

When it comes to shaping The Children's Society to be most beneficial in the future, we influence things by giving our perspectives on different candidates who apply to work for The Children's Society. One impact we've had on The Children's Society is that we've interviewed the CEO, executive leadership team, and all the trustees.

Another way we have impacted The Children's Society is by suggesting that the language used should be more inclusive. An example of this is when we advocated for the word 'education' to be used instead of 'school' when talking about young people and their experiences. This ensures that no young people are left out.

We have also given feedback on how The Good Childhood Report and the 2030 goal should be presented to the rest of the organisation as a whole. Another key part of our role as young trustees is that not only do we get to see what really goes on behind the scenes, but we also get sneaky little previews about future events before the rest of the staff members. Which, of course, we keep hush hush, as after all, it's confidential information that we're being trusted with.

Being a young trustee has helped us project our voice out there to give other young people hope – because who knows how to help young people better than young people themselves?

Written by James and Maryam, young trustees



Chair and CEO's introduction

Despite challenging circumstances, this year The Children's Society has continued to stand alongside young people as we fight for a brighter future. This report highlights the hard work and creativity that TeamTCS has shown this year as we move towards our 2030 goal.

In the face of financial constraints and rising costs of living, this year has been one of the most difficult yet for young people and their families, and indeed for the charities and public services that seek to support them. Across the country, children's needs are being ignored. For too many young people facing abuse, exploitation, and neglect, help is only offered when they reach crisis point. The Children's Society's Good Childhood Report 2023 revealed that shockingly, 10% of the children and young people who completed our annual survey in 2023 had low wellbeing, and almost a third were unhappy with at least one specific area of their lives.¹ 29% are living in poverty,² and thousands are facing huge challenges like exploitation, abuse, and neglect. Things cannot continue as they are.

In this context, our work is more important than ever before. Last year, our direct support services were here for 72,016 children and young people, (compared with 63,779 in 2022/23), offering both vital crisis support and transformative early intervention. In tandem, these child-centred services are making a tangible difference in the lives of many thousands of young people,

empowering them to build safer, happier, and more hopeful futures.

Alongside this, we have continued to work to transform the systems surrounding young people for the better. This work is wide-ranging and complex, grounded in partnership, collaboration, and learning. Whether we're working with professionals to improve responses for young people or calling on those in positions of power to change policies and processes, children's voices, experiences, and insights are at the heart of this work.

Following this year's election, our work to build a movement will be particularly important as we call on the new government to put children's needs at the heart of policies and legislation. Recent legislative changes (for example, to laws designed to protect children from exploitation and abuse) have been welcome, and we are eager to build on this momentum with campaigns like Children at the Table (see page 32). Thousands of people are already supporting this campaign, and thousands more have given their time, money, and voice to support young people this year.

In this report, you'll read more about all of this incredible work, as well as stories from some of the young people and practitioners we work with.

We are hugely proud of all that The Children's Society has achieved this year. As we move towards our 2030 goal, we have a real opportunity to create change: to stop crisis in its

tracks, to work with more partners and professionals, and to build the society that our young people need. We have big plans for the coming year – expanding our early intervention support with Time for young people (see page 36), launching a major appeal to raise vital funds, and evolving our organisation so that it can meet the challenges ahead as effectively as possible.

Our work is made possible by the dedication and passion of so many people. From our team of staff and volunteers to our supporters, our trustees to young people themselves, we are so grateful to each and every

one of these people. We would especially like to thank our young trustees, whose introduction to this report highlights their incredible commitment to their roles and whose insights and support are invaluable.

There is a great deal of work still to be done. With a new government now in place, the coming year presents fresh opportunities for us to come together as a powerful force for change. We hope that you will continue to stand alongside young people as we build a society that works for all children.



Diana Noble, CBE
Chair of Trustees



Mark Russell
Chief Executive

Our year in review, 2023/24

The Children's Society exists to meet young people's needs, offering the right support at the right time. This year, we have reached tens of thousands of children and young people through our direct support services. Sometimes, this needs to be deep, intensive support for young people in crisis; at other times, we work more broadly to respond to early warning signs and to stop things getting worse. Sometimes, it's about fighting to change the support systems around young people. We want all young people who struggle to be safer, happier, more confident, and more hopeful about their futures.

Working with young people



- We ran **62 services** for young people and their families, across both crisis support and early intervention (compared with 73 services active in 2022/23). That includes:
- **supporting 59,233 young people** through early intervention services
 - **supporting 11,613** young people through crisis support services
 - **working with 1,170** young people at events run by other colleagues across the organisation.

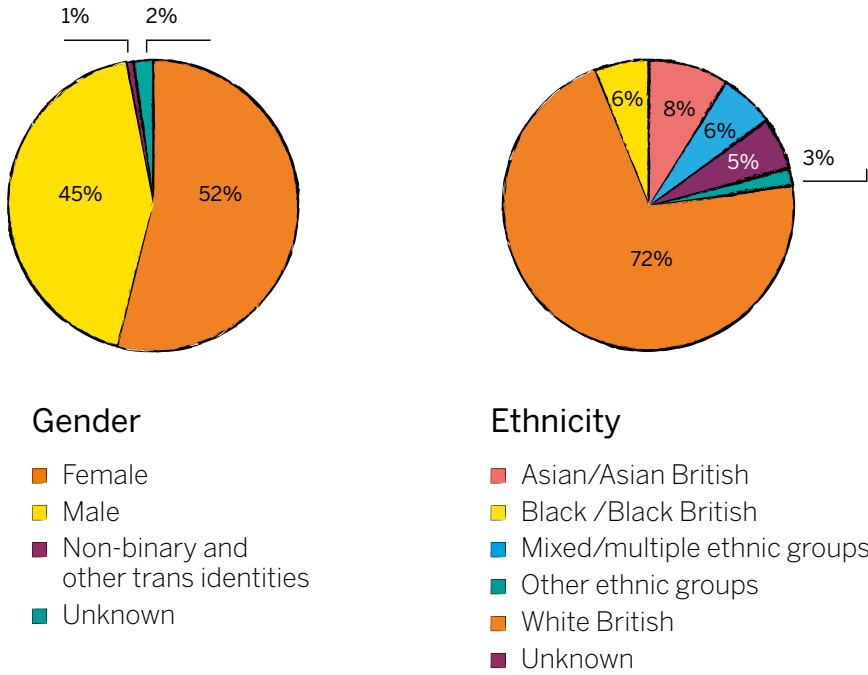
- We worked directly with **72,016 young people** (compared with a total of 63,779 in 2022/23). That includes:
- **supporting 9,264 young people** through one-to-one sessions and work in small groups
 - **working with 62,752 young people** through events like assemblies, workshops, and more.

- We also worked directly with **5,865 parents and carers** (compared with 5,595 in 2022/23). That includes:
- **supporting 1,963 parents and carers** through one-to-one sessions and work in small groups
 - **working with 3,902 parents and carers** through events like workshops and information sessions.³

301
2023/24

We ran **301 youth voice activities** to give young people opportunities to share their insights, stories, and experiences with us. This included things like consultations and residentials.

Figure 1. Breakdown by gender and ethnicity of the young people supported through one-to-one work and in small groups (N=9,264).



Working for change for young people



- We're continuing to **improve systems and drive change** for young people by providing support, guidance, thought leadership, and evidence to local authorities, professionals, businesses, government, and the wider sector.
- We worked with **16,032 professionals** to improve their understanding of the issues facing young people, identify the signs of low wellbeing, risk, and poverty and intervene early, provide personalised wraparound support, and partner with others.⁴
- We released our twelfth annual Good Childhood Report in 2023. Young people's voices, captured in our annual survey, are a vital source of information for this report. In 2023, **2,001 young people** shared their insights with us through this survey on a range of topics related to their wellbeing, including how satisfied they were with different aspects of their lives and how they felt about the future.

Team TCS



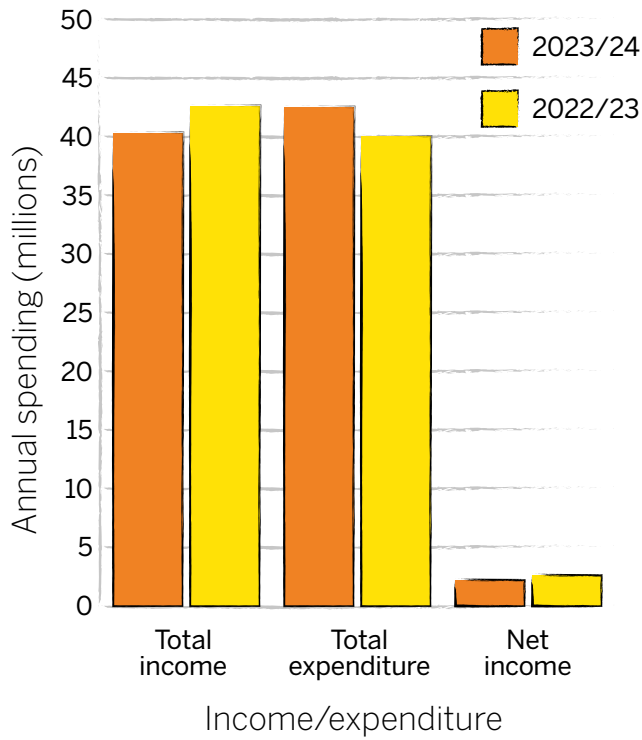
- **177,318 people actively engaged with us** by volunteering, donating, fundraising, and campaigning (compared with 135,580 in 2022/23).⁵
- We were lucky enough to be supported by **3,200 incredible volunteers**, including 500 new volunteers and 2,200 in retail.⁶
- And supporters took **13,696 campaign actions** with us to call for change for young people.

Our finances



Figure 2. Financial performance 2022/23 and 2023/24.

	2023/24	2022/23
	£000	£000
Total income	40,307	42,605
Total expenditure	(42,506)	(40,001)
Net income	(2,199)	2,604
Unrestricted funds	30,691	34,301
Funds represented by		
Unrestricted	30,685	34,301
Restricted	1,500	1,330
Endowments	13,780	12,533
Total funds	45,965	48,164



Where we work

Figure 3. Map showing the distribution of The Children’s Society’s services across the country.



Section A: Summary

1 Our vision and values

Our vision

is for a society built for all children.

Our goal

is to overturn the damaging decline in children’s wellbeing by 2030, setting a path for long-lasting growth.

All that we do is led by our **values.**

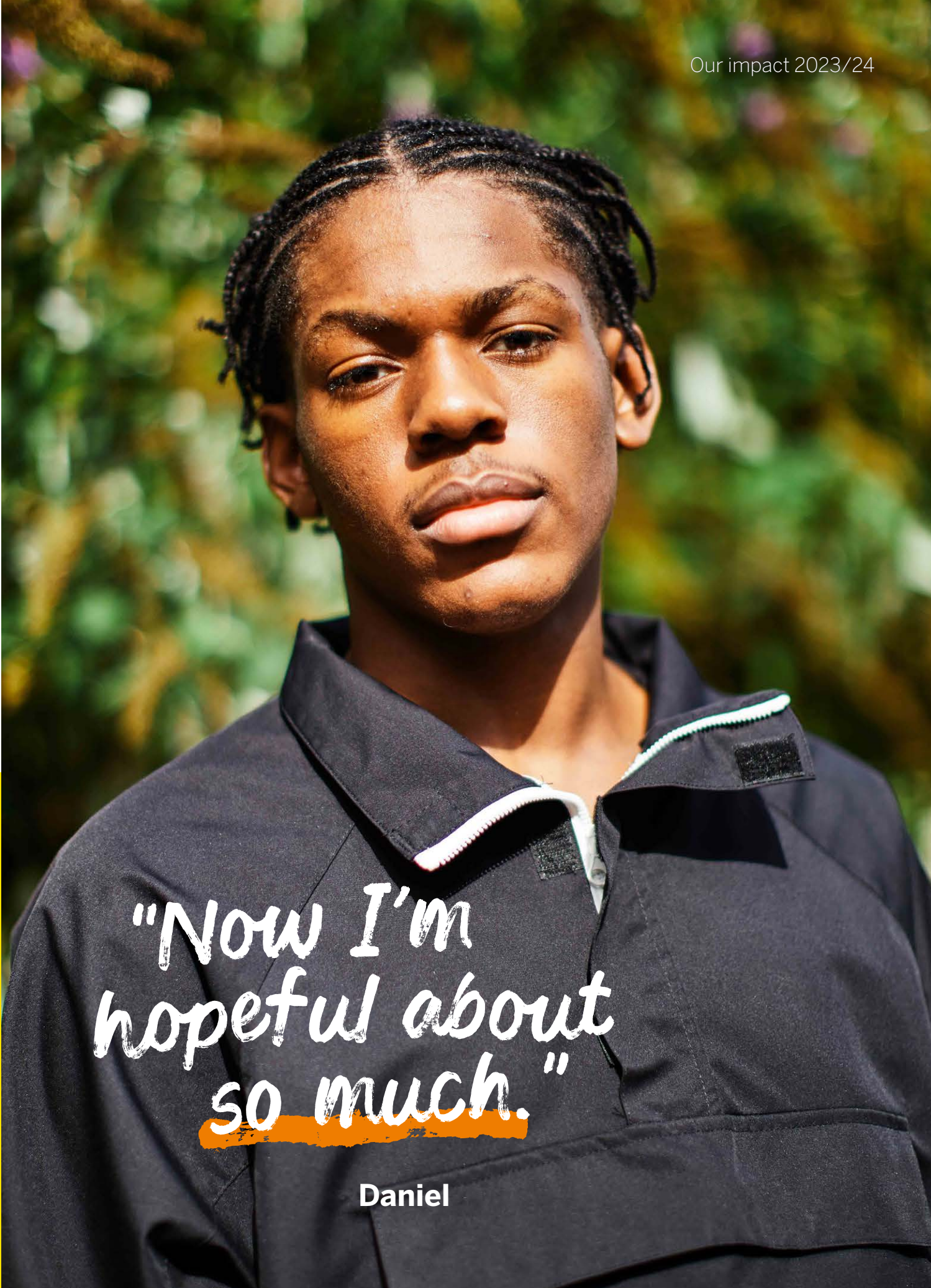
Our values

We’re brave, unafraid to challenge injustice wherever and whenever we see it. We’re fearless in our determination to make sure young people are heard. We try new things and push boundaries, and when we fail, we learn. And then we go again.

We’re supportive and always see the good in every young person we help, inspiring them to new and greater achievements. We help them see where their lives can go and what they can become. And we listen to and respect them.

We’re ambitious for the potential in all young people. For all that children can be in the future, and for a society that’s built for all children. And we’re ambitious about our role in effecting that change – pioneering new projects and boldly calling for radical change.

We’re trusted, delivering the best care and support available for young people. We never give up on them. We stay by their side through everything, no matter how hard things get, until things have changed for the better.



2 The reality for young people

Across the country, too many young people are suffering unseen and unheard. They're facing overwhelming challenges. In the wake of the pandemic and amidst high living costs and global instability, support services are struggling to meet young people's needs.

Hundreds of thousands of children in England sought help for mental health challenges in the year ending March 2024.⁷ According to the latest available figures, close to a third of children in the UK are living in poverty.⁸ The Centre of expertise on child sexual abuse estimates that at least one in 10 children in England and Wales are sexually abused before the age of 16,⁹ and every year thousands of young people classed as in need are exploited by criminals.¹⁰ Children cannot wait any longer for support. Their childhoods are being destroyed and their futures are under threat.

A brighter future is possible. For more than 140 years, The Children's Society has been here for young people, helping them to thrive, not just survive. Now, it's time for all of us to step up, speak out, and stand alongside young people. Together, we can build a society for all children.

3 The impact we want to achieve

We're determined that by 2030, we will have overturned the decline in children and young people's wellbeing. Based on our research and what we've learned from working directly with young people, there are three specific, long-term outcomes we need to focus on to achieve our goal. As a result of our direct services, influencing, and campaigning work, we want ...

- 1. ... children and young people to be able to access the right support at the right time when they're experiencing low wellbeing.
- 2. ... children and young people to be protected from abuse and harm.
- 3. ... fewer children and young people to be impacted by poverty, destitution, and structural inequalities.

We're focused on delivering this change for children and young people, and have set enabling objectives to make sure that we have the right conditions internally and externally to achieve this impact.

4 What we're doing

Every young person we work with is unique, and no part of our work exists in isolation. That's why we seek to create change in active partnership with young people themselves, designing and delivering work that is grounded in the lived experience, insight, and needs of young people, including our young trustees.

We directly support children and young people to be safer, happier, more confident, and more hopeful about their futures. We help them develop the tools and skills they need to make informed decisions and build strong relationships. We do this by providing direct support to children and young people, working with our partners to deliver empowering, inclusive services.

Our **direct support** work is multi-faceted, meeting a range of different needs and challenges. It includes two core approaches.

- **Early intervention:** This aims to support children and young people before or as soon as they face challenges, preventing problems from getting worse so that they don't need more intensive support in the future.
- **Crisis support:** These services support children and young people who have already been put at risk of harm and experienced challenges in their lives, like criminal or sexual exploitation, abuse, or mental health issues. They help young people at crisis point, enabling them to process what has happened to them and recover.

We also work tirelessly with professionals and policy makers to develop more effective services and deliver policies that can create real change. By partnering to **change the systems** that exist around children and young people, we are addressing the root causes of the challenges they're facing.

And to really shift these policies, practices and attitudes, we're **building a movement**, mobilising people and organisations to take action alongside us for children and young people. Our knowledge of what works and what needs to change is grounded in our experience, in our research and evaluations of our services, and in our work with our expert partners. We're constantly testing, learning, and innovating to drive greater impact. Together, we're able to achieve more for young people and advocate for every child to get the support that's right for them.

We currently measure the numbers of young people, professionals, and supporters we work with each year, and seek feedback on young people's experiences. We track service-specific changes in outcomes for young people at our local services (such as feelings about wellbeing, school, safety, and family), and we commission evaluations to understand the effectiveness of our approaches.

As we look to grow our impact as one TeamTCS, we are doing more to understand and track the immediate and long-term change we make through our work. We plan to include results from our new impact measurement framework in next year's annual impact report.

Section B: Our impact in 2023/24

1 The need for our work

From our own research and our daily interactions with young people across the country, we are clear that there is an urgent and increasing need for early intervention support for children and young people.

Intervening early is good for individuals, families, communities, and society as a whole; when we provide effective, targeted, early support, we can help to prevent problems and their associated costs from escalating and give young people the best chance of flourishing.¹¹

Our Good Childhood Reports have shown, for example, that there are links between low wellbeing and higher risks of self-harm in mid-adolescence, and that those with low wellbeing in mid-adolescence are more likely to report self-harm, attempts to end their life, and mental health difficulties at age 17.¹² Thus, identifying young people with low wellbeing early could potentially have significant long-term benefits for their mental health.¹³

But nationwide, there has been a lack of investment in prevention and early intervention support, and the need for crisis support has exploded, with overstretched and under-resourced services unable to provide vital help. For those young people who are dealing with serious mental health challenges or who have experienced significant harm or hardship, many are left with no one to turn to when they most need support.

In March 2024, the Children’s Commissioner for England revealed that shockingly, more than a quarter of a million children and young people are still waiting for mental health support, despite having been referred to children and young people’s mental health services in 2022/23.¹⁴ They also found that waiting times vary significantly, with nearly 40,000 children experiencing a wait of more than two years for help, and that the second most common reason for a referral is that a young person is in crisis.¹⁵ It is clear that there is a huge gap in support that urgently needs addressing.

Furthermore, our externally commissioned evaluations point to the significant continued need for crisis support among children and young people affected by abuse and exploitation.¹⁶

Amid ongoing high living costs, financial crisis is also having a significant impact on young people and their families; our recent Feeling the strain report revealed that too many households are under pressure. While 10% of the children who took part in our annual household survey reported low wellbeing overall, for children in households in financial strain, this was 16% – compared to 8% in households that weren’t experiencing that stress.¹⁷

The evidence also points to a more fundamental problem with the systems that should be setting children and young people up to flourish – whether that’s in education, justice, health, or social care. It has long been recognised that multiple systems impact children and young people’s lives,¹⁸ and there is a range of evidence to suggest that changes are needed to these systems. For example, our Good Childhood Reports have highlighted that school continues to be the aspect of life that more adolescents feel unhappy about.¹⁹

To improve these systems, and to make sure that The Children’s Society can continue to provide much needed early intervention and crisis services for children and young people, we need to mobilise a movement of individuals and organisations to take action to improve children’s lives – to create a society built for all children.

