

Registered company number 02729957

Registered charity number 1013025

Scottish registered charity number SC039888



Working to Protect Children

The Lucy Faithfull Foundation
Annual Report and Financial Statements
31 March 2016

THE LUCY FAITHFULL FOUNDATION

Financial statements for the year ended 31 March 2016

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THE LUCY FAITHFULL FOUNDATION

Reference and Administrative Information

Registered company number

020729957

Charity number

1013025

Scottish registered charity number

SC039888

Patrons

Mr R Monk CMG, OBE, QPM

General The Right Honourable The Lord Ramsbotham, GCB, CBE

Sir Richard Tilt

Baroness V G Howarth OBE (appointed 01.12.2015)

Trustees

Dr A Bentovim MB BS FRC Psych FRCPCH (Chair)

Mr B J Coker BA (Hons) CPFA PIIA DMS MIMgt (Honorary Treasurer)

Dr M Harris BSc MB BS MRCS LRCP FRC Psych

Baroness V G Howarth OBE (resigned 01.12.2015)

Mrs J Leach BSc FCA

Dr M Marett-Crosby MA DPhil

Mrs G McKeown

Mr E M Nock OBE BA (Jt Hons) Dip IPD (Vice-Chair)

Professor D Perkins BSc MSC PhD CPsychol AFBPsS

Ms A Shepperd Cert Ed CQSW

Professor A Spencer BA (Hons) MA

Mr J Trotter LLB (Hons)

Mr P West QPM MA (Oxon) MSc MA

Company Secretary

Ms A Kroeger BAcc CA(SA)

Senior Management Team

Mrs E McConnell BA (Hons) MSc, Chief Executive (from 01.08.2015)

Mrs H J Eldridge BA (Hons) Dip SW (to 31.05.2015)

Mr D Findlater, BA (Hons), MA, CQSW, FRSA Director of Research and Development

Mr S Sauzé CQSW DIpsw, Director of Operations

Mrs S Brotherston BA Hons, CQSW and Dip App Soc Director of Operations to 20.11.2015

Ms A Kroeger BAcc CA(SA), Director of Finance

Registered office and principal address

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THE LUCY FAITHFULL FOUNDATION

Reference and Administrative Information (continued)

Auditor

Crowe Clark Whitehill LLP
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Solicitors

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London EC4R 1BE

Trustees' Report for the year ended 31 March 2016 (Incorporating the Director's Report)

The Trustees, who are also Directors of the Lucy Faithfull Foundation ("the charity" or "LFF") for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2016. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" 2005 in preparing the annual report and financial statements of the charity.

The Trustees who held office during the year and up to the date of this report are listed on page 2.

1. Objectives and activities

1.1 Governing document

The charity is constituted under its Memorandum and Articles of Association, as a company limited by guarantee (company no. 02729957), incorporated on 09 July 1992. It was registered as a charity in England and Wales (charity no. 1013025) on 16 September 1992. On 23 September 2008 the charity was registered with the Office of the Scottish Charity Regulator (OSCR) (Scottish registered charity no. SC039888).

The objectives of The Lucy Faithfull Foundation (LFF) are:

- to further the assessment, psychological rehabilitation, treatment, education and care of persons who have committed or are likely to commit sexual offences against others, especially children;
- to further the assessment, care and treatment of the victims (and their families) of the aforesaid offenders and to further the health and welfare of children considered to be at risk of sexual abuse;
- to assist in the prevention of sexual offences (especially those involving children);
- to further study and research into the nature, extent and probable causes of sexual offending, the effects on victims and their families, the effective prevention of such offending and the assessment, treatment and rehabilitation of offenders or likely offenders and disseminate the useful results of such research; and
- to provide education and training to professionals, school governors, parents and the general public in issues relating to sexual offences (especially those involving children), the prevention of such offences, the rehabilitation and treatment of offenders or potential offenders, and the care and treatment of victims.

1.2 Issues we seek to tackle through our activities

Our Mission is to prevent the sexual abuse of children and young people by working with protective adults, those affected by abuse and those perpetrating it, including young people with harmful sexual behaviour. We are committed to using our expert knowledge to impact on public policy, and to educate families, professionals and the public. In all our work, we help children and young people to stay safe.

Trustees' Report for the year ended 31 March 2016 (continued)

1.2 Issues we seek to tackle through our activities (continued)

In doing so we will move closer to our vision to create a world in which children's rights to live free from abuse and exploitation become a reality.

- We are the only UK wide organisation dedicated entirely to preventing child sexual abuse and have been doing so since 1992.
- Our services, programmes and projects are designed to place a protective shield around children, to help prevent abuse from happening in the first place or, if it is too late, to prevent it from happening again.
- We use a comprehensive framework for preventing child sexual abuse based on a public health model of prevention to ensure our projects address the different stages of prevention and those concerned with and affected by abuse.
- We prevent abuse from happening by working in partnership with government, charitable trusts, voluntary, statutory and private sector and the public. We contribute to scientific knowledge of sexual abuse and public policy.

The majority of children who suffer sexual abuse are abused by someone they know, someone in their family or social network (including online networks). This makes it very hard for them to tell anyone. This is why we, as adults, must do all we can to protect them.

1.3 Public Benefit

All of our activities are undertaken to further our charitable purposes for the benefit of the public. The Trustees use Charity Commission guidance on public benefit and comply with the requirements of the Office of the Scottish Charity Regulator.

1.4 Short term and long term aims for the year ended March 2016

Promote strategic planning and good practice to prevent child sexual abuse at primary, secondary and tertiary levels.

- We have developed an Eradicating Child Sexual Abuse (ECSA) toolkit, grant funded by Oak Foundation
- We have worked with the Department of International Development (DFID) to prevent abuse and enhance safeguarding on the Overseas Territories
- We have worked with Government departments to prevent child sexual abuse
- We have increased our use of the media including social media to promote public information and prevention messages.

Increase the availability of confidential advice to adults concerned about their own behaviour or that of another adult or a young person.

- We have further developed our websites with particular investment in our Stop it Now! website
- We have significantly increased the number of callers to our confidential Stop it Now! Helpline and its follow up telephone and face to face services.

Trustees' Report for the year ended 31 March 2016 (continued)

1.4 Short term and long term aims for the year ended March 2016 (continued)

Improve and increase the services we offer to detected and undetected internet offenders and their families.

- We have increased the provision of services for internet offenders including Inform Plus, Inform and Inform for Young People services
- We have refreshed our online self-help resource which can be found on the Stop it Now! website
- We have continued to tackle the problem of online child sexual abuse through interventions and research into preventing internet abuse.

Increase the availability of high quality services for children and young people with harmful sexual behaviour.

- We have continued to provide services to local authorities and youth offending services including direct work with young people and training and consultancy for professionals
- Unfortunately due to changes to commissioning practices we are no longer providing such services to residential and secure facilities
- We provided selected intervention services direct to the public via the Stop it Now! Helpline and our websites
- We have continued to collaborate with other agencies, including government, to develop a strategic approach to prevention of and intervention with harmful sexual behaviour (in the 'real world' and on the internet).

Provide assessments and interventions in cases of intra-familial abuse.

- We have continued to provide expert witness assessments for family court proceedings
- We have also provided assessments and interventions for local authorities.

Provide services for high risk sex offenders.

- We have continued to deliver Circles of Support and Accountability in the West Midlands in liaison with the Police, Probation and Circles UK.

Provide training and consultancy services that enable other organisations to work effectively in the area of sexual abuse.

- We have continued to deliver training tailored to meet the most pressing needs of a range of consumers regarding primary, secondary and tertiary prevention.

1.5 Contribution of volunteers

We would like to thank all our volunteers for the valuable contribution they make without whom some of our services would be unable to continue.

Circles of Support and Accountability is a service which assists in the management of high risk people convicted of a sexual offence by placing a ring of volunteers around the person in the community. The volunteers befriend the person or 'core member' while holding him accountable for his actions and reporting any concerns to statutory organisations.

Stop it Now! Wales has benefitted from two volunteers assisting with office support, evaluations and promotion as well as delivery of programme sessions.

Trustees' Report for the year ended 31 March 2016 (continued)

1.5 Contribution of volunteers (continued)

We have also greatly benefitted from a volunteer supporting our work on our international toolkit funded by the Oak Foundation.

Over the year we have had on average 48 volunteers, a number which fluctuates as volunteers join and leave and we estimate that they contributed 4,000 volunteer hours.

2. Achievements and performance

2.1 Stop It Now Prevention Activities

2.1.1 Stop It Now! UK and Ireland campaign

Stop it Now! UK and Ireland is a child sexual abuse prevention campaign. It helps adults play their part in prevention by providing sound information, educating the public, training those who work with children and families and running the Stop it Now! Freephone confidential Helpline. Previously the campaign work in England was funded via a grant from the Department for Education which ended in March 2013 and the campaign has received no core funding since.

Our three websites play a vital part in the campaign; www.lucyfaithfull.org.uk; www.stopitnow.org.uk and www.parentsprotect.co.uk. These websites formed a key aspect of our work in communicating our services to the public and professionals.

We updated our Stop it Now! website to provide a self-help area for people worried about their online behaviour. There are also additional sections aimed at professionals and the family and friends worried about another's online behaviour.

The last year has seen considerable overall growth in the numbers of people accessing our information and resources via our two principal public-facing websites, Stop it Now! and Parents Protect, which saw increases in visitor numbers over the previous year (2014/15) of 40% and 18% respectively.

2.1.2 Media Coverage

We have secured widespread coverage for the campaign in the UK's regional media. Supplying data on calls to our Stop it Now! helpline on a region by region basis, we have proactively gained coverage in over forty titles, ranging from **The Liverpool Echo**, **The Plymouth Herald**, **The North Devon Journal**, **The Northern Echo**, **The Scotsman**, and many more. The campaign has also attracted huge interest from UK regional broadcasters, with Lucy Faithfull Foundation spokespeople providing interviews to **BBC Cornwall**, **Three Counties Radio**, **BBC Liverpool**, **BBC Hereford and Worcester**, **BBC Newcastle** and many others.

Other media highlights of the year include our extensive appearance in an in-depth, one hour BBC 2 programme, **The Truth About Child Sexual Abuse** and web traffic to our site soared during programme transmission.

