



Giving
disabled children
a brighter future

KIDS CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS YEAR END 31 MARCH 2020



CHARITY REGISTRATION NUMBER: 275936

COMPANY REGISTRATION NUMBER: 01346252

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COMPANY INFORMATION

Company number:	01346252	
Charity number:	275936	
Registered office:	7-9 Elliott's Place London N1 8HX	
Trustees:	Stephen Unwin Chris Stefani Sam Bowerman Chris Blackhurst Steven Clarke Kerry Crichlow Teresa Culverwell David de Paeztron Austin Erwin Baroness Gabby Grist Zoe Peden Richard Pogrel Lindsay Thomas Anna Hamilton Mary-Rachel McCabe Diana Sutton	Chair Treasurer (Resigned 24 September 2019) (Resigned 28 January 2020) (Resigned 24 September 2019) (Appointed 20 May 2020) (Appointed 20 May 2020) (Appointed 20 May 2020)
Company Secretary:	Caroline Stevens Katie Ghose	(Resigned 1 November 2019) (Appointed 4 November 2019)
Bankers:	Barclays Bank plc 50 Pall Mall London SW1Y 5AX	
Auditor:	Cooper Parry Group Limited Park View One Central Blvd, Blythe Valley Park, Solihull B90 8BG	

CHAIRMAN'S WELCOME

Only 4% of parent carers feel they get the right support to safely care for their disabled children (Disabled Children's Partnership, Give It Back Survey 2019)

This is why KIDS exists. We provide support to disabled children and their families, with any disability, right across the country. And, right now, we are needed more than ever.

This year KIDS provided support and advice to over 13,700 disabled children and young people. We supported babies with visits at home, provided outstanding specialist care in our nurseries, helped children to access education and worked with our teenagers and young adults to give them independence and a voice of their own. All of this is only possible thanks to our supporters. Thank you.

As we review the year, it's impossible to ignore the impact that the Covid-19 pandemic has had on all of us, and just how disproportionate that has been on disabled children and their families. This is undoubtedly a challenging time.

However, we have optimism for the future. This year I've welcomed our new Chief Executive, Katie Ghose and together we're developing our new goals - which will navigate us through these new ways of delivering support - and the feedback from our families gives us great hope. We know that what we are doing is making a real difference.

I would like to say an enormous thank you to our staff, our volunteers and our supporters. But, above all, I want to thank the families and their wonderful children. By working together, KIDS can help ensure a brighter future for all disabled children and young people – whatever is happening in the world beyond.

Stephen Unwin

Chairman

CHIEF EXECUTIVE'S INTRODUCTION



It was an honour to become KIDS' Chief Executive in autumn 2019 and to step into the shoes of Caroline Stevens, now Chief Executive of the National Autistic Society, who did so much in her six years of service to strengthen KIDS' reach and impact. I join a remarkable team of staff, trustees and volunteers who always go the extra mile to help and empower disabled children, young people and their families.

As the trustees' report shows, despite significant financial challenges, 13,700 disabled children and young people in England benefitted from KIDS' services during the year. Services included drop-in crèches and nurseries for the under 5s, youth clubs, short breaks and residential stays for young adults.

I want to give my warmest thanks to everyone who has raised money for KIDS this year or donated their time and expertise. Every single contribution has made a positive difference to a disabled child or young person. We are particularly thankful to BBC Children in Need, Greystar, Sandra Charitable Trust, Royal Navy and Royal Marines Charity, National Lottery

Community Fund, Mace and Cranswick Foods for their significant gifts, grants and time.

KIDS' current strategy comes to an end in 2020, our 50th anniversary year. There is a wealth of expertise among our staff, volunteers, supporters, partners, commissioners, donors and the children, young people and families who benefit from our work. I can't wait to hear their ideas as we work together to shape the charity's next chapter.

Katie Ghose
Chief Executive

STRATEGIC REPORT

Objectives and Activities

KIDS is a national charity that provides a wide range of services to disabled children, young people, and their families in England. The charity supports children and young people with any disability from birth to 25 years. We support the whole family with the aim of giving disabled children a brighter future. KIDS' charitable objects, from its Memorandum and Articles of Association, are:

1. The relief of poverty amongst children, young persons, their families and carers;
2. To provide for the training and education of children and young persons;
3. To provide in the interests of social welfare, facilities for the recreation and other leisure time occupation of children and young persons designed to improve the condition of their lives;
4. The relief of sickness and the relief of the disadvantages experienced by children and young persons with physical or learning impairments by providing services designed to minimise the effect on disabled children and young people of their impairments and give such children and young people the opportunity to lead ordinary lives; and
5. Any other purpose which is exclusively charitable under the law of England and Wales.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the publication 'Public benefit: running a charity (PB2)'.

Our Vision and Values

Our vision is a world in which all disabled children and young people realise their aspirations.

KIDS' values are:

To be passionate, caring, trusted, responsive, collaborative and champions of quality.

We believe that disabled children and young people should be allowed to be themselves, to have fun, play and grow into adulthood with every opportunity to live life and access the same opportunities as other people.

Our Mission:

- Help and empower families with disabled children
- Support disabled children to play, have fun and grow
- Support disabled young people into adulthood

Main Activities

KIDS provides high quality services for disabled children, young people and their families. In addition, KIDS influences national policy and practice, often in collaboration with others in the disability sector, and runs participatory programmes for young disabled people to bring their voices and experiences to the fore.

Current Strategy

Our current strategy (2016-2020) has six priorities:

1. To develop our work with young people aged 14-25
2. To extend our work with health agencies
3. To continue to focus on quality and demonstrate our impact
4. To increase our public profile
5. To strengthen our infrastructure
6. To diversify our income streams

In this final year, progress was made in all areas, although funding constraints prevented us from investing in the capacity required to significantly diversify income or to increase our profile. We made tangible progress towards goals 1, 2, 3 and 5 and include examples of these in achievements and performance section below.

Achievements and Performance

Services: In a challenging financial environment, the charity continued to deliver a wide range of services, and to receive high rates of satisfaction from families and regulators. Several local authorities re-awarded or extended contracts and made new long-term commitments. These include a 15-year contract (Hayward Adventure Playground in London) and a 5-year contract for Russell House (in the South-West). Once again families expressed a high degree of satisfaction with our services. 96% of families said they trusted us to act in their child's best interests (2019 parents' survey). Nearly three quarters of parent carers said they strongly agreed with the following: 'I am happy with the service I receive or have received from KIDS' (74%) and 22% agreed. 97% of families either agreed or strongly agreed 'the service at KIDS is friendly and caring'.

One Team KIDS is a change programme to build the infrastructure and tools for staff working in different services across the country and centrally to come together as one team, share practice and benefit from one set of systems and processes, including finance, digital and HR. It is a direct response to staff feedback that infrastructure and processes needed dramatic modernization to enable frontline services to flourish. This year the team embedded the new operations structure and ways of working (directed by Katherine Shaw, National Operations Director), in order to strengthen our support for frontline staff, improve the effectiveness of our processes and systems and to enable the team to share, scale and replicate successful initiatives from one area in other parts of the country.