2 Direct support

In 2023/24:

1,389 children and young people supported by our services completed our user satisfaction survey.^{20, 21}

97% reported that they were happy with the support they received from The Children’s Society.

92% said the service had helped or improved their situation.

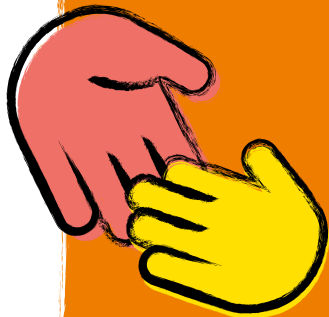
98% felt that their worker at The Children’s Society had listened to them and included them in discussions.

In addition:

75% of the 1,083 children and young people supported who have completed an outcomes tool reported improved outcomes for goals they had set with their practitioner.²²

Going forward, every effort will be made to improve our outcomes data and completion of our user satisfaction survey to make sure that they capture the experiences of even more of the children and young people we work with.

Our direct support for young people takes two forms: **early intervention** and **crisis support**. Both approaches respond to the increasing needs of young people and their families. By tailoring the support we offer to the young person and their needs at every stage, we want to enable them to develop the skills, strategies, and support systems they need to move forward.



We aim for young people to leave our services feeling happier, more confident, and more hopeful about their futures, as well as knowing that they have been listened to. We help them to better understand and cope with their emotions and to move towards their goals. And we work to make sure that they're safe and able to recognise people and situations that might be dangerous.

In all our work, we listen to young people's experiences and views as we shape our services, improving continuously by building on their feedback and insights. We work in partnership with them and with local and national organisations like the police, social services, community groups, charities, and others, taking a multi-agency approach to make sure that our services offer the most effective support possible.

Early intervention

Our early intervention work at a glance, 2023/24

- 19 early intervention services delivered.
- 5,543 children and young people supported through one-to-one and small group work by early intervention services.
- 53,690 children and young people reached through events delivered by early intervention services.
- 1,589 parents and carers supported through one-to-one and small group work by early intervention services.
- 2,787 parents and carers reached through events delivered by early intervention services.

At our early intervention support services, our trained practitioners work alongside young people who are experiencing low wellbeing, exploring their feelings and helping them to develop strategies to cope with a range of challenges.



- Of the 928 children and young people supported by our early intervention services who had completed our user satisfaction survey:
 - 97% were happy with the support they received from The Children's Society.
 - 93% felt the service had helped or improved their situation.
 - 99% felt that their worker at The Children's Society had listened to them and included them in discussions.



- 76% of the 223 children and young people supported by early intervention services who completed an outcomes tool reported improved outcomes for goals they had set with their practitioner.

Overview

Our early intervention services take a range of approaches, tailoring support to individuals. This can include bespoke one-to-one sessions, group work, and open access, drop-in services like Pause (see below) and Time for young people (see page 36), which allow young people to get immediate help without needing an appointment or referral.

Spotlight: Pause

- 1,640 children and young people supported through one-to-one work by Pause in 2023/24.
- 1,095 parents and carers supported through one-to-one work by Pause in 2023/24.
- 89 children and young people reached through events run by Pause in 2023/24.
- 40 parents and carers reached through events run by Pause in 2023/24.
- Of the 602 children and young people supported by Pause in 2023/24 who completed an outcomes tool, 531 reported an improved outcome for goals they had set with their practitioner (88%).
- Of the 407 children and young people reached by Pause who completed feedback surveys in 2023/24, 98% reported that they were happy with the support they received. 99% reported that they felt listened to and included in discussions by their support worker, and 92% reported that they felt the service had improved their situation.

Pause was established in 2016 in partnership with Forward Thinking Birmingham.²³ Informed by youth work, it provides support at the point of need – the young people involved in developing the service emphasised that they need help quickly, not in six months' time.

Pause is now an integral part of the mental health services offer in Birmingham provided by the NHS. It provides a safe, accessible, local space where young people can receive professional support. It's open to anyone under 25 who has a Birmingham GP, as well as their parents and carers.

Drop-in sessions allow young people and their families to have a face-to-face meeting with an emotional health and wellbeing practitioner without having to wait. Because the service is open access, there is no threshold to meet to get support. Children and families register themselves and can talk about whatever is on their minds. The service works on a range of issues, including anxiety, loneliness, low mood, relationships, bullying, and more.

"I had someone that listened.
I feel much better."²⁴

"I have felt a weight lifted off
my shoulders with the conversation
I've had today."²⁵

Amelie’s story

When Amelie was younger, things were really difficult. As a child, she didn’t know that she was autistic; neither did her parents or teachers. Unable to see what was really going on, the adults in Amelie’s life often thought that she was ‘choosing’ to misbehave.

As a survival mechanism, Amelie learned to ‘mask’, hiding her emotions and mimicking other people’s behaviour. Over the years, it had a huge impact on Amelie’s mental health and wellbeing.

By her teens, Amelie’s mental health had deteriorated significantly. That’s when she went to a drop-in session at her college, run by The Children’s Society. You didn’t need an appointment to attend, and it was relaxed, not structured. Because it wasn’t part of the college, Amelie found it easier to talk to them, too.

The support Amelie received made a massive difference. Today, she wants other people to know that things shouldn’t have to reach crisis point. If you deal with the little problems early, they don’t have to snowball.

"I wouldn't still be alive without [the support]."

Amelie



Jess’ story

Jess is a senior service designer at The Children’s Society. This year, she has been supporting a group of young people who have been involved in designing our new early intervention wellbeing support model, Time for young people (see page 36).

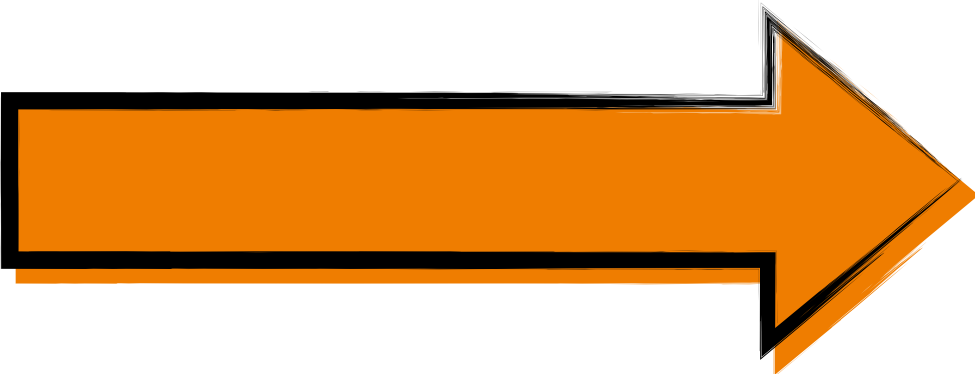
“[My goal for this project was] to get young people into the driving seat. It’s about changing mindsets. It’s not straightforward, [but] it is immensely fun and rewarding. I feel so proud to work with young people.

“I remember a young person that came up to me after the discussion who said that they really liked the easy access drop-in element. When they had been struggling with something, they weren’t ready to admit to themselves the seriousness of their situation. They just needed someone to talk to.”

Conclusion



Early intervention support services like Pause and Time for young people are vital. Faced with high living costs, global challenges, and overstretched local and national services, many young people and their families are finding it difficult to stay afloat.²⁶ Research suggests that if we can reach them before things get difficult, we can stop things from getting worse.²⁷ No child should have to wait for the support they need.

As we look ahead to 2024/25, we have ambitious plans to focus and grow our efforts in this space. This includes continuing to campaign for government investment (see spotlight on Fund the Hubs, page 30) and expanding our own early intervention services with an exciting new co-designed support model (see Time for young people, page 36).



Crisis support

Our crisis support work at a glance, 2023/24

- **43** crisis support services.
 - **3,721** children and young people supported through one-to-one and small group work by crisis support services.
 - **7,892** children and young people reached through events delivered by crisis support services.
 - **374** parents and carers supported through one-to-one and small group work by crisis support services.
 - **1,109** parents and carers reached through events delivered by crisis support services.
- 
 - Of the **452** children and young people supported by our crisis support services who completed our user satisfaction survey:
 - **98%** were happy with the support they received from The Children’s Society.
 - **94%** felt the service had helped or improved their situation.
 - **99%** felt that their worker at The Children’s Society had listened to them and included them in discussions.
- 
 - **75%** of the **860** children and young people supported who completed outcomes tools reported improved outcomes for goals they had set with their practitioner.

Overview

At our crisis support services, trained practitioners work in a child-centred way, in partnership with multi-agency teams, to protect young people from harm and abuse. Increasingly, we’re supporting more young people facing criminal or financial exploitation. We also work with young people in mental health crises or who have experienced or witnessed domestic abuse.

We work collaboratively to put support plans in place and help young people develop skills to cope with what they’ve experienced, so that they are safe and their symptoms of distress, trauma, and abuse are reduced. Our crisis services also work to change the systems surrounding young people by collaborating with professionals and others.

Spotlight: CARE

CARE (Children at Risk of Exploitation) works with young people aged 8 to 24 in Essex who have been or who are at risk of being exploited.

- **257** children and young people supported by CARE in 2023/24 through one-to-one and targeted group work.
- Of the 104 children and young people supported by CARE in 2023/24 who completed an outcomes tool, **78** reported an improved outcome for goals they had set with their practitioner (75%).

In particular, it supports young people who don’t want or don’t feel able to talk to statutory services like the local authority, social workers, the police, or school.

CARE offers a range of support. Its tailored, one-to-one therapeutic sessions help young people work through traumatic experiences, improve their emotional wellbeing, and build strong, safe support networks. The service also offers specialist counselling for young people who have experienced sexual violence or trauma due to exploitation or whose past experiences may make them more vulnerable to being exploited.

Through targeted group sessions, CARE helps young people recognise and understand exploitation, grooming, and healthy relationships; empowers them; and enables their safety. The service supports professionals, too, through training and consultation sessions, helping them to identify young people who need support.

*"She listened to everything I said and took it in. ... [T]he things she said ... helped me get out of the rut I was stuck in."*²⁸

*"I liked how they included me in conversations and made sure we were doing OK during the session."*²⁹

Rosie's story

When Rosie was 11, things were really difficult. Her dad had always been in and out of her life, but suddenly he became absent entirely. Rosie didn't understand what had happened. Why didn't her dad want to be in her life?

Her self-esteem was at an all-time low. To try to cope, Rosie turned to self-harm. At one point, she even attempted to take her own life. She didn't know who to turn to. She thought that no one would listen if she tried talking to them.

When a group of older men tried to befriend Rosie online, asking her for images and encouraging her to meet them, Rosie thought she'd made some new friends, but they were offenders, known to the police. They were preying on Rosie and she was in real danger.

That's when she was referred to The Children's Society and met Alex, one of our specialist practitioners. They worked through different resources on staying safe on the internet and dealing with self-harm, and Rosie got support from one of The Children's Society's therapy services, too.

Today, she feels like a different person. She's worked with us on advocacy projects, using her voice to help other young people and make change happen, and she's got an apprenticeship, too. The support Rosie received helped her to build the skills and support networks she needed to thrive.



"It felt like I could talk to my support worker about anything."

Rosie

David's story

David works at one of The Children's Society's specialist services for young people who are at risk of being or who have been sexually exploited.

"We're there to support young people in whatever way they feel they need support. It's very much led by them. We emphasise that it's voluntary, that their consent is essential. There's no pressure on them to work with us. With some young people, it's about them realising that they can trust us and that we are there for them and not just for us.

"There is often a lot of shame and blame around sexual abuse. It means a lot when a young person starts to realise it's not their fault – that there are people who care, and they can start to recover. You see their confidence growing – and that's everything. You can see a shadow going away from them, and brightness coming back.

"They're the ones that get themselves through it – they're some of the bravest people you'll ever meet. But having someone there, that has a safe hand to hold – to help them through it – that can have a really positive impact. It's a difficult job but it's also really rewarding. We always say we're passionate about our job but we wish it didn't exist."

Conclusion

Adverse or traumatic experiences in early childhood, like exploitation or abuse, can have significant long-term impacts.³⁰ They can disrupt a child's development, making it more likely that they'll struggle in the future.

For the young people supported or reached by our crisis services last year, getting the right support was transformative. What has happened to them cannot be undone, but we have helped thousands of children process their experiences, build their confidence, skills, and support networks, and feel safe again.

3 Systems change

Our systems change work at a glance, 2023/24

- **16,032** professionals worked with through direct practice.
- **1,242** awareness raising events delivered by services.
- **21** permanent coalitions with The Children’s Society as a member.³¹

The policy changes that we have helped to secure will have the following estimated impacts.



- Close to **£8 million** secured in government funding to support the expansion of early support hubs nationwide for children and young people aged 11 to 25 ...
 - ... which could benefit an estimated **84,000 children**³² by providing them with the right support at the right time when they’re experiencing low wellbeing.



- An extra **£500 million** secured in government funding for families who need support ...³³
 - ... which could result in a potential **6.4 million awards** for families from the government’s Household Support Fund.³⁴



- Benefits uprated at **6.7%** in line with inflation ...
 - ... which could impact an estimated **11.3 million children in the UK**,³⁵ reducing the likelihood that they will be impacted by poverty, destitution, and structural inequalities.



- Advocating for changes to the **Working Together** guidance ...
 - ... which could enable risk factors related to extra-familial harm to be identified more than **85,000 times** in assessments by children’s social care,³⁶ so that children are protected from abuse and harm.



- Supported the development **of financial exploitation guidance** ...
 - ... which could enable child criminal exploitation to be identified an estimated **14,420 times** in assessments by children’s social care, with a greater focus on financial exploitation and support.³⁷

Overview

Our crisis support services are there when the worst has happened – but this level of support shouldn’t be needed. If the systems that exist to protect young people (such as social care, education, health, and justice) were effective and consistent, with a greater emphasis on early intervention, fewer children would reach crisis point, transforming their lives and futures.

Our systems change work aims to create long-term, wide-reaching, and sustainable change for young people through two interconnected activities: **working alongside professionals and partners**, both through our direct practice and at strategic levels; and **influencing government and policymakers**.

We are improving professionals’ understanding and practice so young people’s needs are recognised and responded to. We’re shaping formal guidance and procedures so that children’s rights are protected in decision-making. And we’re advocating for more financial resources to be allocated for young people, to ease pressure on individual families and make sure that relevant services can cope with need.

Our high-quality, well-respected research informs and underpins this work,³⁸ as do the insights and experiences shared with us by young people and practitioners. Taken together, these provide the foundations for strong and deep partnership work at both local and national levels. Our new impact measurement framework will also help us improve how we understand the systemic change we make.

Spotlight: Household Support Fund

- An extra **£500 million** in government funding for families who need support.³⁹
- A potential **6.4 million** awards for families from this funding.⁴⁰
- **920 of The Children’s Society’s supporters** emailed their MPs calling for this change.

As the convenors of a working group of other charities aiming to respond to crisis, last year we coordinated campaigning and influencing activity to call for a permanent extension to the Household Support Fund, which allows families and individuals to get help with essential costs. For children whose families are struggling, funding like this can put food on the table, heat a home, or even keep a roof over their heads.

Our activities in 2023/24 included public affairs work (like securing debates and raising parliamentary questions), media work (including a press release template for local authorities), and mobilising supporters to write to their MPs.

We brought together both small and large organisations on this issue, including many local authorities. Each contributed their own expertise and insights to the campaign, and we believe that our combined efforts significantly raised the profile of this issue.

In the Spring Budget in March 2024, the Chancellor announced a six-month extension to the Household Support Fund. While this falls short of the permanent funding we know is needed, securing this spending commitment in a difficult political environment is a significant achievement. We plan to continue to push for a permanent solution in the coming year by continuing to work with our partners and other professionals.

Spotlight: Fund the Hubs

- Almost **£8 million** secured in government funding for 24 early support hubs to expand their offer of mental health support for children and young people.
- Secured funding for **two new hubs** run by The Children’s Society to be delivered in Torbay and Gateshead.

Collectively, the Fund the Hubs campaign⁴¹ calls for the national roll out of early support hubs to make sure that young people across England can access wellbeing and mental health support as soon as they need it.

In October 2023, the Government announced that nearly £5 million had been committed to enable 10 existing early support hubs to expand their services via the Shared Outcomes Fund.⁴² Through a combination of coalition campaigning and influencing government, we were pleased to see this increased to £8 million for 24 hubs – a significant achievement.

It is difficult to estimate the impact of this funding; our own provision suggests that as many as 84,000 children may be impacted.⁴³ While we will continue to call for a wider national roll out of these hubs, this is an important and welcome step.

Our ongoing campaign for the government to Fund the Hubs complements and is aligned with our new Time for young people service provision (see page 36). We continue to advocate for young people’s needs to be met through both our policy influencing work and direct service delivery.

Conclusion

Our influencing efforts and partnership approach work in tandem to drive significant systemic change. Collaborating at every stage and sharing our knowledge and expertise generously means that together, we will be able to help more young people and their families access the right support at the right time.

Our systems change work allows for deeper, more sustainable, long-term change that will benefit future generations of children. It is grounded in local need and insight, as well as young people’s voices, making our work richer and more effective.

In 2024/25, we will continue to push for the systemic changes children and young people need, advocating for the national roll out of early support hubs and calling on the government to invest in children’s futures through public campaigns like Children at the Table (see page 32). We will lead by example, too, by scaling up our own early intervention support (see page 36) and showing through our partnership work and influencing what effective systems change can look like.



4 Building a movement

Overview

Our work is grounded in our relationships – with partners, professionals, government, young people themselves, and, crucially, our supporters. Every year, they stand alongside young people with incredible generosity, funding our work, staffing our shops, raising vital funds, and joining our campaigns. They truly do make our work possible and we know just how powerful they can be.

By building on our existing supporter base to create a groundswell of support for young people, we can shift public attitudes and mobilise people and organisations nationwide to take action on children’s behalf.

We do this in a range of ways – through campaigns and fundraising, volunteering, digital and traditional media, and more. In every instance, we aim to build our audiences’ awareness and understanding of young people’s needs and experiences.

Campaigning is a vital part of this work, mobilising our supporters to join our calls for change. This year, we launched campaign actions for three campaigns: A Fairer Start for Care Leavers;⁴⁴ Children at the Table (see spotlight on page 32); and #SaveCrisisSupport.⁴⁵ We have big plans to continue to grow our supporter base and impact in 2024/25.



Our work to build a movement at a glance, 2023/24

- Number of active supporters: **77,561**⁴⁶
 - Time: 19,117
 - Money: 49,950
 - Voice: 9,397
- **1,584** pieces of media coverage on our poll on school uniform costs in June 2023, with a total potential reach of around 1 billion.⁴⁷
- Media reach of around **90 million** for our Feeling the Strain report in November 2023.⁴⁸
- **13,696** actions taken across all campaigns.⁴⁹



Spotlight: Children at the Table

- **5 children's charities** working in partnership to advocate for children and young's people's needs and voices to be heard and acted upon by government.
- **9,425 petition signatures** from The Children's Society's supporters in 2023/24.
- **26,253 total signatures** across all partner petitions.⁵⁰
- **179 organisations** supporting the campaign's call for change.⁵¹

In 2023, the UK's five largest children's charities – Action for Children, Barnardo's, The Children's Society, the National Children's Bureau, and NSPCC – came together to form the Children's Charities Coalition and launch the Children at the Table campaign (childrenatthetable.org.uk).

We knew that 2024 would be a general election year, and we wanted to make sure that the next government had a plan to make decisions for babies, children, and young people with children at the table. That means putting children's needs and voices at the heart of decision making, investing more of the nation's wealth in babies, children, and young people, and making sure that politicians across government work together to improve their lives.

The campaign was launched at the Labour and Conservative political party conferences in 2023 with child-led events. These gave young representatives from each organisation (including The Children's Society) the opportunity to engage with MPs and express their views, as well as to meet the then Prime Minister Rishi Sunak. In November 2023, we jointly published the Children at the Table report⁵² and in January 2024, we held an engagement event in Parliament, attended by two young people representing The Children's Society among others. We engaged 33 MPs and the partner charities' CEOs have met with several senior political stakeholders, too.

To build wider support for the campaign, The Children's Society launched a campaign action asking our supporters to sign our petition and email their MPs, calling on the next prime minister to be a champion for children. In 2023/24, 9,425 of our supporters signed this petition. We continued to campaign for children's rights in the lead up to the general election in July 2024 and plan to work with the next government to make sure children's voices are heard.

Conclusion

We owe so much to our supporters. They amplify our work, build awareness of the challenges young people are facing, raise vital funds, stand alongside us as volunteers in our shops and services and at events, and through their incredible passion and commitment, they act with us to influence change across all parts of society.

