



**NSPCC**

# **Piece by piece**

Annual Report and Accounts 2014/15

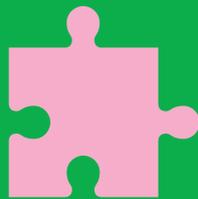
**EVERY CHILDHOOD IS WORTH FIGHTING FOR**

# Every childhood is worth fighting for.

At the NSPCC we help keep one million children safe from abuse and neglect every year. We help children who've been abused to rebuild their lives, we protect children at risk and we find the best ways of preventing child abuse from ever happening.

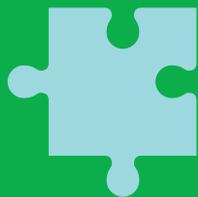
When a child needs a helping hand, we'll be there. When families are finding it tough, we'll help. When laws need to change, or governments need to do more, we won't give up until things improve.

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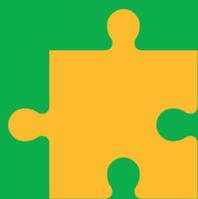


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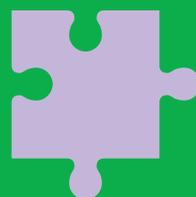
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## Hello from our Chairman and Chief Executive



### Welcome from Mark Wood

We have achieved a lot together over the last twelve months.

We are here 24/7 for every child with nowhere else to turn and every adult worried about a child.

We are being contacted in increasing numbers by both children and adults.

We are pressing on with our ambition to equip a generation of primary school children with the knowledge and understanding previous children have lacked with devastating costs and consequences.

We are mobilising increasing numbers behind our campaigns as evidenced in the highly successful Order in Court and Flaw in the Law campaigns we have run over the past year.

Once again, we are delivering more for children. NSPCC support costs are now less than 5 per cent of total costs expended. We have pretty much maintained what we spend directly on charitable activities compared with last year, but by increasing investment in our fundraising this dropped slightly as a ratio of overall spend from 78.2 per cent to 77.0 per cent. Along with our continued drive for increased efficiency, this timely investment should increase our charitable expenditure in absolute terms in future years, so that we can reach even more of the most vulnerable children and young people we are here to help. All of this is only possible because of the extraordinary generosity and shared values of our supporters.

I would particularly like to express my gratitude to our Royal Patron, Her Majesty Queen Elizabeth II for her continued support; our President, HRH The Countess of Wessex for her tireless work and commitment to our cause; and my fellow trustees, non-executive committee members and branch officers all of who give their time entirely for free.

In this annual report, we will set out our plans for the next year and beyond. I look forward to working with you all to achieve our goals.

Mark Wood, Chairman of the Trustees



### Welcome from Peter Wanless

I wrote in our annual report last year that we can't expect social workers alone to keep children safe. What is set out in this report is the breadth of partners that we work with and

influence that we command outside of the NSPCC family.

The NSPCC is an established, recognised and trusted brand. We are grounded in expertise, evidence and insight. We are in a position to offer leadership to protect our young people, but the scale of the change required demands partnerships of all kinds.

We know that experts across the UK and Channel Islands are working flat out to protect children but operate in a system under massive pressure. Our services are testing and evidencing innovations that we believe can transform the child protection landscape well beyond our own work.

We form partnerships with other agencies and charities to deliver services to children and families. We build partnerships with politicians, to ensure that children receive protection through the law. We work with schools, families, communities and businesses to build partnerships that can protect children, prevent abuse and transform the society our young people grow up in.

It is our leadership through these partnerships, that can help build a movement for change to protect children.

I am proud to lead an organisation that delivers these outcomes for children, and that is so ambitious in the goals we set for the future. This would not be possible of course, but for the fact that we receive support in every city, town and village across the UK and Channel Islands. I would like to thank all of our supporters who ensure that every year, we keep over one million children safer.

Peter Wanless, Chief Executive

# Building a safer future for children

Abuse robs children of their childhood. Instead of feeling unstoppable it can make them feel worthless, ashamed, frightened and alone. Abuse can derail a child's development and affect all parts of their life; it stops them doing what children should be doing – like making friends, learning new things, exploring and playing. And without help, the damage can last long into adult life – affecting relationships, physical and emotional development, learning and wellbeing.

Child abuse changes childhood, but so can we. Everything we've learnt over the past 130 years shows that abuse can be prevented. Our mission is to end cruelty to children but we can't do it alone. We need everyone to take responsibility and play their part – whether that's by supporting our work or looking out for a new parent who seems to be struggling. Each individual act may seem small, but they add up and make a huge difference.

The impact abuse and neglect can have on a child's life is devastating. But society also pays a heavy price, for example in the form of crime or poorer health across the population. In purely economic terms, it's estimated that child sexual abuse costs the UK £3.2 billion a year.

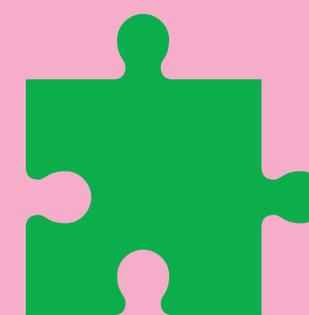
It's everyone's responsibility to protect children; we all have a role to play. From volunteering for a day at an event to signing an online petition to speaking up if you have a concern about a child. Together we can improve the lives of thousands of children across the UK; give them the childhood they deserve, the childhood we would want for them – a childhood with fewer obstacles and more possibilities.

In this annual report we will set out some of the things we have achieved for children over the last year through services such as ChildLine, through our campaign work, and through our direct interventions with children and families. However, it is where we deliver this work in partnership – with governments, professionals and businesses; within communities,

families and our educational establishments – piece by piece, we can have the greatest impact and deliver positive outcomes, for young people.

Together – we can end child abuse. We all have a duty of care, a duty to care, and – crucially – a duty to act. That's why the NSPCC is here, that's what drives all our work, and that's why – as long as there's abuse – we'll continue to fight for every childhood.

“ **It's everyone's responsibility to protect children; we all have a role to play.** ”



## Our work across the UK and Channel Islands

When families face social pressures such as poverty, poor housing or social isolation it can often mean that children do not get the care they need. Governments, on our behalf, both nationally and locally, are critically responsible for creating an environment where it is easy for families to properly care for and protect children.

We've pushed child abuse up the political agenda. We use the information and learning gathered from our direct services with children and families to influence decision-making across the four nations and encourage wider change which we believe will help protect children. We influence policy developments and political processes. We lobby for change, collaborative working, research, consultancy, and ultimately, never settling for second best. We've changed laws, we've achieved a lot, but there is still far to go.

# Children and young people are at the heart of everything we do

Children are at the forefront of our political influencing work. We want to see a child protection system that's robust and fit for purpose. And for this to happen, we and our governments need to listen to children and young people.

This year, 23 young people, all survivors of child sexual abuse and exploitation, met with the Home Secretary, Theresa May, at our headquarters. They talked about what they thought was missing from the current system to better support young people who have been sexually abused. This was a genuine opportunity for young people to influence the Home Secretary directly as she prepared to appoint a new chair for the inquiry into historical abuse of children.

## Young people from our participation groups also contributed to three key global summits this year:

- Global Summit to end sexual violence in conflict
- Girl Summit
- WeProtect Global Summit to tackle online global exploitation to raise awareness of our FGM helpline

## We have supported and influenced governments in the nations

In Northern Ireland we have had a key role in providing a bespoke child sexual exploitation helpline to Professor Kathleen Marshall's Inquiry into the nature and extent of sexual abuse in Northern Ireland.

We have also had an important level of engagement with the historical institutional abuse inquiry which included a detailed review of all of our files for Northern Ireland dating back to the mid-1950s and we have embedded representatives in all aspects of the structure of the Safeguarding Board for Northern Ireland.

We have successfully influenced the Welsh Government on a number of pieces of legislation relating to violence against women and the Social Services and Wellbeing Act. We have also enlisted support for our campaigns such as the Underwear Rule and Flaw in the Law and have hosted a series of ministerial visits to our teams.

In Scotland our services provide a strong platform for influencing at a national level. The Spotlight report 'Unfair sentence: babies affected by the criminal justice system', was launched at an event at the SNP autumn conference chaired by the Minister for Children and Young People.

## We're calling on the Government to focus additional resources on early intervention

The family is the most critical environment in a child's life, influencing long term social, emotional and physical development. But being a parent in a family is demanding. Parents who are overwhelmed are likely to struggle to care for their children.

Pregnancy and the first years of life is an incredibly important time in a child's development, during which their brains and bodies develop rapidly and the foundations for their future wellbeing are set. Every baby needs love, care and nurture to thrive. But babies, so inherently vulnerable and reliant on their primary care givers, can be particularly susceptible to damage from abuse and neglect. Becoming a parent can be a challenging time. Add in the context of mental health problems,





problems with drugs and alcohol, domestic abuse, homelessness and other adversities, and these difficulties can be overwhelming. Exposure to early adversity can cause lifelong damage. And it's this kind of damage that can reverberate, undermining the parenting abilities of those children when they in turn become adults.

**Pregnancy and babyhood offers a critical 'window of opportunity'**

Pregnancy and babyhood offer a critical window of opportunity where parents can be uniquely receptive to advice and support. This is an ideal time to offer support to parents to help them give their babies the best possible start in life. However, opportunities to support parents during the transition to parenthood are often missed. Much of the antenatal support parents receive focuses on physical health of mothers and babies – but it's vital that we support both mums and dads with their emotional and social needs too.

Through our work under the All Babies Count umbrella, we aim to promote early intervention, raise awareness of particular groups of vulnerable babies and their families, and call on the Government for

action. This year we launched a number of 'Spotlight' reports which shine a light on specific issues that can affect families during pregnancy and through the first years of life.

**An unfair sentence: Spotlight on the criminal justice system**

The imprisonment of parents and in particular mothers can have a devastating impact on babies. Pregnant women do not always get good antenatal care in prison, and after babies are born, they are either separated from their mothers or live in prison with them. Our report, in partnership with Barnardo's, calls on the Government to formally recognise these babies as a vulnerable group. In Scotland, the report was successful in prompting the proposal of new legislation.

**An unstable start: Spotlight on homelessness**

Babies living in homeless families can be extremely vulnerable. Homelessness can lead to stress, anxiety and exhaustion and it can be hard for parents to care for a baby when coping with these feelings. Families might be moved to temporary accommodation away from their family, friends and health professionals,

and accommodation can be unclean and unsafe for babies. Our report, in partnership with the Anna Freud Centre, calls on the Government to improve homelessness services for families.

**NSPCC helpline**

Our 24/7 adult helpline and contact centre is there to listen, offer advice and take action if a child is in danger. This year we handled 61,709 contacts from professionals, parents and members of the public who were worried about a child. These contacts resulted in 41,342 referrals being made to external agencies. As a result, an estimated 102,000 children benefitted.

The aftermath of the terrible revelations of the Jimmy Savile scandal and the various child sexual abuse inquiries, have continued to drive demand for the helpline. When the Home Secretary announced the historical child abuse inquiry in July, we received a 60% spike in contacts to our helpline concerning current and non-recent sexual abuse.

**Our ChildLine service delivers 24/7 support to children throughout the year**

Last year 1.2 million children and young people contacted our ChildLine service over the phone and online. Volunteers delivering counselling sessions reported the three top concerns as family relationships,



“ We develop tools and services to support parents and families ”

low mood and self-esteem issues and abuse.

We have worked to develop tools and services to support parents and families, building resilience and providing a means to tackle some of the difficult topics that arise as children grow, but which are so important in terms of keeping our young people safe.

**We help parents keep their children safe from abuse**

Broaching difficult subjects like sexual abuse with children is a challenging but vital part of parenthood. We know that tackling sensitive subjects with a child can be intimidating, so we launched our Underwear Rule campaign to help parents keep children safe from sexual abuse.

We know that simple conversations can make a big difference, and that's why we developed the campaign.

The Underwear Rule helps parents and carers talk to their children about staying safe. It's part of our work to prevent abuse from happening to any child.

It helps children understand that their body belongs to them, that they have the right to say no, and that they should always talk to an adult they trust if they're upset or worried.

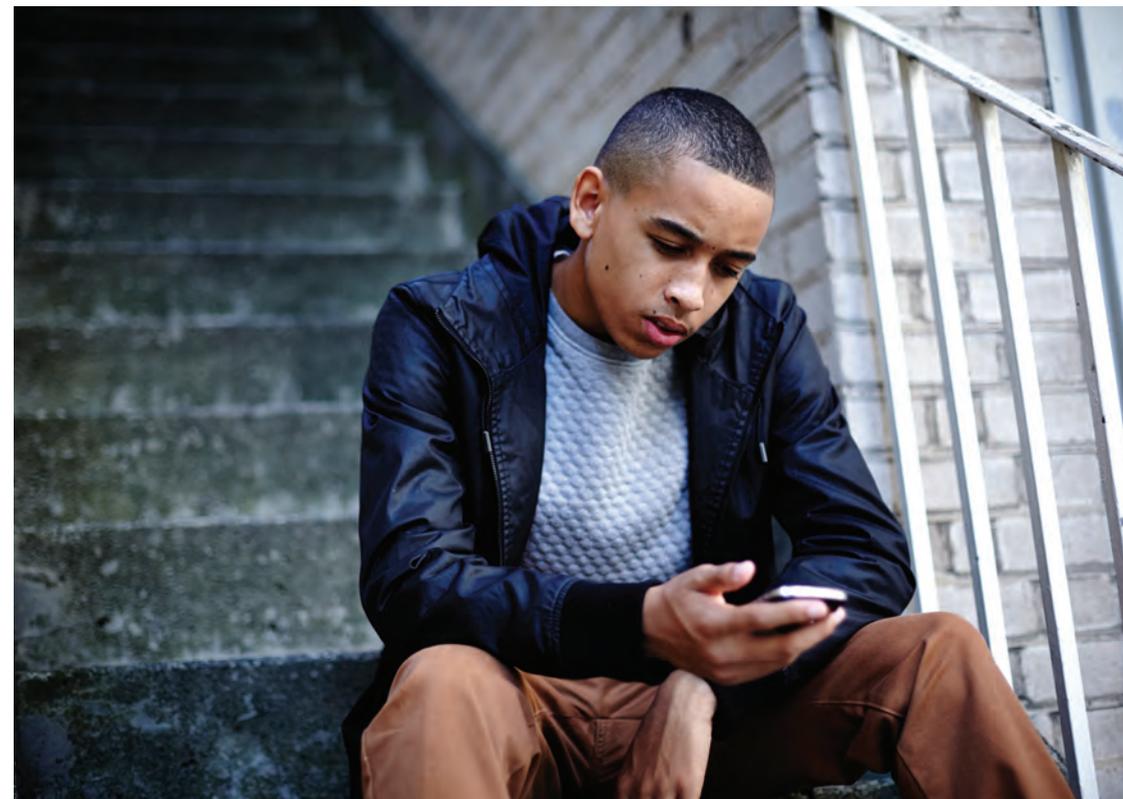
We've got tips and advice on how and when to

“90% of sexually abused children were abused by someone they knew.”

have conversations about staying safe. Plus, we've created an easy way to remember the Underwear Rule: Talk PANTS. Each line of PANTS covers an element of the Underwear Rule and provides a simple but valuable lesson that can keep a child safe.

