A young girl with curly hair is looking through a magnifying glass. She is smiling and has a visible injury on her arm. The background is a bright, indoor setting with a window and curtains.

NSPCC

Annual Report and Accounts 22/23

EVERY CHILDHOOD IS WORTH FIGHTING FOR

**Protecting
children today,
preventing
abuse
tomorrow**

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Welcome

From our chair



Neil Berkett

Neil Berkett
Chair of trustees

As we mark the second anniversary of our bold and visionary 10-year strategy, we proudly present this annual report. Here we delve into the progress made in bringing this strategy to life. The unwavering dedication and hard work of our colleagues, volunteers, and partners is essential. They're collaborating towards our ongoing mission, protecting children and preventing abuse and cruelty across the UK and Channel Islands. Empowering children and their families to live their best lives.

Our strategy sets out three primary areas of focus. Our exceptional volunteers and employees have been diligently working towards these goals. Firstly, we strive to engage everyone in preventing child abuse, aiming to provide increased support and prioritising prevention. Secondly, we're dedicated to ensuring every child's safety online. We're working together to transform the digital landscape. We want digital to be a secure environment for all children. Thirdly, we're committed to creating a safe, supportive space for every child. Enabling them to voice their concerns, share their experiences, and shape a robust support network.

Over the past year, the UK has faced significant political and social turmoil. The cost-of-living crisis is increasing stress on families already reeling from the pandemic. Frontline organisations providing community support are experiencing the strain. Consequently, it has become increasingly vital to listen to children's concerns. We must understand the impact of these events on their lives. We're prioritising amplifying and uplifting children's voices to inform our policy and work.

Our dedicated volunteers remain the lifeblood of our organisation. They're donating their time and expertise to create a future free from child abuse. Alongside our employees, partners, and stakeholders, they form a powerful safeguarding network. Our volunteers are helping to keep children safe. Partnerships and services, such as Childline and the NSPCC Helpline, continue to extend our reach.

None of this would be possible without generous public donations. Donations constitute over 80% of our income. This tremendous public support reinforces our mission and fuels our determination.

I would also like to acknowledge the tireless efforts of NSPCC's Chief Executive, Sir Peter Wanless, an inspirational leader who consistently advances us towards our ambitious goals.

On behalf of The Board, I extend my sincerest gratitude to everyone who contributes to our work. Your unwavering dedication brings us closer to eradicating child abuse and cruelty, allowing children to embrace brighter, more positive futures.





Welcome

From our chief executive



Sir Peter Wanless
Chief Executive
Officer

In recent times, we've faced a seemingly endless stream of challenges. "Unprecedented times" became a familiar phrase during the coronavirus pandemic, and it remains relevant. Since my last introduction to our annual report, we've witnessed changes in leadership with three Prime Ministers, the conflict in Ukraine escalating into war, the loss of our longest-serving monarch and a cost-of-living crisis.

Feeling overwhelmed and drained by constant uncertainty is only natural. Our Childline counsellors engage daily with young people who are anxious about their family's well-being, their own futures, and their need for support amidst these difficulties. As a charity, our duty is to stand by children and families when they need us most, regardless of the challenges we face. For over a century, we've been a steadfast presence for children throughout wars and pandemics, consistently finding ways to offer vital support and guidance.

Amid the turbulence of daily life, it's essential to focus on some positive developments. Over the past year, the NSPCC has achieved remarkable successes for children. Our hubs across the country have truly flourished, fostering local relationships, nurturing regional identities, and creating local plans that align with our national ethos. Seeing teams collaborate to develop locally relevant campaigns and provide the best and most relevant services for their regions is genuinely inspiring.

The recent launch of our newest campaign, Listen Up, Speak Up, exceeded expectations, garnering over double the anticipated signups and shared vital safeguarding messages to individuals and communities nationwide. Our goal is to cultivate a nation of safeguarders, empowering everyone with the confidence and knowledge to keep children safe. The Listen Up, Speak Up campaign is a fantastic step toward this goal, and I'm excited to see its future development.

Our NSPCC Learning website has attracted 2.8 million visitors, bringing us closer to realising our vision of becoming the preeminent source for safeguarding information and training for professionals working with children.

We continue to make progress on the Online Safety Bill, now nearing its final stages. The establishment of robust legislation and an effective regulator presents a once-in-a-lifetime opportunity to shield future generations from online abuse. I hope that by our next annual report, we can celebrate the bill's enactment into law.

In 2022/23, our Childline service conducted 195,542 counselling sessions for children and young people across the UK and Channel Islands. Mental/Emotional health and wellbeing remains the top concern, accounting for more than half (55%) of all counselling sessions. The Childline website and our online message board also saw a significant number of young people seeking crucial support and advice on mental health. As a result, we initiated our Day in the Lonely campaign, urging children and young people to address their mental health concerns and seek help early.

We live in unprecedented times, but there are some constants. The NSPCC will always put children first, ensuring they are not defined by pandemics, world events or the cost-of-living crisis. We will persist in speaking truth to power, identifying gaps, and delivering services and support to children at risk or being failed. Together, we stand resolute in our mission to keep children safe and create a safer world for them to thrive in.

Hello...

From our Young People's Board for Change



William Blewitt, 17
Member of YPBC 21-23, now YPBC Alumni

When I came to write this, I found it to be an incredibly difficult task. To summarise the activities of the Board in the last year is much easier said than done. This is not because of a lack of possible content, quite the contrary, but from the sheer amount of projects and events that we have worked on and contributed to. From influencing social media campaigns and strategies to speaking in events in the House of Lords. There are however, two main events that have been the most incredible for me on a personal level, those being the Parliamentary Reception and the Common Sense Media Event.

Last summer, I was incredibly privileged to be present for a Parliamentary Reception in the House of Commons in support of the now nearly passed Online Safety Bill. At the event, we listened to harrowing stories on the danger that a deregulated and unsafe internet can have. Not only the life changing impacts that it has on the person themselves, but also on their loved ones. I became increasingly aware of the magnitude and importance of the project I was working on, making me even more desperate to do all I could to ensure that this Bill received the support and changes that it needed.

Fast forward to May 2023, in the first Alumni Event, I had the incredible opportunity to be part of a young person's panel at a Common Sense Media Event on how we can protect children's mental health online. We outlined the issues faced by young people and the key changes we want to see. The reaction from those present was incredible, so many people wanting to discuss their thoughts and potential actions and solutions.

To finish, there are two main things I wish to address. Firstly, my genuine sadness that these amazing two years have come to an end. To work on such a great amount of amazing projects with truly incredible people has been the pleasure of a lifetime. Secondly, and even more importantly, I wish the new board the absolute best of luck. I hope for them this is as life changing and truly wonderful as it has been for me and that they too, can leave their mark on this charity and the UK.



Our strategy

Our vision What we want to achieve for children by 2031:

Together, we can stop child abuse and neglect.

Through the collective power of our staff, volunteers, supporters and partners, and our 100 years of experience, we will move closer to achieving that goal.

The difference we want to make:

Outlined below are the three areas we must address in order to make the most progress towards our overall vision to **stop child abuse and neglect**.

1

Everyone plays their part to prevent child abuse

We'll work together to make it easier for everyone to play their part and create a social safety net that prevents child abuse and neglect.

2

Every child is safe online

Together, we'll transform the online world, so it's safe for every child to go online.

3

Children feel safe, listened to and supported

More children will be able to speak out, so they feel safe, listened to and understood – and abuse doesn't shape their future.

Why these three areas?

Our strategy is driven by children's experiences in the UK and Channel Islands. And it's built on our strengths, credibility and experience, along with insight from our staff, volunteers, and those we work with.

Each of these focus areas contribute something different. On their own, they will see us making significant and necessary changes for children. And they build on each other – collectively, making change across these three areas will make a huge impact for children.

Our guiding principles

Our seven principles will shape and guide everything we do: influencing how we work together and how we support children and young people.

We will:



Focus more on preventing child abuse and neglect



Be inspired and led by children



Work in partnership



Embed equality, diversity and inclusion



Inspire more people to be there for children



Be trauma informed



Build on our strengths



To effectively deliver our strategy, we have drawn out seven principles that will shape and guide everything we do for children and young people.

Focus more on preventing child abuse and neglect

Prevention is in our name; it's at the heart of what we do. We'll continue to prevent abuse and neglect from happening in the first place and concentrate on stopping it faster once it's started.



Be inspired and led by children

We'll involve children and young people in our work and decision-making through meaningful participation. We'll continue to listen to them, learn from them, and be inspired by them.



Work in partnership

We'll work together with everyone – from schools to local authorities and corporate partners – to reach more children and prevent child abuse and neglect. And, by working together with communities, we'll strive to be nationally significant and locally relevant – balancing our responsibility as a national charity with responding to local need.



Embed equality, diversity and inclusion

We believe every childhood is worth fighting for. Together, we'll remove real and perceived barriers to inclusion and diversity. Because recognising, embracing and valuing difference leads to improvements for all.



Inspire more people to be there for children

We'll inspire more people to be there for children, to keep children safe and make the biggest difference to children's lives, together.



Be trauma informed

All of our work with children will be underpinned by an understanding of trauma. We'll help others with this too – developing a shared awareness of trauma and making sure all children get the response and support they need.



Build on our strengths

We're drawing on over 100 years of experience. We'll do the things we do well – that others can't, won't or don't do. We'll do more to be present in communities, understand their needs and work with them to shape what we do.

Objectives and achievements

Throughout the second year of our 2021-31 strategy, we put children's and families' needs at the forefront while laying the foundations for achieving our 10-year goals.

- Our strategy has three areas of focus, which will work together to impact children and young people, progressing towards our overall vision: to stop child abuse and neglect.
- We've made good progress against our objectives. In 2022/23, we met or exceeded our targets for 65% of our impact framework measures. We were close to target for a further 12%, which was the same as the previous year. This section of the report summarises how we reached our three goals between 1 April 2022 and 31 March 2023.



Goal 1

Everyone plays their part to prevent abuse

At the NSPCC, we work together to make it easier for everyone to play their part, creating a social safety net that prevents child abuse and neglect. Children interact with a range of services and adults every day, such as teachers, sports coaches, neighbours, grandparents and delivery people, so we want to make sure everyone knows what they can do to keep children safe. This year, we've done some incredible work, successfully sharing our expertise with a wide range of audiences. As well as this, we've continued to provide services and campaigns to support children and families in a variety of ways.

Talk PANTS

Talk PANTS helps children understand that their body belongs to them, and they should tell someone they trust if anything makes them feel upset or worried. We have developed a range of PANTS guides for parents, carers and children, including guides in 5 different languages and guides for people with a disability.

1,382,915 parents had a conversation with their child about Talk PANTS in the last year, a 7% increase from the previous year. In June 2022, we launched PANTS Makaton. The new resources aim to help parents and teachers to talk to children with a range of needs about keeping safe from sexual abuse. Resources have been created in partnership with The Makaton Charity. Our video playlist created to keep children who communicate using Makaton safe has had 8,326 views across the 13 videos. We have been working with the Personal, Social, Health and Economic (PSHE) Association to develop a range of new lesson plans and resources

for primary schools and early years settings, launching in the summer of 2023.

Events in local communities

One of our strategic principles is to work in partnership. By working together with others, we believe we'll reach more children, and we'll better achieve our ambition to be nationally significant and locally relevant.

There were 61,335 attendances by children, parents and the public, and adults who work or volunteer with children at our local community events, including our Together for Childhood local events. This was 84% more than our target and 69% more than the year before. Events included sessions for speech and language therapists as part of the Midlands' Look Say Sing Play campaign, an online safety webinar for Ministry of Defence staff, an online bullying webinar for members of the Hindu BAPS community, and delivery of a play and interactive discussions in schools on the impact of sharing nudes.

Listen Up Speak Up

We piloted *Listen Up Speak Up*, the campaign in our wider 'movement for change' programme, which aims to inspire a million people to help keep children safe. Over 21,000 people signed up to the campaign, more than double our target, of whom over 11,000 completed the digital training, and 265 attended local workshops.

Once people had completed the training, they'd learned how to spot the signs of child abuse and neglect, knew the steps to take if they were concerned about a child, and knew where to go to access support. 92% of the local workshop participants and 82% of campaign sign-ups completing a feedback survey agreed the campaign has made them more likely to take action to help keep children safe. We're reviewing the pilot to inform how we'll grow the campaign in the future.

"The information provided was great: I'm more likely to reach out for support if I see something that worries me."
Local session participant.



"I liked that [the training] was short and sharp. I eat and drink safeguarding, but I'm aware colleagues [at school] aren't immersed in it every day."
Online sign-up

NSPCC Helpline

"I run an arts club, and we've had some safeguarding training, but this wasn't something I knew how to handle. A parent told me there were rumours that some of the children were sending really awful videos to each other; violent gore videos, self-harm videos, pornography and some that might be children being sexually abused. I told the parent to contact NSPCC Helpline but wanted to make sure I got this information referred to the police and Child Services as well. I didn't realise NSPCC Learning had guides for this, I really appreciate the extra resources to improve our safeguarding."

Club Leader, NSPCC Helpline

The NSPCC Helpline provides adults with advice, guidance and support and can take action on their behalf if they have concerns about a child who is either being abused or is at risk of abuse. NSPCC Helpline wants everyone from parents and professionals to the wider public to know that they can contact the service, whatever their worry, and without hesitation.

We answered 59,282 contacts this year, which was 23% below target, and 11% less than last year. 30% of contacts resulted in a new referral to an external agency or an update to an existing referral, and the remaining 70% of contacts received advice. Due to changes in our service offerings in 2022/23, it's difficult to make direct comparisons to previous years. We experienced capacity challenges throughout the year. So we could provide a quality service, the voice service was removed for a short period. However, NSPCC Helpline has always remained open via email.

The NSPCC Helpline runs specific lines in partnership with external agencies. Currently, we have partnerships with two holiday companies. We work together to identify safeguarding incidents that involve UK residents

Snapshots are based on real NSPCC Helpline contacts but are not necessarily direct quotes. All names and potentially identifying details have been changed to protect the identity of the child and/or adult involved

travelling overseas. This year we received over 280 safeguarding incident reports. Many reports included domestic abuse. Our NSPCC Helpline staff delivered a workshop to managers at one of the holiday companies. The workshop focussed on types of domestic abuse, the impact on children and how we can work together to safeguard children and the non-abusing parent.

Supporting professionals to keep children safe

NSPCC Learning, our offer for professionals, performed strongly this year, helping more people improve their safeguarding of children. There were over 2.8 million visitors to the NSPCC Learning website, and we launched three new e-learning courses this year: Safer sports events, mental health and wellbeing safeguarding in education training and Sharing nudes and semi-nudes training. Our e-learning courses were completed 58,342 times this year, and although this was 14% below our target, this was 5% more than the previous year. NSPCC safeguarding training was attended 6,913 times, 21% lower than target and 13% more than last year. Attendance at our in person training was affected by train strikes and staff capacity issues. This year we received positive feedback for our updated courses for Designated Safeguarding Officers and Leads.

Influencing national laws and policy frameworks to create a social safety net that prevents child abuse and neglect

We know that preventing abuse is a task that's much bigger than the NSPCC. A key to keeping children safe is making sure that laws and systems have children's needs rooted into them. We use our influence so that best practice is adopted to better protect children. 12 policy and practice changes were influenced by the NSPCC this year, which was 33% above target and the same as last year.

In February in England, the Government published its long awaited children's social care implementation strategy.

The strategy was published in response to the Care Review and the National Safeguarding Panel Review into the deaths of Star Hobson and Arthur Labinjo-Hughes. Our response welcomed the strategy as a once in a generation opportunity to reset children's social care in England. But, we highlighted that its core aims will not be realised without sufficient funding and political leadership.

In Northern Ireland, we engaged with the Department of Health about the adoption assessment process Annual Report & Accounts 2022/23 following the tragic death of Leiland James Corkill. As a result, the Department of Health has now written to all trusts and voluntary adoption agencies to highlight the requirement for prospective adopters' views on physical punishment to be assessed and reported upon within their adoption assessment.

IICSA Changemakers

The final recommendations from the Independent Inquiry on Child Sexual Abuse in England and Wales (IICSA) were published in October 2022. The Inquiry's conclusions present a significant opportunity for policy and practice change to prevent child sexual abuse and enhance the response when it does occur. In November, a Senior Leaders Event held by IICSA welcomed 80 delegates from across relevant sectors and included an address from Inquiry Panel members and the NSPCC's Chief Executive. This meeting aimed to encourage those in the room to work together to ensure the Inquiry led to lasting change. Since then, the NSPCC has stepped up to coordinate further cross-sector activity, establishing an informal group called the IICSA Changemakers. Their shared mission is to inspire a national mission to prevent child sexual abuse and provide much improved support to victims and survivors. 64 organisations now form the IICSA Changemakers and a programme of agreed activity is set for the coming year.

Goal 2

Every child is safe online

Together, we'll transform the online world so it's safe for every child to go online. This year, we've started fantastic work in this area, and it'll play a pivotal role in the achievement of our strategy in the years to come.

Online Safety Bill

The Online Safety Bill has progressed despite political upheavals. There was significant cross-party support from MPs in the parliamentary debates for the NSPCC's priority areas, including the creation of a user advocacy body for children and senior manager liability. We provided oral evidence to the Lords Digital and Communications Committee on the Bill in December in advance of the Bill moving to the House of Lords in January.

In November 2022, nine members of our Young People's Board for Change visited the House of Lords to share their views on online safety with Peers. The event enabled Peers to speak with young people about their experiences of the online world and was also an opportunity to raise the need to introduce a user advocacy body to act as an independent voice for children. Young People's Board for Change members also handed in two letters to the Department for Digital, Media, Culture and Sport calling for an

Online Safety Bill which listens to young people's experiences of being online – one which they had written themselves and one signed by almost 40,000 NSPCC campaigners.

Oak Foundation

Last year we started using the funding we were awarded from the Oak Foundation. Funding will progress our research and advocacy work on online safety and help secure the strongest possible regulation of online platforms in the UK, Channel Islands and EU. We've been able to use the proceeds to fund polling and events to aid our advocacy work on the Online Safety Bill. Additionally, we've commissioned an evidence review of online harms and research into current and future risks to children using the Metaverse.

Report Remove

To support young people to remove sexual images or videos of themselves online, the Internet Watch Foundation (IWF) and NSPCC developed the world-first Report Remove tool, which was launched in June 2021. There were 283 reports made to the IWF via Report Remove this year, which was 66% above target and considerably higher than the 129 reports made last year. Of these, 174 reports could be actioned by the IWF.

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Since the launch of Report Remove, in partnership with the IWF, we have continued to innovate to ensure the tool can support all children. We heard from children and adults that ID to prove they're under 18 can be a barrier to self-reporting images, so at the end of February 2023, we removed mandatory age verification, which means children will no longer need ID to make a report. They can, however, still choose to use ID, which will help get their content removed from even more places.

“Thank you for sharing Report Remove with me. I sent a sexual video over Messenger then they started blackmailing me, saying they were going to release it. I couldn't cope if other people saw it. I spoke to my parents, and they said I should block them, make a CEOP report (a report to the Child Exploitation and Online Protection Centre) and speak to Childline. We didn't know what to do if they did really post it so knowing about Report Remove is really helpful”
(Gender not specified, unknown age)

Snapshots are based on real Childline service users but are not necessarily direct quotes. All names and potentially identifying details have been changed to protect the identity of the child or young person involved.