Our active supporters are growing year-on-year. It's crucial that we build on this momentum, finding new, meaningful, and exciting ways for more people to get involved in supporting children to transform their lives.

With this growing movement to support our systems change work and direct support for young people, we will be on track to achieve our long-term outcomes and reach our goal. Young people will be able to access effective, timely support for low wellbeing; they will be protected from abuse and harm; and fewer young people will experience poverty.



Section C: Looking to the future

1 Our impact going forward

We are confident that our approach is right, but we know that we must push harder, redouble our efforts, and grow so that we can create the change young people need. For us, growth means ...

- ... growing our impact to respond to the heightened need for support from young people.
- ... growing our income to support the scale of impact we need by launching a major appeal.
- ... growing our organisational capability, strengthening our foundations and enabling TeamTCS to realise their full potential.

More needs to be done – and done sooner – to prevent the challenges young people are facing and to make sure that, if those challenges do occur, young people get support early, before they reach crisis point.

While we will continue to run essential crisis services, going forward we will focus our efforts on significantly increasing early intervention support, working to reach a greater number of young people at the earliest possible stages. At a time when NHS and local services are hugely overstretched,⁵³ the importance of early support cannot be overstated. Across the country, young people are waiting months or even years for support,⁵⁴ and referrals to children’s mental health services have hit an all-time high.⁵⁵ There is a huge and growing gap between what is being offered and what is needed.

We know that when young people get help early, it reduces the likelihood that they’ll experience more serious challenges in the future and need more intensive support.⁵⁶ By expanding our open access services in the coming year (see page 36), we’ll enable young people to get the help they need as soon as they need it – without referrals, waiting lists, or appointments.

We’ll continue working with national and local commissioners, too, to adapt existing and new contractual services so that they’re able to provide a similar, consistent model of early help. By intervening early and providing this support at scale, we will be able to amplify our impact and begin to overturn the decline in young people’s wellbeing.

Our future impact in numbers

Figure 4. Actual and target key performance indicators for 2023/24 and 2024/25.

	Achieved 2023/24	Target 2024/25
Our work with young people		
Number of young people supported	72,016	71,042
Number of professionals worked with	16,032	15,318
Number of youth voice activities	301	423
Number of active supporters	77,561	77,500
Number of active donors	49,950	59,764
Brand consideration	18%	19%
In-year billing of restricted income	£12.0 million	£14.8 million
Gross unrestricted income	£35.1 million	£28.9 million
Number of active volunteers	3,200	5,420

Explanatory notes:

- The number of young people supported refers to the number of young people who received direct support from our services, through one-to-one support, small group work, or events like assemblies or contracts.
- Each year, our targets for the number of young people and professionals worked with are based on secured work for the year ahead. These figures will change across the year as we secure additional services and programmes.
- Active supporters refers to anyone who has given their time, money, or voice between 1 April 2023 and 31 March 2024.
- Active donors refers to anyone who donated to us between 1 April 2023 and 31 March 2024.
- Brand consideration looks at how many of those people who are aware of an organisation would consider donating to an organisation.

Our impact fund

To support this work and to demonstrate our commitment to stakeholders, and as numerous other forward-thinking charities are doing, we have designated a proportion of our reserves as an impact fund to turbo boost our progress towards our 2030 goal. Created in 2021/22, this fund is designed exclusively to enable us to invest in innovative new propositions and approaches that we believe have the potential to bring about real impact for young people or that will plug gaps in existing support.

Our first significant investment from this fund has led to the development of a pioneering new project to be launched in 2024: Time for young people, an open-access support space in Newham, east London.

Read more about the details of our impact fund in section D.

Time for young people, Newham

By taking a service design approach and building on our knowledge and expertise, we have worked extensively with young people to develop a wellbeing support model that can be flexed and enhanced to understand and respond to local needs – providing the right support, in the right place, at the right time. In 2024/25, we will launch the first place-based support space based on this design process: Time for young people, Newham.



Design and development

We began by learning from what already exists: services and support delivered by The Children's Society, as well as other charities and organisations. Our own experience and wider sector learning highlighted the key factors for success in developing an effective early support service, including:

- putting young people first
- building trusted relationships
- understanding and responding to risk outside the home
- responding to each and every young person as an individual
- being accessible, in the places and spaces young people occupy already.

From the very beginning, young people have been involved in and informed about the development of Time for young people. We have worked with a core group of young designers, alongside wider data analysis, research, and learning.

Young people told us what they felt was most important in creating the space. They said that it needed to feel relational, not transactional; be provided in accessible, inclusive spaces; and be flexible enough to change with young people and respond to new and emerging local needs.

The support we'll offer

The first support space created using this model will open in Newham, east London in 2024. It will be open to everyone aged 10 to 25 living and studying in the borough.

The Children's Society has worked in Newham for more than 20 years. We're a trusted partner in the area and our support space is designed to complement and enhance existing local provision, as well as to respond to young people's growing need for support.

Time for young people will give young people in Newham a place where they can drop in and meet trained staff one-to-one, without needing an appointment or a referral. They'll also be able to access group sessions, events, and a range of practical resources, as well as using the physical support space to relax and feel safe.

We'll take an asset-based approach to support – that means that we'll help young people to build on the strengths, resources, and networks they already have to move forward. Young people will be able to find support with relationships, emotions, questions about their identity and culture, community and safety, their hopes for the future, and other issues.

Alongside the central support space, we'll work with partners in the local area to offer additional help in community spaces like schools, colleges, football clubs, youth zones, and libraries. We're already doing this outreach work in the local area, and are excited to see it expand alongside the support space later this year. We'll signpost young people to other services for further support with particular challenges, if needed. They will also be able to book slots to get support on the phone and online through our digital wellbeing offer, MeTime.

We have plans to roll out similar place-based support spaces across the country in identified areas of need, increasing our confidence that we can scale up our early support offer to the young people who need us most. This will include spaces in Torbay, Coventry and Warwickshire, Leeds, and Gateshead.



Section D: Financial review

The financial year ending 31 March 2024 experienced a 16% reduction in income and 2% increase in expenditure overall. Total income was £36.5 million (2023: £43.4 million) and total expenditure £40.9 million (2023: £40.0 million). This led to an operating loss of £4.4 million (2023: £3.4 million gain). This operating loss was supported by the gains in investments, leading to an overall loss of £2.2 million (2023: £2.6 million surplus). The organisation has strong reserves and was able to absorb this loss, resulting in general funds of £19.2 million at the end of March 2024.

1 Income

The Children’s Society has continued to benefit from the generosity of individuals, businesses, and charitable bodies. Details of the amounts received in grants are shown in note 24 to the accounts; corporate sponsors of The Children’s Society are listed on page 108.

Legacy income took a large decrease this year (60%) with £4.3 million (2023: £10.8 million). The decrease of £6.5 million (2023: £5.5 million increase) was a result of having a very strong year in 2023 and a below average year in 2024. These donations are acts of generosity from supporters and although we are still experiencing some delays with the probate office, we continue to appreciate the potential for legacy income to fluctuate but remain confident it will remain a solid source of income over the near future.

Retail sales generated £11.7 million in the year, and exceeded £12 million for the first time when we include the related gift aid attributed to retail sales. This is a £0.5 million increase from the prior year (2023: £11.2 million). The increase came directly

from retail activities, the bulk of which comes from a full year of trading in the retail shops, ecommerce, and brought in goods. Our retail shops can only be open with the help of committed volunteers who are led by professional management. Together they provide a local link in over 100 high streets across England and Wales. The number of The Children’s Society retail shops was 102 shops (2023: 104).

This year, our income from our unique Christingle events generated £0.8 million (2023: £0.73 million), while our dedicated house box networks gave us £0.9 million (2023: £0.98 million) from their collections. Other donations, which include Gift Aid, remained consistent with last year at £6.5 million (2023: £6.6 million). While donations have reduced in recent years, our supporter base remains committed and strong in continuing to support The Children’s Society into the future.

Government grants this year were nil (2023: nil). These grants in previous years represented grants in relation to the furlough scheme.

Income from charitable activities reduced compared to last year, at £12.01 million (2023: £12.85 million). This income is used to continue to deliver critical services to young people using a variety of approaches including digital resources, alongside using youth voice to help advocate and push for changes in governmental and societal systems. Contract funding is provided by national and local government, police and crime commissioners, and the NHS. Our grant income has continued to benefit from the long-standing relationship with the National Lottery Community Fund, as we have continued with our national programme to disrupt child exploitation and improving our digital capabilities in our practice base.

2 Expenditure

Our biggest item of expenditure is staff costs and they increased by 7.5% year on year, £26.84 million (2023: £24.98 million). This increase of £1.86 million was a combination of an increased headcount alongside an increase in staffing costs due to an annual increment in staff salaries in line with our pay policy and the organisations commitment to paying the real living wage. More details can be seen in note 10 in the accounts.

We continue to invest in our supporter engagement and community fundraising and the direct costs of fundraising slightly increased by £0.4 million to £5.3 million (2023: £4.9 million). This expenditure allows us to attract new supporters and provide new, innovative fundraising solutions to our existing supporter base. The direct cost of the retail network increased to £10.64 million (2023: £9 million), which was mostly due to inflationary increases

in costs required to run the retail operations. Retail was able to produce a £1.1 million contribution towards the organisation’s activities before allocating support costs and excluding Gift Aid donations, representing a 10% gross margin (2023: £2.2 million, 19% gross margin).

The direct cost of providing support to young people increased from last year by £0.9 million to £12.6 million (2023: £11.6 million). Direct costs of changing governmental and societal systems reduced by £1 million to £4.1 million (2023: £5.1 million).

Support and governance costs are lower than the prior year at £8.4 million (2023: £9.4 million). The activities with the largest decrease were information systems, financial processing and management, and HR and organisational development.

3 Fixed assets

Last year we introduced an intangible assets category for software developments and continue to invest in the organisation’s CRM system. The organisation also introduced a new asset replacement programme for staff laptops and purchased a new vehicle for one of our large regional programmes.

4 Investments

At 31 March 2024, The Children’s Society held £41.4 million of investments (2023: £39.5 million), comprising general and endowment funds invested in a well-diversified range of short to long-term investments as well as a modest investment in land and buildings. The investment market

strategy is to mitigate risk by diversifying the portfolio across a number of investment managers who themselves are investing in a diverse range of assets, a significant proportion of which are intentionally inversely correlated in their risk profile. This year saw strong investment gains which more than compensated for the previous year’s losses. The year ended with investment gains of £3.8 million (2023: £0.78 million loss).

5 Cash and working capital

We continue to manage our working capital effectively, ensuring that we pay suppliers within the terms agreed and collecting debts on a timely basis. The Children’s Society’s funded work is paid for mainly by local and national government agencies and therefore represents a low credit risk.

Our operational activities increased the use of cash with negative generation of £2.5 million (2023: £0.49 million negative generation). This negative cash generated is in line with the annual operating deficit and proceeds from sales of investments. During the year, debtors increased more than the increase in creditors. We continue to hold some highly liquid investments should our cashflow patterns change suddenly.

6 Reserves

Unrestricted funds

The trustees consider that the organisation’s unrestricted general reserves are appropriate for the challenging external environment and for our aspirations to grow significantly. At the 31 March 2024, the Group’s general funds were £19.2 million, which equates to slightly under six months’ total expenditure.

These reserves will support the investment needed as the organisation gears up for a period of growth over the coming years, cover the planned budget deficit for the current year, and – most importantly – provide resilience and continuity of services to children and young people in the face of any unexpected shocks.

Trustees have considered and stress tested a series of scenarios focused around the following risks:

- annual variability in unrestricted income (excluding legacies)
- legacy income fluctuations
- inflationary impacts
- structural deficits and reshaping our cost base to short- and medium-term income expectations
- adjusting strategy whilst experiencing income decline
- maintaining sufficient working capital headroom
- reputational damage
- defined benefit pension scheme funding liability.

These stress tests confirm that our unrestricted general funds at 31 March 2024 sit in the middle of our target range, which reflects the uncertainties inherent in the external environment, together with the imperative to support continued momentum as we aspire to reverse the damaging decline in young people’s wellbeing.

Designated funds

The Children’s Society holds two designated funds.

The designated fund is made up of the property fund and impact fund. It has slightly decreased to £12.8 million (2023: £13 million). The property fund reflects the current net book value of the tangible and intangible fixed assets. These assets are to be used to help the organisation achieve its mission and 2030 goal.

The impact fund was created to enhance our strategic ambition by funding innovative pilots and projects for which traditional forms of funding are unavailable. In the current year the fund had one project running which incurred expenditure of £200,000 and benefited from investment gains of £0.9 million. The balance of the impact fund at the end of the year was £8.6 million (2023: £7.9 million).

Pension reserve

The pension reserve reflects the long-term liability of The Children’s Society to meet the deficit in its final salary pension schemes, calculated in accordance with FRS 102, and does not take account of a surplus on any scheme. As permitted by the Charity SORP, this commitment is shown as a separate, negative reserve, equal in value to the net pension deficit of £1.32 million.

Restricted funds

Restricted funds represent the unspent amounts arising from donations and grants where the activity funded is more specific than the general purposes of The Children’s Society. At 31 March 2024, the value of these funds was £1.5 million (2023: £1.3 million).

Endowment funds

Endowment funds represent the value of assets donated to The Children’s Society from which the income may be spent while the underlying capital is maintained. The funds are invested in a portfolio investment whose value at 31 March 2024 was £13.8 million (2023: £12.5 million). As part of our financial strategy, we are unlocking funds from the endowment portfolio with Charity Commission approval to enable them to be used to enhance our impact towards young people.

Section E: Governance and management

1 Governance compliance and information

1.1 Legal status and objectives

The Church of England Children’s Society (The Children’s Society) is a company limited by guarantee and a charity registered in England and Wales. Our organisation was established in 1881 and incorporated in 1893. It is governed by its articles of association, which set out our principal objectives – to care for and support children and young people in need across the country, whether material, physical, mental, emotional, spiritual, or otherwise.

1.2 Public benefit

The trustees have a duty to report on how our organisation’s charitable objective has been carried out for the public benefit and to follow the guidance from the Charity Commission on the provision of public benefit requirement under the Charities Act 2011. This duty is fulfilled by the content of this report.

The children and young people we work with are struggling with huge challenges. Their mental and physical wellbeing are under threat. They cannot wait any longer for support.

We prioritise our work according to young people’s needs. This means

that we can have the maximum positive impact and help young people to transform their lives. Understanding and measuring our impact, and the changes we help young people to make, is vitally important. It means that we can make sure we’re making progress towards our vision of a society for all children, day by day, year by year. And our annual Good Childhood Report helps us measure our progress towards our goal: to overturn the damaging decline in children’s wellbeing by 2030.

1.3 The board of trustees

The board is responsible for the governance and strategic direction of the organisation, making sure the charity upholds its ethos and values and delivers its objectives.

The trustees delegate operational management to the executive leadership team, which is accountable to the board for its stewardship of the charity. The chief executive and executive leadership team attend board and committee meetings.

We appoint trustees through a transparent and rigorous recruitment and selection process. Young trustees participate in this, and their assessments are an integral part of

the decision making. Hearing and engaging with young people’s voices is at the heart of our governance.

This year, we recruited two new trustees and one new independent committee member to sit on one of our board committees. We also appointed a new treasurer.

We provide a comprehensive induction programme for new appointees, tailored to their areas of expertise. This includes meeting the executive leadership team, completing mandatory training (including on safeguarding), engaging with staff and volunteers, and visiting young people’s services and our shops. More information on engagement with staff and volunteers can be found on page 47 below, and on engagement with other stakeholders on page 53.

Our trustees have a wide range of skills, knowledge, and experience – essential to good governance.

We keep the balance of expertise under review, including during the recruitment process. Collectively, the board must demonstrate responsible leadership and judgement. We have a dedicated safeguarding trustee who holds extensive experience and knowledge in relation to the safeguarding of children and vulnerable adults.

We expect our trustees, committee members, chief executive, and executive leadership team to behave with the utmost integrity and professionalism, consistently demonstrating their commitment to the goals and values of The Children’s Society. All our trustees give their time voluntarily and receive no rewards or benefits from The Children’s Society.

The board met both physically and virtually during the year, including four formal meetings, two board strategy and development days, and several ad hoc meetings to keep trustees informed. They are also expected to complete regular training on matters like safeguarding, data protection, and cyber security. Trustees who served during the year are listed on page 105, together with information about their membership of committees and meeting attendance.

1.4 Delegation and committees

The board maintains a written schedule of matters reserved for the board of trustees and committees, which clearly defines specific areas for delegation. The terms of reference for each committee are reviewed annually and they report back to the board on a regular basis.

The Finance and Investment Committee is responsible for the charity’s financial strategy and performance, making sure its resources are properly and appropriately applied to its key objectives. It oversees the charity’s investments, managing them so that they underpin the charity’s strategic objectives. The committee is responsible for safeguarding the charity’s assets and making sure we have sufficient reserves.

The Organisational Development Committee is responsible for overseeing all matters concerned with effective governance of The Children’s Society. The committee supports the chief executive in building and sustaining a successful leadership team and guides and monitors the effectiveness of people policies.

The Risk, Audit, and Compliance Committee is responsible for giving the board assurances on the effectiveness of the internal controls, the adequacy of our risk management processes, and the internal control environment. It also receives external audit annual reporting. It considers any significant issues that arise and monitors and reviews safeguarding and health and safety.

This includes the implementation of and compliance with policies. The committee also oversees all systems, controls, and processes, making sure that we’re able to meet our objectives.

1.5 Section 172 (1) Statement

All charitable companies have a responsibility to act in accordance with Section 172 of the UK Companies Act 2006 (‘the duty to promote the success of a company’).

The board of trustees confirms that during the year under review, they have acted in the way that they consider, in good faith, has complied with their duties in Section 172 of the Companies Act 2006 by promoting The Children’s Society’s success to achieve its charitable purpose.

The board of trustees considers the matters set out in Section 172(1) (a) to (f) of the 2006 Act in all its discussions and decision-making, which includes:

The likely long-term consequences of decisions

Over the past year, trustees have taken key decisions to support the achievement of our charitable objectives and to help achieve our ambitious goal to overturn the damaging decline in children’s wellbeing by 2030.

Examples of these key decisions included:

- the approval of the budget for 2024/25, which was prepared not only for the financial year ahead but with the aim to strengthen the organisation’s opportunity for sustainable growth. The budget consists of the core budget and on-going readiness investment for growth.
- endorsing the proposed pay model and implementation plan in advance of negotiations with the union, supporting the need to change the organisation’s approach to pay.

Further detail around how we achieved our objectives can be found in section B and on our future plans in section C.

The interests of our employees, our business relationships, and acting fairly

Trustees have regard to the interests of our employees and volunteers and the need to foster business relationships with key stakeholders: service users, beneficiaries, funders, and the wider community. During the year, we:

- kept our employees up to date with regular updates provided by the CEO and executive leadership team via written communications as well as at the monthly TCS Live meetings, which trustees also attend and present at

- launched our new internal intranet
- conducted, for the second year running, the joint employee and volunteer culture and experience survey, Your Voice. As we continue to grow to meet our goal for 2030, we want our people across all domains to feel valued, heard, informed, and enabled to do their best for the young people we support.

Further information can be found on pages 47 to 51.

Our impact on the community and the environment

Trustees and the executive leadership team are committed to conducting the charity in a responsible, sustainable way to protect both people and planet. Further information can be found on pages 56 to 58.

The desirability to maintain a reputation for high standards of business conduct

Trustees acknowledge their responsibility for setting and monitoring the values, strategy, vision, and reputation of the charity. Further information can be found within our mission, vision, and values section on page 14 and our future plans on page 34.

1.6 Young trustees

Our young trustees are young people from across the country who have previously accessed our direct services through one-to-one support, group work, or participation groups. Although they do not hold the legal status formally assigned to other trustees, they otherwise have equal status on the board in terms of discussions and decisions.

As well as attending board meetings, young trustees also support the organisation in other ways, depending on their interests, and make a significant contribution to The Children’s Society’s work.

The young trustees meet regularly as a group. To prepare for board meetings, they invite members of the executive and senior leadership teams to have discussions with them. This year their involvement included contributing to organisational developments like our values and behaviours, the growth plan, and the impact measurement framework.

The young trustees continue to be involved in recruitment for key senior leadership and operational roles. This year, these roles included head of national programmes; director of youth impact, policy, and research; area manager – north west; trustees; national voice support worker; and youth voice support worker. The young trustees also visited the records and archives department and created a short video about their role and influence for internal staff.