Trustees' Report for the year ended 31 March 2016 (continued)

2.1.2 Media Coverage (continued)

We were also at the heart of a long feature on what causes paedophilia in The Guardian: ***“At present, the best pre-emptive option in this country is a confidential helpline and email service for people worried about their behaviour or desires, called [Stop it Now!](#), run by The Lucy Faithfull Foundation.”***

2.2 Stop it Now! Wales

Stop it Now! Wales had until 31st March 2016 been a child sexual abuse prevention campaign funded through the Welsh Government and The Lucy Faithfull Foundation. The Welsh Government funded this project from 2009 and that funding ended on 31st March 2016.

In the last 12 months (2015/16) Stop it Now! Wales have delivered a range of public education awareness sessions across the whole of Wales. These include courses such as Parents Protect, Parents Protect for Parents with children with Additional Needs, Professionals Protect, Internet Safety, Parents Protect Plus, Understanding Sexual behaviours in Pre and Post Pubescent Children and Child Sexual Exploitation and Safeguarding.

“All of it was extremely useful. It has made me more aware of a child that may be at risk. Very well presented.” - Teaching Assistant

We are delighted to report that we have met and exceeded the target (246) for delivery of training sessions delivering 269 sessions. We were targeted to deliver to 3,035 participants and we delivered to 2900 achieving 96% delivery.

In all sessions across all topic areas 100% of participants reported that they found the session useful.

“Many of the carers link with children who are active on the internet and with social media and this particular training has highlighted our disabled children’s added vulnerability with strategies to use to help keep them safe. These have also been discussed and shared with parents during review meetings as well as on an informal basis. One carer has said it has been some of the best training that he has participated in”

We have translated existing resources into Welsh and developed new material specifically for Wales around Child Sexual exploitation and Safeguarding. We want our materials to be accessible to the widest possible audience. We continue to work closely with North Wales police, delivering training to over 300 front line officers, increasing their understanding and recognition of child sexual abuse.

2.2.1 External Evaluation by Cardiff University

In November 2015, Cardiff University undertook research to examine the education and awareness sessions delivered by Stop it Now! Wales.

The findings were that overall the education and awareness-raising sessions delivered by Stop It Now! Wales were successful at informing participants about the realities of child sexual abuse.

Trustees' Report for the year ended 31 March 2016 (continued)

2.2.1 External Evaluation by Cardiff University (continued)

The evidence also suggested that they had transferred some of the learning into real life situations. In doing so they are actively taking steps to make children safer. Importantly the majority of participants were also willing to talk more openly to others about child sexual abuse prevention, and inform others how to manage risk more effectively and responsibly therefore expanding the impact of these sessions far beyond the 3,035 participants.

2.3 Stop it Now! Scotland

Stop it Now! Scotland provides two distinct but connected prevention projects both funded by the Scottish government. The first project is the primary prevention toolkit, which we are in the process of redeveloping with a view to testing in early 2017. The second project is the Early Intervention to Prevent Sexual Abuse in Scotland (EIPSAS) which covers all of our client services. This targets people who have concerns about their sexual thinking or behaviour towards children or young people; people recently arrested for 'internet offences'; and males who have sexually offended with a history of trauma or previous abuse. Our services also include individual as well as group programmes to the partners and families of men who have been arrested for accessing illegal images of children online. This includes telephone contact (400 calls) offering advice and support, individual sessions; and group interventions (30) for people who were arrested, cautioned or convicted of internet offences involving indecent images of children.

The following is feedback from the partner of a man arrested for accessing illegal images of children online

"There must be many, many more women and children in a similar position, suffering in silence because of the taboo surrounding this offence and the fear of the effect on their family and their family's reputation. The family feels ashamed and as a wife, dreadful guilt despite your head telling you that it is not your fault. 'Why did I not see this coming and do something to prevent it happening?' 'Where did I go wrong as a wife?' Stop It Now is an invaluable organisation and without them I literally could not have coped. They understand your situation fully and provide moral support along with practical advice."

We have continued to promote a sexual abuse prevention perspective through presenting at a large number of events and conferences and participation in a broad range of bodies and organisations.

2.4 Stop it Now! Helpline

Our specialist confidential helpline provides advice and support to anyone concerned about their own sexual thoughts and behaviour or the behaviour of another adult, young person or child. Our experience shows that people who are aware of their own worrying thoughts about children can be helped to prevent offending before it starts and adults and young people who have already committed an abusive act online or in the real world can be helped to stop.

We aim to target those who can truly protect the child either through not offending or by up skilling the protective adults around them. Our confidential Freephone Stop it Now! Helpline is the gateway to many of our services. It is funded by Her majesty's Government (HMG), the Internet Watch

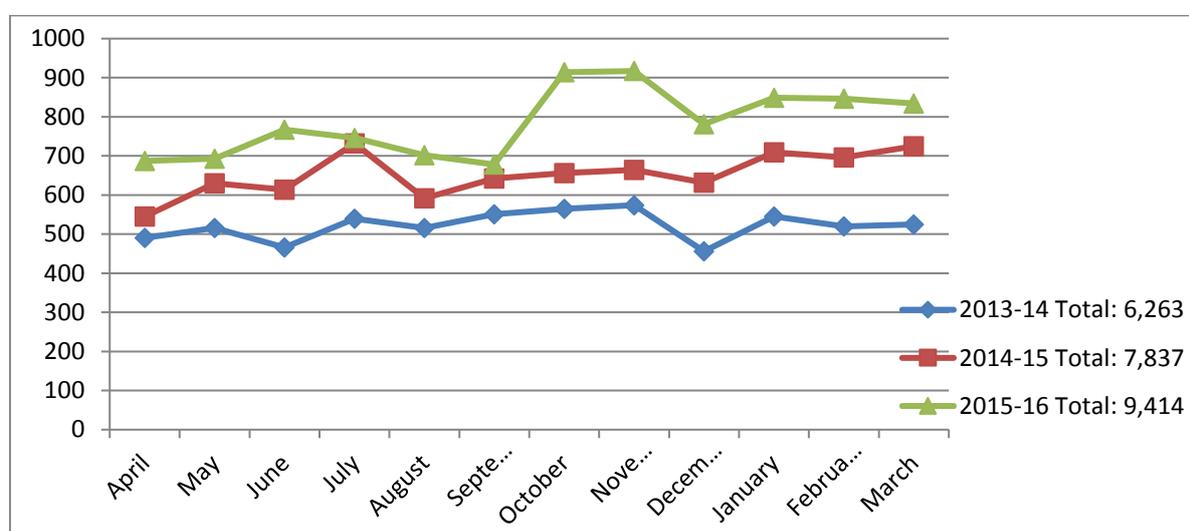
Trustees' Report for the year ended 31 March 2016 (continued)

2.4 Stop it Now! Helpline (continued)

Foundation and the Dulverton Trust. It is also supported by donations and fundraising activity in particular, the annual Prudential Cycle ride.

This year we made a significant investment in our helpline by commissioning a new phone system at a cost of £19,721 including installation. We also refurbished our Epsom office, the home of the Helpline, installing 6 operator booths with a total refurbishment cost of £24,339. This allows the operators to receive and talk to callers in a quiet and confidential space without fear of interruption or distraction thus providing a better service to our callers.

Graph: Year on year increases in call volumes to the Helpline



The graph shows that over the last three years there has been a sustained upward trend in the volumes of calls to the Helpline. In the year 2013-14 there was a total of 6,263 calls to the Helpline. Over a period of just two years the yearly total had jumped by 3,151 to 9,414 total calls to the Helpline in 2015-16. This represents a significant 50% increase in Helpline call volumes in just three years.

Following the launch of our online deterrence campaign in October 2015, there was an appreciable increase in calls to the Helpline from those groups targeted by the campaign: adults concerned about their own online behaviour; and adults concerned about the online behaviour of another adult. Call totals from these two groups of callers increased from a pre-campaign average of 69 per week to a weekly average of 84 in the six month period following the campaign launch. This represents an increase of 22%.

The largest caller group were from people who access illegal images of children, comprising 31% of all callers; 14% were from adults concerned about the behaviour of another adult accessing illegal images; 5% were from adults concerned about the sexual behaviour of a child.

Trustees' Report for the year ended 31 March 2016 (continued)

2.4 Stop it Now! Helpline (continued)

This demonstrates that people will seek help from a confidential advice line about very difficult personal issues. We aim for the caller to take one clearly agreed action from each call to reduce risk of abuse to children. Other callers included professionals seeking advice, the public seeking advice on grooming, and other general information.

2.5 Internet Offender Deterrence Services

In response to the needs identified through the Stop it Now! Helpline we developed our suite of 'Inform' programmes which are evidenced based interventions for perpetrators and the families of those affected by harmful sexual behaviour. There are three Inform programmes, Inform, Inform Plus and Inform Young People (YP).

2.5.1 Inform

Inform is an educative course for the partners or supporters of people who have been charged in relation to viewing or downloading illegal images of children from the internet. Families are devastated by the arrest of a parent or child and are often left reeling at the potential consequences. It provides a 'safe place' where people start to understand the offending behaviour, to talk openly about the issues and gain support in protecting any child that may be at risk. This work is funded by Porticus, The Emmanuel Kaye Foundation, and some participant donations. This year we have run 10 group programmes (6 last year) with a total of 45 participants (17 last year) and 17 individual programmes (13 last year).

This is the feedback from one of the participants:

"The Inform course creates an opportunity to talk openly... The sense of relief and reduction in stress together with the very practical advice from others going through the same thing can't be under estimated. The opportunity to network with others in a similar situation is critically important to the ability to get proper perspective and cope with the situation, take decisions and begin to take control. I believe that in itself is important to preventing break-down in an incredibly stressful situation..."

2.5.2 Inform Plus

Inform Plus is an educative intervention for individuals who have been arrested, cautioned or convicted of internet offences involving indecent images of children. It can be either a group work or an individual programme, which works with the participants to explore their offending behaviour and devise strategies for avoiding future internet offending.

Through our Internet services for offenders and our Inform Plus programmes we have provided a range of interventions to 279 men (239 last year) all of whom had been arrested, cautioned or convicted of internet offences involving indecent images of children. The programmes explore their offending behaviour and devise strategies for avoiding future internet offending.