Many parents have spoken to their children about 'stranger danger' but we know that this misses the point. It's a sad fact that 90% of sexually abused children were abused by someone they knew. The campaign captured the imagination of our partners right across the organisation and removal and storage company Pickfords backed the campaign by printing the PANTS motif on their boxes. Their removal teams have also been given training to be able to tell people about the campaign. It's thanks to our partnerships that we're able to support children and young people across the UK and Channel Islands.

We've also got guides for children with learning disabilities, and parents with autism – making PANTS accessible to even more people. We made versions in a number of different languages, and we have been contacted by agencies from around the world asking to use the materials.



### We help parents engage with the online world – Share Aware

Child safety online is one of the biggest child protection issues of our generation and one that all parents tell us is a major concern. While the online world brings incredible opportunities for young people, it – and the associated challenges – constantly evolves and we must respond accordingly. 62% of parents think their 12-15 year old knows more about internet than they do and 38% of parents of 8-11 year olds, according to figures from Ofcom. A young person's online world is very different to an adult's. Parents need support to be able to bring up their children in a constantly evolving digital world.

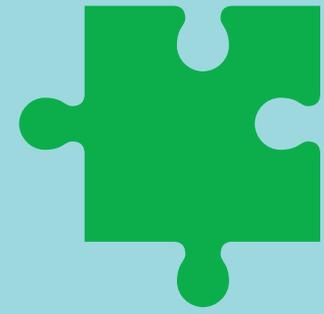
An open and honest dialogue between parents and their children, from an early age, is the most effective way to keep children safe online. Our Share Aware campaign gives parents the tools and confidence to do this.

Using a panel of over 500 Mumsnet parents and nearly 2,000 young people, we created Net Aware – our guide to 60 sites, apps and games used by young people. This, coupled with our online resources, provides parents with an easy overview of sites their child might be using including guidance on the appropriate age, type

of content and background on why children like it.

Our animations 'I Saw Your Willy' and 'Lucy and the Boy' proved to be hugely effective conversation starters. Parents told us it made broaching a tricky conversation light-hearted and straight forward. The animation has since been adopted by police and local authorities and is being shown in schools across the country. The campaign also proved to be hugely popular with parents, governments and the social networks themselves, many of which have promised to make changes to their sites based on the findings of Net Aware.

The Share Aware campaign prompted 400,000 parents to consider the issue of online safety, and after seeing the campaign, 42% of parents either immediately talked to their children about staying safe online, or made plans to talk to them soon. Parents felt more confident in talking to their children about the topic and more felt they knew what to say to effectively keep their children safe.



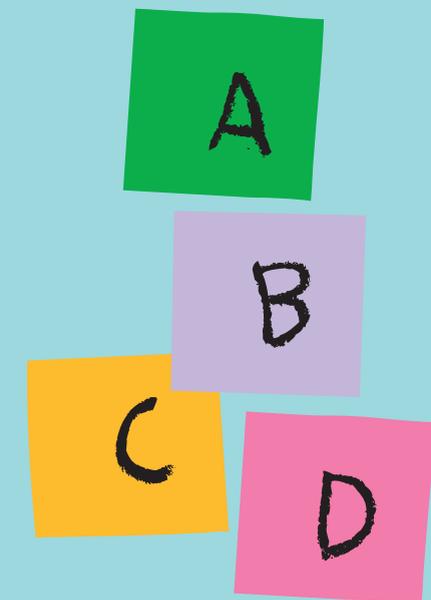
## **Our work with children and families through our service centres**

We have 42 service centres around the UK and Channel Islands; we support the work of local children's safeguarding boards in these areas and sometimes beyond, which means working in partnership with police, social care, health, education and voluntary agencies in the area.

We run innovative programmes and bring exciting new evidence-based models from around the world and apply them on the ground.

# We're giving families in Blackpool a Better Start

Our Better Start partnership in Blackpool, funded by a £45 million Big Lottery investment to be received by the NSPCC over a ten year period, aims to tackle the root causes of developmental inequality such as alcohol, domestic violence and social isolation. We're working with the local community to address issues such as low breastfeeding rates, domestic violence and abuse, obesity, child poverty and substance misuse. The local community is at the heart of the partnership – we worked with parents to develop a bespoke programme which meets local needs and expectations and is as sustainable and effective as possible.



We're developing one Better Start workforce in the local community, so that our children's centre workers, health visitors, voluntary workers and all of the different professionals who are engaging with families, have a common understanding around child development and a shared vision. Getting these early foundations in place, integrating the public health, child health and children's local authority work, is fundamental to making this sustainable and effective. This partnership and its funding gives us a once in a lifetime opportunity to make the difference that we know is possible in Blackpool.

## We're leading the way with cutting edge programmes

Our New Orleans Intervention Model is a cutting-edge intensive assessment and treatment programme designed to allow families where maltreatment has taken place to be reunited - based on the child's safety and best interests.

The New Orleans Intervention Model has been credited with improving the care of maltreated children in the United States. Glasgow University researchers, working in partnership with the NSPCC, the NHS, King's College London and social work departments in Glasgow, Lambeth and Croydon, are running a five-year randomised control trial to find out whether existing best practices within social work services in the UK could be improved by introducing the model.

## We're learning how to make the greatest impact for those who need us most

The first step in breaking the cycle of abuse is exploring the nature and extent of abuse, preventative methods and therapies that can aid recovery.

Achieving real change demands collaborative working, innovative service design and delivery. It's of paramount importance that our services are built on a rigorous evidence base. We work with university researchers to test the effectiveness of our services. Across the country we've seen encouraging developments that these high-quality, evidence-based services are helping to create safer, more loving environments for children.



## We're running randomised control trials - the gold standard of evidence - across many innovative services.

Our Parents Under Pressure service works with new parents whose main obstacle to being the parent their children need them to be is their own experience of trauma and neglect. These families often have many and complex problems; helping them overcome them requires skill and expertise. In partnership with The University of Warwick, we're conducting the biggest randomised control trial of its kind in Europe on our Parents Under Pressure service.

Our Letting the Future In service helps the recovery of children and young people who have been sexually abused. In collaboration with the University of Bristol and the University of Durham we are conducting the largest randomised controlled trial of a sexual abuse service in the world.

## We share learning and best practice from our services with professionals

Our services are built on a rigorous evidence base to ensure we make the biggest impact for children. We're carrying out one of the largest ever evaluation programmes in the children's sector.

And we're making our learning as accessible as possible. Our new Impact and Evidence Hub offers a unique source of information for professionals. Our Library and Information service provides a wealth of online resources for professionals, a current awareness service (CASPAR) which has 20,000 subscribers as well as the UK's most comprehensive collection of research, policy and practice resources on child protection including the national collection of serious case reviews. Our website holds a wide range of e-learning resources for professionals, parents and the general public.



### CASE STUDY Joanna's\* Story

I was 28 years old when I fell pregnant and miscarried. I had support over the phone from family in Poland but only had a few relatives in the UK. I wasn't getting any professional help and I became quite depressed.

When I became pregnant the second time I was worried I would miscarry again. The beginning of the pregnancy was quite stressful and after a few months I started to feel depressed again and I was diagnosed with generalised anxiety disorder.

I first found out about the NSPCC's Baby Steps programme from a midwife. She asked me lots of questions and she said that she could see I was a bit anxious about the pregnancy, so she booked me in for Baby Steps.

The Baby Steps classes with my midwife Jenny\* and practitioner Sara\* gave me practical advice and being able to chat and have questions about really different aspects of pregnancy and parenting was very helpful. It was good because we had never had a baby before and I didn't know much about being pregnant. I really enjoyed having other parents in the room talking about different things and hearing women saying they had exactly the same issues as me.

Baby Steps helped me to reduce my anxiety because I felt that if something went wrong, I could call Jenny and Sara to ask them about it. Now I'm happy in my life at the moment. To other parents I would say definitely go to Baby Steps. I think everyone should do it.

\*names have been changed to protect identity



Some key learning generated this year includes:

- **Baby Steps** – we reported the findings from our Baby Steps evaluation as part of our early intervention spotlight. The findings were very positive - we found that parents who attended Baby Steps had improved quality in their relationship with their babies, increased satisfaction in their relationship with their partner, improved emotional wellbeing and improved birth outcomes.
- **BASPCAN conference** - Early or complete findings from 13 evaluations were presented at The British Association for the Study and Prevention of Child Abuse and Neglect (BASPCAN) Conference, which must be some kind of record for one organisation at the conference! The reported feedback on all the papers was very positive and a successful way of raising the profile of our evidence generating role among the academic community.
- **Coping with Crying** – our evaluation of the Coping with Crying service was published in May 2014 and received widespread media coverage. Coping with Crying is a specially produced DVD informing new parents of the damage that can be caused to babies' heads if they are shaken. The evaluation used a sophisticated comparative survey design and found that the rate of reported injuries amongst babies with feeding, sleeping or crying difficulties was lower if parents had seen the film.
- **Family Smiles** - This service supports children when mental health difficulties affect their mum or dad. The response to the evaluation of the Family Smiles report was that in a comprehensive literature search by academics at Manchester University, out of 34,000 records originally reviewed and 1,300 deemed potentially eligible, Family Smiles was viewed as the only one that was still relevant and had a robust approach to evaluation. We are now working with Manchester University on a funding application to undertake a large trial based on the Family Smiles service.

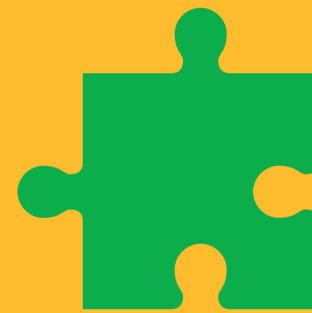
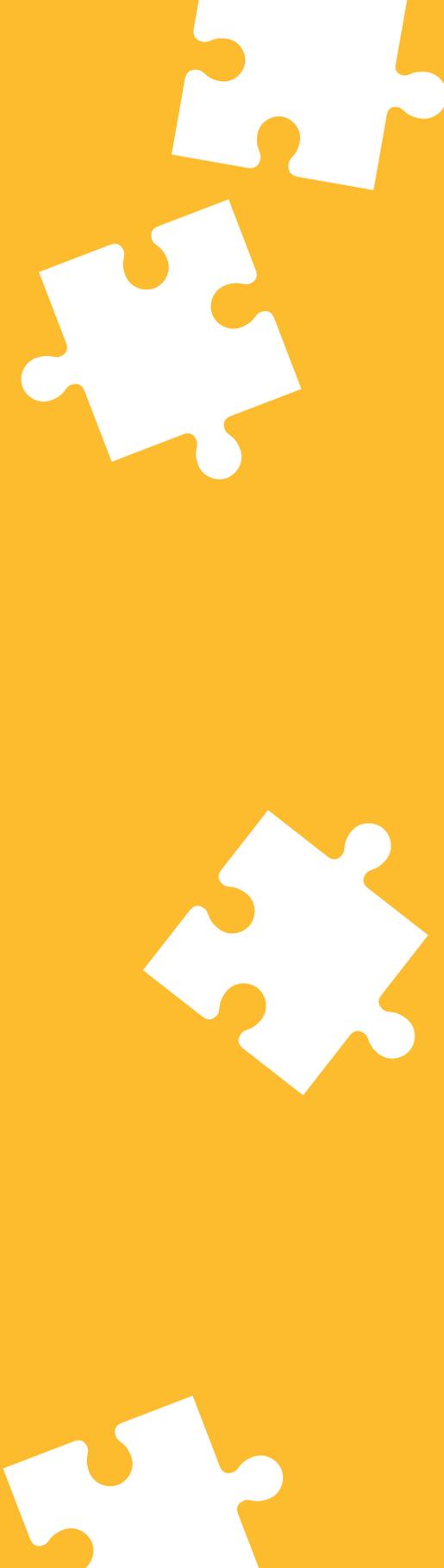


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**Achieving real  
change demands  
collaborative  
working**

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As well as sharing our experiences, we want our Impact and Evidence Hub to be a place where others can share theirs too. That way, we can all get better at finding out what works, which means we'll be better at preventing abuse and helping children.



## **Fitting together a safer future for children**

Protecting children should be a shared endeavour. To help prevent abuse from ruining more childhoods - to reach, support, empower and protect more children - it's important that everyone in every community plays their part.

Families, schools, local services, faith groups and they're in all have a part to play in ensuring children can grow up to be happy, healthy and productive adults that will contribute to society.



# Child protection through local partnerships

Through our training and consultancy we share our expertise with professionals across the UK. This year we've delivered training to 799 organisations across the four nations through 514 training events – reaching around 5,300 people.

## Training and consultancy

We've consulted a variety of organisations on a range of child protection issues – from creating a code of practice for TV clips concerning children, to working with an international insurance company to support them in determining the level of risk organisations pose in keeping children safe.

Learning and development for all professionals continues to expand its reach through face to face training, consultancy and a wide portfolio of e-learning products as well as maintenance of a comprehensive source of information for professionals, parents and the general public through our website.