Our young trustees have continually been involved in amplifying their messages through blogs, podcasts, and public consultations like the advocacy standards consultation. Their voices are central to what we do, and they influence work across the organisation at all levels.

2 Social

2.1 Modern slavery

Modern slavery is a significant global human rights issue. It includes human trafficking, sexual exploitation, forced and bonded labour, domestic servitude, and child labour. We are committed to acting ethically and with integrity in all our relationships by taking every reasonable opportunity to act within our direct operations and wider sphere of influence to make sure that slavery and human trafficking does not take place in the charity’s operations. Modern slavery can be hard to spot and is often hidden in plain sight.

We recognise that there are risks of modern slavery in our supply chains for all types of goods and services. This risk is low due to our relatively small-scale supply chains and the controls and systems we have in place. However, a risk does remain, and the policies and procedures outlined below help us mitigate this.

We are satisfied that we are compliant with the Modern Slavery Act 2015. We work to tackle exploitation, abuse, and trafficking faced by young people. In this work, we know we will encounter situations of modern slavery. Our policies and procedures, including procurement, whistleblowing, and recruitment, are critical in delivering a robust, safe, and ethical response. In line with the Modern Slavery Act 2015, we published our modern slavery statement for this financial year (childrenssociety.org.uk/organisational-policies). This includes examples of modern slavery that we encounter in the work that we do.

2.2 Safeguarding children, young people, and vulnerable adults

The board of trustees is accountable for ensuring structures, processes, and resources for good practice in safeguarding are in place with the Risk, Audit, and Compliance Committee (RACC), maintaining oversight of safeguarding issues on behalf of the board. Our lead safeguarding trustees sits on RACC and provides subject expert advice and guidance to RACC, the Corporate Strategic Safeguarding Group, the board, and the senior leadership team. Safeguarding training for trustees, framed within Charity Commission requirements and The Children’s Society’s pillars of safeguarding, was incorporated into a trustee away day in September 2023 and a further training session in February 2024. Annually, the board receives a safeguarding and quality practice report that provides assurance of the different activity, compliance, and data that together formulate our safeguarding approach.

The safeguarding approach at The Children’s Society is led by the chief executive officer and the executive director of youth impact, working closely with the Safeguarding and Quality Practice team. All staff and volunteers are aware of and required to meet role requirements in relation to safeguarding, through inclusion in role profiles, mandatory training, and the application of organisation-wide safeguarding policies and procedures. Safeguarding permeates our culture at The Children’s Society and a myriad of activity, that is complexly related, ensures effective safeguarding management and governance.

2.3 Our people

This year, we have continued to focus on our strategic growth and sustainability objective: to transform into one united TeamTCS, where we each feel equipped, valued, and supported. Our work is guided by the four pillars of our people experience framework, as detailed on the following pages.

Figure 5. The Children’s Society’s people experience framework.



Our people in numbers

- We advertised 361 vacancies this year, hiring 288 new team members. 172 people left the organisation.
- 3,200 people volunteered with us, including 500 new volunteers.
- 2,200 retail volunteers helped to raise £12 million for young people.
- More than 3,700 house box coordinators and hundreds of committee members also raised vital funds for The Children’s Society.

- 72 speakers and 25 ambassadors across the country delivered talks and presentations, helping others to understand the challenges facing young people and how we can help.
- 20 volunteers supported our Young Carers Festival in June 2023.

2.3.1 Getting the basics right

Remuneration

We remain committed to providing fair, equitable pay for our employees and benchmark our pay structure against other charities for this reason; other charities this year showed an average 3.92% increase. The Living Wage Foundation’s principles underpin our pay structure and trustees oversee the pay, pensions, and benefits of the chief executive and executive leadership team.

Over the last two years, we have carried out a comprehensive organisation-wide review of all pay structures, responding to the demanding economic landscape we find ourselves in post-pandemic and the challenges this poses for all charitable organisations. A programme of work has been in place to implement a wholesale change to our pay model and approach, including job levels. We plan to implement the new pay structure later in 2024/25.

We have also reviewed our ways of working policy in conjunction with our expenses policy and plan to commence the implementation of these changes in the second quarter of 2024/25. We also aim to harmonise working hours for colleagues in our Youth Impact domain within this same timeframe.

Our new pay structures, when implemented, will include our executive pay, making sure that there is alignment across all levels of the organisation. This is an important step in ensuring equal and fair application of pay and will be a continued focus for us in 2024/25.

The annual pay review was awarded in April 2024. We continued to prioritise our lowest earning employees, implementing an uplift aligned with the real living wage increase in November 2023. We also applied a contractual uplift of 2% to employees who are paid below the progression level in our current pay scales.

Our chief executive’s salary was £135,000 (as at 31 March 2024). The ratio of our highest to our median salary (including retail) was 5:1.

Culture and inclusion

We remain focused on integrating equality, diversity, and inclusion (EDI) practices into all that we do. In the last year, we have seen particular impact in the following areas.

- We have revised our organisational values and behaviours, aiming to foster an inclusive culture across The Children’s Society. This involved collaborative engagement from colleagues and volunteers through more than 17 different interactive sessions and other mediums. The equivalent of 20% of the organisation participated in this process.
- We have evolved our learning offer in this space to encourage continual learning and self-awareness.
 - 133 people attended our programmes on moving towards conscious inclusion, with

evaluation highlighting that the learning is insightful and relevant for our day-to-day work.

- 100% of new managers have completed managing diversity training within their probation period.
- Engagement remained strong for educational events over the last year for notable EDI dates and celebrations. Across eight events, attendance averaged between 80 to 90 (live and playback) and peaked at 168 views. Events included TCS Spotlights for Refugee Week, South Asian Heritage Month, Disability History Month, and National Inclusion Week, and external speakers for Trans Inclusion Month and Black History Month. For the third year, we completed diversity pay gap reporting (above the statutory minimum) and across the inclusion and intersectional landscape. Our gender pay gap mean is at its lowest level in seven years of reporting. We are seeing a continuing downward trend and there are pay advantages in most of our diversity pay gap analysis.
- For the third year, we completed TIDE benchmarking with the Employers Network for Equality & Inclusion.⁵⁷ We maintained our bronze status and progressed to ‘embedding’ level in our work across the eight areas of assessment.
- We have reviewed and relaunched a number of policies and pieces of guidance, including on dignity at work and gender inclusivity.

Volunteering plan

- In the last year, we have partnered with colleagues in Youth Impact to improve our monitoring of compliance and best practice for Youth Impact volunteers. We will be taking learnings forward from an external safeguarding audit for volunteering in Youth Impact to progress this work further.
- We have been working closely with our systems team to improve dashboards and reporting. We have seen significant development to enable youth impact volunteer managers to more easily and proactively manage their compliance and we are looking to further this work for use across the domains in a way that meets their needs. This will also feed into a dynamic people experience dashboard to align volunteer data with the employee data currently captured.

2.3.2 Having a voice

Gathering feedback

This year, we ran the second annual Your Voice survey for both employees and volunteers. Engagement and response rates were relatively stable, and the insight gathered has helped to inform our action plans and other strategic projects.

- We continued to see a solid response from employees, with 67% participating. Engagement in the survey was 81% (82% in 2022/23). Highlights included improved scores in knowing how to raise concerns, a result of strong communications in this space. In response to the survey, we intend to focus on developing the connection between leadership and staff, placing greater emphasis and support on action planning.

This includes retail shop visits and rotating leadership chairs of our TCS Live events.

- For volunteers, engagement remained at 89%, with those who responded saying that they enjoyed volunteering with The Children’s Society remaining at 98% also. This year we focused on improving accessibility, offering physical copies of the survey for those without access to a computer or who preferred not to use one. This was very effective: 33% of volunteer respondents chose to use this method, and we saw a 12% increase in the number of volunteer respondents (249, compared to 219 in 2022/23). A third of volunteers said that they sometimes feel overwhelmed by their role, and we saw a decrease of 6% and 7% respectively in those who felt well-informed about what was happening at The Children’s Society and who felt clear on how their role contributed. However, we also saw an increase in those who felt they would know where to go to raise a concern if they had one (8%); those who felt they would know where to go if they needed help with their wellbeing (5%); and those who felt that their manager gave useful feedback with the aim of finding joint solutions (11%).

Voice forums and community

We have worked to develop our voice forums for employees and volunteers. This includes work to relaunch our volunteer voices forum, which we hope will grow and enable improved inclusion of volunteer thought, experience, and insight in our wider work. We have also begun to select members from across TeamTCS who are representative of our employee population to join our people experience forum.

We have also reshaped our employee network groups into five peer community groups: REACH, empowHER, PRIDE, VEGAN, and NEURODIVERSITY.

2.3.3 Feeling valued

Learning and development

At The Children’s Society, our culture emphasises the importance of continuous learning and growth, both for new joiners and existing team members. This year, we have seen:

- 119 courses live on Learning Zone
- 135 courses accessed on Learning Zone⁵⁸
- 1,187 unique Learning Zone users – an increase of 53.3% from 2022/23
- 998 delegates confirmed across all training offered through Cascade
- 40 unique training courses provided over multiple sessions in the following areas, with 40% of these training courses either including safeguarding as a key learning objective or as part of the session outline
 - diversity and inclusion (2)
 - essential learning (3)
 - personal growth (2)
 - skills and capabilities (11)
 - webinar (now SteppingStones) (22)
- 91 learners enrolled in or completed the Compass management development programme across seven cohorts
- 23 apprentices onboarded across six standards
 - business administrator, level 3
 - HR consultant partner, level 5

- operations or departmental manager, level 5
- people professional, level 5
- senior leader, level 7
- youth support worker, level 3
- 6 apprentices graduated
- 29 apprentices due to complete their apprenticeship in 2024/25.

Recognition and wellbeing

For employees, we launched our new employee assistance provider in June 2023. 90 colleagues attended the overview briefings and we saw a greater take up of the helpline, with mental health being the most common issue raised. We relaunched our values and behaviours e-card recognition programme, with 464 e-cards shared across the year. We saw increased satisfaction in our non-salary benefits in our engagement survey (58%, up 16% since 2022).

We saw great engagement during Volunteers’ Week, with 13,000 impressions for our social media campaign focused on the history of volunteering at The Children’s Society over the past 140 years. We also reached 267,000 people with our letters to editors in national newspapers in that week.

We are currently reviewing our recognition and wellbeing schemes for volunteers, focusing on our people experience framework themes of getting the basics right and valuing voice in 2024, and moving to a focus on inspiring leadership and feeling valued in 2025 and beyond.

We have renewed our focus on volunteer wellbeing and supporting volunteers with additional needs, as well as mitigating associated risks to individuals and the organisation. We have updated our volunteer

support plan template and volunteer support plan guidance documents to make these more comprehensive and clearer for volunteer managers. We supported more managers to have appropriate conversations with volunteers who may need a support plan, too, and communicated more widely about our volunteer assistance programme.

2.3.4 Inspiring leadership

Employees

There are currently 23 individuals on our apprenticeship programme, with two apprentices focusing on development for management and leadership at The Children’s Society (operations or departmental manager, level 5 (1) and senior leader, level 7 (1)).

Continued engagement through our line management channels makes sure that our people managers can be proactive and are fully informed when managing their teams. Our new intranet offer has contributed to improved uptake of our ‘talking points’ (264 hits, vs. a previous average of 70 hits in the old format) and line management briefings. The latter focused on values and behaviours and performance management, with an average of 50 attendees per session. Our Day in the Life event with Executive Director of Youth Impact, Nerys Anthony, attracted 92 attendees.

We have begun to create a comprehensive dashboard to analyse demographic representation of The Children’s Society itself and the young people that we work with against the national census. This work will enable our strategic workforce planning, as well as supporting us to improve representation internally of the diverse communities we work and engage with.

Volunteers

We continue to inspire leadership through a robust suite of resources for volunteer managers on our volunteer managers hub and integrating our ways of working. This has included updating and relaunching a comprehensive document on managing volunteering issues and our concerns policy, process, and guidance. The guidance supports managers in preventing issues or concerns from escalating, and explains the structured and formal processes for dealing with more significant issues.

As part of the dignity at work policy update, volunteer-specific supporting documents were created to better reflect our One TeamTCS approach. We have also worked to further integrate a one-team approach in People Partnering, bringing together employee and volunteer relations to navigate staff and volunteer issues. We established joint monthly case review meetings and agreed aligned quarterly reporting on cases.

The volunteer manager knowledge group quarterly newsletter communications and six-monthly meetings continue to be a useful resource and space for sharing learning, troubleshooting, and micro-training sessions. These will be developed according to feedback in 2024/25.

3 Wider governance

3.1 Youth voice

Youth voice describes the different ways we at The Children’s Society listen to and act on the views and experiences of young people. Our Youth Voice domain is led by our Chief Executive, Mark Russell, and works across all areas of the charity. This ensures that young people’s voices inform all aspects of our work. Embedding innovative and meaningful youth engagement and participation leads to more positive impacts for young people, and youth voice is central to our plans for change in the coming years. Young people know best what they need, and by listening to and learning from them, we can build the future they deserve together.

Our youth voice charter underpins this work. It lays out how we enable, equip, and support young people to have influence in the journey towards our 2030 goal. We centre young people’s wishes and feelings in our services, so that they know from the first contact that they are heard, valued, and have choices and options. And we provide opportunities for young people to express themselves and be heard, through storytelling, group experiences, participation groups, consultations, surveys, and more.

In our work with young people, we use the following principles of engagement to make sure that they are fully supported throughout.

- **Protection:** We never introduce unnecessary risks to young people’s safety and wellbeing, seeking to ensure that they are protected from harm, can remain anonymous, and are properly safeguarded.

- **Provision:** We make sure that young people can participate without cost to them or their families and that their engagement provides a tangible benefit for them.
- **Professionalism:** We show our respect for young people, prioritising honesty and transparency. We are confident and competent, sharing power with young people.
- **Recognition:** We acknowledge and celebrate young people’s contributions, sharing information and feedback with them on the impact they have made. This includes accreditation and awards where relevant.
- **Choice and influence:** We make sure that young people are making an informed decision to participate, with a clear understanding of the influence of their contribution. We offer a range of opportunities for participation and engagement.
- **Belonging and sharing:** We seek to enable young people to share their experiences with one another and develop skills and knowledge that enhance their wellbeing.
- **Inclusive:** We make sure that opportunities are extended to all young people, regardless of personal circumstances, background, or perceived competence and ability.
- **Mutual benefit:** There must be a tangible benefit to the adults involved for the engagement activity to have meaning and credibility. This should be made known to the young people from the beginning.

3.2 Supporter engagement and fundraising

The last year has been challenging for all of us, and we are so grateful to our supporters for their continued generosity and commitment despite these circumstances. They allow us to be here for young people and work for change, and every contribution they make has real impact.

Our voluntary income comes from a wide range of sources. Individuals give regular or one-off cash contributions. Groups raise funds by taking part in challenge events locally, online, and abroad. Some people donate to and buy things from our shops, while others make gifts in their wills. We also partner with professional funders, commissioners, companies, trusts, and foundations.

These are just a few examples of the amazing support we receive from people across the UK. Every interaction we have with our supporters is guided by our supporter promise to:

- keep our supporters up to date in ways that work for them
- always treat people respectfully and sensitively
- meet or exceed fundraising and data protection standards.

We comply with the voluntary Fundraising Regulator regulation scheme and align our fundraising policies and practices with the fundraising code of conduct. We also follow all related legislation and marketing regulations. Most of our fundraising activity is led by employees and volunteers, though we have also worked with partner agencies to deliver fundraising appeals and other projects.

We monitor any fundraising undertaken on our behalf, and our external partners must comply with the Fundraising Regulator’s regulation scheme and our supporter promise.

Offering a positive experience for everyone who fundraises for us, works with us, or supports us is of paramount importance. Our approach, policies, and standards aim to protect vulnerable people and other members of the public from inappropriate behaviour. We continuously learn from what we do, always with an eye to improvement.

In 2023/24, we logged 122 complaints across Social Impact, Retail, and Youth Impact and Services. This is 21% decrease on the previous year. Over the last four years, there has been a 36% decrease in complaints recorded across the whole organisation.

Our service level agreement expects that 90% of complaints are resolved within 10 working days. This year, 112 complaints (92%) were resolved within this timeframe. 10 complaints fell outside our service level agreement. These tended to be challenging complaints that required several communications between our organisation and the complainant.

98% of complaints were resolved locally by the staff member or team who initially received them. Three complaints were escalated to stage 2 of our complaints policy, where the initial complaint and its response were reviewed by an independent, senior member of staff at the request of the complainant. In all three instances, the senior member of staff who reviewed the complaint upheld its initial findings and provided written rationale as to why this was so.

We received no complaints this year via the Fundraising Regulator.

83% of complaints received were upheld, a 2% decrease on the previous year. Most upheld complaints related to some sort of error from the charity or from a member of staff or volunteer – for example, administrative or human errors.

We are thankful to everyone who chose to stand alongside children and young people this year and will continue to commit to delivering the best possible supporter experience.

3.3 Principal risks and uncertainties

The trustees are responsible for ensuring that the charity maintains comprehensive risk management systems and that appropriate actions are taken to manage and mitigate risks. The Risk, Audit, and Compliance Committee monitors and reviews these risk management arrangements and reports to the board of trustees on their ongoing effectiveness.

Our formal risk management strategy provides a robust framework for developing the corporate risk register and managing risk across the charity. The Children’s Society has an established system of internal controls governing all its operations.

These are designed to provide a reasonable level of assurance against the risk of error, fraud, and inappropriate or ineffective use of organisational resources. Matters that have potential to cause reputational risk are kept under close review, management, and mitigation.

The outsourced internal audit function reviews the corporate risk register to make sure audits are correctly focused. They evaluate the adequacy and effectiveness of our checks and controls and report to our trustees via the Risk, Audit, and Compliance Committee.

We pay particular attention to mitigating safeguarding risks – protecting children and young people is central to all we do. This and other principal risks identified within the corporate risk register are as below.

1. The Children’s Society is unable to sufficiently grow income from its new strategic approach to address the decline in historic fundraising activities.

Examples of risk management actions include:

- income modelling and pipeline approach
- the recruitment of a major appeal director and securing appeal consultancy
- securing sufficient growth plan investment from trustees to deliver sustainable income growth.

2. We are too ambitious in seeking growth and over-extend operationally, affecting our capacity to deliver and leading to burnout.

Examples of risk management actions include:

- gaining board endorsement and sign off on the growth plan and financial model
- delivering evolution 24 in 2024/25⁵⁹
- clear resource allocation and prioritisation against the growth plan

- continuing the staff survey, pulse survey, and regular check ins with staff.

3. Extended operation of our existing pay structure and policy impacts our ability to attract and retain talent.

Examples of risk management actions include:

- rephasing of the pay programme
- putting in place the pay business case freeze
- regular reporting and clearer oversight on application of pay policy
- applying the 2% uplift and real living wage recommendations
- updating the communications plan to socialise re-phasing.

4. Challenges with organisational resilience and stability, particularly as we respond to an ever-changing landscape both strategically and operationally, impact our ability to attract and retain talent, skills, and capability.

Examples of risk management actions include:

- continuing to embed the people experience framework, which is our people strategy
- using management information and data to drive insight and to progress and manage risk effectively
- evaluating our induction process
- reviewing attraction and recruitment approaches and their impact on candidate experience
- putting in place workforce planning and talent development, and identifying succession planning

- developing capability and development needs for the leadership team

- strategic workforce planning for The Children’s Society
- reviewing flexible working arrangements and their impact on organisational capacity and utilisation

- analysing turnover to identify reasons for leaving and actions to be taken to mitigate this
- reviewing the total reward package.

5. The external labour market and an inability to effectively recruit impacts restricted and unrestricted income funding drawdown and increases operational and reputational risk.

Examples of risk management actions include:

- domain recruitment reviews and analysis
- implementation of pay and grading review
- updating our employee value proposition and careers site to promote The Children’s Society as a great place to work
- workforce planning for all teams
- succession planning in place for all teams
- reviewing our hiring processes and systems.

3.4 Protecting the environment

The Children’s Society recognises the importance of environmental issues to young people and to our planet. We take our role in reducing carbon impacts seriously, and are committed to conducting ourselves in a responsible, sustainable way that protects both people and planet. With the full support of trustees and management, we are on a journey to reduce our environmental impact and maintain high operational standards across all our activities.

