Real life stories
The NSPCC Annual Report
and Accounts 2012/13
Sometimes the stories, facts and statistics we have to tell can be hard to hear.

The nature of child cruelty can be shocking, upsetting and alarming, but it has to be tackled.

Yet many of the stories we have to tell are truly inspirational. They can show that it’s never too early – or too late – to keep a child safe and turn their lives around. This year, the NSPCC Annual Report and Accounts tells you what we have done in the year 2012/13, and includes some stories that illustrate our work. These aren’t tall tales. They’re amazing, true stories, and we’re very proud of them.

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Fiona’s story
“I first called ChildLine from the phone box down the road. I used to stand there, willing myself to phone ChildLine – always chickening out at the last minute. But then I started self-harming a lot and feeling I didn’t want to be alive. I knew having these thoughts wasn’t right, and I had to speak to someone. I finally found the courage to call ChildLine. I started to talk to someone called Jane. We got on really well and I told her everything.

I was nine when my mum met a new man. At first I really liked him and saw him as a father figure, but things soon changed. My mum and I were really close and I think he was jealous. He started setting strict rules and picking on me for little things. Then he became angrier. I was 14 when he hit me for the first time. Mum tried to jump in front of him but he smacked me across the face. Mum and I left the house but we had to return hours later. We had nowhere else to go.

Knowing ChildLine was there brought me back from the brink. I was scared about admitting how suicidal I felt, in case someone told my mum or hospitalised me. But I felt able to talk to ChildLine. Knowing Jane was there to listen made me feel like I was less alone. Jane made me feel like I was important, like I did actually matter. Talking with her helped me to keep my head pretty straight. Jane calmed me down until I could think more rationally. She would always make sure I was OK, and try to end the call on a light note.

My mum and I eventually moved house, but ChildLine helped me when we couldn’t get away. If any young people are being abused I would urge them to call. They don’t have to suffer alone.”

You can help children and young people like Fiona. Volunteer for ChildLine and give them a place to turn. Visit nsppc.org.uk/volunteer

*Names have been changed to protect her identity.*
Seldom throughout the NSPCC’s proud history can our work have been etched as clearly onto the public consciousness as it was this year.

As the months were punctuated with story after story of abuse – from care homes in Wales to grooming in Rochdale – culminating in the scandalous revelations from the Jimmy Savile inquiry, we were served with a series of reminders about the magnitude of the work still needed to combat abuse and neglect.

At the same time these shocking revelations highlighted the relevance of our work and we should remain confident that we are making progress against cruelty to children. By taking a lead in the national debate around Jimmy Savile – and other high profile child abuse offences – we showed victims of abuse that their voices would no longer go unheard. It is important that the country now seizes this historic opportunity to learn from the past and recognises the importance of listening to children and reporting any concerns about their welfare.

The year was also one of change in the NSPCC’s leadership and I would like to pay tribute to our outgoing chief executive, Andrew Flanagan. He has successfully navigated the NSPCC through a period of transformation in a challenging financial climate and we are already seeing the fruits of our new strategy.

We are delivering pioneering services for children every day, answering more calls than ever before through the helpline and ChildLine, whilst the ChildLine Schools Service is enabling young children throughout the UK to learn about appropriate and inappropriate adult behaviour and where to turn for help. It’s a fabulous volunteering opportunity for people keen to make a difference locally.

I have no doubt about the size of the task facing us. Children and young people in today’s digital age are faced with a new barrage of threats. The NSPCC is proud to take the lead but our aim is to inspire people throughout society to play their part as well. Our helpline is there 24/7 if you have concerns about a child – don’t wait until it is too late. Our sexual abuse campaign responds with practical assistance for parents who want to help their children protect themselves. Our expanding ChildLine Schools Service is enabling young children throughout the UK to learn about appropriate and inappropriate adult behaviour and where to turn for help. It’s a fabulous volunteering opportunity for people keen to make a difference locally.

In the short time I have been with the NSPCC, I’ve made it a priority to listen to young people, to our volunteers, supporters and NSPCC staff. Their talent and their commitment is extraordinary. I’m looking forward to meeting many more of you over the months ahead, already I feel part of a very special family offering essential services and support which are improving children’s lives every single day – and sometimes saving them.

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At its heart, effective child protection is about listening to children, hearing what they say and acting upon it. That is a fundamental part of what the NSPCC does. Through ChildLine and our other efforts to reach out to young people, we are uniquely placed to reflect the views and concerns of young people, taking a strong lead in providing direction to the rest of society. Our direct services are specifically designed to learn from, and address, the needs of the most vulnerable, not only to the benefit of those we work with directly but in order that we influence practice throughout the UK.

I am hugely excited to take up the role of NSPCC chief executive and feel very privileged to join this wonderful charity at such an important time.

I am pleased the NSPCC’s swift and decisive response puts us at the heart of the national debate. We must now translate awareness into actions which do the very best we can for children at risk. It’s far better to prevent abuse ever occurring than manage its consequences and we are increasingly clear about how that is best done.

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If you are reading this and would like to join our efforts to make a huge difference to the children and young people most in need of our support, we would be delighted to tell you more.

Peter Wanless
Chief Executive

Mark Wood
Chairman of the Trustees

There is nothing more important than giving every child the best possible start in life.
Our approach

Throughout our 129-year history, the NSPCC has been at the heart of child protection in the UK. Over the decades we have evolved to tackle a broad range of shifting social issues, from Victorian deprivation and child cruelty to modern day challenges such as internet pornography, sexting and online bullying.

Since our work began – now beyond the span of living memory – we have protected millions of children through our direct services and helplines. We also aim to prevent future abuse through these services and our new ChildLine Schools Service. Ultimately, we aspire to transform society, making the UK a safer place for children and protecting future generations.

Our inspirational volunteers and dedicated staff provide both a local presence to communities in need of support and run universal services reaching out to every child across the UK. ChildLine, now in operation for 26 years, continues to provide a lifeline for children and ensures that young people’s voices inform all of the NSPCC’s work. And since the first Children’s Charter was passed by government in 1889, after five years of NSPCC lobbying, our campaigning has continued to change attitudes and provide legal safeguards for children.

Undoubtedly considerable progress has been made. And yet children are still suffering on a massive scale. Our 2013 report How safe are our children? compiling the most robust and up-to-date child protection data in the UK, revealed that one in five children experience serious abuse or neglect in their lifetime. The shocking Jimmy Savile scandal last year opened many people’s eyes for the first time to the severity of the problem. Other high profile stories have provided further evidence that this wasn’t an isolated incident from the past, but part of widespread, hidden abuse which is still devastating countless lives today.

“Our approach

One in five children experience serious abuse or neglect in their lifetime.”

“From the How safe are our children? report.

“The staff and volunteers at the NSPCC really care about each other which makes me feel like I have an extended family when I come here. I can relate to all of the other people who rely on the NSPCC. Thank you for everything you have done to provide us with this safe and trusted place.”

Voice of a young person

Such increased public awareness of the problem has at least provided an opportunity to take a step forward towards a solution. We can achieve a sea change in the way that child abuse is perceived, children are listened to and people act on any concerns.

We will be doing everything possible to ensure that this is the case by sharing our knowledge and experience with as wide an audience as possible – be it government, organisations working with children, or the general public. As an organisation just one-fiftieth the size of the combined statutory and voluntary child protection sectors, we cannot end cruelty to children on our own. We must instead act as a catalyst for change, working innovatively with others to achieve maximum impact. With this in mind we have focused our resources on key areas, which we believe can make the greatest difference. This means working to protect the most vulnerable – babies, children in care or from minority ethnic groups and children with disabilities – as well as introducing pioneering services to tackle neglect, physical abuse and sexual abuse.

We will continue to develop our services and will share evidence of our impact to convince others. In addition our ChildLine Schools Service will evolve to visit every primary school in the UK, educating the next generation about abuse and neglect. We believe that these methods can protect future generations from experiencing the shocking abuse that far too many young people today are still forced to confront.

Creative solutions

Ahmed (pictured) works on the Domestic Abuse Recovering Together (DART) programme, helping mothers and children aged 7-11 who have experienced parental domestic abuse. During the sessions, Ahmed spends some time with the parents and children together in one group, but he also works with the mothers and the children separately.

“The children have witnessed more than they have the capacity to cope with. Many don’t know how to express their feelings.”

So when we separate off, we use lots of different creative methods to help children tell us what they’re feeling. Building models of volcanoes or creating a ‘bug bug’ out of coloured card can help them understand and talk about feelings and fears. We also do what we call the ‘domestic abuse house’ – using a doll’s house to show what impact domestic abuse has on the family home.

This creative approach also gives children a way of showing their parent how they feel and what’s worrying them. When we regroup, they have a chance to talk about things they may have been bottling up.”
Helping real families

As well as providing support to all children throughout the UK, through ChildLine and our adult helpline, we also work directly with some of the most vulnerable children and families. Last year our expert staff and volunteers worked directly with nearly 10,000 children and families in 40 locations across the UK and the Channel Islands.

Our 26 programmes of support, introduced into areas of large populations with a demonstrable need for our help, have been specifically designed to maximise the effects of our work. They aim to combat issues which our research and public data – gathered from around the world – tell us have the biggest impact on children and families. Focusing on seven key areas of need, our services prioritise prevention and are designed to protect the most vulnerable young people in society, including babies, children in care and those who are victims of abuse and neglect.

Magnifying our impact
Our strategy aims to transform the shape of child protection services by developing local partnerships, proving the effectiveness of our work and then sharing our knowledge as widely as possible to maximise our impact. Last year we continued to embed the infrastructure and systems necessary to deliver our services. This was achieved with a number of new service centre openings as part of a wider property change project and by increasing our practitioner numbers by the end of the year. We are now gathering evidence to showcase our services’ value.

Preventing abuse
Several of our services work to provide parenting support, either providing early intervention to prevent crisis points being reached and abuse happening, or working to reduce the risk of abuse re-occurring. For example our Protect and Respect service helps prevent vulnerable children from minority ethnic groups by making them aware of the dangers of grooming and sexual exploitation. Our Baby Steps service meanwhile focuses on protecting babies by involving parents who need our support to learn how to best care for their baby. We believe that this support can stop potential problems before they start, stemming the cycle of abuse that can affect generations. Already more than 1,000 parents have signed up to the programme.

Providing therapeutic services
We also offer a number of services that look to change behaviour and prevent future abuse. Our Domestic Abuse Recovering Together (DART) programme is one example of this, working separately with children and their mums to talk through the trauma of domestic abuse, helping the children to understand what happened and the mums to draw up a safety plan for the future. Similarly our Improving Parenting, Improving Practice service works with parents who neglect their children. The programme builds their confidence and manages their stress and anger by using techniques such as filming them with their children and highlighting their strengths and areas for improvement.

Olwen Prince, an NSPCC practitioner at our Hull Service Centre, works on this service. She regularly uses video to help parents to bond with their children. She says, “I love this method. When I see a positive improvement in a family I feel so excited I want to go out and shout about it. Using video makes it real for parents. It means they can see for themselves how they are interacting with their child.”

Working with other professionals to support children
We understand that to change society we need to work alongside other organisations in contact with children, to pool our resources and work together. The New Orleans Intervention Model is a new NSPCC service which works with the courts to assist them to make the correct decisions on where a child should live, reducing the time needed to find stable homes for children in care. In Scotland we have also used evidence from the service to inform government debate, providing evidence to the Scottish Parliament Education Committee inquiry and other parliamentary briefings to make the case for early intervention.

NSPCC practitioners delivering our Caring Dads: Safer Children programme – which helps fathers who abuse partners to improve their parenting – worked innovatively with HMP Peterborough to deliver the programme to groups of inmates who had been convicted of domestic abuse. We have also worked with midwives in a number of hospitals across the UK to educate new parents about the dangers of shaking a baby. The midwives talk to the parents about a film and answer questions, helping parents think about how they might deal with frustrations without taking it out on the baby. The film has now been viewed more than 10,000 times.

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1,000 parents have signed up to the Baby Steps perinatal programme

Baby Steps

When Emma (pictured with Jayda-Marie) found out she was pregnant, she was terrified.