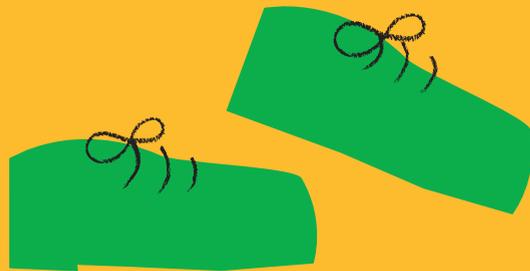
## We forge strong relationships with local authorities to embed our services into the community

We've forged strong relationships with local authorities and integrated our neglect services into specialised local offerings. We know it can be hard to recognise neglect, or understand how to prevent it from happening but we can help. Neglect is the biggest reason for child protection authorities to become involved in family life. Without the appropriate assessment and intervention, neglect can seriously affect the physical, social and emotional development of children from birth onwards. Yet, it isn't easy to detect because it can happen for many underlying reasons. We've established sexual abuse and neglect hubs as a focus for our expertise and knowledge dissemination to help professionals provide the right support for families in the community.

## We help sports organisations protect children

Our Child Protection in Sport Unit (CPSU) has continued to extend its reach. It has been working with key stakeholders involved in the leisure services industry following the recommendations of a serious case review to look at existing guidance and identify any gaps relating to unaccompanied minors in mixed use leisure facilities. The work highlighted the need to develop comprehensive and consistent safeguarding guidance to be used across the industry. A multi-agency task group led by CPSU has put forward some proposals.

Our recent €1m award from the Union of European Football Associations (UEFA) has allowed us to begin to promote our services for children, young people and families through different channels and develop an awareness raising campaign around safeguarding children within sporting organisations.





**We're collaborating through schools to help protect more children**

Every teacher in every nursery, pre-school and school plays a critical role in protecting children and young people. They see children and young people on a daily basis, and are in a strong position to identify children who may be at risk of maltreatment. It's vital that those who work in education are able to recognise and identify abuse and neglect, take action – and are confident that when they do voice concerns, the appropriate action will be taken.

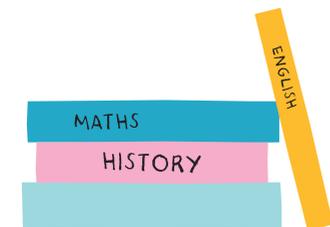
Our partnership with Teaching Education Supplement (TES) helps schools in England assess and improve their child protection procedures. According to a joint survey with TES, over 66% of teachers reported a safeguarding concern in the past year alone. This shows that the majority of teachers

are spotting the signs of neglect and reporting it.

We collaborated with TES to launch two new online resources for teachers to use in schools across England. Schools are at the heart of every community and greater collaboration through schools will help to protect more children in the future. The Safeguarding in Education Self-Assessment tool is a digital resource to help schools ensure they have the most effective child protection procedures in place by identifying standards that have been met as well as areas for development.

**We're keeping children safe from abuse through primary schools**

Child sexual abuse costs society billions of pounds every year. It's a cost society can't afford either socially or economically.



**66%**

**of teachers reported safety concerns in the past year**

Collaborating with primary schools offers an avenue to prevention. In Northern Ireland we're embedding preventative education in the school curriculum. The launch of the 'Keeping Safe' service marks the first of a five year £650,000 project. This preventative education programme equips children with the knowledge and skills to recognise abuse and the confidence to seek help.

Preventative education has been shown to be effective in improving children's knowledge and skills to keep safe in situations of sexual and relationship abuse. As well as proving a cost effective use of public resource in the long term when the economic burden of child abuse is considered, this Department of Education project has the potential to resonate across the UK and Channel Islands.



**CASE STUDY**  
**Lynn Brimmel**



I first got involved with the NSPCC in 2006 as a volunteer counsellor with ChildLine. Over the next four years I spent my Wednesday afternoons listening to and talking to children about lots of different issues. For

me it was both a challenging and rewarding experience. In 2011 I became a volunteer with the NSPCC Schools Service - to go into primary schools and help children understand abuse and how they can stay safe. We speak to nine to eleven year old children using assemblies and smaller classroom-based workshops. What the Schools Service does is simple; we teach children about abuse, how to recognise it if it occurs and where to go for help and support. This was a very different role for me but with terrific training and support I was soon presenting to schools in and around North Somerset.

This year we celebrated an impressive milestone. We have now visited 100% of all schools in North Somerset. We have visited every mainstream, special and independent primary school in the area which adds up to 61 schools and over 5,668 local children.

And to top it off this year I was delighted to receive a Point of Light award for making a change in the community through the Schools Service. I'm very proud to receive this Point of Light award from the Prime Minister and to know that it recognises the importance of what we do. I volunteer with a great team of people, all working to make sure children and young people can be safe and happy. And I hope this award will encourage more people to join us and help make a real difference for children and young people - now and in the future.

“ Our volunteers equip pupils with the knowledge and resilience to protect themselves from abuse ”

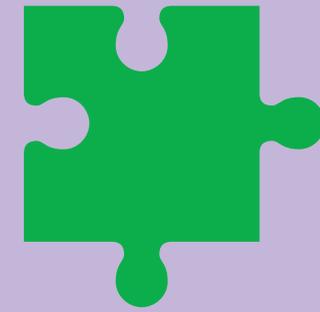
**We're empowering children with the knowledge to keep safe from abuse**

Our ground-breaking Schools Service uses specially trained local volunteers to talk to primary school children about abuse. Our volunteers use workshops and assemblies to equip primary year five and six pupils with the knowledge and resilience to protect themselves from abuse, and the confidence to seek help. We heavily rely on the commitment of volunteers, many of whom are former teachers themselves, and at the end of the year we had 1,192 volunteers across the UK.

Our volunteers visit schools across the country, from the Shetland Islands to the Channel Islands, to empower pupils with the knowledge to keep themselves and their peers safe. This year we've visited 6,231 schools, reaching 424,210 children.

**We're delivering training to social workers**

We worked with the University of Stirling to design a post-qualifying course for experienced child protection practitioners. The first of its kind, the one year course addresses the specific, practical needs of a range of professionals working on the front-line with vulnerable children and families. Its aim is to foster the vital relationship between theory and methodology and to give experienced workers the opportunity to explore the lessons from research and of practice experience. The course is delivered by representatives of the University of Stirling, the NSPCC and a range of experts from across Scotland.



## Working together for children

If everybody plays their part then it is possible to affect the sea-change required to give every child a safe and happy childhood. Free from abuse in an environment where they can thrive. Every child deserves the best start in life. Strong, supportive, safe communities can have a huge impact on childhoods.

By bringing people together to support our campaigns and giving them a voice, we are a powerful and positive force for change.

# We're campaigning to make our justice system fit for children

21,000 of you signed our Order in Court petition. We're campaigning for vital changes to make our justice system fair, age appropriate, and fit for children.



## Order in Court

Every year 21,000 children and young people give evidence in court, in what can be a highly traumatic experience. Our Order in Court campaign called on the Government to improve the experiences of children in court. Many MPs voiced their support, and 21,000 of you signed our Order in Court petition, one for every child that gives evidence in court each year.

Three months after we launched the campaign, the Government announced that it will ensure there will be compulsory training for barristers taking part in sexual abuse cases, and vulnerable children will be able to choose to give evidence from a place where they feel comfortable, rather than requiring them to go to court. This is fantastic progress for the protection of vulnerable children. Without your support this would not have been possible.

## Flaw in the Law

Thanks to your help we made sure sexual messaging from adults to children is always illegal. Initial Government reaction was that this change in the law was unnecessary. Thorough policy work, carefully targeted lobbying, our e-petition and the weight of NSPCC supporter opinion were all essential in securing this shift and prompting the Government into action.

Over 50,000 of you signed a petition and wrote to the Minister for Online Child Protection calling for a new law. In December 2014, the Prime Minister announced that the Government would introduce legislation that makes sexual messaging from adults to children illegal.

This was only possible thanks to your help.



## We partner with businesses to invest in local communities

Businesses have the ability to transform communities. By investing time and resource, organisations can help build strong, supportive communities. We rely on support from our corporate partners to reach and support as many families as we do.

Organisations work with us because they share our vision of a society free from child abuse.

BT has supported ChildLine since launch night in 1986 through the provision of our free phone number. Today they support ChildLine through payroll giving, employee fundraising, and strategic and commercial support.

We partnered with Barclaycard on our Paddington Trail to raise money for ChildLine. Launched in the run up to the Paddington film release, The Paddington Trail featured statues designed by celebrities and artists including Kate Moss, Jonathan Ross, Marc Quinn, Take That, Hugh Bonneville, Michael Sheen and Emma Watson, as well as Paddington's fellow adventurer, Bear Grylls. The first 15 of these unique artworks were auctioned in December at an event at Christie's.

In total, this partnership raised over £930,000 for ChildLine. And as a call to ChildLine costs £4 this illustrates the kind of impact that businesses can have.



## OUR SUPPORTERS GO ABOVE AND BEYOND Dawn Paul



We depend on the generosity and dedication of people like inspirational supporter Dawn Paul, to enable us to deliver the crucial and life changing services for local children and families. Dawn has made extraordinary commitments by participating in events for the NSPCC. Dawn, from Sussex, has pushed herself to the limit this year, all to raise money to support our services. In 2014 alone, Dawn ran the Brighton 10K, walked 100km between London and Brighton (not once but twice), made the 50km journey along the Thames Path and trekked through lava and snowfields on the Iceland trek. Dawn has just come back from trekking to the summit of Kilimanjaro – the world's highest mountain.

Dawn said "Sometimes life is not how we would want it to be, but as adults we have the knowledge and maturity to do something about it, but unfortunately many children are stuck having to live in often unimaginable conditions having to endure the unimaginable, which is why as of last year I have chosen the NSPCC to fundraise for, they are our children's voice, they listen and care and with my/your help there will always be someone to believe the unbelievable."

“ We rely on support from our corporate partners to reach and support as many families as we do ”



## Businesses can help bring communities together

Our annual Festival of Trees events inspire communities to join forces to help keep local children safe. It's a prime example of partnership working between local businesses and their communities and in the Midlands raised £18,000 for our Schools Service. 25 beautiful individually decorated Christmas trees adorned the Mall at Birmingham's International Convention Centre throughout the festive period.

Each tree was sponsored by a business or organisation with a connection to the city, not only

creating a lovely festive scene for all those passing through, but also showing just how passionate the people of Birmingham are about keeping local children safe from harm.

We can empower 100,000 more primary school children thanks to Team Santander, who nominated us as their charity partner of the year, have taken part in a huge variety of challenges to help raise over £1.2 million fundraising for our Schools Service. From climbing a mountain, to running a marathon and even jumping out of a plane, over 350 Santander staff members did something amazing for children in 2014. Our Schools Service will be able to reach more than 750,000 children this year. As part of the partnership, staff also attended Schools Service assemblies to see first-hand how the money raised will help to protect a generation of children and prevent abuse before it starts.

Another key partner of our Schools Service, SPAR, have been supporting the NSPCC since 2006, raising over £4million to date. Currently their fundraising goes towards supporting the Schools Service and a number of SPAR employees are also volunteers.

### Our services rely on your support

Our services are 87.8% funded by the generosity of our supporters through voluntary donations. This in itself is very important to us. It allows us to retain our independence, and challenge authorities to act in the best interests of children. During the year we spent a total of £97 million on services and activities that will directly benefit children and young people across the UK and Channel Islands.

These funds are donated by a diverse and committed set of supporters who share our values and beliefs, our drive and determination to protect children. Hundreds of thousands of donors give us a regular gift to invest in child protection.

Amongst our individual donors this year, we have received the following gifts:

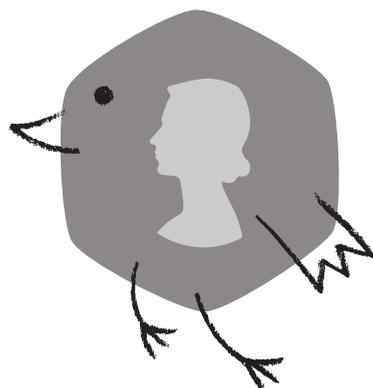
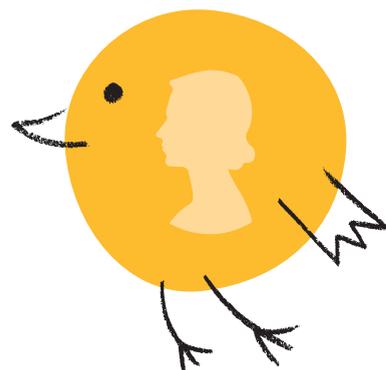
- £900k Ellerdale Trust – the culmination of an extraordinary 5-year pledge to set up and build the foundation of our Looked After Children theme of work
- A generous gift from The Liz and Terry Bramall Foundation in May 2014 to fund the NSPCC Schools Service across the whole of Yorkshire.
- Following the successful £1m raised by the staff at JCB over a period of four years from 2010 – 2014, Lord and Lady Bamford generously matched their staff teams' efforts with a personal donation of £1,000,000 to fund the services from and facilities of Carole House, our service centre in Stoke.
- Diane Engelhardt and the Moondance Foundation, who have supported our direct work with children and families and our ChildLine Centre, both operating from Diane Engelhardt House in Cardiff.

We have nearly 180 Branch and over 700 District committees who raise funds around the UK every week of the year, hosting thousands of events that raise millions of pounds. We have many corporate partners and 1,100 supporters who choose to leave us a legacy gift to benefit children, totalling an amazing £21 million.

Our volunteer boards and special events committees give their time and open their address books to hold fundraising and engagement events to support our work. Some of the many highlights from the past year include:

- Roy Hodgson, England football manager, hosted an exclusive Q&A dinner at the BT Tower ahead of the start of the World Cup. Sponsored by BT, the event raised £60,000.
- A dinner held at the River Café on 8 June 2014, hosted by the Rebuilding Childhoods Appeal volunteer board, raised an astounding £611,000 and included an Antony Gormley sculpture as one

“ During the year we spent £97 million on services and activities that will directly benefit children and young people across the UK and Channel Islands. ”



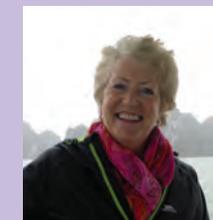
- of the auction lots.
- Sir Michael Caine celebrated a life in movies in a special night at the Royal Albert Hall, where he was interviewed by Jonathan Ross. The event featured clips from his movies and live music by the London Symphony Orchestra, raised £73,900.
- The musical themed SHOW TIME ChildLine Ball entertained guests at the Savoy with performances by West End stars, including Collabro, the event raised £648,000.