Systems: Significant IT, digital, finance, HR, and other systems/improvements were introduced to streamline processes and ease internal communications. Their value was underpinned when teams moved with speed and efficiency to adopt remote working and alternative modes of service delivery when coronavirus restrictions were introduced in March 2020. During the year the charity also moved a high proportion of its services onto CharityLog, introduced Eploy and digitised its petty cash process.

Quality: Quality is a core value and one of six current corporate goals. During the year, KIDS improved induction for new sessional workers; developed its Direct Short Breaks

(DSB) system to meet increased requirements; further strengthened safeguarding governance changes by introducing a new National Safeguarding Lead, national reporting, a new regulatory risk register and audit schedule including site visits by our internal audit team.

Increasing voluntary income: Voluntary funding was strong during the year. Highlights from the year include a 3-year grant from Royal Navy and Royal Marines Charity for £141,000 to support our work with military families in Hampshire and £131,000 from the National Lottery Community Fund to develop a Young Person's Engagement Group in Bridlington. KIDS also had the opportunity to take part in the BBC Lifeline Appeal, hosted by Claire Skinner. We raised over £14,000 in donations and enjoyed the opportunity to raise our profile on national television. We introduced several new events onto the programme for 2019/20 including Swim Serpentine and the Superhero Triathlon, which is specifically for people with disabilities. We also hosted another successful Murder Mystery event, which has continued to grow in popularity and saw over 70 guests working through clues in a Circus setting. Unfortunately the impact of Coronavirus meant many large, mass participation events were cancelled or postponed towards the end of the 2019/20 Financial Year, including the London Marathon. Our popular Tramp party was also cancelled.

We would like to express thanks to all the businesses and charitable trusts and foundations that continue to support our work as well as the committed individuals who run marathons, trek up mountains, complete sky dives, hold jumble sales and take on many and varied other fundraising activities for KIDS all over the country.

Strategy: In 2019, staff and trustees started a strategic review, in preparation for a new corporate strategy from 2020. They commissioned market analysis to inform future business models; produced SWOT analysis and produced a process for consultation of staff and beneficiaries. Given the onset of coronavirus in March 2020, the strategic review plans were paused, to allow the charity to focus on the immediate needs of beneficiaries. Trustees and the senior team are now considering the timings and progression of a new strategic framework.



Finances

The financial challenges for families with a disabled child or young person, for charitable providers and for the wider care sector continue to be very challenging. Pressure continues on our local government funded contracts, which make up 85% of our overall income. This year we had to close 3 services that were not financially viable including KIDS House, Sutton short breaks and Staffordshire short breaks.

We were commissioned by the Department for Education as a consortium with Contact and Council for Disabled Children to deliver young people participation nationally while building synergies with the wider parent participation network. We continue to be successful with our growing Mediation service across the country.

Regulated Services

KIDS has 17 regulated settings – 12 are registered with Ofsted and 5 are registered with the Care Quality Commission (CQC).

4 regulated activities were closed over the year. Three were in our South East region following the move to and operational changes at the SMILE centre; and one in Bath. All service users were consulted about the changes and supported in finding alternative provision.

5 of our 12 Ofsted registered activities were subject to inspection in the 2019/20 financial year. This included a combination of full, and compliance inspection visits depending on the type of registration and inspection requirements. The inspections comprised: 1 adventure

playground, 1 day care nursery, 1 out of school activity scheme, 1 overnight short break residential setting and 1 holiday scheme for disabled children.

KIDS continues to demonstrate high standards of delivery and effectiveness across our range of Ofsted regulated activities: KIDS Residential Holiday Scheme for Disabled Children, KIDS overnight short break residential (Russell House) and KIDS Day care Nursery (Basingstoke) were all judged to be 'good'. The 2 play and leisure projects met all the requirements of the childcare register (Chelsea Adventure Playground and Orchard Centre).

3 of our 5 CQC regulated activities were also inspected in the 2019/20 we look forward to our next inspection where we are confident of meeting the required standards.

Partnership and influence

Partnership with parents was central to KIDS' foundation and working alongside them, with disabled children and young people as well as a wide range of other individuals and organisations continues to be core to our ethos and practice. KIDS' current partnerships include:

- Partnership with Contact and Council for Disabled Children to deliver Young People's Participation nationally for Department for Education
- Key delivery partner in the city-wide Birmingham Early Years and Wellbeing project
- Providing SEND expertise to Change, Grow Love in Walsall.
- Islington Play association playgrounds – running a specialist adventure playground on their behalf (Hayward Adventure Playground)
- In Camden KIDS, WAC arts College and PACE work in partnership to provide short breaks to children and young people
- Young Carers in Hampshire alliance working together ensuring that young carers across the county receive emotional support, respite from caring and the opportunity to have fun days out, make friends and ensure they have the same opportunities as their peers.
- Members of the Council for Disabled Children and Supporters of the Disabled Children's Partnership.

We continue working to foster longer term, reliable relationships with the families of the children and young people we work with so that we can offer consistent support. Where possible we facilitate co-production of our services with opportunities for users to be involved at the earliest stage of our planning and by seeking feedback throughout our delivery to drive continuous improvement. As we develop our new strategy, we will consulting disabled children, young people and family members to hear their views on future services and activities.

Financial Review

The statement of financial activities is shown on page 22.

Income for the group has decreased from £10.083 million to £9.402 million. This has been due to the closure of a number of services in the South East Region.

Overall the net asset position of the group has increased slightly from £7.463 million to £7.512 million, an increase of £0.049 million. Restricted Reserves decreased by £0.020 million with unrestricted reserves (excluding the property Reserve) increasing from £2.404 million to £2.473 million.

Principal Risks and Uncertainties

Financial

The most significant risk for KIDS continues to be our finances. Reserves have increased year on year (excluding last year – 2018/19). Fundraised income has increased this year with the growth being from restricted. Unrestricted income has dropped this year and local authority tendered contracts make up most of this income. With continuous cuts to local government funding it is becoming more difficult to operate on a break even basis. KIDS is committed to paying the national minimum wage, however annual increases, lack of increased rates from local authorities, and recruitment issues in certain parts of the country have all contributed to increasingly tight margins. KIDS is continually monitoring the financial viability of contracts and is making the difficult decision of closing projects where costs exceed the income received.

The cash position has remained stable enabling us to be in a stronger position, however the impact of reducing unrestricted reserves is not sustainable and will have an impact on the cash balances if the deficits continue.

Safeguarding

The Board is committed to safeguarding and promoting the welfare of children and young people and expects all staff and volunteers to share this commitment. All children and young people we work with must, at all times, feel safe.

This year we were able to make the position of National Safeguarding Lead a permanent role and build on the excellent progress we have been making in this area.

As part of our commitment to safeguarding KIDS has a Safeguarding Board, chaired by the National Safeguarding Lead and with representatives from all parts of the organisation. The Board meets regularly to review policy and practice and disseminate learning and good practice. This year we established several new ways of working, including a team of local leads from each service/area who meet virtually and in-person to ensure KIDS' safeguarding policies fully meet the needs of our children, young people and families and that these policies are reflected in practice. Our newly introduced national safeguarding tool means that we now have national oversight of all safeguarding concerns and are able to monitor trends and proactively manage risk.

KIDS follows safer recruitment principles and all staff and volunteers working with children, young people or families have DBS checks, regular supervision and safeguarding training.