Trustees' Report for the year ended 31 March 2016 (continued)

2.5.2 Inform Plus (continued)

We have expanded the number of geographic areas where we deliver our range of programmes to include Liverpool, Staffordshire and Gloucestershire.

We have continued to work closely with a number of police forces where men have been arrested for accessing illegal images of children online, offering programmes to both the men and their partners or supporters.

Arrest for such offences can result in the person being removed from the family home and losing their job putting considerable financial strain on the family. Post arrest, the likelihood of suicide by the perpetrator is at its highest creating an additional anxiety for all the family as the offenders often view their future on the sex offenders' register as incredibly bleak. This program is mainly self-funding from participant fees but we do provide some subsidised places and we are grateful to HMG and Porticus for their support of this as well as the donations from participants and the funding from the Dulverton Trust for information leaflets.

Feedback from the participants continues to be very positive and underlines the need at such a difficult time in their lives.

In May 2015 we had the following testimonial from a man on an Inform Plus Group: *"It has been a difficult, gruelling yet educational and overall wonderful course. Staff are amazing and in no small way have saved my life."*

2.5.3 Computer monitoring software

Securus is computer software, available to men arrested for internet-related offences, which enables our specialist staff to monitor the data being viewed on the offenders' computer or laptop. Knowing that what is being viewed online will be assessed by our staff, works as a deterrent against accessing illegal sites.

Currently we are monitoring 80 people using the Securus software, a number which fluctuates during the year as people come to the end of their requirement to have the software and new clients request it.

2.6 Working with Young People and their families

2.6.1 Inform YP

Inform YP is for children and young people who have displayed problematic or risky sexual behaviour on the internet (such as 'sexting') or in the 'real world', to prevent an escalation or recurrence of that behaviour. This includes working with the parent or carer to provide them with the skills to support the young person.

This year we have worked with and helped 33 young people and their parents or carers compared to 15 in 2014/15. This significant increase demonstrates the growing need for this individually tailored service. Each young person and family is different and our practitioners assess the needs of each young person to devise the most appropriate approach.

Trustees' Report for the year ended 31 March 2016 (continued)

2.6.1 Inform YP (continued)

Given the circumstances families find themselves in following the arrest of a loved one for accessing illegal images of children we do not envisage that these programmes will ever become entirely self-funding. It is important therefore that these valuable interventions are accessible to those who need it and do not become the preserve of those who have the ability to pay.

We are grateful to Hedge Care Funds UK, Dulverton, Whitegates and Porticus for their continued support not just for interventions with young people but also for the development and printing of materials aimed at parents such as What's the Problem? hosted on our Parents Protect website. This is a much needed guide for parents whose children have got into trouble online either through risk taking behaviour (such as viewing adult pornography); by acting irresponsibly through sending or receiving sexual images, or where children have been arrested for viewing indecent images of other children.

A recent tweet from a freelance journalist about our What's the Problem? resource said:

"This is excellent. Really, genuinely excellent"

2.6.2 Internet Safety

Other work with young people included delivering Internet Safety sessions in 21 schools reaching 1092 children who learnt how to be safe online. We also delivered Internet Safety seminars to 532 adults, up skilling them to keep their children safe online. We are thankful to Dulverton Trust, the Surrey PCC and the schools who have all contributed to the cost of delivering these prevention sessions.

2.6.3 Support Services to Young People in the Secure Estate

Our contract with the Youth Justice Board (YJB) to provide specialist assessment and intervention for young people in four Young Offender Institutions (YOIs) in the secure estate ended on the 31 March 2014. The Trustees remain concerned about the availability of service provision in the secure estate for young people with harmful sexual behaviour and the consequences for public protection if a service that meets the young people's offending related needs is not provided.

2.7 Circles of Support and Accountability (CoSA)

CoSA help re-integrate convicted adult sex offenders safely into society, preventing the isolation that increases the risk of reoffending. A 'Circle' consists of a group of volunteers supported by professional staff, set up around a 'core member' who will have committed a sexual offence. They befriend the core member while holding him accountable for his actions and reporting any concerns to statutory organisations. There is strong evidence for the effectiveness of CoSA.

For five years we ran our CoSA project with the Metropolitan Police for deportee's who had been convicted of a sexual offence and returned to the UK after serving a prison sentence abroad. We set up 8 Circles for deportees but were dependent upon referrals of suitable offenders from the police which was proving to be slow.

Trustees' Report for the year ended 31 March 2016 (continued)

2.7 Circles of Support and Accountability (COSA) (continued)

Although the isolation of these deportees when they arrive back in the UK underlines the importance of our work in engaging them to prevent reoffending, demand was diminishing and our last Circle closed this year. All outstanding funds were transferred to our CoSA project in the Midlands.

Our West Midlands CoSA project runs in collaboration with the National Probation Service who contributed 4 part time coordinators over 15/16, which will reduce to 2 for 16/17, and the Central

England Quakers who contribute primarily in kind. Funding for the year came from the Esmée Fairbairn and Lankelly Chase Foundations. We also received a grant from The George Fentham Trust to pay volunteer expenses for the Birmingham Circle.

Heantun Housing Association funded research by the University of Birmingham to investigate the experience of volunteers associated with CoSA which was broadly positive.

We have successfully completed 5 Circles started in 2014 in Birmingham (2), Wolverhampton, Warwick and Staffordshire. In June 2015 we set up another 5 Circles in Birmingham (2), Redditch, Nuneaton and Leamington Spa. All of these groups have now ended or are about to end. We are looking to start 2 more Circles probably in Birmingham and Warwickshire.

To ensure our new volunteers are well equipped, we ran 2 volunteer training events over 4 weekly evening sessions in Warwick and Redditch training 10 volunteers providing them with the skills and information they need to fulfil this important role.

In all we have worked with and impacted 10 core members, 45 volunteers and the greater community in the West Midlands by working together to keep children safe.

2.8 Training and Consultancy

During the year we provided 150 (154 last year) training days to 2234 (2230 last year) participants, of which, 37% received Safer Recruitment training.

Attendees come from a variety of settings including education, Children's Services, local authorities, County Councils and fostering agencies. Our training aims to help professionals to better protect children in their care and we encourage them to share their learning with other professionals and parents.

We have worked closely with the Department of International Development (DFID) where we have conducted a Child Safeguarding Review on Tristan de Cunha, an overseas territory. We have also delivered a range of training and consultancy to meet the needs of the local communities on Montserrat, Pitcairn, St Helena and Ascension Island. This work came to an end in March 2016 and new commissioning arrangements are being introduced by DFID which will commission on a significantly larger scale with child safeguarding being only one element.

Trustees' Report for the year ended 31 March 2016 (continued)

2.8 Training and Consultancy (continued)

We seconded two part time members of staff to the Foreign and Commonwealth Office (FCO) providing the skills and knowledge required to assist the FCO in setting up their child safeguarding unit.

We have been working as members of a team based at Griffith University, Queensland on a project tackling Youth Perpetrated Sexual Violence in two indigenous communities in Queensland. For each community a plan was crafted in response to the strengths and problems which needed harnessing and tackling. Activity included working with parents and teachers, helping them recognise and respond to unhealthy sexual behaviour; and with young people around respectful relationships and their rights over their bodies. Funding for the project came from the Australian and Queensland Governments.

2.9 Expert Assessments and interventions

We work with the Family Court System, Local Authorities, Disclosure and Barring Service and others to provide expert assessments and interventions from our multi-disciplinary team. These assessments break down in the following way: 75% Social Services, 16% Legal Services, 3% DBS and 6% other who are mainly self-funding individuals.

Throughout the year we undertook 23 (49 last year) legal assessments and 106 (117 last year) for local authorities.

We have however seen significant growth in assessments of non-offending male family members from just 2 in 2014/15 to 10 in 2015/16 an increase which may be indicative of highly complex, multi-generational families. Our experts have extensive experience in this area, particularly where cases can involve multiple family members and they can recommend the best way forward underpinned by our guiding principle that the needs of the children come first.

With regard to interventions, 94% were for Social Services and 6% were self-funded. In April 2014 we won a contract with Rochdale Borough Council and 6 other authorities in the Greater Manchester area which accounted for 17% of our interventions in 2015/16. We have delivered two training sessions and a number of consultancy sessions have taken place.

We have also delivered some case consultancy to other social services departments, faith groups and criminal justice partners.

2.10 Research and Development

We have worked collaboratively with a number of universities with Masters students on research to be written into journal articles for publication. We are also supporting some of our own staff to complete Doctorates increasing our understanding of people who sexually offend and their impact on partners and children.

Trustees' Report for the year ended 31 March 2016 (continued)

2.10 Research and Development (continued)

Our published journal article on the Inform Plus course evaluation focussed on the quantitative psychometric scores of Inform Plus group members, compared at pre-group, post-group, and follow-up. The results suggested benefits across depression, anxiety and stress, social competency, including locus of control and self-esteem; and distorted attitudes. Furthermore, these effects remained 8 to 12 weeks following the course.

To celebrate the work of recently retired Chief Executive, Hilary Eldridge, Mike Harris and fellow trustees organised the "Eradicating Child Sexual Abuse" conference in partnership with Nottinghamshire Healthcare NHS Foundation Trust, which took place in July 2015. As one delegate stated:

"the conference was the best I have attended in a long time. I came away feeling refreshed and motivated."

This year Dulverton Trust funded us to undertake some scoping on an approach to up skill children to keep each other safe and to know where to go to raise concerns about inappropriate sexual behaviour or potential grooming. We are now looking to operationalise this approach.

We are nearing the completion of our Get Support website which will be for men troubled by their sexual thoughts and behaviour offline; this has been funded by Emmanuel Kaye Foundation.

2.10.1 Development of an international toolkit

The Oak Foundation has continued to fund us for a third year to develop an international toolkit that can be used by a nation, area or region to develop a considered and credible strategy for the prevention of child sexual abuse. The toolkit has been presented at international conferences and is now ready for testing. Over the next three years we hope the Oak Foundation will continue to fund us to maintain and update the toolkit as well as to support its implementation by NGOs and others in Eastern Europe and East Africa.