“I had a difficult childhood myself. Two of my friends committed suicide, and I found it incredibly hard to deal with. I was placed on a care order and taken away from my family and school. I’m an ex-drug addict and I’ve been to prison. I felt I couldn’t protect my baby from things I’ve been through myself, and that scared me.

I asked my midwife for help. She told me about Baby Steps with the NSPCC.

Most of the advice you get when you’re pregnant is all about the physical stuff. At Baby Steps, they talk about how your relationships change, and how you change emotionally. They go through all the practical stuff too. Before I had Jayda-Marie, I hadn’t so much as changed a nappy before. But Nikki and Rhiannon, who ran the programme, were brilliant. They treated everybody in the group as individuals and never judged.

On the last session they showed each of us a video of us interacting with our babies. When I saw me and Jayda-Marie on the screen, I burst into tears. We were so close; she just kept snuggling in. I could see that we had a special bond. Now I know I’ll be a brilliant parent, and that I’ll always put her first.”

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Helping children across the UK

As well as running direct services in some UK towns and cities, our national services reach out to provide immediate support to children and families, no matter where it is needed across the UK.

Supporting children

This year ChildLine answered 1.4 million contacts from distressed children, representing an additional 200,000 contacts in comparison to last year. More than 300,000 direct counselling sessions were carried out with young people and nearly 1,400 trained volunteer ChildLine counsellors were able to respond to all of the calls ChildLine received.

ChildLine continues to inform all aspects of the NSPCC’s work, providing a unique insight into the issues facing young people today. For example, following concern around the increased prevalence of self-harm – for the third year running it was the issue that saw the biggest jump in contacts – activity was increased around self-harm awareness day in March 2013. This saw us join with YouthNet, the NSPCC’s website and collaborative campaigns.

The increase in referrals was partly a result of the Jimmy Savile investigation. Over 77,000 children contacted the NSPCC if they were worried about a child. More than half of these were serious enough to warrant referral to local police or children’s services for further investigation. Over 77,000 children have directly benefited from the helpline services over the year.

Strengthening ChildLine’s online presence

2012/13 marked a significant shift in the way that young people are contacting and using ChildLine. Although online demand has been steadily growing, this year for the first time ever more young people engaged in online counselling sessions than in calls. Nearly 15,000 more online chats were answered than in 2011/12 and more than double the number answered in 2010/11. In addition nearly a quarter of all visits to ChildLine’s website are now made via a mobile phone or tablet.

To enable ChildLine to respond to the dramatic growth of online demand, a new website is being developed this year. This will enable children and young people to contact the service more easily from mobile devices and to improve their online experience. ChildLine also launched a Facebook page in 2012, offering an exciting opportunity to educate millions of 13-18 year olds about online safety in an environment where they might experience bullying, grooming or abuse.

ChildLine in schools

Many children who contact ChildLine refer to abuse experienced at a much younger age. In order to stop these children having to suffer in silence, our groundbreaking ChildLine Schools Service uses specially trained volunteers to talk to primary school children, giving them the skills and vocabulary to protect themselves and showing them where to go for help. We are now two years into delivering the service and we continue to build momentum.

Last year we recruited around 500 additional ChildLine Schools Service volunteers. Following their training our volunteers managed to visit over 2,000 primary schools, engaging with more than 138,000 children. These figures exceeded our aims for the year and ensured that each area of the country has now had schools taking up the service. By 2016, we hope that our volunteers will have spoken to every primary school child and will continue visiting each school every two years – reaching 1.8 million children across the UK.

Helping adults support children

Advisers on our national child protection helpline provided more advice and support this year than ever before, responding to nearly 51,000 contacts from adults concerned about a child. More than half of these were serious enough to warrant referral to local police or children’s services for further investigation. Over 77,000 children have directly benefited from the helpline services over the year.

The increase in referrals was partly a result of the Jimmy Savile revelations. They were also boosted by the launch of our Don’t Wait Until You’re Certain campaign – which urged members of the public to contact the NSPCC if they were worried about a child. This ran in both March 2012 as an online campaign and in January 2013 on TV, press and social media. The campaign was extremely successful, increasing referrals by more than 40 per cent compared to 2011/12.

In order to make it even simpler for the public to get in touch with the NSPCC we set up a single central point of enquiries, which successfully launched last April. Even with the new system in place and ensured that the high demand over the year, the helpline service answered over 90 per cent of calls within 20 seconds.

"Early engagement with NSPCC was the critical success factor for Operation Yewtree. The deployment of the national helpline provided police with an effective means to identify and triage an unprecedented number of victims. Continuing that engagement through a joint investigation significantly enhanced the victim confidence and public perception of the overall response to the Savile case.”

Commander Peter Spindler, Specialist Crime, Metropolitan Police

Yewtree: dispatches from the helpline

Few of us could have predicted the scale of what was to come.

When ITV broadcast Exposure: The Other Side of Jimmy Savile in October 2012, it led to the biggest media focus on child sexual abuse for a generation. In the programme, five women recounted being abused by the late television presenter during the 1970s.

Scores of other victims came forward immediately, and a major police inquiry into Jimmy Savile was launched. Both the BBC and the Metropolitan Police used our helpline number when asking victims to come forward and we seconded a member of staff to work full-time on the operation.

October was our busiest ever month.

The helpline received 9,000 contacts in October alone.

Many of those were from adult victims of childhood abuse, who now felt able to come forward. We worked in partnership with NAPAC (National Association for People Abused in Childhood) to provide support developed this year. This will enable children and young people to contact the service more easily from mobile devices and to improve their online experience. ChildLine also launched a Facebook page in 2012, offering an exciting opportunity to educate millions of 13-18 year olds about online safety in an environment where they might experience bullying, grooming or abuse.

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Training and working together
This year has seen substantial growth in the demand for our training services as the need for improved child safeguarding has been catapulted to the forefront of people’s attention.

Over the year we have delivered training and consultancy to 10,792 organisations, a figure over and above our aspirations for the year.

The considerable effect this training can have was apparent this year in our work with Stevenage Borough Council. We trained over 400 of the council’s staff and volunteers, increasing their awareness, knowledge and recognition of child abuse.

They immediately started to report far more child welfare concerns as a result, potentially stopping abuse and neglect before it started. Prior to the training they had reported an average of two concerns each month from local children’s centres and play sites.

Following the training the council refers an average of 15 concerns per month.

Safe Network, a partnership between NSPCC, Children England and the Child Accident Prevention Trust (until March 2013), has had an incredibly successful year.

The service, which provides advice and information to the voluntary and community sector in England, has seen the number of visits to the Safe Network website leap from 3,600 this year compared to 30,000 in 2011/12. A particularly sharp rise in visits occurred in October and November 2012, coinciding with the start of the Jimmy Savile inquiry, but has been maintained since.

Working with other charities and pooling our resources for the benefit of children is also something that we are keen to do where possible.

A good example of this last year was our partnership with Action for Children and the Children’s Society, publishing a report highlighting the impact of the recession on vulnerable families and children which featured in the national media and at Prime Minister’s Questions.

A year for sport
For many, 2012 will live long in the memory as a superb year of sport, crowned by the Olympic Games. Recognising the key role that sport plays in the lives of millions of young people, the NSPCC worked to ensure that they can enjoy the benefits of sport safely.

One high profile example of this was our partnership with the London Organising Committee of the Olympic and Paralympic Games (LOCOG), setting up an innovative training course to provide more than 5,000 staff and volunteers with essential safeguarding skills for last summer’s Games.

Our Child Protection in Sport Unit (CPSU) also made a major contribution to the pre-Olympic international conferences for the International Convention of Science, Education and Medicine in Sport (ICSEMS) and UNICEF’s Beyond Sport conference – opening up potential for greater contribution to the international development of safeguarding in sport.

The Unit now works with 220 sporting bodies in the UK, and Sport England recognised their achievements last year confirming £1 million worth of funding to support their work to 2015.

What we learn from young people
All of our work is informed by young people and their involvement is a key part of our strategy.

Last year 22,142 young people took part in 603 activities, ranging from meetings with politicians to public speaking at NSPCC events and sitting on interview panels for NSPCC recruitment including for our new chief executive Peter Waudby.

Our illustration of how integral young people are to our work with partner organisations was at an innovation competition in December run in partnership with Google. The project, part of the NSPCC’s Strategy Unit’s programme of work on child protection in the digital age, saw 13 young people working with Google for two months to find online child protection solutions.

This enabled judging and shortlisting ideas from the technology industry and then questioning the competition’s finalists at an event held in partnership with Google, FutureGov and the Coalition for a Digital Economy. The winning idea was TwoTen, a type of filtering software which only allows children to see websites which are safe for their age range.

When the door opened the smell from inside hit me.
There were beer cans, mouldy food and cat excrement everywhere. Flies buzzed past me. Nevertheless, I stepped over the rubbish and cleared a space to put my toolbox down. I had to step out to work on the exchange box outside. When I went back in the house, something startled me – a toddler walked into the room. When I saw her, my heart just sank. Her bare legs were filthy. She looked so unhappy and dishevelled.

I knew the dirt wasn’t from playing outside or eating dinner. I’m a dad; I know the difference.

I could guess that the family hadn’t had visitors in a while. If I didn’t get help, no-one else would see how this little girl was living. I couldn’t have that on my conscience. As soon as I left I called the NSPCC. They acted straight away. It was such a weight off my mind, knowing someone was looking into it.”

After talking to Brad, we came to the conclusion that the little girl wanted to live with her grandmother so she could be cared for until it was safe for her to return home.

Our work with others

We know that millions of people throughout the UK share our vision of a world without cruelty to children. By working with individuals, organisations and communities and providing them with the knowledge, tools and training to act effectively we believe that we can take a huge step towards making this vision a reality.

We have launched a campaign to work with government, charities and business to make online safety by design the default.

The winning idea was TwoTen, a type of filtering software which only allows children to see websites which are safe for their age range.
Our lobbying and campaigning

By sharing our knowledge with governments across the UK and the general public we can shape both legislation and public behaviour to better protect children. The fact that over 90 per cent of our funding comes from public donations, rather than government or statutory grants, provides us with the independence and public mandate to speak out freely on behalf of children.

Throughout the year we have worked hard to ensure that our voice is heard at a UK government level and we have spoken up for children at key moments. In the wake of Operation Yewtree, the inquiry into the Jimmy Savile case, we have been campaigning to ensure that children who have suffered abuse and appear in court are treated better.

In partnership with the Telegraph Group, we hosted a debate to discuss lessons that could be learned from the inquiry. We also gave expert evidence to the Home Affairs Select Committee as part of an inquiry into localised child grooming following the Rochdale grooming scandal.

Female genital mutilation was an area where we increased our presence and we worked with government to ensure there is a focus on prevention, particularly among professionals such as teachers and midwives. In addition, following our support for the Education Select Committee’s inquiry into the child protection system in England we were pleased the inquiry adopted a number of our recommendations in its final report.

Another key focus for our work this year has been the Children and Families Bill. We provided expert evidence to help shape the scope of the Bill, prior to its introduction to parliament. As part of our role as the secretariat for the All Party Parliamentary Group on Child Protection, we ran an inquiry on care proceedings to inform the new proposals within the Bill. As it progresses through parliament, we will continue to ensure that the measures within it are as effective as possible in improving the lives of vulnerable children.

This year also saw us play a major role in shaping the approach of government and industry to child protection online. As the only children’s charity on the board of the UK Council for Children’s Internet Safety, we lobbied in relation to the introduction of parental controls, to stop children from accessing inappropriate material online. The government and technology industry are now making considerable strides forward in this area.

In October 2012:

150 separate interviews were given by our spokespeople to the media.

2 press conferences were held with the police.

9,000 calls received by the helpline.

Learning from young people

Charlene (pictured), a young ambassador for the NSPCC, joined us in March for an expert panel debate on sexual abuse, which we co-hosted with the Daily Telegraph.

The debate highlighted that we need to talk more about sexual abuse, peer-to-peer abuse and how to deal with perpetrators.

The discussion, entitled Savile – Where do we go from here?, sought to explore what lessons should be learned from Operation Yewtree and related cases, as well as wider child protection issues such as child sexual exploitation, online grooming and internet safety.

