

2370573



The National Childbirth Trust

Alexandra House, Oldham Terrace, Acton, London, W3 6NH
Telephone 020 8992 2616

(Limited by Guarantee)

REPORT AND ACCOUNTS

30 SEPTEMBER 2000



Buzzacott

Company Registration Number 2370573

Registered Charity Number 801395

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Legal and Administrative Information 2 March 2001

Board of Trustees:	Gillian Fletcher, President (elected 24 June 2000) (Barbara Kott, President, retired 24 June 2000) Bernadette Matus, Chair Ruth Howard, Vice Chair (re-elected 24 June 2000) Julia Morritt, Honorary Secretary (Tracy Stanton, Honorary Secretary, retired 24 June 2000) (Jane Walker, Honorary Treasurer, resigned 20 September 2000) Anne Brome Thompson (re-elected 24 June 2000) Cynthia Clarkson Liz Goudie Margy Hughes Sue Saxey Anne Sherman (Fiona Gray, resigned 2 February 2001) Caroline Lofthouse (elected 24 June 2000) Linda Turner (elected 24 June 2000) (Anne Booth retired 24 June 2000) (Sue Hanson retired 24 June 2000)
Senior Executives:	Belinda Phipps, Chief Executive Anne Spong, Finance Director Diane Emery, Head of Fundraising Mary Newburn, Head of Policy Research
Company Secretary:	Anne Spong
Auditors:	Buzzacott Chartered Accountants & Registered Auditors 12 New Fetter Lane London, EC4A 1AG
Bankers:	Lloyds TSB Bank plc 39 Threadneedle Street London EC2R 8AU
Solicitors:	Trowers & Hamlins Sceptre Court 40 Tower Hill London EC3N 4DX
Status:	Company limited by guarantee without share capital, registration number 2370573. In the event of winding up each member is liable to contribute a sum not exceeding £1 whilst a member or within 12 months of ceasing membership. Charity registration number 801395.
Subsidiary Companies:	NCT (Maternity Sales) Limited NCT Publishing Limited NCT Trading Limited
Registered Office:	Alexandra House Oldham Terrace London, W3 6NH

Report of the Board of Trustees 30 September 2000

The Board of Trustees presents the statutory report with the accounts of the National Childbirth Trust ("the NCT") for the year ended 30 September 2000.

The accounts have been prepared in accordance with the recommendations contained within the Statement of Recommended Practice - Accounting by Charities issued by the Charity Commission in October 1995.

Principal aims and activities

The National Childbirth Trust wants all parents to have an experience of pregnancy, childbirth and early parenthood that enriches their lives and gives them confidence in being a parent. The NCT offers information and support in pregnancy, childbirth and early parenthood to all parents to give them the opportunity to make informed decisions. It campaigns to improve maternity care and ensure better services and facilities for all new parents.

Review of the year

This year has seen the NCT emerge from a precarious financial position thanks to an increase in income and continued tightly controlled expenditure. Having significantly improved our financial performance last year recording a "deficit" of just £53,000, We are delighted to be able to report that this year our charity has achieved a consolidated surplus of income over expenditure of £179,000. This is thanks to the hard work, commitment and enthusiasm of members, staff and volunteers. The NCT is now poised to further invest in and develop its services, campaigning, information and support for all parents and can look to the future with renewed vigour.

Specifically during this period the NCT:

- Helped over 300,000 parents and parents-to-be through local support groups, breastfeeding counselling, antenatal education and post natal support
- Developed new leaflets and extended information on the charity website
- Campaigned vigorously to put maternity care at the heart of all governments' agendas
- Completed a landmark piece of research into parents' information and support needs. The Access Report points clearly to the need for more, better quality information for parents and more parent centred services as well as identifying opportunities for the NCT to further develop its own services and support to meet the needs of parents
- Carried out a survey on postnatal care in the month after childbirth and lobbied for better services
- Organised and co-hosted a one day sell out conference, 'The Rising Caesarean rate— a Public Health Issue'
- Organised and co-hosted a sell out conference for health professionals, user representatives and policy makers on 'Birth- where primary care begins'
- Increased significantly the level of support for the NCT, with more than 30% growth in new members, greater funding from external sources and increased income from the greater number of antenatal classes being delivered
- Developed and begun the implementation of a three year strategic plan
- Worked in partnership with local policy makers through NCT representatives on Maternity Services Liaison Committees, health councils and other local consultative bodies to ensure that the voice of parents is heard by those planning maternity services
- Voted in a new set of Articles of Association and reorganised the Board of Trustees and its committees, to improve accountability and communication, simplify and modernise organisational structure, and foster closer working practices between different areas of NCT activity
- Published a new hard back book The NCT Complete Book of Pregnancy
- Launched NHS-ConNeCT, providing training for health professionals
- Launched the Running a Branch Effectively pack to provide local NCT volunteers with high quality, easily accessible information
- Recruited record numbers of student antenatal teachers, trainee postnatal discussion leaders and breastfeeding counsellors

