

National Children's Bureau

Report and Financial Statements

Year ended 31 March 2010

A large, decorative graphic on the left side of the page consists of three concentric, overlapping orange arcs that curve from the top left towards the bottom right. The innermost arc is the darkest orange, the middle one is a medium orange, and the outermost one is the lightest orange.

a society in
which children and
young people
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enhanced

Contents

Annual Report of the Board of Management for the year ended 31 March 2010	2
Independent Auditors' Report to the Members of the National Children's Bureau	21
Consolidated Statement of Financial Activities for the year ended 31 March 2010	23
Balance Sheets as at 31 March 2010	24
Consolidated Cash Flow Statement for the year ended 31 March 2010	25
Notes to the Financial Statements for the year ended 31 March 2010	26
Supplementary Note for the year ended 31 March 2010	37
NCB Funders 2009/10	41

A company limited by guarantee
Registered in London No 952717
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8 Wakley Street, London EC1V 7QE

Annual Report

of the Trustees for the year ended 31 March 2010

Introduction

NCB is the leading national charity which supports children, young people and families and those who work with them. Our vision is a society in which children and young people are valued, their rights respected and responsibilities enhanced; our mission, to advance the well-being of children and young people across every aspect of their lives.

We undertake around 60 projects each year to improve the lives of children, especially the most vulnerable. We ensure that children, young people and families are at the heart of our work.

We work with organisations from across the voluntary, statutory and private sectors through our membership scheme, and through the sector-led specialist networks and partnership programmes that operate under our charitable status.

We are committed to evidence-informed decision making, and we lead the way in identifying and communicating high impact, community and family-centred solutions which will enable cost-effective, sector-led improvement and development.

Constitution

National Children's Bureau (NCB) was established as a registered charity in 1969 (charity number 258825). NCB was set up under its Memorandum and Articles of Association, dated 23 April 1969, as a company limited by guarantee (registration number 952717) and has a subsidiary trading company, National Children's Bureau Enterprises Ltd (registration number 2633796).

NCB was established under its Memorandum to promote any charitable purpose for the benefit of children and young people for the relief of poverty, sickness and distress, the safeguarding and maintaining of health, the provision of upbringing, the advancement of education and training, and the promotion of racial harmony.

At the AGM on 26 November 2009, members approved a restructuring of the organisation, together with amended articles of association. The articles were updated in line with the Companies Act 2006 and additionally provided for improvements to NCB's governance structure. The organisation is now governed

by a smaller, more focused board of trustees advised and complemented by a membership forum drawn from NCB's members, fora, networks, councils and other partners.

As a membership organisation NCB's members are drawn from local authorities, health trusts and other health organisations, independent and voluntary organisations, nurseries, schools, colleges, universities, individuals, private companies, professional associations and multi-agency organisations in England and Northern Ireland. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per corporate member of the company. There are 1089 members (775 corporate; 314 individual).

NCB receives financial support from charitable trusts and foundations, the corporate sector, government departments, local authorities and individuals and generates income from a range of services including conferences, consultancy, library and information service, membership, publishing and training.

NCB's vision for society

NCB's vision is for a society in which children and young people are valued, their rights respected and responsibilities enhanced. Our mission is to advance the well-being of children and young people across every aspect of their lives and to achieve this we aim to:

- reduce inequalities in childhood
- ensure children and young people have a strong voice in all matters that affect their lives
- promote positive images of children and young people
- enhance the health and well-being of all children and young people
- encourage positive and supportive family, and other environments.

Organisational principles

- we involve children and young people in all aspects of our work
- we are a listening and learning organisation
- we work from an evidence-informed perspective
- we work collaboratively and across multidisciplinary partnerships
- we work within good governance.

Operational objectives

- to identify and develop new work areas in response to the needs and views of children, young people and families
- influence and inform policy, practice and service development
- to undertake high quality research
- to disseminate accessible information to all
- to further develop partnership working
- to ensure efficient and effective operation of NCB
- to strengthen NCB's financial situation and diversify our funding base.

Long-term outcomes for children and young people

All children and young people:

- have equality of opportunity
- participate in all matters affecting their lives
- are respected by society
- are physically and emotionally well
- are confident, safe and secure.

Achievements

This section focuses on some of the many projects and related activities NCB has managed during the year, several of which are listed in the Supplementary Note on pages 37 to 40. NCB's work with and on behalf of children, young people and families is diverse and wide-ranging and cannot be fully represented on these pages.

NCB undertakes around 60 projects a year, a selection of which are highlighted below, listed under the lead department for each particular piece of work.

Research, policy and participation

Policy

We led the children's sector in lobbying to improve the legislative framework for children's centres that was introduced in the Apprenticeships, Skills, Children and Learning (ASCL) Act 2009. We worked with the Special Educational Consortium and Standing Committee for Youth Justice to ensure that the special educational and other needs of children in custody will inform the way in which local authorities respond to their new responsibilities for commissioning education and training in custody. We also led on work to ensure that transport issues are considered in the development of the UK strategy and in guidance to local authorities and their partners.

NCB has run the Department for Children, Schools and Families' (DCSF) Children and Youth Board since its inception in 2005. Comprising 25 10 to 18 year olds, this year the Board continued to provide advice to the government's ministers for children on policies that affect children and young people as these policies were developed.

Participation

In the 60th year since Britain signed up to the European Court on Human Rights Act, 1959, we launched our new publication *Human Rights are Children's Rights* which offers children and young people, through adults who work with them, the opportunity to become more familiar with the Human Rights Act 1998 and other human rights legislation.

Youth4U Young inspectors now work in 36 local areas, influencing services, encouraging services to become more young person friendly and facilitating opportunities for young people's participation in local authorities.

Participation Works has completed its three-year funding programme with the BIG lottery fund, disseminating over 50,000 publications, engaged in training over 3000 employees in the sector and delivering on line products and services to over 10,000 individuals.

The Skills Development programme was established in March 2010 with its primary aims to recruit and employ young people aged between 18 and 24 for a six-month period, and provide them with the skill, knowledge and experience to help them secure full time employment within the sector.

Young NCB

The priorities for the year (youth crime and prevention, children's rights, improving the portrayal of young people in the media and improving access to good quality education and careers advice/guidance) formed a framework for their activities.

A group of 12 Young NCB members were selected to act as young advisors to support the implementation of My Money – a project to improve young people's financial capability as part of their PSHE education. Young NCB members generated ideas for My Money and helped to evaluate the project. Our young advisors also hosted ministerial visits in My Money Week and enjoyed many media appearances.

Research, evidence and evaluation

We completed a study on private fostering which was used to make recommendations to Ministers on increasing notifications of private fostering arrangements. The study has filled a considerable gap in this area by providing evidence on local authorities' practices and procedures in relation to private fostering arrangements, and on the characteristics and needs of privately fostered children, with particular reference to safeguarding issues.

Another study provided much needed evidence on reasons for local variation in the prevalence of, and service provision and support for, children with special educational needs (SEN) and a disability.

On behalf of the Office of the Children's Commissioner we examined progress on children and young people's participation including children's own views of their participation in decision-making in matters that affect them. The published reports are being used to inform the development of a National Participation Strategy.

Strategy, resources and communications

Strategy

During the course of the year a strong focus was placed on developing a comprehensive set of Key Progress Indicators (KPIs) for all departments and units, and on incorporating these with an impact assessment of our work within a reporting framework for the board of trustees. The framework will tie into NCB's vision, mission and aims (page 2) and inform and be informed by the organisation's risk register. We have also further embedded the new visual identity launched last year and highlighted NCB's partnership and sector-wide support role in all our communications.

This year we have been preparing for a new government and the forecast public spending cuts, and anticipating their likely impact across NCB.

Governance

During 2009 both staff and trustees completed consultation with the wider membership on proposals for the restructuring of the organisation's governance, a key tool in NCB's drive to strengthen the relationship with our wide range of stakeholders. Trustees also commissioned a thorough revision of NCB's articles of association, to reflect the proposed new structure and incorporate the provisions of the Companies Act 2006. The Charity Commission agreed the proposed changes to the articles in September 2009, and members formally approved both the new structure and the revised articles of association at the AGM on 26 November 2009.

Membership

Membership numbers saw an overall decrease this year on 2009 figures (1338/2009, 1089/2010). This was seen across all categories of membership with the exception of Local Authorities which increased from 96 to 97 (all figures at 31 March).

Voluntary Sector Support (VSS)

The continued receipt of the strategic grant from the DCSF enabled us to continue a range of activities around policy support and development, participation, dissemination and capacity building. We also secured two years' funding from the DCSF to continue our work at a local level, through the establishment of a black, Asian and minority ethnic and faith-based VCS practitioners' network and have created partnerships with six BAME and faith organisations.

As a strategic partner (2009/12) for the Department of Health (DH), funded through the Third Sector Investment Programme, we provided specialist cross-cutting policy advice and stakeholder engagement on existing and emerging policy priorities, and were able to fully establish our VSS programme. The first year was a great success, culminating in an 'outstanding' review from the DH. Between January and March 2010 we delivered 13 regional events to a total of 250 delegates and produced seven health

briefings; launched the VSS email bulletin (300 signed up within three months) and a website for the programme. We held two consultations with children and young people on how they can be more involved in shaping health services and worked regularly with the 15 other DH strategic partners.

Key activities of our other central teams have included:

Resources

Facilities – during the year NCB signed up to the 10:10 campaign, which aims to help organisations to reduce their energy use over a year by 10 per cent.

Finance – the new accounting system implemented during the year is now fully operational and the budget control module which enables closer scrutiny by the budget holders and control by the finance team is in the final stages of refinement.

Fundraising – this year saw successful applications to the value of £3.6 million for expenditure in 2010/11 (£4.5 million in 2009 for 2009/10) for a range of major new programmes reflected elsewhere in this report. Sixty NCB runners were among Olympic and World champions taking part in the British 10K London Run in July and raised over £10,000. NCB's corporate supporters included Turner Broadcasting, Freshfields Bruckhaus Deringer and Eden Brown.

Human resources – we continue to be successful in driving down staff sickness levels, due to good management practice. In 2009 we lost an average of 2.7 days per employee compared to 4.3 the previous year. Turnover rate has increased from 17 per cent to 25 per cent, reflecting project changes and a previously buoyant recruitment market. The current 80/20 female to male split is a 1 per cent improvement on the previous year.

ICT – core systems have been upgraded to provide increased support and development, particularly through redevelopment of NCB's databases.

Communications

Events – 50 (against 28, 2009) conferences for 4625 (3096, 2009) delegates were produced across each of the nine government regions with nearly a further 1400 (1210, 2009) sector professionals attending one of our 84 (67, 2009) training courses. As part of an ongoing commitment to deliver quality-assured information to the sector, NCB became an approved centre for City and Guilds accreditation and also secured other accreditation on second-tier databases such as ASDAN (Life Routes) and NOCN (Saying Power).