Local campaigns

This year over 4,900 parents and carers took part in Keeping Children Safe Online workshops. Workshops give parents and carers information and advice on managing the risks and opportunities the online world presents to their children. Workshops also build their confidence using tools that can help to keep their children safe. Additionally, we delivered online safety workshops to the Ministry of Defence.

Partnerships

In February 2023, we launched a new online wellbeing campaign, “Positively Online”, supported by Jo Malone London. The campaign includes six top tips, two videos and a quiz that families can take together and aims to get parents talking to their kids about online wellbeing and what we can all do to feel more positive when using the internet.

This year we joined forces with Vodafone to help parents navigate the online world safely. Vodafone has produced a new parental resource Digital Parenting Pro which provides information about the different social media platforms and their parental controls and safety settings. The resource includes tips from our experts about how to help keep children safe online, such as encouraging your child to open up and how to look for signs that something might be wrong. In the first two weeks, the NSPCC tips page received 65,000 views.

Vodafone has produced a new parental resource which includes tips from our experts about how to help keep children safe online. **In the first two weeks, the NSPCC tips page received 65,000 views.**



Goal 3

Children feel safe, listened to and supported

We want more children to be able to speak out so they feel safe, listened to and understood. By working together to give children the supportive response they need, we can also make sure abuse doesn't shape their future. We want to build on and share our expert support to help children recover if they've experienced abuse.

Speak out Stay safe

Sarah Oliver, headteacher for Rowledge C of E Primary in Farnham, shares how her pupils have engaged with the online *Speak out Stay safe* programme:

"The SOSS online assembly is well-made, and the introduction of Ant and Dec is genius. The children absolutely love them, and it makes the offering very current. With the programme's goal to ensure children know how to access support, if they need it.

One of the pupils' main takeaways from SOSS is that they are supported in telling someone if they think there's a problem. Pupils are encouraged to not only critically think about if something doesn't feel right but listen to any butterflies in their tummy which might indicate that they need to confide in someone.

SOSS has also been an effective way to support my schools' safeguarding duties and link directly to the curriculum. I've seen it happen many times in education that you're told to deliver a subject but aren't given the right resources, so the NSPCC's programme is pivotal for tackling an issue that's so close to my heart".

Speak out Stay safe is delivered to primary schools through our Schools Services volunteers. It is our established safeguarding programme for primary schools across the UK and the Channel Islands. It empowers children to recognise abuse in all its forms and signs of it; that abuse is never a child's fault and that they have the right to be kept safe; and where to get help and the sources of help available to them, including our Childline service. It's important that children with additional needs and disabilities don't miss out on vital safeguarding messages. Our *Speak out Stay safe* programme for children with additional needs includes specially adapted resources, which cover how to recognise abuse, and which trusted adults to turn to for help.

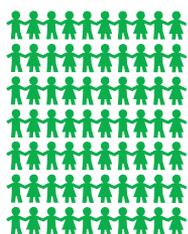
We reached 1,235,635 children in 5,332 schools this year, 24% above target and 38% higher than last year. We were thrilled to reach so many children. We revised our *Speak out Stay safe* offer in response to lockdowns caused by the coronavirus pandemic, establishing the virtual assembly as our primary model of delivery.

This year we have rerecorded the virtual assembly offer to include updated and more inclusive artwork and animation, along with British Sign Language or Welsh dialect British Sign Language resources as standard. In addition to the assembly, the programme includes a workshop for children aged 9-11. This in-person session is delivered by our volunteers where resources are available and is a more interactive look at signs of abuse and who children can talk to if they're worried about something. This year we delivered in person workshops in 1,927 primary schools.

Childline

Childline is a 24 hour, 365 days a year service to help anyone under the age of 19 in the UK or the Channel Islands with any issue they're going through. Trained counsellors are available by phone, email or chat to talk to about anything big or small. Our Childline counsellors are across the UK and Channel Islands in 12 bases as well as a team of counsellors who answer emails to Childline from home. The service is confidential, which means they don't share what young people say without consent unless we believe the young person is in danger, seriously hurting another person or being hurt by someone in a position of trust. As well as having a team of counsellors, Childline has a website which contains a wealth of information across a huge range of topics; there are also tools and games that young people can access for fun or to help them cope with their worries.

Through 2022/23, Childline has continued to listen to and respond to children and young people's needs for help and support. We delivered 195,540 counselling sessions this year, 13% less than target and 5% fewer than last year. Childline continues to face challenges in providing enough capacity during the busiest periods: evenings and weekends are often the hardest shifts to fill with volunteers. We're focusing on recruiting more volunteers and getting them trained as efficiently as possible, as well as ensuring our existing volunteers are well engaged and feel valued for the brilliant contribution they're making to support children.



Our *Speak out Stay safe* programme reached **1,235,635 children in 5,332 schools** this year, **24% above target and 38% higher than last year.**



"I just wanted to say I was able to call Childline today, and I'm feeling so proud of myself. I was really nervous at first, but the person on the phone said it was absolutely fine, take your time. They made me feel so relaxed that I was able to push through and talk honestly about how I'm feeling. I'm so happy that I managed to do it, so thank you."
Gender not specified, 13



In our most recent survey with children and young people, 78% of them said they trust Childline. This was the highest out of the last five years of the survey and three percentage points higher than both our target and last year.

Snapshots are based on real Childline service users but are not necessarily direct quotes. All names and potentially identifying details have been changed to protect the identity of the child or young person involved.

“This is just a quick message to say thank you all so much for all the help and advice you gave me last year. The issues with my family are still a work in progress – we still have our ups and downs – however, there’s definitely been improvement, and I feel so much more positive about things. Thank you again from the bottom of my heart! Hopefully, things just get better from here.”
Girl, 18



In our most recent survey with children and young people, **78% of them said they trust Childline**. This was the highest out of the last five years of the survey and **three percentage points higher than both our target and last year**.



Talk Relationships

We've found that over half of young people report that teaching in school 'rarely' or 'never' covers what they want to know about relationships, sex and sexuality, and in response to a joint NSPCC and NASUWT survey, 46% of secondary school teachers said that they do not feel confident about teaching sex and relationships education.

Talk Relationships supports educators to increase their knowledge, skills and confidence to deliver sex and relationships education. It also helps them know what to do if a young person makes a disclosure about an unhealthy relationship.

This year we completed the first phase of our Talk Relationships programme by launching an e-learning course of six learning modules and 14 lesson plans to help secondary school teachers confidently deliver relationship and sexuality education (RSE). Between September 2022 and 31 March 2023, over 2,000 e-learning courses have been completed. 98% of those who completed the course said they'd recommend the training, 95% said the training had made a positive difference to their professional practice, and over 90% said they felt highly or moderately confident about delivering RSE after doing our training.



Influencing national laws and policy frameworks so children can access support and abuse and neglect does not shape their future.

In England and Wales, we influenced for children and young people to be correctly referred to as victims of domestic abuse within the Victims Bill to reflect the provisions in the Domestic Abuse Act 2021.

In Scotland, we were involved in the drafting of the Bairns' Hoose national standards, which support a childcentred response to health and justice for victims and witnesses of serious crime and abuse.



Fundraising



Major giving: Philanthropic individuals

We're grateful to Lord and Lady Bamford for their support over the past three decades. Most recently, they donated £300,000.

Thanks to the Bernard Lewis Family Trust for committing £150,000. The funds will go towards our Pregnancy in Mind programme over three years.

Thanks to the Hammond Family pledging to fund a day of Childline each year for the next four years.

With kind permission from Paul and Pam Bell OBE, nearly 300 generous supporters attended the Jersey Ball. They helped raise over £250,000 to support our work across Jersey. Thanks to Paul and Pam, sponsors Dandara, Quilter Cheviot and Ravenscroft for their incredible support. Special thanks go to our keynote speaker, David Tait MBE, who inspired our guests to be so generous.

Thank you to the Philip Gower Charitable Foundation. Philip has continued his incredible support of our work in Jersey. Supporting our vital work on the island with a donation of £170,000.

Moondance Foundation continued their phenomenal support. Their gift of £500,000 supported vital services in South Wales. Helping us launch our new portfolio of services to local children and families.

Major Giving: Trusts and Statutory

We want to thank the Frank Brake Charitable Trust for their long-term support. They've given over a decade of support to children in Kent. This year they gave us their largest gift yet of £35,000. Helping to ensure we had a safeguarding lead for every primary school in Kent.

Partnerships: National Corporate Partnerships

Morgan Stanley and the NSPCC won the Community Partners Award at the Lord Mayor's Dragon Awards ceremony. The awards celebrate businesses achieving excellence in social impact. Morgan Stanley supported the three-year pilot of The Lighthouse, a centre where children can recover and rebuild their lives after experiencing sexual abuse. Though we're no longer in a formal partnership the effect of our partnership has a long-lasting legacy. Morgan Stanley supports us through pro bono and volunteering. We're grateful for their ongoing support.

We celebrated the fifth year of our partnership with Lidl by hitting the £6 million milestone. The partnership has gone from strength to strength. We've extended the partnership for a further three years. Focusing our collaboration on children's mental health and supporting Childline. A Day in the Lonely – funded by Lidl this year showcases how Childline is here for every child who feels lonely.

This year, we celebrated five years with our corporate partner Jo Malone. We want going online to be a positive experience for all children. Together we've launched a new online wellbeing campaign Positively Online. As we know, one in five internet users are children. But the internet can be challenging to navigate. 89% of 8–17-year-olds have said they've felt pressured to be popular online. 40% of young people with self-reported mental health difficulties have reported experiencing cyberbullying. We want to change how children use the internet for the better. Together we're promoting open, positive conversations between families about the online world.

Sky sponsored key campaigns this year:

- Childhood Day was promoted on the Chris Evans breakfast show, support they gifted to us for free.
- Donate your Data, a new campaign they invented, raised £70,000. Customers could donate their left over data and Sky converted that into cash for the NSPCC.

Partnerships: Volunteer Partnerships and Special Events

Several Special Events committees, Volunteer and Business Boards support our fundraising team efforts. They each focus on NSPCC activities they feel particularly passionate about. Our board and committee members use their expertise and contacts from their own areas of business, employing a range of fundraising strategies including, charity event creation, corporate introductions, securing major gifts and legacies, and raising awareness. In the year, the boards and committees supported our fundraising team in generating income of £4,533,000 (2021/22 £3,473,000).

The World Gold Council generously donated £300,000. The donation has fully funded the NSPCC's Lighthouse, following the pilot ending in March 2022. The support from the World Gold Council enables us to deliver support services at the Lighthouse. Ensuring that young people and families continue to receive support. The World Gold Council also donated £20,000 to sponsor the Rebuilding Childhoods Board's Let's Get Quizzical event, supporting Letting the Future In.



89% of 8–17-year-olds have said they've felt pressured to be popular online. **40% of young people** with self-reported mental health difficulties have reported experiencing cyberbullying. We want to change how children use the internet for the better.

Volunteering



Childhood Day is our annual landmark day that brings communities together to raise money and help keep children safe. We started Childhood Day in Northern Ireland in June 2018, and it has grown since then to take place nationwide on the second Friday in June. In June 2022, we raised £1.14 million through support from schools, national and regional corporate partners, community groups and organisations, celebrities, and individual supporters. Over 1,080 volunteers helped raise awareness of our work and collect donations at 90 sites across the UK and Channel Islands.

Our 2021-31 strategy has teamwork at its heart, and our volunteers are vital when it comes to protecting children. They help us to better support children and families and to prevent abuse and neglect across the UK and the Channel Islands. We had 6,708 Childline, Schools Service, local services, Child Protection in Sport Unit and income generation volunteers this year, 11% fewer than target but 16% more than the previous year.

The *Speak out Stay safe* programme, delivered by volunteers, is at the heart of our Schools Service. Through the programme, we teach important safeguarding messages to primary school children, both online and

face-to-face. Our trained *Speak out Stay safe* volunteers play a vital role in protecting a generation of children by helping them understand abuse and giving them the confidence to speak out if they need help. While the majority of *Speak out Stay safe* assemblies continue to be delivered virtually, 493 volunteers delivered face to face workshops in 1,927 schools.

Childline is an essential service for children and young people, and our volunteers are essential to Childline. Childline gives children and young people confidential support when they need it. On average, a child contacts Childline every 25 seconds. To support them, we have almost 1,100 volunteer counsellors working across the UK and Channel Islands in our 12 Childline bases, alongside a smaller number of staff counsellors. Childline volunteers contributed 132,661 volunteering hours between April 2022 and March 2023. They make a vital difference to children's lives.

Every year, over 500 children and young people give evidence in criminal courts across Northern Ireland. The Young Witness Service provides support and assistance to these children. It's free, independent and confidential. The support given by the team of social workers and trained volunteers helps reduce the stress and anxiety levels of young people giving evidence. By providing young witnesses with a safe, secure environment where they have people to support them, court proceedings are more likely to go ahead, and young witnesses are more able to complete their evidence. This year 53 Young Witness Supporters supported children and young people in 421 cases across criminal courts and Remote Evidence Centres in Northern Ireland.

Everything we do for children relies on the generosity of our supporters, with over 80% of our income coming from donations. Fundraising and volunteering work is essential for



NSPCC

Who might be a safe adult?

Stay safe

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us to run our services and raise awareness of our work nationally and in local communities. From taking on challenges, to joining us at events to fundraising with schools, every act from our incredible volunteers and supporters makes our work possible.

This year we introduced 17 Child Protection in Sport Unit volunteers, who assessed sport organisations' websites for the accessibility of their safeguarding information, what their safeguarding policies include, and the level of safeguarding information for parents. We used these insights when meeting with the organisations for their annual safeguarding reviews to ensure that sport and activity settings are doing all they can to create a safe, inclusive and enjoyable experience for children. Next year we'll grow our safe in sport volunteering opportunities to include attending local sporting events to share resources and information about keeping children safe in sport. Our volunteers will help their local communities understand where to find information about staying safe in sport, help when they need it, and access to safeguarding training and support. Through the meaningful work of our volunteers, we can make sport a safer place for all children and young people.

Community Fundraising

In the financial year 2022/23, Community Fundraising (FR) had a KPI of creating 18 new FR Groups across the Regions and Nations. Community FR Managers have exceeded this target by creating 24 new groups. These groups use our newly created FR Volunteer Roles, which are more specific and have a clearer ask. Of the 24 groups, seven were Student Volunteer groups. In Leeds and Sunderland, NSPCC Societies have been established, creating a more long-standing relationship with those universities. We also saw the creation of more specialist FR Groups including, London's Poetry Night Co-ordinators, Carlisle's Book Scheme Focus Group, and Preston's 'Hookers' Craft Group. We have seen the creation of Young Business Boards and Special Events Committees. All this puts the NSPCC's work in front of new audiences. Many of these groups are on their way to hosting their first FR events and will continue to grow and develop in 2023/24.

Friday, 3 February 2023, saw Number Day reach a record number of registrations. Number Day is the NSPCC's flagship fundraising day for schools. Over 7,100 schools and nurseries signed up, a 40% increase on 2022. Many nurseries took part for the first time and accounted for almost 1,000 of the new registrations. Over 1,000 more primary schools also signed up to have fun with all things maths related. New support for 2023 came from Derby County, HSBC, GoHenry, Maths Online and the one and only Johnny Ball. Number Day created a social media buzz, trending at number one on Twitter for the first time.

Over 6,200 participants signed up to take part in events or created their own. Running marathons, tackling treks, skydiving, holding bake sales, and dance-offs, every single supporter played a part in keeping children safe.

Nearly 1,000 participants took part in Walk for children, raising over £130,000 to help keep children safe. From families to groups of friends and individuals, people took to their local streets and walked over 4,500km.

During the COVID lockdowns the NSPCC Kippax Committee got creative with their fundraising, and they began





using Facebook to sell donated items. It proved to be very popular and they have continued with this raising over £3,200 in Facebook sales during 2022/23. They have also organised raffles via Facebook to raise additional funds. They've been able to return to in-person fundraising, with Christmas and Spring Fairs bringing their overall fundraising for the year to £7,200.

Following a two-year break due to the COVID-19 pandemic, the Manchester Special Events Committee held a very successful Childline Ball in Manchester in September 2022. It was held at the beautiful Midland Hotel and the guests were treated to a fantastic night of delicious food, wonderful entertainment and amazing fundraising for Childline in the North West. The Committee raised a fantastic £88,000.

East Cheshire Special Events Committee's Christmas Sparkle Lunch re-launched last November. The Sparkle Lunch is a networking and shopping event and includes lunch and entertainment. It was hosted at the Mere Golf Resort and Spa, and the Committee raised £30,000.

In Northern Ireland our fantastic partnership with Lidl NI continued to raise incredible amounts of money through a wide range of fundraising activities including Superhero Saturday and trekking in the Mourne Mountains. To date the total across Northern Ireland has reached over £700,000.

The Magheramourne Foundation has been an extraordinary supporter of our work in Northern Ireland for over

20 years. Another fantastic donation of £16,284 this year brings their total giving to the NSPCC in Northern Ireland to an astounding £236,404. They've made an incredible impact on the lives of children and young people.

Our corporate supporter, Bell and Company, took on their gruelling Power of 4 challenge for the third year, raising over £17,000. Participants ran or walked 4 miles every 4 hours over 48 hours.

Our Glasgow Lunch Committee held their fifth Fizz and Fabulous Lunch in November 2022. Raising over £40,000 for Childline in Scotland. Comfortably beating their fundraising target. They raised enough to fund the Glasgow and Aberdeen Childline bases for an entire week. The volunteer committees are an existing community fundraising group. They're a fantastic example of supporter-led fundraising. They've grown and developed their event over the past year. Recruiting new volunteers to their Committee to ensure its continued success. They have exciting plans to raise even more to support children and young people in 2023.

Supporters in the Midlands had an inspiring year. The Birmingham Business Board raised £71,000 with the return of the Laughter Ball. They've also set up a Young Business Board for 18-25-year-olds (with one member running the London Marathon). Corporate supporter Elonex provided Gift in Kind media advertising worth £400,000.

Communities across the Midlands joined Birmingham City FC in raising £18,000.

Supporting the delivery of our strategy

The first years of our strategy are focused on achieving financial stability through continuing to invest in income generation and infrastructure projects, reducing our core costs, and developing our plans for investing in improved and higher impact services for more children. As we make these changes for sustainability, we'll ensure that we're putting children's and families' needs at the forefront of our plans while we're laying the foundations for achieving our ten-year goals.

Creating a diverse and inclusive culture

Our people aspiration is to create a culture where every one of our people, volunteers and staff, is valued for the individual they are and for the part they play in the fight for every childhood. We believe every person has the right to be their true self and to live a full life without prejudice, fear, or barriers. And we believe we can only truly be here for every child if we meaningfully reflect the individuals and communities we serve and support.

2022/23 was the first year of our three-year Equality Diversity and Inclusion (EDI) action plan. We have learnt a lot, and key achievements include improvements to our recruitment processes based on three independent reviews, achieving Disability Confident Level 2, our Welsh language offer being endorsed by the Welsh Language Commissioner's office, completing accessibility audits of all NSPCC buildings, and allyship and learning sessions led by our staff LGBTQ+ group. We also published a full diversity report on our whole workforce, our senior leadership team and our board of trustees.

Albeit that we are on a journey, we are proud of the increase in the diversity of our workforce compared to the figures from last year. We've seen reductions in all but one diversity pay gap (further details later in this report) and an increase in staff and volunteers who feel our people are treated equally, regardless of their age, race, religion, disability, sexual orientation or gender.