Report of the Board of Trustees 30 September 2000

Results for the year

The National Childbirth Trust has generated deficits for several years, peaking at £353,000 in 1997/98 before the property revaluation gain of £57,000. In 1998/1999 the deficit was reduced to £53,000 through the control of expenditure. In 1999/2000 the significant improvement in the financial performance continued with a surplus of £179,000, being generated by the group and £160,000 by the charity, primarily due to the increase in income. The surplus was generated to start to rebuild the reserves in line with the reserves policy, and in 2000/2001 we aim to generate another surplus to continue to rebuild the reserves whilst further developing services and support for parents.

Total incoming resources for the year ended 30 September 2000 were £3.8m (1999 £3.4m). Profits from the NCT's trading subsidiaries covenanted to the NCT were £89,000 (1999 £58,000). NCT (Maternity Sales) Limited generated a profit of £4,000 (1999 loss of £22,000). The profit is not planned to be paid to the National Childbirth Trust, due to the tax losses generated in previous years. It is planned to further improve the trading company's profitability in 2000/2001, through wider distribution of the catalogue and capitalising on the improvements to the Website to increase trading on the internet.

Total resources expended were £3.7m (1999 £3.5m). The increase was principally due to the increased cost of training specialist workers due to the increase in fees paid to tutors, who had not received an increase for many years.

Funds held at 30 September 2000 by the charity totalled £641,000 (1999 £481,000), and by the group £579,000 (1999 £400,000). The majority of these funds were held by the branches of the NCT, revealing the need for the continued implementation of the fundraising strategy to establish reliable sources of income to complement membership subscriptions and provide a firm foundation for the development of the NCT's activities.

Reserves policy and future plans

The Trustees' policy is to try to ensure that the NCT has the equivalent of three months' expenditure on reserve. The current reserves are significantly below this goal, but with the improving financial performance the plan is to gradually rebuild the reserves to this level.

Future plans

- Maintain our improved performance through increased income generation and steady planned growth in NCT activity.
- Maintain the campaigning momentum to ensure that all UK governments recognise the importance of, and implement, parent centred maternity care.
- Train more antenatal teachers, breastfeeding counsellors and postnatal discussion leaders to enable even more parents to have access to NCT services.
- Publish a new range of booklets, leaflets, magazines and on-line information to extend the availability of NCT's research based information.
- Launch an expanded Parents' Enquiry Line with external funding to provide a more comprehensive information and support service for parents.
- Launch a new NCT Breastfeeding Line, a single point of access for mothers to reach breastfeeding counsellors.
- Continue to develop practical support and training for NCT local volunteers to help make volunteer work for the NCT more effective and more enjoyable, in particular to extend and re-launch Foundation Training for all volunteers.
- Work towards externally validating our high quality Postnatal Courses and Breastfeeding Counselling to offer more opportunities for volunteers and recognition for training commitment as well as quality assurance for parents.
- Continue to improve the performance of our trading companies to boost income and provide more goods, information and services for parents.
- Develop, consult upon and publish the NCT Birth Policy to ensure that our information, support and campaigning activities are based on the same principles, which are understood and shared throughout the charity.
- Work towards a devolved structure that will enable the NCT to work effectively as a UK charity in an environment where health is fully devolved.
- Develop appropriate, accessible and affirmative services to ensure the NCT is welcoming and relevant for all parents

Report of the Board of Trustees 30 September 2000

The Board of Trustees would like to thank all members, volunteers, staff and supporters of the NCT for their commitment to the vision and work of the charity. We are confident that together we can help the NCT grow so that more parents can benefit from our services, campaigning, information and support.