2.11 Fundraising

Once again, a 15 strong (10 last year) team made up from staff, their relatives and friends took part in the Prudential Ride, London to Surrey 100 mile cycle challenge. A huge thank you to our team for all their hard work in training and taking part on the day, and also for raising an impressive total of over £7,000 for us.

We would like to send our sincere thanks to Joanne Cohen and everyone at the Empowering Yoga Group in Harrow. The group there raised a very impressive £937 in their annual collection for charity.

A huge thank you to the pupils of James Allen's Girls School for their Bettany House Battle of the Bands that raised £944 and also to the pupils of Catholic Newman School in North West London who raised £300 for the Foundation through a sponsored 'fashion day' at school.

Trustees' Report for the year ended 31 March 2016 (continued)

2.12 Donations and grants

We are grateful to the governments of England, Scotland and Wales who continue to support our work despite their budget cuts. We would like to thank the charitable trusts who have supported us including: Whitegates Children's Trust, Porticus, Dulverton Trust, Hedge Care Funds UK, Esmée Fairbairn Foundation, Lankelly Chase Foundation, Heanton Housing Association, George Fentham Trust, Emmanuel Kaye Foundation, The Oak Foundation, Paul Getty Foundation and The Internet Watch Foundation.

We are appreciative of the valuable support from Google who continue to offer a grant to fund Google Ads that advertise the Foundation's services to a wide range of potential service users online. In addition to this support, Google has also provided specific support in 2015-16 in the form of dedicated online interventions it serves to people making online searches that might indicate a sexual interest in children. These interventions encourage offenders to visit the Get Help section of our Stop it Now! website, and between 17 December 2015 and 30 April 2016 the website received 1,143 visits as a result of these interventions alone.

We are grateful to the private donors, including our service users, who have supported our work and we would like to thank everyone who has given money to further our aims in safeguarding children and preventing sexual abuse.

2.13 Significant positive and negative factors both within and outside the charity's control which have affected the achievement of its objectives

2.13.1 Staffing changes

We have had a number of significant staff changes this year, our new Chief Executive joined in August 2015 and one of our Operational Directors retired but has agreed to continue working on a sessional basis if required. We expect that our Director of Research and Development will be leaving before the end of year 2016, and again will be expecting to continue working with us on a sessional basis. As a result of these changes and the new strategy direction, we expect to restructure our organisation this year developing our managerial capacity to provide greater oversight of operations and drive delivery of services to maximise our impact.

2.13.2 WASS Inquiry Report

On 10th December 2015, LFF received the WASS Inquiry report into Allegations Surrounding Child Safeguarding Issues on St Helena and Ascension Island which included criticism of a review carried out by LFF on the islands in 2013. The Board of LFF is reviewing oversight and governance arrangements and taking all reasonable steps to ensure there is no repetition.

Trustees' Report for the year ended 31 March 2016 (continued)

3. Plans for future periods

The Trustees and the senior management team have drawn up an ambitious growth strategy for the next three years. We would like to see significant financial growth so that we can increase the impact we have in preventing child sexual abuse and in meeting the aims of our charity. Given the scale of the problem we believe there is much more to be done and we aim to develop new markets to promote the prevention agenda.

Our strategic aims are:

1. We will increase our reach and work directly with 20,000 people who are affected by or worried about child sexual abuse, including concerned parents, victims and with those who have abused or are at risk of doing so in order to reduce the risk of future offending and support recovery in families. In addition we will use social media and other digital marketing activity to expand the reach of our work and increase visitor volumes to our websites by 30%.
2. We will advance the Stop it Now! prevention campaign to equip 14,000 adults with the information and skills they need to better protect children. Beyond these 14,000 adults engaged with directly, we will also use social media and other digital marketing activity to equip a further 500,000 adults with the skills and information they need to better protect children. We will also develop a new service targeted at young people to enable them to better protect themselves and each other.
3. Using our expert knowledge we will increase our delivery of training and consultancy by 30% per annum increasing the skills of 25,000 professionals who have responsibility for safeguarding children.
4. As specialists in the field we will use our knowledge to engage, challenge and influence government, civil society and other national organisations to place the prevention of child sexual abuse at the forefront of policy development and to raise its profile in the media to increase public understanding.
5. We will ensure the expertise of our staff remains at the forefront and cutting edge of developments in the field of responding to and preventing child sexual abuse, through training, research and collaboration with academic institutions and child safeguarding agencies.

Our strategic aims highlight the areas where we wish to grow and develop our services alongside which we will continue to deliver services to high risk people in the community convicted of sexual offences through our Circles of Support and Accountability.

Some areas of work remain very challenging to grow so we have decided to expand the areas where we can maximise our impact and reach while maintaining the other work streams.

Trustees' Report for the year ended 31 March 2016 (continued)

3.1 Future of Stop it Now! Wales

Due to an unsuccessful bid to the Welsh Government for continued funding we were forced to put staff into a redundancy situation. This resulted in a restructure and the loss of one full time equivalent position. Stop it Now! Wales plans to continue its campaign work and will be supported and funded to do this work through The Lucy Faithfull Foundation. We have received excellent testimonials endorsing our work and seen a growing demand for our programmes. Without funding from the Welsh Government it is essential that it becomes a self-funding model making it more sustainable by offering a wide range of training and education which will include: Safer Recruitment, Safeguarding and more bespoke work.

3.2 Future of Stop it Now! Scotland

An award of core funding has been received from the Scottish Government to allow Stop it Now! Scotland to continue through to 2019. We have received further project funding from the Scottish Government until March 17 to expand our operations and so have recruited two further members of staff.

We are redeveloping our primary prevention toolkit which we will be testing in early 2017 with five communities. We will be working closely with the Scottish Government to measure and evaluate the outcomes and produce a toolkit which is fit for purpose in enabling individuals and communities to prevent sexual abuse before it happens. We will then need to enter into discussions with Government officials about the next phase of the project and delivery including further priority communities and revised outcomes.

4. Structure governance and management

4.1 Organisational Structure

The charity's Trustees are directors of the company for the purposes of charity law and under the company's Articles. The charity is run by a Board of Trustees which meets on a quarterly basis, and at such other times as considered necessary. The Board has a Governance, Finance and General Purposes Committee, which meets quarterly and at such other times as considered necessary and reports back to the Board.

There is a requirement for one third of Trustees to retire annually by rotation. At the last AGM Annie Shepperd, John Trotter, Mike Harris, Derek Perkins and Gaynor McKeown resigned exceeding the procedure for rotation of one third of the board annually. In accordance with the Articles and Memoranda they were re-elected. Baroness Valerie Howarth stood down from the position of Vice Chair and was invited to become a Patron, which she accepted.

The Board of Trustees seeks to ensure the needs of the groups listed in the objects of the charity are appropriately reflected through the diversity of professional experience within the Trustee body. This diversity also provides support regarding technical matters related to operating in a modern business

Trustees' Report for the year ended 31 March 2016 (continued)

4.1 Organisational Structure (continued)

environment. Potential Trustees are considered for appointment by the Governance, Finance and General Purposes Committee, and recommendation for their appointment is put forward to the full Trustee Board.

Our Trustees have examined the learning from The Kids Company failures, have reviewed our board membership and governance and are confident that the present arrangements are suitable.

LFF has 48 full time equivalent staff in 2015/16 compared to 49 in 2014/15. There are 44 sessional staff working across the organisation and 48 volunteers (51 last year) working in Circles of Support and Accountability, the international toolkit and Stop it Now! Wales.

Staff receive supervision, training and support related to their differing personal needs and those arising out of the nature of the tasks and advice provided by the charity.

Our staff and volunteers are our primary asset and the Trustees wish to thank them for their commitment and contribution to our success in 2015/16.

4.2 How the charity makes decisions

The day to day management of LFF is delegated to the Chief Executive and the senior management team. It is the responsibility of the Chief Executive to implement the policy and strategy adopted by and within a budget approved by the Trustees. The Chief Executive reports regularly to the Trustees on the activities undertaken in managing LFF and provides them with regular management accounts sufficient to explain the financial position of LFF.

The Board of Trustees reviews and assesses the risks facing the charity on an on-going basis. A new Risk Register has been drawn up identifying strategic risks, operational risks and opportunities.

Regular meetings involving the Governance, Finance and General Purposes Committee and also the Senior Management team identify new areas of risk and consider these in relation to the organisation's activities. The teams review the projects regularly with particular attention to risk management. Awareness of the possible impact of risks on the charity enables the Board to take all reasonable steps to minimise or remove risk and have appropriate controls in place.

LFF's risk management register was last updated and approved by the Trustees on 20th June 2016. LFF's risk register is a working document and is reviewed regularly to ensure that we as an organisation maximise opportunities and manage risks within a changing environment and aim for diversification of funding sources to support the activities. Quarterly reports are provided to Trustees showing the progress of longer term contract/grant funded projects, grant applications in process and the progress of spot purchases and short term contract activity.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with Health and Safety and for promoting and safeguarding the welfare of children and adults. This year we will be reviewing and updating our policies and procedures.

Trustees' Report for the year ended 31 March 2016 (continued)

4.3 The policies and procedures for the induction and training of Trustees

The Trustees induction enables any new Trustees to become familiar with their obligations and with operational matters in respect of the work of the charity, including the accounting framework and future plans and objectives. The Board recognises the importance of Trustees undertaking on-going development as needed.

4.4 Arrangements for setting pay and remuneration of the charity's key management personnel and any benchmarks

Terms and conditions of employment are reviewed annually by the General Finance and General Purpose Committee and recommendations are made to the board.

4.5 Affiliation with an umbrella group

Through our delivery of Circles of Support and Accountability we are affiliated with Circles UK who we helped to establish as the umbrella group bringing together all those delivering this service. Circles UK have developed a Code of Practice to promote consistency and standards.

In delivering Circles of Support and Accountability we comply with the Code of Practice and are available for regular inspections by Circles UK.

Our membership entitles us to use the Circles of Support and Accountability branding and we provide data to them every six months. Circles UK use this data to inform research and development of Circles of Support and Accountability in the UK and abroad.

In order to be a member we pay a subscription charge of £175 per annum and attend regular strategic and operational meetings.