Library and information services – this year saw the re-launch of two library products:

ChildData – our online database now has improved functionality making searching easier and offering new ways of saving and

emailing search results; and *ChildStats* – our new quarterly publication for members. Primarily covering England, ChildStats pulls together statistics on population, mortality, substance misuse, early years, teenage pregnancy, road safety and many more topics.

Media, marketing and web content – we have identified and explored new and creative strategies for conveying NCB's messages which has allowed us to take advantage of the latest developments in communications technology and as a result have

developed and implemented a social media strategy. It was a good year again for media coverage with the number of stories running at 3404 with a total circulation 136 million (as against 1248 and 62.5 million. NB incomplete data, 2009).

Publishing – seven new titles were produced and over 11,265 books sold generating nearly £150,000 worth of turnover (2009 – 14,600 books sold generating £200,000). E-commerce went live in June 2009 and we are now averaging five online orders a day.

Play England

Play England continued its work as the government's delivery partner for the national play strategy. In addition to providing support and challenge from its nine regional offices to the local authority capital programme – with 2000 new play spaces and 20 staffed adventure playgrounds now complete – there was a big emphasis on supporting community play providers.

We managed the government grants programme for voluntary sector adventure playgrounds, which saw 57 playgrounds receive up to £19,000 each. Further support was offered through the Community Play initiative, which saw the arrival of a comprehensive new website – playfulcommunities.org.uk – for community organisations interested in developing play provision in their neighbourhoods.

Other work included working in partnership with SkillsActive and Playwork Partnerships to develop the Play Shaper programme and strengthening our position as one of the leading play publishers. New titles included resources for promoting the Charter for Children's Play, a guide to maintaining natural play spaces, and a research report written by the think tank Demos that made a powerful case for the role of staff and volunteers in play provision.

The 2009 Playday campaign was the biggest ever with over 830 events taking place in August. An estimated half a million children, young people and families attended events to celebrate the 'make time for play' theme. A manifesto for children's play was produced ahead of the 2010 general election as an ongoing campaign to raise awareness of the importance of children's play.

Social inclusion

Children in trouble

Two scoping reviews were undertaken to increase understanding of areas of concern: the first looked at young people's participation in the criminal justice system with a view to establish what more needs to be done to strengthen the involvement of children and young people and improve their outcomes. The review findings were explored at an invited seminar and the report was later published. The Youth Justice Board accepted the report's main recommendation and expressed an intention to develop a participation strategy.

The second scoping study, which looked at the issue of children and young people in breach of statutory orders, raised questions around the current policy and practice on enforcement, and highlighted significant gaps in knowledge, in terms of data, the factors which influence practitioner decision-making and the

characteristics of individual children which influence compliance. The project is now in a second phase, designed to get behind the statistics and explore these issues in greater depth.

Disabled children

During this past year disabled children and young people have become increasingly involved in our policy-influencing work. In June and July 2009 the Every Disabled Child Matters campaign and the Making Ourselves Heard project supported disabled children and young people to develop the 'Disabled children's manifesto for change', launched at party conference fringe events attended by Ministers and their shadows, and followed up with meetings in Westminster. The true impact of this is that disabled young people have now been treated as respected partners in the policy making process.

Well-being

Well-being, learning and schools

We have been active in supporting the progress of the Children, Schools and Families Bill through Parliament and the process

repeated NCB and Sex Education Forum's reputation as influential bodies in these areas. The Anti-bullying Alliance (ABA) ran the most successful Anti-Bullying Week to date on cyberbullying and developed new guidance for schools on sexual, sexist and

transphobic bullying for DCSF and was commissioned to undertake a study into the effectiveness of school approaches to tackling the bullying of children with SEN/disabilities.

The 'Well-being in Schools' conference in October was very successful and work began with LSE and the University of Oxford to build and disseminate a unique evidence-based model of PSHE.

Health, well-being and environment

We completed key health projects including: increasing the capacity of PALS across the country to engage young people in shaping and improving health services; 'Locked into Play' which worked with young parents in secure settings and their children to improve opportunities for them to play and learn together; the Childhood Bereavement Network's *Grief Matters for Children* campaign; and SmallSteps4Life, a new website evolved from NCB's evaluated Health Challenge Programme.

We secured a place on the Ministerial and Third Sector Task Force on Climate Change as sole youth sector representative; our One Step One World Programme has successfully created a vision for sustainable living led by young people; and our Climate Smart programme has created the first practice guide of its kind for the children's sector on strategic organisational change in relation to climate change.

NCB Northern Ireland (NCB NI)

NCB NI continued to work closely with other children's organisations and government departments. A multi-disciplinary conference about using evidence to improve outcomes was delivered with Queens University Belfast (QUB) to over 100 senior people. Contributors included QUB, C4EO and the Centre for Effective Services. NCB NI also worked with Barnardos NI to establish the Diversity in Action NI project in response to the 'New to Northern Ireland' research report published by NCB NI (April 2010).

Early childhood unit (ECU)

The Policy Evidence and Practice (PEP) programme was developed to support strategic planners and managers within local authorities. PEP uses many of the products developed within the Early Years theme of the centre for Excellence and Outcomes (C4EO), led by ECU, which has been extended for a further 12 months. The Young Children's Voices Network worked with Participation Works to adapt the *Hear by Right* materials for an early years audience and Hertfordshire Network members listened to young children on their needs around the new delivery of 15 hours of nursery education. As a result of what was heard from the children, the government amended its Code of Practice for this initiative.

The National Quality Improvement Network supported a group of third sector parent support organisations to produce a new publication on principles for those working with families. The Early Childhood Forum's campaign, supported the Black Voices Network (BVN), was on equalities and discrimination. BVN now has 260 virtual network members. The Firm Foundations Campaign designed to encourage continued investment in high quality early childhood services and to provide information on quality for parents, was launched.

YNCB NI now has 70 members who have completed 'Having UR Say' training and contributed to several government consultations and worked closely with the children's commissioner on the 20th anniversary of the UN Convention on the Rights of the Child. A publication of postcards was produced by asylum seeking, refugee and migrant children, with messages for policy makers and peers and launched at Parliament Buildings with the Junior Ministers for children and the Children's Commissioner.

Centre for excellence and outcomes (C4EO)

C4EO, a sector-led improvement initiative delivered through a partnership of NCB (lead partner), National Foundation for Educational Research (NFER), Social Care Institute for Excellence (SCIE) and Research in Practice (RiP), focused on nine themes: Early Intervention, Early Years (see Well-being section above), Disability, Vulnerable (Looked after) Children, Child Poverty, Safeguarding, Schools and Communities, Youth and Families, Parents & Carers.

Hosted by NCB, to date C4EO has recruited 90 Sector Specialists across their themes and has received over 80 local authority requests for tailored support. The C4EO website receives over 10,000 visitors per month. The website now features over 60 validated local practice and promising practice examples as well as seven Research Reviews, six Director's Summaries, three Rapid Reviews, 16 Progress Map Summaries and an Interactive E-Learning Tool for Early Years. In addition, C4EO has now run 30 well attended capacity building events across the country with many more planned this year.

Future priorities

In the coming year we will seek to ensure that the children, young people and families sector is fully engaged in planning the changes in policy and practice which will be required by the government's deficit reduction programme. Our work will enable the government, and local services, to be informed by evidence of 'what works', and by the views of the extensive networks of service providers and users which NCB coordinates. We will take steps to maximise the involvement of children and young people themselves in these debates, and we will press to ensure that the needs of the most vulnerable are protected through the difficult decision-making processes which lie ahead.

We will work to promote the greater engagement of local people – including children and young people – in the design and delivery of local services. We will help to reshape services for children and young people to reflect this greater engagement.

The following section highlights some of our work priorities for the coming year in specific areas of the organisation. We have listed these under the departments and units that will lead on the particular programmes of work.

Research, policy and participation

Policy

Our policy priorities until November 2010 include:

- the welfare/justice divide
- children and young people and transport, traffic and travel
- well-being in schools
- healthy and sustainable lifestyles
- narrowing the gap in early years.

The board of trustees advised by the membership forum will agree a revised set of priorities ready for the new parliamentary year in November 2010.

Participation

Participation Works will continue to supply the sector with advice, learning and materials via its gateway. The Gateway at www.participationworks.org.uk ensures that any organisation's materials are shared as widely as possible.

Youth4U – Young Inspectors intends to develop its offer further across the country and in more depth in areas such as health services. The programme which works as a partnership, will culminate in an offer to all services to benefit from the views and opinions of young people who use them either uniquely (youth centres) or alongside others (transport, police, A&E)

The Skills Development programme will look to extend its participation to include those aged 16 to 18 not in education or employment. It will also help to support NCB members through inclusion in the programme and work toward raising the profile of employing and supporting young people in the sector, especially in organisations that are or willing to become NCB members.

Young NCB

Young NCB will continue with two of the existing priorities, the prevention of youth crime and tackling the negative portrayal of children and young people. They will be working alongside NCB staff and other partners to achieve improvement in these areas, together with surveying their peers and reporting on their opinions as well as attending influencing fora where the opportunity arises.

NCB Research Centre (previously Research, evidence and evaluation)

In collaboration with the Early Childhood Unit, we will be completing a study on childminders which aims to fill some important evidence gaps in relation to childminding practice. The study examines the alignment between what childminders and parents articulate as the key features of childminding practice and what we know about childcare quality using structured observations of childminding settings; compares childminders' perceptions of what is important for young children's development with the Early Years Foundation Stage (EYFS) learning goals; and assesses whether childminding practice as it currently stands can be accommodated within EYFS and the Ofsted inspection framework.

With the Council for Disabled Children, the Alliance for Inclusive Education and The Children's Society, we are carrying out a ground-breaking study on the participation of disabled children and young people in services and matters which affect them. The project will involve disabled children and young people in the research process, as young researchers and advisors.

The completion of the evaluation of Youth4U – Young Inspectors programme will provide much needed evidence on the value and benefits of programmes implemented by and for young people.

Strategy, resources and communications

Strategy

We will be continuing to develop a single reporting framework for our KPIs and impact assessment. In the autumn at the next trustees away day we will present a first draft of a new organisational strategy, following the election of a new government and administration and a clearer view of how public spending cuts may impact upon future funding. In particular we will be developing and taking forward cross-NCB priority areas – employability and life skills; sustainable lifestyles; participation; schools and learning; and the VSS programme.

We have built a strong reputation through developing innovative ways of collaborative working and we will further enhance our role as a support and development agency for the sector as a whole through a range of projects, programmes and support services, alongside the continuing development of our overarching membership, support services and hosting function.

Governance

See Page 12

Membership

The target numbers for total membership at 31 March 2011 is set at 1119, aiming for an increase in all categories against last year's figures with the exception of Local Authorities (static) and professional associations (lower).

Voluntary Sector Support

We have been successful in securing additional funding from the DH to deliver a new project. The *LINKs: getting it right for children and young people project* is a three-year project which aims to encourage greater involvement of children and young people in Local Involvement Networks (LINKs) through the voluntary and community sector.