Statement of the responsibilities of the Board of Trustees

The Companies Act 1985 requires the Board of Trustees, as trustees and directors, to prepare accounts of the charity for each financial year which give a true and fair view of the state of affairs of the charity and its wholly owned subsidiaries and of their income and expenditure for that year. In preparing accounts giving a true and fair view the Board of Trustees has followed best practice and has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Followed applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- Prepared the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Board of Trustees has responsibility for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the charity and its subsidiaries and enable it to ensure that the financial statements comply with the Companies Act 1985. It also has responsibility for safeguarding the assets of the charity and for taking reasonable steps to prevent and detect fraud and other irregularities.

Board of Trustees

A list of members of the Board of Trustees at the date the accounts were approved is given as part of the legal and administrative information on page 1. Trustees are elected by members at the Annual General Meeting of the NCT. Gillian Fletcher, Linda Turner and Caroline Lofthouse, were elected in June 2000. Ruth Howard and Anne Brome Thompson were re-elected in June 2000. Barbara Kott retired as President and Tracy Stanton retired as Honorary Secretary in June 2000. Anne Booth and Sue Hanson also retired in June 2000. Jane Walker, Honorary Treasurer, resigned in September 2000 and Fiona Gray, resigned in February 2001. The Board of Trustees met nine times in 1999/2000.

No member of the Board of Trustees had any beneficial interest in any contract with the charity or its wholly owned subsidiaries during the year.

Employees

The Board of Trustees would like to record its appreciation of the commitment to the NCT's objectives of all staff and also the many volunteers who willingly give their time to the immense benefit of the charity.

Equal Opportunities

The charity operates an Equal Opportunities Policy. The following statement formalises the position and takes account of the progress already made and experience gained.

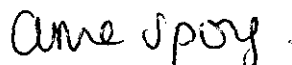
The NCT aims to ensure that no member or employee, whether in receipt of a salary or not, receives less favourable treatment on the grounds of race, colour, nationality, religion, ethnic or national origins, age, sex, marital status, disability or sexual preference. Recruitment, selection criteria and procedures will be regularly reviewed to ensure that individuals are treated on the basis of their relevant merits and abilities. All members and employees will be given equal opportunity for and access to appropriate training.

Report of the Board of Trustees 30 September 2000

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution regarding the re-appointment of Buzzacott will be proposed at the forthcoming annual general meeting.

By order of the Board



Anne Spong
Company Secretary
2 March 2001

Report of the Auditors 30 September 2000

Report of the auditors to the members of the National Childbirth Trust

We have audited the accounts on pages 7 to 19, which have been prepared under the historical cost convention, as modified by the inclusion of freehold property at a valuation, and the accounting policies set out on page 11.

Respective responsibilities of the Trustees and Auditors

As described on page 4, the Board of Trustees is responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Board of Trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the accounts give a true and fair view of the state of the affairs of the charity and the charity and its subsidiaries respectively as at 30 September 2000 and of their incoming resources and application of resources, including their income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Buzzacott

Buzzacott
Chartered Accountants & Registered Auditors
12 New Fetter Lane
London
EC4A 1AG
2 March 2001

Consolidated statement of financial activities for the year ended 30 September 2000

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2000 £'000	Total 1999 £'000
Incoming resources					
Membership subscriptions		715	-	715	701
Grants receivable	1	18	93	111	76
Fundraising activities & donations	2	1,101	4	1,105	1,075
Fees from courses & conferences		1,284	-	1,284	1,053
Sale of maternity goods		159	-	159	164
Advertising in branch newsletters		256	-	256	232
Other income receivable		66	-	66	51
Interest receivable		37	-	37	25
Net income of trading subsidiaries	3	108	-	108	36
Total incoming resources		3,744	97	3,841	3,413
Resources expended					
Continuing Operations					
Direct charitable expenditure					
Services to parents	4	1,265	44	1,309	1,155
Policy, campaigning & research		182	28	210	194
Information		261	4	265	201
Cost of maternity goods sold		184	-	184	169
Other direct expenditure		13	-	13	-
Support costs		654	-	654	699
		2,559	76	2,635	2,418
Other expenditure					
Fundraising and publicity	5	759	2	761	811
Management and administration	6	252	14	266	229
		1,011	16	1,027	1,040
Discontinued Operations					
Direct charitable expenditure					
Services to parents		-	-	-	8
		-	-	-	8
Total resources expended		3,570	92	3,662	3,466
Net Movement in funds	8	174	5	179	(53)
Funds at 1 October 1999		295	105	400	453
Funds at 30 September 2000		469	110	579	400