We work closely with families and co-operate fully with other agencies to take all reasonable steps to minimise the risks of harm to a child or young person's well-being. We recognise that not all risks can be eliminated so we must operate in an atmosphere of safe uncertainty. This means that children and young people must feel secure and safe in the face of reasonable risks but should never be knowingly or unknowingly put in a position of significant harm or abuse.

Regulatory

KIDS' services are regulated by the Care Quality Commission (CQC), Ofsted, and Local Authority audits. Non-service delivery is also regulated, including by the General Data Protection Regulation (GDPR) and Data Protection Act 2018. KIDS is continually monitoring its compliance with GDPR and has introduced mandatory training for all staff across the organisation. KIDS is a member of the Fundraising Regulator, taking our commitment to the highest standards of professional fundraising seriously and implementing recommendations on consent.

Plans for the Future

Since 1970 we have supported thousands of disabled children and young people, but we are ambitious to increase our reach and impact and to do this in partnership with disabled children, young people and their families. This year is a transition during which we will continue to progress our current strategic goals; celebrate our 50th anniversary and renew our vision and plans from 2021 onwards. Without precluding the final results of the strategic review, themes are emerging:

- Adapt our services to keep step with disabled children, young people's and families' needs and connect them with each other
- Ensure that our business model is fit for purpose and capable of withstanding the external challenges that many charities face, now exacerbated by coronavirus
- Share our expertise: develop new training and consultancy services; strengthen our partnerships in health and education
- Develop our pioneering work to support young disabled people's participation and involvement

TRUSTEES' ANNUAL REPORT

(Incorporating the Directors' Report for the year ended 31 March 2020)

The Trustees, who are the directors of the charitable company for Companies Act purposes, are pleased to present their annual report and review together with the audited financial statements of the charity and the group for the year ended 31 March 2020. In this report they are referred to as the Trustees or, collectively, as 'the Board'.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 March 2015).

Structure, Governance and Management

Governing Document

KIDS is a registered charity and is a company limited by guarantee. It is licensed by the Secretary of State to omit the word "Limited" from its name. The instruments governing the charity are the Memorandum and Articles of Association.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The Trustees are the Members of the charitable company but this entitles them only to voting rights. The total number of such guarantees at 31 March 2020 was 11 (2019: 14).

KIDS has 4 subsidiaries. KIDS Trading Company Limited, is a dormant company limited by guarantee registered in England and Wales. Support Education Respite Care for Children, Kidsactive, and Strut Limited are all charities and companies limited by guarantee, with no share capital, registered in England and Wales. All three are dormant.

Organisation

The charity is governed by a Board of Trustees collectively referred to as the Trustees. These Trustees are also the Directors of the company for Companies Act purposes.

The full Board of Trustees meets at least six times per year. In addition to the full Board, the Finance and Audit Committee meets at least five times per year. The Finance and Audit Committee consists of the Chair and Treasurer and a minimum of two other Trustees along with other individuals appointed by the Board.

For the year ended 31 March 2020 the members of the Finance and Audit Committee were:

Chris Stefani (Chair of Finance and Audit Committee)
Stephen Unwin
David de Paeztron
Austin Erwin
Zoe Peden
Richard Pogrel
Linda Smeaton

Lindsay Thomas
Sabah Zubaida

The charity maintains a risk register outlining the major strategic, funding and operational risks that it faces. The Finance & Audit Committee regularly reviews the risk register and at least once a year the Board also conducts a review of significant risks. Having assessed the major risks, in particular those relating to the operation and finance of the charity, the Trustees are satisfied that, within the bounds of practicality, systems are in place to mitigate exposure to these.

Appointments to the Board

The Board includes people with a range of professional skills including finance; Human Resources; voluntary sector leadership and management; digital; risk; law; national and local government. Several trustees have lived experience as parents or siblings of disabled children and young people.

Each Trustee must retire at the next board meeting once three years has passed since their appointment or last election. They are eligible for re-election or re-appointment for two further consecutive terms of three years provided that they do not serve for a period of more than nine years without a period of at least a year out of office.

Trustees are recruited following the identification of a gap in key skills and experiences or to directly replace retiring Trustees. The recruitment is through a robust interview and appointment process, including input from a young people's panel. Candidates receive a full briefing pack about the function and responsibilities of being a Trustee and have the opportunity to meet the Chair and other Trustees before being elected.

Trustee Induction and Training

New Trustees undergo an orientation process which includes a briefing on their legal obligations under charity and company law, Charity Commission guidance on public benefit, the charity's Memorandum and Articles of Association, decision-making processes, the business plan and recent financial performance of the charity. Their induction includes sessions with the Chair, the Chief Executive Officer, other trustees and senior staff. Trustees are encouraged to attend relevant external training courses or events.

The names of the Trustees of the charity at the date of this report are stated on page 1.

The Trustees are covered by qualifying third-party indemnity provisions which were in place throughout the year and remain in force at the date of this report.

Management

The Trustees are responsible for the high level strategic development and direction of the charity. The day to day management of the charity, including staff and financial matters, is delegated to the Chief Executive.

We have determined our key management are the Chief Executive (Katie Ghose), supported by an Executive Leadership Team comprising the Director of Finance and IT (Emma Teviotdale), Director of Fundraising (Fidelma Hatton), HR Director (Sally Storton) and the

National Operations Director (Katherine Shaw). The total remuneration for key management can be found in note 9.

Related Parties

Related parties of the charity include its subsidiary undertakings. A full list of the charity's subsidiary undertakings is disclosed in note 14 to the financial statements. All subsidiaries listed are included in the consolidated financial statements.

None of the Trustees receive any remuneration from their work with the charity.

A Conflicts Register is maintained by the Company Secretary to monitor and manage any potential conflicts of interest. Any conflicts are declared at the first board meeting at which the Trustee becomes aware of the potential conflict and are then recorded in the Conflicts Register. The Board considers all conflicts in line with the provision set out in the Company's Articles. The Trustees declare all interests on an annual basis.

Remuneration Policy

We endeavour to pay all our staff a fair and appropriate salary which ensures we attract and retain the right skills to have the greatest impact on advancing our vision whilst having to be balanced against the funds available to us.

Apart from the Chief Executive's salary, employees' and workers' pay is determined according to a fixed pay scale. All roles have a job description and they are evaluated against a set criteria to determine their grade which in turn governs their pay.

It is the responsibility of the Chair and the Treasurer to consider the remuneration of the Chief Executive using external information about pay rates of senior staff and make a recommendation to the Board for approval.

The Board approves the pay settlement for all staff.

Reserves Policy

The environment that KIDS operates within continues to go through significant change. Uncertainty still remains and the level of working capital that the group requires to continue to securely operate going forward is not totally quantifiable.

The Reserves Policy and its application will be reviewed at least annually. This is an agile policy and with internal/external changes to the charity the monetary level may change from year to year but the principles within the policy will remain the same. The principles are as follows:

1. Liquidity - the charity's cash balance must not fall below £500,000.
2. Reserves – the level of unrestricted reserves must contain a minimum level equal to 60 days of anticipated expenditure.
3. Contract Risks – an ongoing analysis of risks associated with larger contracts must be continually assessed and an allocation be made within unrestricted funds if the risk is deemed highly likely.