### Our army of volunteers are fighting for every childhood

Enthusiastic, passionate and dedicated - our volunteers are heroes to us, and more importantly to the children we work to protect. This year we celebrated our volunteer heroes in communities up and down the country, who give up their time to help us in the fight for childhood. From helping at collections at local shopping centres, taking part in an event or working in the community through our Schools Service, we rely on our volunteers and the fantastic things they do to make our work possible.



### CASE STUDY Jennifer Hobson MBE



In 1980 a friend asked if I would join the NSPCC's Dungannon fundraising committee, and since then I haven't looked back. Now I'm the Dungannon chairman, and though over 35

years much has changed, the fundamental backbone of our committee hasn't; friendship and the desire to give back.

We're a small committee in a rural area; some of us have more time than others, but we all do what we can. Each year we organise local fundraising events such as fashion shows, coffee mornings, car boot sales, pub quizzes – you name it – all to support children and families across the UK. Everyone can do their bit; I have friends who will give an hour to help out at a flag day which may seem small but it all adds up.

To keep steadily raising money year in year out, that takes determination. But giving up your time can be equally as important. I volunteer for the NSPCC's Young Witness service. As a former English teacher, I always loved the pastoral side to teaching. I found teaching hugely rewarding and after retiring I wanted to find some way to give back and felt I could bring this skill to the voluntary sector.

After 35 years with the NSPCC it's still very rewarding and motivating; to just try and do your bit, to raise money, give back time and improve children's lives. You're in it together – a committee, a group, an organisation – because something moves you.

I was shocked and thrilled to receive an MBE for services to young people in Northern Ireland through the NSPCC. I feel honoured to receive it for an organisation and cause I love so much.

When people in the community hear about my MBE they tell me "Jennifer it's great because you're just ordinary like us".



# Looking ahead

We've come a long way but there is still much more we need to do. Working together we're confident we can achieve our goals.

Our work this year will be about deepening our impact and building the foundations for a movement for change. In particular, we have identified five particular challenges which, if we meet them convincingly together, should mean we have a very successful year.

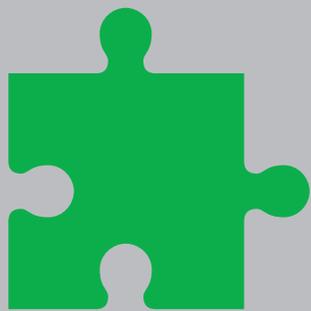
- 1 **First**, we must be more confident that when children demonstrate the courage to speak up about abuse or neglect they get the support they need. Post abuse therapy for young people who have been sexually abused is too thin on the ground. Shockingly there is no entitlement to such support unless a young person is a danger to themselves or someone else. The court experience is far from child friendly despite the warm words and fine intentions from Government.
- 2 **Second**, our helplines need to be there 24/7 when people need them, accessible in the ways they would choose to contact us, without compromising the quality of service we provide. This poses significant operational challenges and opportunities.
- 3 **Third** we need to be able to demonstrate convincingly how knowledge from what we are delivering through our service centre programmes is extending well beyond what we are able to achieve ourselves at those sites.
- 4 **Fourth**, we should be offering a much more joined up range of opportunities to schools – primary and secondary – to engage them with effective, preventative child protection.
- 5 **Fifth**, we should be making a distinct contribution to enhancing the awareness of child safety online and helping to make the internet a safer place for children.

We will raise awareness of what we do and the impact we have. We will challenge fatalism that abuse cannot be prevented. Significantly more adults will be able to recognise child abuse, understand the appropriate action to take against it, and how they can help to prevent it.

We've played our part in a movement that has brought about huge changes for children. Because of our campaigning work most people now understand that abuse is widespread and that it can do great harm to children and to communities. Thirty years ago a child was two times more likely to die from physical assault compared with today and parents are now much less likely to physically punish their children.

Our next challenge is to show that all forms of abuse and neglect can be defeated. Some of this work we can do ourselves, some of it we'll do together with partners, and some things we applaud others for doing.

**Abuse changes childhood,  
but – together – so can we.**



## How we're organised

We were initially founded as The London Society for the Prevention of Cruelty to Children in 1884. We then became the National Society for the Prevention of Cruelty to Children (NSPCC), incorporated by Royal Charter in 1895.

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

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

## Our seven-year strategy

### In 2009 we began our seven-year strategy, built on four key principles:

- Focus: providing well defined and distinct activities where we can maximise our impact
- Prioritise: concentrating on specific types of abuse and on children who are at most risk to ensure that we have the greatest impact
- Learning: learning is at the core of everything we do. We will capture that learning and use it to create a cycle of improvement
- Leverage: we cannot end cruelty to children on our own. We will work with and through others to bring about lasting change

### We focused on the following priority areas where we are able to have the most effect:

- Neglect – understanding more and focusing on the highest risk children
- Physical abuse in high risk families – concentrating on domestic abuse, drug or alcohol misuse and mental health issues and addressing the consequences for children
- Sexual abuse – defining appropriate services for high risk groups
- Children under one – identifying remedies to improve outcomes and reducing the likelihood of child death or injury
- Children with disabilities – identifying ways in which disabled children can be protected and seek help more easily
- Children from minority ethnic communities – helping these communities access appropriate services
- Looked after children – understanding specific issues causing a higher incidence of death or serious injury and identifying how the care system can better protect these children

### 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). Our board currently comprises 14 trustees.

Trustees usually serve an initial term of three years. This can be extended on two more occasions up to a maximum of nine years and in very exceptional circumstances, there may be a further extension.

All of our trustees give their time on a voluntary basis; they receive no remuneration or any other benefits. Any out-of-pocket expenses reclaimed are set out in note 5 to the financial statements.

Our trustees are recruited through a variety of means, including open advertising. We place particular emphasis on ensuring that we have the appropriate balance of skills and experience that we need so will use more targeted recruitment searches where necessary and keep under review the balance of trustees with regard to gender and diversity.

We also benefit from the involvement and expertise of valued supporters from our branch and district networks who are trustees, referred to as our divisional trustees.

Our Nominations and Governance committee recommend prospective trustees for approval to the full board, and they are then elected formally by members of the NSPCC council at our Annual Council Meeting. An induction programme is organised for all new trustees; our overall approach was updated and improved towards the end of 2014 as agreed by our Nominations and Governance Committee.

### Board meetings

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

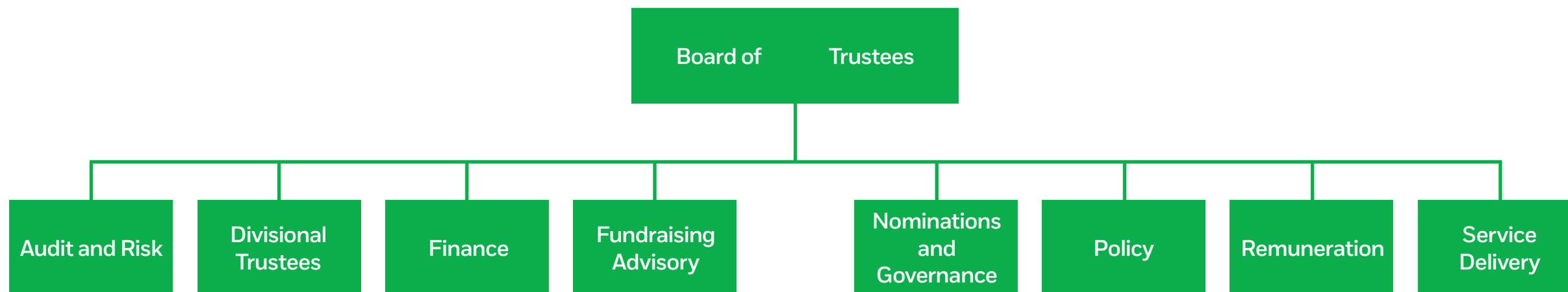
We have continued to take the opportunity to have a session at most trustee meetings to highlight a particular service. This gives trustees the opportunity to hear first-hand from practitioner staff as well as from young people.

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

### Delegation

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

# Committees and advisory committee of the board



## Audit and Risk committee

Oversees our systems for quality, performance, risk management and internal controls ensuring that our systems are robust, effective and fit for purpose.

## Divisional Trustees

Provides the interface between our branch networks and volunteers and represents our work across all sections of the communities in which we work.

## Finance committee

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.

## Nominations and Governance committee

Ensures that we comply with our Royal Charter and bye-laws as well as best practice in governance, and reviews the role and membership of the board of trustees and its committees.

## Policy committee

Responsible for identifying key issues on which we

must have a public policy position and reviews our work with Government and other agencies.

## Remuneration committee

Decides on the appropriate level of remuneration for our Chief Executive and reviews recommendations for remuneration of the executive board.

Further banding information on executive board and other senior staff remuneration is included in note 9. We disclose salaries in line with the recommendations of the National Council for Voluntary Organisations. Our website has a table setting out the annual salaries of our Chief Executive and other executive board members which is no more than two clicks away from the homepage.

## Service Delivery committee

Reports to and advises the board on the development and impact of our services for children and young people ensuring that we are learning effectively, transferring knowledge and scaling up our services where appropriate.

Co-opted members who are not themselves trustees serve on some of our committees and we are

very grateful for the expertise, skills and experience that they bring.

This is particularly the case with our Fundraising Advisory Committee. Whilst this is not formally a committee of the full trustee board it does regularly report back to the board.

## National Volunteer Board

This board acts as a co-ordinating body for our volunteer network. It brings together our valued volunteers with a passion and commitment to raise funds and is responsible for the key elements of our volunteer fundraising. Four fundraising boards continue their focus on key elements of our work: the Sport board, the ChildLine board, the Rebuilding Childhoods board and the Now I Know Appeal board.

## Our Staff and volunteers

We aim to be an employer of choice and we have just over 1,800 paid staff (on a full-time equivalent basis) operating from eleven regions in the UK. We are also very grateful to our large and hugely supportive volunteer base. Some work tirelessly to raise funds for our work, whilst others work directly with children,

young people and families through our services such as being a trained volunteer counsellor for our ChildLine service or supporting our ChildLine schools service. We engage with both staff and volunteers regularly and value their opinions and receive feedback through a variety of events and surveys.

Our senior management team – the executive board (see page 41) – leads the implementation of the overall direction agreed by the board of trustees, with executive board directors overseeing the following directorates:

- ChildLine
- National Services
- Children's Services Development & Delivery
- Chief Executive's office
- Communications
- Corporate Services
- Fundraising
- People
- Strategy, Policy & Evidence



## Our statutory responsibilities



### **Risk management**

The executive board and trustees, through the Audit and Risk committee, receive regular reports on serious strategic risks to the NSPCC and the actions taken to control them.

This report is based on the corporate Headline Risk Register that is updated quarterly. As part of these reviews the Audit and Risk committee provide their opinion on the adequacy of the Society's risk management framework. Our risk management system was reviewed by our internal audit function during the period and found to be "effective".

### **Public Benefit and how our activities deliver public benefit**

We have a duty to report on our organisation's public benefit under section 4 of the Charities Act 2011. We are confident that we meet those public benefit requirements having taken Charity Commission guidance into consideration.

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

We believe we meet the public benefit requirements through the range of activities we undertake, most significantly through ChildLine, our free confidential helplines and our range of services for children and families. We deliver projects in local communities for children who have experienced or are at risk of abuse as well as those in care, focusing on the most vulnerable children. We also provide advice to adults and professionals who are concerned about children and work with other organisations that come into contact with children to ensure that they protect children and challenge those who do not.

We also campaign at national, regional and local level to raise the profile of child protection.

### **Trustees' Responsibility Statement**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England, Wales and Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and

application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

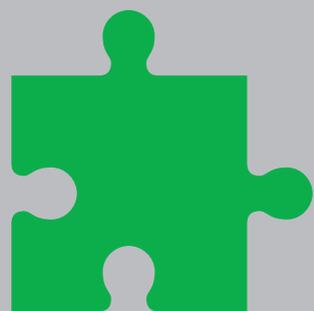
The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Subsidiaries and Related Parties**

NSPCC Trading Company Limited and ChildLine are both wholly owned subsidiaries of the NSPCC, and their accounts are consolidated in the accounts presented on pages 49 to 72.

The principal activities of NSPCC Trading Company Limited are a mail order operation, sale of NSPCC branded goods and other major fundraising events. The company had a profitable year and continues to develop its activities to support the work of the NSPCC. The taxable profit of £1.8 million (2014 £1.4 million) was donated under Gift Aid to NSPCC.

ChildLine continues as a separate legal entity in order to receive legacy income not otherwise receivable by the NSPCC. In the year ending 31 March 2015 it received £1.0 million legacy income (2014 £1.0 million). This is paid by way of a grant to the NSPCC towards the operation of the ChildLine service for which the funds were received.



# 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  
Finance, Nominations and Governance,  
Remuneration

### **Ann Morrison**

Vice-Chairman  
Divisional Trustees (Chair), Fundraising Advisory,  
Nominations and Governance, Remuneration

### **Sir David Normington GCB**

Vice-Chairman  
Nominations and Governance, Policy (Chair),  
Remuneration

### **Jonathan Bloomer**

Honorary Treasurer  
Audit and Risk, Finance (Chair), Fundraising  
Advisory, Remuneration

### **James Bailey**

Audit and Risk, Divisional Trustees

### **Dr Joanna Begent**

(appointed 19 March 2015)  
Policy

### **Neil Berkett**

Fundraising Advisory (Chair), Service Delivery

### **Fiona Curteis**

Divisional Trustees

### **Heather Henshaw MBE**

(passed away 12 March 2015)  
Divisional Trustees, Finance

### **Tarek Khat**

(appointed 4 December 2014)  
Fundraising Advisory

### **Lady Brenda McLaughlin CBE**

Divisional Trustees, Service Delivery (Chair)

### **Dame Denise Platt DBE**

Audit and Risk (Chair), Policy, Service Delivery

### **Dame Esther Rantzen DBE**

President of ChildLine, Policy, Service Delivery

### **Ramez Sousou**

(retired 2 October 2014)

### **Professor Terence Stephenson**

(resigned 31 October 2014)  
Policy

### **David Tait MBE**

(resigned 24 July 2014)  
Fundraising Advisory

### **Philippa Webster**

Divisional Trustees, Finance

### **Sarah Wilson**

Audit and Risk, Policy

We extend our gratitude to Ramez Sousou, Professor Stephenson and David Tait for their passionate commitment to our work, not only as trustees but also for their continuing valued support.