Under the DH strategic funding we will undertake a year-long research project into the nature of the children and young people's voluntary and community sector. A further priority will be to ensure that the organisations and communities we work with are informed of and involved in any changes that impact upon the work of sector. We will continue to deliver the successful outputs of year one of the programme, including free training events on commissioning, policy update events and briefings, regional meetings of BAME and faith-based voluntary organisations, a monthly email bulletin and regularly updated website.

Resources

Facilities – the focus this year will be to maintain NCB's rented and owned building carrying out only essential repairs and to further develop our support services offer around accommodation to external organisations.

Finance – following the successful implementation of the new accounting system the department will be developing and improving the reports for budget holders, senior management and trustees as well as maintaining the budgetary control and forecasting which will be essential over the next financial year.

Fundraising – our fundraising activity will focus on priority areas such as developing corporate relations, expanding on our work with trusts whilst also identifying and developing new sources of income. We will also be looking to secure increased income through our employee volunteering support programme, which places corporate volunteers in member agencies.

Human resources – will be greatly involved in supporting staff during a time of potential change and developing support services support to the sector including, for example, a Criminal Record Bureau checking service.

ICT – we will be reviewing all existing systems to ensure they are still providing appropriate functionality to the user-base to inform an updated and ongoing strategy, ensuring wherever possible the most cost effective choices are implemented.

Communications

Events – we will refresh the conference portfolio and launch products on new subjects including: early years and academies, climate change, participation, employability and life skills; create e-learning modules either as a standalone self-study and assessment tool for new learners or as an accredited component for specific courses. Target numbers are currently 3000 delegates at conferences, and 85 training courses attracting 1600 delegates.

Library and information service – a priority will be to build new partnerships and increase the reach of our service across the sector.

Media, marketing and web content – early priority for this year is to look at NCB's positioning with the new government administration, practitioners and the public as a whole and develop our key messages accordingly. With an increasing focus on web and online media and marketing activity against paper based media, we are forecasting an increase against last year's circulation figures of around 16 per cent to 4000 items (circulation 150 million) on the basis that at present our online news presences amount for 15–20 per cent of the total coverage. We will be introducing social media channels for young people to ensure they have their voices heard. A further priority will be to review the website and develop new ways to improve online communications.

Publishing – we will develop a three-year publishing strategy with The Oxford International Centre for Publishing Studies and roll out e-book aggregation over NCB Publishing's back catalogue. Target numbers are set at 11,000 items sold with a forecast income of £148,000.

Play England

Play England's five-year lottery funding draws to a close at the same time as the end of our government contracts. A sustainable Play England will continue to be at the forefront of planning activity, centred on our new strategic plan which has been adopted by the Play England Council of members after extensive consultation.

The themes for the new plan are about promoting play within schools and children's services; developing the play workforce;

delivering programmes for natural play; supporting the voluntary play sector; and campaigning for greater awareness of the value of play within the wider community.

In order to dedicate as many resources as possible to securing the funds for a new Play England business plan, the project to establish itself as an independent charity, agreed by the NCB Board in March 2009, has been deferred.

Social inclusion

We will continue to ensure that the needs and concerns of potentially marginalised groups of children and young people and their families are actively promoted. We will continue to press for the meaningful participation of children and young people in matters affecting them and to ensure that their voices are heard through the work that we do.

In our work on children living with HIV, we will be focusing on young people's transition from children's to adults' services and seeking to increase the knowledge and capacity of the practitioners and services to ensure a good experience.

It will now be more vital than ever that children and young people, whose social, emotional and mental health needs significantly impact on their education, are not forgotten and left to drift into adulthood with chronic, intractable difficulties. We intend to use the findings from our current project on the mental health needs of young people in Pupil Referral Units to develop and change practice to secure better outcomes for these young people and to identify key gaps for policy and practice development.

Well-being

We will be 'managing out' existing contracts ending in March 2011 while ensuring that the work they have underpinned continues to flourish for the benefit of children and young people under the new government's agenda. Our central contribution to the new cross-organisational work on schools and learning and on sustainable environments will also be an important priority and will enable some innovative thinking in those areas. We aim to extend the reach and impact of our sustainable living programme and are working hard to secure the resources and capacity to achieve our vision that 'all children and young people

feel happy, healthy, safe, confident and connected in an uncertain and changing environment'.

We will also be undertaking some significant strategic reviews including reviewing the way in which ECU relates to its national networks and identifying key public health priorities for 2010. We will be supporting our national fora and networks: Childhood Bereavement Network, Anti-bullying Alliance and Sex Education Forum to also review their work in the light of changed political priorities and the continuing needs of children and young people.

NCB Northern Ireland (NCB NI)

NCB NI will continue to provide support to policy makers and practitioners, pooling existing evidence, disseminating research findings and ensuring we always remain a solid evidence-informed voice representing the needs of children and young people. Particular areas of focus include, integrated services, pathways for looked after children, ethnic diversity and parenting support. This year we will work closely with our partners QUB and

Early Years (the organisation) to support the launch of our research findings on the Respecting Difference Programme.

We will continue to support improved participation of children and young people, delivering training to organisations about building a culture of participation as well as supporting young people to get their voice heard.

Centre for excellence and outcomes (C4EO)

We hope to see the initial signs of improved outcomes in the growing number of areas that have used all aspects of our work. We continue to deepen our reach with all local areas in the delivery of tailored support.

Our intention is to strengthen our links with health colleagues through meetings with PCTs. The main priorities are youth, early intervention and prevention, cost effectiveness, and families,

parents and carers. We are further developing the use of validated local practice, updating the one stop shop for data, whilst contributing to local areas needs assessment for child poverty.

C4EO continues to respond to a number of international approaches regarding the sector-led model, and collecting international knowledge and best practice whilst maintaining and accelerating our work to respond to local needs.

Organisational structure

Revised governance structure – overview

Following the governance restructuring in 2009, NCB's board of trustees now comprises 13–14 members in total and is composed of three honorary officers (chair, vice-chair and treasurer) elected by the full membership, two young representatives appointed by Young NCB, and eight to nine further trustees. Each board member serves for a maximum of two three-year terms. The board meets seven times a year, including the AGM, and has specific responsibilities for management, strategic and financial planning and external relations of NCB. It regularly reviews NCB's activities and monitors our work programme.

The board is now advised by the membership forum, drawn from NCB's members, councils, fora, networks and other partners. We will be placing a high priority on supporting the forum to take its

place advising trustees on policy formulation and strategic direction, while at the same time facilitating a stronger engagement with stakeholders.

Both bodies met in the last quarter of the year and agreed that the principal shared focus for 2010–2011 will be the review of NCB's public policy priorities. We also aim to set up a range of communications mechanisms to supplement more formal meetings, including a networking platform for forum representatives to consult with the wider membership. Another major priority, in bedding in the new structure, will be to maximise the engagement of the six young representatives who between them fill two places on the board of trustees and four on the forum.

Method of recruiting and appointing new trustees

To get the new board up and running immediately after the AGM, trustees from the old system were passported across to form the new board of trustees. In future years, all trustees apart from the honorary officers will be appointed, as vacancies arise, by a selection committee comprising the chair of trustees and one other trustee and the chair of the membership forum and two

further forum representatives. For the honorary officer vacancies, the board of trustees puts forward a nominee and the company secretary writes to the full membership inviting any further nominations and conducting a postal ballot if additional nominations are received.

Induction and training of new trustees

New trustees receive an induction pack which includes information about their responsibilities under company and charity law, and contains information about NCB's financial position, its strategic business plan and its policies and procedures. As part of their induction, trustees are required to sign acceptance of NCB's trustee code of conduct and to complete eligibility to serve and conflicts of interest declarations.

On the day of their first board meeting, trustees also receive a formal induction with the chair of trustees, chief executive and other senior staff. Young board members receive the same

induction as adult trustees but in addition have access to an adult mentor before and during board meetings, and further support outside meetings from specialist NCB staff.

Trustees receive regular briefing papers on NCB's work and policy in advance of each board meeting and have the opportunity to learn about and debate emerging policy at the annual trustee awayday. Trustees are encouraged, where appropriate, to develop their skills in furtherance of NCB's work and are also encouraged to attend relevant NCB conferences. They also participate in three-yearly reviews of trustee effectiveness.

Membership forum – recruitment and support

The membership forum acts as an advisory body to NCB and to trustees. Its primary focus is to strengthen member engagement with NCB, to provide a link between trustees and the wider membership, and to advise the trustees on policy development

and strategic direction. Forum members are appointed or elected from among all categories of the organisation's membership, from NCB's fora, councils, networks and partners and from Young NCB. NCB's selection committee is responsible for overseeing

appointments and elections to the forum. The forum elects its own chair. New forum members receive an in-depth induction into NCB and into the forum's role in supporting the governance of NCB. They receive further support, as appropriate, from NCB's

company secretary who is particularly tasked with facilitating communication with and between the forum, and between the forum and the wider membership.

NCB's selection committee

NCB's new selection committee comprises the chair of trustees and one other trustee and the chair of the membership forum and two other forum representatives. The committee is responsible for appointing to all trustee vacancies, except the honorary officers, as they become vacant. Five of the trustee vacancies will be appointed from among self-nominating forum

representatives in accordance with an agreed set of criteria, following an annual review of trustee skills and experience. The remaining three to four vacancies will be used to meet perceived gaps and will be co-opted by the selection committee, possibly but not necessarily from among forum members.

Meetings of the Honorary Officers

In addition to attendance at board, forum and related meetings, the honorary officers meet monthly for supervision of the chief executive and also conduct his annual appraisal. Honorary

officers hold bi-annual informal meetings with NCB's senior management team and an annual meeting with NCB's president.

Senior management

The chief executive manages NCB with the support of the senior management team (SMT). SMT comprises the two deputy chief executives, who lead the Research, policy and participation division, and the Strategy, resources and communications division, and the directors of Resources, Play England, Research, Evidence and Evaluation, Social Inclusion, and Well-being. Its

remit is to ensure the effective management and operation of NCB. Each director contributes to the corporate and strategic operation of NCB and has responsibility for managing their own departments, ensuring all activities fit within the mission, aims and the strategic business priorities for the organisation.

Public benefit

The trustees continue to give due regard to the public benefit provided by NCB in relation to its charitable purposes and have given due consideration to guidance issued by the Charity Commission on this subject.

NCB's objective is to promote any charitable purpose for the benefit of children and young people which is translated into our mission to advance the well-being of all children and young people across every aspect of their lives. We can clearly demonstrate that we meet these requirements.