4. Cessation of business – Although unlikely to happen an ongoing analysis of the going concern of the business will be conducted, and sufficient unrestricted reserves will be allocated for the purpose.
5. Capital Accumulation – a key part of the corporate strategy is to change the business model and to increase the level of fundraising income but to do this there will need to be an investment in infrastructure and fundraising. The policy allows an allocation of unrestricted reserves to be used once principles 1 to 3 have been considered. Any available unrestricted reserves remaining can be used to fund designated reserves that assist the charity in achieving its corporate objectives.

Having assessed the budget for 2019-20, and taking into account the principles above, a minimum reserves monetary amount has been set at £1.3 million. It is estimated that at 31 March 2020 the unrestricted reserves will at least meet our minimum requirement. However designated funds have been reduced to ensure unrestricted reserves are maintained at a prudent level.

Investment Policy

Apart from the investments in the subsidiary undertakings, there are no investments other than cash. The group does not have any significant excess cash reserves and so its policy is to hold any surplus cash resources in low risk, interest bearing bank deposit accounts.

Going Concern

A review of the financial position and performance of the charity and the group has been outlined in the strategic report which commences from page 5, together with a description of the principal risks and uncertainties faced by the charity on page 10.

Coronavirus - At the date of signing these financial statements, the directors have considered the effect on the group with the information available to it, and do not believe it will affect the group's ability to continue to trade for the foreseeable future. As with most businesses there will be short term practical difficulties which we have addressed and are managing. The Directors have assessed the level of reserves along with the impact of the lockdown on the budget for the next financial year and although there will be a shortfall in service delivery and in fundraised income the Directors believe that the reserves can withstand the losses.

The charity has acceptable financial resources: unrestricted funds have increased slightly from £2.404 million to £2.473 million. As a consequence, the Trustees have a reasonable expectation that the group is well placed to manage its business risks successfully and continue in operational existence for the foreseeable future.

Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Fundraising

KIDS raises funds with the aim of giving disabled children and young people a brighter future.

The funds we raise are the sole source of income for some projects, they provide additional income for services commissioned by local authorities and they ensure we continue to develop our offering to meet families' needs.

We appreciate that supporting our work is a choice and we respect our supporters who make that choice.

Our supporters help our work through giving their time in volunteering at one of our services or at an event, raising funds through making donations, participating in a challenge or special event or supporting via their social networks.

Alongside this, a number of corporate partners and trusts give us their time and expertise on a pro-bono basis in addition to funding specific projects and engaging in employee fundraising activities.

KIDS is a member of the Fundraising Regulator, taking our commitment to the highest standards of professional fundraising seriously and implementing recommendations on consent. Our staff undergo appropriate training, including GDPR, and are encouraged in their professional fundraising development.

The majority of our fundraising activities are directly managed in-house meaning we have direct control over standards and we ensure that our suppliers are acting to the standards we expect of them.

We take care to ensure that any vulnerable individuals would not be adversely affected by our fundraising, for example our Lottery promotion expressly encourages participants to be Gamble Aware.

We have a Fundraising Compliments, Comments and Complaints Procedure and Policy available on our website. Any fundraising complaints are logged, managed and escalated in line with organisational policy

Trustees Responsibilities Statement

The Trustees (who are also directors of KIDS for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standards applicable in the UK and Republic of Ireland". Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and charitable group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable group 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 corporate and financial information included on the charitable group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor and the disclosure of information to the auditor

So far as the Trustees are aware, there is no relevant audit information of which the group's auditors are unaware. The Trustees have taken all required steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Equality, diversity and inclusion

The charity is committed to the principle and practice of equal opportunities in employment for all employees, applications for employment, and board membership.

KIDS recognise that certain groups and individuals in our society are discriminated against for a variety of reasons, including their impairment or condition. We are committed to working towards eliminating any such discrimination in all aspects of our work and we value the individuality of all the children and young people we work with. We are committed to giving all KIDS service users every opportunity to safely express themselves and to achieve their highest potential. Within this ethos we do not tolerate bullying, harassment or discrimination of any kind.

This Trustees Report (including the Strategic Report) was approved by the Board and signed on its behalf by



Stephen Unwin
Chair of Trustees
29th September 2020

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF KIDS

Opinion

We have audited the financial statements of KIDS (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheet, the Group and Charity Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2020, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

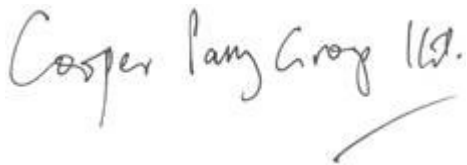
We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

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

Use of our report

This report is made solely to the parent charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company'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 parent charitable company and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Simon Atkins FCA". The signature is written in a cursive style and is positioned above a horizontal line.

Simon Atkins FCA

Senior Statutory Auditor for and on behalf of:

Cooper Parry Group Limited
Chartered Accountants and Statutory Auditor
One Central Boulevard
Park View
Blythe Valley Park
Solihull
West Midlands
B90 8BG

Date: 30 September 2020

STATEMENT OF FINANCIAL ACTIVITIES

(including consolidated income and expenditure account) for year ending 31 March 2020)

Notes	2020			2019			
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £	
Income:							
Donations and legacies	3	370,733	862,527	1,233,260	351,548	820,230	1,171,778
Charitable Activities	4	7,893,062	0	7,893,062	8,583,100	0	8,583,100
Other Trading Activities	5	159,639	56,950	216,589	189,533	109,438	298,971
Investments	6	6,487	0	6,487	4,031	0	4,031
Other		52,735	0	52,735	25,046	0	25,046
Total Income		8,482,656	919,477	9,402,133	9,153,258	929,668	10,082,926
Expenditure:							
Raising Funds	7	540,557	0	540,557	631,492	0	631,492
Charitable Activities	7	7,985,775	826,788	8,812,563	8,648,993	720,485	9,369,478
Total Expenditure		8,526,332	826,788	9,353,120	9,280,485	720,485	10,000,970
Net Income / (Expenditure)		(43,676)	92,689	49,013	(127,227)	209,183	81,956
Revaluation of Fixed Assets		0	0	0	(604,344)	0	(604,344)
Transfers	21	112,954	(112,954)	0	45,977	(45,977)	0
Net Movement in Funds		69,278	(20,265)	49,013	(685,594)	163,206	(522,388)
Reconciliation of Funds:							
Total Funds brought forward		6,819,114	643,730	7,462,844	7,504,708	480,524	7,985,232
Total funds carried forward	21	6,888,392	623,465	7,511,857	6,819,114	643,730	7,462,844

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The notes on page 25 to 38 form part of these financial statements.