5. Exemptions from disclosure

There has been no omission of Trustee or senior staff members' details.

6. Funds held as custodian Trustee on behalf of others

No Trustee is acting as custodian Trustee.

7. Financial review

7.1. Income and expenditure – Current year

During 2015/16 we have increased our total funds by £126,962 (2015: £116,779) to £1,471,908 (2015: £1,344,945).

Trustees' Report for the year ended 31 March 2016 (continued)

7.1. Income and expenditure – Current year (continued)

A breakeven budget had been set but higher than expected funding and activity levels generated an unrestricted surplus of £52,968 (2015: £62,552), enabling us to increase our designated reserves by £17,467 to £45,929 (2015: £28,462) and unrestricted undesignated reserves by £35,501 to £909,346 (2015: £873,845). Designated reserves are to be expended over the next year or over the life time of the asset if they relate to depreciation.

Our Restricted Reserves have increased by £73,994 to £516,632, (2015: £442,638), however this is mainly attributable to the £179,560 of grant funding held in restricted reserves to cover future amortisation on capitalised expenditure relating to the Get Help website and films. Restricted Reserves to support future work in the forthcoming year have reduced by £105,566 to £337,072 (2015: £442,638).

7.1.1 Restricted income & costs

Restricted income increased by 30% to £1,339,429 (2015: £1,027,807) mainly attributable to increased support from Government for our work in tackling child sexual exploitation and the Scottish Government's commitment to our Stop It Now! projects in Scotland next year.

The Restricted expenditure has increased by £291,855 to £1,265,435 (2015: £973,580) reflecting a significant uplift in our work to prevent and stop online accessing of images of child sexual abuse.

7.1.2 Unrestricted income & costs

The Foundation's unrestricted charitable income has declined over the last year by 8% to £1,288,246 (2015: £1,401,907).

The contract for work in the Young Offenders Institutions reduced significantly in 2014/15 and then ceased entirely in September 2015. This accounts for £86,616 of the fall in unrestricted income.

The continuing rate cuts on family court work implemented by the Legal Aid Agency together with the tightening of local authority budgets has impacted on our Assessment and Intervention work. Demand for these services and the margins achievable continue to decline, reducing our income by 13% this year to £575,871. (2015: £663,299)

Training and Consultancy work is a mixed picture. Work relating to the Overseas territories for DFID and the FCO increased by 61% to £258,821 (2015: £160,424) but our other training work has declined. We continued to invest in the administration of Safer Recruitment trainers nationally as well as internal staff skills to increase our training capability. We expect the benefit of both these initiatives to impact positively on our UK based training in future years.

Our Internet Offender Deterrence work relies on a mixed funding model, with grant funding supplementing or being supplemented by participant contributions. These contributions increased by 10% to £239,744 this year (2015: £218,579). 97% of the cost of our Inform Plus work with adult internet offenders was self-funded by their fees, whereas 80% of the costs associated with working with the families of offenders was covered by charitable trust grant funding.

Trustees' Report for the year ended 31 March 2016 (continued)

7.2. Income and expenditure – Next year

7.2.1 Restricted Income

We are holding £516,632 of restricted reserves. £179,560 is being held to offset the amortisation costs of the website and films in 2016/17 & 2017/18 and £337,072 is to cover service costs in 2016/17 as set out in Note 21 to the Financial Statements.

We have confirmation of Helpline funding of £157,864. £108,364 has been confirmed by HMG for Quarter 1 and 2 of 2016/17 and £49,500 is due from the Internet Watch Foundation, supported by the Internet Service providers, being year 3 of a 4 year grant commitment.

The Scottish Government project funding has already been received but a further core funding grant of £90,000 has also been agreed.

The final tranche of The Oak Foundation grant for developing the international ECSA toolkit is £20,871 and expected now for next year.

In addition we have been awarded £35,000 from Dulverton Trust to support Stop It Now activities next year with a further £30,000 promised for 2017/18.

We continue to work closely with our existing grant funders and project discussions and new applications are in the pipeline. Limited staff resource has been a constraint to progressing fundraising and grant applications as fast as we would like. However we have recently appointed an External Relations and Fundraising manager with in depth knowledge of our work who will be joining us at the end of June 2016. Consequently we expect to increase our fundraising donations income next year with more significant impact, in terms of new grant funding, being achieved for 2017/18.

7.2.2 Unrestricted Income

The decline in referrals for Assessments and Interventions is expected to continue, though additional marketing resource should enable us to minimise the impact and the increased use of sessional staff enables us to manage the fluctuations in demand efficiently.

The potential to develop our Training and Consultation work has been identified, with opportunities to significantly grow our Safer Recruitment Training as well as other Professionals Training. This is one of the key objectives in the Foundation's latest 3 year Strategy.

All our services are subject to ongoing reviews, focusing on improving service delivery and identifying cost efficiencies where possible. We continue to encourage participant contributions and the level of the fees and the availability of the service is regularly reviewed, scaled back or increased, depending on the funding mix we can secure. The aim is to ensure the sustainability of the Foundation by ensuring that each service and project has sufficient funding to achieve full cost recovery within a reasonable timeframe.

Given the above, the Trustees are confident that it is appropriate to prepare the financial statements on the going concern basis.

Trustees' Report for the year ended 31 March 2016 (continued)

7.3 Reserves policy reflecting principal risks

The Trustees keep the reserves under regular review. The reserves policy is to achieve unrestricted and undesignated funds which equates to six months' of total expenditure plus allowance for other risks, commitments and obligations. The unamortised and undepreciated value of capitalised expenditure in fixed assets is reviewed annually and provided for in restricted and designated funds.

This policy results from the Trustees' review of risk in light of the following issues:

- ***The short term nature of grants***
LFF has a high investment in retaining its staff whose specialist skills are vital to our future. We need time to secure replacement activities, retrain staff where necessary and switch staff into new areas of work.
- ***The variable nature of grants and the uncertainty of timing of renewal***
It is often the case that we are not told whether some grants will be renewed until the previous year's grant has come to an end. In addition, there can be a significant time lag between projects starting and the funding being finalised and received, so we need to be able to fund our work in the interim period.
- ***The Impact of fluctuations in demand for services and Government grant support***
We need to be able to retain staff during periods when the demand for services slows as a consequence of funding constraints and utilise them on unfunded and or underfunded activities to ensure we maintain the skill base that is essential for the Foundation's future.
- ***Grant payment cash flow***
We have to be able to fund the costs of grant funded projects for up to 4 months before payments are received when grant funders require payment by results and or pay quarterly in arrears.
- ***Challenges to fee levels***
We continue to experience challenges from the Legal Aid Agency in respect of expert witness hours, fees and expenses. This requires us to fund the cost of challenging decisions and to fund the delays caused in the interim by the need for LAA approval ahead of work being undertaken.
- ***Flexibility, security and planning opportunities***
We wish to be able to respond to new developments where necessary and need sufficient reserves to be able to develop programmes and retrain staff.

At the end of 2015/16, we have increased the general free undesignated reserves by £35,501 to £909,347 which is 70% of the target level (2015: 72% of target). The Trustees still consider that the current reserves are sufficient to ensure that charitable activities can be sustained through short term dips and breaks in funding, and provision is made to fully meet all staff obligations in the event of long term changes.

Trustees' Report for the year ended 31 March 2016 (continued)

7.4 Treasury policy

Funds are held in cash and fixed term deposits, access to which reflects our operational needs and the interest rates obtainable. We maximise interest earned whilst minimising the risk and staying fluid enough to meet any eventualities, as authorised by GF & GPC.

7.5 Related party transactions

There were a number of related party transactions in the year ended 31 March 2016. Details are included in note 25 to these financial statements.

Trustees' Report for the year ended 31 March 2016 (continued)

8. Statement of Trustees' responsibilities

The Trustees (who are also directors of The Lucy Faithfull Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. 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.

Auditor

Crowe Clark Whitehill LLP are the auditors for the Foundation and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006. In preparing this report, the trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

The Trustees' Report was approved by the Board of Trustees on 16th September 2016 and signed on its behalf by:



Dr Arnon Bentovim MB BS FRC Psych FRCPCH DPM
Chairman

THE LUCY FAITHFULL FOUNDATION

Independent Auditor's Report to the Members of The Lucy Faithfull Foundation

We have audited the financial statements of The Lucy Faithfull Foundation for the year ended 31 March 2016 set out on pages 32 to 49.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005. 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 auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent Auditor's Report to the Members of The Lucy Faithfull Foundation (continued)

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Guy Biggin

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: 20th September 2016

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities

(Incorporating an Income and Expenditure Account)
for the year ended 31 March 2016

		Unrestricted funds	Restricted funds	Total funds 2016	Unrestricted funds	Restricted funds	Total funds 2015
		£	£	£	£	£	£
Income from:							
Donations & Legacies	2	93,395	-	93,395	83,222	-	83,222
Charitable Activities	3	1,288,246	1,339,429	2,627,675	1,401,908	1,027,807	2,429,715
Investments	4	4,600	-	4,600	3,209	-	3,209
Total Income		1,386,241	1,339,429	2,725,670	1,488,339	1,027,807	2,516,146
Expenditure on:							
Raising funds	5	7,820	-	7,820	11,380	-	11,380
Charitable Activities	7	1,326,953	1,265,435	2,592,388	1,414,407	973,580	2,387,987
Total Expenditure		1,334,773	1,265,435	2,600,208	1,425,787	973,580	2,399,367
Net Income	8	51,468	73,994	125,462	62,552	54,227	116,779
Other gains and losses on disposal of fixed assets		1,500	-	1,500	-	-	-
Net Movement in funds		52,968	73,994	126,962	62,552	54,227	116,779
Reconciliation of funds							
Total funds brought forward		902,308	442,638	1,344,946	839,756	388,411	1,228,167
Total funds carried forward	18,19	955,276	516,632	1,471,908	902,308	442,638	1,344,946

All amounts relate to the continuing activities.

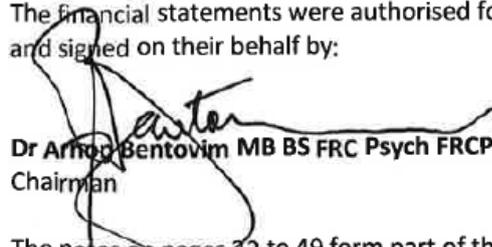
The notes on pages 32 to 49 form part of these financial statements.