Administrative information

President

Baroness Morris of Yardley (term ends 11.2010)

Ambassadors

Barry Gifford, MBE
Patricia Hamilton
Sandra Melville
Anne Sofer

Board of Trustees from 26 November 2009

('passport' from previous governance structure)

Trustees

Chair

Dame Gillian Pugh, OBE⁺

Vice Chair

Jane Held⁺

Treasurer

David Rimington⁺

Karen Bell

Chris Born

Sarah Davidson MBE

Farhat Hasnain

Dewi Hughes

Hugh McLaughlin

Ken Meeson

Kate Thompson

Chris Flynn

Hamza Modi

Young representatives

Trustees from 1 April 2009 to 26 November 2009

Representing Local Authorities, England & Wales

(nominated by the Local Government Association)

Edwina Grant

Ken Meeson⁺

Representing Local Authorities, Northern Ireland

Representing Health Authorities & Trusts, England & Wales

(nominated by the NHS Confederation)

Kate Thompson⁺

Karen Bell⁺

Chris Born⁺

Representing Professional Associations and Multi

Agency Organisations

Representing Voluntary Organisations

Dewi Hughes⁺

Hugh Jones⁺

Liz Bayram

Mary MacLeod

Representing Universities and Other Educational Institutions

Hugh McLaughlin⁺

Kate Wall

Representing (and nominated by) Children in Scotland

Vacant

Representing (and nominated by) Children in Wales

Mike Shooter

Representing Disabled Children

(nominated by Council for Disabled Children)

Vacant

Representing Individual Members

Yvette Summers⁺

Farhat Hasnain⁺

Appointed by the Board of Management

John Pinkerton
 Sarah Davidson, MBE⁺
 Chris Flynn
 Daniel Jacobs
 Hamza Modi

Young NCB Representatives

The members of the Board of Trustees (except those representing the Young Members) act in the role of directors of NCB.

⁺ Members of the Policy and Resources Committee to 26 November 2009.

Membership Forum

Chair	Sally Jenkinson
Representatives of:	
Local authorities	Marie Janaway Alison Robinson Paul Cutler Pauline Walmsley James Wetz Lisa Wheeler
Health sector	
Voluntary organisations	Jolanta Lasota Evelyn Saunders Catherine Todd Shirley Allen Keith Cranwell Jane Murray Cecile Wright
Professional associations and multi-agency organisations	Alison Arnfield Alan Gurbutt David Lane Claudia Megele Rosemary Roberts, OBE
Universities and other educational institutions	Sophie Elliott Amrita Ghosh Grace Gurbutt Heather Knowlayne
Individual members	Mike Shooter Kate Wall
Young NCB	John Pinkerton Tara Flood Gareth Davies Jane Lees Melian Mansfield Julie Jennings
'Passported' from previous Board of Trustees	Sacha Richardson Julie Stokes, OBE
NCB Northern Ireland	Peta Boucher Brenda Stafford
Council for Disabled Children	
Sex Education Forum	
Early Childhood Forum	
Childhood Bereavement Network	
Anti-Bullying Alliance	
Observers	Bronwen Cohen Catriona Williams
Company Secretary	Denise Hollingbery
Registered Office	8 Wakley Street, London EC1V 7QE

Senior Management Team

Chief Executive	Sir Paul Ennals, CBE
Deputy Chief Executives	Barbara Hearn, OBE (Research, policy and participation) Sally Whitaker (Strategy, resources and communications)
Director – Finance and administration	Ann Casey (to 23.07.2010)
Director – Resources	Michael Chuter (from 04.08.2010)
Director – Play England	Adrian Voce
Director – Research Centre	Jane Lewis (to 21.08.2009) Ivana La Valle (from 02.11.2009)
Director – Social inclusion	Sheryl Burton
Director – Well-being	Sue Owen

Advisors

Auditors	Horwath Clark Whitehill LLP St Bride's House, 10 Salisbury Square London EC4Y 8EH
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
	National Westminster Bank PLC PO Box 8032 London N1 0QF
	Co-operative Bank plc 1st Floor, 118–120 Colmore Row Birmingham B3 3BA
Investment managers	CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ
Solicitors	Reynolds Porter Chamberlain LLP Tower Bridge House St Katharine's Way London E1W 1AA

Financial review for the year

The Statement of Financial Activities shows total incoming resources of £25.0 million (2009: £19.3 million), total resources expended of £24.7 million (2009: £19.4 million) and net income for the year of £338k (2009: deficit £33k) including pension reserve expenses, but excluding investment unrealised losses and pension reserve actuarial losses. The funders and related expenditure are detailed in the Supplementary note pages (37 to 40). At the year end NCB had £3.3 million of restricted funds (2009: £3.1 million), of which £3.0 million represented amounts received in advance for projects and £0.3 million represented fixed assets. Unrestricted funds, other than the unrestricted pension deficit of £5.1 million, amounted to £3.4 million (2009: £3.0 million), of which £0.4 million is designated as funding fixed assets, £1.0 million designated for other purposes and £2.0 million held in general funds.

Trustees' responsibilities for the financial statements

The trustees 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 in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable 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 charity will continue to operate.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

Insofar as each of the trustees of the company at the date of approval of this report is aware there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Compliance with statutory requirements

The financial statements have been prepared in compliance with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice

'Accounting and Reporting by Charities' (SORP 2005) issued under the auspices of the Charity Commission.

Risk and internal control

The trustees continue to review the risks facing the NCB group. The trustees note the following specific areas that give rise to the potential major risk areas for the next financial year:

- loss of existing funding streams
- pension fund shortfall
- potential poor employee relations/uncertainty leading to high staff turnover
- cuts in national and local public expenditure impact upon our ability to operate at desired level
- current work and positioning do not sit comfortably with new government policies.

The trustees have considered the potential impact and likelihood of occurrence of risks throughout the organisation's activities and have identified the key controls in place. The trustees are of the view that an appropriate control framework is in place to manage such risks.

NCB has control procedures in place to maintain strong internal controls and the trustees are satisfied that the systems of financial control comply in all material aspects with the guidelines issued by the Charity Commission.

Reserves policy

General reserves are required to enable NCB to continue its operations in the unlikely event of a significant short-term fluctuation in expenditure and income, and to cover unforeseen events beyond its control including meeting its contractual financial obligations. In the light of changing external financial circumstances, the trustees reviewed the reserves policy in the last financial year and adopted a reserves policy in line with that review.

The reserves policy adopted by the trustees is for NCB to hold a level of free reserves based on 12 weeks costs for all staff, which would amount to £2.2 million based on the 2010/2011 budget and in addition, to continue to top up the pension fund reserve in preparation for the next actuarial valuation to be carried out in 2010.

As at 31 March 2010 the amount of free reserves available is £2.0 million, which is £0.2 million under the desired level. For the Pension fund deficit, the figure identified in the last actuarial valuation in 2007 was £449k, which has been repaid over the two years to March 2010. In accordance with the reserves policy NCB continues to build the pension fund reserve in preparation for the next actuarial valuation. The fund is currently at £342k and NCB will continue to build this fund in preparation for the expected results of the next actuarial valuation, the results of which are due towards the end of 2010.

The trustees review the reserves level annually after completion of the annual accounts and the senior management team review the level as part of the financial management of the charity and in accordance with the financial strategy. Over the

next few years the trustees agreed as part of the new policy, to propose small surplus budgets to enable sums to be allocated to both the Pension Fund and Free Reserves to bring the figures up to the required levels. The trustees agreed to review the policy in the Spring of 2012. For next year given the economic situation, the ending of existing large funding streams and the expected reduction in new funding available from both the new government and other sources, the trustees will be closely reviewing the potential for surpluses over the next budget setting period in the Autumn.

Funds designated by the trustees for specific purposes are shown in note 14 of the accounts. Funds designated will be expended as follows:

Councils and Fora Funds	within one year of designation
Major Building Repair Fund	through planned programme within two years of designation – now complete
Pension Fund	planned designation and repayments to cover pension deficits identified in the triennial actuarial valuations. The deficit identified in 2007 was paid during this financial year. The fund will continue to be built up for any potential deficit identified in 2010
Strategic Priorities fund	within two years of designation

Investment management

During the year the Trustees agreed a new investment policy. The new policy is to only invest reserves, which are genuinely long term in equities through the CCLA investment funds, and to keep the remainder of reserves in assets that are less volatile. NCB now clearly identifies the unrestricted reserves between fixed asset reserves, fora and council reserves, trustee designated reserves (including pension reserve) and free reserves. The reserves available for investment in CCLA's investment fund are defined as the portion of the pension fund that is not required over the next three years and any other similar long-term reserves as identified by the trustees. The remainder of the Pension reserve and free reserves will be kept in CCLA fixed interest funds or no risk cash deposit accounts

The new policy indicated that the majority of NCB's investments needed to be held in more liquid investments and an 18-month maximum period for liquidating those held in investments at a level which exceeded costs. NCB now only hold a small amount of investments, property and fixed interest funds which have not risen above cost since the new policy was brought into place.

The total value of NCB's investments and cash on deposit as at 31 March 2010 is £7.3 million (£7.9 million at 2009) of which:

- £0.9 million (£4.1 million at 2009) is managed by CCLA Investment Ltd, consisting of £0.3 million (£1.7 million at 2009) in long-term investments and £0.6 million (£2.4 million at 2009) in CCLA Deposit Account

- £4.5 million (nil in 2009) is invested with the Co-operative Investment Bank (Co-op) as fixed term deposits, consisting of £2.0 million in long-term cash on deposit and £2.5 million in short term.
- £1.9 million (£3.8 million in 2009) is held in short-term deposits with Barclays Bank plc.

With regard to any equity investments in future, NCB will avoid investments in companies with significant (>33 per cent)

turnover in armaments, gambling, tobacco or pornography. It will also require its investment managers to exclude eventually companies which continue, after persistent engagement, to violate international norms in relation to human rights and employment standards. The CCLA Ethical Investment Fund, which NCB would probably use for any equity investment, currently fits these criteria.

Pension fund

The charity is an admitted body to the South Yorkshire Pension Fund (SYPF), which is a defined benefit scheme. In order to determine required contributions to the scheme full actuarial valuations are carried out every three years, the last being that at 31 March 2007 and for accounting purposes a valuation is done every year on a different basis, under FRS17, giving rise at 31 March 2010 to the negative pension reserve of £5.1 million. When the accounting valuation is done as at the same date as the actuarial valuation, it is produced more quickly and therefore does not incorporate all the changes to mortality assumptions etc that will be incorporated in the actuarial valuation. Otherwise the main difference in bases between the two valuations is that the accounting standard FRS17 requires pension liabilities to be discounted at a AAA grade corporate bond rate, whereas for the actuarial valuation, actuaries estimate the likely investment return for the scheme's mix of assets.

Last year, because of the credit crunch, the corporate bond rate used for the accounting valuation was, exceptionally, lower than the expected rate of return on the scheme's assets, giving a lower deficit for accounting purposes than for an actuarial valuation done at the same time. This year, as can be seen from Note 16 to the Financial Statements, the corporate bond rate has dropped to more normal levels, producing a large increase in the discounted value of liabilities which has more than offset a partial recovery in the value of the scheme's assets. NCB's future pension contributions however will be based on the actuarial valuation as at 31 March 2010 and pension liabilities for that should be discounted at a higher expected rate of return on the scheme's assets (Note 16 shows a weighted average return of 6.5 per cent compared with a corporate bond rate of 5.6 per cent). This will reduce the deficit shown by the actuarial valuation, but it could also be affected by other changes in assumptions. In any event,

the actuarial deficit at 31 March 2010 is likely to be worse than the £0.4m deficit at 31 March 2007 because the scheme's assets have not fully recovered their losses since that date.