Charlene was joined by our director of child protection, Peter Watt; as well as the special adviser to the Prime Minister on preventing the commercialisation and sexualisation of childhood, Clare Perry MP; Chief Executive of the RSA, Matthew Taylor; and Dr Linda Papadopoulos.

Before the debate, Peter Watt discussed the issue with our network of young ambassadors: “The level of concern is in stark contrast to most adults’ experience and knowledge. There’s definitely some powerful opinion and a lot of passion among young people to tackle sexual abuse.”
Influencing across the UK
We work with governments in all four nations of the UK and we have continued to increase the scope of our influence in the devolved administrations.

Northern Ireland
In collaboration with Queen’s University Belfast and the Minister for Health and Social Services, we published the region’s first overview study of cases related to child death or serious injury, helping to ensure lessons are learnt from these tragic cases. We also worked with representatives from all media outlets and the National Union of Journalists to develop and publish agreed media guidelines when reporting cases of child abuse and neglect.

A further significant outcome was an evaluation of pilot facilities for children in court to provide evidence by live video link. Such has been the success of the pilot that provision of remote video links has now been recommended for all court facilities in Northern Ireland.

Wales
We continue to play a key role in the campaign to give children equal protection under the law on assault. A key focus of our work next year will be the Social Services and Wellbeing (Wales) Bill, currently before the National Assembly for Wales, where we will be working to ensure that the rights of children and young people are considered throughout the Bill.

Working in partnership with the Welsh Assembly Government, we have led work to support the development of the Welsh Outcomes Framework, culminating in a national wellbeing statement for Wales. The statement lists key outcomes to be met for people requiring professional care and support, including children. In addition, we have secured funding from the Welsh Government for a Welsh child neglect project, enabling those who have responsibility for the welfare of children to better identify and act on cases of child neglect.

Scotland
We are leading on a national dialogue around key legislation, including the forthcoming Children and Young People (Scotland) Bill, ensuring that the rights of children are strengthened across all areas of government. In addition, we drafted the remit of the Education and Culture Committee inquiry on when children should be taken into care. We gave both oral and written evidence to the inquiry and facilitated a visit from the committee to our innovative New Orleans Intervention Model service as part of our influencing of the inquiry.

We are currently informing the development of the Victims and Witnesses (Scotland) Bill ensuring that children in the justice system receive the best possible support and protection. Moreover, we have secured a number of important opportunities for working in partnership with the Scottish Government, including on the Early Years Task Force and Early Years Collaborative, whilst having successfully secured amendments to the Self-Directed Support (Scotland) Bill to better protect children from potential harm.

Ensuring our messages reach the public
This year has seen a 70 per cent increase in NSPCC media coverage and an 80 per cent increase in Childline coverage, allowing our messages to reach a far greater proportion of the public. Our social media outlets have also vastly increased their scope, meaning that we can rapidly build support and momentum on key issues. The NSPCC’s Twitter following has increased by 400 per cent over the year, now reaching more than 70,000 followers, while nearly 200,000 people stay up-to-date with our latest news by liking our Facebook page.

Speaking out for children
An important aspect of our campaigning is to enable young people to inform decision makers, allowing children’s voices to be heard at the highest level. Young people from our Participation Unit attended all three political party conferences in England this year, helping to raise awareness of our work amongst politicians.

Similarly, campaigning efforts by young people with experience of domestic violence has led to the establishment of an advisory panel on domestic violence with the Home Office. The panel provides young people the ability to directly advise the government on this important issue from their perspective.

Making change happen
In September 2012, 15 young people from the NSPCC’s Participation Unit met Deputy Prime Minister Nick Clegg and Home Office Minister Jeremy Browne. They were there to discuss the change in the definition of domestic abuse, which has been widened to include 16 to 18 year olds and forms of non-violent coercive behaviour.

They had spent months campaigning for a crucial new definition of domestic abuse.

In November 2011, several of them had spoken at the unveiling of new research by the NSPCC, Refuge and City Bridge Trust into services for child victims of domestic abuse. The Minister for Equalities at the time, Lynne Featherstone MP, was so impressed she invited them to meet with her as part of the government’s consultation into the definition at the beginning of 2012.

The minister wanted to set up a young people’s group to feed into government and Home Office policymaking. This group has been supporting the government’s work on tackling domestic violence, particularly by and against young people.

The young people who attended were very positive about their experience. One member of the participation group, Amy, said: “It was a great opportunity to have young people’s voices heard at the top.”
Fundraising highlights

Our work is only made possible thanks to the incredible generosity of our supporters and our inspirational volunteers. Donations come from a variety of sources, but whether from regular monthly donations, imaginative corporate support or elaborate fundraising challenges, your backing really does make a huge difference. We would like to thank every supporter for each vital pound donated this year.

With more than 90 per cent of our income for the year donated by the general public, we have an enviable level of independence from government. This enables us to stick firmly to our strategy and to share our knowledge without any conflict of interest. In a tough economic climate we managed to raise £18.9 million with some notable successes.

- **Matalan** raised more last year for the NSPCC than ever before – managing £882,000 through employee and store fundraising. This included more than £100,000 at the Matalan Ball in Manchester.
- Last Christmas was made more magical for nearly 300,000 children who received a personalised Letter from Santa, raising more than £3.8 million towards our work – around £100,000 more than last year.
- A generous £500,000 donation from a Jersey-based philanthropist allowed for the purchase and redevelopment of a new building, The Gower Centre, which opened on the island in July 2013.
- We raised more than £68 million over the year thanks to the generosity of our regular donors.
- Our Hikes Against Cruelty to Kids, a series of charity challenge walks taking place in stunning locations across the UK, raised more than £115,000 towards our work. Thousands of walkers took on routes between 10 and 25 miles across six picturesque areas from Devon to the Mourne Mountains in Northern Ireland.
- Author and former ChildLine volunteer counsellor, Gemma Elwin Harris has raised £72,000 towards our work from her book *Big Questions from Little People*. The book puts over 100 real questions from children to some of the UK’s best-loved and most knowledgeable experts including Sir David Attenborough and Dame Kelly Holmes.
- Seven magical Carol by Candlelight concerts took place in the run up to Christmas in locations including Liverpool, Glasgow and Londonderry. The flagship event, at Christ Church in London’s Spitalfields, raised more than £27,000 for ChildLine. It featured readings from Sir David Frost, Floella Benjamin and, memorably, Sir Michael Caine.

More than 90 per cent of our income for the year is donated by the general public.
Looking ahead

As the benefits of our new strategy to 2016 start to take shape we will strive to influence others by sharing evidence from our work. We will work with even more children through our direct services, to improve our digital presence, increase the capacity of our helplines and accelerate the growth of our ChildLine Schools Service.

We also recognise that this is a historic moment in the public’s recognition of the scale of child abuse. We will aim to build on this heightened awareness to campaign for concrete changes in policies and attitudes to ensure that we achieve a lasting impact for future generations.

Providing more direct support to communities

Following a progress check this year of all our new services, we are more confident than ever in the strength of our strategy. Our local services have improved links with communities across the UK and the Channel Islands and are helping more children and families each year. We are investing further in practitioners and aim to see a 10 per cent increase in our practitioner numbers over the year to come, bringing our total frontline practitioners to 460. This will enable us to develop our work even further and means that we will work directly with up to 11,500 children each year.

Our ChildLine Schools Service will continue to expand at a rapid rate. By the end of 2013/14 we will have reached 420,000 primary school children in 6,200 schools. This will be a significant step towards our 2016 target to visit every primary school in the UK once every two years. We will launch a new fundraising campaign, the Now I Know appeal, to support the service.

Influencing and campaigning for change

We launched a landmark campaign in July 2013 responding to parental requests for practical advice about how they can play their part in protecting children against sexual abuse.

The campaign, built on insight from young people and parents, aims to convince parents and carers of the need to talk to their children about keeping safe from sexual abuse and to provide them with simple information and advice so they feel confident doing so.

We have developed our helplines to respond to an expected increase in contacts from adults concerned about children and plan to answer almost three times as many contacts from adults by 2015/16, compared to levels in 2009/10, when we launched our strategy.

We will campaign for change at a government level, informed by evidence from our services and we will speak to politicians of all parties to make this a reality. We will continue to press for concrete action following Operation Yewtree.

To close the gap in child protection services in the UK, as highlighted by our How safe are our children? report, we will campaign for a greater emphasis on early intervention. This policy shift, we believe, is vital to prevent abuse from happening in the first instance.

We have set ourselves ambitious objectives for the year ahead and we must work with passion and determination to meet them. Nonetheless, with the help of our hugely dedicated base of supporters and volunteers, we have the opportunity to transform society and to make an enormous difference to children’s lives.

Back to school

“Volunteering for the ChildLine Schools Service is the most important and rewarding thing I’ve ever done.

I have had a long career in teaching and one of the things that appealed to me about this was still being involved with education and children even though I had retired. Little did I know that it would be such a rewarding and satisfying experience.

Every school assembly and workshop is different. The children and their understanding of what we are trying to communicate is amazing. After every assembly I come away feeling totally amazed and inspired.

If we equip even just one child with what they need to speak out about the abuse they may be suffering, then it is all worth it. I can’t think of a better reason to get involved.”

David Warburton is 62 and a retired school teacher from Yorkshire. He has been a volunteer for the ChildLine Schools Service for 12 months.

We need more people like David to become ChildLine Schools Service volunteers. If you would like to find out about joining the team, visit nsppc.org.uk/volunteer

22,142 young people took part in 603 activities, ranging from meetings with politicians to public speaking at NSPCC events.
Alison’s story

“It was Christmas Day. I woke at 5am with a throbbing head. I thought the children were asleep, but my youngest must have woken up. I reached for the phone and called the ambulance.

I looked around me, the Christmas tree was toppled over, and my head was throbbing. I remembered being on the floor as Andrew kicked me in the head. Then I lost consciousness. I had to go to hospital to have stitches put in my head. The physical abuse started when I was five months’ pregnant. I came home one day and he’d been out with his mates. He seemed different. I didn’t know he used drugs, until then. We started arguing, and then I felt a hard blow to my face.

He punched me so hard I ended up with a black eye. After that it just got worse. If any of his friends even said hello to me in public, he’d accuse me of flirting and cheating on him. He would usually end up punching me. He has beaten me up in pubs when his mates were there. I told them not to do anything, I knew it would be twice as bad when I got home. When I went into labour, Andrew told me to stop breathing heavily as it annoyed him. So I called my mum and we got a taxi together to the hospital. He wasn’t present at the birth. He said he didn’t like hospitals.

My children were angry, they lashed out at me, physically fought between themselves and were disruptive at school. They have smashed toys and hurt themselves punching walls in frustration. They see so much, and they thought it was normal behaviour.

But the NSPCC showed me that there was hope. The group work we’ve done through Domestic Abuse Recovering Together (DART) has opened my eyes. I didn’t realise what went through my youngest child’s mind and how he felt. The programme has taught us how to communicate. It hasn’t been easy, but for me there is now a brighter outlook in my life and we have all stuck together as a family.

The group work has made such a positive impact on my kids. My son has joined the DART programme. He talks openly, and her son was finally able to make sense of all the feelings he’d had struggled to deal with. They now cuddle and chat and have a great relationship.

Ahmed, a practitioner on the DART programme

If Alison’s story has inspired you, visit the nspcc.org.uk to find out how you can support our work.

“The first time I met Alison when she joined the DART programme. She blamed herself for what happened. But when she did the group work, and had a chance to hear from other mums, she realised she wasn’t the one in the wrong.

We talk a lot about what an abusive relationship looks like. It doesn’t start at the first punch—it starts when you begin to feel isolated and worthless. When that happens you feel very dependent on your abusive partner—and it’s even harder to walk away.

Even after the abuser has gone, a woman’s confidence—as a person and as a parent—is destroyed. It’s vital we get that parent-child relationship back on track.

Alison and her son completely embraced what the programme was about. They talked openly, and her son was finally able to make sense of all the feelings he’d had struggled to deal with. They now cuddle and chat and have a great relationship.

Alison now helps other mums on the DART programme. I’m really glad she came to us—she’s been such a positive force, despite everything she’s been through.”

