

# **Tommy's**

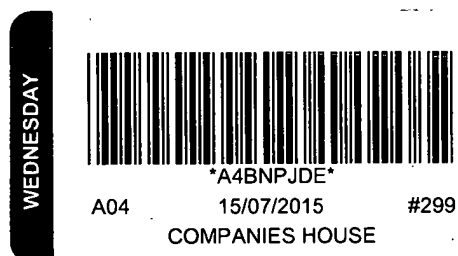
## **Trustees' Report and Financial statements**

**For the year ended 31 March 2015**

Registered Company number: 3266897

Registered Charity number: 1060508

Charity Registered in Scotland number: SC039280



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## Trustees and advisors

### **Constitution**

Registered Company No. 3266897 – Company limited by guarantee

Registered Charity No. 1060508

Charity Registered in Scotland No. SC039280

### **Trustees**

Ron Dennis CBE - Co Chairman

Sally Tennant - Co Chairman

Dominic Proctor

Stephen Russell - Honorary Treasurer

Anita Charlesworth

Professor Phillip Bennett BSc PhD MD FRCOG

Patrick Stead

Resigned 20<sup>th</sup> November 2014

Catherine Hicks

Resigned 19<sup>th</sup> March 2015

Rod Christie-Miller

Barry Williams

Hayley Tatum

Donald Elgie

Emma Fallon

Dominic Shorthouse

Appointed 12<sup>th</sup> May 2014

Bjorn Saven

Appointed 5<sup>th</sup> June 2014

### **Chief Executive**

Jane Brewin

### **Principal Address**

Nicholas House

3 Laurence Pountney Hill

London

EC4R 0BB

### **Auditor**

BDO LLP

55 Baker Street

London

W1U 7EU

### **Solicitor**

Farrar & Co

66 Lincoln's Inn Fields

London WC2A 3LH

### **Bankers**

National Westminster Bank plc

91 Westminster Bridge Road

London SE1 7ZB

## Objectives and Activities

Our goal remains to reduce the incidence of miscarriage, premature birth and stillbirth which together cause so much suffering to more than a quarter of all parents across the UK.

- One in four women will have a miscarriage at some point during their life
- Around 3,500 babies are stillborn in the UK each year
- Eight percent of pregnancies result in premature birth.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees consider that the charity has complied with the duty in section 17 of the Charities Act 2011 in regard to public benefit guidance issued by the Charities Commission. The charity is working to benefit the public in a number of ways:

- Losing a baby, or having a baby which starts life at a disadvantage, has a devastating impact on parents and families
- Babies born too soon, too small or too large often have increased costs of health and social care throughout their lifetime

Our core belief is that funding medical research will increase knowledge about how to improve antenatal care and pregnancy outcomes which we can implement in the research clinics associated with all of our centres and disseminate both nationally and internationally. We believe that disseminating evidence based pregnancy information can help parents to minimise the risks inherent in pregnancy. This dual approach is designed to have most impact on reducing pregnancy problems.

Our main objectives for the year were:

- To develop a five year strategy to increase the scale and impact of our research funding and pregnancy information service
- To continue to fund medical research at King's College London/St Thomas' Hospital, London, Manchester University/St Mary's Hospital, Manchester and The University of Edinburgh/Edinburgh Royal Infirmary
- To make a commitment to open our 4<sup>th</sup> research centre in April 2016
- To provide evidence based pregnancy information to an increasing number of mothers-to-be

This year we have made progress on our medical research projects and information programme. Full details are set out in the **Activities and Performance** section on page 4.

In the current year grants were awarded to maternal and fetal research groups based at St Thomas' Hospital, Kings College London and St Mary's Hospital, Manchester University and Edinburgh Infirmary, Edinburgh University. The budgets were presented to the Trustees at their meeting in November and were discussed and formally agreed.

This year our income exceeded £4.9 million. Further details are set out in the **Activities and Performance** section on page 4 and the **Financial Review** on page 10.

## Trustees' Report (continued)

### **Structure, Governance and Management**

The charity operates in the UK, with its headquarters based in central London. The charity and trading subsidiary are governed by Articles of Association.