Heather Henshaw MBE was a passionate supporter and advocate for our work for over 40 years and a trustee for six years. She is very much missed.

## Co-opted Members

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

**Clem Brohier**  
Audit and Risk

**Lynn Price**  
Divisional Trustees

**Daniel Benton**

**Gavin Sanderson**  
(appointed 10 September 2014)

**John Worth**  
Finance

The following served on the Fundraising Advisory Committee

**Andy Briggs**  
**Gavin Dein**  
**Geoffrey Godding**  
**Philip Rowley**  
**Rajesh Tugnait**

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

**Steve Delo (Chair)**  
**Alex Camm**  
**Wayne Casey**  
**Clare Murray**  
**Philippa Webster**

## Senior Management (the Executive Board)

**Chief Executive**  
Peter Wanless

**Director of ChildLine**  
Peter Liver

**Chief Adviser on Child Protection (Chief Executive's office)**  
Phillip Noyes (from August 2014)

**Director of Children's Services Development and Delivery**  
Sherry Malik (from August 2014)  
Phillip Noyes (Interim to July 2014)

**National Services Director**  
Peter Watt

**Director of Communications**  
Ali Jeremy

**Director of Corporate Services**  
David Roberts

**Director of Fundraising**  
Paul Farthing

**People Director**  
Siobhan Sheridan

**Director of Strategy, Policy & Evidence**  
Lisa Harker

## Bankers and professional advisers

**Bankers**  
Barclays Bank Plc  
One Churchill Place  
London E14 5HP

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

**Auditor**  
**Deloitte LLP**  
Chartered Accountants & Registered Auditors  
2 New Street Square  
London EC4A 3BZ

**Legal Advisors**  
**Bates Wells & Braithwaite**  
2-6 Cannon Street  
London EC4M 6YH

**Bond Dickinson**  
4 More London Riverside  
London SE1 2AU

**Charles Russell**  
5 Fleet Place  
London EC4M 7RD  
United Kingdom

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

**Baker & McKenzie**  
100 New Bridge Street  
London EC4V 6JA

**Clifford Chance**  
10 Upper Bank Street  
London E14 5JJ

**DLA Piper**  
3 Noble Street  
London EC2V 7EE

**Matrix Chambers**  
Griffin Building  
Gray's Inn  
London WC1R 5LN

**One Paper Buildings**  
Temple  
London EC4Y 7EP

**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

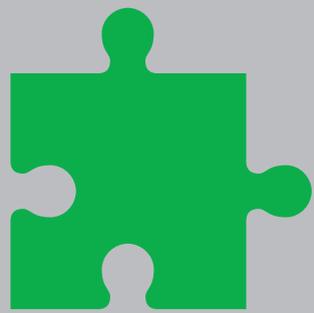
**Wragge Lawrence Graham & Co**  
142 High Holborn  
London EC1N 2SW

**Investment Advisors**  
**BlackRock**  
12 Throgmorton Avenue  
London EC2N 2DL

**Henderson Global Investors**  
201 Bishopsgate  
London EC2M 3AE

**M&G Investments**  
Laurence Pountney Hill  
London EC4R 0HH

**UBS AG**  
3 Finsbury Avenue  
London EC2M 2AN



## Financial review

### Summary

During the last six years, we have worked hard to meet the challenge of operating within a continually difficult economic environment. We have focused our efforts on efficiency improvements, streamlining everything that we do in order to make the most of the resources we have to help children and young people. This year has been no exception, seeing the completion of our London property project which has enabled us to consolidate our space requirement and reduce our ongoing property costs. We also benefitted from a one-off gain of £4.9 million on the disposal of properties, including one of our London offices.

However, having seen our income fall year after year from £157 million in 2008/09 to £126 million in 2013/14

we consciously invested in income growth in 2014/15 in order to enable us to do even more for children. This year has seen the launch of the NSPCC Weekly Lottery, providing an alternative way for individuals to give regularly to the charity. We have also invested in participation events to help us to engage with supporters in a new way.

We have been able to maintain our Charitable Expenditure broadly in line with the prior year, but the increased investment in Fundraising Expenditure inevitably reduced our Charitable Expenditure Ratio from 78.2 per cent to 77.0 per cent. We believe that our investment in income growth, combined with our continued drive for efficiency, will allow us to increase our Charitable Expenditure in absolute terms in future years so that we can reach even more of the most vulnerable children and young people in the UK.

## How we helped children

During the year we spent a total of £97.4 million on charitable activities, a decrease of £0.6 million (0.6 per cent) compared to last year. We increased expenditure on Services for Children and Families by £0.9 million to £46.4 million (2014: £45.5 million). ChildLine Services expenditure reduced slightly by £0.4 million to £20.4 million (2014: £20.8 million); and expenditure on Child Protection and Awareness activities remained in line with last year at £26.3 million (2014: £26.2 million). The overall reduction in charitable expenditure was driven by a £1.3m reduction in Child Protection Consultancy costs to £4.2 million (2014: £5.5 million) following the restructure completed in the previous year.

During the year we worked directly with 11,554 children and families continuing to deliver innovative services that benefit the direct recipients of our work as well as informing broader practice. Our ChildLine counselling service again delivered almost 300,000 counselling sessions. Through our ChildLine Schools Service, teaching children about what abuse is and how to get help, we reached 424,210 children, up 145,510 (52.2 per cent) on the previous year. The Service saw significant change in the latter part of the year, integrating with our Schools Fundraising work to create the NSPCC Schools Service. This move develops our ambition to deliver more for children in primary schools and the wider education community. The support provided through our Helpline increased, receiving 61,709 contacts from adults worried about children, of these 41,342 contacts led to a referral to another agency which is an increase of 13 per cent (2014: 36,583). We worked with a total of 15,405 organisations to help them to better protect children; 17 per cent more than last year.

We continued to invest in income generation, maintaining existing income streams and creating new ones to ensure there are sufficient funds to support the future of our charitable activities. This year we increased our fundraising event activity and invested in a new Weekly Lottery, increasing the overall cost of generating funds by 6.7 per cent to

£28.5 million (2014: £26.7 million). This investment has proved very worthwhile as for the first time in five years the Society has seen an increase in annual income which of course is critical to determining the amount that we can do for children and young people.

We continued to maintain tight control of support costs across the organisation at £5.8m and these now constitute 4.5 per cent of total expenditure as opposed to 4.6 per cent last year. Governance costs were maintained at last year's level, including the cost of internal audit, legal advice, costs associated with meeting constitutional and statutory requirements and strategic planning.

Overall, our total resources expended for the year were £127.3 million, £2.8 million (2.2 per cent) higher compared to last year (2014: £124.5 million), reflecting our increased levels of expenditure on income generation.

**We have been able to commit 77.0 per cent\* (2014: 78.2 per cent) of expenditure to our work with children and young people.**

\*Charitable expenditure is 77.0% (2014: 78.2%) of total resources expended excluding other resources expended.

### How you gave your help

Over the year as a whole, total incoming resources were £134.5 million, £8.6 million (6.8 per cent) higher than last year (2014: £125.9 million). An element of this income growth was attributable to a profit of £4.9 million on the sale of properties, including one of our London premises made surplus to requirements due to more flexible ways of working.

Overall voluntary income reduced slightly, totaling £109.9 million (2014: £110.6 million). We experienced a reduction in regular giving income, which declined by £1.7 million (2.6 per cent) to £64.9 million (2014: £66.6 million). This reduction was partly offset by increases in other voluntary income streams. We would like to thank all our supporters for their ongoing commitment during difficult economic times who

remain moved by the cause and continue to give so generously.

Income from fundraising events, the sale of goods, sponsorship and promotional activity was particularly successful in 2014/15. Income from these activities increased in the year by £2.4 million (41.4 per cent), to £8.1 million. This increase was predominantly due to a range of successful new fundraising events including the Paddington Bear trail, the River Café event and the Pantomime Ball. In addition, a new lottery activity has been introduced, and we are encouraged by the early results. As in previous years, our staff and volunteers organised many other fundraising events across the length and breadth of the country; we are immensely grateful to everyone involved in these efforts.

Incoming resources from charitable activities, received primarily from local authorities and Government, increased by £1.1 million (13.6 percent) to £9.2 million. This was mainly due to additional grant funding for ChildLine and small increases in Training and Consultancy, and Service Level Agreements.

Income from our supporters (voluntary income and income from fundraising activities) at 87.8 per cent (2014: 92.4 per cent) represents a high proportion of total incoming resources, and provides a clear mandate to act on behalf of the public to protect children.

### Reserves

Total funds now stand at £82.9 million, an increase of £5.0 million compared to last year. We aim to retain sufficient general funds in a range equivalent to approximately three to five months' forward expenditure. These general reserves are held in case of any sudden decline in income and to ensure that contractual commitments to staff, premises and funding partners to provide services to children can be made with some confidence. At 31 March 2015 unrestricted general funds were £50.1 million (2014: £47.2 million) and were equivalent to 4.5 months forward expenditure (2014: 4.3 months).

### Investments and cash

The trustees have wide investment powers set out in the Royal Charter and bye-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 2015, all of our funds were held in cash or fixed interest bonds available for short-term access. Income generated from investments (excluding net return on pension scheme assets) reduced by £0.1 million to £1.2 million (2014: £1.3

million) reflecting continuing lower levels of return on low risk holdings. There was an unrealised gain on investments of £0.7 million in the year (2014: a loss of £0.2 million).

Total cash and investments increased by £3.0 million to £57.2 million (2014: £54.2 million) due to the operational surplus of £7.1 million generated in the year, partly offset by pension deficit payments and investment in tangible fixed assets.

### Pensions

The NSPCC operates a stakeholder defined contribution pension scheme available to all staff, operated by 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 2015 showed assets of £166.1 million with liabilities of £164.7 million giving a surplus of £1.4 million (2014: a surplus £2.4 million). As there are no refunds due from the scheme as at 31 March 2015, the net pension surplus is not recognised in the accounts; instead the surplus has been offset by a provision, taking the overall pensions balance down to a nil value on the balance sheet. Few schemes are currently in a strong enough position to report a nil deficit for accounting purposes.

### 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 2017, and analysed the strength of the charity's reserves, 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 activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.



**Mark Wood, Chairman**  
23 July 2015

## Independent auditor's report to the Trustees of the NSPCC

We have audited the financial statements of the National Society for the Prevention of Cruelty to Children (NSPCC) for the year ended 31 March 2015 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 25. 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### 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 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 apparent material misstatements 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 charity's affairs as at 31 March 2015 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and 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 Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

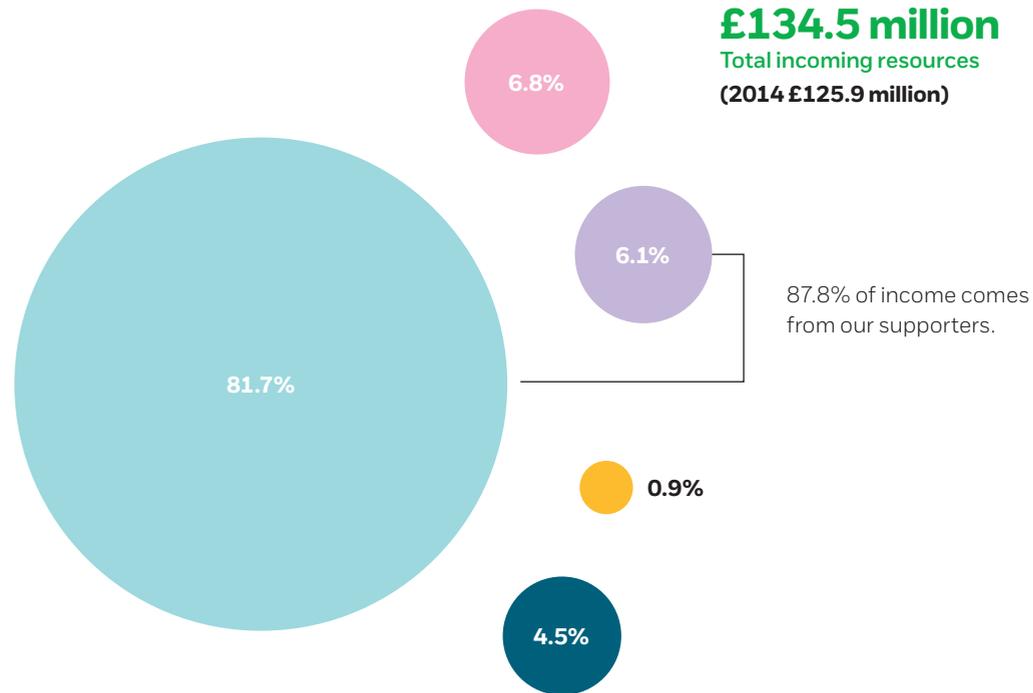
- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the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



**Deloitte LLP**  
23 July 2015  
Chartered Accountants and Statutory Auditor  
London, UK

Deloitte LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006 and consequently to act as the auditor of a registered charity.