The Trustees are keen to retain membership of the pension scheme but will review the options in the light of the results of the next actuarial valuation and of any changes to the scheme initiated by government. Currently it is not a practical option for the NCB to terminate its participation in the SYPF for future service. Local Government Pension Scheme rules would require it to secure its existing pension liabilities (which are guaranteed by the other participating employers) by making an immediate payment into the scheme far in excess of whatever deficit an accounting or actuarial valuation might produce. Whatever the actuarial deficit is, NCB should have up to 16 years to make it up and its business planning incorporates a build-up of its pension reserve to an appropriate level.

SYPF agreed that the fund deficit identified at the 31 March 2007 actuarial valuation could be funded over a maximum of 16 years. NCB's financial planning system included a mechanism to build up funds to meet the deficit earlier than the term provided by SYPF by the creation of a pension reserve fund. The trustees agreed to reduce the repayment period to two years by making additional payments each year. As at 31 March 2010 the designated pension reserve fund after these payments was £0.34 million, which reduces the effect of the FRS17 deficit from £5.1 million to £4.8 million. The Trustees believe that the FRS17 valuation being a notional calculation has no material effect on NCB's cash flows in the short term and that in the longer term, based on current figures, the effects are sustainable out of future income.

Subsidiary

National Children's Bureau Enterprises Ltd manage the conference and lettings programmes and various fundraising activities for NCB, and provide support services for other charities. The results of this subsidiary are consolidated in these financial statements.

The turnover for NCB Enterprises was maintained at £1.2 million, with the gross profit slightly increasing to £207k – 16 per cent (£194k – 15 per cent for 2009). Administration costs increased by 6 per cent to £167k. The net profit of £40k represents 3 per cent of turnover.

Fixed assets

In our opinion, the present market value of freehold property is above the book value but, in the absence of a current

professional valuation, we are unable to quantify the appropriate amount.

Members and sponsors

We would like to thank all our members for their continued support of NCB both financially and in pursuit of its aims and activities. We would also like to express our grateful thanks to

government departments, charitable bodies, companies and individuals for their considerable support in financing NCB's activities.

Auditors

Horwath Clark Whitehill LLP were re-appointed as the company's auditors during the year and have expressed their willingness to continue in that capacity.



Dame Gillian Pugh
8 Wakley Street, London EC1V 7QE
Chair

Independent Auditor's Report to the Members of National Children's Bureau

We have audited the group and parent company financial statements of National Children's Bureau for the year ended 31 March 2010 which comprise the Consolidated Statement of Financial Activities, the Consolidated Summary Income and Expenditure Account, the Consolidated and Parent Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 16. These financial statements have been prepared in accordance with the accounting policies set out therein.

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

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of National Children's Bureau for the purpose of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under the Companies Act 2006 and report to you in accordance with that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared

in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you if in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charity's financial statements are not in agreement with those records, if we have not received all the information and explanations we require for our audit or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2010 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- the financial statements have been prepared in accordance with the Companies Act 2006
- the information given in the Trustees' Annual Report is consistent with the financial statements.



David Devon
Senior Statutory Auditor
For and on behalf of
Horwath Clark Whitehill LLP
Statutory Auditor
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

Date

Consolidated Statement of Financial Activities

for the year ended 31 March 2010

	Notes	Restricted funds £'000	Unrestricted pension reserve £'000	Unrestricted other funds £'000	2010 £'000	2009 £'000
INCOME AND EXPENDITURE ACCOUNT						
INCOMING RESOURCES						
Voluntary income						
Donations and appeals	1	-	-	170	170	319
Activities in furtherance of the charity's objects						
Research, policy & participation		3,499	-	226	3,725	2,619
Strategy, resources and communications		1,498	-	1,141	2,639	2,302
Play England		4,163	-	2,581	6,744	4,148
Social inclusion		2,089	-	346	2,435	2,562
Well-being		2,185	-	1,082	3,267	3,912
NCB Northern Ireland		500	-	20	520	138
Centre for Excellence and Outcomes		5,379	-	31	5,410	2,996
Activities for generating funds						
Lettings and catering		-	-	41	41	34
Other income		-	-	8	8	109
Investment income	3	-	-	69	69	209
Total incoming resources		19,313	-	5,715	25,028	19,348
RESOURCES EXPENDED						
Cost of generating funds						
Fundraising		-	-	56	56	48
Lettings and catering		-	-	40	40	42
		-	-	96	96	90
Charitable expenditure						
Cost of activities in furtherance of the charity's objects:						
Research, policy & participation		3,587	1	(14)	3,574	2,432
Strategy, resources and communications		1,367	1	1,091	2,459	2,650
Play England		4,078	1	2,581	6,660	4,210
Social inclusion		2,197	1	385	2,583	2,424
Well-being		2,145	1	1,257	3,403	4,130
NCB Northern Ireland		328	-	78	406	349
Centre for Excellence and Outcomes		5,379	1	23	5,403	3,015
Governance		-	-	106	106	81
		19,081	6	5,507	24,594	19,291
Total resources expended		19,081	6	5,603	24,690	19,381
NET INCOME (DEFICIT) FOR THE YEAR		232	(6)	112	338	(33)
OTHER RECOGNISED GAINS AND (LOSSES)						
Gains (losses) on investments	8	-	-	264	264	(372)
Pension scheme actuarial (loss) gain (FRS17)	16	-	(2,399)	-	(2,399)	826
NET MOVEMENT IN FUNDS including Pension Reserve		232	(2,405)	376	(1,797)	421
FUNDS BROUGHT FORWARD		3,074	(2,705)	2,985	3,354	2,933
FUNDS CARRIED FORWARD		3,306	(5,110)	3,361	1,557	3,354

Notes 1 to 16 form part of these financial statements

All activities derive from continuing operations

Balance Sheets

as at 31 March 2010

	Notes	Group		Charity	
		2010 £'000	2009 £'000	2010 £'000	2009 £'000
FIXED ASSETS					
Tangible assets	1 & 6	698	737	698	737
Investments	1 & 8	2,355	1,742	2,355	1,742
Shares in subsidiary undertaking	9	–	–	–	–
		<u>3,053</u>	<u>2,479</u>	<u>3,053</u>	<u>2,479</u>
CURRENT ASSETS					
Stocks	1	22	26	22	26
Debtors	10	3,398	2,274	3,394	2,172
Cash on deposit	8	4,928	6,147	4,928	6,147
Cash at bank and in hand		466	223	367	181
		<u>8,814</u>	<u>8,670</u>	<u>8,711</u>	<u>8,526</u>
Less:					
CREDITORS falling due within one year	11	(5,200)	(5,090)	(5,102)	(4,951)
		<u>3,614</u>	<u>3,580</u>	<u>3,609</u>	<u>3,575</u>
NET CURRENT ASSETS					
NET ASSETS EXCLUDING PENSION LIABILITY					
Pension scheme liability	16	(5,110)	(2,705)	(5,110)	(2,705)
		<u>1,557</u>	<u>3,354</u>	<u>1,552</u>	<u>3,349</u>
NET ASSETS INCLUDING PENSION LIABILITY					
FUNDS					
Restricted funds	1 & 13	3,306	3,074	3,306	3,074
Unrestricted other funds	1 & 14	3,361	2,985	3,356	2,980
Unrestricted pension reserve	16	(5,110)	(2,705)	(5,110)	(2,705)
		<u>1,557</u>	<u>3,354</u>	<u>1,552</u>	<u>3,349</u>

Notes 1 to 16 form part of these financial statements

The financial statements were approved and authorised for issue by the trustees on 22 July 2010 and were signed on its behalf by :



Chair

Consolidated Cash Flow Statement

for the year ended 31 March 2010

	£'000	2010 £'000	£'000	2009 £'000
OPERATING ACTIVITIES				
Membership subscriptions received		332		355
Project grants received		19,340		15,102
Other grants and donations received		214		502
Other cash received		3,143		5,752
		<u>23,029</u>		<u>21,711</u>
Cash paid to and on behalf of employees	(9,656)		(8,438)	
Other cash payments	<u>(13,990)</u>		<u>(11,162)</u>	
		<u>(23,646)</u>		<u>(19,600)</u>
NET CASH (OUTFLOW) INFLOW FROM OPERATING ACTIVITIES		(617)		2,111
RETURNS ON INVESTMENTS				
Interest and dividends received		61		212
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT				
Payments to acquire tangible fixed assets	(71)		(142)	
Proceeds of investment sales	1,266		-	
Increase in investment funds on deposit	<u>(1,615)</u>		<u>(49)</u>	
		(420)		(191)
MANAGEMENT OF LIQUID RESOURCES				
Decrease (increase) in cash on deposit		1,219		(1,998)
INCREASE IN CASH AVAILABLE ON DEMAND		<u>243</u>		<u>134</u>

Notes on Consolidated Cashflow Statement

	1 April 2009 £'000	2010 cashflow £'000	31 March 2010 £'000
ANALYSIS OF CASH AVAILABLE ON DEMAND			
Cash at bank and in hand	<u>223</u>	<u>243</u>	<u>466</u>

RECONCILIATION OF NET CASH (OUTFLOW) INFLOW FROM OPERATING ACTIVITIES

	2010 £'000	2009 £'000
Net income (expenditure) for the year	338	(33)
Depreciation	110	143
(Decrease) increase in creditors	110	960
(Increase) decrease in debtors, excluding interest	(1,116)	1,086
Decrease (increase) in stock	4	(6)
Interest and dividends receivable	(69)	(209)
Pension reserve net expense, excluding actuarial gains/losses	6	170
Net cash (outflow) inflow from operating activities	<u>(617)</u>	<u>2,111</u>

Notes to the Financial Statements

for the year ended 31 March 2010

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of listed investments, which are included on a market value basis.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP 2005) for Accounting and Reporting by Charities, applicable accounting standards and the Companies Act 2006.

Group accounts

Group financial statements have been prepared on a line by line consolidation basis in respect of NCB and its wholly owned subsidiary, National Children's Bureau Enterprises Limited. No separate Statement of Financial Activities has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

Consortium charity

NCB is a member of a consortium of four charities in the field of childcare and receives grants from the consortium undertaking, Childlife, which are recognised in the Statement of Financial Activities with Donations and appeals. The accounts of Childlife are considered not material for the purposes of consolidation.

Incoming resources

Incoming resources include donations on a received basis, and all other income on a receivable basis in respect of the period.

Income in advance

Income is treated as received in advance only when the charity has to fulfil conditions before becoming entitled to it.

Tax status

NCB is a registered charity and its income is within the exemptions of the Income and Corporation Taxes Act 1988.