New Trustees are nominated by existing Trustees and selected by majority vote. All new Trustees are inducted; the programme covers:

- A meeting with a Co-Chairman
- The role of a Trustee including a copy of the articles of association
- A meeting with the Chief Executive
- Tommy's goals, strategy and main activities
- How Tommy's assess and manage risk
- Financial reporting and current performance of the charity including reserves policy
- Main areas of fundraising
- Our pregnancy information programme
- Our approach to communicating with our supporters and beneficiaries
- Our medical research programmes including a visit to one of our maternal and fetal research units
- Completion of Companies House documentation

Every year one third of the Trustees resign and can be nominated for re-election. Trustees meet three times a year. In November 2015 Patrick Stead stood, as did Catharine Hicks in March 2015 and we want to express our thanks for their support during their appointment. The Board was joined by Dominic Shorthouse and Bjorn Saven.

The Trustees have delegated the management of Tommy's to the Chief Executive who, together with the Finance Director, report on the performance against the budget and annual plan, which are approved each year by the Trustees. Management accounts and the balance sheet are reviewed three times a year at the Trustees meetings. Between Trustees meetings the Chief Executive reports to Sally Tennant, Co-Chairman on a regular basis. During the year there has been a concerted effort to involve all the Trustees in helping the charity to increase its fundraising income.

Thirteen members of staff are engaged in fundraising activity which is detailed in the fundraising section of this report (page 8). Eight staff are employed in our pregnancy information department and PR department. The remaining five are employed in finance, IT support and office management duties.

All the trustees give their time freely and no remuneration or expenses were paid in the year.

### **Internal Financial Control and Risk Assessment**

The Trustees report that the charity's internal financial controls conform to guidelines issued by the Charity Commission.

The systems of financial control are designed to provide all reasonable but not absolute assurance against material misstatement or loss. They include:

- A fundraising plan and annual budget approved by the Trustees
- Regular consideration by the Trustees of actual financial results compared with budgets and forecasts
- Authority to spend within defined limits
- Segregation of duties

## Trustees' Report (continued)

- Consideration of risks by Trustees and line managers
- Compliance reviews by expert advisors

The key risks are identified as:

- Loss of business continuity due to a major incident in the City of London
- Loss of significant income
- Provision of information concerning pregnancy to women

Risks are formally updated each year and reviewed by the Chief Executive, Finance Director and key staff regularly; actions are documented for follow up.

## Activities and Performance

### Research

Tommy's is committed to funding high quality medical research into the problems women experience during pregnancy which lead to the death of the baby or the birth of a low birth-weight baby. We aim to reduce the incidence of miscarriage, pre-eclampsia, pre-term birth and stillbirth and help women reduce the risks inherent in pregnancy.

Tommy's research aims to:

- Identify those most at risk of having a pregnancy problem
- Find ways to diagnose problems early on in pregnancy before they become medical emergencies
- Test treatments and interventions that are safe and effective for women during pregnancy and disseminate those findings to the medical community
- Provide evidence based information to women to improve their pregnancy outcome

Tommy's has invested £1.2m this year in medical research:

- Maternal and Fetal Research Unit at St Thomas' Hospital, London - £400,000
- Maternal and Fetal Research Unit at St Mary's Hospital, Manchester - £400,000
- Maternal and Fetal Research Unit at the University of Edinburgh at the Royal Infirmary - £400,000

Frequently larger providers of funding participate in growing research projects attracted by Tommy's initial investment. This leverage from our relatively small base remains a key objective of our funding strategy. Results from Tommy's funded studies help the groups to attract funding for further and larger studies, effectively multiplying our contribution to up to ten times over the initial investment.

The Trustees have made the commitment to fund a fourth research centre in April 2016 which will focus on the reduction of early miscarriage. The competitive process to select the recipient is underway.

### **Maternal and Fetal Research Unit at St Thomas' Hospital, London headed by Professor Lucilla Poston and Professor Andrew Shennan**

This centre continues to work on several areas of pregnancy; including pre-term birth and late miscarriage, pre-eclampsia, other diseases such as diabetes, liver disease, high blood pressure and mental health in pregnancy.

## Trustees' Report (continued)

The centre has identified a test for pre-eclampsia which identifies specific proteins in the urine of pregnant women. It is thought that these proteins are detectable as early as 15 weeks which is before any symptoms are experienced and therefore could be a useful early test. Further work is being undertaken to validate these results.

A device has been developed and tested for women in advanced labour which helps obstetricians to safely deliver the baby by C-section.

Tommy's is helping to fund one of the largest trials ever undertaken to assess the impact of a dietary and exercise intervention in pregnancy. The results will inform antenatal care guidelines.