BALANCE SHEET

For the year ended 31 March 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fixed assets					
Tangible assets	13	5,460,660	5,405,720	5,460,660	5,405,720
Investments	14	0	0	100	100
Total Fixed assets		5,460,660	5,405,720	5,460,760	5,405,820
Current assets					
Debtors	15	1,240,355	1,646,166	1,240,355	1,646,166
Cash at bank and in hand	23	1,472,832	1,331,162	1,472,832	1,331,162
Total Current assets		2,713,187	2,977,328	2,713,187	2,977,328
Liabilities					
Creditors falling due within one year	16	(661,990)	(900,759)	(662,090)	(900,859)
Net Current assets		2,051,197	2,076,569	2,051,097	2,076,469
Total assets less current liabilities		7,511,857	7,482,289	7,511,857	7,482,289
Creditors: falling due after more than one year	18	0	(19,445)	0	(19,445)
Net assets		7,511,857	7,462,844	7,511,857	7,462,844
The funds of the charity:					
Restricted income funds		623,465	643,730	623,465	643,730
Property reserve		4,414,956	4,414,956	4,414,956	4,414,956
Unrestricted income funds		2,473,436	2,404,158	2,473,436	2,404,158
Total charity funds	21	7,511,857	7,462,844	7,511,857	7,462,844

The consolidated financial statements of KIDS, registration number 01346252 on pages 22 to 38 were approved by the Board on 29th September 2020 and signed on its behalf by:



Stephen Unwin
Chair of Trustees

STATEMENT OF CASH FLOWS

(including consolidated cash flow statement) For the year ended 31 March 2020

	Notes	Group 2020	Group 2019	Charity 2020	Charity 2019
		£	£	£	£
Cash flows from operating activities					
Net cash provided by operating activities	25	401,024	193,059	401,024	193,059
Cash flows from investing activities					
Interest Received		6,487	4,031	6,487	4,031
Payments to acquire fixed assets		(145,837)	(49,146)	(145,837)	(49,146)
Proceeds from sale of fixed assets		0	0	0	0
Acquisition of Smile		0	0	0	0
Net cash (used in) investing activities		(139,350)	(45,115)	(139,350)	(45,115)
Cash flows from financing activities					
Repayment of loans		(116,667)	(116,666)	(116,667)	(116,666)
Interest Paid		(3,337)	(10,062)	(3,337)	(10,062)
Net cash provided by (used in) financing activities		(120,004)	(126,728)	(120,004)	(126,728)
Change in cash and cash equivalents in the reporting period		141,670	21,216	141,670	21,216
Cash and cash equivalents at the beginning of the reporting period		1,331,162	1,309,946	1,331,162	1,309,946
Cash and cash equivalents at the end of the reporting period	23	1,472,832	1,331,162	1,472,832	1,331,162

NOTES TO THE FINANCIAL STATEMENTS

1. Legal Form

KIDS is a registered charity (Charity number: 275936) and is a company limited by guarantee (Company number: 01346252), incorporated in England and Wales and domiciled in England. The registered office is 7-9 Elliott's Place, London, N1 8HX. The principal activity of the charity during the year was that of the provision of services for disabled children and young people.

2. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2.1. *Basis of Preparation*

The financial statements cover the period 1 April 2019 to 31 March 2020.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities COR (FRS 102)), the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

KIDS meet the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant policy note(s).

The financial statements are presented in sterling, which is the functional currency of the group and charity. All values are rounded to the nearest £1 except where otherwise indicated.

2.2. *Group financial statements*

The group financial statements include the financial statements of the parent company and all of its subsidiary undertakings on a line by line basis, all of which are made up to 31 March 2020. The charity has taken exemption from presenting its unconsolidated statement of financial activities under section 408 of Companies Act 2006.

The activities of the Group and Charity are the same and therefore the SOFA (Statement of Financial Activities) stated is the same for the Group and the Charity.

2.3. *Preparation of the accounts on a going concern basis*

At the balance sheet date the group had a significant cash balance and strong net current asset position. At the time of signing these accounts, the directors have considered the effect of the Coronavirus on the going concern position, and consider that this does indicate that the group will continue to trade for a period of at least 12 months from the date of signing these accounts due to strong reserves, minimizing costs and the UK Government support available to businesses during this difficult time.

The financial forecasts prepared by the directors show that the group will be able to operate within the facilities available to it.

On that basis, the directors have prepared these financial statements on a going concern basis

2.4. Income

Voluntary income by way of donations, legacies and gifts is recognised in full in the statement of financial activities when the group is entitled to receipt, which is usually when the cash is received. Gift Aid refunds on donations are recognised on an accruals basis.

Voluntary income by the way of grants is credited to the statement of financial activities in the year in which it is received unless otherwise stated under the terms of the application or issue.

Income for the delivery of our work with disabled children and young people through contracted services and performance related grant funding is recognised in the statement of financial activities in the year in which it is receivable and the service has been delivered. Income received which is clearly specified for a future accounting period or for services not delivered by the year end is carried forward as deferred income.

Income received by the way of parental contributions and Nursery/After School Club fees are recognised on a cash basis.

2.5. Expenditure

Expenditure is charged to the statement of financial activities in the period that it is incurred. This includes attributable VAT where it cannot be recovered. Expenditure is classified under the following activity headings:

Cost of generating voluntary funds

This is direct expenditure incurred on fund-raising applications and activities related to the generation of voluntary donations plus a proportion of support costs.

Cost of activities for generating funds

This is direct expenditure incurred on activities related to generating funds through fundraising events and the sale of donated goods plus a proportion of support costs.

Costs of Charitable Activities

This comprises all direct costs which have been incurred by the group in providing care services and meeting its charitable objects.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, HR, IT and governance costs which support KIDS operational services.

2.6. Allocation of costs

Costs directly attributable to the activities above are allocated to the activity to which they relate. Central support costs are then allocated to the activities in a proportion based on the total direct expenditure of each activity.

2.7. *Tangible Fixed Assets*

Tangible fixed assets are stated at cost less depreciation excluding Freehold and Long Leasehold buildings which are revalued every 5 years.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the basis as follows:

Asset Category	Annual rate
Freehold land	Nil
Freehold buildings	Nil Revaluation every 5 years
Leasehold property and improvements	Nil Revaluation every 5 years
Office equipment/fixtures and fittings	20% straight line
Playground structures	* Over the period of the lease
Computer equipment/software	20%-25% straight line
Motor vehicles	25% straight line

Assets under construction are not depreciated.

* Where there is no formal lease agreement for the tenancy of the respective playground, the structures are depreciated at 20% straight line.

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

2.8. *Investments*

Investments are stated at cost less provision for permanent diminution in value.

2.9. *Operating Leases*

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged on a straight-line basis over the lease term.

2.10. *Funds*

Unrestricted funds are those which are available for use at the discretion of the Board of Trustees, in furtherance of the general objectives of the group. The Board may, at its discretion, set aside unrestricted funds for specific future purposes and these are referred to as Designated Funds. Where such funds are no longer required for the intended purposes they are released to general unrestricted reserves.

Restricted funds are those which can only be used for purposes specified by the donor, or which have been raised under the terms of a specific appeal. Direct expenditure, which is for the specified purpose, is charged against the fund together with an appropriate allocation of management and support costs.

2.11. *Financial Instruments*

The group only enters into basic financial instruments transaction that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measure at present value of

the future cash flows and subsequently amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised costs are assessed at the end of each reporting period for objective evidence of impairment, if objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Financial Activities.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12. Pensions

The group operates two defined contribution pension schemes (and paid into one further scheme during the year). The assets of the schemes are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable under the schemes by the group. There is no liability under the schemes other than the payment of those contributions.

The pension costs are allocated between unrestricted and restricted reserves using the employees' time allocation when working on the various activities of the group. Any closing liability would be attributed to the unrestricted reserves at the year end.