Resources expended

All expenses are accounted for on an accruals basis. Expenditure is classified under NCB's principal categories of activity rather than types of expenses in order to provide more useful information to users of the financial statements.

Expenditure comprises direct expenditure, including staff costs, attributable to the activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with budgeted use of the resources. Accommodation costs are allocated by floor space. Other support services are allocated by staff costs or by full-time equivalent staff.

Fundraising costs are those incurred in seeking legacies and donations.

Strategy, resources and communications includes library and information services, publications, conferences, media relations, marketing, membership administration and grant fundraising.

Internal cross charges are the charges between departments which reflect NCB's internal market.

Support services includes accommodation, chief executive, office and IT services, finance, human resources and equipment depreciation.

Governance includes trustees, audit and general legal expenses.

Value Added Tax

NCB is a partially-exempt body for VAT purposes. Expenditure subject to VAT, which is not fully recoverable by NCB, is shown inclusive of irrecoverable VAT in the financial statements.

Pension costs

NCB is an admitted body to the South Yorkshire Pension Fund (SYPF), which is a defined benefit scheme. Employers' contributions to the pension scheme, which are made in accordance with consulting actuaries' periodic calculations to spread the cost of pensions over the employees' working lives, are charged in the year in which they become payable. They are included as costs against Restricted and Unrestricted other funds. A cost of pension is calculated by the actuaries to comply with the accounting standard FRS17. Any difference is charged or credited to Unrestricted pension reserve. The difference, excluding actuarial gains and losses, is allocated to activities in proportion to employer contributions.

Employers' contributions are also made to employees' Personal Pensions. These are also charged in the year in which they become payable.

Pension reserve net expense, excluding actuarial gains and losses, is allocated pro rata to employer's pension contributions.

Tangible fixed assets

Freehold property, shown at cost, is depreciated on a straight line basis at 2% per annum of cost of the buildings. Furniture and equipment, shown at cost, is depreciated on a straight line basis at 20% to 33% per annum. All fixed assets costing under £500 are written off in the year of purchase.

Operating leases

Rental costs under operating leases are charged to the SOFA in equal amounts over the period of the leases.

Investments

Investments are stated at market valuation at the balance sheet date. The surplus or deficit of this revaluation is shown in the Statement of Financial Activities as unrealised gains or losses.

On disposal of investments the differences between their opening valuation for the year (or cost if acquired during the year) and the proceeds are shown as realised investment gains or losses in the Statement of Financial Activities.

Stocks

Stocks are books for resale valued at the lower of cost and net realisable value.

Fund accounting

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in note 13. Designated funds comprise funds which have been designated at the discretion of the Board of Management for specific purposes. The purposes and use of the designated funds are set out in note 14. The Fixed Asset funds, together with the equipment grants, in notes 13 and 14 represent the investment in tangible fixed assets. General funds are available for use in furtherance of the general objectives of NCB.

2. INCOMING RESOURCES

	Government project grants £'000	Other project grants £'000	Other income £'000	2010 £'000	2009 £'000
Voluntary income					
Donations and appeals	-	-	170	170	319
Activities in furtherance of the charity's objects					
Research, policy & participation	2,155	1,344	226	3,725	2,619
Strategy, resources and communications	1,011	483	1,145	2,639	2,302
Play England	1,233	2,911	2,600	6,744	4,148
Social inclusion	1,747	308	380	2,435	2,562
Well-being	1,602	581	1,084	3,267	3,912
NCB Northern Ireland	-	500	20	520	138
Centre for Excellence and Outcomes	5,380	-	30	5,410	2,996
Activities for generating funds					
Lettings and catering	-	-	41	41	34
Other income	-	-	8	8	109
Investment income	-	-	69	69	209
	13,128	6,127	5,773	25,028	19,348
Totals for 2009	7,841	7,126	4,381	19,348	

3. INVESTMENT INCOME

	2010 £'000	2009 £'000
Fixed Asset investments:		
Income from listed investments	27	33
Interest on investment funds on deposit	8	16
Cash on deposit:		
Bank and other interest receivable	34	160
	69	209

4. RESOURCES EXPENDED

	2010 £'000	2009 £'000
Staff costs		
Salaries and wages	8,036	7,177
Social security costs	685	602
Pension costs (notes 1 & 16)	953	953
	9,674	8,732

	Staff £'000	Other expenses £'000	Internal cross charges £'000	Support services £'000	2010 £'000	2009 £'000
Cost of generating funds						
Fundraising	32	12	5	7	56	48
Lettings and catering	38	36	(106)	72	40	42
Cost of activities in furtherance of the charity's objects:						
Research, policy & participation	1,269	2,146	(109)	268	3,574	2,432
Strategy, resources and communications						
Support services	1,228	1,099	(342)	(1,985)	-	-
Other	1,481	1,049	(459)	388	2,459	2,650
Play England	2,295	3,497	380	488	6,660	4,210
Social inclusion	1,226	881	187	289	2,583	2,424
Well-being	1,120	1,877	154	252	3,403	4,130
NCB Northern Ireland	233	88	40	45	406	349
Centre for Excellence and Outcomes	720	4,275	240	168	5,403	3,015
Governance	32	56	10	8	106	81
	9,674	15,016	-	-	24,690	19,381
Totals for 2009	8,732	10,649	-	-	19,381	

Support services

	2010 £'000	2009 £'000
Accommodation	613	705
Human resources	331	355
Finance	422	374
Information technology	483	361
Management	-	176
Office services	136	140
	1,985	2,111

	Restricted £'000	Unrestricted £'000	2010 £'000	2009 £'000
Resources Expended includes				
Depreciation	68	42	110	143
Auditors' remuneration – statutory audit	-	20	20	15
- other work	-	7	7	3

5. TRUSTEES AND STAFF

No remuneration is payable to trustee members. Travel and accommodation expenses totalling £4,397 (2009: £5,267) were reimbursed to nine trustees (2009: thirteen).

Trustee Indemnity Insurance £2,023 (2009: £1,927) was purchased in the year.

Average full-time equivalent staff numbers by main area of work	2010 number	2009 number
Research, policy & participation	31	32
Strategy, resources and communications		
Support services	27	28
Other	40	36
Play England	61	49
Social inclusion	29	24
Well-being	25	28
NCB Northern Ireland	6	6
Centre for Excellence and Outcomes	11	8
	<u>230</u>	<u>211</u>
Staff earning over £60,000		
between £60,000 and £70,000	6	3
between £70,000 and £80,000	3	2
between £80,000 and £90,000	-	1
between £90,000 and £100,000	1	-
between £100,000 and £110,000	-	1
between £120,000 and £130,000	1	-

6. TANGIBLE FIXED ASSETS

Group and Charity	Freehold land £'000	Freehold buildings £'000	Furniture and equipment £'000	Total £'000
Cost as at 1 April 2009	138	866	773	1,777
Additions	-	-	71	71
Disposals	-	-	(42)	(42)
Cost as at 31 March 2010	<u>138</u>	<u>866</u>	<u>802</u>	<u>1,806</u>
Depreciation as at 1 April 2009	-	385	655	1,040
Charge	-	18	92	110
Disposals	-	-	(42)	(42)
Depreciation as at 31 March 2010	<u>-</u>	<u>403</u>	<u>705</u>	<u>1,108</u>
Net book value as at 31 March 2010	138	463	97	698
Net book value as at 31 March 2009	<u>138</u>	<u>481</u>	<u>118</u>	<u>737</u>

7. OPERATING LEASE COMMITMENTS

Group and Charity

Annual commitments under non-cancellable operating leases are as follows:
expiry date under five years

2010 Building £'000	2009 Building £'000
136	136

8. INVESTMENTS AND CASH ON DEPOSIT

Group and Charity

Quoted Investments

Market value as at 1 April 2009
Disposal proceeds
Gains (losses) for the year
Market value as at 31 March 2010

2010 £'000	2009 £'000
1,350	1,722
(1,266)	-
264	(372)
348	1,350

Investment funds on deposit

CCLA
Co-operative Bank plc

7	392
2,000	-
2,355	1,742

Quoted Investments – Historic value as at 31 March 2010

368	1,608
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All investments are listed in the United Kingdom.

The following investment holdings were over 5% of the portfolio value:

CCLA Charities Fixed Interest Fund – income units
CCLA Charities Investment Fund – income units
CCLA Charities Investment Fund – accumulation units
CCLA Charities Property Fund – income units

2010 £'000	2009 £'000
234	233
-	221
-	793
105	94

Group and Charity

Cash on deposit

Barclay's Bank plc
CCLA
Co-operative Bank plc

2010 £'000	2009 £'000
1,850	3,775
578	2,372
2,500	-
4,928	6,147

9. SHARES IN SUBSIDIARY UNDERTAKING

This represents NCB's holding of 100 ordinary shares of £1 each, which is a 100% interest, in the share capital of National Children's Bureau Enterprises Limited, a company registered in England and Wales. The company gift aids its taxable profits to NCB. A summary of its trading results is shown below. Audited financial statements are filed with the Registrar of Companies. The results of the subsidiary undertaking have been consolidated on a line by line basis. The subsidiary undertakes conferences and lettings programmes and various fundraising activities for NCB, and provides support services for other charities.

	2010	2009
	£'000	£'000
Turnover	1,237	1,224
Cost of sales	(1,030)	(1,030)
Gross profit	207	194
Administrative expenses	(167)	(158)
Net profit before gift aid	40	36
Amount gift-aided to NCB	(40)	(36)
Net profit retained	-	-
	2010	2009
	£'000	£'000
The aggregate of the assets, liabilities and funds was:		
Assets	262	186
Liabilities	(257)	(181)
Net assets	5	5
	2010	2009
	£'000	£'000
Share capital (100 shares £1)	-	-
Accumulated Profit and Loss	5	5
Total funds	5	5

10. DEBTORS

	Group		Charity	
	2010	2009	2010	2009
	£'000	£'000	£'000	£'000
Trade debtors and grants invoiced	3,034	1,727	2,871	1,593
Amounts due from subsidiary undertaking	-	-	160	42
Taxation recoverable	1	1	1	1
Other debtors and prepayments	301	180	300	164
Grants due for projects	62	366	62	372
	<u>3,398</u>	<u>2,274</u>	<u>3,394</u>	<u>2,172</u>

11. CREDITORS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Trade creditors	2,949	1,835	2,945	1,780
Social security and other taxes	567	610	540	594
Superannuation contributions	91	88	91	88
Other creditors and accrued charges	471	486	404	440
Income received in advance	1,122	2,071	1,122	2,049
	<u>5,200</u>	<u>5,090</u>	<u>5,102</u>	<u>4,951</u>

	B/fwd 1 Apr 2009 £'000	Received 2010 £'000	Income 2010 £'000	31 Mar 2010 £'000
Income received in advance in respect of 2010/11				
Membership subscriptions	138	332	359	111
Publications and conferences	40	993	1,018	15
Consultancy and other fees	1,493	3,334	4,005	822
Grants	400	19,030	19,256	174
	<u>2,071</u>	<u>23,689</u>	<u>24,638</u>	<u>1,122</u>

12. RELATED PARTY TRANSACTIONS

The group has taken advantage of the exemption which is conferred by Financial Reporting Standard 8, "Related Party Disclosures", that allows the group not to disclose transactions with group undertakings that are eliminated on consolidation.