The group has no recognised gains or losses other than those shown above. The movement in reserves is shown above.

Historical cost net movement in funds

Net movement in funds	179	(53)
Difference between historical cost depreciation and the actual depreciation charge calculated on the revalued amount	(5)	(5)
Historical cost net movement in funds	<u>174</u>	<u>(58)</u>

Charity statement of financial activities for the year ended 30 September 2000

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2000 £'000	Total 1999 £'000
Incoming resources					
Membership subscriptions		715	-	715	701
Grants receivable	1	18	93	111	76
Fundraising activities & donations	2	1,190	4	1,194	1,133
Fees from courses & conferences		1,284	-	1,284	1,053
Sale of maternity goods		159	-	159	164
Advertising in branch newsletters		256	-	256	232
Other income receivable		66	-	66	51
Interest receivable		37	-	37	25
Total incoming resources		3,725	97	3,822	3,435
Resources expended					
Continuing Operations					
Direct charitable expenditure					
	4				
Services to parents		1,265	44	1,309	1,155
Policy, campaigning & research		182	28	210	194
Information		261	4	265	201
Cost of maternity goods sold		184	-	184	169
Other direct expenditure		13	-	13	-
Support costs		654	-	654	699
		2,559	76	2,635	2,418
Other expenditure					
Fundraising and publicity	5	759	2	761	811
Management and administration	6	252	14	266	229
		1,011	16	1,027	1,040
Discontinued Operations					
Direct charitable expenditure					
Services to parents		-	-	-	8
		-	-	-	8
Total resources expended		3,570	92	3,662	3,466
Net Movement in funds	8	155	5	160	(31)
Funds at 1 October 1999		376	105	481	512
Funds at 30 September 2000		531	110	641	481

The charity has no recognised gains or losses other than those shown above. The movement in reserves is shown above.

Historical cost net movement in funds

Net movement in funds	160	(31)
Difference between historical cost depreciation and the actual depreciation charge calculated on the revalued amount	(5)	(5)
Historical cost net movement in funds	<u>155</u>	<u>(36)</u>

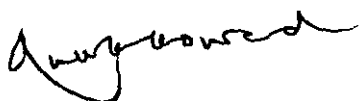
Balance Sheets as at 30 September 2000

		2000		1999	
	Notes	Group £'000	Charity £'000	Group £'000	Charity £'000
Fixed assets					
Tangible assets	9	344	344	362	362
Investments	10	-	1	-	1
		<u>344</u>	<u>345</u>	<u>362</u>	<u>363</u>
Current assets					
Stocks		103	80	106	110
Debtors	11	284	302	199	208
Cash at bank and in hand		864	757	533	500
		<u>1,251</u>	<u>1,139</u>	<u>838</u>	<u>818</u>
Creditors					
Amounts falling due within 1 year	12a	1,016	843	790	690
		<u>235</u>	<u>296</u>	<u>48</u>	<u>128</u>
Net current assets					
		<u>235</u>	<u>296</u>	<u>48</u>	<u>128</u>
Total assets less current liabilities		579	641	410	491
Creditors					
Amounts falling due after 1 year	12b	-	-	10	10
		<u>579</u>	<u>641</u>	<u>400</u>	<u>481</u>
Total net assets		579	641	400	481
Fund balances					
Charitable funds					
Unrestricted funds	13				
General funds		473	510	303	355
Designated funds		21	21	21	21
		<u>494</u>	<u>531</u>	<u>324</u>	<u>376</u>
Restricted funds	14	110	110	105	105
		<u>604</u>	<u>641</u>	<u>429</u>	<u>481</u>
Non-charitable trading funds		(25)	-	(29)	-
		<u>579</u>	<u>641</u>	<u>400</u>	<u>481</u>