THE LUCY FAITHFULL FOUNDATION
Balance Sheet as at 31 March 2016
Registered number: 02729957

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	11	179,560	-
Tangible assets	12	34,031	-
Investments	13	400,100	100
		<u>613,691</u>	<u>100</u>
Current assets			
Debtors	15	329,294	551,552
Cash at bank and in hand	16	816,743	1,049,562
		<u>1,146,037</u>	<u>1,601,114</u>
Creditors:			
Amounts falling due within one year	17	<u>(287,820)</u>	<u>(256,269)</u>
Net current assets		<u>858,217</u>	<u>1,344,845</u>
Net assets		<u>1,471,908</u>	<u>1,344,945</u>
Funds			
Unrestricted funds	18	955,276	902,307
Restricted funds	19	516,632	442,638
Total funds	18,19	<u>1,471,908</u>	<u>1,344,945</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

The financial statements were authorised for issue and approved by the Trustees on 16th September 2016 and signed on their behalf by:


Dr Arnold Bentovim MB BS FRC Psych FRCPCH DPM
 Chairman

The notes on pages 32 to 49 form part of these financial statements.

THE LUCY FAITHFULL FOUNDATION
Statement of Cash flows
For the year ended 31 March 2016

	Note	2016 £	2015 £
Cash flows from operating activities:			
Net cash provided by operating activities	26	475,981	<i>(167,558)</i>
Cash flows from investing activities:			
Interest received	4	4,600	<i>3,209</i>
Investment in fixed term deposit	13	(400,000)	
Purchase of intangible fixed assets	11	(269,340)	-
Purchase of tangible fixed assets	12	(44,060)	-
		<hr/>	<hr/>
Net cash allocated to investing activities		(708,800)	<i>3,209</i>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(232,819)	<i>(164,349)</i>
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the reporting period		1,049,562	<i>1,213,911</i>
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	16	816,743	<i>1,049,562</i>
		<hr/> <hr/>	<hr/> <hr/>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2016

1. Accounting policies

(a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 2015 applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006] and UK Generally Accepted Practice as it applies from 1 January 2015.

Lucy Faithful Foundation meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Under section 405 of the Companies Act 2006, consolidated accounts have not been prepared as the inclusion of the dormant subsidiaries is not material for the purpose of giving a true and fair view. Therefore the financial statements present information on the parent entity as an individual undertaking only.

(b) Company Information

The charity is a company limited by guarantee (company no. 02729957) and a registered charity in England and Wales (charity no. 1013025), and in Scotland (Scottish registered charity no. SC039888), which is incorporated and domiciled in the UK. The address of the registered office is Bordesley Hall, The Holloway, Alvechurch, Birmingham B48 7QA.

(c) Going concern

The Trustees have determined that there are no material uncertainties over the charitable company's ability to continue as a going concern. The charity produces annual budgets and forecasts which take into account expected changes in the funding streams and which demonstrate that the charity will be able to continue to operate. As described in section 7.2 of the Trustees' Report, the charity has secured funding in the form of a number of government grants and contracts as well as funds from charitable trusts for 2016/17. Due to this secured funding the Trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. On this basis, the Trustees consider it appropriate to continue to prepare the financial statements on the going concern basis.

(d) Transition to FRS102

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. The transition date was 1 April 2015 and details of the transition to FRS102 have been detailed in note 28.

(e) Financial Instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise trade and other creditors.

Investments, held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2016

1. Accounting policies (continued)

(f) Fund accounting

General funds are unrestricted funds that are available for use at the discretion of the Trustees in furtherance of the objects of the charity.

Designated funds comprise general funds, which have been set aside at the discretion of the Trustees for specific purposes.

Restricted funds are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of the restricted funds are set out in the notes to the financial statements.

(g) Income

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grant income is recognised when the related provisions for the grant have been met. Donations are recognised when the charity is legally entitled to the income and the amount can be quantified with reasonable certainty.

When funding has been specified by the funder as being for a future period, or the charity has not yet demonstrated entitlement to the income, then the income is deferred.

Where material, donated facilities and services or gifts-in-kind are recognised in the SOFA at market value.

The charity recognises residuary legacies once probate has been granted which therefore requires an estimation of the amount receivable.

All other income is accounted for on an accruals basis.

(h) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the acquisition, the proportion of staff time spent, or as a % of the total direct expenditure on each type of activity.

Dilapidation provision – The charity has provided for its possible liability in relation to its leasehold property which has been estimated as disclosed in note 23

Governance costs comprise of constitutional and statutory requirements incurred in the general running of the charitable company.

(i) Intangible fixed assets

Identifiable non-monetary asset (in excess of £1,000) without physical substance are valued at a realistic replacement cost and amortised over the expected useful economic life as follows:

Website and films	33.33% straight line
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Amortisation is included within charitable activities.

Notes to the financial statements
For the year ended 31 March 2016

1. Accounting policies (continued)

(j) Tangible fixed assets

Tangible fixed assets are depreciated at rates calculated to write off the cost on a straight line basis over the expected useful economic lives of the assets as follows:

Motor vehicles	25% straight line
Office equipment	20% straight line
Computer equipment	33.33% straight line
Furniture and fittings	20% straight line
Office Refurbishment	25% straight line

The charity has a policy of capitalising fixed assets where expenditure on such assets is in excess of £1,000. The amounts capitalised are net of recoverable VAT.

(k) Operating leases

Rentals applicable to operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are recognised in the SOFA over the period of the lease.

(l) Investments

Fixed asset investments are stated at market value at the balance sheet date. Investments in subsidiaries are valued at cost less provision for impairment.

(m) Recognition of liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the company to the obligation

(n) Taxation

The company is a registered charity, and as such is entitled to tax exemptions on all its income and gains properly applied for its charitable purposes.

(o) Volunteers

The contribution of volunteers is not valued in the accounts. Most of our volunteers work on the Circles of Support and Accountability project, where their local community base is core to the running of successful circles. In addition we benefit from a few volunteers who supplement our staffing resource with specialist clinical skills or administrative support.

(p) Pensions

With effect from May 2014 the charity automatically enrolls all qualifying new employees into the NEST contributory pension scheme. Employer contributions are accounted for when they fall due. Pension cost are apportioned to projects and services based on the allocation of staff time between activities. The costs are split between restricted and unrestricted in line with the related income and funding for the activity.

(r) Recognition of liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the charity to the obligation.

(s) Software

The cost of new software is fully written off in the period incurred. Support and maintenance costs are recognised in the period to which they relate.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2016

1. Accounting policies (continued)

(t) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described above, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and

Liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below (as applicable):

- Residuary legacies – The charity recognises residuary legacies once probate has been granted which therefore requires an estimation of the amount receivable.
- Dilapidation provision – The charity has provided for its possible liability in relation to its leasehold property which has been estimated as disclosed in note 20.
- Intangible assets – The charity estimates the value of the non-physical assets based on their original and cost and replacement cost.
- Depreciation and amortisation – The charity depreciates and amortises its assets at rates calculated to write off the cost on a straight line basis over the expected useful economic lives.

2. Income from Donations and Legacies

	2016			2015		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Donations	30,631	-	30,631	29,138	-	29,138
Gift in Kind	35,965	-	35,965	36,883	-	36,883
Inform Participant Donations	3,905	-	3,905	5,247	-	5,247
Fundraising events	12,894	-	12,894	11,954	-	11,954
Legacy	10,000	-	10,000	-	-	-
Total Income from Donations & Legacies	93,395	-	93,395	83,222	-	83,222

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements
For the year ended 31 March 2016

3. Income from Charitable Activities

	Unrestricted funds	Restricted funds	Total funds 2016	Unrestricted funds	Restricted funds	Total funds 2015
	£	£	£	£	£	£
Government funding for:						
Stop It Now Helpline	-	256,727	256,727	-	305,727	305,727
Tackling child sexual exploitation	-	609,000	609,000	-	-	-
Stop it Now! Campaign Scotland	-	218,230	218,230	-	136,095	136,095
Stop it Now! Campaign Wales	-	131,972	131,972	-	143,160	143,160
Young Offender Intervention Training & Consultancy in the overseas territories funded by Department for International Development	158,580	-	158,580	160,424	-	160,424
Other Training & Consultancy for the Foreign and Commonwealth Office	100,241	-	100,241	-	-	-
	258,821	1,215,929	1,474,750	247,040	584,982	832,022
Charitable Trust Grant funding for:						
Stop It Now Helpline	-	74,500	74,500	-	49,500	49,500
Stop It Now International Tool kit	-	-	-	-	157,075	157,075
Stop It Now Prevention activities	-	-	-	-	30,000	30,000
Circles of Support & Accountability Inform and Inform for Young People (and Inform Plus 2014/15)	-	31,000	31,000	-	51,000	51,000
Research & development	-	18,000	18,000	-	55,250	55,250
	-	123,500	123,500	-	342,825	342,825
Other Income generated from:						
Training & Consultancy activities for local authorities, statutory agencies and other organisations	202,730	-	202,730	262,772	-	262,772
Assessments & Intervention for the Family Court, Local Authorities, DBS, Faith Groups & Individuals	575,871	-	575,871	663,299	-	663,299
Participant fees for Securus, Inform, Inform Plus, Inform for Young People and Other Intervention	239,744	-	239,744	218,579	-	218,579
Contribution from Schools for work with parents and students	7,015	-	7,015	5,941	-	5,941
Sundry Income	4,065	-	4,065	4,277	-	4,277
	1,029,425	-	1,029,425	1,154,868	-	1,154,868
Total Income from Charitable activities	1,288,246	1,339,429	2,627,675	1,401,908	927,807	2,329,715

**Notes to the financial statements
For the year ended 31 March 2016**

4. Income from Investments

	2016			2015		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Bank interest from monies on deposit	4,600	-	4,600	3,209	-	3,209

5. Expenditure on Raising Funds

	2016			2015		
	Staff Costs	Support Costs	Total Costs	Staff Costs	Support Costs	Total Costs
	£	£	£	£	£	£
Fundraising costs	1,364	6,456	7,820	5,132	6,248	11,380