3. Income from donations and legacies

	2019-20			2018-19
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Donations	231,929	355,783	587,712	543,192
Grants	47,548	502,051	549,599	547,770
Legacies	91,256	4,693	95,949	80,816
	370,733	862,527	1,233,260	1,171,778

Details of significant donations received in the year are provided on page 39.

4. Income from charitable activities

	2019-20			2018-19
	Unrestricted	Restricted	Total	Total
	£			
Work with disabled children and young people	7,892,512	0	7,892,512	8,581,340
Associated charitable work				
Training Courses and Products	550	0	550	1,760
	7,893,062	0	7,893,062	8,583,100

Income from work with disabled children and young people analysed by KIDS region

	2019-20	2018-19
	£	£
London & Central	3,740,924	3,989,531
South	1,642,389	2,299,483
Yorkshire & Lincolnshire	1,413,043	1,125,056
DFE / National Projects	1,096,156	1,167,270
	7,892,512	8,581,340

5. Income earned from other activities

	2019-20			2018-19	
	Unrestricted	Restricted	Total	Total	
	£	£	£	£	
Events Income	148,629	56,950	205,579	292,962	
Commission from the sale of Christmas cards	11,010	0	11,010	6,009	
	159,639	56,950	216,589	298,971	

6. Investment Income

Investment Income relates to bank interest received 2019-20 £6,487 (2018-19 £4,031) held in Unrestricted Funds.

7. Analysis of expenditure on charitable activities and raising funds

	2019-20				2018-19	
	Direct Staff Costs	Other Direct Costs	Support Costs	Total	Total	
	£	£	£	£	£	
Generating Voluntary Income	268,655	67,509	32,484	368,648	393,685	
Activities for generating funds	134,327	22,437	15,145	171,909	237,807	
Raising Funds	402,982	89,946	47,629	540,557	631,492	
Work with disabled children and young people	6,304,414	1,712,860	774,563	8,791,837	9,354,900	
Associated charitable work	0	18,900	1,826	20,726	14,578	
Charitable Activities	6,304,414	1,731,760	776,389	8,812,563	9,369,478	

Expenditure for work with disabled children and young people analysed by KIDS region

	2019-20				2018-19	
	Direct Staff Costs	Other Direct Costs	Support Costs	Total	Total	
	£	£	£	£	£	
London & Central	3,139,412	789,375	379,568	4,308,355	4,279,144	

South	1,314,061	414,723	167,023	1,895,807	2,590,329
Yorkshire & Lincolnshire	1,159,534	282,266	139,292	1,581,092	1,276,524
DFE / National Projects	691,407	226,496	88,680	1,006,583	1,208,903
	6,304,414	1,712,860	774,563	8,791,837	9,354,900

Of the total expenditure of £8,812,563 (2018-19 £9,369,478) £826,788 (2018-19 £720,485) related to restricted expenditure and £7,985,775 (2018-19 £8,648,993) related to unrestricted expenditure.

8. Analysis of governance and support costs

	2019-20			2018-19
	Staff Costs	Other Costs	Total	Total
	£	£	£	£
Chief Executive Office	141,453	26,565	168,018	149,817
Finance and Payroll	231,330	65,710	297,040	295,680
Human Resources	141,104	49,889	190,993	172,313
IT Infrastructure	88,496	45,154	133,650	155,330
Smile Support Costs	0	0	0	0
Governance	15,717	18,600	34,317	34,943
	618,100	205,918	824,018	808,083

9. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

	2019-20	2018-19
	£	£
Wages and salaries	6,404,302	6,905,497
Social security costs	429,571	461,780
Pension contributions	125,481	106,665
Agency and contract staff	367,332	355,338
	7,326,686	7,829,280

The average number of full time equivalent employees, and average headcount during the year, analysed by category

	2019-20	2019-20	2018-19	2018-19
	FTE	Headcount	FTE	Headcount
Staff engaged in generating funds	9	10	11	12
Staff engaged in direct charitable activities	156	219	187	251
Management and support staff	21	25	23	27
	186	254	221	290

Included in staff costs are amounts paid to casual workers who are engaged in direct charitable activities on a sessional basis. The average number of full time equivalent casual workers equated to 66 (2019:73).

During the year Caroline Stevens Chief Executive resigned on 1 November 2019 and Katie Ghose was appointed on 4 November 2019. For this reason, two employees received emoluments greater than £60,000 for the current year.

	2019-20	2018-19
£60,000 to £70,000	1	1
£70,000 to £80,000	1	0
£90,000 to £100,000	0	1

Total contributions made to defined contribution schemes on behalf of the higher paid employees in 2019-20 was £11,932 (2018-19 £13,744). At 31 March 2020 retirement benefits were accruing to the higher paid employees under defined contribution schemes.

The total cost of key management is £330,852 (2018-19 £395,195).

No Trustee of the charity received any remuneration for services performed on behalf of the charity or group. During the year ended 31 March 2020 one Trustee received reimbursed travel and subsistence expenses £44 (2018-19 one Trustee, £24).

10. Pension Costs

The charity participates in a defined contribution pension's scheme administered externally. Membership of the scheme is available to employees satisfying qualifying conditions. Payments made to the fund are charged annually in the financial statements. The pension cost charge amounted to £121,427 (2019: £107,079). At the year end there was £20,743 in unpaid contributions (2019: £17,167).

From 1 October 2018 there were a number of staff who had TUPE'd across from another organisation who are entitled to be in the NHS Pension.

11. Auditor Fees

The auditor fees include only audit fees for 2019/20 they were £18,600 inclusive of VAT, (2018/19 £18,600).

12. Related Party Transactions

Advantage has been taken of the exemption conferred by paragraph 3(c) of Financial Reporting Standard 102 paragraph 33.1 whereby transactions with entities that are part of the same group do not require disclosure in the financial statements.

During the 2019/20 financial year there was 1 related party transaction:

1. Stephen Unwin (Chair) has confirmed that his son works as a sessional worker at Hackney Playground. The rate of pay was at a standard rate for the role taken.

13. Tangible Fixed Assets

Summary of Tangible fixed assets of the group and charity.

All Freehold and Long leasehold properties were valued as at 1 April 2018. The properties were valued by Lambert Smith Hampton. The reports and valuations have been prepared in accordance with the Royal Institution of Chartered Surveyors ('RICS') Valuation – Professional Standards UK January 2014 (revised April 2015), also known as the 'Red Book', the International Valuation Standards ('IVS') 2017 and the Red Book – the RICS Valuation, Global Standards 2017;

- The valuations have been prepared in accordance with the current requirements of UK Generally Accepted Accounting Principles (UK GAAP)

- With reference to the Financial Reporting Standards (FRS), in particular FRS 102,
- As well as relevant Statements of Recommended Practice (SORP).

The carrying amount for each class of property that would have been recognised had the assets been carried at historical cost would have been:

Freehold Land and Buildings	£5,402,977
Long Leasehold Property	£287,934
Total	£5,690,911

Fixed Assets of the group and charity.