The team are working to develop a tool to clinically predict large infants, who often have health problems, in obese mothers who are at higher risk of having a large baby.

We are contributing to a study which is looking at whether running is both safe and beneficial during pregnancy – with the popularity of running increasing, we currently don't know what advice to give to women who would like to continue to run during their pregnancy.

We are helping to evaluate a study looking at whether fish oil could be beneficial in preventing pregnancy diseases such as pre-eclampsia, growth restricted babies and gestation diabetes.

Having developed a test for pre-term birth and thoroughly evaluated it, it is now being rolled out across London's maternity units. This test allows clinicians to focus early attention on those at risk and offer reassurance to women who do not have increased risk.

The team are testing a promising treatment for liver disease in pregnancy which is associated with increased risk of pre-term birth and stillbirth. It is hoped that evidence from the trial will confirm the most effective treatment and make that available to all mothers affected by the disease.

The centre is contributing patient recruitment to 19 clinical trials being carried out in the UK, all aimed at improving antenatal care.

### **Maternal and Fetal Research Unit at St Mary's Hospital, Manchester headed by Professor Colin Sibley**

The centre continues to focus on diseases associated with the development and function of the placenta which includes pre-eclampsia and fetal growth restriction which lead to a baby being born too soon or too small or a baby dying before birth (stillbirth) or shortly after birth.

The centre now runs four specialist clinics to integrate new diagnostics and therapies for placental dysfunction with laboratory work to understand its causes. The Placental Clinic cares for women at risk of stillbirth such as those whose babies are failing to grow as expected. The Rainbow Clinic cares for women who have experienced a previous stillbirth and need additional support in their next pregnancy. The MaVIS Clinic looks after women with blood pressure disorders and the LIPS Clinic looks after women with LUPUS – all these services have increased six-fold the number of high risk women seen and additional scans performed.

Tommy's has funded a number of studies looking at how to reduce stillbirth including:

- We have investigated why older mothers are more at risk of stillbirth and found for the first time that some older women have abnormalities in their placenta including accelerated aging and lower rates of cell growth and produced lower levels of an important pregnancy hormone. This opens the way to develop a test to identify older mothers at risk of pregnancy problems.

## Trustees' Report (continued)

- The team have developed and refined placental measurement to identify 98% of women with severely growth restricted babies. The next step is to increase the accuracy of detection earlier in pregnancy and using more sophisticated scanning equipment will be key to achieving that objective.
- The Manchester Tommy's centre has pioneered the development of a new placental Magnetic Resonance Imaging method to enable detection of a failing placenta whilst the baby is still in the womb, allowing us to treat earlier and monitor women more closely.
- We are assessing whether teaching mums to monitor baby movements and then putting in place appropriate interventions, can help us reduce stillbirth in the UK. A similar initiative reduced stillbirth by 30% in Norway so this approach may have significant potential to save lives.
- The centre is developing a vest which mums can wear to monitor their baby's wellbeing. It would give mums greater peace of mind and allow less hospital monitoring visits as well as alerting clinicians to problems more promptly.
- We are developing a model of best practice care for women in a subsequent pregnancy following a stillbirth. Women can experience excessive stress and report to hospital on multiple occasions concerned about their baby – improved care should support women better and reduce the costs of caring for these women.
- The centre has pioneered work to test the effectiveness of Viagra in improving blood flow in severely growth restricted babies. Money has now been awarded for a major clinical trial and the centre will be the largest recruiting centre for this important study.
- Tommy's has funded the stillbirth priority setting partnership which has identified the 11 most important questions that need to be answered to reduce stillbirth. This will help to focus funding on the research topics most likely to impact on reducing stillbirth.

### **Maternal and Fetal Research Unit at The Royal Infirmary/University of Edinburgh, headed by Professor Jane Norman**

This centre is focussing on a number of pregnancy problems including the impact of obesity in pregnancy and preventing pre-term birth.

The team have quantified the impact of maternal obesity on increasing costs of NHS care for pregnant women which will help to focus resources on this group.

Tommy's funded a project which showed that stress hormone levels are lower in obese pregnant women and this contributes to the development of larger babies and delayed birth. We are further exploring whether there may also be a link to anxiety and depression.

The metabolic antenatal clinic pioneered in Edinburgh, is being adopted by several centres around the UK as the best model of care for women who are severely obese. The clinic is providing expert care as well as helping us recruit patients for studies and collecting samples for further research.