Notes to the financial statements
For the year ended 31 March 2016

6. Expenditure on Charitable Activities

	2016								
	Unrestricted Expenditure			Restricted Expenditure			Total Expenditure 2015/16		
	Staff Costs	Other Costs	Total Costs	Staff Costs	Other Costs	Total Costs	Staff Costs	Other Costs	Total Costs
	£	£		£	£		£	£	£
Stop It Now! Prevention activities	26,402	50,129	76,531	87,888	149,999	237,887	114,290	200,128	314,418
Stop It Now Wales	5,386	2,877	8,263	89,935	48,046	137,981	95,321	50,923	146,244
Stop It Now Scotland	2,686	550	3,236	128,996	26,415	155,411	131,682	26,965	158,647
Stop It Now Helpline	16,278	4,740	21,018	261,037	75,998	337,035	277,315	80,738	358,053
Internet Offender Deterrence Services	167,727	59,947	227,674	147,970	83,344	231,314	315,697	143,291	458,988
Working with Young People and their families	13,766	5,195	18,961	27,294	10,064	37,358	41,060	15,259	56,319
Circles	-	-	-	30,751	17,786	48,537	30,751	17,786	48,537
Training & Consultancy	277,414	139,239	416,653	-	-	-	277,414	139,239	416,653
Assessments & Intervention	410,348	124,424	534,772	-	-	-	410,348	124,424	534,772
Research & Development	7,065	12,780	19,845	53,940	25,972	79,912	61,005	38,752	99,757
	927,072	399,881	1,326,953	827,811	437,624	1,265,435	1,754,883	837,505	2,592,388

**Notes to the financial statements
For the year ended 31 March 2016**

6. Expenditure on Charitable Activities (continued)

	2015								
	<i>Unrestricted Expenditure</i>			<i>Restricted Expenditure</i>			<i>Total Expenditure 2014/15</i>		
	<i>Staff Costs</i>	<i>Other Costs</i>	<i>Total Costs</i>	<i>Staff Costs</i>	<i>Other Costs</i>	<i>Total Costs</i>	<i>Staff Costs</i>	<i>Other Costs</i>	<i>Total Costs</i>
	£	£		£	£		£	£	£
Stop It Now! Prevention activities	11,141	49,242	60,383	12,717	14,206	26,923	23,858	63,448	87,306
Stop It Now Wales	-	-	-	106,942	36,218	143,160	106,942	36,218	143,160
Stop It Now Scotland	-	1,625	1,625	129,771	25,153	154,924	129,771	26,778	156,549
Stop It Now Helpline	1,502	-	1,502	240,394	65,333	305,727	241,896	65,333	307,229
Internet Offender Deterrence Services	155,645	68,523	224,168	82,616	41,107	123,723	238,261	109,630	347,891
Working with Young People and their families	57,290	10,906	68,196	19,845	9,497	29,342	77,135	20,403	97,538
Circles		4,672	4,672	42,326	17,437	59,763	42,326	22,109	64,435
Training & Consultancy	294,041	106,662	400,703	-	-	-	294,041	106,662	400,703
Assessments & Intervention	485,272	140,051	625,323	-	-	-	485,272	140,051	625,323
Research & Development	16,946	10,889	27,835	75,836	54,182	130,018	92,782	65,071	157,853
	1,021,837	392,570	1,414,407	710,447	263,133	973,580	1,732,284	655,703	2,387,987

Notes to the financial statements

For the year ended 31 March 2016

7. Support costs

	Finance	IT	HR	Total
2016	£	£	£	£
Stop it Now! Prevention activities	24,694	12,347	5,402	42,443
Stop it Now! Wales	4,254	2,127	931	7,312
Stop it Now! Scotland	4,615	2,308	1,010	7,933
Stop it Now! Helpline	10,416	5,208	2,279	17,903
Internet Offender Deterrence Services	36,552	18,276	7,996	62,824
Working with Young People and their families	1,638	819	358	2,815
Circles	1,412	706	309	2,427
Training & Consultancy	29,306	14,653	6,411	50,370
Assessments & Intervention	37,614	18,807	8,228	64,649
Research & Development	2,887	1,444	632	4,963
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>153,388</u>	<u>76,695</u>	<u>33,556</u>	<u>263,639</u>
2015				
<i>Stop it Now! Prevention activities</i>	<i>1,608</i>	<i>781</i>	<i>597</i>	<i>2,986</i>
<i>Stop it Now! Wales</i>	<i>4,552</i>	<i>2,211</i>	<i>1,691</i>	<i>8,454</i>
<i>Stop it Now! Scotland</i>	<i>3,911</i>	<i>1,899</i>	<i>1,452</i>	<i>7,262</i>
<i>Stop it Now! Helpline</i>	<i>10,309</i>	<i>5,007</i>	<i>3,829</i>	<i>19,145</i>
<i>Internet Offender Deterrence Services</i>	<i>18,309</i>	<i>8,893</i>	<i>6,800</i>	<i>34,002</i>
<i>Working with Young People and their families</i>	<i>3,104</i>	<i>1,508</i>	<i>1,153</i>	<i>5,765</i>
<i>Circles</i>	<i>2,050</i>	<i>996</i>	<i>761</i>	<i>3,807</i>
<i>Training & Consultancy</i>	<i>32,073</i>	<i>15,578</i>	<i>11,913</i>	<i>59,564</i>
<i>Assessments & Intervention</i>	<i>52,343</i>	<i>25,424</i>	<i>19,442</i>	<i>97,209</i>
<i>Research & Development</i>	<i>6,394</i>	<i>3,106</i>	<i>2,375</i>	<i>11,875</i>
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>134,653</u>	<u>65,403</u>	<u>50,013</u>	<u>250,069</u>

**Notes to the financial statements
For the year ended 31 March 2016**

	Staff costs £	Support costs £	2016 Total £	2015 Total £
8. Net income is stated after charging:				
Governance costs:				
Auditor's remuneration:				
Fees payable to the auditor for the audit of the annual financial statements	-	18,176	18,176	18,384
Fees payable to the auditor in respect of tax advisory services	-	2,730	2,730	-
Independent review of implementation of policies and procedures	1,555	49,920	51,475	-
Trustees' expenses/meetings	-	7,163	7,163	6,479
Company secretarial	5,800		5,800	5,616
Apportionment of management time	18,767		18,767	17,335
	<u>26,122</u>	<u>77,989</u>	<u>104,111</u>	<u>47,814</u>
Amortisation costs			89,780	-
Depreciation costs			10,029	-
Operating lease rentals			81,772	92,657
9. Staff			2016 Full time equivalent No.	2015 Full time equivalent No.
The average weekly number of persons employed by the group during the year was:				
Charitable activities			47	48
Governance			1	1
			<u>48</u>	<u>49</u>
The average headcount for 2016 is 94 (2015: 99).				
			2016 £	2015 £
Staff costs for the group comprised:				
Wages and salaries			1,595,732	1,578,596
Social security costs			141,377	142,846
Healthcare			4,251	6,137
Pension costs			14,887	9,837
			<u>1,756,247</u>	<u>1,737,416</u>

**Notes to the financial statements
For the year ended 31 March 2016**

9. Staff (continued)

No employees received employee benefits of more than £60,000 during the year (2015: one employee earned between £60,000 - £70,000. Contributions payable into the pension scheme for this higher paid employee amounted to £301).

The key management personnel of the charity comprise the Trustees, Chief Executive, Director of Operations, Director of Young People's services, Director of Stop It Now! and Research & Development and Director of Finance. The total employee benefits of the key management personnel of the charity were £272,951 (2015 - £289,680).

A settlement of £9,000 for one employee was agreed during the year. (2015: £NIL)

10. Trustees

One of the trustees received £23,685 in remuneration in the year, relating to consultancy work done for the Stop It Now Wales! project (2015: £1,200).

Reimbursed expenses incurred in the year on behalf of 5 trustees were £3,645 (2015: £3,179 for 5 trustees). These expenses relate to travel and subsistence.

11. Intangible fixed assets

	Internally Developed Website & Films
Cost	£
At 1 April 2015	-
Additions	<u>269,340</u>
At 31 March 2016	<u>269,340</u>
Amortisation	
At 1 April 2015	-
Charge for the year	<u>89,780</u>
At 31 March 2016	<u>89,780</u>
Net book value	
At 31 March 2015	-
At 31 March 2016	179,560

**Notes to the financial statements
For the year ended 31 March 2016**

12. Tangible fixed assets

	Motor vehicles £	Office & Computer equipment £	Refurbishment & Furniture & fittings £	Total £
Cost				
<i>At 1 April 2015</i>	7,795	48,894	4,121	60,810
Additions	-	19,721	24,339	44,060
Disposals	(7,795)	(16,263)	-	(24,048)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	<u>-</u>	<u>52,362</u>	<u>28,460</u>	<u>80,822</u>
Depreciation				
<i>At 1 April 2015</i>	7,795	48,894	4,121	60,810
Charge for the year	-	3,944	6,085	10,029
Disposals	(7,795)	(16,253)	-	(24,048)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	<u>-</u>	<u>36,585</u>	<u>10,206</u>	<u>46,791</u>
Net book values				
<i>At 31 March 2015</i>	-	-	-	-
At 31 March 2016	-	15,777	18,254	34,031

13. Investments

	2016 £	2015 £
Fixed term deposit with Lloyds Bank	400,000	-
Unlisted investment in dormant subsidiaries	100	100
	<hr/>	<hr/>
	400,100	100

The charity holds unlisted investments at a net book value of £100 (original cost of £200) in the following subsidiary undertakings, both of which are dormant:

	Country of Incorporation	Principal activity	Class of shares	Percentage of share capital held
Stop it Now! UK & Ireland Limited	England	Dormant*	Ordinary £1	100%
Lucy Faithfull Foundation Trading Limited	England	Dormant*	Ordinary £1	100%

14. Taxation

The company is a registered charity, and as such is entitled to tax exemptions on all its income and gains properly applied for its charitable purposes.