Approved by the Board of Trustees on 2 March 2001
and signed on its behalf by



Bernadette Matus, Chairman



Ruth Howard, Vice Chairman

Consolidated cash flow statement for the year ended 30 September 2000

	Notes	2000 £'000	1999 £'000
Consolidated inflow from operating activities	(a)	331	48
Returns on investments and servicing of finance			
Interest received		33	23
Interest paid		(6)	(13)
Capital Expenditure			
Payments to acquire tangible fixed assets		(7)	(7)
		<u>351</u>	<u>51</u>
Financing			
Capital element of finance lease rentals		(20)	(20)
Increase in cash	(b)	<u>331</u>	<u>31</u>

Notes to the cash flow statement

(a) Adjustment of net incoming/ (outgoing) resources before transfers to net cash inflow from operating activities

	2000 £'000	1999 £'000
Net incoming/ (outgoing) resources before transfers	179	(53)
Depreciation charge	25	34
Net loss on disposal of fixed assets	-	1
Interest receivable	(37)	(25)
Interest payable	5	13
Decrease in stocks	3	7
(Increase)/ decrease in debtors	(81)	32
Increase in creditors (Excl finance lease)	237	39
	<u>331</u>	<u>48</u>

(b) Analysis of changes in net funds

	At 1 October 1999 £'000	Cash flow £'000	At 30 September 2000 £'000
Cash at bank and in hand	533	331	864
Debt within one year	(20)	10	(10)
Debt due after one year	(10)	10	-
Balance at 30 September 2000	<u>503</u>	<u>351</u>	<u>854</u>
Increase in cash in the year			331
Capital element of finance lease rentals			20
Change in net funds			<u>351</u>
Net funds at 1 October 1999			503
Net funds at 30 September 2000			<u>854</u>

Principal Accounting Policies 30 September 2000

a) Basis of accounting

The accounts have been prepared under the historical cost convention, as amended by the inclusion of freehold property at a valuation, and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting by Charities issued by the Charity Commission in October 1995.

b) Basis of consolidation

The statement of financial activities and balance sheet consolidate the accounts of the charity and all its subsidiary undertakings made up to the balance sheet date.

c) Income

With the exception of voluntary income arising from fundraising activities and donations, all income is credited to the statement of financial activities either a receivable or on an accruals basis. Voluntary income is credited to the statement of financial activities in the year in which it is received.

d) Expenditure

Direct charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity and its charitable subsidiaries and includes direct staff costs attributable to the activity and an allocation of the general management and overhead costs.

Fundraising and publicity costs comprise expenditure incurred in inducing others to make contributions to the charity and in enhancing its public image.

Administration and management costs include expenditure on general administration, management and compliance with constitutional and statutory requirements.

e) Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Assets held under finance leases are capitalised and depreciated over their useful lives. The corresponding lease obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to the statement of financial activities over the lease at a constant proportion of the outstanding balance of capital repayments.

f) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold buildings	2% on cost
Furniture, office and computer equipment	10% - 20% on cost

g) Stocks

Stocks represent goods for resale and are stated at the lower of cost and net realisable value.

h) Fund accounting

The general fund comprises those monies, which may be used towards meeting the charitable objectives of the charity at the discretion of the Board of Trustees.

The restricted funds are monies raised for a specific purpose, or donations subject to donor imposed conditions.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Board of Trustees.

Non-charitable trading funds consist of the retained profits or accumulated losses of activities conducted through non-charitable trading subsidiaries.

i) Branches

Branch transactions are considered transactions of the charity. Branch returns were received from 351 of the NCT's branches and regions, representing 94% of the total. Estimated results have been included for those branches from which returns had not been received at the date of preparation of the accounts.

j) Pension costs

The charity as an employer contributes to personal pension plans of its employees. The contributions are set at 5% of gross salary and are available to all employees whose contracts are permanent and who have completed three months service with the charity.