## How you gave your help



**£109.9 million**  
**Donations, gifts and legacies 81.7%**

Voluntary donations made by our supporters on a regular or one-off basis.  
(2014 £110.6million, 87.8%)

**£8.2 million**  
**Income from fundraising activities 6.1%**

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.  
(2014 £5.8 million, 4.6%)

**£1.2 million**  
**Investment income 0.9%**

Income received from our bank accounts and investment holdings.  
(2014 £1.3 million, 1.1%)

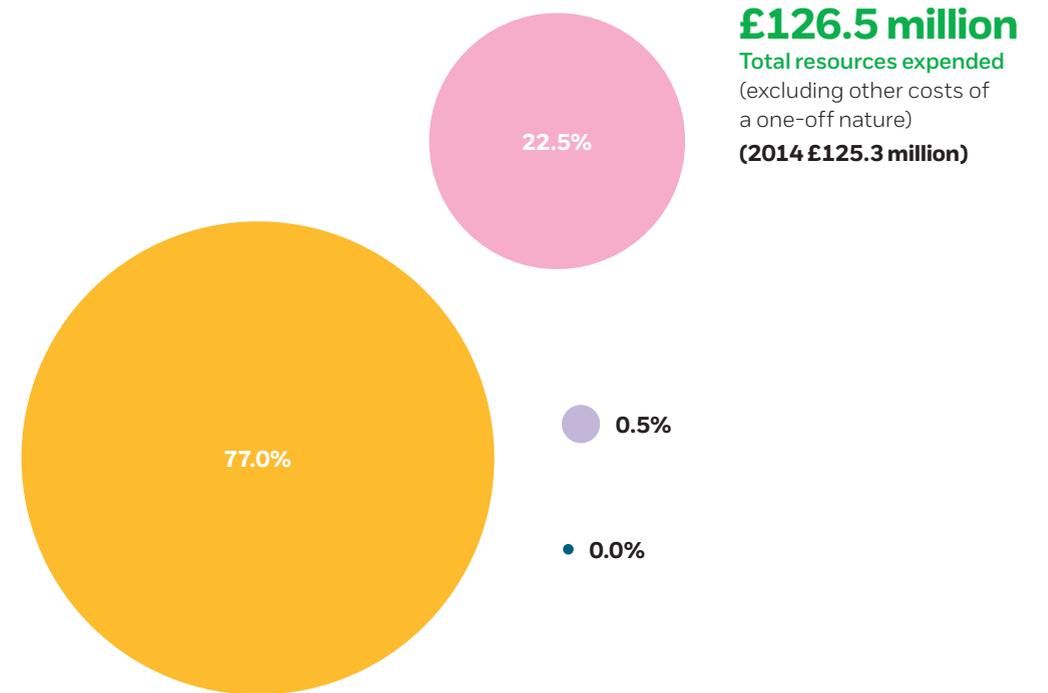
**£9.2 million**  
**Income from carrying out our charitable work 6.8%**

Income which we receive in the course of carrying out our charitable work. For example, income received from service level agreements with local authorities; government grants; and income received from provision of training and education in child protection to professional groups.  
(2014 £8.1million, 6.4%)

**£6.0 million**  
**Other 4.5%**

This includes profit on sale of properties and other capital assets.  
(2014 £0.1million, 0.1%)

## How we helped children



**£97.4 million**  
**Charitable expenditure 77.0%**

The cost of undertaking direct charitable activities, which are defined under the following headings:  
(2014 £98.0 million)

- **Services for children and families £46.4 million**  
(2014 £45.5 million)
- **ChildLine £20.5 million**  
(2014 £20.8 million)
- **Child protection advice and awareness £26.3 million**  
(2014 £26.2 million)
- **Child protection consultancy £4.2 million**  
(2014 £5.5 million)

**£28.5 million**  
**Cost of generating income 22.5%**

The cost of receiving voluntary donations, undertaking fundraising activities, attracting new supporters and ongoing supporter care.  
(2014 £26.7 million)

**£0.6 million**  
**Governance 0.5%**

Costs incurred in meeting constitutional and statutory requirements.  
(2014 £0.7 million)

**£0.8 million**  
**Other 0%\***

Other costs incurred which are of a one-off nature.  
(2014 (£0.8) million)

\*Total resources expended were £127.3 million (2014 £124.5 million) including other resources expended of £0.8 million (2014 (£0.8) million). These have been excluded from the figures presented above as they are costs of a one-off nature.

# NSPCC Consolidated Statement of Financial Activities

for the year to 31 March 2015

		General & Designated Funds	Restricted & Endowment Funds	Year to 31 March 2015	Year to 31 March 2014
	Notes	£'000	£'000	£'000	£'000
<b>Incoming resources</b>					
Voluntary income (including donations, gifts and legacies)	2	97,791	12,060	109,851	110,612
Activities for generating funds (including fundraising events and sale of goods)	2	4,492	3,655	8,147	5,755
Investment income	2	1,206	3	1,209	1,339
<b>Incoming resources from generated funds</b>		<b>103,489</b>	<b>15,718</b>	<b>119,207</b>	<b>117,706</b>
Incoming resources from charitable activities	3	2,839	6,380	9,219	8,091
Other incoming resources (including profit on disposals of fixed assets)	4	6,041	-	6,041	80
<b>Total incoming resources</b>		<b>112,369</b>	<b>22,098</b>	<b>134,467</b>	<b>125,877</b>
Costs of generating voluntary income	5	22,889	37	22,926	23,055
Fundraising trading: costs of goods sold and other costs	5	4,855	618	5,473	3,538
Investment management costs	5	106	3	109	120
<b>Costs of generating funds</b>		<b>27,850</b>	<b>658</b>	<b>28,508</b>	<b>26,713</b>
<b>Net incoming resources available for charitable application</b>		<b>84,519</b>	<b>21,440</b>	<b>105,959</b>	<b>99,164</b>
Services for children and families		38,161	8,236	46,397	45,474
ChildLine		10,141	10,308	20,449	20,792
Child protection advice and awareness		25,589	693	26,282	26,222
Child protection consultancy		2,885	1,344	4,229	5,465
<b>Cost of charitable activities</b>	5	<b>76,776</b>	<b>20,581</b>	<b>97,357</b>	<b>97,953</b>
Governance costs	5	645	2	647	651
Other resources expended	5	814	-	814	(789)
<b>Net incoming resources before other recognised gains and losses</b>		<b>6,284</b>	<b>857</b>	<b>7,141</b>	<b>1,349</b>
<b>Other recognised gains and losses</b>					
Gains/(losses) on investment assets	13	705	18	723	(226)
Actuarial (losses)/gains on defined benefit pension scheme	20	(2,903)	-	(2,903)	1,247
<b>Net movement in funds</b>		<b>4,086</b>	<b>875</b>	<b>4,961</b>	<b>2,370</b>
Total funds brought forward		69,292	8,610	77,902	75,532
<b>Total funds carried forward</b>		<b>73,378</b>	<b>9,485</b>	<b>82,863</b>	<b>77,902</b>
<b>Note:</b>					
<b>Total incoming resources</b>		<b>112,369</b>	<b>22,098</b>	<b>134,467</b>	<b>125,877</b>
<b>Total resources expended</b>	5	<b>106,085</b>	<b>21,241</b>	<b>127,326</b>	<b>124,528</b>
<b>Net incoming resources before other recognised gains and losses</b>		<b>6,284</b>	<b>857</b>	<b>7,141</b>	<b>1,349</b>

The net gains on investment assets shown under the Endowment and Restricted Funds column 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 22 and 23. The accompanying notes are an integral part of this consolidated statement of financial activities. All income relates to continuing operations.

# NSPCC and Consolidated Balance Sheets

as at 31 March 2015

		Group		Charity	
	Notes	2015	2014	2015	2014
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	11	36,166	33,352	36,166	33,352
Investments	13	49,362	46,300	49,362	46,300
<b>Total fixed assets</b>		<b>85,528</b>	<b>79,652</b>	<b>85,528</b>	<b>79,652</b>
<b>Current assets</b>					
Debtors	14	10,534	8,752	10,389	8,545
Investments	15	7,349	7,318	7,349	7,318
Cash at bank and in hand	15	524	605	477	559
<b>Total current assets</b>		<b>18,407</b>	<b>16,675</b>	<b>18,215</b>	<b>16,422</b>
Creditors - amounts falling due within one year	16	(16,943)	(14,082)	(16,781)	(13,859)
<b>Net current assets</b>		<b>1,464</b>	<b>2,593</b>	<b>1,434</b>	<b>2,563</b>
<b>Total assets less current liabilities</b>		<b>86,992</b>	<b>82,245</b>	<b>86,962</b>	<b>82,215</b>
Creditors - amounts falling due after one year	17	-	(70)	-	(70)
Provisions for liabilities	18	(4,129)	(4,273)	(4,129)	(4,273)
<b>Net assets excluding pension scheme liability</b>		<b>82,863</b>	<b>77,902</b>	<b>82,833</b>	<b>77,872</b>
Defined benefit pension scheme liability	20	-	-	-	-
<b>Net assets including pension scheme liability</b>		<b>82,863</b>	<b>77,902</b>	<b>82,833</b>	<b>77,872</b>
<b>Capital funds</b>					
Endowments	22	1,409	1,394	1,409	1,394
<b>Income funds</b>					
Restricted	22	8,076	7,216	8,076	7,216
Unrestricted:					
Designated funds	22	23,268	22,093	23,268	22,093
General funds	22	50,110	47,199	50,080	47,169
<b>Unrestricted funds including pension liability</b>		<b>73,378</b>	<b>69,292</b>	<b>73,348</b>	<b>69,262</b>
<b>Total funds</b>		<b>82,863</b>	<b>77,902</b>	<b>82,833</b>	<b>77,872</b>

Approved by the Board of Trustees on 23 July 2015 and signed on its behalf by

Mark Wood  
Chairman

Jonathan Bloomer  
Treasurer

# Consolidated Cash Flow Statement

for the year ended 31 March 2015

	Notes	2015 £'000	2014 £'000
Net cash inflow from operating activities	a	2,543	1,941
Returns on investments and servicing of finance	b	1,209	1,339
Capital expenditure and financial investment	c	(3,802)	(5,001)
<b>Net cash outflow before management of liquid resources</b>		<b>(50)</b>	<b>(1,721)</b>
Management of liquid resources	d	(31)	1,286
<b>(Decrease) in cash in the year</b>		<b>(81)</b>	<b>(435)</b>
<b>Notes to the Cash Flow Statement</b>		<b>2015</b>	<b>2014</b>
		<b>£'000</b>	<b>£'000</b>
<b>a. Reconciliation of net outgoing resources to net cash inflow from operating activities</b>			
Net incoming resources before other recognised gains and losses		7,141	1,349
Investment income		(1,209)	(1,339)
Depreciation		3,315	4,409
Impairment charges		221	26
Profit on disposal of tangible fixed assets		(4,887)	(80)
(Increase)/decrease in debtors		(1,782)	894
Increase in creditors		2,790	233
Difference between pension contributions paid and charges made		(2,902)	(2,500)
(Decrease) in other provisions		(144)	(1,051)
<b>Net cash inflow from operating activities</b>		<b>2,543</b>	<b>1,941</b>
<b>b. Returns on investments and servicing of finance</b>			
Investment income received		1,209	1,339
<b>c. Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(11,013)	(4,996)
Sale of tangible fixed assets		9,550	450
Purchase of investments		(19,593)	(8,252)
Sale of investments		17,254	7,797
<b>Total</b>		<b>(3,802)</b>	<b>(5,001)</b>
<b>d. Management of liquid resources</b>			
(Increase)/decrease in short term investments		(31)	1,286
<b>e. Analysis of changes in net funds</b>	<b>1 April</b>	<b>Cash</b>	<b>31 March</b>
	<b>2014</b>	<b>Flow</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash at bank and in hand	605	(81)	524
Short term investments	7,318	31	7,349
<b>Total</b>	<b>7,923</b>	<b>(50)</b>	<b>7,873</b>
<b>f. Reconciliation of net cash flow to movement in net funds</b>		<b>2015</b>	<b>2014</b>
		<b>£'000</b>	<b>£'000</b>
Decrease in cash in the year		(81)	(435)
Cash used to increase/(decrease) liquid resources		31	(1,286)
<b>Change in net funds</b>		<b>(50)</b>	<b>(1,721)</b>
Net funds balance brought forward		7,923	9,644
<b>Net funds balance carried forward</b>		<b>7,873</b>	<b>7,923</b>

# Notes to the Consolidated Accounts

for the year ended 31 March 2015

## 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 on a line-by-line basis in the Statement of Financial Activities (SOFA) and Balance Sheet. NSPCC Pension Scheme Limited, a wholly owned subsidiary, has not been consolidated. The company acts solely as a corporate trustee of the NSPCC Pension Scheme, does not trade on its own behalf and has no assets or liabilities.

Please note that where ChildLine is used to describe part of charitable income or

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

### 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 19.

### 1.4 Resources expended

Expenditure is accounted for on an accruals basis and 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

## 1. Accounting policies (continued)

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 6 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 5.

### 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 general funds to cover the value of property fixed assets held, or to fund specific future purposes or projects.

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

**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 22.

### 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** – 5 years

**Major software development** – 5 years

**Other computer software and hardware** – 2 years

Major software development is any system with a capital cost in excess of £250,000.

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 value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet. Full actuarial valuations are obtained triennially.

Costs incurred in relation to the defined contribution scheme are included in staff pensions cost. Costs recognised are equivalent to the contributions in the year

and are recognised on an accruals basis and any unsettled amounts are included in other creditors.

### 1.9 Operating leases

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

### 1.10 Tax

The NSPCC as a registered charity is exempt from income tax under part 10 of the Income Tax Act 2007 or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

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

## 2 Analysis of incoming resources from generated funds

	Total 2015 £'000	Total 2014 £'000
<b>Voluntary income:</b>		
Regular donations from individuals	64,880	66,563
Legacies	20,899	20,909
Community fundraising	8,725	7,948
Other donations and gifts	15,347	15,192
<b>Total voluntary income</b>	<b>109,851</b>	<b>110,612</b>
<b>Activities for generating funds:</b>		
Fundraising events	6,749	4,656
Sale of goods and other income	1,398	1,099
<b>Total activities for generating funds</b>	<b>8,147</b>	<b>5,755</b>
<b>Investment income:</b>		
Dividends - UK	2	7
Interest	1,207	1,332
<b>Total investment income</b>	<b>1,209</b>	<b>1,339</b>

Other income in activities for generating funds includes sponsorship, promotions, training, sundry sales, lotteries and rental income, none of which are individually material. Donated services amounted to £584,000 (2014 £727,000) and have been recognised as voluntary income within other donations and gifts. Other donations and gifts also includes £12,000 (2014 £242,000) income received for a capital purpose.

## 3 Analysis of income from charitable activities

Income raised by the following child protection activities:

	Total Statutory Funding			Other Funding		Total 2015 £'000	Total 2014 £'000
	Income from SLA's £'000	Donated services & facilities £'000	Grants & one-off fees £'000	Fees from non- statutory bodies £'000	Sale of training materials £'000		
Services for children and families	1,047	65	600	466	-	2,178	1,977
ChildLine	-	-	3,203	18	-	3,221	2,495
Child protection advice and awareness	-	-	382	58	12	452	485
Child protection consultancy	51	-	1,258	1,907	152	3,368	3,134
<b>Total incoming resources from charitable activities</b>	<b>1,098</b>	<b>65</b>	<b>5,443</b>	<b>2,449</b>	<b>164</b>	<b>9,219</b>	<b>8,091</b>

Donated services and facilities under service level agreements amounted to £50,000 (2014 £64,000) in respect of staff secondments, and £15,000 (2014 £54,000) in respect of premises and other facilities which have been recognised as gifts in kind. Statutory bodies are government agencies or departments whereas non-statutory are not government related. Grants & one-off fees also includes £713,000 (2014 £nil) income received for a capital purpose.