	Land and Buildings	Other	Total
	£	£	£
Cost			
At 1 April 2019	5,388,396	1,689,741	7,078,137
Additions	57,390	88,447	145,837
Revaluation	0	0	0
Disposals	0	(7,000)	(7,000)
At 31 March 2020	5,445,786	1,771,188	7,214,731
Depreciation			
At 1 April 2019	160,836	1,511,581	1,672,417
Charge for year	13,711	77,186	90,897
Revaluation	0	0	(2,243)
Disposals	0	(7,000)	(7,000)
At 31 March 2020	174,547	1,581,767	1,754,071
Net book value			
At 31 March 2020	5,271,239	189,421	5,460,660
At 31 March 2019	5,227,560	178,160	5,405,720

Land and Buildings of the group and charity.

	Freehold land and buildings	Long Leasehold property	Short Leasehold improvements	Total Land and Buildings
	£	£	£	£
Cost				
At 1 April 2019	5,110,669	100,002	177,725	5,388,396
Additions	0	39,390	18,000	57,390
Revaluation	0	0	0	0
Disposals	0	0	0	0
At 31 March 2020	5,110,669	139,392	195,725	5,445,786
Depreciation				

At 1 April 2019	0	0	160,836	160,836
Charge for year	0	2,626	11,085	13,711
Revaluations	0	0	0	0
Disposals	0	0	0	0
At 31 March 2020	0	2,626	171,921	174,547
Net book value				
At 31 March 2020	5,109,318	138,117	23,804	5,271,239
At 31 March 2019	5,110,669	100,002	16,889	5,227,560

Other Fixed assets of the group and charity.

	Motor Vehicles	Playground structures	Office equipment, fixtures and fittings	IT equipment and software	Total Other
	£	£	£	£	£
Cost					
At 1 April 2019	94,664	415,071	735,847	444,159	1,689,741
Additions	0	37,410	41,713	9,324	88,447
Revaluation	0	0	0	0	0
Disposal	(7,000)	0	0	0	(7,000)
At 31 March 2020	87,664	452,481	777,560	453,483	1,771,188
Depreciation					
At 1 April 2019	84,937	397,011	651,000	378,633	1,511,581
Charge for year	7,292	10,251	34,393	25,250	77,186
Revaluation	0	0	0	0	0
Disposal	(7,000)	0	0	0	(7,000)
At 31 March 2020	85,229	407,262	685,393	403,883	1,581,767
Net book value					
At 31 March 2020	2,435	45,219	92,167	49,600	189,421
At 31 March 2019	9,727	18,060	84,847	65,526	178,160

14. Investments

Investments of the charity

	2020	2019
	£	£
Market Value	100	100
Historical Cost	100	100

Investments related to the 100% share capital of KIDS Trading Company Limited, a dormant company limited by guarantee registered in England and Wales.

KIDS is also the sole member of Support Education and Respite Care for Children, Kidsactive and Strut Limited, both are charities and companies limited by guarantee, with no

share capital, registered in England and Wales. Kidsactive and Strut Limited are dormant.

	Net assets (deficit)		Surplus (deficit)	
	2020	2019	2020	2019
	£	£	£	£
Support Education and Respite Care for Children (Smile)	0	N/A	0	N/A
Kidsactive	0	0	0	0
KIDS Trading Company Limited	100	100	100	0
Strut Limited	0	0	0	0

15. Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	896,456	1,236,948	896,456	1,236,948
Other Debtors	8,597	11,387	8,597	11,387
Prepayments and accrued income	335,302	397,831	335,302	397,831
	1,240,355	1,646,166	1,240,355	1,646,166

16. Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank Loan	18,643	116,667	18,643	116,667
Trade Creditors	51,541	76,383	51,541	76,383
Social Security and other taxation	113,794	128,665	113,794	128,665
Other creditors*	52,693	72,233	52,793	72,233
Accruals	242,451	310,966	242,451	310,966
Deferred Income**	182,868	195,945	182,868	195,945
	661,990	900,859	662,090	900,859

*Includes funds held as an agent on behalf of Hull City Council 2020: £3,093 (2019: £8,121) and in 2019 funds held as a custodian which were raised at a dinner on behalf of KIDS and pledged to another organisation 2020: £0 (2019: £44,579).

**Deferred income comprises income that has been invoiced but relates to the next financial year.

17. Deferred Income

Group and Charity

	2020	2019
	£	£
Balance as at 1 April	195,945	206,968

Amount released to income earned from charitable activities	(195,945)	(206,968)
Amount deferred in year	182,868	195,945
Balance as at 31 March	182,868	195,945

18. Creditors: amounts falling due after more than one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank Loan	0	19,445	0	19,445

In 2017/18 KIDS took out a loan with Barclays for £350,000 with interest charged at a rate of 2.75% per annum over 3 years. The loan is for the Digital KIDS project to implement a new finance and core operating system.

19. Analysis of bank loan

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Due within 1 year	18,643	116,667	18,643	116,667
Due within 1 – 2 years	0	19,445	0	19,445
Due within 2 – 5 years	0	0	0	0
Due after 5 years	0	0	0	0
	18,643	136,112	18,643	136,112

20. Analysis of net assets between funds

Group

	Restricted Funds	Unrestricted Funds	Total 2019-20	Total 2018-19
	£	£	£	£
Tangible fixed assets	0	5,460,660	5,460,660	5,405,720
Net current assets	623,464	1,427,733	2,051,197	2,076,569
Creditors falling due after one year	0	0	0	(19,445)
	623,464	6,888,393	7,511,857	7,462,844

Charity

	Restricted Funds	Unrestricted Funds	Total 2019-20	Total 2018-19
	£	£	£	£
Tangible fixed assets	0	5,460,660	5,460,660	5,405,720
Investments	0	100	100	100
Net current assets	623,464	1,427,633	2,051,097	2,076,569
Creditors falling due after one year	0	0	0	(19,445)
	623,464	6,888,393	7,511,857	7,462,844

21. Analysis of charitable funds

Group and Charity

	Fund 1 April 2019	Income	Expenditure	Transfers/ Other gains	Funds 31 March 2020
	£	£	£	£	£
Restricted funds					
London & Central	305,741	336,574	(378,987)	0	263,328
South	59,673	138,508	(145,271)	(14,440)	38,470
Yorkshire & Lincolnshire	203,376	228,765	(239,434)	0	192,707
National Projects	0	2,075	(1,000)	0	1,075
AD Charitable Trust	21,919	17,500	(35,034)	0	4,385
Capital Projects	0	51,055	(12,831)	(38,224)	0
Greystar contribution to Hayward building work	0	60,000	0	0	60,000
Nation Garden Scheme	0	85,000	(4,000)	(39,390)	41,610
Albert Hunt - Money for minibus - Capital	5,000	0	0	0	5,000
Sandra Trust- Various Building work	48,021	0	(10,231)	(20,900)	16,890
	643,730	919,477	(826,788)	(112,954)	623,465
Unrestricted funds					
Designated funds	22,958	0	(9,063)	0	13,895
Capital reserve fund	153,731	0	(60,185)	112,954	206,500
Property Reserve	4,414,956	0	0	0	4,414,956
Funds held as custodian/ agent	52,700	0	(5,028)	(44,579)	3,093
General fund	2,174,769	8,482,656	(8,452,056)	44,579	2,249,948
	6,819,114	8,482,656	(8,526,332)	112,954	6,888,392
Total funds	7,462,844	9,402,133	(9,353,120)	0	7,511,857

The Restricted funds carried forward are made up of various fundraised and trust income that have not been spent during the financial year.