**Notes to the financial statements
For the year ended 31 March 2016**

15. Debtors

	2016	<i>2015</i>
	£	£
Trade debtors	270,514	<i>198,558</i>
Prepayments	22,802	<i>24,514</i>
Accrued income from charitable activities	35,978	<i>37,937</i>
Accrued grants income	-	<i>290,543</i>
	<hr/>	<hr/>
	329,294	<i>551,552</i>
	<hr/>	<hr/>

16. Analysis of cash and cash equivalents

	2016	<i>2015</i>
	£	£
Cash in Hand	816,743	<i>1,049,562</i>
	<hr/>	<hr/>
Total cash and cash equivalents	816,743	<i>1,049,562</i>
	<hr/>	<hr/>

17. Creditors: amounts falling due within one year

	2016	<i>2015</i>
	£	£
Trade creditors	82,931	<i>98,108</i>
Amount due to group undertakings	100	<i>100</i>
Taxation and social security	75,762	<i>64,140</i>
Accruals	91,963	<i>62,574</i>
Deferred income	37,064	<i>31,347</i>
	<hr/>	<hr/>
	287,820	<i>256,269</i>
	<hr/>	<hr/>

Deferred Income is made up as follows:

	£
<i>Deferred income at 1 April 2015</i>	<i>31,347</i>
Resources deferred in the year	37,064
Amounts released from previous years	<u>(31,347)</u>
Deferred income as at 31 March 2016	<u>37,064</u>

As at 31 March 2016 the charity was holding funds received in advance for work that will be undertaken in 2016/17.

**Notes to the financial statements
For the year ended 31 March 2016**

18. Funds

The general funds represent the unrestricted funds of the charity.

The designated funds form part of unrestricted funds but the Trustees have specifically set aside these sums out of the income in 2015/16. £34,031 is set aside to cover the future years' depreciation on the new Helpline Office telephone and refurbishment. £8,248 is reserved for the purchase of a new server and £3,650 is designated to support Stop It Now! Wales campaign activity in 2016/17.

Restricted funds comprise funding received in relation to specified activities in furtherance of the objects of the charity. These grants support the charity's work in relation to practitioner-led tasks, offering clinical and other support on offence prevention programmes, assessment, intervention and consultancy related to adults and young people who abuse children.

An amount of £179,560 is held in restricted reserves to cover the amortisation costs in 2016/17 and 2017/18 relating to the intangible asset of the Stop It Now! Get Help website and films.

	1 April 2015	Incoming resources	Resources expended	31 March 2016
	£	£	£	£
Unrestricted - General funds	873,846	1,356,783	1,321,282	909,347
- Designated funds				
Stop it Now! Wales	3,462	3,650	3,462	3,650
Helpline Office changes	25,000	19,060	10,029	34,031
Computer Equipment		8,248		8,248
	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	902,308	1,387,741	1,334,773	955,276
Total restricted funds	442,638	1,339,429	1,265,435	516,632
	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds	1,344,946	2,727,170	2,600,208	1,471,908
	<hr/>	<hr/>	<hr/>	<hr/>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements
For the year ended 31 March 2016

19. Restricted Funds	<i>1 April 2015</i> £	Incoming resources £	Resources expended £	31 March 2016 £
Government Funding				
Her Majesty's Government				
for Stop it Now! Helpline	-	216,727	216,727	-
for tackling child sexual exploitation	-	609,000	421,840	187,160
CEOP				
for Stop it Now! Helpline	-	40,000	40,000	-
The Scottish Government				
for Stop it Now! Scotland	97,694	218,230	155,411	160,513
The Welsh Government				
for Stop it Now! Wales	-	121,972	121,972	-
Conwy County Borough Council				
for Stop it Now! Wales Parent Protect	-	10,000	10,000	-
Surrey Police and Crime Commissioner				
for child sexual exploitation prevent campaign	2,264	-	1,415	849
Total Government funds	99,958	1,215,929	967,365	348,522
Charitable Trust Funding				
The Internet Watch Foundation				
for Stop it Now! Helpline	44,500	49,500	72,309	21,691
Paul Getty Foundation				
for Stop it Now! Helpline and follow up services	-	25,000	-	25,000
Dulverton Trust				
for Stop it Now! prevention activity	36,156	-	36,156	-
Porticus UK				
for Inform, Inform Plus & Inform for Young People	30,000	-	30,000	-
Whitegates Children's Trust				
for work with children and young people	776	1,000	890	886
Hedge Care Funds UK				
for intervention with young people	12,477	-	12,477	-
Lankelly Chase Foundation				
for Circles of Support and Accountability	7,260	-	7,260	-
Esmee Fairbairn Foundation				
for Circles of Support and Accountability	89,530	-	37,830	51,700
The George Fentham Trust				
for Birmingham Circles volunteer costs	1,447	-	1,447	-
Heantun Housing Association				
for evaluation work on Midlands Circles	2,000	-	2,000	-
The Oak Foundation				
for Stop it Now! International Prevention Tool	118,534	-	72,267	46,267
Emmanuel Kaye Foundation				
for Inform work with families of Internet offenders	-	30,000	19,654	10,346
for Paedophile self help materials and online tool kit	-	13,000	5,780	7,220
for online mutual support service	-	5,000	-	5,000
Total Charitable Trust funds	342,680	123,500	298,070	168,110
Total Restricted Funds	442,638	1,339,429	1,265,435	516,632

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2016

20. Analysis of net assets between funds

	Fixed assets £	Net current assets £	Fund Balances £
Unrestricted funds	434,131	521,145	955,276
Restricted funds	179,560	337,072	516,632
	<hr/>	<hr/>	<hr/>
Total funds	613,691	858,217	1,471,908
	<hr/>	<hr/>	<hr/>

21. Members' liability

The charity does not have a share capital and is limited by guarantee. In the event of the charity being wound up, the maximum amount which each member is liable to contribute is £5. There were 12 members at 31 March 2016 (2015: 13).

22. Commitments under operating leases

At 31 March 2016 the charity had future minimum lease payments under non cancellable operating leases as follows:

	2016		2015	
	Land and buildings £	Other £	Land and buildings £	Other £
Not later than one year	55,241	4,925	46,051	-
One to five years	26,539	4,925	66,347	-
Later than five years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	81,780	9,851	112,399	-
	<hr/>	<hr/>	<hr/>	<hr/>

The charity has provided for its possible liability for dilapidations in relation to its two leasehold properties. This has been estimated at £6,000 per property, £12,000 in total.

23. Contingent liabilities

There were no contingent liabilities at the year end, none in the previous year.

24. Capital commitments

There were no capital commitments at the year end, none in the previous year.

Notes to the financial statements

For the year ended 31 March 2016

25. Related party transactions

There was one related party transaction in the year with CaSE Insurance which is part owned by Bates Wells & Braithwaite London LLP. The purchase of insurance services from CaSE totalled £13,091 (2015: £12,305). In addition legal advice was provided by Bates Wells Braithwaite to the value of £17,446 during the year (2015: £3,660). Amounts owed to Bates Wells & Braithwaite London LLP as at 31 March 2016 are £348 (2015: £nil). The entities are deemed to be related parties as Mr J Trotter who is a Trustee of The Lucy Faithfull Foundation also has involvement with Bates, Wells & Braithwaite London LLP.

The Lucy Faithfull Foundation purchased materials costing £173 from Child and Family Training (2015: NIL) and recovered costs of £12 from the entity (2015: £22,802). These activities are deemed to be related parties as Dr A Bentovim is a Director of Child and Family Training and is Chair of Trustees of The Lucy Faithfull Foundation.

Ms G McKeown who is a Trustee of The Lucy Faithfull Foundation has been asked to provide management consultancy for Stop It Now! Wales whilst the National Wales manager is on maternity leave. Fees paid in the year were £23,685 (2015: £1,200).

Mr D Findlater is the Director of Research and Development and Stop It Now! For the Lucy Faithfull Foundation. His wife is a part time employee of The Lucy Faithfull Foundation and one of his sons is on a monthly retainer. Remuneration to these related parties totalled £14,215 in 2015/16 (2015: £13,563) In addition in 2015/16 following a competitive bidding process and Trustee scrutiny, the contract for the refurbishment of the Epsom Office at a costs of £20,755 plus Vat) (2015: £nil) was awarded to Eastgate Construction. This is deemed to be a related party transaction as one of Mr Findlater's sons works for this supplier.

26. Reconciliation of net income to net cash flow from operating activities

	Notes	2016	2015
Net income for the reporting period		125,462	<i>116,779</i>
Adjustments for:			
Amortisation charges	8,11	89,780	<i>0</i>
Depreciation charges	8,12	10,029	<i>0</i>
Interest received	4	(4,600)	<i>(3,209)</i>
Profit on sale of fixed assets	12	1,500	<i>0</i>
(Increase)/decrease in debtors		222,259	<i>(289,863)</i>
(Decrease)/increase in creditors		31,551	<i>8,735</i>
		<hr/>	<hr/>
Net cash provided by operating activities		475,981	<i>(167,558)</i>
		<hr/>	<hr/>

**Notes to the financial statements
For the year ended 31 March 2016**

27. Financial Instruments

Financial assets that are debt instruments measured at amortised cost:

	2016	<i>2015</i>
	£	<i>£</i>
Trade Debtors	270,514	<i>198,558</i>
Fixed term deposits	400,000	<i>-</i>
Cash at bank and in hand	816,743	<i>1,049,562</i>
	<u>1,487,257</u>	<i><u>1,248,120</u></i>

The impairment to trade debtors during the year was £9,696 (2015: £6,594).

Financial liabilities at amortised cost:

	2016	<i>2015</i>
	£	<i>£</i>
Trade Creditors	<u>82,931</u>	<i><u>98,108</u></i>

28. Transition to FRS102 and the Charities SORP 2015

Restated income for the year ended 31 March 2015:

	£
Original total income	2,479,263
Donated services	<u>36,883</u>
Restated total income	<u>2,516,146</u>

Restated Expenditure for the year ended 31 March 2015:

	£
Original total income	2,362,484
Donated services	<u>36,883</u>
Restated total income	<u>2,399,367</u>

This adjustment is to reflect the full market value of gifts in kind relating to Google advertising. The transition adjustment has an overall nil effect on the charity's financial position and financial performance.