Ahmed, a practitioner on the DART programme

If Alison’s story has inspired you, visit the nspcc.org.uk to find out how you can support our work.
How we are organised

Our Society
Our Society was initially founded in 1884, as the London Society for the Prevention of Cruelty to Children. It was incorporated by Royal Charter in 1895 and registered with the Charity Commission in 1963. We remain the only UK children’s charity with statutory powers that enable us to take action to safeguard children at risk of abuse.

We work in England, Wales, Scotland, Northern Ireland and the Channel Islands and we adapt our approach to services for children and young people where appropriate in the light of relevant regional differences.

Our strategy
We began our seven-year strategy in 2009, which is built on four principles:

- Focus – providing well-defined and distinct activities where we can maximise our impact.
- Priority – concentrating on specific types of abuse and on children who are at most risk to ensure our intervention creates the greatest impact.
- Learning – from everything we do. We will capture that learning and use it to create a cycle of improvement.
- Leverage – we cannot create change to children on our own. We will work with and through others to multiply our impact many times over.

Our strategy will deliver more impact with our impact many times over.

Our board. They are then elected formally by members of the council at our Annual Council Meeting. A full induction programme is organised for all new trustees.

Board meetings
Our board usually meets six or seven times a year, including an annual board away day to focus on key issues in more depth and to review board performance. The board also takes the opportunity, on occasions, to have a pre-board session, hearing from, for example, staff and young people involved in our Participation Unit. The board was extremely pleased and honoured to have our President, HRH The Countess of Wessex attend and participate in a board meeting in January 2013.

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

Our board of trustees
Our board of trustees (the board) has overall responsibility for everything that we do. It has delegated day-to-day decision-making and operational matters to our senior management team (the executive board) to ensure that we are effectively managed.

The board currently comprises 17 trustees. Trustees usually serve an initial term of three years that can be extended on two more occasions up to a maximum of nine years. All our trustees give their time voluntarily and receive no remuneration or other benefits from the NSPCC. Any out of pocket expenses claimed by trustees are set out in note 4 to the financial statements.

Recruitment of our trustees is done through a variety of ways, including open advertising and targeted recruitment searches to ensure that we have the appropriate balance of skills and experience that we need. We also benefit from the involvement and expertise of valued supporters from our branch networks who are trustees. Our Nominations and Governance committee recommends prospective trustees for approval to the full board.

Our objective is to be an employer of choice and we have just under 2,000 paid staff (on a full-time equivalent basis) operating from 11 regions in the UK. We are also very lucky to have the support of a large volunteer base, some of whom raise funds for our work with children, whilst others work directly with children, young people and families through our services.

Committees of the board

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<tr>
<th>Audit and Risk</th>
<th>Development</th>
<th>Divisional trustees</th>
<th>Finance</th>
<th>Fundraising</th>
<th>Nominations and Governance</th>
<th>Policy</th>
<th>Remuneration</th>
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<tr>
<td>Audit and Risk committee</td>
<td>Oversees our systems for quality, performance, risk management and internal controls ensuring that our systems are robust, effective and fit for purpose.</td>
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<td>Development committee</td>
<td>Considers the proposed development of any new activities and reviews those that impact on the direction and focus of our strategy, focusing particularly this year on looking in more detail at how our newer services are progressing.</td>
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<tr>
<td>Divisonal trustees</td>
<td>Provides the interface between our branch networks and volunteers and represents our work across all sections of the communities in which we work.</td>
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<tr>
<td>Finance committee</td>
<td>Maintains an overview of the financial aspects of our strategy, and reviews and monitors our policies, processes and standards in order to secure effective financial management.</td>
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<td>Fundraising committee</td>
<td>Reviews our fundraising strategy and considers significant product development opportunities.</td>
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<tr>
<td>Nominations and Governance committee</td>
<td>Reviews the role and membership of the board of trustees and its committees, ensuring compliance with our Royal Charter and by-laws.</td>
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Remuneration committee
Decides on the appropriate level of remuneration for our chief executive and reviews recommendations for the executive board.

Remuneration
Further banding information on executive board and other senior staff remuneration is included in note 8.

We are very grateful to those co-opted members, not themselves trustees, who bring their particular expertise, skills and experience to the work of some of the committees.

Governance review
It was agreed during the year that an external independent expert would undertake a governance review and this work is ongoing.

National Development Board
The National Development board brings together volunteers with a passion and commitment to raise funds and is responsible for the key elements of our volunteer fundraising.

Our senior management team – the executive board (see page 31) – leads the implementation of the overall direction agreed by the board, with executive board directors overseeing the following divisions:

- ChildLine Services
- Child Protection Advice and Awareness
- Child Protection Consultancy
- Services for Children and Families
- Chief Executive’s Office
- Communications
- Corporate Services
- Fundraising
- Human Resources
- Strategy and Development
Our statutory responsibilities

Financial review

How you gave your help
Over the year as a whole, total incoming resources were £294.4 million (£324.9 million in 2012). Income from fundraising, which includes fundraising through Charitable expenditure of £217.3 million (2012 £217.9 million), has contributed significantly to our ability to increase levels of service to children. This is reflected, in particular, in a reduction in backfill cost per call of 6.3 per cent of total resources expended (2012 9.4 per cent)."
We have audited the financial statements of the National Society for the Prevention of Cruelty to Children (NSPCC) for the year ended 31 March 2013, which comprise the Consolidated Statement of Financial Activities, the NSPCC and Consolidated Balance Sheet, the Consolidated Cash Flow Statement and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity’s trustees, as a body, in accordance with section 144 of the Charities Act 2011, regulations made under section 154 of that Act, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 our auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility for 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.

Respective responsibilities of trustees and auditor
As explained more fully in the Trustees’ Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group’s and the parent charity’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any material departures from the accounting policies or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the group’s and of the parent charity’s affairs as at 31 March 2013 and of the group’s incoming resources and applications of resources, for five months ending on that date;
- 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, the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the royal charter.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charitable Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Mark Wood
Chairman, 25 July 2013

Independent auditor’s report to the trustees of NSPCC

At 31 March 2013 Unrestricted General Funds were £29.6 million (2012 £33.9 million) and were equivalent to 4.4 months forward expenditure (2012 3.9 months).

Investment powers and performance
The trustees have wide investment powers set out in the Royal Charter and By-laws. Investments may be made in any share or bond unless the underlying activity of the company or institution concerned is in direct conflict with the aims of the NSPCC.

At 31 March 2013, all of our funds were held in cash or fixed interest bonds available for short-term access. Income from investments (excluding net return on pension scheme assets) reduced by £0.6 million to £1.5 million (2012 £2.1 million) reflecting increasingly poor levels of return on liquid holdings.

Total cash and investments increased by £50.7 million to £53.7 million (2012 £50.7 million) with the operational surplus in the year partly offset by pension scheme funding and capital expenditure on our new service centre.

Pensions
The NSPCC operates a stakeholder defined contribution pension scheme available to all staff. This was operated by AEGON until November 2012, when it was transferred to Aviva. The NSPCC also operates a defined benefit scheme which was closed to future accrual on 31 December 2009. On closure members of the scheme had the opportunity to join the stakeholder defined contribution scheme.

The valuation of the defined benefit pension scheme is based on the latest triennial actuarial valuation as at 31 March 2012. The subsequent FRS 17 valuation as at 31 March 2013 showed liabilities of £153.2 million, giving a deficit of £3.7 million (2012 deficit £3.5 million). The trustees consider that the pension deficit is recoverable from future cash flows.

During the year the pension trustees purchased an insurance policy with Pension Insurance Corporation (PIC) to cover the liabilities of the scheme in relation to current pensioners, a transaction known as a “buy-in”. PIC is a specialist provider of insurance, which brings safety and security to defined benefit pension schemes. The trustees worked closely with their advisers, JLT, to secure the very best buy-in terms available in the current market. Their reasoning was building on progressive and carefully structured changes to the scheme’s investment strategy over recent years, the trustees were able to agree a highly competitive contract for the scheme. This is, we believe, excellent news for all scheme members as it improves scheme security and protects against many of the key financial and demographic risks that are faced by all final salary schemes.

Few schemes are currently in a strong enough financial position to secure a buy-in in this way. The trustees also had the full support of the Society in putting the contract together.

Going concern
The Charity’s financial position and performance has been outlined in the financial review above. The trustees have assessed projected future income, expenditure and cash flows over the period to 31 March 2015, and analysed the strength of the Charity’s reserves and liquid assets and its ability to withstand a material fall in incoming resources. Consideration has been given to donor attrition rates and the stability and diversity of various income streams in making this assessment.

The trustees have concluded that there is a reasonable expectation that the NSPCC and its subsidiaries have adequate resources to continue their underlying activity of the company or institution concerned in direct conflict with the aims of the NSPCC. A reasonable expectation that the overall level of spend on charitable activities will be maintained, despite direct services increasing, our attrition rates and the stability and diversity of our income streams. The trustees have concluded that the pension deficit is recoverable from future cash flows.
Patron, trustees, officers and professional advisers

Royal Patron
Her Majesty The Queen

President
HRH The Countess of Wessex

Royal Patron of ChildLine
HRH The Countess of Wessex

Board of trustees

Mark Wood
Chairman
Auditor and Risk, Development, Finance, Fundraising, Nominations and Governance, Policy, Remuneration

Ann Morrison
Vice-Chairman
Auditor and Risk, Divisional trustees (Chair), Fundraising, Nominations and Governance, Remuneration

Sir David Normington GCB
Vice-Chairman
Auditor and risk, Divisional trustees (Chair), Fundraising, Nominations and Governance, Remuneration

Locksley Ryan
Vice-Chairman
Development (Chair), Finance, Nominations and Governance, Remuneration

Jonathan Bloomer
Honorary Treasurer
Auditor and Risk, Finance (Chair), Fundraising, Remuneration

James Bailey
Divisional Trustee
(appointed 25 March 2013)

Neil Berkett
Fundraising (Chair)

Fiona Curteis
Divisional Trustee
(appointed 21 March 2013)

Heather Henshaw MBE
Divisional Trustees, Finance

Lady Brenda McLaughlin CBE
Divisional Trustees

Dame Denise Platt DBE
Audit and Risk (Chair), Development, Policy

Esther Rantzen CBE
President of ChildLine, Development, Policy

Ramez Sousou
Professor Terence Stephenson Policy

David Tait MBE
Fundraising

Philippa Webster
Divisional Trustees, Finance

Dr Hywel Williams
Development, Divisional Trustees (retired 31 March 2013) *

Sarah Wilson
Audit and Risk, Policy

We warmly thank Dr Hywel Williams for his wise and consistent support and commitment to children and young people throughout his time as a trustee.

Co-opted members
We would like to recognise the help and expert advice given by the following co-opted members and thank them for their support on the following committees:

Daniel Benton
Finance (from November 2012)

Andy Briggs
Fundraising

Clem Brohier
Audit and Risk

Fiona Curteis
Divisional Trustees (to September 2012)

Geoffrey Godding
Fundraising

Peter Mead
Fundraising

Lynn Price
Divisional Trustees (from November 2012)

Philip Rowley
Fundraising

Hugo Were
Finance (to September 2012)

John Worth
Finance

We also thank the trustees of the NSPCC Pension Scheme Ltd:
Steve Delo (Chair)
Alex Camm
Wayne Casey
Clare Murray
Philippa Webster

Senior management
(Chair, Policy, Remuneration)

Chief Executive
Andrew Flanagan (resigned 31 March 2013)
Peter Wanless (from 3 June 2013)

Director of ChildLine
Peter Liver

Director of Child Protection Consultancy and Training
John Grounds (resigned 28 September 2012)
Peter Watt (Also Director of Child Protection Consultancy from 1 October 2012)

Director of Communications
Ali Jeremy

Director of Corporate Services
David Roberts

Director of Fundraising
Michael Parker (interim to 28 September 2012)
Paul Farthing (from 15 April 2013)

Director of Human Resources
Alistair Milne (resigned 31 October 2012)
Siobhan Sheridan (from 20 May 2013)

Director of Services for Children and Families
Carol Long

Director of Strategy and Development
Philip Noyes

We thank John Grounds and Alistair Milne for their contributions to the executive board.

We also thank Andrew Flanagan, whose leadership during his four years as chief executive has ensured a significant and lasting difference to the lives of many children and young people.