- London includes money to be spent on services in Camden as well as the adventure playgrounds.
- Central includes money to be spent on wellbeing in Stockport, the Youth Investment Fund and Innovation Fund as well as Orchard centre in Lye.
- The South includes money to be predominantly spent on young carers group.
- Yorkshire and Lincolnshire include money to be spent on youth groups and inclusion behaviour support.
- There are a number of capital monies carried forward including a contribution from Hayward to fund some building works as well as a donation from the National Garden Scheme to create two gardens one that has been developed this year and one that will be developed next year. The Sandra Trust money is being used for general maintenance to a number of premises.

£112,954 of restricted money was spent on capital items and has been moved to the capital reserve fund to depreciate as the items purchased were specific and restricted although they are for general use.

Designated funds carried forward represent £13,895 to be spent on fundraising during 2020/21. It is at the discretion of the Finance and Audit Committee to designate or undesignate these funds as they see fit.

Group and Charity

	Fund 1 April 2018	Income	Expenditure	Transfers/ Other gains	Funds 31 March 2019
	£	£	£	£	£
Restricted funds					
London & Central	219,656	427,175	(336,885)	(4,205)	305,741
South	62,556	91,685	(96,163)	1,595	59,673
Yorkshire & Lincolnshire	112,676	305,439	(214,739)	0	203,376
DFE / National Projects	19,722	34,833	(32,636)	0	21,919
ICAP & Business Support	38,083	0	(38,083)	0	0
Basingstoke Sensory Room - Capital	0	13,536	0	(13,536)	0
Chelsea Playground - Trampoline	10,831	2,000	0	(12,831)	0
Albert Hunt - Money for minibus – Capital	0	5,000	0	0	5,000
Sandra Trust- Various Building work	0	50,000	(1,979)	0	48,021
KIDS Smile Centre	17,000	0	0	(17,000)	0
	480,524	929,668	(720,485)	(45,977)	643,730
Unrestricted funds					
Designated funds	337,473	0	(58,349)	(256,166)	22,958
Capital reserve fund	147,943	0	(40,189)	45,977	153,731
Property Reserve	5,019,300	0	(604,344)	0	4,414,956
Funds held as custodian/ agent	0	52,700	0	0	52,700
General fund	1,999,992	9,100,558	(9,181,947)	256,166	2,174,769
	7,504,708	9,153,258	(9,884,829)	45,977	6,819,114
Total funds	7,985,232	10,082,926	(10,605,314)	0	7,462,844

22. Operating lease commitments

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Land and buildings				
Expiring within one year	206,478	181,286	206,478	181,286
Expiring within two to five years	238,600	239,038	238,600	239,038
Expiring after five years	30,500	36,500	30,500	36,500
	475,578	456,824	475,578	456,824
Other				
Expiring within one year	11,213	20,009	11,213	20,009
Expiring within two to five years	34,141	76,427	34,141	76,427
Expiring after five years	5,443	4,239	5,443	4,239
	50,797	100,675	50,797	100,675

During the year £222,919 (2018-19 £201,409) was spent on operating lease commitments.

23. Analysis of cash and cash equivalents

Cash and Cash equivalents is all cash in hand 2020: £1,472,833 (2019: £1,331,162).

24. Post-balance sheet events

There are no post balance sheet events.

25. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020	Group 2019	Charity 2020	Charity 2019
	£	£	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	4,013	(522,388)	49,013	(522,388)
Adjustments for:				
Depreciation charges	90,897	83,473	90,897	83,473
Loss/(profit) on sale of fixed assets	0	0	0	0
Loss on the revaluation of fixed assets	0	604,344	0	604,344
Interest from investments	(6,487)	(4,031)	(6,487)	(4,031)
Interest payments	3,337	10,062	3,337	10,062
(Increase)/Decrease in debtors	405,807	39,675	405,811	39,675
Increase/(Decrease) in creditors	(141,543)	(18,076)	(141,547)	(18,076)
Net cash provided by (used in) operating activities	401,024	193,059	401,024	193,059

GIFTS AND GRANTS RECEIVED

The list below provides details of all voluntary donations over £5,000 or above received during the past two financial years by the charity.

	2019-20	2018-19
29th May 1961 Charitable Trust	8,000	8,000
A D Charitable Trust	17,500	34,833
Andrew Fleming		14,789
Anonymous	45,000	
Anonymous		6,000
Anonymous		5,000
Anonymous	11,655	
APL	13,500	
Battersea Power Station Foundation		5,000
BBC Children in Need	35,536	24,353
BBC Lifeline	14,674	
Canada Life		8,962
Community Foundation		5,584
Clover Trust	5,000	5,000
Cooperative		35,000
Cranswick Country Foods		75,060
Credit Suisse	5,000	
Derwent London	5,000	
E&V Export Ltd		6,000
Elizabeth & Prince Zaiger Charitable Trust	6,000	
Ellis Campbell Charitable Trust		8,550
Ernst & Young		5,550
Eveson Charitable Trust		8,000
Expat Foundation	15,600	15,600
Glebe Charitable Trust	10,000	5,000
Glencore		25,000
Goldman Sachs	15,000	
Greystar	50,799	11,976
Groundwork UK	5,000	
Hull and East Riding Charitable Trust	5,000	
Irwin Mitchell	5,000	5,000
JL Robertson (legacy)	35,881	
Jonathan Dennis		10,000
Mace Group		14,593
Masonic Charitable Foundation	15,000	15,000
National Garden Scheme	85,000	
National Lottery Awards for all	9,360	
Nexen Petroleum (CNOOC)	20,000	
Nick Gold		5,014

Paperchase	13,679	14,691
Patrick Doherty		75,000
Peter John Davey (legacy)	83,660	
Quartet Express Grant	5,000	
Royal Navy and Royal Marines Charity	42,426	35,000
Ronald WM Pike(legacy)		44,971
Sandra Charitable Trust		50,000
Selfish Mother		6,355
In memory of Sharon Raeburn		10,000
Sir James Reckitt Charity	6,000	6,000
Sir Walter St John's Educational Charity	5,420	
Sunrise Foundation		20,000
St Andrew Holborn Charities	15,562	15,400
Sweet Factory		6,879
Swire Charitable Trust		7,500
Tpt (UK) Ltd		7,060
The Adint Charitable Trust	5,000	
The Albert Hunt Trust		5,000
The Band Trust		15,000
The Hobson Charity		5,000
The Langham, London		6,063
The London Marathon Grant	19,065	
The Morrisons Foundation	8,372	
The National Fund	10,595	
The O'Sullivan Family Charitable Trust	20,000	20,000
The Roger & Douglas Turner Charitable Trust	7,000	
The Three Guineas Trust	15,000	15,000
The Walt Disney Company		23,000
Tula Trust		5,000
UBS UK		20,000
Wandsworth Community Trust		5,000
Wandsworth Local Fund	12,732	
White & Case		35,422
Youth Investment Fund	62,368	61,146
Young Londoners Fund	37,397	18,699
Youth Music Fund	10,595	12,865
Zochonis Charitable Trust	25,000	25,000
Zurich Community Trust	9,000	9,000

The Trustees wish to acknowledge with sincere gratitude all of the many donors and supporters whose generous financial help makes a considerable contribution to our ability to continue our work.

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