Becoming a trauma-informed organization

A principle of our strategy is for all of our work with children to be underpinned by an understanding of trauma. And we'll help others with this too - developing a shared understanding of trauma and making sure all children get the response and the support they need. This year we enlisted the help of an external trauma informed consultancy team to complete a collaborative enquiry with our staff and volunteers across the organisation. This enabled us to understand what our current position is as an organisation in embedding this approach, informed by those working and volunteering with us and what our aspirations are.



As a result of the findings, we have developed a three year programme of work and recruited a trauma informed lead to help drive through this approach.

Plans for future activities

Our strategy has teamwork at its heart. Everyone has a role to play, and we want many more people to play a part in protecting children. We work with people and communities across the UK and Channel Islands to bring about change, to prevent child abuse and neglect.

We can achieve so much more for children by working together. Each and every act from our incredible staff, volunteers and supporters makes our pioneering work possible. But to make an even bigger leap forward, we need an even bigger team. In the year ahead, our overarching priority will be expanding our supporter base to grow the size of our team.

Growing our movement so more people help make positive change for children

In 2023 we piloted Listen Up Speak Up, a free 10-minute digital training to empower adults to know what to do if a child needs help and where to go if they need support themselves. Over 20,000 people signed up to the pilot. Having evaluated our pilot, next year, we'll scale up to make a bigger movement for change. This campaign aims to promote safeguarding advice to the public so that everyone can keep children safe. It aims to inspire a million people to take action to keep children safe over the course of our ten year strategy.

Improving our supporter experience

We'll harness technology to improve the experience that our supporters have in their interactions with us. Whether they're financial donors, customers or pro bono supporters and volunteers. We'll use data insights to create supporter journeys that provide supporters with different opportunities to engage at different stages.

Expanding engagement with children and young people

We'll deliver a step change in the engagement of young people in online safety, making their voices heard by decision makers in government, the regulators and the technology companies themselves, and co-designing solutions with them.

We want children and young people to have safe and healthy online experiences. If a child experiences online harm or abuse, we want them to be supported. We want adults to play their part to keep children safe. We also want to see effective regulation and the means to make sure people comply with it, is in place. We want providers of online products to put child safety at the heart of their design.

We've worked tirelessly for a safer online world through our Wild West Web campaign and by influencing for an Online Safety Bill that does everything possible to help children stay safe online. At the time of writing, the Online Safety Bill is due to be discussed in Parliament. We'll do everything we can to make sure this law keeps children's online safety at its heart.





Our approach to achieving these changes is to amplify the voices and experiences of children and young people to help keep them safe online. We want to make sure all work to keep children safe online is done with them rather than to them. We want to give children a platform to speak for themselves and advocate for them when they are unable to speak for themselves. We'll help young people by making sure people are listening to them and ensuring their views are acted upon.

Developing new services to help children and adults

Our therapeutic services help children who've been abused, protect children at risk and find the best ways to prevent child abuse from ever happening. As part of our fight for every childhood, we work directly with thousands of children and families in our national and regional hubs across the UK and the Channel Islands. In the next year, we'll be:

- Prioritising preventing child sexual abuse with a focus on developing new services to prevent harmful and problematic sexual behaviours.
- Building an understanding of early years work and developing distinct early years' services.
- Continuing to provide services that help children who face trauma recover from their experiences.

Building Connections

We're developing a new service to help and support young people experiencing loneliness using a befriending service model to nurture resilient coping skills to prevent mental health issues. We piloted it in 2022. Young people were invited to sign up to 11 sessions with a trained befriender who engaged with them each week. The befriender helped the young person build their confidence, self-esteem and supported them to find new ways to cope.

Having learned from the pilot, we're developing it further next year to offer appropriate support to prevent a young person progressing from loneliness into more significant mental health needs like anxiety, depression, low self-esteem, or self-harm.

Working with more schools to Talk Relationships

Talk Relationships is a service for secondary education settings that aims for all schools to be places that foster healthy relationships and keep young people safe from abuse. We support teachers to confidently deliver sex and relationship education through our e-learning courses and free lesson plans developed by experts from the NSPCC and PSHE Association. Teachers can use the plans in the classroom, lesson plans for children with Special Educational Needs and Disabilities and Welsh Language lesson plans are included.

We have also been conducting ground-breaking Sexualities Education+ research with children and young people about what they'd love to see in RSE and how they'd like this to be delivered. Next year, based on what we've heard from children and young people, plus research on schools' needs relating to RSE, we'll roll out our next phase of Talk Relationships so we can help schools to provide ever better support to enable healthy relationships in schools. While we are not sure exactly what this will look like yet, we know that listening to young people and keeping their voices at the heart of sex and relationships education is vital, as we create the next step in supporting schools to prioritise and embed effective approaches to sex and relationships education.

Our values, principles and standards

As the only charity focused on ending child cruelty across the UK and Channel Islands, everything we do protects children and prevents abuse. The values that embody our charity and reflect what we stand for are:

Putting children first

We put children first in everything we do. For more than 130 years, we've put children first. We believe in children, we want what's best for them, and we make sure that we fight for every childhood.

Taking a stand

We're courageous in standing up for what's right. We campaign, change laws where necessary, lead public debate and are on the frontline, supporting those who work with children. We'll speak out when something's wrong and celebrate success with those who help things improve.

Making an impact

We base our actions on evidence and the difference we'll make to children. Our work won't end until we've changed attitudes and transformed services for children in a way that protects every child and prevents abuse. We're brave in our actions, are prepared to be unpopular when necessary, and sometimes force society to face uncomfortable truths where things get in the way of achieving our goal.

Striving for excellence

We always strive to be the best and give every child a life free from abuse. We're constantly learning and developing our work. We measure what's effective by sharing knowledge with others.

Working together

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

Openness and accountability

The public's trust that we deliver public benefit is fundamental to our reputation and success. We engaged stakeholders during the development of the 2021-31 strategy. Having set out our ambition for the ten years to 2031, we must understand how well we're progressing towards these changes. We must be open about the impact we're having on children.

The Impact Framework is intrinsically linked to the 2021-2031 strategy. It's anchored in helping us understand whether the changes for children in our strategy are being achieved. The Impact Framework includes deeper research, evaluations, and measures we'll track and report. Each quarter The Board reviews its impact against the strategic priorities. They publish an impact report to staff and volunteers.

We have a published complaints process, and complaints are monitored by the Audit and Risk Committee on behalf of The Board. The Board reports any serious incidents to the Charity Commission and other regulators as appropriate. A register of interests for trustees and senior staff is maintained and is available on request.

Remuneration policy

We aim to be an employer of choice, with around 1,600 paid employees operating from ten regions in the UK and the Channel Islands. We regularly engage with employees and volunteers, value their opinions, and receive feedback through various events and surveys.

Our mission is core to us, but it's not just about our purpose. It's about purpose through people. We work hard to attract, nurture and retain talented employees to ensure our continued success. We have a transparent pay and total reward aspiration. Our pay promise sets out what our employees can expect of us in terms of direct and indirect financial rewards. Although pay and financial benefits are only one aspect of an individual's motivation, it's important – especially in a tight job market. And in the context of the soaring cost of living.

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

In line with NCVO recommendations, the annual salaries of our chief executive and other executive Board members are disclosed on our website, no more than two clicks away from the homepage. The table below shows the annual remuneration of the executive Board as at 31 March 2023, including a defined contribution pension and other benefits.

Executive board annual remuneration

as at 31 March 2023

Executive board director	Responsibilities	Annual salary*	Paid in year		
		£'000	Salary £'000	Benefits £'000	Pension £'000
Chief executive Peter Wanless	Leading the organisation, which has an annual income of around £120 million and employs around 1,600 employees, delivering services across the UK and the Channel Islands.	183	180	1	22
Director of communications David Hamilton	Manages the directorate responsible for all communication initiatives, ensuring that all communication on behalf of the organisation is appropriate, consistent with our brand and key messages, and of a high standard. Also works on behalf of the whole organisation promoting the NSPCC's work, policies, campaigns and publications.	122	120	1	8
Director of finance Paul Taylor	Manages the Finance and Procurement functions. Responsible for the financial management of the NSPCC. Ensures that the organisation has effective financial controls to safeguard resources for appropriate use.	106	104	1	13
Director of Income Generation Josephine Swinhoe	Manages the directorate responsible for generating the financial resources we need to help end cruelty to children. Responsible for managing the NSPCC's supporters and delivering income from donations, legacies and other trading activities of over £100 million.	146	143	1	10
Director of people Brett Terry	Manages the directorate responsible for recruitment, development, and retention of around 1,600 NSPCC employees and thousands of volunteers across the NSPCC.	111	109	1	4
Director of Services Claire Watt	Manages the directorate responsible for providing our services, including Childline, Schools Services and all of our direct services we provide across the UK and Channel Islands.	130	126	1	16
Director of strategy and knowledge Maria Neophytou	Manages the directorate responsible for the organisational strategy and for developing and testing activities. Responsible for our research programme, the evaluation of our services and our policy-influencing work.	117	114	1	6
Director of technology Greig Sharman	Leads our Technology Directorate, focused on supporting our strategy by enabling a step change in the tech-enabled experiences of our service users, employees, volunteers, donors and every other community that's a part of the NSPCC.	127	125	1	9

*Annual salary refers to annual salary excluding benefits in kind as at 31 March 2023.

Our policy is to pay competitive rates within the charity sector, reflect the nature and complexity of roles and to take account of contributions by rewarding strong performers the most. Rates are consistent with our charitable objectives and what we can afford. To demonstrate this, and in collaboration with our Trade Union Community we made a pay promise to our employees in 2019 to pay salaries that are at least comparable with the median salaries in the UK's top charities. The overall aim is to ensure our median earner at the NSPCC is on a comparable salary to the median salary paid in the wider charity sector. Our commitment has been to move towards this over time and within the parameters of affordability. To enable progress, we've identified and committed to a series of targeted activities. These include lifting the bottom of our pay bands to 'track' the median. We'll aim to stay at least 88% of the charity sector median. We're aligning our annual performance-related pay awards to increases in the charity sector median. We're offering a pay progression uplift to those longer serving (five years+) employees who have consistently met expectations over the last three years. The increase will align with the current charity sector median for their job bands. We've agreed that for the year ahead, 23/24, we'll introduce a second pay progression point after two years of service. All employees with two years of service will move to at least 94% of the sector median for their grade. Additionally, we voluntarily offer our lowest earners the real London and real living wage, set annually.

Despite the legacy of uncertainty caused by the COVID-19 pandemic, we have reiterated our pay promise to our employees. We gave two consolidated pay awards during 2022/23. The first was in May 2022, bringing that forward from our usual pay award month, July, and a second pay award in November 2022. In addition, we committed to the second pay progression point outlined above. We committed that by July 2024, we will have lifted the bottom of each of our pay grades from the current minimum of 88% to 90% of the sector median for that grade.

Alongside these targeted activities, pay is also reviewed when existing employees take on additional responsibilities. New recruits are usually paid between the minimum and mid-point of the relevant pay band, as below, depending on their experience and skills. Where necessary, they may be paid at a higher rate, but never more than the pay range maximum. For some roles that are difficult to recruit for, a market premium of up to 10% above the pay ranges may be paid. The reasons for recruiting at market premium rates must be explained in a business case, which the relevant executive Board director and the director of People must approve. We also have 75 employees paid at 'spot rates' outside these ranges, including our executive Board, whose annual remuneration details are shown on the previous page.

We undertake routine work, including our use of market premiums and allowances this year. This ensures our pay practices are fit for purpose and ensures the appropriate use of our limited financial resources.

Grade	Min £	Mid £	Max, including market premium £
P2	<i>Disestablished from November 2022</i>		
P3	19,106	21,711	28,951
P4	25,619	29,113	36,631
P5	31,266	35,529	44,903
P6	37,522	42,639	51,993
P7	44,073	50,083	62,629

Pay ranges exclude any regional allowances that may be given.

In compliance with the Pensions Act 2008, we operate an auto-enrolment pension scheme. All eligible employees are automatically enrolled into the pension scheme after three months. Employer contribution pension rates are set in line with legislative requirements. Employees are also offered a salary exchange defined

contribution pension scheme, where employer contribution rates match employee contributions, ranging from 4% to a maximum of 7%. We continue to operate an historic defined contribution pension scheme, now closed to new entrants. Our employees in the Channel Islands have different pension arrangements in compliance with local legislation.

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

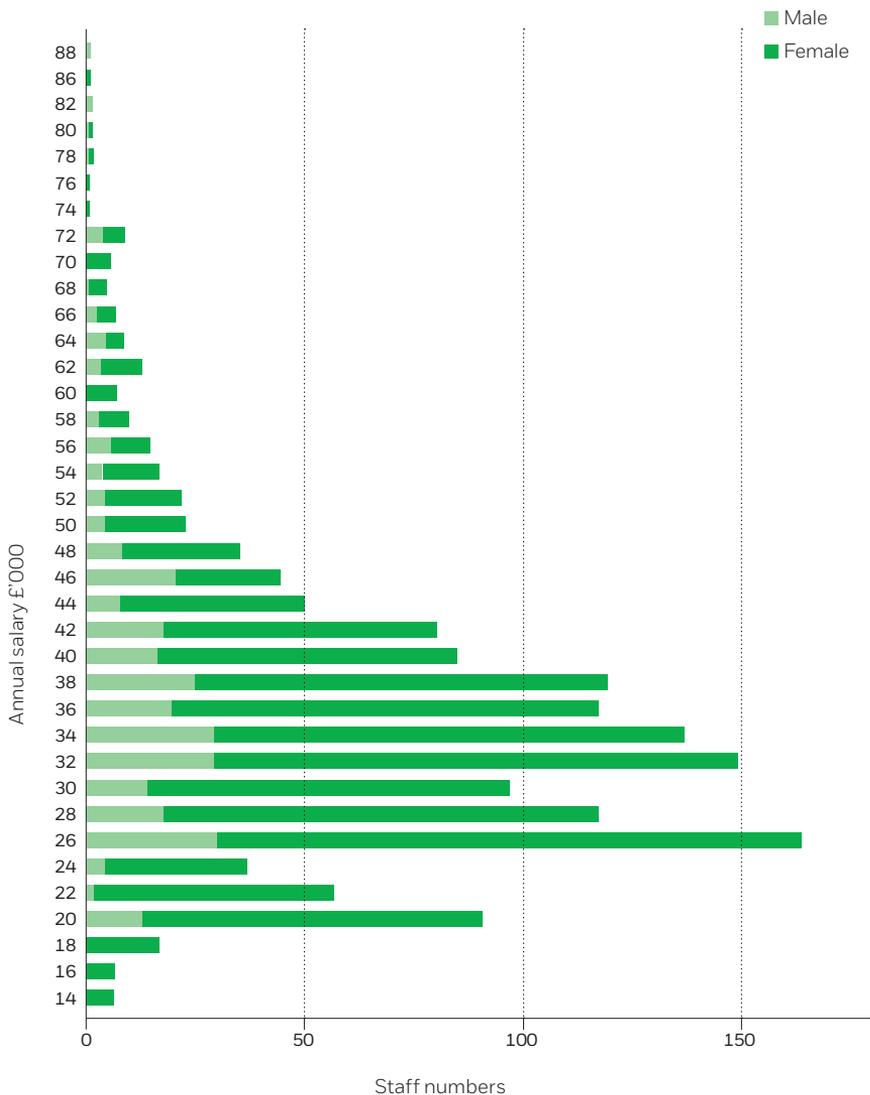
Islands, receive life assurance cover equivalent to one times their annual salary.

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

	2023	2022
Highest paid salary (£'000)	183	173
Median (£'000)	35	33
Ratio	5.3	5.3

The spread of annual salary entitlements for all our employees, excluding executive Board members, is detailed in the graph below.

Annual salary entitlements (full-time equivalent basis) for all NSPCC employees, excluding executive Board, employed at 31 March 2023



Diversity pay gap

In our equality, diversity and inclusion Charter, we commit to 'publish wider diversity pay gaps including but not limited to Black and Minoritised Ethnic, disability, sexuality and gender identity'. We have honoured this for the past two years. We will, in March 2023, be extending our pay gap reporting 'suite' to include religion. Next year we'll expand our reporting further to look at the intersectionality of some of these characteristics. These steps enable fuller pay gap reporting and help to better inform our pay equity actions. Our latest 2022 median pay gap data shows:

- The gender pay gap is 8.17%; this marks another positive year-on-year improvement for us since 2018, and our gender pay gap remains considerably less than the national median of 14.9%.
- The disability gap is 0%, and our median sexual orientation pay gap is -2.16%. These mark improvement since last year.
- The ethnicity pay gap is 6.9%, an increase of 2.2 percentage points since last year which is disappointing. This insight will help us determine the actions to most meaningfully address this trend.
- The religion pay gap is -0.70%, which in absolute terms, is small.

Our gender pay information is also available on our website in line with The Equality Act 2010.

Expenses policy

Our expenses policy applies to trustees, employees and volunteers. The policy highlights each claimant's obligation to only incur costs if necessary and always choose the most economical option. The use of video conferencing and teleconferencing facilities is encouraged to reduce expenditure on employee travel. It also saves employees' time. Expenses are only reimbursed when authorised by the relevant line manager, up to maximum limits set in the expenses policy.

We make use of a travel management company, which provides bookings for rail, air, vehicle hire, hotel accommodation, conference and event venues. Using this service reduces travel costs and promotes value for money. These bookings are paid for directly by the organisation.

Our trustees give their time voluntarily; they receive no remuneration or other benefits. Trustees' expenses incurred while enacting their duties are detailed in note 6 of the accounts. Executive Board directors' expenses incurred on business-related activity are disclosed below, where they have chosen to claim.

Executive board directors' expenses incurred on NSPCC business, and reclaimed or paid directly by the charity in the year – for directors in post at 31 March 2023.

	Flights £	Hotels £	Rail £	Other £	2023 £	2022 £
Chief executive – Peter Wanless	175	843	872	16	1,906	1,345
Director of communications – David Hamilton	–	98	342	32	472	258
Director of finance – Paul Taylor	–	52	981	–	1,033	122
Director of income generation – Josephine Swinhoe	79	249	275	–	603	440
Director of people – Brett Terry	–	52	222	20	294	–
Director of services – Claire Watt	–	142	918	407	1,467	513
Director of strategy and knowledge – Maria Neophytou	–	356	689	69	1,114	688
Director of technology – Greig Sharman	–	887	6,455	–	7,342	3,872
Total	254	2,679	10,754	544	14,231	7,237

Procurement policy and modern slavery statement

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

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

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

Our relationship with donors and funders

The NSPCC subscribes to the Fundraising Regulator's fundraising promise, which is available to download on our website. And, in addition, we have published our 'promise to you' as follows:

Our promise to you

- We will tell you about the amazing ways you're helping to change children's lives for the better.
- We will follow the highest standards in fundraising.
- We will always keep your personal information safe.
- We will share with you the ways you can keep the children in your life safe.
- We will let you know about new ways that you can help support children.

- We will always give you the power to decide how we contact you.

We receive over 80% of our funding from generous supporters. We raise funds from individuals through one-off donations, regular donations by direct debit, payroll giving, gifts in Wills and gaming products, such as raffle and lottery. We communicate with our supporters through a selection of mailings, telephone calls, emails, and SMS.