Notes to the accounts 30 September 2000

1 Grants receivable

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2000 £'000	Total 1999 £'000
GROUP & CHARITY				
Department of Health:				
- Breastfeeding promotion	-	18	18	19
- Accessible information and support	-	10	10	22
Hackney Sure Start project	-	2	2	3
National Lottery Charities Board:				
- Branch Handbook	-	-	-	24
NHS Direct:				
-Website version of Through the Maze	9	-	9	-
Grants to local branches	9	63	72	36
	18	93	111	104
Parentability grants refunded	-	-	-	(28)
	18	93	111	76

2 Fundraising activities & donations

GROUP

Donations received	113	4	117	115
Fundraising activities	988	-	988	960
	1,101	4	1,105	1,075

CHARITY

Donations received	113	4	117	115
Taxable profits of trading subsidiaries received under deed of covenant	89	-	89	58
Fundraising activities	988	-	988	960
	1,190	4	1,194	1,133

Many of the fundraising events held by the branches of the charity have two objectives, to raise funds for the charity, and also to meet the aims of the charity in terms of providing postnatal support for families. Consequently, this dual role increases the cost, and therefore reduces the profitability, of the events.

3 Net income of trading subsidiaries

The National Childbirth Trust owns the entire called up ordinary share capital of three trading companies incorporated in the United Kingdom:

- NCT Trading Limited whose principal activities are to promote the work of the National Childbirth Trust, to obtain sponsorship of activities and events and to undertake other business activity on behalf of the NCT;
- NCT (Maternity Sales) Limited whose principal activity is the sale of maternity clothes and publications;
- NCT Publishing Limited did not trade during the period of these accounts. The publishing and sale of books and magazines was undertaken and financed through a joint venture with Book Production Consultants plc.

NCT Trading Limited and NCT (Maternity Sales) Limited have entered into deeds of covenant whereby they covenant their taxable profit to the National Childbirth Trust.

A summary of the results of the trading subsidiaries for the year is given below. Audited accounts will be filed with the Registrar of Companies.

	NCT Trading Limited	NCT (Maternity Sales) Limited	NCT Publishing Limited	Total 2000	Total 1999
	£'000	£'000	£'000	£'000	£'000
Turnover	194	438	-	632	530
Cost of sales	(85)	(235)	-	(320)	(274)
Gross profit	109	203	-	312	256
Distribution costs	-	(73)	-	(73)	(78)
Administrative expenses	(20)	(135)	-	(155)	(140)
Interest payable	-	(2)	-	(2)	(2)
Other operating income	-	11	-	11	-
Operating profit	89	4	-	93	36
Amounts covenanted to the National Childbirth Trust	(89)	-	-	(89)	(58)
Accumulated profit/(loss) for year	-	4	-	4	(22)
Retained in subsidiary:					
Accumulated losses	(1)	(24)	-	(25)	(29)

The balance sheet figures have been consolidated on a line by line basis.

Reconciliation of operating profit of subsidiaries and net income of trading subsidiaries in consolidated accounts:

Operating profit of trading subsidiaries	93	36
Adjustment on consolidation	15	-
Net income of trading subsidiaries	108	36

4 Direct charitable expenditure

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2000 £'000	Total 1999 £'000
GROUP & CHARITY				
Continuing Operations				
Services to parents:				
- Antenatal	980	14	994	865
- Breastfeeding support	144	24	168	156
- Postnatal	121	6	127	128
- Other	20	-	20	6
Sub-total	1,265	44	1,309	1,155
Policy, campaigning and research	182	28	210	194
Information	261	4	265	201
Cost of maternity goods sold	184	-	184	169
Other direct expenditure	13	-	13	-
Support costs (see below)	654	-	654	699
	<u>2,559</u>	<u>76</u>	<u>2,635</u>	<u>2,418</u>
Discontinued Operations				
Services to parents:				
- ParentAbility and education	-	-	-	8
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>
Support costs comprise the following:				
Staff costs	353	-	353	359
Depreciation	25	-	25	34
Premises and equipment costs	49	-	49	43
Postage, stationery and telephone	84	-	84	74
Irrecoverable VAT	56	-	56	51
IT lease finance costs	16	-	16	17
Insurance	35	-	35	35
Costs relating to prior year	-	-	-	20
Other	36	-	36	66
	<u>654</u>	<u>-</u>	<u>654</u>	<u>699</u>