Our operational activities

With some small exceptions, all our retail stock is donated. With turnover this year of £12 million, we are able to say that just under one third of our income is environmentally friendly, in that it is reused, recycled, and/or upcycled. We do all that we can to minimise any unsold donations going to landfill. We rotate stock between shops and operate sale shops, both of which significantly reduce the volume of unsold stock.

Inevitably, some of the donations we receive cannot be sold through any of our shops. We therefore work with a small number of recycling merchants who collect from us and pay by weight. All our recycling merchants are TRUST accredited, meaning they are audited to ensure legal compliance and that robust minimum standards are adhered to. Working with our recycling merchants has diverted 1,198 tonnes of unsold stock from landfill.

Our retail operations are run with the intention of reducing their carbon footprint. Actions include:

- introducing bags for life made from sugar beet, selling 113,000 last year alone
- switching all shops to energy efficient light bulbs, reducing CO² emissions by around 78%
- changing our price gun attachers to be 100% recycled
- recycling or purchasing second hand shop fittings as we open new stores
- trialling a change from plastic to hessian sacks, used to move and store stock in our shops.

In addition to our retail initiatives, we have:

- continued to promote the awareness and facilitation of a renewable energy contract for the organisation as a whole
- continued to offer a bike loan scheme
- continued to recycle ink and toner cartridges
- continued to encourage less travel and prioritise online meetings where appropriate
- continued to migrate our car fleet from those with internal combustion engines to a mix of battery electric, plug-in hybrid, or self-charging hybrid vehicles
- worked with our IT partner, Coforge, to minimise energy usage and to collect and recycle redundant IT equipment
- posted regularly on our employee communication platform, Viva Engage, about local initiatives and ideas
- monitored and promoted the dedicated SharePoint site on environmental topics.

Carbon and energy reporting

The year ending 31 March 2024 is our fourth year of renewable energy for both gas and electricity.

This covers 98% of our estate, with the energy provider in a smaller number of our properties being chosen by the landlord. We recognise that this does not reduce our energy usage per se.

Our usage of energy across our property portfolio is as follows.

2022/23

Electricity (kWh): 1,424,093
Gas (kWh): 117,902
Equivalent CO₂e (tonnes): 275.4

2023/24

Electricity (kWh): 1,551,406
Gas (kWh): 159,594
Equivalent CO₂e (tonnes): 321.29

We use public transport where possible, but for some activities colleagues use either a fleet car (of which there are 15) or their own vehicle. When contracts for the fleet vehicles expired, we changed them to electric or hybrid vehicles.

Over the term of the four-year leases, the move to electric vehicles will cut CO² from 116 tonnes to 17 tonnes, representing reduction of 85% against the equivalent petrol car.

In addition, as part of the migration to electrical vehicles, our Retail teams work with Mina, who provide a simple EV charging solution, meaning carbon emissions and intensity per driver, when using home and public charge networks, can be monitored. This means a change in driver behaviour can also be encouraged, thereby promoting the use of renewable energy wherever possible.

Battery range and operating costs on commercial vehicles are not at the stage of advancement we’re seeing with cars, but it’s envisaged that retail will be in a position to start migrating to electric commercial vehicles in the next two to three years.

Looking to the future, we will develop our net zero plan further. This will include:

- making sure that all our activities comply with or exceed regulatory requirements or codes of practice where available
- monitoring our carbon dioxide emissions and acting to reduce them where possible
- continuing to comply with the Energy Saving Opportunities Scheme (ESOS)
- engaging with our employees, young people, and our volunteers to manage our environmental impact and encourage them to complement our activities with their own efforts
- monitoring and improving our performance in relation to the waste hierarchy, continuing to recycle waste wherever possible, provide bins for all items, and encourage local recycling initiatives
- reducing energy and water consumption where possible by using LED lighting, energy efficient lighting systems, and responsibly sourced furniture and office equipment
- selecting an energy supplier with renewable energy accreditation as our nominated supplier where possible
- encouraging employees to use alternative transport methods by providing season ticket and bike loans

- continuing to adopt an agile workspace environment to facilitate virtual meetings, giving options not to travel at all or to reduce travel, with associated cost efficiencies and an impact on our carbon footprint
- reviewing our property portfolio requirements to allow us to maximise working from home opportunities
- monitoring our investments and those of the pension funds in line with environmental, social, and governance principles.

3.5 General data protection regulation

We remain fully committed to protecting our stakeholders’ data and to following the requirements of the Data Protection Act. Our information governance group meets monthly and provides oversight. This group considers how we handle information relating to children and young people, our supporters, our employees, and our volunteers to make sure we are always honest and open about how we handle personal data and take appropriate measures to keep it safe and secure. The group also engages with any project in the organisation involving personal data, like the implementation of new systems.

Since the general data protection regulation became effective, we have continued to focus on information governance and are committed to further strengthening our position in this area wherever appropriate. We can also confirm that there are no significant data breaches or concerns within the year.



Section F: Statement of responsibilities

Statement of trustees’ responsibilities in respect of the trustees’ impact summary, annual report, and financial statements

The trustees are responsible for preparing the trustees’ impact summary, annual report, and financial statements in accordance with applicable law and regulations. Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 102, the financial reporting standard applicable in the UK and Republic of Ireland.

Under company law, 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 charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company’s transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company’s website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Diana Noble
Chair of Trustees
25 July 2024

Section G: Independent auditors’ report

Opinion

We have audited the financial statements of The Church of England Children’s Society for the year ended 31 March 2024, which comprise the group statement of financial activities, the group and parent balance sheets, the group cash flow statements, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards, including Financial Reporting Standard 102 The Financial Reporting Standard (FRC) 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 group’s and of the parent charitable company’s affairs as at 31 March 2024 and of the group’s and parent charitable company’s net movement in funds, including the 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) and applicable law. Our responsibilities under those standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s ethical standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the parent charitable company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised

for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in this report and the chair’s introduction. 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 the 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 this report (which includes the strategic report and the directors’ report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements
- the strategic report and the directors’ report included have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in this annual report (which incorporates the strategic report and the directors’ 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 by the parent charitable company
- the parent charitable company financial statements are not in agreement with the accounting records and returns
- certain disclosures of trustees’ remuneration specified by law are not made
- we have not received all the information and explanations we require for our audit

- the trustees were not entitled to prepare the financial statements in accordance with the small companies’ regime and take advantage of the small companies’ exemptions in preparing the trustees’ report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees’ statement of responsibilities, set out on page 59, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the 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 International Standards on Auditing (UK) will always detect a material misstatement where it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations.

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities Act 2011, and the Statement of Recommended Practice for Charities (SORP).

We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override controls) and determined the principal risks were related to potential posting of inappropriate journal entries and management bias in certain areas of management estimate. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities
- discussions with management, including consideration of known or suspected instances of non-compliance with laws, regulation, and fraud
- evaluating management’s controls designed to prevent and detect irregularities
- review of minutes of meetings to identify expected material amounts of voluntary income
- identifying and testing journals, using data analytics to focus testing on higher risk entries
- challenging assumptions and judgements made by management in their critical account estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities

occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Adam Halsey
(Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP Statutory Auditor

10 Queen Street Place
London EC4R 1AG

Date: **23 August 2024**

Section H: Financial statements



The Church of England Children's Society
Consolidated statement of financial activities
Year ended 31 March 2024

		Unrest- ricted funds	Rest- ricted funds	Endow- ment funds	Total funds	Unrest- ricted funds	Rest- ricted funds	Endow- ment funds	Total funds
	Note	2024 £000	2024 £000	2024 £000	2024 £000	2023 £000	2023 £000	2023 £000	2023 £000
Income and endowments from:									
Donations and legacies	2	12,577	–	–	12,577	19,112	–	68	19,180
Charitable activities	3	10,736	1,345	–	12,081	8,774	4,072	–	12,846
Trading income	4	11,772	–	–	11,772	11,330	–	–	11,330
Investments	5	17	–	6	23	30	–	7	37
Other income	6	22	–	–	22	5	–	–	5
Total income and endowments		35,124	1,345	6	36,475	39,251	4,072	75	43,398
Expenditure on:									
Raising funds	7	19,060	–	–	19,060	17,383	–	–	17,383
Charitable activities	8	20,661	1,175	–	21,836	18,965	3,653	–	22,618
Total expenditure		39,721	1,175	–	40,896	36,348	3,653	–	40,001
Finance costs	11	(14)	–	–	(14)	–	–	–	–
Net gains/(losses) on investments	14	2,469	–	1,363	3,832	(318)	–	(496)	(814)
Net income		(2,114)	170	1,369	(575)	2,585	419	(421)	2,583
Other recognised gains/(losses):									
Gains on revaluation of fixed assets	13	–	–	–	–	21	–	–	21
Actuarial (losses)/gains on defined benefit pension schemes	11	(1,624)	–	–	(1,624)	–	–	–	–
Transfers between funds	20	122	–	(122)	–	4,500	–	(4,500)	–
Net movement in funds		(3,616)	170	1,247	(2,199)	7,106	419	(4,921)	2,604
Reconciliation of funds									
Funds brought forward		34,301	1,330	12,533	48,164	27,195	910	17,454	45,559
Total funds carried forward		30,685	1,500	13,780	45,965	34,301	1,330	12,533	48,164
Summary of total income and expenditure									
Total income		37,593	1,345	1,369	40,307	38,954	4,072	(421)	42,605
Total expenditure		(41,331)	(1,175)	–	(42,506)	(36,348)	(3,653)	–	(40,001)
Net income		(3,738)	170	1,369	(2,199)	2,606	419	(421)	2,604

The Church of England Children's Society
Group and Society balance sheets
Year ended 31 March 2024
Company registration number 40004

		Group		Society	
	Note	2024 £000	2023 £000	2024 £000	2023 £000
Fixed assets					
Intangible fixed assets	12	1,994	2,630	1,994	2,630
Tangible fixed assets	13	2,245	2,509	2,245	2,509
Investments	14	41,369	39,514	41,369	39,514
Total fixed assets		45,609	44,653	45,609	44,653
Current assets					
Debtors	15	8,036	8,932	6,904	8,193
Cash		1,936	2,623	1,395	1,743
Total current assets		9,972	11,555	8,299	9,936
Current liabilities					
Creditors: amounts falling due within one year	16	(7,702)	(7,140)	(7,449)	(6,769)
Net current assets/(liabilities)		2,270	4,415	850	3,167
Provisions for liabilities	17	(594)	(885)	(594)	(885)
Net assets excluding pension deficit		47,284	48,183	45,865	46,935
Pension deficit	11	(1,319)	(19)	(1,319)	(19)
Net assets		45,965	48,164	44,546	46,916
Unrestricted funds					
General funds	20	19,169	21,297	17,750	20,049
Designated funds	20	12,835	13,023	12,835	13,023
Pension reserve	20	(1,319)	(19)	(1,319)	(19)
Total unrestricted funds		30,685	34,301	29,266	33,053
Restricted funds	20	1,500	1,330	1,500	1,330
Endowment funds	20	13,780	12,533	13,780	12,533
Total funds		45,965	48,164	44,545	46,916

The notes on pages 69 to 102 form part of these financial statements.

The financial statements were approved and authorised by the board of trustees on 25 July 2024 and signed on their behalf by:



David Ramsden

Honorary Treasurer

The result of the parent charity for the year was a net deficit of £4,070,745 (2023: new income of £1,946,638).

The Church of England Children's Society
Group and Society cash flow statements
Year ended 31 March 2024

		Group		Society	
	Note	2024 £000	2023 £000	2024 £000	2023 £000
Net cash generated by operating activities	A	(2,498)	(487)	(1,735)	(268)
Cash flows from investment activities					
Investment income received		23	37	23	37
Purchase of investments		(13)	(14)	(13)	(14)
Proceeds from the sale of investments		2,000	1,411	2,000	–
Purchase of tangible and intangible fixed assets		(200)	(1,076)	(200)	(1,076)
Proceeds from the sale of fixed assets		–	(20)	–	(20)
Net cash provided/(consumed) by investment activities		1,810	338	1,810	(1,074)
Increase/(decrease) in cash		(688)	(151)	75	(1,342)
Cash at the start of the period		2,623	2,774	1,320	2,662
Cash at the end of the period		1,936	2,623	1,395	1,320

Notes to the cash flow statements

A Reconciliation of net income to cash generated
by operating activities

Net income as reported in the statement of financial activities	(575)	2,583	(1,232)	1,926
Adjustments for:				
Net investment income receivable	(23)	(37)	(23)	(37)
Net interest cost on defined benefit pension liability	–	–	–	–
Depreciation and amortisation charges	901	1,023	901	1,023
Impairment charges and other adjustments	1,877	458	957	(534)
(Gains)/losses on the sale of fixed assets	–	1,507	–	1,507
Losses/(gains) on investments and assets	(3,832)	(814)	(3,832)	(814)
(Increase)/decrease in debtors	(1,132)	(3,864)	(528)	(3,150)
Increase/(decrease) in creditors	253	(497)	342	(421)
Intercompany creditor	–	–	1,648	568
Increase/(decrease) in provisions for liabilities	358	(511)	358	–
Net cash provided by operations before pension contributions	(2,172)	(151)	(1,409)	68
Pension contributions	(326)	(336)	(326)	(336)
Net cash generated by operating activities	(2,498)	(487)	(1,735)	(268)

Section I: Notes to the financial statements

Year ended 31 March 2024

1 Accounting policies

The principal accounting policies adopted, judgements, and key sources of estimation uncertainty in the preparation of these financial statements are as set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. General information

The Society is registered in England and Wales as a company limited by guarantee with registration number 40004. It is registered as a charity with the Charity Commission with registration number 221124.

The registered office of the Society is:

Whitecross Studios
50 Banner Street
London
EC1Y 8ST

b. Statement of compliance

These consolidated and separate financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain assets measured at fair value.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Society is a public-benefit entity as defined by FRS 102.

They also conform to the requirements of the Charities Act 2011 and the Companies Act 2006. No separate Statement of Financial Activities (SOFA) has been presented for the Charity alone as permitted by the Charities SORP.

Notes to the financial statements (continued)
Year ended 31 March 2024

1 Accounting policies (continued)

c. Basis of consolidation

The results of each of the Society’s subsidiary undertakings listed in note 21 have been consolidated into these financial statements, on a line-by-line basis. Uniform group accounting policies have been applied and transactions and balances between the undertakings are eliminated on consolidation.

d. Going concern and Covid-19

The accounting policies of The Children’s Society include the preparation of the accounts on the assumption that the Society will be a going concern for the 18-month period from the date of signing of the accounts. We have extended the view from 12 months due to the uncertain environment within the sector and the economy in general.

e. Subsidiaries and joint ventures

Entities related to the Society are treated as subsidiaries when the Society is able to control the entity. Subsidiaries that have been part of the group in the year are shown in note 21.

The Society and two other charities own one-third each of the share capital in a separate entity, CharITyshare Limited registered in England and Wales with company number 5260609. The transactions are not material and therefore CharITyshare is not treated as a joint venture for the purposes of the consolidated accounts and the share of costs incurred and prepaid charges associated with the activity is recorded in the accounts of the Society. CharITyshare Limited ceased trading on 30 June 2018. On 1 June 2020 Karen Spears and Matthew Haw of RSM Restructuring Advisory LLP were appointed as joint liquidators in a Members Voluntary Liquidation, a solvent wind up. The Children’s Society accounts directly for its share of the assets, liabilities, and cash flows.

f. Income from donations, grants and legacies

Income from donations, grants, and legacies is recognised when the Society is entitled to the income, when receipt is probable, and when the amount can be reliably estimated.

Gift Aid receivable is recognised at the same time as the related donations.

Notes to the financial statements (continued)
Year ended 31 March 2024

1 Accounting policies (continued)

When donations are received other than in money (for instance, as a donation of property or investments), the donation is recorded at the fair value of the items donated at the date of donation, with the relevant asset recorded at the same initial value.

If there is a requirement to repay a grant received as a result of not meeting the conditions of the grant, a liability is recognised for the repayment and recorded as a reduction in income in the period.

g. Income from contracts

Income from contracts for the delivery of services is recognised on a straight-line basis over the period of time that the contract covers. Where the contract has a set value of expenditure to be met as well as covering a period of time, cumulative income is recognised in proportion to the cumulative value of expenditure. The amount of income recognised in a given reporting period is calculated as the difference between the cumulative income at the beginning and the end of the reporting period.

h. Donated goods

Valuation of donated goods for resale at the time of receipt is not practicable, due to the high volume of low value items received and the absence of detailed stock control systems. Instead, the value of the donated items is recognised as income when they are sold and their value is thus determined.

i. Gifts in kind

The Society receives goods and services that are provided free of charge. When these replace expenditure that the Society would have made if not provided free of charge and the value can be measured reliably, the value of the goods or services received is recognised as donated income at the value that the Society would have paid a third-party supplier. The expenditure or asset arising is recognised at the same value in the appropriate section of the financial statements.

Notes to the financial statements (continued)
Year ended 31 March 2024

1 Accounting policies (continued)

j. Volunteers

The Society benefits from volunteer support in its retail network, fundraising groups, working with children and young people, and in administration. If volunteers were not available, their roles would not be provided by salaried staff as it would be financially impractical. There is no ready market comparator for the roles they undertake and it is not possible to reliably measure the financial value of our volunteers.

The financial value of the donated services and the related contributed activity are, therefore, not recognised in the financial statements.

k. Accounting for expenditure

Costs are recognised when the Society has an obligation, whether contractual, legal or constructive, to transfer funds to another person or entity. Costs are recorded at the total of the amount due plus any unrecoverable VAT associated with the cost.

Costs are recorded according the type of expenditure incurred and the charitable, income generation, or support purpose to which they are put.

Support and governance costs are allocated to the activities of the Society using the following bases:

Cost group	Allocation basis
HR and organisational development	Headcount
Property services	Number of properties managed
Information systems	Number of users serviced
Financial processing and management	Headcount
Senior management	Headcount
Governance	Headcount

Notes to the financial statements (continued)
Year ended 31 March 2024

1 Accounting policies (continued)

l. Leases

The cost of the minimum payments under an operating lease is recognised evenly over the non-cancellable period of the lease. To meet this policy, break points are assumed to be taken when calculating lease costs.

m. Employee benefits

Short-term employee benefits

Short-term employee benefits (typically salaries, paid holiday, and contributions to money-purchase pension schemes) are recorded as the employees earn entitlement to the benefits through their service.

Long-term employee benefits

Single employer defined benefit pension schemes

Scheme assets are measured at market value. Scheme liabilities are measured using the projected unit credit method and discounted at the current rate of high-quality corporate bonds with an equivalent term and the same currency as the liabilities.

Current service costs are recognised as the scheme members earn entitlement to benefits. Past service costs are recognised immediately in expenditure if the benefits have vested. The administration charges of the scheme are also included in expenditure as they fall due.

An interest cost arising from the unwinding of the discount on the scheme liabilities and an expected return from assets using the same discount rate are recognised in income and expenditure as a net income or cost.

Changes in the valuation of the scheme liabilities and assets caused by changing assumptions in the valuation of the liabilities and difference between expected and actual return on assets are recorded as actuarial gains and losses in the SOFA under ‘Other recognised gains and losses’.

Multi-employer defined benefit pension schemes

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement, the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate which is the equivalent single discount rates

Notes to the financial statements (continued)
Year ended 31 March 2024

1 Accounting policies (continued)

which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. The unwinding of the discount is recognised as a finance cost.

n. Taxation

The Society is a registered charity and, as such, is exempt from taxation of its income provided the income is applied for charitable purposes. Both subsidiary entities are subject to corporation tax. Taxable profits earned by the subsidiaries are distributed under the Gift Aid scheme to the Society so that taxable profits are eliminated, to the extent that the profits are available for distribution.

o. Accounting for funds

Monies received and expended are recorded as part of unrestricted general funds unless they meet the criteria to be recorded in one of the funds described below.

Income received that is required (whether by the donor, by written agreement, or by the request made by the Society) to be used more narrowly than for the general purposes of the Society is recorded in a restricted fund. These funds are identified and held separately from the other funds of the Society.

The trustees may also set aside monies into a fund designated for a specific purpose. A fund of this kind remains part of the unrestricted funds of the Society, but not available for use for general purposes.

Expenditure to meet the purposes of a fund is recorded against the fund. The remaining balances of funds are carried forward for future use. The Charities SORP permits and The Children’s Society uses a negative fund to represent the value of the pension deficit as separate from other funds.

p. Intangible fixed assets

Intangible assets are capitalised where the useful life is longer than one year.