Sally Whitaker is a director of Childlife, a consortium charity (see note 1) which donated £137,500 to NCB during the year.

Sir Paul Ennals is part time Chair of the Children's Workforce Development Council (CWDC). During the year NCB received £37k in fees from CWDC.

13. RESTRICTED FUNDS

Group and Charity	2009 £'000	Income £'000	Expenses £'000	2010 £'000
Project and Unit funds				
Grants from Government Departments	969	13,128	(12,946)	1,151
Grants from Big Lottery	207	4,206	(4,255)	158
Grants from Sainsbury Family Charitable Trusts	735	658	(658)	735
Other grants and income	821	1,321	(1,183)	959
Supplementary Note Pages 37–40	2,732	19,313	(19,042)	3,003
Fixed asset fund – restricted element	230	–	(5)	225
Equipment grants	89	–	(34)	55
Other funds	23	–	–	23
	<u>3,074</u>	<u>19,313</u>	<u>(19,081)</u>	<u>3,306</u>

The Fixed asset fund represents the appeal and income thereon for the purchase of 8 Wakley Street (held as freehold property).

Equipment grants are held as restricted funds and released in line with the depreciation of the equipment.

Other restricted funds include grants for work not yet in progress.

14. UNRESTRICTED OTHER FUNDS

	2009 £'000	Income £'000	Expenses £'000	Gains on investments £'000	Allocations & transfers £'000	2010 £'000
Designated funds						
Fixed asset fund – designated element	418	-	(42)	-	42	418
Councils and fora funds	547	902	(891)	-	-	558
Major building repair fund	42	-	(42)	-	-	-
Pension fund	423	4	(310)	-	225	342
Strategic priorities fund	145	-	(66)	-	17	96
	1,575	906	(1,351)	-	284	1,414
General funds	1,410	4,809	(4,252)	264	(284)	1,947
Group – unrestricted funds before pension reserve	2,985	5,715	(5,603)	264	-	3,361
Charity – unrestricted funds	2,980					3,356
Subsidiary undertaking	5					5

The **Fixed asset fund** represents the net book value of the unrestricted element of tangible fixed assets.

Several **Councils and fora** are based at NCB and operate under its charitable status. Any unrestricted net income is held as designated funds.

The **Major building repair fund** existed to fund the general upkeep of the property and major expenses through a planned programme which was completed during the year.

The **Pension fund** is used to fund costs not covered by the main pension scheme and potential pension scheme deficit.

The **Strategic priorities fund** was set up to fund priorities as identified in the Strategic business plan, many of which were funded through other sources. The current designations will be spent this year.

General funds represent the net of accumulated surpluses and deficits of income and expenditure after transfers to designated funds.

During the year £283,967 was transferred from general funds to designated funds: £41,948 for fixed assets, £225,019 as additional employers' pension contribution levied towards funding potential pension scheme deficit and £17,000 to the Strategic priorities fund.

15. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £'000	Investments £'000	Current assets £'000	Total £'000
Restricted funds				
Fixed asset fund and Equipment grants	280	-	-	280
Other funds	-	-	3,026	3,026
Unrestricted funds	418	2,355	588	3,361
Net Assets before Pension Reserve	698	2,355	3,614	6,667

16. PENSION ARRANGEMENTS

The disclosures set out below relate to pension arrangements to which contributions are made by the charity – a defined benefit scheme and individual personal pension arrangements.

Defined benefit scheme

The charity is an admitted body to the South Yorkshire Pension Fund (SYPF), which is a defined benefit scheme, managed by the South Yorkshire Pension Authority (SYPA). A full triennial actuarial valuation was carried out as at 31 March 2007 and a further valuation made for the purposes of FRS 17 to 31 March 2010 by a qualified independent actuary. The charity is required to comply with the full requirements of FRS17. Details of these are set out below.

The assets of the scheme are held separately from those of the charity by South Yorkshire Pensions Authority. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over the employees' working lives with the charity. Following the March 2007 valuation, the contribution rate was increased to variable rates between 16.9% and 18.8% of pensionable salaries from 1 April 2008. Additional amounts will be payable to fund the forecast deficit on the pension fund.

The methodology for calculation of pension cost is determined as part of the actuarial valuation. The most recent valuation was 31 March 2007. The cost of NCB's contribution to SYPF for the year ended 31 March 2010 was £948,465 (2009 £781,162), which included £243,200 deficit repayment referred to below (2009 – £224,000)

The actuarial method in use at the most recent triennial valuation was the Projected Unit method.

Set out below are disclosures required for the purposes of FRS 17. The fair value of assets in the scheme and the expected return were:

	Long-term rate of return expected	2010 £'000	2009 £'000	Long-term rate of return expected
Assets				
Equities	7.5%	11,951	7,620	7.5%
Government bonds	4.5%	2,849	2,179	4.0%
Other bonds	5.2%	1,462	956	6.0%
Property	6.5%	1,684	1,363	6.5%
Cash	0.5%	555	624	0.5%
Total market value of assets		18,501	12,742	
Present value of scheme liabilities		(23,611)	(15,473)	
(Deficit) in the scheme		(5,110)	(2,731)	

16. PENSION ARRANGEMENTS *continued*

	2010 Assumptions	2009 Assumptions	2008 Assumptions	2007 Assumptions	2006 Assumptions
The major assumptions used by the actuary were:					
Increase in salaries	4.8%	4.8%	5.1%	4.9%	4.7%
Rate of increase in pensions	3.3%	3.3%	3.6%	3.1%	2.9%
Discount rate	5.6%	7.1%	6.1%	5.4%	4.9%
Inflation assumption	3.3%	3.3%	3.6%	3.1%	2.9%
	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Analysis of the amount charged to operating result					
Current service cost	572	805	630	563	476
Curtailment loss	20	-	(18)	233	-
Prior year and past pension	-	30	131	-	(322)
Total operating charge	<u>592</u>	<u>835</u>	<u>743</u>	<u>796</u>	<u>154</u>
Analysis of other finance income (expense)					
Expected return on pension scheme assets	825	946	899	733	601
Interest on pension scheme liabilities	(1,139)	(1,088)	(854)	(734)	(667)
Net (expense) income	<u>(314)</u>	<u>(142)</u>	<u>45</u>	<u>(1)</u>	<u>(66)</u>
Analysis of actuarial gains and losses:					
Asset gains (losses)	3,449	(3,441)	(1,051)	109	1,605
Liability losses (gains)	(5,848)	4,267	168	-	(174)
Change in assumptions	-	-	(142)	914	(1,338)
Net gain (loss)	<u>(2,399)</u>	<u>826</u>	<u>(1,025)</u>	<u>1,023</u>	<u>93</u>
Movement in (deficit) during the year:					
Deficit in scheme at beginning of year	(2,731)	(3,361)	(2,096)	(2,862)	(2,974)
Movements in year					
Operating charge	(592)	(835)	(743)	(796)	(154)
Contributions	926	781	458	540	239
Other finance income (expense)	(314)	(142)	45		(66)
Actuarial gains (losses)	(2,399)	826	(1,025)	1,023	93
Deficit in scheme at end of year	<u>(5,110)</u>	<u>(2,731)</u>	<u>(3,361)</u>	<u>(2,096)</u>	<u>(2,862)</u>

Deficit funding strategy

The full triennial actuarial valuation carried out as at 31 March 2007 assessed the deficit on NCB's element of the fund at £449k. SYPA allowed for the deficit to be repaid over 16 years. In previous years however, the Board had agreed to set up a pension fund reserve to build up funds to allow for a reduced repayment period as well as funds to maintain enough in reserve to deal with future differences as they arose. In 2010 £243,200 was repaid (2009: £224,000).

Personal pension plans

Payments are also made to employees' personal pensions which are charged in the year in which they become payable. NCB matches employees' contributions up to a maximum of 3.5% of pensionable salaries. The cost of NCB's contributions for the year ended 31 March 2010 was £2,258 (2009: £1,924).

SUPPLEMENTARY NOTE

for the year ended 31 March 2010

ANALYSIS OF RECEIPTS AND DISBURSEMENTS IN RESPECT OF PROJECTS (unaudited)

Project	Funder	Funding balances 31 March 2009 £	Incoming resources £	Resources expended £	Funding balances 31 March 2010 £
Research, policy and participation					
All Party Parliamentary Group – a history	British Land Company plc	2,000	-	-	2,000
Black and Minority Ethnic Communities work	City Parochial Foundation	-	3,000	3,000	-
Bridgend SEN Research	Bridgend County Borough Council	-	(90)	(90)	-
C4EO Knowledge review	NFER	-	50,000	47,705	2,295
Childminding Practice	Esmee Fairbairn Foundation	-	51,630	8,076	43,554
Children & Youth Board	Department for Education *	78,653	193,448	169,895	102,206
Evaluation Early Years	Department for Education *	-	26,015	26,015	-
Evaluation of School Home Support's work on Isle of Dogs	School Home Support	7,610	-	-	7,610
4 Nations Child Policy Network – supporting and informing the Children's Voluntary Sector across the UK	Big Lottery Fund Department for Education *	820 2,313	- -	- -	820 2,313
Moving up with Diabetes	Big Lottery Fund	1,707	-	574	1,133
National Participation Review	11 Million	-	35,000	35,000	-
Participation Practice Centre	Department for Education *	9,919	-	497	9,422
Participation Works	Big Lottery Fund Arts Council Department for Education *	145,638 6,500 4,557	1,143,488 - 152,000	1,218,412 - 147,185	70,714 6,500 9,372
Participation Works PWNE	Carnegie UK Trust	2,419	-	2,419	-
Private Fostering Research	Department for Education *	-	132,450	123,272	9,178
SEN Research	Department for Education *	33,270	61,770	90,157	4,883
Staff Morale in Residential Care – UK report	Social Education Trust	2,691	-	2,691	-
Taking Care of Education – Evaluation	Gatsby Charitable Foundation	15,687	-	48	15,639
Young people, research and public health	Wellcome Trust	29,517	63,842	49,784	43,575
What Makes the Difference?	Rainer	17,368	-	55	17,313
Young Inspectors	Department for Education *	-	1,589,707	1,582,433	7,274
Other work	Various	5,307	-	5,307	-
Strategy resources and communications					
Children's Play Information Service	Department for Education *	3,077	48,500	47,152	4,425
Children's Centre project funds	Various	-	65	65	-
Raise Your Potential	Big Lottery Fund	19,783	-	19,782	1
Skills Development Programme	Department for Work and Pensions	-	7,793	5,341	2,452
Strategic grant	Department for Education *	-	701,100	701,099	1
Strategic grant	Department of Health	-	210,840	153,362	57,478
- conference	Government Office London	-	3,000	3,000	-
V Programme	V	22,400	83,234	87,956	17,678
Voluntary Sector Support Programme	Department for Education *	-	43,250	43,240	10
carried forward		411,236	4,600,042	4,573,432	437,846