Throughout 2022/23, we regularly shared with supporters how their donations allowed us to continue to meet the changing needs of children, and enabled the NSPCC to adapt its services and continue its vital work throughout the pandemic. We also shared resources with supporters to help them to support the children in their lives through this period. We have also recruited new donors during the period through online activity, television advertising, payroll giving, legacy promotion activity, contactless and direct debit payment collections. As a fundraising charity, we incur expenditure in order to raise income. The expenditure on raising funds incurred in 2022/23 not only resulted in income being raised in the year, but will also generate future income, particularly through ongoing regular donations and future legacy gifts, which are our largest sources of income. During the year, we had external agencies fundraising directly with the public on our behalf, including outbound calls to existing supporters.

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

interaction. Nobody who appears to be in potentially vulnerable circumstances is asked to commit to giving and those highlighting any form of diminished financial circumstances are offered an opportunity to give at lower value or alternative ways of supporting our fight for every childhood, such as volunteering and campaigning. We also voluntarily subscribe to the following fundraising bodies and uphold their standards:

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

We have a complaints policy published on our website, which includes reference to inappropriate or improper fundraising methods. We are committed to dealing with all complaints constructively, impartially and effectively and will make every effort to ensure that all complaints receive a complete, accurate and timely response. No complaint is ever disregarded. During this financial year, we received (either directly or through a person acting on our behalf) a total of 166 complaints relating to individual giving and fundraising. We define a complaint as 'any expression of dissatisfaction' and we actively encourage members of the public to share with us their views on our work to resolve problems and to improve our performance. All agencies we worked with were closely monitored while carrying out fundraising on our behalf. For telephone agencies, we listened to a random selection of calls each week to ensure compliance with regulatory and legislative standards, and that our supporters have been offered a positive experience. All complaints received are tracked and discussed with our agencies on a weekly basis to ensure anything highlighted that could be improved upon is addressed and developed where needed.



Governance

How we're organised and governed

Good governance is fundamental to our sustained success as a charity. With good governance in place, we can deliver on our mission and achieve our objectives, keeping children safe. It enables our people to use their skills, and our resources, to the best effect. It also helps ensure we're compliant with all relevant legislation.

We're constantly reviewing the risks we're facing. It's important that we provide the highest quality safeguarding standards and create a positive culture for all our people, including our volunteers. We review our charity governance using the Charity Governance Code and report against the principles contained within the code [here](#).

Organisational purpose

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

We're still the only children's charity in the UK and Channel Islands with statutory powers that mean we can act to safeguard children at risk of abuse.

We adapt our services across England, Wales, Scotland, Northern Ireland, and the Channel Islands. We're working for children and young people with an awareness of relevant regional and local interests.

Our Board of trustees is clear about the charity's aims and ensures that these are being delivered effectively and sustainably. It regularly reviews the organisation's charitable purposes and is aware of the external environment in which we work. The Board also ensures

that the charity and its purposes stay relevant and valid.

The Board agreed the 2021-2031 strategy, which launched on 1 April 2021. The Board agrees the priorities in the annual HOSHIN in March every year, together with a three-year roadmap. Then it monitors the progress and impact of the strategy every quarter.

Leadership

Strong and effective leadership is vital. It helps the NSPCC adopt an appropriate strategy for delivering its aims. It also sets the tone for the charity, including its vision, values and reputation.

The NSPCC is headed by an effective Board. The Board provides strategic leadership in line with our aims and values. Our Board has collective responsibility for everything we do, including the legal responsibility to ensure the charity is controlled and properly managed. It exercises its powers following our Royal Charter, other legal requirements and the principles of good governance. It acts in our best interest. Supporting our work to protect children and young people.

Integrity

The Board acts with integrity. Adopting values, applying ethical principles and creating a welcoming and supportive culture. They're helping us achieve our charitable purposes. The Board knows the significance of the public's confidence and trust in the NSPCC. It reflects ethics and values in everything it does. Trustees undertake their duties with this in mind. They declare interests which might give rise to conflicts with NSPCC business. They're required to declare any gifts and hospitality they receive from NSPCC partners and contractors. Our trustees give their time on a voluntary basis; they receive no payment or other benefits. Any out-of-pocket expenses

and other costs paid directly by the charity, which trustees spent while carrying out their duties, are set out in note six of the financial statements.

Decision-making, risk and control

The Board makes sure that its decision-making processes are rigorous. They set up and track timely and effective delegation, control and risk-assessment.

Our Board meets six times a year. They hold an annual Board away day where trustees and the executive Board focus on key strategic issues.

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

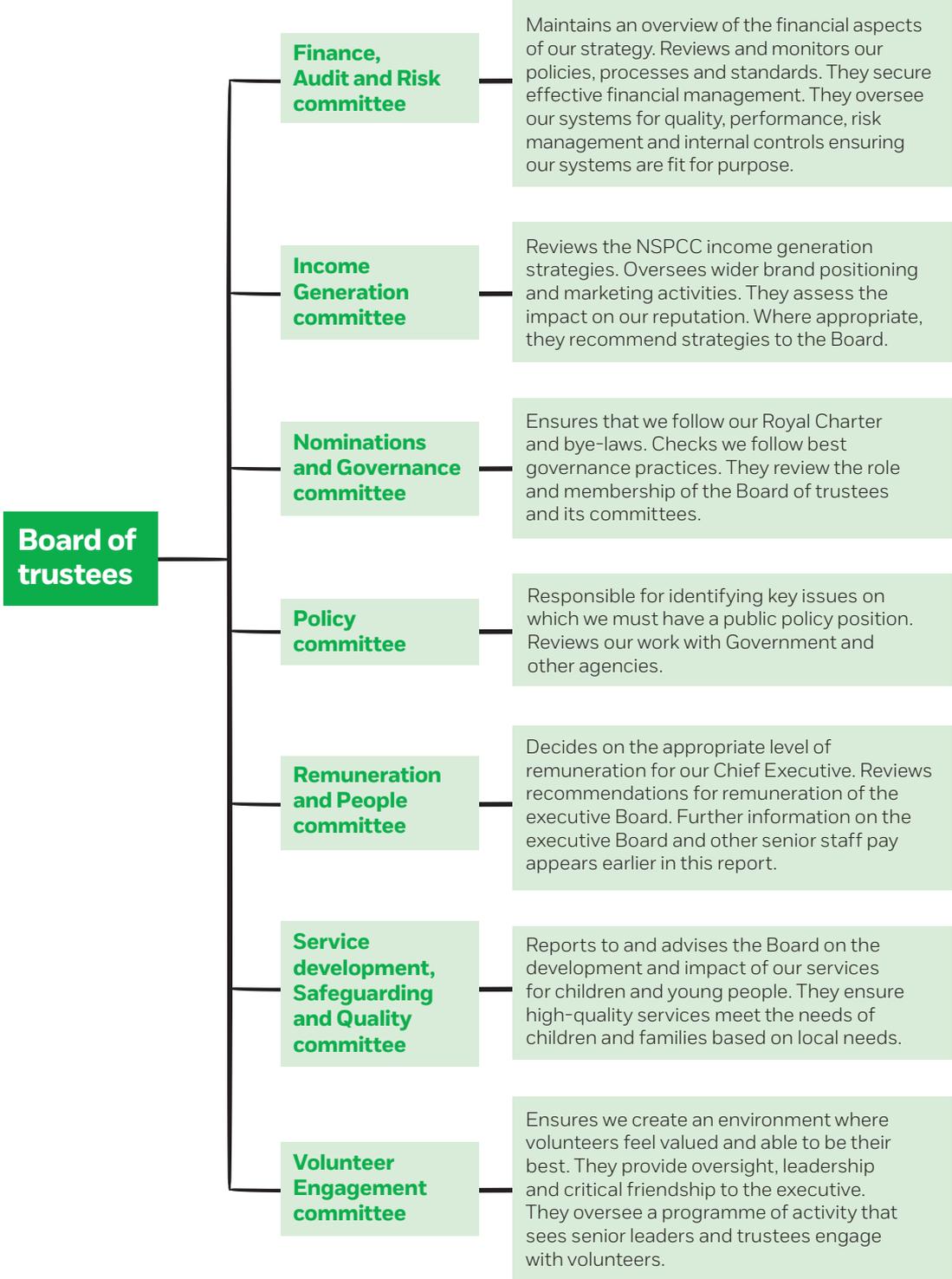
The Matters Reserved for the Board statement makes responsibilities clear. It sets out where the Chief Executive and committees act on their behalf. Each Board committee has defined terms of reference, detailing the delegated authorities where appropriate.

The Chief Executive is accountable to the Board, for the daily running of the NSPCC. The Chief Executive executes the day-to-day strategy and policies agreed by the Board and its committees.

Co-opted members, who are not trustees, serve on some of our committees. We're very grateful for the expertise, skills and experience they bring.



Committees of the board



Board effectiveness

The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions. Trustees are appointed based on the skills that they bring. Undertaking regular diversity and skills audits ensures an appropriate mix of skills, experience and backgrounds around the Board table.

Trustees usually serve an initial term of three years. This can be extended once up to a maximum of six years, and in very exceptional circumstances, there may be a further extension following the Charity Governance Code. (Trustees elected before 2016 were able to serve for three terms.) The Board has plans to reduce its size to 12. However, this cannot be achieved yet without causing instability. Our trustees are recruited through a variety of means, including open advertising. We have a trustee recruitment policy in place which was approved in 2019.

Our trustees undergo a comprehensive induction programme. They're offered training and development opportunities throughout their trusteeship. The induction typically consists of training in charity trusteeship and safeguarding. Trustees have induction meetings with the Chair, Chief Executive and Directors, and visit Childline bases, service centres and *Speak Out Stay Safe* assemblies in schools. Trustees will also have induction meetings with the chairs of the committees on which they'll sit.

Trustees have adopted the Charity Governance Code, and the nominations and governance committee seeks continual improvement in our governance. In order to understand the work of the Society and the difference that work makes to children and families, each trustee is linked to a region (or a nation in the case of Scotland, Wales and Northern Ireland). Trustees will have meetings with senior staff in our Services, Policy and Fundraising teams, visit regional hubs and Childline bases (if located in their region) and support volunteers and fundraising events.

In 2021, the Board undertook an evaluation exercise with an external facilitator in accordance with the Charity Governance Code. The facilitator produced a report and created an action plan. This included 14 recommendations. At the time of writing, 13 recommendations have been fully implemented. One recommendation about rebalancing the Board's membership will be achieved over time, as the current trustees retire at the end of their terms of office. This is being monitored by the nominations and governance committee.

At the end of each Board meeting, trustees discuss areas that worked well and what more is needed to inform discussion and decision-making. Additionally, the Chair meets with each trustee to discuss their effectiveness.

Risks

Risk management and control

The Board oversees risk management. They discuss and decide the level of risk it can accept. In September 2021, the Board defined its risk appetite. During the summer of 2022, the Society reviewed its risk management framework and risk registers.

The Board regularly reviews the charity's specific significant risks and their cumulative effect. It makes plans to mitigate and manage these risks. They review how we identify, prioritise and escalate risk management. Where applicable, they review our system of internal controls.

We're committed to an ongoing review of the internal and external risks we're facing. Key to our risk management system is the annual review of the Strategic Risk Register by the Board and the reviews of risk by the Audit and

Risk Committee. The Chief Executive reviews risks at each Directorate's quarterly business review. There's an established process for identifying risks. Senior management leadership teams, risk owners and risk champions review the NSPCC's strategic and operational risks. The Strategic Risk Register and Risk Management Framework were subject to an internal audit to make the process even more robust. All the recommendations were accepted, and improvements are already being made.

Principal risks and uncertainties

The Strategic Risk Register (SRR) defines risks that could threaten our ability to deliver the strategy if they were to occur.

The Principal risks facing the organisation are as follows:

Risk category	Mitigations and actions
<p>Income generation The income portfolio is not appropriately diverse and developed. This results in financial over-reliance on a few income streams. Risk is not sufficiently spread, and there's a failure to maximise revenue opportunities</p>	<ul style="list-style-type: none"> • Controls that are currently in place to help mitigate this risk include: <ul style="list-style-type: none"> • Securing a small number of very large core sponsor partnerships worth min £10m over 5/10 years; • Identifying opportunities for Place-Based appeals as our Hub sites develop; • NSPCC character (pantosaurus etc) commercialisation strategy; • Increasing income from moments eg Childhood Day, and Christmas; • Innovation and product development programme to identify/drive new sources income. Offsetting reliance on existing channels; • Maintain and increase funding from individual major donors. We'll do this by improving the fundraising propositions used with this audience. This includes creating a new 'Case for Support' for the current NSPCC Strategy; • New strategy and resulting action plan to reverse the decline in Individual Supporter Income; • Processes and systems to allow NSPCC to compete for large local and national government contracts; • Identification of transformational projects that cost in the region of £1m. Supporting major fundraising projects with a clear understanding of how the funds benefit children; • Increasing quantity of small tests to grow innovations faster. <p>There is ongoing work required on the business plan. We'll grow Professional Learning Services' income. We'll continue to develop transformational projects in the next financial year, 2024/25</p>

Risk category	Mitigations and actions
<p>Technology and data Failure to sustain working practices while adopting, adapting and innovating digital technologies and new ways of working.</p>	<ul style="list-style-type: none"> • A new Technology Portfolio Governance group has been established. It's co-chaired between Technology and Data and Finance Directorates. It further strengthens technology and data investment. The group's benefitting delivery across all Directorate and Society-wide business as usual and change initiatives. • The initial investment focus is on i) crucial projects underway to be completed; ii) replacing 'end of life' services and/or urgent and essential infrastructure and cyber security risk; iii) core activities towards future income generating capability; iv) mitigating future risk and reducing structural technology costs in response to the financial challenge. • Controls currently in place to help mitigate this risk include: <ul style="list-style-type: none"> • Operating model supporting NSPCC objectives; • Benchmarking similar organisations within and outside the sector; • Ensure there's Board assured technical decision- making across all activities in line with priorities; • Data and Analytics Strategy with 'Hub' established. The aim being to drive better outcomes for children. Improving income generation through deeper and faster insight; • Operating Model with newly aligned teams, accountabilities and governance increasing effectiveness. • Ongoing actions over the course of this and the next financial year 2023/24 and 2024/25 include: <ul style="list-style-type: none"> • further development of our target Enterprise Architecture and Data Strategy; • strategic planning and technical development delivery aligned with corporate planning function; • ongoing development of our technology and infrastructure plan providing capabilities to deliver the NSPCC's strategy..

Risk category	Mitigations and actions
<p>Technology and data Failure to deliver the data centre migration project.</p>	<ul style="list-style-type: none"> • Controls currently 'in place' to help mitigate this risk include: <ul style="list-style-type: none"> • Supplier management including extension of the existing supplier contract until December 2023; • Effective governance, resources, skills, financial and risk management, strategic change delivery; • Integrated planning and effective engagement with major services eg Childline; • 'Data Hall' migration completed, a key dependency of the programme, and old 'Data Hall' decommissioned; • Completion of upgrade and transfer of finance related systems. Systems tested to ensure smooth transition with no adverse impact on services. <p>Additional controls are being progressed to mitigate the risk to the overall programme. We'll allow sufficient time for detailed re-planning to ensure the final mission critical migration phase avoids disruption to Childline and NSPCC Helpline. This includes technical testing and managing resource challenges to ensure service continuity and eliminate any adverse impact.</p>

Risk category	Mitigations and actions
<p>Recruitment and retention The risk that economic uncertainty compromises the ability of the NSPCC to recruit, develop, nurture and retain high quality people required to deliver the strategy.</p>	<ul style="list-style-type: none"> • People Plan in place in line with strategic objectives and priorities to enable the NSPCC to attract, recruit, develop, nurture and diversify our workforce. We want to retain the people we need to deliver our strategy. The People Plan states future priorities and plans with clear deliverables. Progress is reported annually to the Board of trustees. During financial year 2022/23, this risk was elevated to a strategic risk as a reflection of the current economic climate. • Attrition rate had reduced by Q4 2022/23. An increase in applicants and retention of people has been assisted by having in place a pay promise for July 2023/24 and increased flexibility within pay structure. <p>Additional controls currently in place to mitigate those posts where it's still difficult to attract and retain include: NSPCC 'Shop window' project to help market and promote the NSPCC as an employer and volunteering opportunity of choice is underway. 'Shop Window' is due for completion at the end of 2023/24 with two key outputs - a suite of recruitment/NSPCC promotion assets and volunteer/employee digital journey map to join every marketing platform.</p>

Risk category	Mitigations and actions
<p>Strategy and knowledge The risk that the challenging political and economic landscape combined with fast moving policy developments (Online Safety Bill, Victims' Bill, Independent Review of Children's Social Care, National Panel review, IICSA Report) means limited progress on influencing the development of stronger laws, policy and funding frameworks around child protection.</p>	<ul style="list-style-type: none"> • This is an external risk. To mitigate risk in the current economic climate our internal specialist team need sufficient resources to respond in a timely manner. The NSPCC must be able to respond efficiently and effectively to initiatives coming from Governments and legislatures. • This risk is being mitigated by corporate actions on recruitment and also retention (see Recruitment and Retention risk) including improvements to pay and recruitment processes including the 'Shop Window' project to tell the NSPCC story better.

Risk category	Mitigations and actions
<p>Income generation Failure of our income generating strategies and tactics to accommodate the changing economic circumstances and changing supporter interests leading to a shortfall against budgeted income of 5% in a single year or 15% over 3 years.</p>	<ul style="list-style-type: none"> • The risk is primarily controlled through close monitoring of performance and continual course correction. In addition, our donor and supporter insight more broadly, helps identify the areas which are of most interest to financial supporters. This allows us to focus on these interests for income generating activity. • February 2023 launched a 'cost of living crisis appeal' to our individual supporters providing a new opportunity to speak to our supporter base. This enabled us to highlight the economic crisis' impact on children and the continued and increasing need for our services. • Controls 'in place' at end of Q4 2022/23 include: <ul style="list-style-type: none"> • Consistent sharing across the organisation of changes to planned fundraising activity via our Income Generation Steering Group on a monthly basis; • Formalised process to launch a rapid response appeal to ensure maximising income generating opportunities; • Monthly operational review meetings; Quarterly Business Review process; • Key Performance Indicator monitoring across all teams with quarterly assessments by senior managers; • Appropriate draw down from the 'innovation fund' to fund new activity; <p>Individual fundraiser targets and budgets in place and expectation for individuals to raise challenges and pivot activity to meet budget.</p>

Public benefit and how our activities deliver it

We must have due regard to the Charity Commission's public benefit guidance under section 17 of the Charities Act 2011. We're confident that we meet those public benefit requirements. We've taken Charity Commission guidance into consideration.

Our vision is to end cruelty to children in the UK and Channel Islands. It may take many generations to achieve. We believe cruelty to children is preventable. By having our strategy in place, we can achieve much more: 'Every childhood is worth fighting for'.

We believe we meet the public benefit requirements through the range of activities we undertake, most significantly through Childline,

our free, confidential helplines and our range of services for children and families. We deliver projects in local communities for children who've experienced or are at risk of abuse as well as those in care, focusing on children who most need help. We also provide advice to adults and professionals who are concerned about children. We work with other organisations that come into contact with children. Ensuring they protect children and challenging those who don't. We visit schools, providing young people with the knowledge and resilience to keep themselves safe. And we campaign to make children safer and improve the child protection system across the UK and Channel Islands.