5 Fundraising and publicity

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2000 £'000	Total 1999 £'000
GROUP AND CHARITY				
Central fundraising	83	-	83	79
Branch fundraising	362	-	362	423
Central publicity	19	-	19	18
Branch publicity	295	2	297	291
	<u>759</u>	<u>2</u>	<u>761</u>	<u>811</u>

6 Management and administration

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2000 £'000	Total 1999 £'000
GROUP & CHARITY				
Committee and meeting costs	122	-	122	111
Regional and branch support	-	14	14	64
Other	130	-	130	54
	<u>252</u>	<u>14</u>	<u>266</u>	<u>229</u>

7 Staff costs and trustees' remuneration

	2000 £'000	1999 £'000
Staff costs during the year were as follows:		
Wages and salaries	521	474
Social security costs	45	39
Other pension costs	13	10
	<u>579</u>	<u>523</u>

Staff costs by function were as follows:

Direct charitable expenditure	523	467
Fundraising and publicity	40	40
Management and administration	16	16
	<u>579</u>	<u>523</u>

The number of employees who earned £40,000 p.a. or more (including taxable benefits) during the year was as follows:

	2000	1999
£40,001 - £50,000	2	-

The average number of employees including part-time staff, analysed by function was:

Direct charitable purposes	23.8	22.3
Fundraising and publicity	1.9	1.8
Management and administration	1.0	1.0
	<u>26.7</u>	<u>25.1</u>

No member of the Board received any remuneration in respect of their services during the year (1999 - £ nil). Expenses were reimbursed to 18 members of the Board during the year. Their expenses amounted to £18,000 (1999 £18,000). 14 (1999:12) trustees were paid £26K (1999: £19K) for services provided as tutors, teachers, counsellors, and similar services provided at arms length and for expenses reimbursed for regional support.

8 Net movement in funds

	2000		1999	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Net movement in funds is stated after charging:				
Depreciation of tangible fixed assets	25	25	34	34
Staff costs	579	579	523	523
Auditors' remuneration				
Audit fees	22	15	24	16
Other services	3	2	12	11
Operating lease rentals	11	11	11	11

Notes to the accounts 30 September 2000

9 Tangible fixed assets

	Charity Freehold Property £'000	Charity Office Equipment £'000	Charity Total £'000	Trading Subsidiaries Equipment £'000	Group Total £'000
Cost or valuation					
At 1 October 1999	320	236	556	-	556
Additions	-	7	7	-	7
Disposals	-	(1)	(1)	-	(1)
At 30 September 2000	320	242	562	-	562
Cost	-	242	242	-	242
Valuation (1998)	320	-	320	-	320
	320	242	562	-	562
Depreciation					
At 1 October 1999	6	188	194	-	194
Charge for year	6	19	25	-	25
On disposals	-	(1)	(1)	-	(1)
At 30 September 2000	12	206	218	-	218
Net book values					
At 30 September 2000	308	36	344	-	344
At 30 September 1999	314	48	362	-	362

The net book values at 30 September 2000 represent tangible fixed assets used for:

Direct charitable purposes	308	33	341	-	341
Fundraising and publicity	-	1	1	-	1
Management and administration	-	2	2	-	2
	308	36	344	-	344

The freehold property was valued professionally in December 1998 on the basis of Existing Use Value. Under FRS15 transitional rules, a valuation has not been repeated. The historical cost of the freehold property included above at a valuation of £320,000 was £583,168 and the aggregate depreciation thereon would have been £104,968 (1999 £ 93,305).

10 Fixed asset investments

Group undertakings

On 30 September 2000 the National Childbirth Trust owned the entire called up ordinary share capital of the following companies, all incorporated in England:

	2000 £	1999 £
Company		
NCT (Maternity Sales) Limited	6	6
NCT Trading Limited	100	100
NCT Publishing Limited	2	2
	108	108

11 Debtors

	2000		1999	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Amounts due from subsidiary undertakings	-	172	-	90
Sundry debtors and prepayments	278	124	186	105
Tax recoverable	6	6	13	13
	284	302	199	208