Where an intangible asset is software, it is included at purchase cost or at total cost of development, recognising the use of internal resources. Software is amortised, using the straight-line method and allowing for a residual value. The period of amortisation is six years with a residual value of 5%. The residual value takes account of technological advances that impact on the value or life cycle of the software.

The assets are reviewed annually to assess whether the carrying value is impaired. The carrying value is cost less accumulated amortisation and accumulated impairment losses.

Notes to the financial statements (continued)
Year ended 31 March 2024

1 Accounting policies (continued)

q. Tangible fixed assets

Tangible fixed assets are physical and software assets controlled by the Society that are used in the delivery of charitable or support activities.

Tangible fixed assets are recorded when they have an aggregate cost of at least £2,500. They are recorded initially at cost including the costs of bringing them to location and state in which they can be used for their intended purpose.

The cost of the assets is depreciated evenly over their expected useful life with the Society to the expected residual value at the end of its useful life. Depreciation is charged from the point that the asset is ready for use. Initial depreciation rates are based on the following expected lives of assets:

Asset type		Initial expected life	Initial expected residual value
Freehold land		Infinite	Cost
Freehold buildings		50 years	Nil
Leasehold land and buildings including improvements	Lease life (application of policy to first break of lease)		Nil
Vehicles		4 years	Nil
Other assets		4 years	Nil
Software		4 years	Nil

After purchase, freehold land and buildings are carried at their open market value. Valuations are carried out on a rolling three-year programme by a chartered surveyor. Where market value is above carrying value, this amount is first applied as reversal of depreciation then as an increase in cost. Surpluses arising are transferred to a revaluation reserve as required by the Companies Act.

Where the market value is below carrying value, deficits arising are first treated as reversals of valuation then as additional depreciation. To the extent that the revaluation reserve has not been realised through depreciation, deficits arising are charged against the revaluation reserve.

Notes to the financial statements (continued)
Year ended 31 March 2024

1 Accounting policies (continued)

r. Investments

Investments are recorded at cost when purchased. Where the market value of an investment can be determined by reference to an external market or a professional valuation, the investment is carried at its open-market value.

Investment property is property held by the Society for the purposes of generating income and/or capital growth. These buildings are not used by the Society for its purposes. Investment property is recorded initially at cost and remeasured each year at its open-market value.

Gains and losses on remeasurement are reported in income and expenditure.

s. Current assets

Trade debtors are recorded at the amount invoiced in accordance with the agreement to which they relate, less any impairment of the asset.

Costs incurred that relate to future periods are carried as prepayments within current assets.

Income that has met the conditions to be recognised either as a result of being earned under an agreement or being a future donation or legacy, able to be recognised as set out above, is recorded within accrued income.

Cash at bank and in hand represents the value of all cash and bank holdings that are available for immediate use.

Where fixed assets have been put on sale and are expected to be sold within the next financial year, their cost or valuation and accumulated depreciation are removed from fixed assets and the asset recorded as an asset held for sale. Assets held for sale are carried at the lower of cost or valuation less accumulated depreciation at the date of being placed on sale or the net amount recoverable from the sale, less associated costs.

t. Impairment of assets

When external events relating to markets or technology or internal events relating to the plans and activities of the Society indicate that the value of an asset may be impaired, an impairment review is conducted. The review determines whether the recoverable value of the asset is above or below its carrying value, using external open-market values or other accepted valuation techniques.

Notes to the financial statements (continued)
Year ended 31 March 2024

1 Accounting policies (continued)

If the recoverable amount of the asset is below its carrying value, the difference is written off. To the extent that the reduction in value represents the reversal of undepreciated revaluation surpluses, the reduction is treated as a reversal of the revaluation. Any further reduction is recorded as an impairment of the asset in depreciation.

u. Liabilities and provisions

Liabilities are recognised when the Society has a legal or contractual obligation to transfer resources to another party to settle that obligation. Liabilities are recorded at the best estimate of the amount that will be required to settle the obligation.

When the timing, value, or both of the liability is uncertain, a provision is recognised at the best estimate of the amount to be paid.

v. Financial instruments

The Society applies the provisions of sections 11 and 12 of FRS 102 in full.

Financial instruments are recorded initially at their transaction costs. Financial instruments held at fair value through profit and loss are subsequently measured and reported at their fair value. Changes in fair value from remeasurement are recorded in income and expenditure.

Financial instruments that are debt or financial liabilities are subsequently measured and reported at their amortised cost using the effective interest method. Remeasurement gains and losses are reported in income and expenditure.

w. Assets held on behalf of other charities

The Society from time to time holds assets on behalf of other charities. When such assets held are held separately from those belonging to the Society, they are not recorded in the financial statements. When the assets are combined with other assets of the Society (for example, in pooled investments), the portion of the value of the assets held on behalf of the other charity is recorded as a liability. Income, expenditure, and gains and losses related to the portion of the assets held on behalf of the other charity are not reported in the statement of financial activities.

Notes to the financial statements (continued)
Year ended 31 March 2024

1 Accounting policies (continued)

x. Uncertainties and judgements

The principal judgements made in the preparation of the financial statements have been in relation to:

- the assumptions underlying the valuation of the pension scheme deficit disclosed in note 11, prepared with advice from a qualified actuary
- the allocation of costs to activities as described above
- the expected future cost of making good dilapidations to and removing fixtures and fittings from properties held on operating leases.

The most important uncertainties that the Society faces in the preparation of the financial statements are:

- the uncertainty around high inflation, cost of living crisis, and rising interest rates
- whether investments can be realised at the market value stated
- whether the assumptions on asset return and future cost of the defined benefit pension scheme are borne out
- continued funding from government organisations
- continued receipt of material values of legacies in future years
- the future need to invest for growth, particularly unrestricted income to help ensure income keeps up with rising costs and to deliver our strategic ambition.

Notes to the financial statements (continued)
Year ended 31 March 2024

2 Income from donations and legacies

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Donations						
Christingle	822	–	822	727	–	727
House boxes	888	–	888	976	–	976
Other donations	6,543	–	6,543	6,569	68	6,637
Legacies	4,324	–	4,324	10,840		10,840
Government grant income	–	–	–	–	–	–
Total income from donations and legacies	12,577	–	12,577	19,112	68	19,180

3 Income from charitable activities

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Providing direct support to children and young people	9,550	497	10,047	8,492	1,644	10,136
Changing governmental and societal systems	1,186	848	2,034	282	2,428	2,710
Total income from charitable activities	10,736	1,345	12,081	8,774	4,072	12,846

4 Income from trading activities

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Income from retail activities	11,684	–	11,684	11,202	–	11,202
Card sales	84	–	84	126	–	126
Event entry fees	4	–	4	2	–	2
Total income from trading activities	11,772	–	11,772	11,330	–	11,330

Notes to the financial statements (continued)
Year ended 31 March 2024

5 Income from investments

	Unrestricted funds 2024 £000	Endowment funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Income from financial investments	8	6	14	20	7	27
Income from investment properties	9	–	9	10	–	10
Total investment income	17	6	23	30	7	37

6 Other income

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
(Losses)/gains on disposal of fixed assets	–	–	–	(3)	–	(3)
Sundry income	22	–	22	8	–	8
Total income from other sources	22	–	22	5	–	5

7 Expenditure on raising funds

	Direct costs 2024 £000	Support costs 2024 £000	Total costs 2024 £000	Direct costs 2023 £000	Support costs 2023 £000	Total costs 2023 £000
Direct fundraising	5,292	1,298	6,590	4,866	1,413	6,279
Costs of retail operations	10,568	1,902	12,470	9,039	2,065	11,104
Total expenditure on raising funds	15,860	3,200	19,060	13,905	3,478	17,383

Notes to the financial statements (continued)
Year ended 31 March 2024

8 Expenditure on charitable activities

	Direct costs 2024 £000	Support costs 2024 £000	Total costs 2024 £000	Direct costs 2023 £000	Support costs 2023 £000	Total costs 2023 £000
Providing direct support to children and young people	12,557	4,340	16,897	11,633	4,809	16,442
Changing governmental and societal systems	4,065	874	4,939	5,100	1,076	6,176
Total expenditure on charitable activities	16,622	5,214	21,836	16,733	5,885	22,618

Net income is arrived at after charging:

	2024 £000	2023 £000
Amortisation of intangible fixed assets	697	535
Depreciation of tangible fixed assets	361	488
Rentals payable under operating leases	2,514	2,593
Auditor's remuneration		
Audit of the Group's financial statements	60	54
Other fees payable to the auditor	–	–

9 Support costs and allocation to activities

2024	Direct services £000	Changing systems £000	Donations & legacies £000	Retail £000	Total £000
HR and organisational development	1,280	261	387	465	2,393
Property services	42	–	–	342	384
Information systems	2,074	422	626	752	3,874
Financial processing and management	484	98	146	176	904
Senior management	283	58	86	103	530
Governance	176	36	53	64	329
Total support costs	4,339	875	1,298	1,902	8,414

The allocation basis for support costs is set out in note 1, Accounting policies.

Notes to the financial statements (continued)
Year ended 31 March 2024

9 Support costs (continued)

2023	Direct services £000	Changing systems £000	Donations & legacies £000	Retail £000	Total £000
HR and organisational development	1,401	317	416	506	2,640
Property services	55	–	–	346	401
Information systems	1,628	369	484	589	3,070
Financial processing and management	1,143	259	339	413	2,154
Senior management	342	78	102	124	646
Governance	240	54	71	87	452
Total support costs	4,809	1,077	1,412	2,065	9,363
Governance costs are made up of:					
			2024	2023	
			£000	£000	
External audit			60	54	
Internal audit			86	89	
Trustee board administration			132	118	
Trustee recruitment			18	20	
Trustee expenses			2	–	
Trustee meetings			9	6	
Professional fees			2	3	
Senior leadership team			179	163	
Total governance costs			488	453	

10 Trustees and staff

Group and Society		
Average monthly number of full-time equivalent staff employed in:	2024	2023
Providing direct support to children and young people	262	245
Changing governmental and societal systems	59	60
Direct fundraising	79	73
Retail operations	190	178
Support services	83	94
Total	673	650

Notes to the financial statements (continued)
Year ended 31 March 2024

10 Trustees and staff (continued)

Average monthly number of staff employed in:	2024	2023
Providing direct support to children and young people	322	305
Changing governmental and societal systems	62	64
Direct fundraising	81	75
Retail operations	240	227
Support services	87	96
Total	793	767
Costs of staff	2024	2023
Group and Society	£000	£000
Wages and salaries	22,830	21,263
Social security	2,063	2,007
Pensions	1,422	1,323
Redundancy and compensation for loss of office	122	116
Agency staffing	407	272
Total	26,844	24,981

The total amount paid in the year for redundancy and compensation for loss of office was £176,628.28 (2023: £116,391). The amount accrued for future redundancy payments at the balance sheet date was nil (2023: nil).

Higher paid staff

The number of employees with remuneration in excess of £60,000, including redundancy and compensation for loss of office but excluding pension contributions, is analysed into the following bands.

	2024	2023
Between £60,001 and £70,000	13	10
Between £70,001 and £80,000	4	–
Between £80,001 and £90,000	1	–
Between £90,001 and £100,000	1	2
Between £100,001 and £110,000	2	2
Between £110,001 and £120,000	1	–
Between £120,001 and £130,000	–	1
Between £130,001 and £140,000	1	–

Notes to the financial statements (continued)
Year ended 31 March 2024

10 Trustees and staff (continued)

Higher paid staff (continued)

The Society paid pension contributions into a money purchase scheme of £111,441 (2023: £66,180) for 23 (2023: 15) of the higher paid staff.

The key management personnel serving in the year comprise the chief executive officer, executive director for youth impact, executive director for enabling resources, executive director for social impact, and executive director for diversity and talent. The total remuneration paid to key management personnel was £645,544.97 (2023: £618,159). The salary of the chief executive during the year ended 31 March 2024 comprised of salary £135,099.97 (2023: £125,580). In addition, the company paid pension contributions of £6,755 (2023: £5,979) into a defined contribution scheme.

Trustee remuneration

No members of the trustee board received, or were entitled to receive, any remuneration. Where expenses were claimed, reimbursement was made. In the year, travelling expenses of £17 (2023: £58) were reimbursed to 1 trustee (2023: 1). Trustee indemnity insurance was purchased at a cost of £8,820 (2023: £8,400).

11 Pensions

The Children’s Society operates three pension schemes: a defined contributions scheme, a defined benefits scheme, and a multi-employer mixed defined benefit and money purchase scheme for additional voluntary contributions within The Pensions Trust (TPT) Growth Plan (the Growth Plan).

The defined contribution scheme is managed by Scottish Widows. The scheme is compliant with the pension reform rules for automatic enrolment. Contributions by the employee are matched by the employer up to a limit of 8% of salary and a salary sacrifice option is offered. The cost of employer contributions due as a result of service in the year was £971,461 (2023: £949,580).

The defined benefits scheme is externally funded and is contracted-in to the state second-tier of pension provision. Retirement benefits within this scheme are based on employees’ final remuneration and length of service. The scheme was closed to new members in June 2003 and is managed by TPT and is covered in note 11(a).

Notes to the financial statements (continued)
Year ended 31 March 2024

11 Pensions (continued)

The Growth Plan is a multi-employer scheme that provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK but is not possible for us to obtain sufficient information to enable us to account for the scheme as a defined benefit scheme. Therefore, we account for the scheme as a defined contribution scheme. The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and the Financial Reporting Council, sets out the framework for funding defined benefit occupational pension schemes in the UK. The scheme is classified as a 'last-man standing arrangement'. Therefore, we are potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. This is covered in more detail in note 11(b).

11(a) Defined benefit scheme

An actuarial valuation was completed as at 30 September 2021 and the results of this have been updated to 31 March 2023 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below. The most recently completed actuarial valuation showed a surplus of £1,954,000 as at 30 September 2021.

Trustees will adopt an investment strategy that minimises as far as possible the level of investment risk whilst supporting the Technical Provisions discount rate. This reduces the risk of the employer having to pay any deficit contributions in future. The expected return from growth assets is 4.5% p.a. above the nominal gilt yield curve. The expected return from the matching assets is 1.4% p.a. above the nominal gilt yield curve and returns for gilts/liability-driven investments are assumed to be in line with market gilt yields. The ultimate target return is 0.85% p.a. above the nominal gilt curve.

In addition, and in accordance with the actuarial valuation, the employer has agreed with the pension scheme trustee that it will pay 17.5% p.a. of pensionable earnings (previously 17.5% p.a.) in respect of the cost of accruing benefits for members who are not participating in the salary sacrifice arrangement and 27.5% p.a. of

Notes to the financial statements (continued)
Year ended 31 March 2024

11 Pensions (continued)
11(a) Defined benefit scheme (continued)

pensionable earnings (previous 27.5% p.a.) for members participating in the salary sacrifice arrangement and will pay £187,800 per annum to meet scheme expenses and levies to the Pension Protection Fund. Member contributions are payable in addition at the rate of 10.0% p.a. of pensionable earnings for members who are not participating in the salary sacrifice arrangement.

We have been notified by the pension scheme trustee that there may be a potential issue surrounding changes made to the scheme rules between 1995 and 2006, over which the trustee is seeking clarification from the courts. The matter is unlikely to be resolved before June 2025 at the earliest, and as such it is not possible to determine with any accuracy what the impact might be of any direction the court may, or may not, give. Many factors will impact the future valuation of the pension scheme, none of which can be accurately predicted at the present time. No adjustment has therefore been made to the amounts included in the financial statements in respect of this potential issue.

The assumptions used by the actuary are the best estimates chosen each year from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

	2024	2023
Rate of increase in salaries	0.00%	0.00%
Rate of increase in pensions in payment	2.80%	2.78%
Discount rate	4.80%	4.75%
Inflation assumption	3.17%	3.20%
Rate of increase for deferred pensions	3.17%	3.20%

The rate of increase in salaries is assumed at 0% as pensionable salaries for active members were frozen as at 31 December 2013.

Life expectancy included in the valuation of the scheme is calculated using the S3PXA (All Pensioners - Pension Amounts) tables with a best estimate scheme-specific scaling factor of 106% (2023: 110%). The base tables have been projected using the S2PXA projection model with a long-term improvement rate 1.5% for males and of 1.25% for females.

The resulting average life-expectancies in years (age at death) were:

Notes to the financial statements (continued)
Year ended 31 March 2024

11 Pensions (continued)
11(a) Defined benefit scheme (continued)

Pensioners retiring:	2024		2023	
	Females	Males	Females	Males
Now	24.0	21.4	24.1	21.7
	(89.1)	(86.7)	(89.1)	(86.7)
In 20 years	25.4	23.1	25.6	23.3
	(90.6)	(88.3)	(90.6)	(88.3)

Assets and liabilities of the scheme	2024 £000	2023 £000
Bonds	89,834	86,448
Equities	124	149
Property	10,541	11,909
Cash	1,670	1,743
Other	8,069	18,862
Scheme assets	110,238	119,111
Present value of scheme liabilities	(111,548)	(115,727)
Surplus/(deficit) in the scheme – pension liability	(1,310)	3,384
Effect of asset ceiling	–	(3,090)
Eliminate FRS102 scheme surplus	–	(294)
Present value of Growth Plan provision (note 11(b))	(9)	(19)
Net pension liability	(1,319)	(19)

Profit and loss impact	2024 £000	2023 £000
Current service cost	75	126
Past service cost	–	–
Expenses	245	238
Interest on obligation	5,354	4,593
Expected return on scheme assets	(5,515)	(4,608)
Total	159	349

Movement in defined benefit obligation	2024 £000	2023 £000
Opening defined benefit obligation	115,727	149,280
Current service cost	75	126
Past service cost	–	–
Interest cost	5,354	4,082
Contributions by employees	10	12
Actuarial loss/(gain)	(3,444)	(32,678)
Benefits paid	(6,174)	(5,095)
Closing defined benefit obligation	111,548	115,727

Notes to the financial statements (continued)
Year ended 31 March 2024

11 Pensions (continued)
11(a) Defined benefit scheme (continued)

Change in fair value of the scheme assets	2024 £000	2023 £000
Opening value of the scheme assets	119,111	168,240
Expected return	5,515	4,608
Expenses	(245)	(238)
Actuarial (loss)/gain	(8,305)	(48,752)
Contributions by employer	326	336
Contributions by employees	10	12
Benefits paid	(6,174)	(5,095)
Closing fair value of the scheme assets	110,238	119,111
Actual return on scheme assets	(2,790)	(44,144)
Defined benefit costs recognised in other comprehensive income	2024 £000	2023 £000
Return on plan assets (excluding amounts included in net interest cost)	(8,305)	(48,752)
Experience gains and losses arising on the plan liabilities	(873)	(8,649)
Effects of changes in the demographic and financial assumptions underlying the present value of the plan liabilities	4,317	57,155
Payment to eliminate deficit	–	–
Effect of asset ceiling	–	–
Eliminate FRS102 scheme surplus	–	(294)
Total amount recognised in other comprehensive income	(4,861)	(540)

Notes to the financial statements (continued)
Year ended 31 March 2024

11 Pensions (continued)
11(a) Defined benefit scheme (continued)

Sensitivity analysis

Changes in assumptions would have the following indicative effects on the liabilities of the scheme:

Assumption change	Effect on liabilities
Increase/decrease in discount rate by 0.1%	2% increase/decrease in liabilities
Increase/decrease inflation linked assumptions by 0.1% per annum	2% increase/decrease of inflation linked liabilities
Increase/decrease in life expectancy of 1 year	3-5% increase/decrease in liabilities

The factors used to exchange pension for a lump sum at retirement (known as commutation factors) have been changed to adopt TPT (The Pension Trust) standard factors for The Children's Society scheme from 31 March 2024.

11(b) The Growth Plan

The Children's Society participates in the TPT Growth Plan, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

A full actuarial valuation of the scheme was carried out as at 30 September 2020. This valuation showed assets of £800.3 million, liabilities of £831.9 million, and a deficit of £31.6 million. To eliminate this funding shortfall, the trustee has asked the participating employers to pay additional contributions to the scheme as follows.