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Bankers and professional advisers

Bankers
Barclays Bank Plc
One Churchill Place
London E14 5HP

The Co-operative Bank Plc
9 Prescot Street
London E1 8BE

Auditor
Deloitte LLP
Chartered Accountants
Barclays Bank Plc
10 Upper Bank Street
London E14 5JJ

KPMG
110 Fetter Lane
London EC4V 7EE

The Charity would like to thank the following firms for their pro-bono legal services:
Baker & McKenzie
100 New Bridge Street
London EC4V 9AJ

Carson McDowell
Murray House
Murray Street
Belfast BT1 6DN

Clifford Chance
10 Upper Bank Street
London E14 5JJ

DLA Piper
3 Noble Street
London EC2V 7EE

Simmons and Simmons
CityPoint
One Ropemaker Street
London EC2Y 9SS

Walker Morris
Kings Court
12 King Street
Leeds LS1 2HL

Weil, Gotshal & Manges
110 Fetter Lane
London EC4A 1AY

Withersworldwide
16 Old Bailey
London EC4M 7EG

* The Child Protection Consultancy and Child Protection Advice and Awareness departments combined on 1 April 2013 to become Child Protection Advice and Support
How you gave your help

£129.4 million
Total incoming resources
(2012 £135.7 million)

91.9% of income comes from our supporters.

£110.7 million
Donations, gifts and legacies 85.6%
Voluntary donations made by our supporters on a regular or one-off basis.
(2012 £114.4 million)

£8.2 million
Income from fundraising activities 6.3%
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 in their marketing activity.
(2012 £7.8 million)

£9.0 million
Income from carrying out our charitable work 6.9%
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.
(2012 £11.1 million)

£0.1 million
Other 0.1%
This includes profit on sale of properties and other capital assets.
(2012 £0 million)

£122.3 million*
Total resources expended
(excluding other costs of a one-off nature)
(2012 £156.8 million)

78.9% Charitable expenditure
The cost of undertaking direct charitable activities, which are defined under the following headings:
(2012 £106.8 million)

• Services for children and families £46.3 million
(2012 £47.8 million)

• ChildLine £20.7 million
(2012 £23.1 million)

• Child protection advice and awareness £22.3 million
(2012 £27.6 million)

• Child protection consultancy £7.2 million
(2012 £8.3 million)

20.5% Cost of generating income 20.5%
The cost of receiving voluntary donations, undertaking fundraising activities, attracting new supporters and ongoing supporter care.
(2012 £29.1 million)

0.6% Governance 0.6%
Costs incurred in meeting constitutional and statutory requirements.
(2012 £0.9 million)

0% Other 0%
Other costs incurred which are of a one-off nature.
(2012 £2.0 million)

* Total resources expended were £121.9 million (2012 £138.8 million) including other resources expended of (£0.4) million (2012 £2.0 million). These have been excluded from the figures presented above as they are costs of a one-off nature. This year, other resources expended is a net credit due to the recovery of £1.5m input VAT suffered in prior periods.
NSPCC consolidated statement of financial activities

for the year to 31 March 2013

<table>
<thead>
<tr>
<th>Notes</th>
<th>General &amp; Designated funds (£'000)</th>
<th>Restricted &amp; Endowment funds (£'000)</th>
<th>Year to 31 March 2013 (£'000)</th>
<th>Year to 31 March 2012 (£'000)</th>
</tr>
</thead>
</table>

**Incoming resources**

Voluntary income (including donations, gifts and legacies) 2 98,270 12,435 110,705 114,423
Activities for generating funds (including fundraising events and sale of goods) 2 4,839 3,315 8,154 7,793
Investment income 2 1,453 4 1,467 2,372

**Incoming resources from generated funds**

104,562 15,754 120,316 124,588

**Incoming resources from charitable activities** 3 3,101 5,868 8,969 11,115
Other incoming resources (including profit on disposal of fixed assets) 147 – 147 –

Total incoming resources 107,810 21,622 129,432 135,703

Costs of generating voluntary income 4 20,761 9 20,770 24,311
Fundraising trading: costs of goods sold and other costs 4 3,433 791 4,224 4,671
Investment management costs 4 104 3 107 106

Costs of generating funds 24,298 803 25,101 29,087

Net incoming resources available for charitable application 63,512 20,819 104,331 106,616

Services for children and families 40,245 6,076 46,321 47,770
Childline 7,990 12,767 20,717 23,120
Child protection advice and awareness 21,302 914 22,216 27,638
Child protection consultancy 5,744 1,498 7,242 8,333

Cost of charitable activities 75,241 21,255 96,496 106,861

Governance costs 4 650 – 650 868
Other resources expended 4 (357) – (357) 1,987

Net incoming/(outgoing) resources before transfers 7,978 (436) 7,542 (5,100)

Transfer between funds 21 – – –

Net movement in funds before other recognised gains and losses 7,978 (436) 7,542 (5,100)

Other recognised gains and losses

Gains on investment assets 12 823 25 848 199
Actuarial losses on defined benefit pension scheme 19 (201) – (201) (1,242)

Net movement in funds 8,600 (411) 8,189 (4,143)

Total funds brought forward 58,053 9,290 67,343 71,486

Total funds carried forward 66,653 8,879 75,532 67,343

Note:

**Total incoming resources**

107,810 21,622 129,432 135,703

**Total resources expended**

4 99,832 22,058 121,890 138,803

Net incoming/(outgoing) resources before transfers 7,978 (436) 7,542 (5,100)

NSPCC and consolidated balance sheets

as at 31st March 2013

<table>
<thead>
<tr>
<th>Notes</th>
<th>Group 2013 £'000</th>
<th>Group 2012 £’000</th>
<th>Charity 2013 £’000</th>
<th>Charity 2012 £’000</th>
</tr>
</thead>
</table>

**Fixed assets**

Tangible assets 10 33,161 33,849 33,161 33,849
Investments 12 46,071 48,647 46,071 48,647

**Total fixed assets**

79,232 82,496 79,232 82,496

**Current assets**

Debtors 13 9,646 8,410 9,512 7,968
Investments 14 8,604 1,060 8,604 1,060
Cash at bank and in hand 14 1,040 1,016 951 931

**Total current assets**

19,290 10,486 19,067 9,959

Creditors - amounts falling due within one year 15 (13,744) (12,729) (13,551) (12,232)

**Net current assets/(liabilities)**

5,546 (2,243) 5,516 (2,273)

**Total assets less current liabilities**

84,778 80,253 84,748 80,223

Creditors - amounts falling due after one year 16 (175) (143) (175) (143)
Provisions for liabilities 17 (5,324) (7,273) (5,324) (7,273)

**Net assets excluding pension scheme liability**

79,279 72,837 79,249 72,807

Defined benefit pension scheme liability 19 (3,747) (5,494) (3,747) (5,494)

**Net assets including pension scheme liability**

75,532 67,343 75,502 67,313

**Capital funds**

Endowments 21 1,402 1,380 1,402 1,380

**Income funds**

Restricted 21 7,950 12,767 20,717 23,120
Unrestricted:

Designated funds 21 20,742 19,642 20,742 19,642
General funds 21 49,627 43,905 49,597 43,875

**Unrestricted funds excluding pension liability**

70,400 63,547 70,370 63,517

Pension reserve 19 (3,747) (5,494) (3,747) (5,494)

**Unrestricted funds including pension liability**

66,653 58,053 66,623 58,023

**Total funds**

75,532 67,343 75,502 67,313

Approved by the board of trustees on 25 July 2013 and signed on its behalf by

Mark Wood  Jonathan Bloomer
Chairman  Treasurer

All income relates to continuing operations.
The net gains on investment assets shown under the Endowment and Restricted Funds columns are attributable to permanent endowment investments and along with the allocation of investment management fees are the only movements on the Permanent Endowment Fund. Details of the Permanent Endowment Fund and the Restricted Funds are shown in notes 21 and 22.
The accompanying notes are an integral part of this consolidated statement of financial activities.
for the year ended 31 March 2013

Notes to the consolidated accounts

1 Accounting policies

1.1 Basis of accounting

The accounts have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), published in March 2005, the Charities Act 2011 and applicable UK accounting standards. 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 Society and its subsidiaries have adequate resources to continue their activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.2 Consolidated accounts

The results of NSPCC Trading Company Limited (the "Trading Company") and ChildLine, wholly-owned subsidiaries, have been consolidated. The company acts solely as a corporate trustee of the NSPCC Pension Scheme Limited, a wholly-owned subsidiary, which has been consolidated on a line-by-line basis.

1.3 Incoming resources

All incoming resources are accounted for in the SOFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the date of notification of an impending distribution or the date of receipt. Income is not recognised for legacies which remain subject to a life interest.

Income received from the many thousands of fundraising activities organised by volunteers (excluding major events which are separately accounted for through the Trading Company) is in many cases received net of related expenditure. In order to reflect the gross position, an estimate of the expenditure has been calculated according to payments made out of the branch bank accounts, and 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. Income that has a time restriction placed on it by the donor or income that may become refundable is deferred as shown in note 18.

1.4 Resources expended

Expenditure is accounted for on an accruals basis and is allocated to the appropriate heading in the accounts. Costs of generating funds include the costs incurred in generating voluntary income, fundraising trading costs and investment management costs. These costs are regarded as necessary to generate funds that are needed to finance charitable activities.

Charitable activities expenditure enables the NSPCC to meet its charitable aims and objectives. Governance costs are associated with the governance arrangements of the Charity and relate to the general running of the Charity. These costs include external and internal audit, legal advice for trustees and costs associated with meeting constitutional and statutory requirements such as the cost of trustee meetings and the preparation of the statutory accounts. Support costs are those costs which enable fund generating and charitable activities to be undertaken. These costs include finance, human resources, information systems, communications, property management and legal costs. Where expenditure incurred relates to more than one cost category, it is apportioned. The method of apportionment uses the most appropriate basis in each case. All support costs are apportioned on the basis of full-time equivalent staff numbers, except costs relating to information systems which are apportioned based on the number of computers and personal laptops in use. Reference should be made to note 5 for further information on the allocation of Child Protection, Advice and Awareness expenditure.

Any irrecoverable VAT is included as part of the cost to which it relates. The amount suffered in the year is disclosed in note 4.

for the year ended 31 March 2013

Notes to the consolidated accounts

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Any irrecoverable VAT is included as part of the cost to which it relates. The amount suffered in the year is disclosed in note 4.
1.5 Fund accounting

General funds - these are funds which can be used in accordance with the NSPCC’s charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds - these are funds received for undertaking an activity specified by the donor.

Endowment funds - these are funds where the assets must be held permanently by the Charity, principally in the form of investments.

Income from endowments is included, together with income from restricted funds, in incoming resources. 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 included in note 23.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost. Depreciation 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 – five years

Major software development – five years

Other computer software and hardware – two years

Major software development is any system with a capital cost in excess of £1 million.

No depreciation is provided on freehold land. Tangible fixed assets costing less than £2,000 are not capitalised, and are written off in the year of purchase.

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

1.7 Investments

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

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

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

1.8 Pension costs and balance sheet provision

For the defined benefit scheme the amounts charged in resources expended are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and expected return on the assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The defined benefit scheme is funded, with the assets of the scheme held separately from those in the Group, in a separate trustee administered fund. Pension scheme assets are measured at fair values 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. Full actuarial valuations are obtained triennially.

1.9 Operating leases

Expenditure on operating leases is accounted for on a straight-line basis over the life of the lease.

1.10 Corporation tax

The NSPCC as a registered charity is exempt from corporation tax under the Corporation Tax Act 2010 (chapters 2 and 3 of part II, section 466 onwards) or Section 256 of the Taxation for Chargable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

No corporation tax charge has arisen in the Charity’s subsidiaries due to their policy of gifting all the taxable profits to the NSPCC in the year.