## 4 Analysis of other incoming resources

	Total 2015 £'000	Total 2014 £'000
<b>Other incoming resources:</b>		
Profit from sale of tangible fixed assets	4,888	80
Net income in relation to the pension scheme (note 20)	1,153	-
<b>Total other incoming resources</b>	<b>6,041</b>	<b>80</b>

## 5 Analysis of total resources expended

	Note	Direct Costs £'000	Support Costs £'000	Total 2015 £'000	Total 2014 £'000
<b>Costs of generating funds:</b>					
<b>Costs of generating voluntary income:</b>					
Costs of raising regular donations from individuals		9,822	149	9,971	9,752
Costs of raising legacy income		2,166	71	2,237	2,266
Costs of community fundraising		4,314	248	4,562	4,302
Costs of raising other voluntary income		5,878	278	6,156	6,735
<b>Total costs of generating voluntary income</b>		<b>22,180</b>	<b>746</b>	<b>22,926</b>	<b>23,055</b>
<b>Costs of fundraising trading:</b>					
Costs of fundraising events		3,856	87	3,943	2,742
Costs of sales of goods and other activities for generating funds		1,496	34	1,530	796
<b>Total costs of fundraising trading</b>		<b>5,352</b>	<b>121</b>	<b>5,473</b>	<b>3,538</b>
Investment manager costs		109	-	109	120
<b>Total costs of generating funds</b>	<b>6</b>	<b>27,641</b>	<b>867</b>	<b>28,508</b>	<b>26,713</b>
<b>Activities to end cruelty to children:</b>					
Services for children and families		43,837	2,560	46,397	45,474
ChildLine		19,196	1,253	20,449	20,792
Child protection advice and awareness	6	25,378	904	26,282	26,222
Child protection consultancy		4,032	197	4,229	5,465
<b>Total costs of charitable activities</b>		<b>92,443</b>	<b>4,914</b>	<b>97,357</b>	<b>97,953</b>
<b>Total governance costs</b>	<b>8</b>	<b>647</b>	<b>-</b>	<b>647</b>	<b>651</b>
<b>Other resources expended:</b>					
Dilapidations provision		176	-	176	138
Restructuring costs		441	-	441	512
Write down of property and equipment		221	-	221	26
VAT recovered in respect of prior years		-	-	-	(1,445)
Other credits		(24)	-	(24)	(20)
<b>Total other resources expended</b>		<b>814</b>	<b>-</b>	<b>814</b>	<b>(789)</b>
<b>Total resources expended</b>		<b>121,545</b>	<b>5,781</b>	<b>127,326</b>	<b>124,528</b>

Included in total resources expended is irrecoverable Value Added Tax of £6,173,000 (2014 £5,091,000).

## 5 Analysis of total resources expended (continued)

The NSPCC recorded income in the year ending 31 March 2011 of £1.8 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. The £1.35 million remains as a balance in the provision for doubtful debts at 31 March 2015.

During the year the NSPCC completed a full review of the potential liability to dilapidations at the end of the leases on occupied buildings. The provision is calculated based on average historic landlord claims receive over the past 5 years. The movement on the provision reflects both changes in the average landlord claims and changes in properties occupied by the Society.

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

During 2013/14 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 advice and awareness** - work in partnership with adults across the UK, empowering them to take action on behalf of children. This includes the NSPCC helpline (telephone and online services) providing advice and support to adults; the Child Trafficking Advice Centre (CTAC); the provision of comprehensive and expert information services; and activities to raise awareness and influence behaviour within adult audiences.

**Child protection consultancy** - work with organisations, networks and professionals that come into contact with children, challenging them to ensure that children are protected from harm. This includes the provision of training and consultancy services; use of the NSPCC's authorised person status; 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 and external audit, legal advice and costs associated with meeting constitutional and statutory requirements.

	2015 £'000	2014 £'000
<b>Total resources expended is stated after charging:</b>		
<b>Operating lease rentals:</b>		
Plant & machinery	176	172
Other	2,490	2,023
<b>Fees payable to the Charity's auditors for:</b>		
The audit of the Charity and Group accounts	95	93
The audit of the Charity's subsidiaries' accounts pursuant to legislation	6	6
<b>Total audit fees</b>	<b>101</b>	<b>99</b>
Tax services	2	2
Other consultancy	88	261
<b>Total non-audit fees</b>	<b>90</b>	<b>263</b>
<b>Charges on owned assets:</b>		
Depreciation	3,315	4,409
Impairment	221	26
<b>Trustees' expenses:</b>		
Trustees' travel and other expenses	11	11

The trustees are not entitled to and did not receive any remuneration during the year (2014 £nil). Total trustees expenses of £11,000 were incurred in the year (2014 £11,000). Six trustees reclaimed travel and other expenses during the year (2014 five). During the year, the NSPCC paid indemnity insurance in respect of the trustees of £7,000 (2014 £8,000).

## 6 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 Child protection advice and awareness (continued)

	2015		2014	
	Child protection		Child protection	
	Costs of generating funds	advice and awareness	Costs of generating funds	advice and awareness
	£'000	£'000	£'000	£'000
Charged directly	11,181	11,454	9,550	11,393
Allocated costs	16,460	13,924	16,248	14,033
<b>Sub-total</b>	<b>27,641</b>	<b>25,378</b>	<b>25,798</b>	<b>25,426</b>
Support costs allocated	867	904	915	796
<b>Total</b>	<b>28,508</b>	<b>26,282</b>	<b>26,713</b>	<b>26,222</b>

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

## 7 Allocation of support costs

Type of cost	Total allocated to cost of generating funds	Total allocated to charitable activities	Total 2015	Total 2014
	£'000	£'000	£'000	£'000
	Divisional management	10	124	134
Central management and administration	618	3,516	4,134	4,253
Premises, legal and other support costs	239	1,274	1,513	1,407
<b>Total support costs allocated</b>	<b>867</b>	<b>4,914</b>	<b>5,781</b>	<b>5,726</b>

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.

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.

## 8 Governance costs

	2015	2014
	£'000	£'000
Governance and professional support for trustees	546	552
External audit	101	99
<b>Total governance costs</b>	<b>647</b>	<b>651</b>

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

## 9 Employees

	2015	2014
	£'000	£'000
<b>Total staff costs</b>		
Wages and salaries	59,916	59,674
Cost of seconded staff	914	761
Social security costs	6,130	6,216
Pension costs	4,872	4,150
<b>Total</b>	<b>71,832</b>	<b>70,801</b>

Redundancy costs of £445,000 have been paid (2014 £938,000).

Pension finance costs of £500,000 in relation to the defined benefit pre 97 pensioners cost is included in pensions cost (2014 £500,000). See note 20.

The average number of employees on the payroll for the year was 2,049 (2014 2,006). The average number of employees, calculated on a full time equivalent basis for the year was 1,830 (2014 1,810). The NSPCC operates a family-friendly policy encouraging part-time work and job-sharing. The above numbers include staff responsible for the management and support of the volunteers involved in fundraising, and the costs of seconded staff relate to those staff provided to us as part of a service level agreement usually with a local authority.

### Remuneration policy and benefits

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 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 pension schemes open to employees are set out in note 20. An employee car allowance is provided to employees contractually required to have a car for work purposes.

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:	2015	2014
	Number	Number
Activities to end cruelty to children	1,358	1,331
Generating funds	305	308
Support and governance	167	171
<b>Total</b>	<b>1,830</b>	<b>1,810</b>

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:	2015	2014
	Number	Number
£160,001-£170,000	1	-
£130,001-£140,000	1	1
£120,001-£130,000	1	2
£110,001-£120,000	1	2
£100,001-£110,000	3	1
£90,001-£100,000	2	4
£80,001-£90,000	6	5
£70,001-£80,000	8	5
£60,001-£70,000	31	35
<b>Total</b>	<b>54</b>	<b>55</b>

53 out of the 54 employees earning more than £60,000 participated in the defined contribution (stakeholder) pension scheme (2014 55 of the 55).

Employer contributions to the stakeholder scheme for employees earning over £60,000 in the year were £322,000 (2014 £421,000).

## 10 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 one NSPCC charity shop.

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

	NSPCC Trading 2015 £'000	NSPCC Trading 2014 £'000
<b>Profit and loss account</b>		
Turnover	4,401	2,899
Cost of sales	(1,979)	(965)
<b>Gross profit</b>	<b>2,422</b>	<b>1,934</b>
Net operating costs	(661)	(563)
<b>Operating profit</b>	<b>1,761</b>	<b>1,371</b>
Amount gift aided to NSPCC	(1,761)	(1,371)
<b>Retained profit for the year</b>	<b>-</b>	<b>-</b>
<b>Assets, liabilities and funds:</b>		
Assets	1,309	1,372
Liabilities	(1,279)	(1,342)
<b>Total funds including 100 ordinary shares of £1 each</b>	<b>30</b>	<b>30</b>

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 the entity exists to receive legacy

income otherwise not receivable by the NSPCC. These funds are paid by way of a grant to the NSPCC.

A summary of ChildLine results are below. The information is

taken from the audited accounts for the charity and therefore includes transactions undertaken with the NSPCC.

	ChildLine 2015 £'000	ChildLine 2014 £'000
Total incoming resources	984	962
Total resources expended	(984)	(962)
<b>Net incoming resources</b>	<b>-</b>	<b>-</b>
Funds balance brought forward	-	-
<b>Funds balance carried forward</b>	<b>-</b>	<b>-</b>
<b>Assets, liabilities and funds:</b>		
Assets	8	-
Liabilities	(8)	-
<b>Total funds</b>	<b>-</b>	<b>-</b>

## NSPCC results (excluding subsidiaries)

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

	NSPCC excluding subsidiaries 2015 £'000	NSPCC excluding subsidiaries 2014 £'000
Total incoming resources	131,834	124,360
Total resources expended	(124,694)	(123,010)
<b>Net incoming resources</b>	<b>7,140</b>	<b>1,350</b>
Gain/(loss) on investment assets	723	(226)
Actuarial (loss)/gain on defined benefit schemes	(2,902)	1,246
<b>Net movement in funds</b>	<b>4,961</b>	<b>2,370</b>
Funds balance brought forward	77,872	75,502
<b>Funds balance carried forward</b>	<b>82,833</b>	<b>77,872</b>

The total incoming resources figure for the NSPCC, excluding subsidiaries includes the gift aid donation from the NSPCC Trading Company Limited of £1,761,000 (2014 £1,371,000) and the grant from ChildLine of £984,000 (2014 £962,000).

## 11 Tangible Fixed Assets

Group and charity	Freehold property £'000	Leasehold property £'000	Furniture, fittings, equipment & computer software £'000	Total £'000
1 April 2014	28,493	19,533	20,548	68,574
Additions	6,971	418	3,624	11,013
Disposals	(7,452)	(2,215)	(2,932)	(12,599)
<b>31 March 2015</b>	<b>28,012</b>	<b>17,736</b>	<b>21,240</b>	<b>66,988</b>
<b>Depreciation</b>				
1 April 2014	11,590	7,973	15,659	35,222
Impairment charges	127	94	-	221
Charge for year	300	1,187	1,828	3,315
Disposals	(3,045)	(1,977)	(2,914)	(7,936)
<b>31 March 2015</b>	<b>8,972</b>	<b>7,277</b>	<b>14,573</b>	<b>30,822</b>
<b>Net book value:</b>				
<b>31 March 2015</b>	<b>19,040</b>	<b>10,459</b>	<b>6,667</b>	<b>36,166</b>
31 March 2014	16,903	11,560	4,889	33,352

Included in Freehold Property additions is an amount of £6,943,000 relating to the refurbishment of Head Office. This asset came into use on 1 May 2015 and will start depreciating in the next financial year.

The Society undertakes annual property impairment reviews, comparing the properties net book value to value in use, assisted by our in-house property team confirming our properties' suitability to meet NSPCC needs. Properties identified with a net book value in excess of value in use are written down to the higher of market value or value in use.

## 12 Capital commitments

There were capital commitments of £514,000 at 31 March 2015 (2014 £299,000).

## 13 Investments

	Group and Charity	
	2015	2014
	£'000	£'000
Market value at 1 April	46,300	46,071
Purchases at cost	19,593	8,252
Disposals at carrying value	(17,254)	(7,797)
Increase/(decrease) in market value	723	(226)
<b>Value at 31 March</b>	<b>49,362</b>	<b>46,300</b>
Historical cost as at 31 March	46,195	43,842

The investments include shares in three unlisted companies, which the charity accepted as donations. These shares are included at their nominal value of £1 each (2014 Three shares valued at £1 each).