Trustees' responsibilities statement

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

The law applicable to charities in England, Wales and Scotland requires the trustees to prepare financial statements for each financial year. Statements must give a true and fair view of the charity's state of affairs and the incoming and application of resources for the charity for that period. In preparing these financial statements, trustees:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the charity's financial position. Accurate records ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the royal charter. Trustees are also responsible for safeguarding the charity's assets and taking reasonable steps to prevent and detect fraud and other irregularities.

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

Equality, diversity and inclusion



The Board has a transparent approach to equality, diversity and inclusion (EDI). EDI is a priority throughout the organisation. The Board recognises EDI as essential to decision-making. They listen to children’s and young people’s voices and opinions. The Board approved the NSPCC EDI Charter in 2020 (more information above). Since then, the Board has undertaken unconscious bias training.

They’ve also appointed a lead trustee for EDI. This trustee connects the organisational efforts and priorities with the Board and influences governance responsibility, focus and plans. The Board recognises there is a need for varied backgrounds and experiences on the Board, and that this supports good decision-making. They’ve now undertaken diversity audits, which the Chair uses to inform the trustee recruitment process.

The table below sets out our employee diversity breakdown at the NSPCC. These percentages denote the average proportion of our workforce, per demographic, for the 12 months ending 31 March 2023.

	NSPCC %	People Count benchmark
Female %	81.0%	71.5%
LGBTQ+ %	9.9%	6.5%
Black, Asian and minoritised ethnicities %	12.0%	11.6%
Disability %	9.6%	5.0%
Average age	41.2	45.0

Subsidiaries and related parties

NSPCC Trading Company Limited and Childline are wholly owned subsidiaries of the NSPCC, and their accounts are consolidated in the accounts presented on pages 72 to 97.

The principal activities of NSPCC Trading Company Limited are organising participation fundraising events on behalf of the NSPCC, a mail order operation, and selling NSPCC branded goods. The company has seen an increase in income this year, primarily due to increased participation events income; these events were impacted by the coronavirus pandemic last year. The company had a profitable year and continues to develop its activities to support our work. The profit before tax of £0.2 million (2022 £1.0 million) was donated under Gift Aid to the NSPCC.

Childline continues as a separate legal entity in order to receive legacy income not otherwise receivable by the NSPCC. In the year ending 31 March 2023, it received £1.0 million legacy income (2022 £1.1 million). This is paid through a grant to the NSPCC towards the operation of the Childline service for which the funds were received.



Patrons, trustees, officers and professional advisors

Royal Patron

HRH The Duchess of Edinburgh

President

HRH The Duchess of Edinburgh

Royal Patron of Childline

HRH The Duchess of Edinburgh

President of Childline

Dame Esther Rantzen DBE

Board of trustees

Neil Berkett

- Trustee since 4 October 2018¹
- Chair since 2 October 2019
- Finance committee (member) to 6 October 2022
- Nominations and Governance committee (chair)
- Policy committee (member)
- Remuneration and People committee (chair)

Pippa Gough MA MSc PGCEA RN RM HV FQNI FRSA

- Trustee since 4 October 2018
- Vice-chair since 12 December 2019
- Policy committee (chair)
- Nominations and governance committee (member since 4 December 2019)
- Remuneration and People committee (member since 12 December 2019)

Sarah Ridgway

- Trustee since 4 October 2018
- Vice-chair since 12 December 2019
- Nominations and Governance committee (member since 12 December 2019)
- Remuneration and People committee (member since 12 December 2019)
- Service Development, Safeguarding and Quality committee (member)
- Volunteer engagement committee (chair since 12 December 2019)

James Bailey Chartered FCSI NASD Series 7

- Trustee from 2013 to 6 October 2022
- Audit and Risk committee (member)
- Volunteer Engagement committee (member)

Dr Joanna Begent MBBS

- Trustee since 2015
- Lead trustee with responsibility for safeguarding (since 2 October 2020)
- Policy committee (member)
- Service Development, Safeguarding and Quality committee (since 6 October 2022)

Andy Briggs FIA

- Trustee from 2016 to 6 October 2022
- Income Generation committee (chair)

Clem Brohier ACMA CGMA FRSA

- Trustee from 2016 to 6 October 2022
- Audit and Risk committee (chair)

Professor Tanya Byron PsychD

- Trustee from 2016 to 6 October 2022
- Policy committee (member)

Mark A. Corbidge

- Trustee since 6 October 2022
- Hon Treasurer since 6 October 2022
- Finance, Audit and Risk committee (chair)
- Remuneration and People committee (member)

Pete Daffern

- Trustee since 6 October 2022
- Income Generation committee (chair)

Eithne Daly

- Trustee since 1 October 2020
- Service Development, Safeguarding and Quality committee (member)

Ifeoluwapo (Ife) Grillo

- Trustee since 1 October 2020
- Volunteer Engagement committee (member)
- Nominations and Governance committee (member since 3 April 2023)

1. Neil was also previously an NSPCC Trustee from 2010 to 2017

Albert Heaney

- Trustee since 7 October 2021
- Policy committee (member)
- Service Development, Safeguarding and Quality committee (member)

Andrew Kerr

- Trustee since 4 October 2018
- Policy committee (member)
- Service Development, Safeguarding and Quality committee (member)

Tarek Khlal MBA

- Trustee since 2015
- Income generation committee (member)

Derrick Mortimer

- Trustee since 4 October 2018
- Finance, Audit and Risk committee (member)
- Service development, Safeguarding and Quality committee (chair)
- Volunteer Engagement committee (member)

Sheanna Patelmaster

- Trustee since 1 October 20
- Finance, Audit and Risk committee (member)
- Service Development, Safeguarding and Quality committee (member)

Emma Smyth

- Trustee since 7 October 2021
- Volunteer Engagement committee (member)

Thomas Toumazis MBE

- Trustee since 4 October 2018
- Income generation committee (member)
- Audit and Risk committee (member) to 6 October 2022
- Volunteer Engagement committee (member since 3 April 2023)

John Worth FCA

- Trustee from 2016 to 6 October 2022
- Honorary treasurer to 6 October 2022
- Audit and risk committee (member)
- Finance committee (Chair)
- Remuneration committee (member)

Co-opted members

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

Angela Cha

Finance, Audit and Risk committee

Mark Corbidge

Finance committee (to 6 October 2022)

Carlene Cornish

Policy committee

Julia Davidson

Policy committee

Gavin Dein

Income Generation committee

Sally Essler

Service Development, Safeguarding and Quality committee

Eddie Golding

Service Development, Safeguarding and Quality committee

Steve Hart

- Audit and risk committee to 6 October 2022
- Service Development, Safeguarding and Quality Committee since 6 October 2022

Estelle Lloyd

Income Generation committee

Mark Luboff

Finance, Audit and Risk committee

Jonathan Middup FCA

Finance, Audit and Risk committee

Professor Helen Minnis

Policy committee to 6 April 2023

Hywel Peterson

Income Generation committee

Andrew Ross

Income Generation committee to July 2022

Paul Snell

Service Development, Safeguarding and Quality committee

Sarah Timby

Finance, Audit and Risk committee

Francesca Valli

Income Generation committee

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

Lynne Stewart-Brindle

Pan Trustees UK LLP (chair)

Alex Camm**Tracey Dawkins**

(from 7 December 2022)

Philippa Webster

to 7 December 2022

Senior management**Chief Executive**

Peter Wanless

Director of Communications and Marketing

David Hamilton

Director of Finance

Paul Taylor

**Director of Income Generation,
Fundraising and Engagement**

Jo Swinhoe

Director of Services

Claire Watt

Director of People

Brett Terry

Director of Strategy and Knowledge

Maria Neophytou

Director of Technology and Data

Greig Sharman

**Bankers and
professional advisers****Bankers****Barclays Bank Plc**1 Churchill Place
London, E14 5HP**The Co-operative Bank Plc**9 Prescott Street
London, E1 8BE**NatWest Plc**250 Bishopsgate
London, EC2M 4AA**Auditor****Crowe U.K.**55 Ludgate Hill
London, EC4M 7JW**Internal Audit Partner****KPMG LLP**15 Canada Square
London, E14 5GL**Investment managers****Blackrock**12 Throgmorton Avenue
London, EC2N 2DL**Credit Suisse (UK) Limited**1 Cabot Square
London, E14 4QJ**J.P. Morgan International Bank Ltd.**25 Bank Street, Canary Wharf
London, E14 5JP**Legal advisors****Bates Wells & Braithwaite**10 Queen Street Place
London, EX4R 1BE**Carbon Law Partners**89 Eastgate
Cowbridge, CF71 7AA**Carson McDowell LLP**Murray House, Murray Street
Belfast, BT1 6DN
(who also advise us on
a pro-bono basis)**Wilson's Law**4 Lincoln's Inn Fields
London, WC2A 3AA**Withers worldwide**20 Old Bailey
London, EC4M 7AN
(who also advise us on a
pro-bono basis)*We would like to thank the following
firms for their pro-bono work:***Baker & McKenzie**100 New Bridge Street
London, EC4V 6JA**CMS Cameron McKenna****Nabarro Olswang LLP**Cannon Place
78 Cannon Street
London, EC4N 6AF**Devereux Chambers**Devereux Court, Temple
London, WC2R 3JH**DLA Piper**3 Noble Street
London, EC2V 7EE**Doughty Street Chambers**53-54 Doughty Street
London, WC1N 2LS**Gowling WLG**3 Waterhouse Square
142 Holborn
London, EC1N 2SW**Herbert Smith Freehills LLP**Exchange House
Primrose Street
London, EC2A 2EG**Mayer Brown International LLP**201 Bishopsgate
London, EC4V 6JA**Simmons and Simmons**CityPoint, 1 Ropemaker Street
London, EC2Y 9SS**Walker Morris**Kings Court,
12 King Street
Leeds, LS1 2HL**Weil, Gotshal & Manges**110 Fetter Lane
London, EC4A 1AY



Financial review

Summary

This year's annual report tells the story of the second year of our ambitious ten-year strategy. Over the past year, the UK has faced significant political and social turmoil, and the cost-of-living crisis is increasing stress on families already reeling from the pandemic.

As anticipated, there have been decreases in our underlying income streams, however income from fundraising events increased. Although we have received less income from supporters this year (donations and legacies*, and other trading activities), this still makes up over 80 per cent of total income received, which continues to illustrate the clear mandate we hold to act on behalf of the public to protect children.

Although services have had to adapt, we have maintained the percentage spent on directly helping children and families, at 75.0 per cent (2022 76.9 per cent). This means that for every pound we spend, around 75 pence** goes on charitable activities. This has reduced slightly from previous years as we have had to spend more on raising funds.

Our total reserves reduced by £14.0 million to £105.4 million (2022: £119.4 million), primarily due to actuarial and investment losses. However, our unrestricted free reserves, being those funds that we can access in times of need, is still within the range of the number of months' forward expenditure that we seek to cover, and we remain well placed to withstand any sudden shocks to our finances.

We would like to thank everyone who stands with us in the fight for every childhood and who continues to support our work.

* Income from supporters included income from donations and legacies (excluding statutory non-performance related grants) and other trading activities.

** Expenditure on charitable activities is 75.0 per cent (2022: 76.9 per cent) of total expenditure excluding other expenditure. Excluding donated services of £3.3 million (2022: £2.8 million), expenditure on charitable activities would be 77.2 per cent (2022: 78.9 per cent) of total expenditure excluding other expenditure. Donated services are recognised within raising funds (£3.0 million (2022: £2.5 million)) and charitable activities (£0.3 million (2022: £0.3 million)).

How we helped children

Our ambition over the next ten years is to work with more children and make the biggest impact we can to stop child abuse and neglect. This year we spent a total of £77.3 million on charitable activities, which was £1.3 million higher than last year (2022: £76.0 million), with the amount spent to directly help children and families remaining around 75% of expenditure.**

Expenditure on services for children and families reduced by £5.8 million to £24.0 million (2022: £29.8 million), primarily reflecting a full year of savings associated with the implementation of our regional operating model, where we have created a network of regional hubs to deliver our services in a more focused, preventative and impactful way. This means we took the difficult decision to close ten service centres. You can read more about the delivery of our direct services throughout the annual report.

Expenditure on Childline and our Schools Service increased by £3.6 million to £24.2 million (2022: £20.6 million). Through 2022/23, Childline has continued to listen to and respond to children and young people's needs for help and support. This year we delivered fewer counselling sessions – over 195,000 (2022: almost 205,000), with the help of over 1,100 volunteer counsellors (2022 over 1,300 volunteer counsellors) who provided just over 132,000 hours (2022 over 156,000 hours). Childline continues to face challenges in providing enough capacity during the busiest periods: evenings and weekends are often the hardest shifts to fill with volunteers. We're focusing on recruiting more volunteers and getting them trained as efficiently as possible. Delivery of our *Speak out Stay safe* program through school assemblies remained largely virtual through the year. We delivered assemblies to over 5,300 schools (2022 over 3,800 schools) reaching over 1,235,000 children across the UK (2022 over 890,000 children). You can read more about our Childline service and *Speak out Stay safe* on pages 21 and 22.

Expenditure on child protection advice and awareness increased by £2.5 million to £23.9 million (2022: £21.4 million). This year we have spent more on local campaigns to raise awareness, including Look Say Sing Play, Healthy Relationships and Talk PANTS. The NSPCC Helpline continues to support adults, including parents, professionals and other members of the public, who have concerns about a child. During the year, our Helpline responded to nearly 60,000 contacts in relation to child welfare (2022: nearly 67,000). You can read more about our Helpline on page 14.

Expenditure on child protection consultancy increased by £1.0 million to £5.2 million (2022: £4.2 million). A major component is NSPCC Learning, where we offer our range of online courses that help organisations and individuals working with children and young people to gain the knowledge and skills they need to keep them safe. In 2022/23, we saw 2.8 million visitors to the NSPCC Learning website. And, we're well on our way to achieving our vision to be the 'go-to' place for safeguarding information, and for training professionals working or volunteering with children. You can read more about our Knowledge and Information Services on page 15.

Expenditure on raising funds increased by £3.0 million to £25.8 million (2022: £22.8 million). This includes increased advertising costs for our awareness and fundraising campaigns, including gifted advertising, as well as increased events costs.

Our efforts over the years to streamline all that we do have enabled us to continually reduce support costs, and to reduce this as a percentage of our total expenditure from 7% in 2012 to just 4% in 2019, which has since been maintained. This year, we have maintained the level of expenditure at £4.6 million, 4.4% of total expenditure (2022: £4.6 million, 4.4%). Support costs include expenditure on governance activities of £0.4 million (2022: £0.4 million). Governance costs include the cost of internal audit, legal advice, costs associated with meeting constitutional and statutory requirements and strategic planning.

**Expenditure on charitable activities is 75.0 per cent (2022: 76.9 per cent) of total expenditure excluding other expenditure. Excluding donated services of £3.3 million (2022: £2.8 million), expenditure on charitable activities would be 77.2 per cent (2022: 78.9 per cent) of total expenditure excluding other expenditure. Donated services are recognised within raising funds (£3.0 million (2022: £2.5 million)) and charitable activities (£0.3 million (2022: £0.3 million)).

The support we received

This year our total income reduced by £3.0 million to £120.6 million (2022: £123.6 million).

Overall income from donations and legacies reduced by £6.9 million to £96.8 million (2022: £103.7 million). Income from individual giving, including regular donations, reduced by £2.3 million to £45.5 million (2022: £47.8 million), continuing the trend of decline in the number of committed regular giving relationships. Economic hardships that many people have faced over the last 12 months, has resulted in more cancellations than last year, reducing by 26,000 to 422,000 (2022: reducing by 17,000 to 448,000). However, this year, we were able to secure 9,000 new regular donors (compared to 7,000 in 2022), largely due to a full year of face-to-face fundraising after it returned last Autumn.

Legacy income reduced by £2.3 million to £28.2 million (2022: £30.5 million) as last year included a significant gift of £8.7 million compared to a similar gift of £5.0 million this year. This was one of nine gifts over £250,000 (2022: 11).

Income from corporates, trusts and major donors reduced by £1.8 million to £12.6 million (2022: £14.4 million). This is primarily due to unrepeated one-off partnerships, partly offset by engagement with new relationships. You can read more about our corporate partners on page 19.

Other voluntary income streams increased by £0.2 million in aggregate. In addition, last year we received £0.7 million through the coronavirus job retention scheme.

Income from trading activities increased by £1.3 million to £5.6 million (2022: £4.3 million). Income from fundraising events increased by £1.5 million to £3.6 million, following the introduction of Childline Sports Day, as part of Childhood Day, which you can read more about on page 28. In addition, 2022/23 saw the return of three high value events. This was partly offset by a reduction of £0.2 million, to £2.2 million, in income from the sale of goods and other activities due to reduced raffle income.

*Income from supporters included income from donations and legacies (excluding statutory nonperformance related grants) and other trading activities.

Income from charitable activities, received primarily from government and other statutory sources through grants and contracts, increased by £0.3 million to £14.6 million (2022: £14.3 million). Sales from our bespoke training increased and our elearning sales through NSPCC Learning, which was launched in 2019, has continued to grow, with our range of online courses that help organisations and individuals working with children and young people to gain the knowledge and skills they need to keep them safe.

Income from supporters (donations and legacies*, and other trading activities) remains above 80% of total income received, which continues to illustrate the clear mandate we hold to act on behalf of the public to protect children. We would like to thank all our supporters for their commitment to the cause and their passion for what we do, which leads them to give generously in so many ways. This support is as vital as it has ever been, and we simply could not reach the children who need us without our supporters standing with us.

Reserves

Total reserves now stand at £105.4 million, a reduction of £14.0 million compared to last year. This reflects unrestricted general funds of £89.4 million (2022: £80.0 million), designated funds of £37.6 million (2022: £35.6million), restricted funds of £1.8 million (2022: £2.3 million) and endowment funds of £1.5 million (2022: £1.5 million).

The £9.5 million increase in unrestricted general funds reflects net income for 2022/23 of £10.4 million, partly offset by transfers of £1.2 million from designated funds, relating to our freehold and leasehold properties and strategic spend, and £0.1 million from restricted funds, partly offset by £2.2 million transferred to the pension reserve for defined benefit contributions paid during the year.

The £2.0 million increase in designated funds reflects £5.0 million income set aside for strategic spend, offset by spend of £1.6 million, fixed asset property depreciation of £0.7 million and net property sales of £0.7 million. Designated funds are funds set aside by the trustees out of general funds

to cover the value of property fixed assets held, which includes freehold and leasehold properties, or to fund specific future purposes or projects. Designated funds relating to freehold and leasehold properties were £21.7 million, consisting of property fixed assets, with a land value of £1.9 million, investment property value of £0.9 million and depreciating property assets of £15.3 million, and related provision for property dilapidations of £3.6 million. The remaining average depreciation time for these property assets is 30 years. In addition, £16.0 million is held for the furtherance of strategic projects.

The £0.5 million reduction in restricted funds reflects the drawdown of funds in order to support activities specified by the donor when making the gift, or related to the terms of an appeal.

Restricted funds at 31 March 2023 represent unspent restricted income of £1.8 million, being £0.4 million remaining from the Association of British Insurers to support the helplines domestic abuse project, £0.3 million received for The Lighthouse, £0.2 million for Talk PANTS and £0.1 million for Harmful Sexual Behaviour as well as £0.4 million restricted to programmes and £0.3 million with other regional restrictions. The remaining balance of £0.1 million relates to capital restricted income, where the asset is yet to be brought in to use.