2 Analysis of incoming resources from generated funds

<table>
<thead>
<tr>
<th></th>
<th>Total 2013 £’000</th>
<th>Total 2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Voluntary income:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monthly donations from individuals</td>
<td>68,075</td>
<td>71,421</td>
</tr>
<tr>
<td>Legacies</td>
<td>19,955</td>
<td>20,069</td>
</tr>
<tr>
<td>Community fundraising</td>
<td>7,929</td>
<td>8,057</td>
</tr>
<tr>
<td>Other donations and gifts</td>
<td>14,746</td>
<td>14,876</td>
</tr>
<tr>
<td><strong>Total voluntary income</strong></td>
<td>110,705</td>
<td>114,423</td>
</tr>
<tr>
<td><strong>Activities for generating funds:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of goods</td>
<td>194</td>
<td>147</td>
</tr>
<tr>
<td>Fundraising events</td>
<td>6,613</td>
<td>6,040</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>1,347</td>
<td>1,606</td>
</tr>
<tr>
<td><strong>Total activities for generating funds</strong></td>
<td>8,154</td>
<td>7,783</td>
</tr>
</tbody>
</table>

**Investment income:**

- **Dividends - UK** | 5 | 2 |
- **Interest** | 1,452 | 2,146 |
- **Net return on pension scheme assets** | – | 224 |
- **Total investment income** | 1,457 | 2,372 |

*Other income in activities for generating funds includes sponsorship, promotions, training, sundry sales, letterbox and rental income, none of which are individually material.

**3 Analysis of income from charitable activities:**

Income raised by the following child protection activities:

<table>
<thead>
<tr>
<th>Activities</th>
<th>Total Statutory Funding</th>
<th>Other Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Income from SLAs £’000</td>
<td>Donated services &amp; facilities £’000</td>
</tr>
<tr>
<td>Services for children and families</td>
<td>1,073</td>
<td>118</td>
</tr>
<tr>
<td>Childline</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Child protection advice and awareness</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Child protection consultancy</td>
<td>37</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total incoming resources from charitable activities</strong></td>
<td>1,110</td>
<td>118</td>
</tr>
</tbody>
</table>

Donated services and facilities under service level agreements amounted to £34,000 (2012 £31,000) in respect of staff secondments, and £30,000 (2012 £31,000) in respect of premises and other facilities which have been recognised as gifts in kind.

Grants & on-off fees includes £9 (2012 £nil) income received for a capital purpose.

Statutory bodies are government agencies or departments whereas non-statutory are not government related.
The NSPCC recorded income in the year ending 31 March 2011 of £8.8 million relating to the sale of an asset prior to the balance sheet date. The purchaser made an initial payment of £0.45 million in the year ending 31 March 2012. The NSPCC retains full title to the asset until payment has been made in full, and provided for £1.35 million of the outstanding debt within other resources expended in the year ending 31 March 2011. This remains a balance in the provision for doubtful debts at 31 March 2013. During the year, the NSPCC completed a full review of the potential liability to dilapidations at the end of the leases on occupied buildings and revised its assumptions accordingly. The movement on the provision reflects revised assumptions based on historical evidence, vacating properties at the end of the lease term and the commitment to new leases.

The restructuring costs relate to the cost of redundancies and onerous leases incurred as a result of the NSPCC’s restructure. During the year the NSPCC was able to make a net recovery of input VAT suffered in prior years which is included in other resources expended; professional fees incurred have been deducted from the amount recovered.

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.

**ChildLine** – 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; work with primary schools to educate children about how to protect themselves; and children and young people’s participation activities.

**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; public campaigning; work in partnership with other bodies; and representation on boards and committees where the NSPCC can influence change.

**Cost of raising voluntary income** – promoting the awareness of the NSPCC and its work to create the income flow needed to support our activities.

**Cost of fundraising trading** – investing in products and organising events to create the income flow needed to support our activities.

**Governance costs** – the costs of internal audit, legal advice and costs associated with meeting constitutional and statutory requirements.

The NSPCC’s restructure.

The trustees are not entitled to and did not receive any remuneration during the year (2012 £nil). Total trustees expenses of £12,000 were incurred in the year.
5 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
- 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.

6 Allocation of support costs

<table>
<thead>
<tr>
<th>Type of cost</th>
<th>Total allocated to generating funds £’000</th>
<th>Total allocated to charitable activities £’000</th>
<th>Total 2013 £’000</th>
<th>Total 2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Divisional management</td>
<td>7</td>
<td>78</td>
<td>85</td>
<td>93</td>
</tr>
<tr>
<td>Central management and administration</td>
<td>722</td>
<td>3,728</td>
<td>4,456</td>
<td>5,436</td>
</tr>
<tr>
<td>Premises, legal and other support costs</td>
<td>254</td>
<td>1,139</td>
<td>1,393</td>
<td>2,844</td>
</tr>
<tr>
<td>Total support costs allocated</td>
<td>983</td>
<td>4,945</td>
<td>5,928</td>
<td>6,783</td>
</tr>
</tbody>
</table>

Divisional management costs are the support costs which enable the functioning of divisional offices, including divisional human resources.

Central management and administration costs are the support costs which enable fundraising and charitable work to be carried out. These costs include the relevant proportion of central finance, human resources and information systems that support frontline services.

Premises costs are the costs which enable the buildings from which the Society operates to function effectively.

Information systems and communications costs are allocated, where appropriate, directly to the frontline services. Those elements used by support functions and the elements not otherwise directly allocated are included in support costs.

Support costs are generally 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.

7 Governance costs

<table>
<thead>
<tr>
<th>2013 £’000</th>
<th>2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance and professional support for trustees</td>
<td>552</td>
</tr>
<tr>
<td>External audit</td>
<td>98</td>
</tr>
<tr>
<td>Total governance costs</td>
<td>650</td>
</tr>
</tbody>
</table>

Governance and professional support costs represent the costs of internal audit, legal advice and costs associated with meeting constitutional and statutory requirements.

8 Employees

<table>
<thead>
<tr>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>61,289</td>
</tr>
<tr>
<td>Cost of seconded staff</td>
<td>1,148</td>
</tr>
<tr>
<td>Social security costs</td>
<td>6,492</td>
</tr>
<tr>
<td>Pension costs</td>
<td>5,019</td>
</tr>
<tr>
<td>Total</td>
<td>73,948</td>
</tr>
</tbody>
</table>

Pension finance costs of £52,000 (2012 income of £224,000) arising from changes in the net of the interest cost and expected return on assets has been excluded from pension costs above.

The average number of employees on the payroll for the year was 2,249 (2012 2,290). The average number of employees, calculated on a full time equivalent basis for the year was 1,852 (2012 1,911). The NSPCC endeavours to be friendly, policy encouraging and time spent and job stability. The above numbers on site staff responsibilities for the year was 1,852 (2012 1,911). The NSPCC endeavours to be friendly, policy encouraging and time spent and job stability. The above numbers on site staff responsibilities for the year on site staff responsibilities for the year was 1,852 (2012 1,911). The NSPCC is a family-friendly policy encouraging part-time work and job sharing. The above numbers include staff responsible for the functions.

Pension costs above.

The Society bases its reward policies and strategies on the needs of the organisation. Salaries in general are determined by reference to local authority scales and grades, and where appropriate are adjusted to reflect market rates. Executive board and chief executive remuneration is decided by the Trustee Remuneration committee which has access to externally prepared data. The Society undertakes a benchmarking exercise against other comparable organisations to ensure suitable rates of salary are paid to all our staff. Details of the NSPCC’s pension schemes open to employees are set out in note 16. An employee share ownership plan is provided to employees if their job requires a significant amount of business travel.

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

<table>
<thead>
<tr>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activities to end cruelty to children</td>
<td>1,365</td>
</tr>
<tr>
<td>Generating funds</td>
<td>304</td>
</tr>
<tr>
<td>Support and governance</td>
<td>183</td>
</tr>
<tr>
<td>Total</td>
<td>1,852</td>
</tr>
</tbody>
</table>
8 Employees (continued)

The number of employees whose emoluments (including benefits in kind) as defined for taxation purposes amounted to over £60,000 in the year was as follows:

<table>
<thead>
<tr>
<th>£160,001-£170,000</th>
<th>2013 Number</th>
<th>2012 Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>£120,001-£130,000</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>£110,001-£120,000</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>£100,001-£110,000</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>£90,001-£100,000</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>£80,001-£90,000</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>£70,001-£80,000</td>
<td>11</td>
<td>13</td>
</tr>
<tr>
<td>£60,001-£70,000</td>
<td>29</td>
<td>24</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>52</strong></td>
<td><strong>49</strong></td>
</tr>
</tbody>
</table>

49 out of the 52 employees earning more than £60,000 participated in the defined contribution (stakeholder) pension scheme (2012 46 of the 49). Employer contributions to the stakeholder scheme for employees earning over £60,000 in the year were £353,000 (2012 £338,000).

9 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. The main activities consist of mail order catalogue sales, corporate sponsorships and fundraising events. There is a small amount of sales of donated goods from the remaining NSPCC charity shop.

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

<table>
<thead>
<tr>
<th></th>
<th>NSPCC Trading 2013 £’000</th>
<th>NSPCC Trading 2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit and loss account</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover</td>
<td>4,590</td>
<td>4,029</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(1,252)</td>
<td>(1,247)</td>
</tr>
<tr>
<td>Gross profit</td>
<td>3,338</td>
<td>2,782</td>
</tr>
<tr>
<td>Net operating costs</td>
<td>(660)</td>
<td>(846)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>2,678</td>
<td>1,956</td>
</tr>
<tr>
<td>Amount gift aided to NSPCC</td>
<td>(2,678)</td>
<td>(1,938)</td>
</tr>
<tr>
<td>Retained profit for the year</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Assets, liabilities and funds:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td>1,473</td>
<td>1,737</td>
</tr>
<tr>
<td>Liabilities</td>
<td>(1,443)</td>
<td>(1,707)</td>
</tr>
<tr>
<td>Total funds including 100 ordinary shares of £1 each</td>
<td>30</td>
<td>30</td>
</tr>
</tbody>
</table>

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. ChildLine became a subsidiary from 1 February 2006.

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.

<table>
<thead>
<tr>
<th></th>
<th>ChildLine 2013 £’000</th>
<th>ChildLine 2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total incoming resources</strong></td>
<td>1,194</td>
<td>641</td>
</tr>
<tr>
<td><strong>Total resources expended</strong></td>
<td>(1,194)</td>
<td>(641)</td>
</tr>
<tr>
<td><strong>Net incoming resources</strong></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Funds balance brought forward</strong></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Funds balance carried forward</strong></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Assets, liabilities and funds:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td>20</td>
<td>–</td>
</tr>
<tr>
<td>Liabilities</td>
<td>(20)</td>
<td>–</td>
</tr>
<tr>
<td>Total funds</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

NSPCC results (excluding subsidiaries)

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

<table>
<thead>
<tr>
<th></th>
<th>NSPCC excluding subsidiaries 2013 £’000</th>
<th>NSPCC excluding subsidiaries 2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total incoming resources</strong></td>
<td>127,530</td>
<td>133,621</td>
</tr>
<tr>
<td><strong>Total resources expended</strong></td>
<td>(119,988)</td>
<td>(136,721)</td>
</tr>
<tr>
<td><strong>Net incoming/(outgoing) resources</strong></td>
<td>7,542</td>
<td>(3,100)</td>
</tr>
<tr>
<td><strong>Gain on investment assets</strong></td>
<td>848</td>
<td>199</td>
</tr>
<tr>
<td><strong>Actuarial loss on defined benefit schemes</strong></td>
<td>(201)</td>
<td>(1,242)</td>
</tr>
<tr>
<td><strong>Net movement in funds</strong></td>
<td>8,189</td>
<td>4,143</td>
</tr>
<tr>
<td><strong>Funds balance brought forward</strong></td>
<td>67,313</td>
<td>71,456</td>
</tr>
<tr>
<td><strong>Funds balance carried forward</strong></td>
<td>75,502</td>
<td>67,313</td>
</tr>
</tbody>
</table>

The total incoming resources figure for the NSPCC excluding subsidiaries, includes the gift aid donation from the NSPCC Trading Company Limited of £2,678,000 (2012 £1,936,000) and the grant from ChildLine of £1,194,000 (2012 £641,000).
10 Tangible fixed assets

<table>
<thead>
<tr>
<th>Group and Charity</th>
<th>Freehold property £'000</th>
<th>Leasehold property £'000</th>
<th>Furniture, fittings, equipment £'000</th>
<th>Total £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 April 2012</td>
<td>27,481</td>
<td>18,495</td>
<td>20,486</td>
<td>66,462</td>
</tr>
<tr>
<td>Additions</td>
<td>1,665</td>
<td>1,532</td>
<td>1,130</td>
<td>4,433</td>
</tr>
<tr>
<td>Transfers</td>
<td>(435)</td>
<td>(435)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Disposals</td>
<td>(456)</td>
<td>(1,714)</td>
<td>(2,863)</td>
<td>(5,033)</td>
</tr>
<tr>
<td>31 March 2013</td>
<td>28,255</td>
<td>18,848</td>
<td>18,759</td>
<td>65,862</td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 April 2012</td>
<td>11,349</td>
<td>8,606</td>
<td>12,658</td>
<td>32,613</td>
</tr>
<tr>
<td>Impairment charges</td>
<td>21</td>
<td>125</td>
<td></td>
<td>146</td>
</tr>
<tr>
<td>Charge for year</td>
<td>358</td>
<td>1,064</td>
<td>3,078</td>
<td>4,500</td>
</tr>
<tr>
<td>Transfers</td>
<td>(203)</td>
<td>203</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Disposals</td>
<td>(173)</td>
<td>(1,592)</td>
<td>(2,793)</td>
<td>(4,558)</td>
</tr>
<tr>
<td>31 March 2013</td>
<td>11,352</td>
<td>8,406</td>
<td>12,943</td>
<td>32,701</td>
</tr>
</tbody>
</table>

The Society undertakes an external valuation of its property portfolio on a triennial basis. The most recent full valuation was performed by Colliers CRE, Chartered Surveyors, in 2012. The valuation was performed on the basis of market value, existing use value and market rent. This valuation was used for the Society's impairment review carried out in the year, to determine net realisable value and value in use. Where the net book value was higher than the recoverable amount, the assets were written down accordingly.