Deficit contributions (relating to all 638 employers)

From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Notes to the financial statements (continued)
Year ended 31 March 2024

11 Pensions (continued)
11(b) The Growth Plan (continued)

	2024 £000	2023 £000
Present values of provision (only relating to The Children's Society)	9	19
	2023 £000	2023 £000
Changes in provision		
Provision at start of period	19	29
Unwinding of the discount factor (interest expense)	1	1
Deficit contributions paid	(11)	(11)
Remeasurements – impact of any change in assumptions	–	–
Remeasurements – amendments to the contribution schedule	–	–
Provision at end of period	9	19
Profit and loss impact		
Interest expense	1	1
Remeasurements – impact of any change in assumptions	(0)	(0)
Remeasurements – amendments to the contribution schedule	–	–

	2023	2023
Assumptions		
Discount rate	5.31%	5.52%

Notes to the financial statements (continued)
Year ended 31 March 2024

12 Intangible fixed assets

	Software £000	Total £000
Group and Society		
Cost or valuation		
At 1 April 2023	3,407	3,407
Transfer	–	–
Additions	61	61
Disposals	–	–
Revaluation	–	–
At 31 March 2024	3,468	3,468
Amortisation		
At 1 April 2023	777	777
Transfer	–	–
Amortisation charged	697	697
Released on disposal	–	–
Revaluation	–	–
At 31 March 2024	1,474	1,474
Net book value		
At 31 March 2024	1,994	1,994
At 31 March 2023	2,630	2,630

13 Tangible fixed assets

	Freehold land and buildings £000	Leasehold land and buildings £000	Vehicles £000	Other Assets £000	Total £000
Group and Society					
Cost or valuation					
At 1 April 2023	2,463	7,416	32	5,499	15,410
Additions	–	–	36	103	139
Disposals	–	–	–	–	–
Revaluation/impairment	–	–	–	(1,434)	(1,434)
At 31 March 2024	2,463	7,416	68	4,168	14,115
Depreciation					
At 1 April 2023	910	6,533	32	5,425	12,900
Depreciation charged	34	308	1	18	361
Released on disposal	–	–	–	–	–
Revaluation/impairment	–	–	–	(1,391)	(1,391)
At 31 March 2024	944	6,841	33	4,052	11,870
Net book value					
At 31 March 2024	1,519	575	35	116	2,245
At 31 March 2023	1,553	883	–	74	2,509

Notes to the financial statements (continued)
Year ended 31 March 2024

13 Tangible fixed assets (continued)

Freehold land and buildings used by The Children's Society are revalued following the policy set out in note 1. Valuations are carried out by the Society's Estates Surveyor, Ian Birtwistle MRICS. The most recent valuations were carried out in 2022. If the properties (including those held for sale and in investments) had not been revalued, they would be reported in the accounts with a cost of £2,164,519 (2023: £2,164,519) and accumulated depreciation of £646,942 (2023: £613,572) leaving a net value of £1,517,577 (2022: £1,550,947).

14 Investments

Group and Society	Investment properties £000	Listed investments £000	Total £000
At 1 April 2022	1,596	40,129	41,725
Purchases	–	14	14
Transfer from fixed assets	–	–	–
Sales	(1,411)	–	(1,411)
Realised and unrealised gains - Society	(20)	(784)	(804)
At 1 April 2023	165	39,359	39,524
Purchases	–	13	13
Transfer from fixed assets	–	–	–
Sales	–	(2,000)	(2,000)
Realised and unrealised gains - Society	–	3,832	3,832
At 31 March 2024	165	41,204	41,369

15 Debtors

	Group		Society	
	2024 £000	2023 £000	2024 £000	2023 £000
Trade debtors	2,533	1,560	1,401	873
Prepayments and accrued income	5,494	7,377	5,494	7,325
Taxation debtors	–	–	–	–
Other debtors	9	(5)	9	(5)
Amounts due from subsidiary	–	–	–	–
Total debtors	8,036	8,932	6,904	8,193

Notes to the financial statements (continued)
Year ended 31 March 2024

16 Creditors: amounts due within one year

	Group		Society	
	2024 £000	2023 £000	2024 £000	2023 £000
Trade creditors	692	350	692	350
Accruals	2,493	2,626	2,493	2,626
Deferred income	3,581	3,448	2,274	2,509
Taxation and social security	818	524	818	524
Other creditors	118	192	118	192
Amounts due to subsidiary	–	–	1,648	568
Total creditors: amounts due within one year	7,702	7,140	8,043	6,769

Deferred income arises as a result of payment or billing in advance for activities that are to be delivered in the future.

	Group		Society	
	2024 £000	2023 £000	2024 £000	2023 £000
Deferred income at the start of the year	3,448	4,112	2,737	3,291
Deferred income brought forward released in the year	(3,193)	(1,456)	(2,761)	(668)
Income deferred from the year	3,326	792	2,299	114
Deferred income at the end of the year	3,581	3,448	2,274	2,737

Notes to the financial statements (continued)
Year ended 31 March 2024

17 Provision for liabilities

Group and Society

	Property dilapidations £000	Total provisions £000
At 1 April 2023	1,375	1,375
Charged in the year	–	–
Used in the year	–	–
Released unused	(358)	(358)
Total provisions	1,017	1,017

	Property dilapidations £000	Total provisions £000
Amounts due within one year	423	423
Amounts due after more than one year	594	594
Total provisions	1,017	1,017

Under the terms of operating leases for properties, the Society is required to make good any demerit in the condition of properties and to remove fixtures and fittings added to the building during the course of the lease. The amounts and timing of the amounts due are not certain, as leases may be curtailed or extended and the cost of works is not known until they are carried out. The value of works required is estimated by suitably qualified and experienced chartered surveyors.

Notes to the financial statements (continued)
Year ended 31 March 2024

18 Commitments

At 31 March 2024, the Group and Society had nil (2023: nil) of authorised but not contracted capital commitments and nil (2023: nil) contracted capital commitments that had not been reflected in the financial statements.

Minimum payments under operating leases are:

2024	Land and buildings £000	Motor vehicles £000	Office equipment £000	Total £000
Amounts falling due:				
within one year	1,927	111	–	2,038
between two and five years	4,806	202	–	5,008
after more than five years	134	–	–	134
Total operating lease commitments	6,867	313	–	7,180

2023	Land and buildings £000	Motor vehicles £000	Office equipment £000	Total £000
Amounts falling due:				
within one year	1,991	94	2	2,087
between two and five years	4,623	222	–	4,845
after more than five years	662	–	–	662
Total operating lease commitments	7,276	316	2	7,594

19 Contingent liabilities

In common with other charitable organisations, the Society receives legacies arising from wills where the executor has been unable to locate one or more beneficiaries. In these circumstances, the Society may provide an indemnity to the executor under which any funds required to be paid to the missing beneficiary or beneficiaries is recovered from the Society. At the date of these accounts, the value of such indemnities provided totals was £347,794 (2023: £347,794).

Notes to the financial statements (continued)
Year ended 31 March 2024

20 Funds

Group	Balance at 31 March 2023 £000	Income £000	Expend- iture £000	Other gains and (losses) £000	Transfers £000	Balance at 31 March 2024 £000
Unrestricted funds						
General funds	21,297	35,124	(38,944)	1,570	122	19,169
Designated funds:						
Property fund	5,140	–	(901)	–	–	4,239
Strategy fund	–	–	–	–	–	–
Impact fund	7,883	–	(200)	913	–	8,596
Total designated funds	13,023	–	(1,101)	913	–	12,835
Unrestricted funds before pension deficit liability	34,320	35,124	(40,045)	2,483	122	32,004
Pension deficit fund	(19)	–	324	(1,624)	–	(1,319)
Total unrestricted funds	34,301	35,124	(39,721)	859	122	30,685
Restricted funds						
The National Lottery Community Fund (formerly Big Lottery fund)	746	1,003	(885)	–	–	864
Other grants	584	342	(290)	–	–	636
Total restricted funds	1,330	1,345	(1,175)	–	–	1,500
Endowment funds						
The Children's Society Fund	6,408	3	–	701	(22)	7,090
Charnwood House	1,714	1	–	188	–	1,903
Charnwood Forest	1,136	1	–	125	–	1,262
Hampshire Girls and Boys Trust	1,050	–	–	115	–	1,165
The Children's Society	–	–	–	–	–	–
The Spooner Trust	–	–	–	–	–	–
The George and Marion Slack Fund	1,310	1	–	144	–	1,455
The Croghan Fund	915	–	–	90	(100)	905
Total endowment funds	12,533	5	–	1,363	(122)	13,780
Total funds	48,164	36,475	(40,896)	2,222	–	45,965

Notes to the financial statements (continued)
Year ended 31 March 2024

20 Funds (continued)

Analysis of net assets by fund

	General funds £000	Designa- ted funds £000	Pension deficit fund £000	Restric- ted funds £000	Endow- ment funds £000	Total £000
Intangible fixed assets	–	1,994	–	–	–	1,994
Tangible fixed assets	–	2,245	–	–	–	2,245
Investments	18,994	8,596	–	–	13,780	41,369
Total fixed assets	18,994	12,835	–	–	13,780	45,608
Cash	436	–	–	1,500	–	1,936
Other current assets	8,036	–	–	–	–	8,036
Total current assets	8,472	–	–	1,500	–	9,972
Current liabilities	(7,702)	–	–	–	–	(7,702)
Net current assets	770	–	–	1,500	–	2,270
Provisions for liabilities	(594)	–	–	–	–	(594)
Net assets excluding pension deficit	19,169	12,835	–	1,500	13,780	47,284
Pension deficit	–	–	(1,319)	–	–	(1,319)
Net assets	19,169	12,835	(1,319)	1,500	13,780	45,965

Notes to the financial statements (continued)
Year ended 31 March 2024

20 Funds (continued)

Group	Balance at 31 March 2022 £000	Income £000	Expend- iture £000	Other gains and (losses) £000	Transfers £000	Balance at 31 March 2023 £000
Unrestricted funds						
General funds	16,526	39,249	(35,147)	(247)	916	21,297
Designated funds:						
Property fund	5,054	–	(1,023)	21	1,088	5,140
Strategy fund	2,144	–	(140)	–	(2,004)	–
Impact fund	3,500	2	(38)	(81)	4,500	7,883
Total designated funds	10,698	2	(1,201)	(60)	3,584	13,023
Unrestricted funds before pension deficit liability	27,224	39,253	(36,348)	(308)	4,500	34,320
Pension deficit fund	(29)	–	–	10	–	(19)
Total unrestricted funds	27,195	39,253	(36,348)	(298)	4,500	34,301
Restricted funds						
The National Lottery Community Fund (formerly Big Lottery fund)	628	1,034	(916)	–	–	746
Other grants	282	3,039	(2,737)	–	–	584
Total restricted funds	910	4,073	(3,653)	–	–	1,330
Endowment funds						
The Children's Society Fund	10,406	4	–	(298)	(3,704)	6,408
Charnwood House	1,764	1	–	(50)	–	1,714
Charnwood Forest	1,168	1	–	(33)	–	1,136
Hampshire Girls and Boys Trust	475	–	–	(14)	589	1,050
The Children's Society	606	–	–	(17)	(589)	–
The Spooner Trust	818	–	–	(23)	(796)	–
The George and Marion Slack Fund	1,348	1	–	(38)	–	1,310
The Croghan Fund	870	68	–	(23)	–	915
Total endowment funds	17,454	75	–	(496)	(4,500)	12,533
Total funds	45,558	43,400	(40,001)	(794)	–	48,164

Notes to the financial statements (continued)
Year ended 31 March 2024

20 Funds (continued)

Description of funds

General funds represent the other assets available for the general purposes of the Society.

The designated property fund represents the carrying value including revaluations of land and buildings held for use in the activities of The Children's Society. The Strategy fund represents amounts set aside by the Trustees to help invest in operational projects that will improve current systems and infrastructure to help us achieve our 2030 goal, the balance of which has been transferred to general funds due to the fact that trustees feel the original purpose of the fund has been achieved and the balance can be used for a wider purpose, still helping the organisation to achieve its 2030 goal and beyond.

The impact fund has a purpose to help enhance our strategic ambition by funding innovative pilots and projects for which traditional forms of funding are unavailable. It benefitted from a £4.5 million transfer that came from The Children's Society Endowment Fund and the Spooner Trust. These transfers represent unrealised gains from the endowment fund over several years, with permission granted from the Charity Commission to use these funds for the purpose of the Impact Fund.

Restricted funds represent the remaining unspent amount of donations, grants and legacies given to be used for specific purposes or in specific areas. Details of grants received are in note 24.

Endowment funds have additional restrictions on the use of capital. The Children's Society und and The Spooner Trust are held to generate income to use for the purpose and mission of the charity and have been merged together. The George and Marion Slack Fund is held to provide educational opportunities for disadvantaged children and young people. Charnwood House, Charnwood Forest, Hampshire Boys & Girls Trust, and The Children's Society Fund are held to generate income to provide care and support to children and young people in specific places in England. The Children's Society Fund was transferred into Hampshire Boys & Girls Trust. The Croghan Fund is to support young people in education.

Notes to the financial statements (continued)
Year ended 31 March 2024

21 Financial instruments

	Group		Society	
	2024	2023	2024	2023
	£000	£000	£000	£000
Financial assets measured at fair value through profit and loss				
Financial investments	41,204	39,359	41,204	39,359
Debt instruments measured at amortised cost				
Trade debtors	2,533	1,560	1,401	873
Other debtors	9	(5)	9	(5)
Amounts due from subsidiaries	–	–	–	–
Financial liabilities measured at amortised cost				
Trade creditors	692	350	692	350
Accruals	2,493	2,626	2,493	2,626
Other creditors	118	192	118	192
Amounts due to subsidiaries	–	–	1,648	568

22 Subsidiary undertakings

The Society owns the whole share capital of The Children's Society (Trading) Limited, registered in England and Wales no. 885496 whose principal activity is to carry out commercial activities that generate funds in aid of the Society, and The Children's Society (Services) Limited, registered in England and Wales no. 4545124, whose principal activity is to provide funded direct services for the beneficiaries of the Society.

Both companies have entered into an agreement to donate their taxable surplus each year to the Society under the corporate Gift Aid scheme.

A summary of the information disclosed in the companies' accounts for the year ended 31 March 2024 is:

Notes to the financial statements (continued)
Year ended 31 March 2024

22 Subsidiary undertakings (continued)

	Services		Trading	
	2024	2023	2024	2023
Summarised profit and loss account				
Income	5,137	4,861	335	214
Expenditure	(4,721)	(4,245)	(237)	(173)
Profit for the year	416	616	98	41
Gift Aid distribution to The Children's Society	(416)	(616)	(98)	(41)
Retained earnings	–	–	–	–
Summarised balance sheet				
Current assets	3,125	1,478	195	139
Current liabilities	(3,125)	(1,478)	(195)	(139)
Net assets	–	–	–	–
Share capital	–	–	–	–
Retained reserves	–	–	–	–
Total reserves	–	–	–	–

23 Related parties

Information on trustees' expenses is set out in note 9.

The total amount of trustee donations made, without conditions, was £8,575 (2023: £11,377).

The Children’s Society, Age UK, and the Alzheimer’s Society have equal shares in a company called CharITyshare Limited, which previously provided a shared IT service to the three charities. This company ceased to trade on 30 June 2018. On 1 June 2020 Karen Spears and Matthew Haw of RSM Restructuring Advisory LLP were appointed as joint liquidators in a Members Voluntary Liquidation, a solvent wind up.

The Children's Society accounts directly for its share of the assets, liabilities and cash flows. The value of services from CharITyshare Limited in the year was nil (2023: nil) and at the balance sheet date the amount due from CharITyshare Limited was nil (2023: nil).

Notes to the financial statements (continued)
Year ended 31 March 2024

23 Related parties (continued)

Transactions with subsidiary undertakings	2024		2023	
	£000 Services	£000 Trading	£000 Services	£000 Trading
Balance sheet amounts				
Amounts due to the parent undertaking	–	195	–	139
Amounts due from the parent undertaking	1,593	–	707	–
Income				
Donations from the parent undertaking	–	–	–	–
Expenditure				
Donations to the parent undertaking	416	98	616	41

24 Grants received

The National Lottery Community Fund (previously The Big Lottery)

Reaching Communities Grants	<u>721</u>
Disrupting Exploitation	645
HEARTS Yorkshire	76

<u>Other Grants</u>	<u>128</u>
Home Office EUSS	38
BBC Children in Need – Safeguarding Children At Risk – Prevention and Action	19
Co-op Building Connections	71

<u>Other grants from charitable bodies in the year amount to:</u>	<u>1,376</u>
National Prevention Project CSE/A	666
Samworth Foundation	100
Safe Zones	485
Other	125

Total	2,225
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Section J: Corporate information

The Church of England Children’s Society

(A company limited by guarantee)
Also known as The Children’s Society

Registered office

Whitecross Studios
50 Banner Street
London
EC1Y 8ST
Company registration no: 40004
Charity registration no: 221124

Telephone

020 7841 4400

Website

childrenssociety.org.uk

Subsidiary companies

The Children’s Society (Services) Limited, company no: 4545124
The Children’s Society (Trading) Limited, company no: 885496
The Children’s Society is not a grant-making body.

Royal president

HRH The Duchess of Gloucester LG GCVO

Presidents

The Most Reverend and Right Hon
the Lord Archbishop of Canterbury Justin Welby
The Most Reverend and Right Hon
the Lord Archbishop of Canterbury of York Stephen Cottrell

Vice-presidents

Bishops of the Church of England

Honorary vice-presidents

Mrs A Lush MBE
Dr N de M Rudolf MA BM BCh FRSM

Young trustees

Abby and Pepper (stepped down September 2023)
Bilkis (stepped down May 2023)
Cree
James
Laura (stepped down in April 2024)
Maryam
Samia (stepped down October 2023)
Taha (stepped down May 2023)

Board of trustees

Diana Noble CBE, Chair (a) (b) (c)
The Rt Rev’d Elizabeth Lane, Bishop of Derby, Vice-chair (c)
Diane Blausten, Senior Independent Director (SID)
(appointed to SID role in April 2024) (c)
Jim Clifford OBE (b)
Alyson Coates (appointed in November 2023) (a) (b)
Chris Coles (appointed in November 2023) (a)
Christopher Gillies, previous Honorary Treasurer
(term completed in November 2023) (a) (b)
Deborah Harris-Ugbomah FCA (b)
Helen Keppel-Compton (a)
Florence Kroll (b)
Sam Monaghan (c)
Nasima Patel (transferred to committee member in August 2023) (b)
Sarah Payne CBE (a) (c)
David Ramsden, Honorary Treasurer (from November 2023) (a)
Amelia Torode (sabbatical in 2023/24, stepped down May 2024) (c)



Members of committees

- Vincent Anane-Nimoh (b) (c)
- Sara Boiten (c)
- Duncan Brown (stepped down in October 2023) (c)
- Raj Cheema (appointed in November 2023) (b)
- Alison Hopkinson (a)
- Shivani Patel (stepped down in July 2023) (b)
- Nasima Patel (transferred to committee member in August 2023) (b)
- Gavanjit Sian (stepped down in August 2023) (a)
- Leon Ward (c)
- Vannessa Whitehead (b) (c)

Company Secretary

Elizabeth Walker

Chief Executive Officer

Mark Russell

Executive Director, Enabling Resources

Elizabeth Walker

Executive Director, Social Impact

Joe Jenkins

Executive Director, Youth Impact

Nerys Anthony

Executive Director, Diversity and Talent

Michelle Clark

External Auditor

Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

Bankers

Barclays plc, 1 Churchill Place, London E14 5HP

a. Member of the Finance and Investment Committee
b. Member of the Risk, Audit, and Compliance Committee
c. Member of the Organisational Development Committee

Trustee board and committee attendance (from 1 April 2023 to 31 March 2024)

Name	Trustee board	Finance and Investment Committee	Risk, Audit, and Compliance Committee	Organisational Development Committee	Trustee board away days
Trustee board members					
Diana Noble CBE, Chair of Trustees	4/4	3/4	3/4	4/4	2/2
Bishop Libby Lane, Vice-chair of Trustees	1/4			2/4	2/2
Diane Blausten, Senior Independent Director (appointed to SID role in April 2024), ODC chair	2/4			3/4	1/2
Jim Clifford OBE	4/4		4/4		1/2
Alyson Coates (appointed in November 2023)	3/3	4/4	4/4		n/a
Chris Coles (appointed in November 2023)	3/3	2/2			n/a
Chris Gillies, previous Honorary Treasurer and FIC chair (term completed in November 2023)	2/2	2/2	3/3		2/2
Deborah Harris-Ugbomah FCA, RACC chair	2/4		4/4		2/2
Helen Keppel-Compton	4/4	4/4			2/2
Florence Kroll	1/4		2/4		1/2
Sam Monaghan	4/4			4/4	1/2
Nasima Patel (transferred to committee member in August 2023)	0/1		2/4		2/2
Sarah Payne CBE (stepped down from FIC in November 2023)	4/4	1/2		4/4	1/2
David Ramsden, Honorary Treasurer and FIC chair (from November 2023)	4/4	4/4			2/2
Amelia Torode (sabbatical in 2023/24, stepped down in May 2024)	0/4			0/4	1/2

Name	Trustee board	Finance and Investment Committee	Risk, Audit, and Compliance Committee	Organisational Development Committee	Trustee board away days
Committee members					
Vincent Anane-Nimoh (transferred to ODC in October 2023)			2/2	2/3	
Sara Boiten				2/4	
Duncan Brown (stepped down in October 2023)				2/2	
Raj Cheema (appointed in November 2023)			2/2		
Alison Hopkinson		2/4			
Shivani Patel (stepped down in July 2023)			2/2		
Gavanjit Sian (stepped down in August 2023)		1/1			
Leon Ward				3/4	
Vanessa Whitehead (transferred to RACC in October 2023)			2/2	0/1	

Thank you to our supporters

We're so grateful to our strategic partners and funders supporting our work over the past year.