Endowment funds, being donations where the capital needs to be preserved, have remained at £1.5 million.

Our reserves policy was reviewed and updated in 2021/22 by the Finance Committee on behalf of the trustees. We aim to retain sufficient unrestricted free reserves in a range equivalent to three to six months' forward expenditure. Unrestricted free reserves are calculated as excluding fixed assets included within general funds, adjusted for the actuarial deficit in the pension scheme and investment volatility. We hold these unrestricted free reserves in case of any sudden decline in income, so that we can honour our commitments to children and young people by ensuring contractual obligations to staff,

premises and funding partners can be met with confidence.

Our unrestricted free reserves totalled £50.9 million (2022: £53.3 million) and are equivalent to 5.1 months forward expenditure (2022: 6.2 months), which are within our target range.

Investments and cash

Our reserves are largely represented by the amounts that we hold in investments and cash.

The trustees' responsibilities with respect to investments are set out in the Royal Charter and by-laws. These responsibilities are delegated to the Finance Committee, which oversees the management of the portfolio.

JP Morgan and Credit Suisse are our investment managers, with each actively managing a mixed portfolio of equities, bonds and cash deposits with the aim of achieving return goals within risk parameters, and applying a set of ethical screens using industry recognised screening tools provided by MSCI ESG (Environmental, Social and Governance) Research and ECPI Research.

At 31 March 2023, total investments and cash totalled £109.2 million (2022: £93.9 million). Fixed asset investments totalled £100.3 million (2022: £84.9 million), of which £25.2 million was held in equities (2022: £26.7 million), £39.0 million was held in fixed income bonds (2022: £31.3 million), £35.4 million was held in bank deposits and money market funds (2022: £26.0 million) and £0.7 million in investment property (2022: £0.9 million).

A total of £66.8 million is held by Credit Suisse and JP Morgan (2022: £60.8 million). This movement is due to £9.0 million being invested following the receipt of a significant legacy in prior year, combined with £1.1 million net investment income, partly offset by £4.1 million of investment losses during the year. Investments continued to suffer due to the impact of the Russian-Ukraine conflict on global markets, although the NSPCC has no direct investment in these countries.

The table below shows the performance of our investment managers at 31 March 2023:

Fund manager	Benchmarks used	Fund value 31 March 2023 £'000		Inception	Performance since Inception %	
JP Morgan	51% BBG Capital Sterling Corporate 1-10yrs	Equities	15,679	1 October 2018	Performance	22.99
	49% MSCI World After Tax	Bonds	17,956		Benchmark	27.11
		Deposits	570			
		Total	34,205		Variance	(4.12)
Credit Suisse	61% Citigroup GBP AAA/AA/A Bonds	Equities	9,551	2 July 2018	Performance	11.30
	31% MSCI World Idx TR Net Hdg into GBP	Bonds	21,063		Benchmark	11.49
	8% GBP 1 Month Deposit	Deposits	1,952			
		Total	32,566		Variance	(0.19)

The investment managers' performance against their respective benchmarks is monitored closely by the Finance Committee. JP Morgan's underperformance versus its benchmark since inception reflects recent bond performance. Although JP Morgan's performance has been below benchmark, it has delivered a strong absolute return overall since inception.

Current investments and cash were £8.9 million (2022: £9.0 million), comprising operational cash held plus overnight money market investments. The overall return on cash investments for the year ending 31 March 2023 was 1.3 per cent (2022: 0.2 per cent). We also earned rental income of £0.1 million (2022: £0.1 million) from our investment property.

Pensions

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

on closure, members of the scheme had the opportunity to join the defined contribution scheme.

The most recent triennial actuarial valuation at 31 March 2021 reported a deficit of £23.3 million, being the valuation used for funding purposes. Based on this valuation, the Society agreed with the pension scheme trustees that it would aim to eliminate the deficit over a period of five years and six months from 31 March 2021 by the payment of annual contributions of £1.8 million. In addition to the annual contributions, it was agreed that a lump sum of £11.4 million would be paid by 31 December 2021. Also, and in accordance with the actuarial valuation, the Society has agreed with the pension scheme trustees that it will pay £0.4 million per annum to meet expenses of the scheme and levies to the Pensions Protection Fund (previously £0.5 million per annum). The Society trustees consider that the pension deficit is recoverable from future cash flows.

The actuarial deficit as at 31 March 2023 has been estimated as £24.9 million (2022: £6.7 million), with the next full actuarial valuation due as at 31 March 2024. This deficit increase reflects £26.8 million actuarial losses,

and expenses of £0.3 million, partly offset by £2.2 million of contributions during the year.

The basis of calculating a pension surplus and deficit for funding purposes is different to the basis that needs to be adopted to determine an accounting valuation under FRS 102. The FRS 102 valuation as at 31 March 2023 reported assets of £116.2 million with liabilities of £141.1 million, giving a deficit of £24.9 million (2022: surplus of £3.1 million). As the pension scheme trustees retain full discretion over whether to grant a refund to NSPCC, the surplus was not been recognized last year, and the pension was shown at £nil value on the balance sheet.

Going concern

When setting the 2023/24 budget, we reviewed our income expectations in light of historic returns and future scenario modelling. We have considered our risks and opportunities, to ensure that our income targets are realistic, and have aligned our planned services and activities with our expected future short term income. We have considered our need to balance investment in future income streams to ensure financial longevity, against the desire to do as much as we can for children now, and the potential consequences of upward trends in inflation on our financial position.

Despite management's view that the 2023/24 budget represents a realistic, risk adjusted, view of our expected outcome for the year, we acknowledge that our operating environment continues to reflect some uncertainty. Sensitivity analysis has been prepared to model the impact that unexpected changes in income might have on our overall position and viability. Two scenarios have been considered: firstly, the impact of a worsening of economic and political climate, with higher inflation and reductions in donor contribution and, secondly, the impact of damage from an adverse reputational event.

We have assessed projected future income, expenditure and cash flows over the period to 31 March 2025, including additional downside scenarios, and analysed the strength of the Society's reserves, liquid assets and its ability to withstand a short-term material fall in income. In conclusion, the trustees have agreed that there is a reasonable expectation that the Society and its subsidiaries have adequate resources to continue their activities for the foreseeable future. Therefore, we have continued to adopt the going concern basis in preparing the financial statements.



Neil Berkett
Chair, 19 July 2023

Independent auditor's report

to the trustees of the National Society for the Prevention of Cruelty to Children (NSPCC)

Opinion

We have audited the financial statements of NSPCC ('the charity') and its subsidiaries ('the group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet and Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including 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 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 the parent charity's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011,

and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and

regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations included General Data Protection Regulation, Fundraising regulations, Child Welfare legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of legacy income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London
26 July 2023

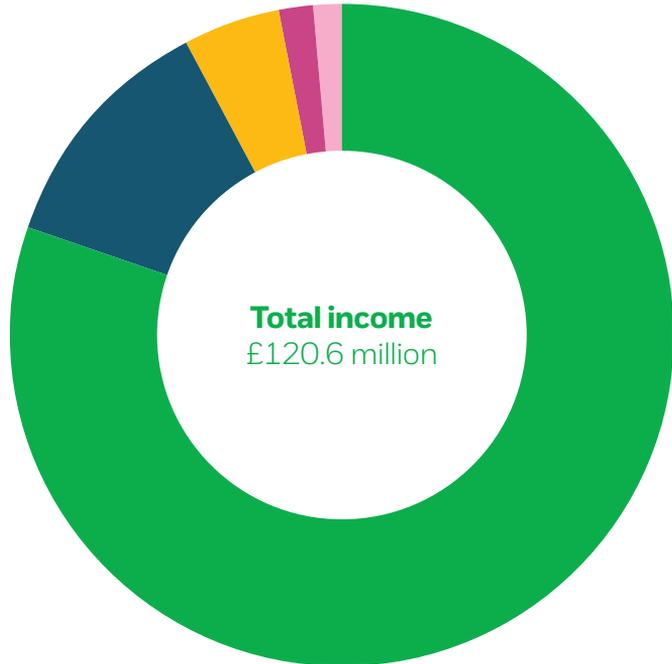
The support we received

Donations and legacies

£96.8 million (80.3%)

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

(£103.7 million in 2022)



Income from carrying out our charitable work

£14.6 million (12.1%)

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

(£14.3 million in 2022)

Other trading activities

£5.6 million (4.7%)

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

(£4.3 million in 2022)

Investment income

£2.1 million (1.7%)

Income received from our bank accounts and investment holdings.

(£1.3 million in 2022)

Other

£1.5 million (1.2%)

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

(£nil in 2022)

How we helped protect children

Charitable expenditure

£77.3 million (75.0%)

The cost of undertaking direct charitable activities which are defined under the following headings: (£76.0 million in 2022)

Services for children and families £24.0 million

(£29.8 million in 2022)

Childline and the Schools service £24.2 million

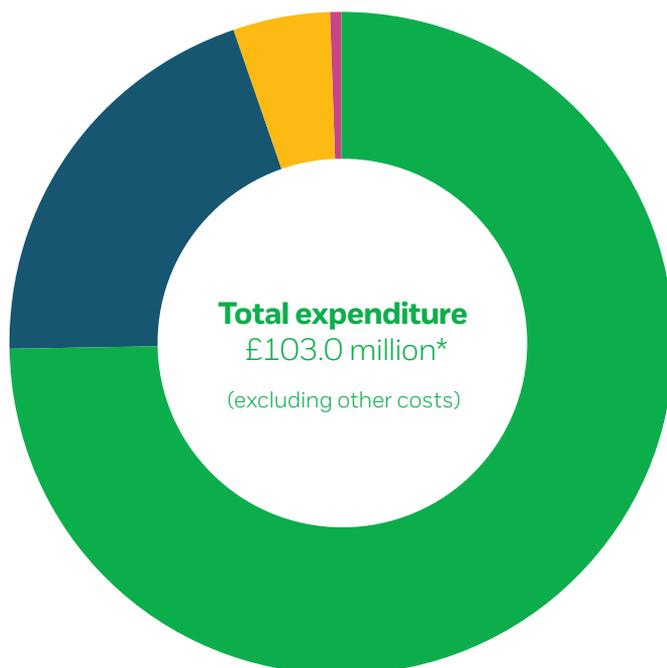
(£20.6 million in 2022)

Child protection advice and awareness £23.9 million

(£21.4 million in 2022)

Child protection consultancy £5.2 million

(£4.2 million in 2022)



Total expenditure

£103.0 million*

(excluding other costs)

Raising donations and legacies

£20.5 million (19.9%)

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

(£18.9 million in 2022)

Other trading activities

£4.8 million (4.7%)

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

(£3.6 million in 2022)

Investment management costs

£0.4 million (0.4%)

The cost of managing our investments.

(£0.3 million in 2022)

Other*

£0.5 million

Costs outside business as usual activities, such as restructuring and impairments.

(£5.0 million in 2022)

*Total expenditure was £103.5 million (£103.9 million in 2022) including other expenditure of £0.5 million (£5.0 million in 2022). These costs have been excluded from the figures presented above as they are outside business as usual activities.

NSPCC consolidated statement of financial activities for the year ended 31 March 2023

	Notes	Unrestricted funds £'000	Restricted & endowment funds [i] £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Income from:					
Donations and legacies	3	85,345	11,445	96,790	103,705
Charitable activities	4	5,040	9,554	14,594	14,314
Other trading activities	3	3,204	2,431	5,635	4,280
Investments	3	2,047	21	2,068	1,310
Other		1,495	–	1,495	–
Total income		97,131	23,451	120,582	123,609
Expenditure on:					
Raising donations and legacies	6	20,381	146	20,527	18,897
Other trading activities	6	4,808	13	4,821	3,558
Investment management costs	6	399	5	404	343
Raising funds		25,588	164	25,752	22,798
Net income available for charitable application		71,543	23,287	94,830	100,811
Expenditure on:					
Services for children and families		14,546	9,409	23,955	29,846
Childline and the Schools Service		12,615	11,543	24,158	20,623
Child protection advice and awareness		21,872	2,076	23,948	21,397
Child protection consultancy		4,524	668	5,192	4,173
Charitable activities	6	53,557	23,696	77,253	76,039
Other	6	528	–	528	5,024
Total expenditure		79,673	23,860	103,533	103,861
Net income before investment gains		17,458	(409)	17,049	19,748
Net (losses)/gains on investments	14	(4,128)	(59)	(4,187)	267
Net income		13,330	(468)	12,862	20,015
Transfer between funds	22	83	(83)	–	–
Other recognised gains/(losses):					
Actuarial (losses)/gains on defined benefit pension scheme	20	(26,824)	–	(26,824)	19,352
Net movement in funds		(13,411)	(551)	(13,962)	39,367
Reconciliation of funds:					
Total funds brought forward		115,604	3,797	119,401	80,034
Total funds carried forward		102,193	3,246	105,439	119,401

[i] The net gains on investments shown under Restricted & endowment funds are attributable to permanent endowment investments and along with the allocation of investment management fees are the only movements on the Permanent endowment fund. All other income and expenditure relates to restricted funds. Details of the Permanent endowment fund are given within notes 22 and 23.

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

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

NSPCC and consolidated balance sheets

as at 31 March 2023

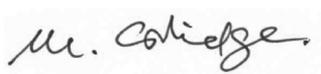
	Notes	Group		Charity	
		2023 £'000	2022 £'000	20232 £'000	2022 £'000
Fixed assets					
Tangible assets	12	18,579	19,494	18,579	19,494
Intangible assets	12	2,533	1,693	2,533	1,693
Investments	14	100,320	84,928	100,320	84,928
Total fixed assets		121,432	106,115	121,432	106,115
Current assets					
Debtors	15	17,265	20,195	17,136	20,115
Investments	16	8,555	8,750	8,555	8,750
Cash at bank and in hand	16	336	292	297	207
Total current assets		26,156	29,237	25,988	29,072
Creditors – amounts falling due within one year	17	(13,596)	(12,215)	(13,458)	(12,080)
Net current assets		12,560	17,022	12,530	16,992
Total assets less current liabilities		133,992	123,137	133,962	123,107
Provisions for liabilities	18	(3,638)	(3,736)	(3,638)	(3,736)
Net assets excluding pension scheme liability		130,354	119,401	130,324	119,371
Defined benefit pension scheme liability	20	(24,915)	–	(24,915)	–
Total net assets		105,439	119,401	105,409	119,371
Total funds					
Endowment funds	22	1,466	1,530	1,466	1,530
Restricted income funds	22	1,780	2,267	1,780	2,267
<i>Unrestricted funds:</i>					
Designated funds	22	37,644	35,599	37,644	35,599
General funds	22	89,464	80,005	89,434	79,975
<i>Unrestricted funds excluding pension liability</i>		127,108	115,604	127,078	115,574
Pension reserve	22	(24,915)	–	(24,915)	–
<i>Total unrestricted funds</i>		102,193	115,604	102,163	115,574
Total funds		105,439	119,401	105,409	119,371

The accompanying notes form part of these accounts.

Approved by the board of Trustees on 19 July 2023 and signed on its behalf by



Neil Berkett
Chair



Mark Corbidge
Treasurer

Consolidated cash flow statement

for the year ended 31 March 2023

	Notes	2023 £'000	2022 £'000
Cash flows provided from operating activities:			
Net cash provided/(used) by operating activities		18,106	(1,010)
Cash flows from investing activities:			
Dividends and interest from investments		2,068	1,310
Proceeds from the sale of tangible and intangible fixed assets		2,826	–
Purchase of tangible and intangible fixed assets		(3,572)	(1,733)
Proceeds from sale of investments		68,041	40,025
Purchase of investments		(87,620)	(38,471)
Net cash used in investing activities		(18,257)	1,131
Change in cash and cash equivalents in the reporting period		(151)	121
Cash and cash equivalents at the beginning of the reporting period	b	9,042	8,921
Cash and cash equivalents at the end of the reporting period	b	8,891	9,042
Notes to the cash flow statement			
		2023 £'000	2022 £'000
a. Reconciliation of net income to net cash flow from operating activities			
Net income		12,862	20,015
Adjustments for:			
Depreciation and amortisation charges		2,332	2,955
Impairments		(16)	128
Losses/(gains) on investments		4,187	(267)
Dividends and interest from investments		(2,068)	(1,310)
Profit on the sale of tangible and intangible fixed assets		(1,495)	–
Decrease/(increase) in debtors		2,930	(9,386)
Increase in creditors		1,381	14
Decrease in other provisions		(98)	(483)
Difference between pension contributions paid and charges made		(1,909)	(12,676)
Net cash (used)/provided by operating activities		18,106	(1,010)
b. Analysis of cash and cash equivalents			
Cash at bank and in hand		336	292
Current investments		8,555	8,750
Total cash and cash equivalents		8,891	9,042

Notes to the consolidated accounts for the year ended 31 March 2023

1. Accounting policies

1.1 Basis of accounting

The NSPCC is a public benefit entity. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019. The accounts are prepared under the historical cost convention as modified for the revaluation of investments.

After making enquiries, the trustees have a reasonable expectation that the charity and its subsidiaries have adequate resources to continue their activities for the foreseeable future. When setting the 2023/24 budget, we reviewed our income expectations in light of historic returns and income modelling. We have considered our risks and opportunities, to ensure that our income targets are realistic, and have aligned our planned services and activities with our expected future short term income. Having assessed projected future income, expenditure and cash flows over the period to 31 March 2025, including additional downside scenarios and analysed the strength of the charity's reserves, liquid assets and its ability to withstand a short-term material fall in income we have concluded that there is a reasonable expectation that the charity and its subsidiaries have adequate

resources to continue their activities for the foreseeable future. Therefore, we have continued to adopt the going concern basis in preparing the financial statements.

1.2 Consolidated accounts

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

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

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

1.3 Principal accounting estimates and judgements

In the application of the Charity's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and

liabilities that are not readily apparent from other sources.

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

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

- Legacy income recognition: Income from residuary legacies are recognised when there is entitlement and the income is measurable and probable as detailed within accounting policy 1.5. Legacy income recognised in the year is shown in note 3, and legacies not recognised in the year are detailed in note 24.
- Expenditure allocations: Expenditure is apportioned where it relates to more than one cost category as detailed within accounting policy 1.6.

1. Accounting policies (continued)

The following are the key sources of estimation uncertainty:

- Actuarial assumptions: See detailed disclosure within note 20.
- Property impairments: See detailed disclosure within note 12.

1.4 Financial instruments

Financial assets and financial liabilities are recognised when the Society becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of fixed asset investments, as detailed within accounting policy 1.9.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of the bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.5 Income

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

For pecuniary legacies the recognition point is normally when notification of the grant

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

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

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

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

included under income from charitable activities. This policy applies to both non-government and government grants, including coronavirus job retention scheme.

1.6 Expenditure

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

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

Expenditure is apportioned where it relates to more than one cost category, such as communication with the public around child protection advice and awareness with the parallel purpose of encouraging potential donors to contribute funds to the Society. The method of apportionment uses the most appropriate basis in each case. Marketing activities with the dual purpose of generating funds and informing the public about child protection are allocated based on content. An analysis of the split between directly attributable costs and allocated costs incurred for fundraising activities and child protection advice and awareness is detailed within note 7.