	2015	2014
	£'000	£'000
<b>At the balance sheet date, the portfolio was invested as follows:</b>		
UK fixed interest bonds & deposits	27,821	28,095
UK deposit bank accounts	21,541	18,205
<b>Value at 31 March</b>	<b>49,362</b>	<b>46,300</b>

### At 31 March 2015 the following investments represented more than 5 percent of the portfolio by market value:

	%	Value £'000
M&G Corporate Bond Fund	23.4%	11,562
Henderson Pref & Bond CLS	9.6%	4,721
UBS Fund	23.4%	11,538
Scottish Widows Deposit Account	17.9%	8,844
Lloyds Deposit Account	6.1%	3,011
Barclays Deposit Account	11.1%	5,479

## 14 Debtors

	Group		Charity	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trade debtors	1,253	1,547	934	901
Amounts due from group undertakings	-	-	1,129	1,118
Other debtors	3,234	2,891	3,207	2,878
Prepayments	3,093	2,289	2,274	1,732
Accrued income	2,954	2,025	2,845	1,916
<b>Total</b>	<b>10,534</b>	<b>8,752</b>	<b>10,389</b>	<b>8,545</b>

## 15 Current investments and cash at bank and in hand

	Group		Charity	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Current investments	7,349	7,318	7,349	7,318
Cash at bank and in hand	524	605	477	559
<b>Total</b>	<b>7,873</b>	<b>7,923</b>	<b>7,826</b>	<b>7,877</b>

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

## 16 Creditors: amounts falling due within one year

	Group		Charity	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trade creditors	8,619	6,410	8,579	6,413
Tax and Society Security creditors	1,632	1,695	1,632	1,695
Other creditors	1,098	1,090	1,082	1,081
Accruals	3,823	3,868	3,806	3,859
Deferred income (see note 19)	1,771	1,019	1,682	811
<b>Total</b>	<b>16,943</b>	<b>14,082</b>	<b>16,781</b>	<b>13,859</b>

## 17 Creditors: amounts falling due after one year

	Group		Charity	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Accruals	-	58	-	58
Deferred VAT liability	-	12	-	12
<b>Total</b>	<b>-</b>	<b>70</b>	<b>-</b>	<b>70</b>

## 18 Provisions

	Dilapidations on leasehold properties			Total Group and Charity
	properties	Restructuring	Other	Charity
	£'000	£'000	£'000	£'000
Opening balance at 1 April 2014	2,921	1,036	316	4,273
Increase in provision in the year	499	20	327	846
Utilised in the year	(123)	(193)	(49)	(365)
Decrease in provision in the year	(278)	(347)	-	(625)
<b>Closing balance at 31 March 2015</b>	<b>3,019</b>	<b>516</b>	<b>594</b>	<b>4,129</b>
<b>Commitments are likely to be met:</b>				
Within one year	927	516	594	2,037
After one year and less than five years	1,982	-	-	1,982
After five years	110	-	-	110
<b>Total</b>	<b>3,019</b>	<b>516</b>	<b>594</b>	<b>4,129</b>

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.

Other provisions include refundable income, including gift aid claimed, of £446,000 and historic pensions costs of £114,000.

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

## 19 Deferred income

	1 April		31 March	
	2014	Deferred	Released	2015
	£'000	£'000	£'000	£'000
Statutory sources	54	22	(54)	22
Other charitable sources	269	1,020	(269)	1,020
Income from fundraising activities	488	640	(488)	640
<b>Total for the Charity</b>	<b>811</b>	<b>1,682</b>	<b>(811)</b>	<b>1,682</b>
Income from fundraising activities	208	89	(208)	89
<b>Total for the Group</b>	<b>1,019</b>	<b>1,771</b>	<b>(1,019)</b>	<b>1,771</b>

	Group		Charity	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
The main reasons for deferrals are as follows:				
Time restrictions imposed by funder	22	54	22	54
Potentially refundable income received for future events	729	696	640	488
Other deferrals	1,020	269	1,020	269
<b>Total</b>	<b>1,771</b>	<b>1,019</b>	<b>1,682</b>	<b>811</b>

Other deferrals include £730,000 relating to a Charity Award from UEFA to support child protection in sport (2014 nil), and training and consultancy deferred income of £247,000 (2014 £240,000).

## 20 NSPCC Pension Schemes

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

### NSPCC defined contribution pension scheme

The pension costs for the year in relation to the defined contribution pension scheme were £4,372,000 (2014 £4,150,000). As at 31 March 2015, £476,000 was outstanding and included in creditors (2014 £429,000).

### 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 2015, 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 2015 was 5.96% pa (2014 5.47% pa). 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 2014.

The amount of total employer contributions expected to be paid to the scheme during 2015/16 in relation to scheme deficit funding is £1,000,000 (2014/15: £1,750,000). During the year ending 31 March 2015, in addition to deficit funding, £500,000 was given as a discretionary increase to scheme pensioners as at 1 July 2014.

The following table sets out the key FRS17 assumptions used for the scheme:

Assumptions	31 March 2015	31 March 2014
Retail price inflation	3.10% pa	3.30% pa
Consumer price inflation	1.90% pa	2.30% pa
Discount rate	3.50% pa	4.40% pa
Pension increases (5% LPI)	3.00% pa	3.20% pa

Life expectancy	2015 Male	2015 Female	2014 Male	2014 Female
Retiring at age 65 in 2015	21.3 years	23.5 years	21.7 years	24.0 years
Retiring at age 65 in 2035	22.6 years	25.0 years	23.9 years	26.3 years

The table reflects the change in the mortality tables used for the 31 March 2015 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.

## 20 NSPCC Pension Schemes (continued)

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:

	31 March 2015 £'000	31 March 2014 £'000	31 March 2013 £'000	31 March 2012 £'000	31 March 2011 £'000
Fair value of assets	166,111	154,853	153,193	155,238	148,168
Present value of liabilities	(164,740)	(152,479)	(156,940)	(160,732)	(154,644)
Impact of limitation in recognition of scheme surplus	(1,371)	(2,374)	-	-	-
<b>Deficit in the scheme, equalling the net pension liability</b>	<b>-</b>	<b>-</b>	<b>(3,747)</b>	<b>(5,494)</b>	<b>(6,476)</b>

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

	2015 £'000	2014 £'000
Past service cost	500	500
Interest cost	6,605	6,495
Expected return on scheme's assets	(9,129)	(8,304)
Unrecognised expected return on assets due to limitation on recognition of scheme surplus	1,871	1,809
Unrecognised past service costs due to limitation on recognition of scheme surplus	(500)	(500)
<b>Total net (income)</b>	<b>(653)</b>	<b>-</b>

The following amounts have been included within actuarial (loss)/gain recognised under FRS17 in relation to the defined benefit scheme:

	2015 £'000	2014 £'000
Actuarial gain/(losses) on scheme assets	5,524	(4,023)
Actuarial (losses)/gain on scheme liabilities	(10,801)	6,335
Effect of limit on amount of surplus recognised	2,374	(1,065)
<b>Actuarial (losses)/gains on defined benefit pension scheme</b>	<b>(2,903)</b>	<b>1,247</b>

The current allocation of the scheme's assets is as follows:

	2015 £'000	2014 £'000
Equities	32,026	28,670
Bonds	3,778	3,185
Property	7,566	6,515
Absolute return fund	24,257	34,003
Diversified growth fund	48,602	33,282
Insured annuities	49,396	48,435
Cash/other	486	763
<b>Total assets</b>	<b>166,111</b>	<b>154,853</b>

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

	2015 £'000	2014 £'000
Opening value of scheme liabilities	152,479	156,940
Past service cost	500	500
Interest cost	6,605	6,495
Actuarial gain/(losses)	10,801	(6,335)
Benefits paid	(5,645)	(5,121)
<b>Closing value of scheme liabilities</b>	<b>164,740</b>	<b>152,479</b>

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

	2015 £'000	2014 £'000
Opening value of scheme assets	154,853	153,193
Expected return on plan assets	9,129	8,304
Actuarial gain/(losses)	5,524	(4,023)
Contributions by the employer	2,250	2,500
Benefits paid	(5,645)	(5,121)
<b>Closing value of scheme assets</b>	<b>166,111</b>	<b>154,853</b>

The actual return on the scheme's assets over the year was a gain of £14,653,000 (2014 gain of £4,281,000).

The following amounts for 2011-2015 have been recognised under the "actuarial gains and losses on defined benefit pension scheme" heading within the statement of financial activities:

	2015 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
Experience adjustments on scheme's assets	5,524	(4,023)	(6,113)	1,776	1,501
Experience adjustment on scheme's liabilities	2,494	582	7,501	-	-

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 £13,262,000 (2014 10,359,000).

## 21 Annual operating lease commitments

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

	Land and buildings 2015 £'000	Other 2015 £'000	Land and buildings 2014 £'000	Other 2014 £'000
Within one year	691	9	113	-
Between one and five years	1,011	57	1,584	68
After five years	43	-	32	-
<b>Total</b>	<b>1,745</b>	<b>66</b>	<b>1,729</b>	<b>68</b>

## 22 Endowment, Restricted and Designated Funds

	Balance 1 April 2014 £'000	Incoming resources £'000	Outgoing resources £'000	Gains and losses £'000	Transfers £'000	Balance 31 March 2015 £'000
<b>Permanent Endowment Funds</b>						
<b>Charity</b>						
Permanent Endowment Fund	1,365	-	(3)	18	-	1,380
N Knatchbull Endowment Fund	10	-	-	-	-	10
M Glaister Fund	10	-	-	-	-	10
A Sykes Fund	9	-	-	-	-	9
<b>Total permanent endowment funds</b>	<b>1,394</b>	<b>-</b>	<b>(3)</b>	<b>18</b>	<b>-</b>	<b>1,409</b>

### Restricted funds

#### Charity

ChildLine restricted funds received by NSPCC including funding received from the Child's Voice Appeal for the Helpline Development Project.	48	9,001	(8,695)	-	-	354
Activities to end cruelty to children funded by other restricted donations	352	8,628	(8,730)	-	-	250
Capital Projects, including Acquisition of Buildings	6,759	12	(150)	-	-	6,621

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

ChildLine and NSPCC Helpline funded by the Department for Education.	-	2,000	(2,000)	-	-	-
Capital Project, Helpline Information System Transformation funded by the Department for Education	-	713	-	-	-	713
New Orleans Intervention Model (NIM) for Infant Mental Health in Scotland funded by a grant from the Big Lottery Fund.	57	500	(497)	-	-	60

	Balance 1 April 2014 £'000	Incoming resources £'000	Outgoing resources £'000	Gains and losses £'000	Transfers £'000	Balance 31 March 2015 £'000
<b>Details are given below in respect of restricted funds where separate disclosure is required by the funder:</b>						
"A Better Start" project in Blackpool funded by a delivery grant from the Big Lottery Fund.	-	367	(310)	-	-	57
ChildLine Foyle Helpline in Londonderry funded by the Department of Education Northern Ireland.	-	266	(266)	-	-	-
NSPCC ChildLine Service in Scotland funded by the Big Fund and the Scottish Government Third Sector Early Intervention Fund.	-	160	(160)	-	-	-
Therapeutic Services for Child Victims of Sexual Abuse funded by the Ministry of Justice.	-	97	(97)	-	-	-
ChildLine core funding for Wales received from the Welsh Government.	-	80	(80)	-	-	-
ChildLine Schools Service funded by the players of People's Postcode Lottery	-	80	(80)	-	-	-
ChildLine counselling staff salaries in Northern Ireland funded by the Department of Health, Social Services & Public Safety (DSSHPS) of Northern Ireland.	-	62	(62)	-	-	-
"A Better Start" project in Blackpool funded by a development grant from the Big Lottery Fund.	-	54	(54)	-	-	-
Funding for the salary costs of two 'Protect and Respect' case workers from The City of London Corporation's charity, City Bridge Trust.	-	45	(28)	-	-	17
"New Orleans Intervention Model" (NIM) in London funded by the Department for Education.	-	26	(26)	-	-	-
The 'Young Mum's Participation' project in Scotland funded by a grant from the Big Lottery Fund.	-	7	(3)	-	-	4
<b>Total restricted funds</b>	<b>7,216</b>	<b>22,098</b>	<b>(21,238)</b>	<b>-</b>	<b>-</b>	<b>8,076</b>
<b>Total restricted and endowment funds</b>	<b>8,610</b>	<b>22,098</b>	<b>(21,241)</b>	<b>18</b>	<b>-</b>	<b>9,485</b>
<b>Designated funds</b>						
<b>Charity</b>						
Freehold and leasehold properties	22,093	-	(1,347)	-	2,522	23,268
<b>Total designated funds</b>	<b>22,093</b>	<b>-</b>	<b>(1,347)</b>	<b>-</b>	<b>2,522</b>	<b>23,268</b>
<b>Other unrestricted funds</b>						
<b>Charity</b>						
General funds	47,169	105,831	(98,853)	705	(4,772)	50,080
<b>Total general funds for the Charity</b>	<b>47,169</b>	<b>105,831</b>	<b>(98,853)</b>	<b>705</b>	<b>(4,772)</b>	<b>50,080</b>

## 22 Endowment, Restricted and Designated Funds (continued)

	Balance					Balance
	1 April	Incoming	Outgoing	Gains and	Transfers	31 March
	2014	resources	resources	losses		2015
£'000	£'000	£'000	£'000	£'000	£'000	
<b>Subsidiary companies</b>						
NSPCC Trading Company Limited	30	4,401	(4,401)	-	-	30
ChildLine	-	984	(984)	-	-	-
<b>Total general funds for the Group</b>	<b>47,199</b>	<b>111,216</b>	<b>(104,238)</b>	<b>705</b>	<b>(4,772)</b>	<b>50,110</b>
Pension reserve	-	1,153	(500)	(2,903)	2,250	-
<b>Total funds for the Group</b>	<b>77,902</b>	<b>134,467</b>	<b>(127,326)</b>	<b>(2,180)</b>	<b>-</b>	<b>82,863</b>

The incoming resources figure for general reserves for the charity excludes the gift aid donation of £1,761,000 from NSPCC Trading Company Limited and the grant of £984,000 from ChildLine. The transfers from general funds are £2.25 million for payments in relation to pensions and £2.5m to designated funds in relation to property additions.

## 23 Analysis of group net assets between funds

Fund balances at 31 March 2015 are represented by:

	Unrestricted				Total funds
	General	Designated	Restricted	Endowment	
	£'000	£'000	£'000	£'000	
Tangible fixed assets	5,673	23,268	7,225	-	36,166
Investments	47,982	-	-	1,380	49,362
Current assets and liabilities	584	-	851	29	1,464
Provisions	(4,129)	-	-	-	(4,129)
<b>Total net assets</b>	<b>50,110</b>	<b>23,268</b>	<b>8,076</b>	<b>1,409</b>	<b>82,863</b>

Of the Restricted Funds represented by tangible fixed assets, £6,231,000 relates to freehold and leasehold property, and £994,000 relates to other tangible fixed assets. Included in the Restricted Funds represented by current assets and liabilities figure is £109,000 which relates to restricted donations to be spent on development software.

## 24 Legacies

The NSPCC has been notified of 1,251 legacies, which have not been included within the financial statements as no notification of impending distribution has been received (2014: 1,077). Of these, 31 per cent are pecuniary legacies which have an average value of £3,584 (2014: 26 per cent £3,635) and the remaining 69 per cent are residuary legacies, which have an average value of £39,471 (2014: 74 per cent £45,024). 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 (2014: 12) and 190 residuary legacies (2014: 153) which are subject to a life interest.

## 25 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 20, related party transactions with the trustees are disclosed in note 5. There were no transactions with other related parties in the year.

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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 (NPO0588)

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**[nspcc.org.uk](https://www.nspcc.org.uk)**