- Armed Force Covenant Trust
- Carol Kennedy
- Coinstar Ltd
- Islamic Relief UK
- Kennedys Law LLP
- Khaadi Corporation Limited
- Manchester Airport Group
- Rubie’s Masquerade UK
- Taylor Family Foundation
- The Aim Foundation
- The Christabella Charitable Trust
- The Co-op Foundation
- The Eveson Trust
- The Ofenheim Charitable Trust
- The Samworth Foundation
- The Sports Edit
- Vanish
- Wahegru Foundation



Glossary

Child abuse

When a child is being deliberately harmed or neglected, either by an adult or another child, this is child abuse. It might happen just once, or repeatedly over a longer period of time, and it can happen online and offline. It might be sexual, physical, or emotional abuse, or neglect (where a child is not given the love and care they need). The impact of child abuse may not always be obvious or physical.

Child exploitation

When someone gives a child things like gifts, drugs, money, gaming credits and skins, or affection and then forces them to carry out criminal or sexual activities, this is child exploitation. It can happen online or offline and can take different forms, including child sexual exploitation, child financial exploitation, and online child exploitation. The perpetrator may be an adult or someone of a similar age to the child who is being exploited.

Child financial exploitation

Sometimes, children are groomed or forced into carrying out fraudulent financial activities. That might include opening a bank account for a criminal or holding criminal money in their own account. This is child financial exploitation.

Child poverty

When a child grows up with limited or no access to the essential resources they need to survive and live a healthy, happy life, this is child poverty. For example, their family may not struggle to afford things like food, heating, clothing, or household bills. Households are considered to be below the UK poverty line if their income is below 60% of the median household income after housing costs for that year.

Crisis support

These services support children and young people who have already been put at risk of harm and experienced challenges in their lives, like criminal or sexual exploitation, abuse, or mental health issues. Crisis support is designed to help young people at crisis point, enabling them to process what has happened to them, feel safe, and recover.

Destitution

Households in destitution are defined by the Joseph Rowntree Foundation as those who have had to go without two or more essentials in the past month because they couldn’t afford them or because their income is extremely low (less than £95 a week for a single adult). Essentials are defined as having a home, food, heating, lighting, clothing, shoes, and basic toiletries.

Early intervention

Early intervention services work with children and young people at the earliest possible opportunity, supporting them before or as soon as things start to feel different or difficult in their lives. The Children’s Society’s practitioners at these services help to prevent young people from needing more intensive support in the future or reaching crisis point.

Mental health

Our mental health affects how we think and feel and how we cope with stress and relate to others. It can change throughout our lives. Some of us might experience mental health issues for a few months or a year; others might face more long-term challenges.

Online child exploitation

Online child exploitation is a form of child abuse. It happens when someone online preys on the needs, fear, and wants of the child they’re targeting to manipulate them. It can happen in lots of different ways. The child might be forced to do sexual or criminal things online or offline, like share intimate photos of themselves, steal, or carry drugs. The perpetrator may be an adult or someone of a similar age to the child.

Risk

When we talk about young people being at risk, we’re referring to factors and situations that might threaten a child’s safety – for example, abuse, exploitation, or neglect.

Systems change

Systems change (or systemic change) is about working collaboratively to redesign and influence positively the people, processes, rules, power, and structures that make up the systems impacting children and young people. In this way, we can break the cycles of disadvantage that perpetuate the challenges that young people are facing.

Wellbeing

Wellbeing is about how we’re doing. It’s about how we feel about our lives and ourselves. There are two different measures of wellbeing. Objective wellbeing focuses on social indicators of quality of life like health, education, and income. Subjective wellbeing is about personal experiences and an individual’s own view of how they feel about their lives. It can be affected by our mental and physical health and vice versa, as well as other things happening in our lives. It is not the same as mental health (see above).

Youth participation

Youth participation refers to the ways in which we actively engage with young people in our work. It includes activities like consultations and residentials, as well as other opportunities for young people to share their insights, stories, and experiences with us.

Youth voice

Youth voice describes the different ways we listen to and act on the views and experiences of young people in The Children’s Society’s work. We also have a Youth Voice domain within the organisation, led by our Chief Executive, Mark Russell. Our youth voice work is guided by our youth voice charter, which lays out how we enable, equip, and support young people to influence our work. See also page 52.

Endnotes

1

Based on the 2,001 children who completed our annual survey for The Good Childhood Report 2023. See: The Children’s Society. The Good Childhood Report 2023 [Internet]. 2023 [accessed 2024 Jun 14]. Available from: childrenssociety.org.uk/sites/default/files/2023-09/The%20Good%20Childhood%20Report%202023.pdf.

2

The latest available statistics for Households Below Average Income show that 30% of children are living in relative low income after housing costs. See: Department for Work & Pensions. Households Below Average Income: an analysis of the UK income distribution: FYE 1995 to FYE 2023 [Internet]. 2024 [accessed 2024 Jun 19]. Available from: gov.uk/government/statistics/households-below-average-income-for-financial-years-ending-1995-to-2023/households-below-average-income-an-analysis-of-the-uk-income-distribution-fye-1995-to-fye-2023#children-in-low-income-households.

3

This figure includes 2,787 parents and carers worked with at early intervention service events, 1,109 worked with at crisis support service events, and 6 parents and carers who attended events run by other colleagues across the organisation.

4

This is the number of professionals who attended events run and recorded by our young people’s services on Mosaic, our case recording system. This does not include professionals reached through policy work.

5

This figure includes anyone who has engaged with us in this financial year by giving their time (volunteering), money (regular or one-off donation), and voice (taken a campaigning action, such as signing a petition), as well as anyone who has opened an email, opened and clicked on a link in an email, or opened, clicked on, and submitted a form through an email.

6

Please note that volunteering figures are rounded to the nearest 100.

7

Tab 8, children and young people accessing mental health services, March 2024. Mental Health Services Monthly Statistics Dashboard [Internet]. 2024 [accessed 2024 Jun 28]. Available from: app.powerbi.com/view?r=eyJrljoiOTdjYzFiYTUtZmEwMi00ZTA2LTkxOGUtMDZmMmZ-jMThiZGNhliwidCI6IjM3YzM1NGlyLT-g1YjAtNDdmNS1iMjlyLTA3YjQ4ZDc-3NGVIMyJ9.

8

Department for Work & Pensions. Households Below Average Income: an analysis of the UK income distribution: FYE 1995 to FYE 2023.

9

Centre of expertise on child sexual abuse. Child sexual abuse in 2022/23: Trends in official data [Internet]. 2024 [accessed 2024 Jun 18]. Available from: csacentre.org.uk/app/uploads/2024/02/Trends-in-Official-Data-2022-23-FINAL.pdf.

10

In the 12 months to March 2023, more than 14,000 Children in Need assessments in England recorded ‘criminal exploitation’ as a factor. See: Centre for Social Justice. Criminal exploitation: modern slavery by another name [Internet]. 2024 [accessed 2024 Jun 4]. Available from: centreforsocialjustice.org.uk/wp-content/uploads/2024/02/CSJ-JC-Criminal_exploitation.pdf.

11

See, for example: Early Intervention Foundation. What is early intervention? [Internet]. n.d. [accessed 2024 Jun 4]. Available from: eif.org.uk/why-it-matters/what-is-early-intervention.

12

The Children’s Society. Good Childhood Report [Internet]. 2018 [accessed 2024 Jun 18]. Available from: childrenssociety.org.uk/sites/default/files/2023-08/GCR%202018.pdf.

13

The Children’s Society. The Good Childhood Report 2021 [Internet]. [accessed 2024 Jun 4]. Available from: childrenssociety.org.uk/information/professionals/resources/good-childhood-report-2021.

14

Children’s Commissioner. Over a quarter of a million children still waiting for mental health support [Internet]. 2024 [accessed 2024 Jun 14]. Available from: childrenscommissioner.gov.uk/blog/over-a-quarter-of-a-million-children-still-waiting-for-mental-health-support/.

15

ibid.

16

See, for example: Dr Rebecca Oswald, Dr Samantha Walker, Professor Sarah Soppitt, and Dr Adele Irving. Improving the hope of young people impacted by violence and exploitation [Internet]. 2024 [accessed 2024 Jun 4]. Available from: childrenssociety.org.uk/information/professionals/resources/hope-for-young-people-after-exploitation.

17

The Children’s Society. Feeling the strain [Internet]. 2023 [accessed 2024 Jun 5]. Available from: childrenssociety.org.uk/sites/default/files/2023-11/feeling-the-strain.pdf.

18

Bronfenbrenner U. The ecology of human development: Experiments by nature and design. Cambridge, MA: Harvard University Press; 1979.

19

Compared to the other aspects of life they were asked about in our annual household survey. See, for example: The Children’s Society. The Good Childhood Report [Internet]. 2022 [accessed 2024 Jun 5]. Available from: childrenssociety.org.uk/information/professionals/resources/good-childhood-report-2022.

20

928 young people supported by our early intervention services completed a user satisfaction survey; 452 young people supported by our crisis services completed the survey. Additionally, 9 young people completed the survey but did not specify the service they had been supported by.

21

Response options for the questions in our user satisfaction survey are: ‘most definitely’, ‘a little bit’, ‘I’m not sure’, and ‘not at all’. For the purposes of reporting on our user satisfaction data throughout this document, we combine ‘most definitely’ and ‘a little bit’ to represent a positive response.

22

We measure the impact of our direct support work in different ways. The outcomes data referred to in this report comes from our outcomes monitoring tool MyWheel. This is used with young people at regular intervals (looking at things like safety, hopes and dreams, having a say, family, friends, physical health, and emotions) to record their journey of change through their work with us.

23

For more detail, see Forward Thinking Birmingham’s website: forwardthinkingbirmingham.nhs.uk.

24

Quotes provided by young people supported by Pause who filled out a user satisfaction survey.

25

See previous endnote.

26

In October 2022, Barnardo’s reported that 54% of parents had been forced to cut back on food spending in the past twelve months, and a quarter of parents said that their child’s mental health had worsened due to their financial situation. See: Barnardo’s. At what cost? [Internet]. 2022 [accessed 2024 Jun 4]. Available from: barnardos.org.uk/research/what-cost-impact-cost-living-children-and-young-people. See also: The Children’s Society. Feeling the strain. 2023.

27

See, for example: Early Intervention Foundation. Why early intervention matters [Internet]. n.d. [accessed 2024 Jun 4]. Available from: eif.org.uk/why-it-matters.

28

Quotes provided by young people supported by CARE who filled out a user satisfaction survey.

29

See previous endnote.

- 30** See, for example: YoungMinds. Understanding trauma and adversity [Internet]. n.d. [accessed 2024 Jun 4]. Available from: [youngminds.org.uk/professional/resources/understanding-trauma-and-adversity/](https://www.youngminds.org.uk/professional/resources/understanding-trauma-and-adversity/).
- 31** We're also part of numerous other temporary coalitions as part of our policy work that are not included in this figure, which refers only to permanent coalitions.
- 32** It is difficult to estimate the impact of this policy change as 22 of the hubs impacted will not be run by The Children's Society. This figure is based on the average number of children and young people that we support through our own Pause and Beam drop-in services (approximately 3,500 annually per service) multiplied by the number of services impacted by this funding (24).
- 33** In the Spring Budget 2024, the Government announced that it would extend the Household Support Fund to help vulnerable households with the cost of living, providing an additional £500 million so that the scheme could continue in England from April to September 2024. See: Prime Minister's Office. The Spring Budget 2024: What you need to know [Internet]. 2024 [accessed 2024 Jun 14]. Available from: pm-priorities.campaign.gov.uk/the-spring-budget-2024-what-you-need-to-know/.
- 34** Local authorities make around 20 million awards per year from the Household Support Fund. Our estimate uses the last available set of grant management information (see: gov.uk/government/publications/household-support-fund-3-management-information-1-october-2022-to-31-march-2023/household-support-fund-3-management-information-for-1-october-2022-to-31-march-2023) and assumes that the spending for the six-month extension will be similar. However, it should be noted that upcoming spending will be over the summer, when spending on free school meal provision could be higher. In the six-month period for October 2022 to March 2023, £264,144,777 was spent on families with children in England. This is 6.4 million awards to families with children, but households may have received multiple awards so there may be double counting.
- 35** Department for Work & Pensions. Estimated number and type of GB families and individuals in families benefitting from the up-rating of benefits in 2023 to 2024 [Internet]. 2022 [accessed 2024 Jun 21]. Available from: gov.uk/government/statistics/families-and-individuals-in-families-benefitting-from-the-up-rating-of-benefits-2023-to-2024/estimated-number-and-type-of-gb-families-and-individuals-in-families-benefitting-from-the-up-rating-of-benefits-in-2023-to-2024#families-in-scope-for-benefit-up-rating-next-year.
- 36** Working Together is statutory guidance that helps agencies work together to help, protect, and promote the welfare of children. This estimated impact is based on the number of times extra-familial harm (going missing, gangs, trafficking, child criminal exploitation, socially unacceptable behaviour) was identified as a factor during assessment by children's social care in England in the year to 31 March 2023, according to the latest available data. Note that some children may have multiple factors identified, so the number does not equate to the number of children.
- See: GOV.UK. Children in need [Internet]. 2023 [accessed 2024 Jun 20]. Available from: explore-education-statistics.service.gov.uk/find-statistics/characteristics-of-children-in-need.
- For the Working Together guidance, see: Department for Education. Working together to safeguard children [Internet]. 2024 [accessed 2024 Jun 19]. Available from: gov.uk/government/publications/working-together-to-safeguard-children--2.
- 37** Child criminal exploitation was identified as a factor 14,420 times during assessment by children's social care in England in the year to 31 March 2023, according to the latest available data.
- See: GOV.UK. Children in need.
- For the guidance, see: Home Office. Money laundering-linked financial exploitation: guidance for frontline professionals [Internet]. 2024 [accessed 2024 Jun 19]. Available from: gov.uk/government/publications/money-mule-action-plan/money-laundering-linked-financial-exploitation-guidance-for-frontline-professionals-accessible.
- 38** See, for example, our Good Childhood Reports and Feeling the strain report.
- 39** See endnote 33.
- 40** See endnote 34.
- 41** Fund the Hubs is a long-running influencing campaign involving The Children's Society, the British Association for Counselling and Psychotherapy, the Children and Young People's Mental Health Coalition, Centre for Mental Health, Global Back Thrive, Mind, YoungMinds, and Youth Access.
- See: Mind. Fund the Hubs [Internet]. n.d. [accessed 2024 21 Jul]. Available from: mind.org.uk/news-campaigns/campaigns/children-and-young-people-mental-health/fund-the-hubs/.
- 42** The Shared Outcomes Fund is a UK government fund, set up in 2019, that tests innovative ways of working across the public sector, with an emphasis on thorough evaluation and whether small-scale projects can be scaled up. See: GOV.UK. Shared Outcomes Fund Round Three [Internet]. 2023 [accessed 2024 Jun 18]. Available from: gov.uk/government/publications/shared-outcomes-fund-round-three.
- 43** See endnote 32.
- 44** In 2023/24, we relaunched this campaign to exempt care leavers in England from council tax. 2,358 supporters emailed their local councils, and eight councils confirmed changes to their council tax policy. Following years of successful campaigning, this means that 249 councils in the country now offer council tax exemptions for care leavers – 78% of all councils in England.
- See also: The Children's Society. Fight for a fairer start for care leavers [Internet]. n.d. [accessed 2024 Jun 4]. Available from: childrenssociety.org.uk/what-we-do/our-campaigns/fairer-start-for-care-leavers.
- 45** The Children's Society. Helping families in crisis get the money they need [Internet]. n.d. [accessed 2024 Jun 4]. Available from: childrenssociety.org.uk/what-we-do/our-campaigns/strengthening-safety-net.
- 46** Active supporters includes everyone who has given their time, money, and voice to support The Children's Society in the last year. Note that the total is less than the sum of time, money, and voice, as supporters can appear in more than one category. Broadly speaking, 'time' relates to actions that involve giving up time or volunteering (for example, our house box coordinators, speakers, volunteers, fundraising committee members); 'voice' refers to active support for campaigns or petitions; and 'money' refers to any donations received. Also note that this figure differs from the number of people who actively engaged with us in 2023/24, as reported in the Year in review section. See also endnote 5.
- 47** Note that 'reach' refers to the number of opportunities for a particular audience to see or hear a news piece. We use a media monitoring and reporting software called Vuelio to track our media performance. This software tracks the number of mentions in the press of particular stories, removing any duplicate pieces, and uses known figures on the potential reach of a publication or radio station to calculate total reach.

- 48 See previous endnote.
- 49 Campaign actions include, for example, signing up to petitions or emailing MPs or local councillors.
- 50 Figure correct as at 30/05/24, which extends beyond our reporting period. More detailed data on the reach and impact of this campaign is not yet available.
- 51 See previous endnote.
- 52 Action for Children, Barnardo’s, National Children’s Bureau, NSPCC, and The Children’s Society. Children at the table: A roadmap for putting children at the heart of the next government. 2023 [accessed 2024 Jun 4]. Available from: **[childrenatthetable.org.uk/wp-content/uploads/2023/11/PuttingChildren_YP_AtHeartOfGov.pdf](https://www.childrenatthetable.org.uk/wp-content/uploads/2023/11/PuttingChildren_YP_AtHeartOfGov.pdf)**.
- 53 In April 2024, the British Medical Association noted that for Children and Adolescent Mental Health Services (CAMHS), since 2016 the number of children and young people in contact with these services has expanded at four times the pace of the psychiatry workforce. They also noted that spending on mental health is not increasing at a fast enough rate and is not keeping pace with overall NHS England expenditure. See: British Medical Association. Mental health pressures in England [Internet]. 2024 [accessed 2024 Jun 4]. Available from: **[bma.org.uk/advice-and-support/nhs-delivery-and-workforce/pressures/mental-health/pressures-data-analysis](https://www.bma.org.uk/advice-and-support/nhs-delivery-and-workforce/pressures/mental-health/pressures-data-analysis)**.
- 54 See: Children’s Commissioner. Over a quarter of a million children still waiting for mental health support. 2024.
- 55 Mind. Young people’s mental health referrals reach record half a million as cost-of-living bites households [Internet]. 2024 [accessed 2024 Jun 4]. Available from: **[mind.org.uk/news-campaigns/news/young-people-s-mental-health-referrals-reach-record-half-a-million-as-cost-of-living-bites-households/](https://www.mind.org.uk/news-campaigns/news/young-people-s-mental-health-referrals-reach-record-half-a-million-as-cost-of-living-bites-households/)**.
- 56 See, for example, Early Intervention Foundation. Why early intervention matters.
- 57 For more information, see the Employers Network for Equality & Inclusion website: **enei.org.uk/resource/employer-guides/tide-talent-inclusion-and-diversity-evaluation/**.
- 58 Note that the number of courses accessed is higher due to course changes and content curation.
- 59 With a bold, ambitious strategy, The Children’s Society is investing in significant growth in our income and impact over the next five years. However, in the short term we must reduce our yearly expenses to align with our expected income. This move is essential to tackle current challenges and safeguard our long-term investments. We’ve taken measures to tighten our budget extensively, looking at both staff costs and non-staff costs. We are now proposing a small number of changes in staffing and adjustments to our structure to support our strategic goals and focus on areas that will increase our impact for young people and secure our future sustainably. This change process is known as evolution 24.

Every young person has the right to be safe, happy, and hopeful about their future.

That's why we run services and campaigns to help children transform their lives and to change the systems that are putting young people in danger. Together, we can protect every childhood.

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X: @childrensociety

Instagram: @thechildrensociety

Facebook: childrenssociety

Tel: 0300 303 7000

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