Support costs are those costs which enable raising funds and charitable activities to be undertaken. These costs include finance, human resources, information systems, communications, property management, legal costs, and governance costs. All support costs are apportioned on the basis of full time equivalent

1. Accounting policies (continued)

staff numbers, except costs relating to information systems which are apportioned based on the number of computers and laptops in use.

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

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

1.7 Fund accounting

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

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

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

Endowment funds - these are funds where the assets must be held permanently by the Society, principally in the form of investments. Endowment funds are not shown separately on the SOFA on the basis of materiality but are detailed within note 22. Income received from endowments is added to the appropriate fund in accordance with any restriction placed upon it. Any capital gains or losses arising on the investments form part of the fund.

Further explanation of the nature and purpose of each fund is detailed within note 22.

1.8 Tangible and intangible fixed assets

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

Freehold property - 50 years

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

Furniture, fittings and equipment - 2 - 5 years

Intangible assets - 2 - 5 years

No depreciation is provided on freehold land.

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

Impairment reviews on fixed assets are conducted on an annual basis and if found to have a carrying value materially higher than its recoverable amount, it is written down accordingly. As part of the impairment review, an assessment is performed to record properties at the lower of net book value and recoverable amount. Fair value is estimated through property valuations which are conducted triennially by an independent valuer. The valuation, which conforms to International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties.

1.9 Investments

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

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

No depreciation is provided on the investment properties and changes in fair value are recognised in the SOFA.

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

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

Investment income is recognised gross of costs when the Charity is entitled to it, it is probable that it will be received, and it can be reliably measured. Realised and unrealised gains and losses are combined in the appropriate section in the SOFA.

1. Accounting policies (continued)

1.10 Pension costs

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

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

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

1.11 Operating leases

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

1.12 Tax

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

1.13 Cash flow

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

2. Consolidated statement of financial activities with fund comparatives

	Unrestricted funds £'000	Restricted & endowment funds £'000	Year ended 31 March 2023 £'000	Unrestricted funds £'000	Restricted & endowment funds £'000	Year ended 31 March 2022 £'000
Income from:						
Donations and legacies	85,345	11,445	96,790	89,909	13,796	103,705
Charitable activities	5,040	9,554	14,594	5,924	8,390	14,314
Other trading activities	3,204	2,431	5,635	2,601	1,679	4,280
Investments	2,047	21	2,068	1,306	4	1,310
Other	1,495	–	1,495	–	–	1,495
Total income	97,131	23,451	120,582	99,740	23,869	123,609
Expenditure on:						
Raising donations and legacies	20,381	146	20,527	18,637	260	18,897
Other trading activities	4,808	13	4,821	3,544	14	3,558
Investment management costs	399	5	404	337	6	343
Raising funds	25,588	164	25,752	22,518	280	22,798
Net income available for charitable application	71,543	23,287	94,830	77,222	23,589	100,811
Expenditure on:						
Services for children and families	14,546	9,409	23,955	20,088	9,758	29,846
Childline and the Schools Service	12,615	11,543	24,158	8,486	12,137	20,623
Child protection advice & awareness	21,872	2,076	23,948	19,270	2,127	21,397
Child protection consultancy	4,524	668	5,192	3,525	648	4,173
Charitable activities	53,557	23,696	77,253	51,369	24,670	76,039
Other	528	–	528	5,024	–	5,024
Total expenditure	79,673	23,860	103,533	78,911	24,950	103,861
Net income before investment gains	17,458	(409)	17,049	20,829	(1,081)	19,748
Net (losses)/gains on investments	(4,128)	(59)	(4,187)	263	4	267
Net income	13,330	(468)	12,862	21,092	(1,077)	20,015
Transfer between funds	83	(83)	–	32	(32)	–
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension scheme	(26,824)	–	(26,824)	19,352	–	19,352
Net movement in funds	(13,411)	(551)	(13,962)	40,476	(1,109)	39,367
Reconciliation of funds:						
Total funds brought forward	115,604	3,797	119,401	75,128	4,906	80,034
Total funds carried forward	102,193	3,246	105,439	115,604	3,797	119,401

3. Analysis of income from raised funds

	2023 £'000	2022 £'000
Donations and legacies:		
Individual giving including regular donations	45,527	47,767
Legacies	28,183	30,546
Regional and community fundraising	9,349	9,135
Corporates, trusts and major donors	12,646	14,367
Coronavirus job retention scheme	–	665
Schools fundraising	599	755
Other donations and gifts	486	470
Total	96,790	103,705
Other trading activities:		
Fundraising events	3,618	2,065
Sale of goods and other activities*	2,017	2,215
Total	5,635	4,280
Investments:		
Dividends	483	314
Interest	1,470	881
Rents from investment property	115	115
Total	2,068	1,310

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

Donated goods and services amounted to £3,279,000 (2022 £2,769,000), of which £2,580,000 (2022 £2,169,000) has been recognised within Corporates, trusts and major donors, £400,000 (2022 £446,000) within Regional and community fundraising and £299,000 (2022 £154,000) within Other donations and gifts.

Donations and legacies includes £nil (2022 £nil) income received for a capital purpose recognised within Other donations and gifts.

Income from donations and legacies includes £5,488,000 from non-performance related grants (2022 £6,814,000), of which £790,000 are government grants (2022 £1,763,000).

£2,500,000 was received from People's Postcode Lottery (2022: £3,125,000), recognised within Corporates, trusts and major donors. There were no unfulfilled conditions or other contingencies relating to government grant income recognised in the year. None of the income received from government grants has been used to fund political campaigning.

Although required to disclose the aggregate donated by trustees the Society recognises that all of our trustees give their time on a voluntary basis and make valuable non-financial contributions. Total trustee donations of £70,000 (2022 £354,000) have been received in the year, of which £66,000 (2022 £337,000) was restricted. Included in fundraising events is £8,000 (2022 £18,000) income reflecting trustee support for other trading activities (such as the purchase of tickets). In addition, in 2022, included in Corporates, trusts and major donors was £1,000 reflecting gifts in kind from trustees.

4. Analysis of income from charitable activities

Income raised by the following child protection activities:

	Statutory funding		Non-Statutory funding		Total 2023 £'000	Total 2022 £'000
	Contracts and fees	Performance related grants	Contracts and fees	Performance related grants		
	£'000	£'000	£'000	£'000		
Services for children and families	1,036	5,131	204	56	6,427	6,578
Childline and the Schools Service	–	1,964	5	–	1,969	1,984
Child protection advice and awareness	21	933	25	280	1,259	1,219
Child protection consultancy	330	661	3,948	–	4,939	4,533
Total	1,387	8,689	4,182	336	14,594	14,314

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

Income from charitable activities includes £9,025,000 from performance related grants (2022 £7,979,000), of which £8,689,000 are government grants (2022 £7,929,000). There were no unfulfilled conditions or other contingencies relating to government grant income recognised in the year. Other forms of government assistance include income from statutory contracts and fees of £1,387,000 (2022 £2,140,000). None of the income received from government grants has been used to fund political campaigning.

Statutory contracts and fees include donated services and facilities under service level agreements (SLAs) of £10,000 (2022 £10,000) in respect of premises and other facilities which have been recognised as gifts in kind.

5. Analysis of other income

	Total 2023 £'000	Total 2022 £'000
Profit from sale of tangible fixed assets	1,495	–
Total	1,495	–

6. Analysis of total expenditure

	Notes	Direct Costs £'000	Support Costs £'000	Total 2023 £'000	Total 2022 £'000
Expenditure on raising funds:					
Expenditure on raising donations and legacies:					
Individual giving including regular donations		5,971	186	6,157	5,095
Legacies		2,154	58	2,212	1,988
Regional and community fundraising		5,194	232	5,426	5,412
Corporates, trusts and major donors		5,798	181	5,979	5,792
Schools fundraising		553	25	578	554
Other donations and gifts		166	9	175	56
Total		19,836	691	20,527	18,897
Expenditure on other trading activities:					
Fundraising events		3,006	103	3,109	2,023
Sale of goods and other activities		1,675	37	1,712	1,535
Total		4,681	140	4,821	3,558
Investment management costs		404	–	404	343
Total expenditure on raising funds	7	24,921	831	25,752	22,798
Net income available for charitable application				94,830	100,811
Expenditure on charitable activities:					
Services for children and families		22,863	1,092	23,955	29,846
Childline and the Schools Service		22,792	1,366	24,158	20,623
Child protection advice and awareness	7	22,902	1,046	23,948	21,397
Child protection consultancy		4,945	247	5,192	4,173
Total expenditure on charitable activities		73,502	3,751	77,253	76,039
Other expenditure:					
Dilapidations		179	–	179	(75)
Restructuring		49	–	49	4,022
Impairments		(16)	–	(16)	128
Defined benefit pension costs (see note 20)		316	–	316	949
Total other expenditure		528	–	528	5,024
Total expenditure		98,951	4,582	103,533	103,861

Included in total expenditure is irrecoverable Value Added Tax of £4,307,000 (2022 £3,406,000).

Included in total expenditure are grant payments of £3,265,000 (2022 £2,785,000) which are grants to Blackpool council for delivery of services for the Big Lottery funded 'Better Start' programme.

The Society undertakes annual property impairment reviews, comparing the properties' net book value to value in use. Properties identified with a net book value in excess of value in use are written down to the higher of market value or value in use. An independent valuation was carried out as at 31 March 2021 and as a result impairments were put through against six of our properties, totalling £128,000.

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

The restructuring costs relate primarily to the cost of redundancies (see note 9).

6. Analysis of total expenditure (continued)

The activities underlying the costs above under each heading are:

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

Childline and the Schools Service – work to provide accessible support and advice to ensure that every child is listened to and protected. Childline includes a free

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

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

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

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

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

	2023 £'000	2022 £'000
Total expenditure is stated after charging:		
Operating lease rentals:		
Land and buildings	961	1,081
Other	124	82
Fees payable to the Charity’s auditor for:		
Statutory audit of the Charity and Group accounts	116	100
Statutory audit of the Charity’s subsidiaries’ accounts	8	7
Total audit fees	124	107
Other assurance services	3	7
Total non-audit fees	3	7
Charges on owned assets:		
Depreciation and amortisation	2,332	2,955
Impairment	(16)	128
Trustees’ expenses:		
Trustees’ travel, subsistence and other expenses	3	–

Our trustees are based all over the United Kingdom and give their time on a voluntary basis; the trustees are not entitled to and did not receive any remuneration or other benefits during the year (2022 £nil).

Total trustee expenses of £3,000 (2022 under £500) were incurred in the year, in respect of seven trustees (2022 two). In addition the Society paid indemnity insurance in respect of the trustees of £16,000 (2022 £13,000).

The trustee expenses disclosed above were incurred solely in furtherance of their duties. Trustee expenses include travel, subsistence and other incidental expenses reclaimed or paid directly by the charity.

7. Child protection advice and awareness

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

- makes the public aware of the incidence and effects of child

abuse and everyone's shared responsibility to act to stop it;

- provides comprehensive and expert advice and information on child protection to professionals and other relevant parties;
- provides advice, guidance and support to adults who are concerned about the welfare of a child or young person, enabling them to take appropriate action; and

- informs the public and fellow professionals about the NSPCC's own action to protect children and young people through its services for them and their families.

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

	2023		2022	
	Raising funds £'000	Child protection advice and awareness £'000	Raising funds £'000	Child protection advice and awareness £'000
Charged directly	11,566	10,736	9,882	10,101
Allocated costs	13,355	12,166	12,141	10,284
Direct costs allocated	24,921	22,902	22,023	20,385
Support costs allocated	831	1,046	775	1,012
Total	25,752	23,948	22,798	21,397

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

8. Allocation of support costs

Type of cost	Raising funds £'000	Charitable activities £'000	Total 2023 £'000	Total 2022 £'000
Central management and administration	523	2,371	2,894	2,985
Premises, infrastructure and communications	230	1,033	1,263	1,175
Governance	78	347	425	409
Total support costs allocated	831	3,751	4,582	4,569

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

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

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

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

9. Employees

	2023 £'000	2022 £'000
Total staff costs recognised in the year		
Wages and salaries	47,988	50,077
Social security costs	4,976	4,975
Pension costs	5,670	6,661
Other forms of employee benefits	343	431
Total	58,977	62,144

Redundancy costs of £253,000 have been paid (2022 £4,099,000). The amount expensed in the accounts, not included in the above table, is £137,000 (2022 £4,084,000), of which £nil is provided for (2022 £115,000).

Included within pension costs of £5,670,000 (2022 £6,661,000) are costs relating to the defined contribution scheme of £5,354,000 (2022 £5,712,000) and costs relating to the defined benefit scheme of £316,000 (2022 £949,000). Pension costs in relation to the defined benefit pension scheme are detailed within note 20.

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

The average number of employees on the payroll for the year was 1,555 (2022 1,689). The average number of employees, calculated on a full time equivalent basis for the year was 1,372 (2022 1,476). The NSPCC operates a family-friendly policy including part-time work and job-sharing. The above numbers include staff responsible for the management and support of the volunteers.

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

	2023 Number	2022 Number
Activities to end cruelty to children	1,039	1,147
Raising funds	213	207
Support and governance	120	122
Total	1,372	1,476

The number of employees whose total employee benefits (excluding employer pension and national insurance costs) for the reporting period amounted to over £60,000 was as follows:

	2023 Number	2022 Number
£180,001 - £190,000	1	-
£170,001 - £180,000	-	-
£140,001 - £150,000	-	-
£130,001 - £140,000	-	-
£120,001 - £130,000	3	-
£110,001 - £120,000	1	4
£100,001 - £110,000	2	2
£80,001 - £90,000	10	6
£70,001 - £80,000	17	15
£60,001 - £70,000	35	25
Total	70	54

The table above does not include termination benefits paid in the year. If these were included, one additional employee would be included in banding £60,001-£70,000 (2022 16), one in banding £70,001-£80,000 (2022 five), and one in banding £80,001-£90,000 (2022 six). In addition, in 2022 four additional employees would be included in banding £90,000-£100,000.

	2023 £'000	2022 £'000
Key management personnel (Executive board) – Group and Charity		
Total employee benefits* received by the Executive board for their services during the year	1,241	1,185

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

10. Contribution from volunteers



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

- Our Childline service delivers 24/7 support to children throughout the year. Our Childline counselling service delivered over 195,000 counselling sessions (2022 almost 205,000 sessions) with the help of almost 1,100 volunteer counsellors (2022 over 1,300 volunteer counsellors) providing over 132,000 hours (2022 over 156,000 hours).
- Our *Speak Out. Stay Safe.* service delivers assemblies and workshops in primary schools to equip pupils with the knowledge and resilience to protect themselves from abuse, and the confidence to seek help. This

year the assemblies continued to be completed virtually, and we delivered assemblies to over 5,300 schools (2022 delivered virtual assemblies to over 3,800 schools) reaching over 1,235,000 children across the UK (2022 reaching over 890,000 children).

- Supporting our fundraising team, there are a number of Special Events Committees, Volunteer and Business Boards, each focussing on NSPCC activities they feel particularly passionate about, and where their skills and expertise can be best utilised. Our Board and Committee members use their expertise and contacts from their own fields of business, employing a range of fundraising techniques, from corporate introductions to charity event creation, securing major gifts and legacies, and raising awareness. In the year, the Boards and Committees supported our fundraising team in generating income of £4,533,000 (2022 £3,473,000).

- We have 150 branches and over 477 districts (2022 152 branches and over 460 districts) raising funds around the UK, with around 2,900 members (2022 around 2,900 members) who raised almost £2,000,000 (2022 over £1,300,000) in the year through organising local community fundraising events.

- In addition there are approximately 53 volunteers (2022 approximately 56 volunteers) working in our service centres across the country in a range of roles, primarily providing support through our young witness in Northern Ireland.

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

11. Subsidiary companies and their activities

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

NSPCC Trading Company Limited

NSPCC Trading Company Limited (NSPCC Trading) is incorporated in the UK (Company registration number 00890446). The main activities consist of corporate sponsorships, fundraising events, sale of goods - including Christmas cards, and income from promotional activities.

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

	NSPCC Trading 2023 £'000	NSPCC Trading 2022 £'000
Profit and loss account		
Revenue	723	1,520
Cost of sales	(79)	(97)
Gross profit	644	1,423
Net operating costs	(425)	(382)
Operating profit	219	1,041
Amount gift aided to NSPCC	(219)	(1,041)
Retained profit for the year	-	-
Assets, liabilities and funds:		
Assets	662	875
Liabilities	(632)	(845)
Total funds including 100 ordinary shares of £1 each	30	30

NSPCC Trading runs fundraising events that benefit the NSPCC. As such the NSPCC has been charged a management fee to cover these costs plus a commission totalling £1,211,000 (2022 £1,022,000). Revenue includes £35,000 in commission for fundraising events (2022 £30,000). In addition NSPCC Trading pays the NSPCC £10,000 for the use of the NSPCC logo (2022 £10,000) and £647,000 in staff and building costs (2022 £621,000).

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

Childline

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

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

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

	Childline 2023 £'000	Childline 2022 £'000
Total income	954	1,122
Total expenditure	(954)	(1,122)
Net expenditure	-	-
Reconciliation of funds:		
Total funds brought forward	-	-
Funds balance carried forward	-	-
Assets, liabilities and funds:		
Assets	142	143
Liabilities	(142)	(143)
Total funds	-	-

11. Subsidiary companies and their activities (continued)

NSPCC results (excluding subsidiaries)

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

	NSPCC excluding subsidiaries 2023 £'000	NSPCC excluding subsidiaries 2022 £'000
Total income	118,912	122,148
Total expenditure	(101,863)	(102,400)
Net gains/(losses) on investments	(4,187)	267
Net income	12,862	20,015
Actuarial (losses)/gains on defined benefit pension scheme	(26,824)	19,352
Net movement in funds	(13,962)	39,367
Reconciliation of funds:		
Total funds brought forward	119,371	80,004
Funds balance carried forward	105,409	119,371

Total income for the NSPCC excluding subsidiaries, includes the gift aid donation from the NSPCC Trading Company Limited of £219,000 (2022 £1,041,000) and the grant from Childline of £954,000 (2022 £1,122,000).

12. Tangible and intangible fixed assets

Group and Charity	Freehold property £'000	Leasehold property £'000	Furniture, fittings, and equipment £'000	Total Tangible assets £'000	Total Intangible assets £'000	Total Fixed assets £'000
Cost						
1 April 2022	28,213	11,218	7,255	46,686	10,418	57,104
Additions	216	434	1,003	1,653	1,919	3,572
Disposals	(2,465)	(882)	(504)	(3,851)	(197)	(4,048)
31 March 2023	25,964	10,770	7,754	44,488	12,140	56,628
Depreciation and amortisation						
1 April 2022	11,808	9,090	6,294	27,192	8,725	35,917
Depreciation and amortisation	406	268	579	1,253	1,079	2,332
Impairment	(16)	–	–	(16)	–	(16)
Disposals	(1,464)	(552)	(504)	(2,520)	(197)	(2,717)
31 March 2023	10,734	8,806	6,369	25,909	9,607	35,516
Net book value						
31 March 2023	15,230	1,964	1,385	18,579	2,533	21,112
31 March 2022	16,405	2,128	961	19,494	1,693	21,187

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

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

Depreciation and amortisation is recognised as an expense in the SOFA. The expense is charged or apportioned to the relevant SOFA headings reflecting the assets use.

13. Capital commitments

There were capital commitments of £1,162,000 at 31 March 2023 (2022 £137,000).