11 Capital commitments

There were capital commitments of £347,000 at 31 March 2013 (2012 £nil).

12 Investments

<table>
<thead>
<tr>
<th>Group and Charity</th>
<th>2013 £'000</th>
<th>2012 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market value at 1 April</td>
<td>48,647</td>
<td>52,560</td>
</tr>
<tr>
<td>Purchases at cost</td>
<td>9,740</td>
<td>20,747</td>
</tr>
<tr>
<td>Disposals at carrying value</td>
<td>(13,164)</td>
<td>(24,859)</td>
</tr>
<tr>
<td>Increase in market value (excluding movement in value of donated shares)</td>
<td>848</td>
<td>199</td>
</tr>
<tr>
<td>Value at 31 March</td>
<td>46,071</td>
<td>48,647</td>
</tr>
<tr>
<td>Historical cost as at 31 March</td>
<td>43,566</td>
<td>47,075</td>
</tr>
</tbody>
</table>

The investments include shares in three companies, which are unlisted, which the Charity accepted as donations. At 31 March 2013 there were no listed shares (2012 none).

13 Debtors

<table>
<thead>
<tr>
<th>Group and Charity</th>
<th>2013 £'000</th>
<th>2012 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>2,082</td>
<td>1,898</td>
</tr>
<tr>
<td>Amounts due from group undertakings</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other debtors</td>
<td>3,102</td>
<td>1,334</td>
</tr>
<tr>
<td>Prepayments</td>
<td>2,177</td>
<td>1,878</td>
</tr>
<tr>
<td>Accrued income</td>
<td>2,285</td>
<td>3,300</td>
</tr>
<tr>
<td>Total</td>
<td>9,645</td>
<td>8,410</td>
</tr>
</tbody>
</table>

14 Current investments and cash at bank and in hand

<table>
<thead>
<tr>
<th>Group and Charity</th>
<th>2013 £'000</th>
<th>2012 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current investments</td>
<td>8,604</td>
<td>1,060</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>1,040</td>
<td>1,016</td>
</tr>
<tr>
<td>Total</td>
<td>9,644</td>
<td>2,076</td>
</tr>
</tbody>
</table>

At the balance sheet date, the portfolio was invested as follows:

- UK fixed interest bonds & deposits: £27,415 (2012 £27,032)
- UK deposit bank accounts: £18,060 (2012 £20,833)
- UK cash instruments: £596 (2012 £782)

Value at 31 March: £46,071 (2012 £48,647)

At 31 March 2013 the following investments represented more than 5 per cent of the portfolio by market value:

- M&G Corporate Bond Fund: 25.5% (Value: £11,745)
- UBS Fund: 24.7% (Value: £11,396)
- RBS Call Plus Account: 10.0% (Value: £4,593)
- Henderson Pref & Bond CLS: 10.6% (Value: £4,871)
- Barclays Deposit Account: 18.7% (Value: £8,629)

The investments include shares in three companies, which are unlisted, which the Charity accepted as donations. At 31 March 2013 there were no listed shares (2012 none).
15 Creditors: amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>Group 2013 £’000</th>
<th>Group 2012 £’000</th>
<th>Charity 2013 £’000</th>
<th>Charity 2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>5,807</td>
<td>4,987</td>
<td>5,793</td>
<td>4,985</td>
</tr>
<tr>
<td>Other creditors</td>
<td>3,226</td>
<td>2,932</td>
<td>3,205</td>
<td>2,890</td>
</tr>
<tr>
<td>Accruals</td>
<td>3,908</td>
<td>3,642</td>
<td>3,845</td>
<td>3,614</td>
</tr>
<tr>
<td>Deferred income (see note 18)</td>
<td>803</td>
<td>1,168</td>
<td>708</td>
<td>743</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13,744</td>
<td>12,729</td>
<td>13,551</td>
<td>12,232</td>
</tr>
</tbody>
</table>

16 Creditors: amounts falling due after one year

<table>
<thead>
<tr>
<th></th>
<th>Group 2013 £’000</th>
<th>Group 2012 £’000</th>
<th>Charity 2013 £’000</th>
<th>Charity 2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accruals</td>
<td>116</td>
<td>38</td>
<td>116</td>
<td>38</td>
</tr>
<tr>
<td>Deferred VAT liability</td>
<td>59</td>
<td>105</td>
<td>59</td>
<td>105</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>175</td>
<td>143</td>
<td>175</td>
<td>143</td>
</tr>
</tbody>
</table>

17 Provisions

<table>
<thead>
<tr>
<th>Dilapidations on leasehold properties</th>
<th>Restructuring</th>
<th>Other</th>
<th>Total Group and Charity £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance at 1 April 2012</td>
<td>3,409</td>
<td>3,671</td>
<td>193</td>
</tr>
<tr>
<td>Increase in provision in the year</td>
<td>431</td>
<td>640</td>
<td>173</td>
</tr>
<tr>
<td>Utilised in the year</td>
<td>(827)</td>
<td>(2,316)</td>
<td>(60)</td>
</tr>
<tr>
<td>Closing balance at 31 March 2013</td>
<td>3,013</td>
<td>1,995</td>
<td>316</td>
</tr>
</tbody>
</table>

Commitments are likely to be met:

- Within one year: 812, 1,508, 316, 2,636
- After one year and less than five years: 1,869, 487, -, 2,366
- After five years: 332, -, -, 332
- Total: 3,013, 1,995, 316, 5,324

The provision for dilapidations on leasehold properties relates to the estimated future cost of building work required at the end of the lease, in order to meet the conditions of the lease.
The provision for restructuring relates to the cost of redundancies, onerous leases and building works to be incurred as a result of the NSPCC’s restructuring.
No discounting has been applied to any of the provisions as the effect of this would be immaterial.

18 Deferred income

<table>
<thead>
<tr>
<th></th>
<th>Group 2012 £’000</th>
<th>Group 2012 £’000</th>
<th>Charity 2012 £’000</th>
<th>Charity 2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory sources</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other charitable sources</td>
<td>228</td>
<td>155</td>
<td>(228)</td>
<td>155</td>
</tr>
<tr>
<td>Income from fundraising activities</td>
<td>516</td>
<td>537</td>
<td>(516)</td>
<td>537</td>
</tr>
<tr>
<td><strong>Total for the Charity</strong></td>
<td>744</td>
<td>708</td>
<td>(744)</td>
<td>708</td>
</tr>
<tr>
<td>Income from fundraising activities</td>
<td>424</td>
<td>95</td>
<td>(424)</td>
<td>95</td>
</tr>
<tr>
<td><strong>Total for the Group</strong></td>
<td>1,168</td>
<td>803</td>
<td>(1,168)</td>
<td>803</td>
</tr>
</tbody>
</table>

The main reasons for deferrals are as follows:

- Time restrictions imposed by funder: 16, -
- Potentially refundable income received for future events: 632, 940, 537, 516
- Other deferrals: 155, 228
- **Total**: 803, 1,168, 708, 744

19 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 £4,519,000 (2012 £4,595,000). As at 31 March 2013, £785,000 was outstanding (2012 £419,000).

NSPCC defined benefit pension scheme

The Society operates a funded defined benefit scheme, the NSPCC Pension Scheme, the assets of which are held in a specific trust separately from those of the Society. Contributions are paid to the scheme as agreed with the scheme’s trustees.

Accounting for the defined benefit scheme under FRS17

The full actuarial valuation of the defined benefit scheme as at 31 March 2012 was updated to 31 March 2013, by an independent qualified actuary in accordance with FRS17. As required by FRS17, the defined benefit liabilities have been measured using the projected unit method.

The expected rate of return on the scheme’s assets for the financial year ending 31 March 2013 was 4.5 per cent (2012 6.0 per cent). This rate is derived by taking the weighted average of the long term expected rate of return on each of the asset classes that the scheme was invested in at 31 March 2012. The overall expected rate of return on assets has been reduced by a 0.4 per cent pa deduction for administration expenses.

The estimated amount of total employer contributions expected to be paid to the scheme during 2014 is £2,500,000 (2013 actual: £2,500,000). This figure relates to contributions that are payable by the Society in accordance with the Schedule of Contributions towards the scheme’s deficit.
The following table sets out the key FRS17 assumptions used for the scheme:

<table>
<thead>
<tr>
<th>Assumptions</th>
<th>31 March 2013</th>
<th>31 March 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail price inflation</td>
<td>3.30% pa</td>
<td>3.20% pa</td>
</tr>
<tr>
<td>Consumer price inflation</td>
<td>2.30% pa</td>
<td>2.20% pa</td>
</tr>
<tr>
<td>Discount rate</td>
<td>4.20% pa</td>
<td>4.40% pa</td>
</tr>
<tr>
<td>Pension increases (5% LPI)</td>
<td>3.20% pa</td>
<td>3.10% pa</td>
</tr>
</tbody>
</table>

Life expectancy

<table>
<thead>
<tr>
<th></th>
<th>2013 Male</th>
<th>2013 Female</th>
<th>2012 Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retiring at age 65 in 2013</td>
<td>21.8 years</td>
<td>23.9 years</td>
<td>-</td>
</tr>
<tr>
<td>Male aged 60</td>
<td>-</td>
<td>-</td>
<td>27.4 years</td>
</tr>
</tbody>
</table>

The table reflects the change in the mortality tables used for the 31 March 2013 valuation.

Allowance is made for future improvements in life expectancy. Following the closure of the scheme, benefits which were previously linked to salary now increase in line with price inflation (CPI) before retirement.