ANALYSIS OF RECEIPTS AND DISBURSEMENTS IN RESPECT OF PROJECTS (unaudited) (continued)

Project	Funder	Funding balances 31 March 2009 £	Incoming resources £	Resources expended £	Funding balances 31 March 2010 £
brought forward		411,236	4,600,042	4,573,432	437,846
Play England					
Adventure Playground grants	Department for Education *	-	1,072,607	1,025,486	47,121
Children's Play Policy and Research Service	Department for Education *	7	108,000	93,215	14,792
Foster Play projects	Department of Health West Midlands	-	20,000	11,016	8,984
Health & Play	Department of Health	6,799	52,700	38,646	20,853
Play England	Big Lottery Fund	-	2,891,268	2,891,268	-
	Various	-	18,724	18,724	-
Social Inclusion					
Accessibility Planning	Department for Education *	2,233	-	-	2,233
Aiming for Adulthood	Department for Education *	225	-	-	225
Aiming High	Department for Education *	41,744	247,948	289,692	-
Black and Ethnic Minority Disabled Children	Department for Education *	3,546	-	-	3,546
Building Infrastructure for Supporting Families	Department for Education *	5,310	-	5,308	2
Building Resilience in Families Under Stress	Department for Education *	321	-	-	321
Care Planning Systems – Wales	National Assembly for Wales	112	-	84	28
Changing Children, Changing Services	Department for Education *	1,954	-	-	1,954
Children with HIV and AIDS Network	Department of Health	-	46,000	43,504	2,496
- World AIDS day	Various	-	7,500	7,500	-
Council for Disabled Children	Department for Education *	-	240,000	240,000	-
- Legacy and other funds	Various	75,000	114	114	75,000
- Special Needs consortium	Various	25,974	2,800	13,179	15,595
- Training Pack for Independent Parental Supporters	Department for Education *	768	-	-	768
Every Disabled Child Matters campaign	True Colours Trust	-	110,000	110,000	-
	Children's Trust Tadworth	15,000	-	15,000	-
	Various	-	24,242	24,242	-
	Esmee Fairbairn Foundation	-	50,000	50,000	-
Health & Safety Fact Sheets	True Colours Trust	-	25,000	10,868	14,132
Hospital and Social Services Interface	Department of Health	110	-	-	110
Integrating for Excellence	Department for Education *	-	40,000	22,665	17,335
Looked After Children /Young Offenders Institutions	Department for Education *	7,476	-	-	7,476
Making Choices: Peer Mediation and Conflict Resolution	Bridge House Trust	4,749	-	-	4,749
Managing My Way	Department of Health	-	48,500	41,073	7,427
Mental Health Needs of Vulnerable Young	Department of Health	-	51,635	35,057	16,578
Multi-Agency Intervention for at risk Young People	Paul Hamlyn Foundation	2,781	-	-	2,781
National Centre for Excellence in Residential Child Care	Department for Education *	172,076	150,000	299,528	22,548
National Parent Partnership Network	Department for Education *	-	220,000	195,274	24,726
Participation of Disabled Children and Young People	True Colours Trust	13,469	123,000	69,357	67,112
Putting Analysis into Assessment	Local authorities	18	-	-	18
Rothschild Social Inclusion Projects	N.M. Rothschild & Sons Ltd	169	-	-	169
Social Pedagogy in residential care	Social Education Trust	5,579	-	686	4,893
carried forward		796,656	10,150,080	10,124,918	821,818

ANALYSIS OF RECEIPTS AND DISBURSEMENTS IN RESPECT OF PROJECTS (unaudited) (continued)

Project	Funder	Funding balances 31 March 2009 £	Incoming resources £	Resources expended £	Funding balances 31 March 2010 £
brought forward		796,656	10,150,080	10,124,918	821,818
Social Inclusion <i>continued</i>					
Supporting the Implementation of Integrated Children's System	Department of Health	14,882	-	-	14,882
Transition Support programme		90,398	702,575	599,682	193,291
Well-being					
All Salted	Food Standards Agency	25,816	-	4,257	21,559
Anti-Bullying Alliance	Department for Education *	153,514	1,218,352	1,132,719	239,147
	Various	1,334	-	-	1,334
Cards for Little Lives	The Equitable Charitable Trust	8,198	(3,000)	3,841	1,357
Childhood Bereavement network	The Diana, Princess of Wales, Memorial Fund	14,272	-	14,272	-
	Various	31,965	-	-	31,965
Children's Participation in Drugs Policy	Department of Health	170	-	-	170
Children's Participation in Health	Department for Education *	19,934	25,973	19,015	26,892
Child Safety Education Coalition	RoSPA	-	90,000	51,451	38,549
Climate Change	Baring Foundation	42,111	-	14,845	27,266
Climate for Change	Department for Education *	13,158	87,412	90,467	10,103
	Various trusts	13,250	-	-	13,250
Drug Education Forum					-
- Mapping Drug Education in Schools	Department of Health	9,974	-	595	9,379
- Newsletter, website and other work	Pilgrim Trust, Linbury Trust and others	1,978	-	32	1,946
Forum for Rural Children and Young People	The Countryside Agency	1,861	-	-	1,861
	Action for Children	3,000	-	-	3,000
Forum on Children and Violence	Various	2,165	-	-	2,165
- National Review on Children and Violence	Calouste Gulbenkian Foundation	6,900	253	-	7,153
- Publications	Maurice Laing Foundation	810	-	44	766
Further Education – Sexual Health Forum	Department of Health	5,493	-	5,259	234
Gender	Department for Education *	9,398	-	7,816	1,582
Health Challenge	Food Standards Agency	17,638	41,943	(2)	59,583
Healthy Care – Regional	Department for Education *	22,301	-	-	22,301
	Arts Council	4,500	-	-	4,500
Healthy Care and BME	Department of Health	25,729	-	12,399	13,330
Healthier Inside	Department of Health	5,468	-	2,400	3,068
Healthy YOIs	Department of Health	66,062	68,696	69,066	65,692
Inclusive Play in Essex	Essex Children's Fund	22,059	-	13,235	8,824
Initial Teacher Training and PSHE	Department of Health	4,267	-	4,267	-
Life Routes	Nokia Global	59,000	211,349	194,156	76,193
Life Routes (UK)	Nokia UK and others	115,791	-	(519)	116,310
Locked in Play	Big Lottery Fund	39,454	80,274	74,688	45,040
National Quality Improvement Network phase2	Department for Education *	3,462	-	-	3,462
PALS (Patient Advice & Liaison Services)	Department of Health	32,061	44,566	40,354	36,273
PEAL (was previously Parental Community Support Project)	Department for Education *	4,995	-	4,995	-
Peer Support Forum	Various	730	-	-	730
PSHE and Citizenship	Department of Health	2,034	-	2,034	-
carried forward		1,692,788	12,718,473	12,486,286	1,924,975

ANALYSIS OF RECEIPTS AND DISBURSEMENTS IN RESPECT OF PROJECTS (unaudited) (continued)

Project	Funder	Funding balances 31 March 2009 £	Incoming resources £	Resources expended £	Funding balances 31 March 2010 £
brought forward		1,692,788	12,718,473	12,486,286	1,924,975
Well-being continued					
PSHE Subject Association	Department for Education *	18,351	-	18,351	-
	Various	-	1,844	1,844	-
REAL	Big Lottery Fund	-	91,743	56,904	34,839
Relationships Matter	Department of Health	12,879	45,000	43,357	14,522
Secondary Subject Specific Support	CfBT Education Trust	71,118	-	71,118	-
Secondary Subject Specific Support 2	CfBT Education Trust	14,574	-	14,574	-
Sex Education Forum	Various	5,875	-	-	5,875
- Factsheets and other dissemination	Home Office	9	-	-	9
Sex Education and Minority Ethnic Groups	Department of Health	4,138	-	2	4,136
Small Steps Website	FSA	-	41,231	12,731	28,500
SRE related matters	Department for Education *	-	58,000	51,148	6,852
Substance Misuse Education for Young People in Custody	Youth Justice Board	22,112	-	-	22,112
Supported Housing Network	Centrepoint Soho	4,227	35	36	4,226
Talking Transition	Mark Leonard Trust and JJ Charitable Trust	14,900	-	32	14,868
Teenage Pregnancy Strategy – West Midlands	Department of Health	780	-	-	780
Virtual centre for self harm	Camelot Foundation	43,254	-	43,254	-
Volatile Substance Abuse	Department of Health	12,090	-	-	12,090
- Publications	Various	4,070	-	-	4,070
WBL project	Department for Education *	-	54,004	54,004	-
Wellbeing, Creativity and Care	Department for Education *	12,641	-	-	12,641
	West Midlands SHA	-	25,000	5,000	20,000
	Arts Council	520	-	-	520
Well Being – innovation/new work	Various	28,071	-	3,902	24,169
Working with Governors	Department of Health	352	-	352	-
Young People, Drugs and Depression	Department of Health	42,982	-	3,140	39,842
Young People Participating in Policy	Various	4,131	-	-	4,131
Young TransNet					
- 16 plus survey	Rees Jeffreys Road Fund	4,982	-	-	4,982
- Virtual Field Trip	Institute of Civil Engineers	1,356	-	-	1,356
NCB Northern Ireland					
Diversity in Action NI	Barnardos	-	10,000	-	10,000
Making it work	Queens University, Belfast	-	154,973	129,387	25,586
New to Northern Ireland	Calouste Gulbenkian Foundation	-	60,000	9,409	50,591
Northern Ireland office	Atlantic Philanthropies	-	242,600	139,343	103,257
Voice of young people in Northern Ireland	Paul Hamlyn Foundation	24,474	32,119	50,074	6,519
Centre for Excellence and Outcomes					
Centre for Excellence and Outcomes	Department for Education *	-	5,379,500	5,379,500	-
NCB-wide and other projects					
Gatsby Rolling Programme	Gatsby Charitable Foundation	690,653	400,000	467,776	622,877
Other work	Various	135	-	-	135
		2,731,462	19,314,522	19,041,524	3,004,460

(* formerly Department for Children, Schools and Families)

NCB Funders 2009/10

We would like to thank all those who have funded our work on behalf of children and young people.

11 Million

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Atlantic Philanthropies

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The Diana, Princess of Wales, Memorial Fund

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NCB is a leading publisher in the children's sector with a range of accessible publications on key issues. NCB Publishing also offers its expert service to other organisations, with start-to-end project management of high quality publications, from books and magazines to posters and other publicity materials. If your organisation has something to publish, but not the resources to do it, we can advise you on all aspects of the process.

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The VSS programme at NCB is designed on the basis of direct feedback from children and young people's voluntary and community sector organisations about the support that would benefit them most. Two projects focus on children and young people's health organisations and BME and faith organisations working with children and young people.

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