Notes to the accounts 30 September 2000

12a Creditors: amounts falling due within one year

	2000		1999	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Expense creditors and accruals	478	368	402	342
Social security and other taxes	38	27	31	17
Deferred income - subscriptions and grants in advance	490	438	337	311
Obligations under finance leases	10	10	20	20
	<u>1,016</u>	<u>843</u>	<u>790</u>	<u>690</u>

12b Creditors: amounts falling due after one year

	2000		1999	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Obligations under finance leases	-	-	10	10

13 Unrestricted funds

	Movements in Funds		
	At 1 October 1999 £'000	Incoming Resources £'000	Outgoing Resources £'000
GROUP			At 30 September 2000 £'000
General Funds	274	3,744	3,570
Designated Funds			
Capital replacement fund	6	-	-
Equal opportunities	10	-	-
Information - Foundation training	5	-	-
	<u>21</u>	<u>-</u>	<u>-</u>
	<u>295</u>	<u>3,744</u>	<u>3,570</u>
CHARITY			
General Funds	355	3,725	3,570
Designated Funds			
Capital replacement fund	6	-	-
Equal opportunities	10	-	-
Information - Foundation training	5	-	-
	<u>21</u>	<u>-</u>	<u>-</u>
	<u>376</u>	<u>3,725</u>	<u>3,570</u>

Notes to the accounts 30 September 2000

14 Restricted funds

The income funds of the charity and the group include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	Movements in Funds			At 30 September 2000 £'000
	At 1 October 1999 £'000	Incoming Resources £'000	Utilised £'000	
GROUP AND CHARITY				
Breastfeeding promotion	28	18	8	38
Training maternity services user reps	5	-	1	4
Accessible information and support	21	10	26	5
Foundation training	3	-	-	3
Branch handbook (National Lottery Charities Board)	18	-	18	-
Grants and donations received by branches	30	63	38	55
Other	-	6	1	5
	105	97	92	110

15 Analysis of net assets between funds

GROUP	Unrestricted Funds			2000 Total
	General and Non- Charitable Trading Funds	Designated Funds	Restricted funds	
	£'000	£'000	£'000	
Fund balances at 30 September 2000 are represented by:				
Tangible fixed assets	344	-	-	344
Net current assets	104	21	110	235
Total net assets	<u>448</u>	<u>21</u>	<u>110</u>	<u>579</u>
CHARITY				
Fund balances at 30 September 2000 are represented by:				
Fixed assets	345	-	-	345
Net current assets	165	21	110	296
	<u>510</u>	<u>21</u>	<u>110</u>	<u>641</u>
GROUP AND CHARITY				
Unrealised losses included above on tangible fixed assets				
Unrealised losses at 1 October 1999	(263)	-	-	(263)
Unrealised losses at 30 September 2000	<u>(263)</u>	<u>-</u>	<u>-</u>	<u>(263)</u>

16 Leasing commitments

GROUP AND CHARITY

Operating leases

The group and charity have annual commitments under non-cancellable operating leases as follows:

	2000 £'000	1999 £'000
Operating leases which expire in under two years	7	-
Operating leases which expire within two to five years	1	11
	<u>8</u>	<u>11</u>

Finance leases

The group and charity lease certain fixed assets classified as finance leases. The future minimum payments to which the group and charity were committed at 30 September 2000 are as follows:

	2000 £'000	1999 £'000
Payments within one year	12	25
Payments in two to five years	-	12
	<u>12</u>	<u>37</u>
Less: finance charges	(2)	(7)
	<u>10</u>	<u>30</u>

The obligations arise as a result of the sale and leaseback of office equipment during a previous financial year. The finance charge for the period amounts to £5,000 (1999- £5,000)

17 Taxation

The National Childbirth Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Subsidiary companies, which do not have charitable status have entered into deeds of covenant with the National Childbirth Trust under which any taxable profits or surpluses are covenanted to the charity each year.

The charity and group is not able to reclaim all VAT suffered on expenditure due to the partial exemption rules.

18 Related party transactions

During the year, The National Childbirth Trust entered into transactions in the normal course of activities with its subsidiary undertakings (listed in note 10). There were no other related party transactions.

19 Trustee indemnity insurance

During the year, The National Childbirth Trust paid £3,000 (1999 £2,000) for trustee indemnity insurance.