The amounts included in the balance sheet arising from the NSPCC’s obligations in respect of the defined benefit scheme for the current and previous four periods are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2013 £’000</th>
<th>2012 £’000</th>
<th>2011 £’000</th>
<th>2010 £’000</th>
<th>2009 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of assets</td>
<td>153,193</td>
<td>155,238</td>
<td>148,168</td>
<td>141,371</td>
<td>106,474</td>
</tr>
<tr>
<td>Present value of liabilities</td>
<td>(156,940)</td>
<td>(160,732)</td>
<td>(154,644)</td>
<td>(151,715)</td>
<td>(123,547)</td>
</tr>
<tr>
<td>Deficit in the scheme, equalling the net pension liability</td>
<td>(3,747)</td>
<td>(5,494)</td>
<td>(6,476)</td>
<td>(10,344)</td>
<td>(17,073)</td>
</tr>
</tbody>
</table>

The following amounts have been included within total resources expended under FRS17 in relation to the defined benefit scheme:

<table>
<thead>
<tr>
<th></th>
<th>2013 £’000</th>
<th>2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Past service cost</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Interest cost</td>
<td>6,966</td>
<td>7,979</td>
</tr>
<tr>
<td>Expected return on scheme’s assets</td>
<td>(6,914)</td>
<td>(8,203)</td>
</tr>
<tr>
<td>Total expense</td>
<td>552</td>
<td>276</td>
</tr>
</tbody>
</table>

Changes in the present value of the scheme liabilities over the year are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2013 £’000</th>
<th>2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening value of scheme liabilities</td>
<td>160,732</td>
<td>154,644</td>
</tr>
<tr>
<td>Past service cost</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Interest cost</td>
<td>6,966</td>
<td>7,979</td>
</tr>
<tr>
<td>Actuarial (gain)/loss</td>
<td>(5,912)</td>
<td>3,018</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(5,346)</td>
<td>(5,409)</td>
</tr>
<tr>
<td>Closing value of scheme liabilities</td>
<td>156,940</td>
<td>160,732</td>
</tr>
</tbody>
</table>

Changes in the fair value of the scheme assets over the year are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2013 £’000</th>
<th>2012 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening value of scheme assets</td>
<td>155,238</td>
<td>148,168</td>
</tr>
<tr>
<td>Expected return on plan assets</td>
<td>6,914</td>
<td>8,203</td>
</tr>
<tr>
<td>Actuarial (loss)/gain</td>
<td>(6,113)</td>
<td>1,776</td>
</tr>
<tr>
<td>Contributions by the employer</td>
<td>2,500</td>
<td>2,500</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(5,346)</td>
<td>(5,409)</td>
</tr>
<tr>
<td>Closing value of scheme assets</td>
<td>153,193</td>
<td>155,238</td>
</tr>
</tbody>
</table>

The actual return on the scheme’s assets over the year was a gain of £801,000 (2012 gain of £9,979,000).

The following amounts for 2009–2013 have been recognised under the “actuarial gains and losses on defined benefit pension scheme” heading within the statement of financial activities:

<table>
<thead>
<tr>
<th></th>
<th>2013 £’000</th>
<th>2012 £’000</th>
<th>2011 £’000</th>
<th>2010 £’000</th>
<th>2009 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience adjustments on scheme’s assets</td>
<td>(6,113)</td>
<td>1,776</td>
<td>1,501</td>
<td>28,950</td>
<td>(32,677)</td>
</tr>
<tr>
<td>Experience adjustment on scheme’s liabilities</td>
<td>7,501</td>
<td>-</td>
<td>-</td>
<td>3,796</td>
<td>-</td>
</tr>
</tbody>
</table>

The cumulative amount of actuarial gains and losses recognised under the above heading in the statement of financial activities since 1 April 2002 is a loss of £11,606,000.
20 Annual operating lease commitments

Annual operating lease commitments of the Group and Charity at 31 March are in respect of leases expiring:

<table>
<thead>
<tr>
<th></th>
<th>Land and buildings 2013 £'000</th>
<th>Other 2013 £'000</th>
<th>Land and buildings 2012 £'000</th>
<th>Other 2012 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>163</td>
<td>24</td>
<td>24</td>
<td>184</td>
</tr>
<tr>
<td>Between one and five years</td>
<td>1,348</td>
<td>60</td>
<td>1,510</td>
<td>79</td>
</tr>
<tr>
<td>After five years</td>
<td>109</td>
<td>1</td>
<td>85</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>1,620</td>
<td>85</td>
<td>1,779</td>
<td>91</td>
</tr>
</tbody>
</table>

21 Endowment, restricted and designated funds

### Permanent endowment funds

<table>
<thead>
<tr>
<th>Fund</th>
<th>Balance 1 April 2012 £'000</th>
<th>Incoming resources £'000</th>
<th>Outgoing resources £'000</th>
<th>Gains and losses £'000</th>
<th>Transfers £'000</th>
<th>Balance 31 March 2013 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent endowment fund</td>
<td>1,351</td>
<td>-</td>
<td>(3)</td>
<td>25</td>
<td>-</td>
<td>1,373</td>
</tr>
<tr>
<td>N Knatchbull endowment fund</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10</td>
</tr>
<tr>
<td>M Glaister fund</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10</td>
</tr>
<tr>
<td>A Sykes fund</td>
<td>9</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9</td>
</tr>
<tr>
<td>Total permanent endowment funds</td>
<td>1,380</td>
<td>-</td>
<td>(3)</td>
<td>25</td>
<td>-</td>
<td>1,402</td>
</tr>
</tbody>
</table>

### Restricted funds

<table>
<thead>
<tr>
<th>Fund</th>
<th>Balance 1 April 2012 £'000</th>
<th>Incoming resources £'000</th>
<th>Outgoing resources £'000</th>
<th>Gains and losses £'000</th>
<th>Transfers £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>ChildLine restricted funds received by NSPCC</td>
<td>49</td>
<td>8,726</td>
<td>(8,763)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Helpline Development Project funded by the Child’s Voice Appeal</td>
<td>97</td>
<td>1,122</td>
<td>(1,216)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Activities to end cruelty to children funded by other restricted donations</td>
<td>772</td>
<td>7,337</td>
<td>(7,470)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital projects including acquisition of buildings</td>
<td>6,404</td>
<td>612</td>
<td>(303)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total restricted funds</td>
<td>8,337</td>
<td>9,617</td>
<td>(9,763)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

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
- ChildLine and NSPCC helpline development capital funded by the Department for Education.

Other restricted funds

- Subsidiary companies
- Total general funds for the Group
- Pension reserve

Designated funds

- Freehold and leasehold properties
- Total designated funds

Other unrestricted funds

- Charity
- Total general funds for the Charity
- Subsidiary companies
- Total funds for the Group

Pension reserve

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

- Therapeutic services for child victims of sexual abuse funded by the Ministry of Justice
- Child Trafficking Advice Centre (CTAC) funded by Comic Relief
- ChildLine core funding for Wales is funded by the Welsh Government
- ChildLine counselling staff costs in Northern Ireland funded by the Department of Health, Social Services & Public Safety (DSSPS) of Northern Ireland
- Domestic Abuse Recovering Together (DART) funded by the Department of Health
- Caring Dads: Safer Children
- Human trafficking awareness-raising activities for front-line professionals funded by the Home Office
- Domestic Abuse Recovering Together (DART) funded by the Department of Health
- Caring Dads: Safer Children
- Human trafficking awareness-raising activities for front-line professionals funded by the Home Office
- Total restricted funds
- Total restricted and endowment funds
- Designated funds
- Pension reserve
- Total funds for the Group

The incoming resources figure for general reserves for the Charity excludes the gift aid donation of £2,876,000 from NSPCC Trading Company Limited and the grant of £1,184,000 from ChildLine.
Fund balances at 31 March 2013 are represented by:

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Endowment</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>general £'000</td>
<td>designated £'000</td>
<td>£'000</td>
<td>£'000</td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>5,601</td>
<td>20,773</td>
<td>6,787</td>
<td>33,161</td>
</tr>
<tr>
<td>Investments</td>
<td>44,698</td>
<td>-</td>
<td>1,373</td>
<td>46,071</td>
</tr>
<tr>
<td>Current assets and liabilities</td>
<td>4,827</td>
<td>-</td>
<td>690</td>
<td>29</td>
</tr>
<tr>
<td>Long term liabilities excluding pension reserve</td>
<td>(175)</td>
<td>-</td>
<td>-</td>
<td>(175)</td>
</tr>
<tr>
<td>Provisions</td>
<td>(5,324)</td>
<td>-</td>
<td>-</td>
<td>(5,324)</td>
</tr>
<tr>
<td>Total funds excluding pension reserve</td>
<td>49,627</td>
<td>20,773</td>
<td>7,477</td>
<td>79,279</td>
</tr>
<tr>
<td>Pension reserve</td>
<td>(3,747)</td>
<td>-</td>
<td>-</td>
<td>(3,747)</td>
</tr>
<tr>
<td>Total net assets</td>
<td>45,880</td>
<td>20,773</td>
<td>7,477</td>
<td>75,532</td>
</tr>
</tbody>
</table>

Of the Restricted Funds represented by tangible fixed assets, £5,276,000 relates to freehold and leasehold property, and £270,000 relates to other tangible fixed assets. Included in the Restricted Funds represented by current assets and liabilities figure is £30,000 which relates to restricted donations to be spent on development software and £8,000 to be spent on property.

22 Analysis of group net assets between funds

23 Legacies

The NSPCC has been notified of 1,093 legacies, which have not been included within the financial statements as no notification of impending distribution has been received (2012 1,037). Of these, 29 per cent are pecuniary legacies which have an average value of £3,472 (2012 25 per cent £3,483) and the remaining 71 per cent are residuary legacies, which have an average value of £38,996 (2012 75 per cent £38,853). The Society does not have any indication of when it is due to receive these monies and there is no certainty of receipt. Included within the above figures are 13 pecuniary legacies (2012 13) and 164 residuary legacies (2012 150) which are subject to a life interest.

24 Related party transactions

Advantage has been taken of exemptions under FRS8 (3) not to disclose balances with or transactions between related parties eliminated on consolidation. Related party transactions with NSPCC Pension Scheme are disclosed in note 19, related party transactions with the trustees are disclosed in note 4. There were no transactions with other related parties in the year.

NSPCC offices

The National Society for the Prevention of Cruelty to Children (NSPCC) is registered with the Charity Commission under registration number 216401, and with the Office of the Scottish Charity Regulator under number SC037717. It is also registered as a Guernsey Registered Charity (registered number CH214) and as a Non-Profit Organisation in Jersey (NPO 0088).

Headquarters and registered office address
Weston House
42 Curtain Road
London EC2A 3NH
Tel: 0207 825 2500

Regional offices/service centres
Cymru/Wales
Diane Engelhardt House
Treglown Court
Dowlais Road
Cardiff CF24 5LQ
Tel: 0844 892 0290

Northern Ireland
The Lanyon Building
Jennymount Business Park
North Derby Street
Belfast BT15 3NH
Tel: 02890 351135

Scotland
2nd Floor, Tara House
46 Bath Street
Glasgow G2 1HG
Tel: 0844 892 0210

From 19 May 2013:
Scotland
3rd Floor, Templeton House
62 Templeton Street
Glasgow G40 1DA
Tel: 0844 892 0210

North East and Cumbria
Wollington House
Starbeck Avenue
Newcastle upon Tyne
NE2 1HH
Tel: 0191 277 5300

North West
Quays Reach
14 Carolina Way
South Langworthy Road
Salford M50 2ZY
Tel: 0161 743 4640

Yorkshire and the Humber
Suite 1-3, 5th Floor
St John’s Offices
Albion Street
Leeds LS2 8ET
Tel: 0113 218 2700

East Midlands
Unit 2/2A
The Prince of Wales Court
6 Church Street
Old Bedford
Nottingham NG6 0GD
Tel: 0844 892 0255

West Midlands
3rd Floor CIBA Building
146 Hagley Road
Edgbaston
Birmingham B16 9NP
Tel: 0844 892 0217

North London and East of England
1st Floor Adi House
Brecklands
Woodlands Business Park
Lainford Wood West
Milton Keynes MK14 6ET
Tel: 01908 328050

South London and the South East
Pear Tree House
66 West Road
Gillingham ME7 1EF
Tel: 01634 308200

South West
1 Brunswick Road
Plymouth PL4 0NP
Tel: 08448 932 0288
The stories in this report remind us that hardship and struggle is around us, and children face a multitude of issues as a result. But we also know it’s not a reason to give up hope.

Fiona, a young person who began harming herself after suffering physical abuse, found herself unable to talk about what was happening. After seeing a toddler in a dangerous environment, Brad struggled with his conscience and faced a dilemma in deciding what to do. Alison, a mother whose life had been overshadowed by violence and abuse, was bereft when her own children began to lash out at her.

But each one of these people found a way forward. They wanted better for themselves, their children and children in their community. We’re glad we were able to help them.

We want to thank every person who has shared their story for the NSPCC Annual Report 2012/13. You’re living proof that together, we can make a difference to children’s lives.