14. Investments

Group and Charity	Equities £'000	Bonds £'000	Bank deposits £'000	Investment properties £'000	Total 2023 £'000	Total 2022 £'000
Market value at 1 April	26,664	31,304	26,060	900	84,928	86,215
Purchases at cost	10,173	21,558	55,889	–	87,620	38,471
Disposals at carrying value	(11,045)	(10,984)	(46,012)	–	(68,041)	(40,025)
Realised (loss)/ gain on investment	(1,253)	(474)	(247)	–	(1,974)	256
Unrealised gain/(loss) on investment	693	(2,385)	(329)	(192)	(2,213)	11
Value at 31 March	25,232	39,019	35,361	708	100,320	84,928
Historical cost as at 31 March	20,802	42,486	35,361	837	99,486	80,334

The majority of fixed investments are held with and managed by Credit Suisse and JPMorgan. Bank deposits also include £32,840,000 of deposits held directly (2022 £23,208,000). Investments are accounted for as detailed within accounting policy 1.9.

With reference to FRS 102 properties that are held to generate rental income are included within investments properties. The space is leased to an NHS trust, however as their activities are not in line with NSPCC charitable objectives, this element of the property is classified as an investment property. Independent property valuations are carried out triennially, the last was carried out as at 31 March 2021. The property has been revalued this year based on the percentage movement in the market and will be formally valued next year. The current lease is coming to an end, however a new lease is due to be agreed on comparable terms.

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

Group and Charity	Total 2023 £'000	Total 2022 £'000
Less than 1 year	68	81
Between 1 and 5 years	–	68
Total	68	149

15. Debtors

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade debtors	939	895	839	834
Amounts owed by group undertakings	–	–	637	71
Prepayments	2,688	2,768	2,226	2,117
Accrued income	10,910	13,876	10,763	13,869
Other debtors	2,728	2,656	2,671	2,584
Total	17,265	20,195	17,136	20,115

Amounts owed to by group undertakings are non-interest bearing and repayable on demand.

16. Current investments and cash at bank and in hand

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Current investments	8,555	8,750	8,555	8,750
Cash at bank and in hand	336	292	297	207
Total	8,891	9,042	8,852	8,957

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

17. Creditors: amounts falling due within one year

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade creditors	2,087	1,395	2,070	1,359
Accruals	6,923	6,281	6,872	6,255
Deferred income (see note 19)	1,543	1,756	1,473	1,683
Taxation and social security	1,307	1,218	1,307	1,218
Grants payable	1,023	943	1,023	943
Other creditors	713	622	713	622
Total	13,596	12,215	13,458	12,080

18. Provisions for liabilities

Group and Charity	Dilapidations on leasehold properties			Other £'000	Total £'000
	£'000	Restructuring £'000	£'000		
Carrying amount at 1 April 2022	3,572	115	49	3,736	
Additions and remeasurement	293	-	-	293	
Amounts utilised against the provision	(163)	(115)	-	(278)	
Unused amounts reversed	(113)	-	-	(113)	
Carrying amount at 31 March 2023	3,589	-	49	3,638	
Commitments are likely to be met:					
Within one year	2,312	-	49	2,361	
After one year and less than five years	939	-	-	939	
After five years	338	-	-	338	
Total	3,589	-	49	3,638	

The provision for dilapidations on leasehold properties relates to the estimated future cost of landlord claims at the end of the lease. The provision is calculated based on average historic landlord claims received. The movement on the provision reflects both changes in the average landlord claims and changes in properties occupied by the Society.

The provision for restructuring in prior year related to the cost of redundancies.

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

19. Deferred income

	1 April 2022 £'000	Deferred £'000	Released £'000	31 March 2023 £'000
Statutory sources	186	382	(186)	382
Other non-statutory sources	637	369	(637)	369
Income from fundraising activities	860	722	(860)	722
Total for the Charity	1,683	1,473	(1,683)	1,473
Income from fundraising activities	73	70	(73)	70
Total for the Group	1,756	1,543	(1,756)	1,543

The main reasons for deferrals are as follows:

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Performance related grant conditions not met	427	385	427	385
Potentially refundable income received for future events	792	892	722	819
Other deferrals	324	479	324	479
Total	1,543	1,756	1,473	1,683

20. NSPCC Pension Schemes

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

NSPCC defined contribution Pension Scheme

The pension costs for the year in relation to the defined contribution pension scheme were £5,354,000 (2022 £5,712,000). As at 31 March 2023, £478,000 was outstanding and included in creditors (2022 £438,000). Expenditure is allocated to the appropriate heading in the accounts on the basis of full time equivalent staff numbers.

NSPCC defined benefit Pension Scheme

The Society operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 31 March 2021 and this has been updated to 31 March 2023 by a qualified actuary, independent of the scheme's sponsoring employer. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method. The major assumptions used by the actuary are shown below.

This most recent triennial actuarial valuation showed a deficit of £23,300,000. Based on this valuation the Society has agreed with the trustees that it will aim to eliminate the deficit over a period of five years and six months from 31 March 2021 by the payment of annual contributions (payable monthly) of £1,800,000. In addition to the annual contributions it was agreed that a lump sum of £11,400,000 would be paid by 31 December 2021. In addition and in accordance with the actuarial valuation, the Society has agreed with the trustees that it will pay £425,000 per annum (payable monthly) to meet expenses of the scheme and levies to the Pensions Protection Fund (previously £475,000 per annum).

20. NSPCC Pension Schemes (continued)

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

	31 March 2023 £'000	31 March 2022 £'000
Group and Charity		
Fair value of plan assets	116,174	184,887
Present value of defined benefit obligation	(141,089)	(181,813)
(Deficit)/surplus in plan	(24,915)	3,074
Unrecognised surplus	–	(3,074)
Defined benefit liability to be recognised	(24,915)	–

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

	31 March 2023 £'000	31 March 2022 £'000
Defined benefit obligation at start of period	181,813	208,832
Expenses	343	453
Interest expense	4,998	4,008
Actuarial gains	(39,100)	(24,415)
Benefits paid and expenses	(6,965)	(7,065)
Defined benefit obligation at end of period	141,089	181,813

Expenses include £75,000 Pension Protection Fund levy (2022 £106,000) and £21,000 pension regulator fee (2022 £15,000).

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

	31 March 2023 £'000	31 March 2022 £'000
Fair value of plan assets at start of period	184,887	176,804
Interest income	5,111	3,512
Actuarial losses	(69,084)	(1,989)
Contributions by the Society	2,225	13,625
Benefits paid and expenses	(6,965)	(7,065)
Fair value of plan assets at end of period	116,174	184,887

The actual return on the plan assets over the period ended 31 March 2023 was a loss of £63,973,000 (2022 gain of £1,523,000).

Defined benefit costs recognised in the Statement of Financial Activities

	31 March 2023 £'000	31 March 2022 £'000
Expenses	343	453
Net interest cost	(27)	496
Defined benefit costs recognised in expenditure	316	949
Actuarial losses on assets	(69,084)	(1,989)
Actuarial gains on liabilities	39,100	24,415
Changes in asset ceiling (excluding interest income)	3,160	(3,074)
Actuarial (losses)/gains on defined benefit pension scheme	(26,824)	19,352

20. NSPCC Pension Schemes (continued)

Assets:

	2023 £'000	2022 £'000
Equity instruments	10,318	25,365
Property	6,059	12,475
Cash and cash equivalents	2,979	6,913
Other	96,818	140,134
Total assets	116,174	184,887

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

Assumptions:

	2023 £'000	2022 £'000
Discount rate	4.80% pa	2.80% pa
Inflation (pre and post 2030)	3.40% pa	3.70% pa
Inflation (CPI Pre 2030)	2.40% pa	2.70% pa
Inflation (CPI Post 2030)	3.30% pa	3.60% pa
Allowance for revaluation of deferred pensions of CPI or 5% pa if less (Pre 2030)	2.40% pa	2.70% pa
Allowance for revaluation of deferred pensions of CPI or 5% pa if less (Post 2030)	3.30% pa	3.60% pa
Allowance for revaluation of deferred pensions of CPI or 2.5% pa if less (Pre 2030)	2.40% pa	2.50% pa
Allowance for revaluation of deferred pensions of CPI or 2.5% pa if less (Post 2030)	2.50% pa	2.50% pa
Allowance for pension in payment increases of RPI or 5% pa if less (pre and post 2030)	3.20% pa	3.40% pa

The mortality assumptions adopted at 31 March 2023 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2023	21.6
Female retiring in 2023	23.9
Male retiring in 2043	22.6
Female retiring in 2043	25.0

21. Operating lease commitments

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

	Land and buildings 2023 £'000	Other 2023 £'000	Land and buildings 2022 £'000	Other 2022 £'000
Group and Charity				
Not later than one year	760	12	628	15
Later than one year and not later than five years	675	2	319	14
Total	1,435	14	947	29

22. Endowment, restricted and designated funds

Permanent endowment funds	Balance 1 April 2021 £'000	Income £'000	Expenditure £'000
Charity			
Permanent endowment fund	1,503	–	(6)
N Knatchbull endowment fund	10	–	–
M Glaisterfund	10	–	–
ASykes fund	9	–	–
Total permanent endowment funds	1,532	–	(6)

Restricted funds

Charity			
Childline restricted funds received by NSPCC including funding received from the Child's Voice Appeal for the Helpline Development Project	281	10,292	(10,489)
Activities to end cruelty to children funded by other restricted donations	2,785	5,660	(6,523)
Capital Projects, including Acquisition of Buildings	148	–	–

Details are given below in respect of restricted funds where separate disclosure is required by the funder:

Childline and NSPCC helpline funded by the Department for Education	–	2,641	(2,641)
Childline Foyle Helpline in Londonderry funded by the Department of Education Northern Ireland	–	266	(266)
Childline counselling staff salaries in Northern Ireland funded by the Department of Health, Social Services & Public Safety (DSSHPS) of Northern Ireland	–	47	(47)
'A Better Start' project in Blackpool funded by the Big Lottery Fund	–	4,194	(4,194)
Childline's anti-bullying work in Scotland funded by the Scottish Government	–	83	(83)
Funding for a volunteer co-ordinator in Scotland from the Scottish Government	–	32	(32)
Childline in Wales funded by the Welsh Government 'Children and Families Organisation' (CFOG)	–	90	(90)
Northern Ireland Young Witness Support Service funded by the Department of Justice Northern Ireland	21	457	(465)
Funding for the virtual delivery of In Ctrl in Wales from Wales Council for Voluntary Action	8	40	(48)
Community Potential in Plymouth funded by the National Lottery Community Fund	131	67	(66)
Practitioner Salaries delivering 'Pregnancy In Mind' in Northern Ireland funded by Community Foundation Northern Ireland	–	–	–
Delivery of 'Letting The Future In' and scale-up in England and Wales funded by the Home Office	–	–	–
Delivery of 'Letting The Future In' Project in South Wales funded by the South Wales Police and Crime Commissioner	–	–	–
Delivery of 'Domestic Abuse, Recovering Together' Project in South Wales funded by the South Wales Police and Crime Commissioner	–	–	–
Total restricted funds	3,374	23,869	(24,944)
Total restricted and endowment funds	4,906	23,869	(24,950)

Designated funds

Charity			
Freehold and leasehold properties	19,868	–	(838)
Strategic spend	–	–	(260)
Total designated funds	19,868	–	(1,098)

Gains / (losses) £'000	Transfers £'000	Balance 31 March 2022 £'000	Income £'000	Expenditure £'000	Gains / (losses) £'000	Transfers £'000	Balance 31 March 2023 £'000
4	-	1,501	-	(5)	(59)	-	1,437
-	-	10	-	-	-	-	10
-	-	10	-	-	-	-	10
-	-	9	-	-	-	-	9
4	-	1,530	-	(5)	(59)	-	1,466
-	(8)	76	9,382	(9,305)	-	14	167
-	54	1,976	5,300	(5,781)	-	(90)	1,405
-	(78)	70	-	-	-	10	80
-	-	-	2,600	(2,600)	-	-	-
-	-	-	266	(266)	-	-	-
-	-	-	47	(47)	-	-	-
-	-	-	4,773	(4,773)	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	90	(90)	-	-	-
-	-	13	471	(472)	-	(12)	-
-	-	-	-	-	-	-	-
-	-	132	91	(90)	-	(5)	128
-	-	-	82	(82)	-	-	-
-	-	-	289	(289)	-	-	-
-	-	-	30	(30)	-	-	-
-	-	-	30	(30)	-	-	-
-	(32)	2,267	23,451	(23,855)	-	(83)	1,780
4	(32)	3,797	23,451	(23,860)	(59)	(83)	3,246
-	3,974	23,004	-	(657)	-	(663)	21,684
-	12,855	12,595	5,000	(1,124)	-	(511)	15,960
-	16,829	35,599	5,000	(1,781)	-	(1,174)	37,644

22. Endowment, restricted and designated funds (continued)

Other unrestricted funds

Charity

General funds	87,258	97,098	(74,222)
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Total general funds for the Charity	87,258	97,098	(74,222)
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Subsidiary companies

NSPCC Trading Company Limited	30	1,520	(1,520)
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Childline	–	1,122	(1,122)
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Total general funds for the Group	87,288	99,740	(76,864)
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Pension reserve	(32,028)	–	(949)
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Total funds for the Group	80,034	123,609	(103,861)
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Income within general funds for the charity excludes the gift aid donation of £219,000 (2022 £1,041,000) from NSPCC Trading Company Limited and the grant of £954,000 from Childline (2022 £1,122,000).

Transfers include £2,225,000 transferred from general funds for payments in relation to pensions (2022 £13,625,000), and £663,000 from designated funds in relation to property disposals. In 2022 £3,974,000 was transferred from general funds to designated funds in relation to property, covering additions and dilapidations, and £12,855,000 for strategic projects.

23. Analysis of group net assets between funds

Fund balances are represented by:

	Unrestricted		Restricted £'000
	General £'000	Designated £'000	
Tangible and intangible fixed assets	3,668	17,387	57
Investments	82,186	16,668	–
Current assets and liabilities	7,248	3,589	1,723
Provisions	(3,638)	–	–
Total net assets excluding pension reserve	89,464	37,644	1,780
Pension reserve	(24,915)	–	–
Total net assets	64,549	37,644	1,780

24. Legacies

The NSPCC has been notified of 772 legacies (2022: 776 legacies) which have not been included within the financial statements as they do not yet meet the income recognition criteria. This includes 52 pecuniary legacies which have an average value of £4,324 (2022: 66 cases with an average value of £3,275). Pecuniary legacies are only recognised once notification of probate is

received. The remaining 720 are residuary legacies, which have an average value of £43,807 (2022: 710 cases with an average value of £41,706).

Residuary legacies are normally recognised once draft accounts are received or other information which allow them to be measured with reasonable accuracy. Included within the above figures are 9 pecuniary

legacies (2022: 14) and 135 residuary legacies (2022: 128) which are not recognised because they are subject to a life interest.

The NSPCC waived the rights to two legacy entitlements totalling £600 (2022: two totalling £4,250) related to claims made by the family of the deceased on the basis that the claim reflected the deceased's wishes.

263	(30,422)	79,975	90,454	(75,899)	(4,128)	(968)	89,434
263	(30,422)	79,975	90,454	(75,899)	(4,128)	(968)	89,434
-	-	30	723	(723)	-	-	30
-	-	-	954	(954)	-	-	-
263	(30,422)	80,005	92,131	(77,576)	(4,128)	(968)	89,464
19,352	13,625	-	-	(316)	(26,824)	2,225	(24,915)
19,619	-	119,401	120,582	(103,533)	(31,011)	-	105,439

Endowment £'000	2023	Unrestricted			Endowment £'000	2022
	Total funds £'000	General £'000	Designated £'000	Restricted £'000		Total funds £'000
-	21,112	2,655	18,532	-	-	21,187
1,466	100,320	70,697	12,701	-	1,530	84,928
-	12,560	10,389	4,366	2,267	-	17,022
-	(3,638)	(3,736)	-	-	-	(3,736)
1,466	130,354	80,005	35,599	2,267	1,530	119,401
-	(24,915)	-	-	-	-	-
1,466	105,439	80,005	35,599	2,267	1,530	119,401

25. Related party transactions

Related party transactions with and between wholly-owned subsidiaries are detailed as follows. Further details on subsidiaries and their activities are provided in note 11.

	2023 £'000	2022 £'000
Management charge (payable by NSPCC to NSPCC Trading)	1,211	1,022
Logo licence fee (payable by NSPCC Trading to NSPCC)	10	10
Staff and building costs (payable by NSPCC Trading to NSPCC)	647	621
Profits distributable under Gift Aid (payable by NSPCC Trading to NSPCC)	219	1,041
Profits distributable under Gift Aid (payable by Childline to NSPCC)	954	1,122

Related party transactions with NSPCC Pension Scheme are disclosed in note 20, Related party transactions with the trustees are detailed within in notes 3 and 6, There were no transactions with other related parties in the year.



NSPCC offices

Headquarters and registered office address

Weston House
42 Curtain Road
London EC2A 3NH
Tel: 020 7825 2500

National and regional hubs

Cymru/Wales National Office and Hub

Diane Engelhardt House
Treglown Court
Dowlais Road
Cardiff CF24 5LQ
Tel: 02920 108 081

Northern Ireland National Office and Hub

Unit 7, The Lanyon Building
Jennymount Business Park
North Derby Street
Belfast BT15 3HN
Tel: 028 2044 1524

Scotland National Office

3rd Floor, Templeton House
62 Templeton Street
Glasgow G40 1DA
Tel: 0141 212 3844

East of England Hub

Tokko Youth Space
7 Gordon Street
Luton
Bedfordshire LU1 2QP

London and South East Regional Hub

7-8 Greenland Place
Camden
London NW1 0AP
Tel: 020 3772 9905

North East, Yorkshire and the Humber Regional Hub

Unit 3, Eastbrook Hall
59 Leeds Road
West Yorkshire BD1 5AE
Tel: 01274 381 440

North West Regional Hub

Hargreaves Centre
112 Great Homer Street
Liverpool L5 3LQ
Tel: 0151 556 1000

Midlands Regional Hub

Jenny Farr House
1 Cranmer Street
Nottingham NG3 4GH
Tel: 0115 960 5481

South West and Channel Islands Regional Hub

5 Little London Court
Albert Street
Swindon SN1 3HY
Tel: 01793 683 100

The National Society for the Prevention of Cruelty to Children (NSPCC) 2023.
Registered charity England and Wales 216401. Scotland SC037717. Jersey 384.
Patron: HRH The Duchess of Edinburgh GCVO. Founded in 1884.
Incorporated by Royal Charter RC000374.

Childline registered charity number 1003758.

The NSPCC Trading Company Ltd. (registered Company in England & Wales no. 890446).

NSPCC

Together, we can stop child abuse and neglect – by working with people and communities to prevent it, transforming the online world to make it safer for children, and making sure every child has a place to turn for support when they need it.

We campaign for change. We work with schools to help children understand what abuse is and support them to speak out. Childline is here, whenever young people need us. And the NSPCC Helpline is ready to respond to adults with any worry about a child. We develop services in local communities to stop abuse before it starts and help children recover, so it doesn't shape their future

And, above all, we work together – because everyone has a part to play in keeping children safe. Every pound you raise, every petition you sign, every minute of your time, will make a difference.

Together, we can change children's lives.

nspcc.org.uk

EVERY CHILDHOOD IS WORTH FIGHTING FOR