It has been shown that it is safer for women who have had a caesarean section to have caesarean sections in subsequent pregnancies. It has been established that women who labour at home have similar outcomes to those who labour in hospital.

Analysis of Scottish data has shown that children born to parents who have diabetes have increased BMI and blood pressure. Maternal diabetes leads to an increased risk of heart disease in the children.

The team are testing whether a pessary can prevent pre-term birth in women expecting twins. It is known that the multiple pregnancies often end in pre-term birth because of the additional stretch of the uterus and weight of two or more babies compared to one. A device to support the cervix and prevent it from opening may help prevent multiple pregnancies ending in pre-term birth.



## Trustees' Report (continued)

The team are investigating the link between exposure to sunlight and its impact on the function of the placenta which could lead to growth restriction of the baby, stillbirth and pre-term birth.

The team have shown that inflammation can cause some cells in the uterus to contract confirming the link between inflammation and pre-term birth. Statins, which reduce inflammation and are safe to use during pregnancy are being tested to see if they may be an effective treatment to prevent pre-term labour.

A promising treatment for ectopic pregnancy has been identified.

Full details of individual research projects are available on our website [www.tommys.org](http://www.tommys.org)

### Research performance indicators

The research centres are required to complete a research performance report each year; a summary is published on the Tommy's website. One of the key measures we monitor is the significant contributions to improvements in mothers and babies health and this year they include:

- The pre-term birth surveillance clinic at St Thomas' Hospital recruited patients to a study to test the impact of abdominal cervical stitches in preventing preterm labour in high risk women. This treatment reduced the number of babies born pre-term compared to women given conventional cervical stitches and shows great promise for treating high risk women.
- Several studies have informed NICE guidelines [best practice for how the NHS delivers antenatal care]. This year Professor Louise Howard from our London centre chaired the development of NICE guidance on antenatal and postnatal mental health and Professor Jane Norman is chairing the development of guidelines on pre-term labour and birth.
- The Manchester centre has reported an 18% drop in stillbirths at St Mary's Hospital from 2010 to 2013 contributing to an overall reduction in stillbirth in the UK.
- The Edinburgh centre has published evidence that the offspring of obese mothers are one-third more likely to die before the age of 55 (mainly as a result of heart disease) compared to mothers with a normal weight.
- All three centres continue to offer specialist antenatal services aligned to their research interests, delivering expert care to women and developing models of best practice for high risk pregnant mothers.

### Education and Information

By improving the availability of relevant and liked pregnancy information and devising and evaluating community programmes to reduce known risk factors in pregnancy, we aim to help women to improve their chances of having a healthy pregnancy and birth.

Tommy's midwifery led pregnancy information service is distributed in the following ways: website [[www.tommys.org](http://www.tommys.org)], Facebook [Tommy's Midwives], pregnancy information line, publications and community programmes.

Developments this year included:

- We are implementing two grants from the Department of Health (DH):
  - The DH Innovation, Excellent and Strategic Delivery fund: funding of *Baby be Smoke Free*, an approach to support young pregnant smokers to quit.
  - A grant to develop our pregnancy information resources.
- We have implemented a grant from the Scottish Government to develop an on-line intervention for mental health issues experienced by severely obese women.
- We have expanded our networks and collaborative working relationships with a number of organisations including:

## Trustees' Report (continued)

- Ongoing engagement with Royal College of Midwives (RCM) and Department of Health (DH) throughout the year to update on Tommy's activities.
- Engagement with NICE implementation team to secure endorsement for the Pregnancy and Post Birth Wellbeing Plan
- Diabetes UK to secure support and endorsement for two new diabetes-in-pregnancy resources.
- Public Health England, Information Service for Parents/Start for Life meetings to update on Tommy's and offer support in developing their service.
- Representation on the Smoking in Pregnancy Challenge Group which has produced a report with comprehensive recommendations for the care of pregnant women who smoke.
- Tommy's was part of the small group which wrote the MBRACCE-UK lay report on the 'confidential enquiry into maternal mortality and morbidity: Saving Lives, Improving Mothers' Care'
- Ongoing representation on the Maternal Mental Health Alliance (MMHA). Tommy's specific role here has been in managing the joint MMHA and RCM project (funded by DH) to see the development of the specialist mental health midwife to support women during pregnancy.
- Work with the Family Nurse Partnership, Teenage Pregnancy Midwifery Network, academics from Southampton, Manchester, Sheffield Hallam, Cambridge and Kings College Universities, to develop a protocol to understand the best approach to support improvements in diet quality and pregnancy supplementation uptake in young pregnant women.
- Danone and the Infant and Toddler Forum. We have reviewed and contributed to their manifesto report on the importance of nutrition in pregnancy.
- We were present at the 2014 RCM conference over the two days, speaking to midwives and student midwives about what Tommy's has to offer to their practice.
- Tommy's midwives have answered 3,754 phone calls and emails from families experiencing complex problems in pregnancy and seeking their detailed expert advice.
- Tommy's Midwives have tested a Facebook page and in three months achieved 7,500 followers as we learn more about how to reach women with informative but engaging pregnancy information content.
- We continue to develop our website content including new sections on mental health, diabetes and a new pregnancy calendar achieving an average of 440,000 monthly page views.
- Tommy's has distributed over a million pieces of printed pregnancy information including 133,000 pregnancy books and leaflets.
- Tommy's launched an app for parents of premature babies that is being used by 2,460 parents in its first six months.
- Tommy's was one of the first organisations to achieve and maintain the NHS England Information Standard Accreditation, which ensures our process for producing pregnancy information is evidence based, regularly reviewed and designed to meet pregnant women's needs.

Tommy's is pleased to report that we estimate that we reach up to 70% of all pregnant women in the UK and almost all parents who have a premature baby.

### **Fundraising**

We thank our committed partners and new partners for believing in our cause and sharing our commitment to make a difference.

Trusts and Foundations have continued to support our work and our thanks go to The Asda Foundation, The Britwell Trust, MandDET, Sandra Charitable Trust, The RH Scholes Charitable Trust, P F Foundation, The Betty Messenger Charitable Foundation, The Edith Murphy Foundation, The Elizabeth Hardie Ferguson Charitable Trust Fund, The James Tudor Foundation, The John

## Trustees' Report (continued)

Coates Charitable Trust, The Mason le Page Charitable Trust, The RS Macdonald Charitable Trust and The Zochonis Charitable Trust.

We would also like to thank the individuals whom have supported our new Major Donor programme in support of our work this year.

Community fundraising has experienced another good year and our supporters continue to amaze us in their efforts to raise money. Special thanks must go to the organisations that have made this possible including The Virgin Money London Marathon, The Royal Parks Foundation Half Marathon, The Great North Run, RideLondon and Scumrun. We also want to thank new partners Baby Sensory and Toddler Sense who have pioneered an event called Sensathon and excelled in their first year. We look forward to working with them again in 2016.

Our corporate supporters continue to amaze us with the strength of their support for Tommy's. In particular, we thank Asda, Bell Pottinger, BGC, Brantano, Build-A-Bear Workshop, Canary Wharf Group, Cow & Gate, Creston Health, Danone, Entertainment One and the inimitable Peppa Pig, First Choice Holiday Villages, George, Hologic, Huggies, Johnson & Johnson, Kiddicare, Majedie, McLaren, Next, Persil & Comfort, Unilever and Weight Watchers.

We are very grateful to the companies who sponsored the Tommy's Awards in its 20<sup>th</sup> year – most notably Bounty, for their continued support of this much loved event. Other highly valued sponsors include Arla, Asda, Little Angels, Bepanthen, Center Parcs, Danone, PG Tips Decaf, Simply Health, Persil & Comfort and Prima Baby.

A special mention must also go to Environmental Business Products who have partnered with Tommy's for more than 20 years, led by Tommy's Trustee and long-term supporter, Patrick Stead. During this time, they have raised well over £1m for Tommy's through a range of activities including a print cartridge recycling scheme. The difference this has made to our ability to save babies' lives is immense, and we are forever grateful for their support.

We would also like to acknowledge our long term partner Fundraising Initiatives Ltd who manage our donor recruitment programme and have recruited over 25,000 new donors for Tommy's since our partnership began.

We want to thank each and every person who has helped us fundraise this year – we are humbled by your efforts and we salute you all.

### **Communication**

Tommy's has secured over 1,000 items of coverage during the past year with a combined circulation of over 83 million, worth an equivalent of £2.5 million.

The summer saw us working on community fundraising with Scumrun and Sensathon following in quick succession of each other. Regional broadcast coverage was secured on Heart Radio and BBC Oxford. On top of this, 150 papers with a combined circulation of over 3.5 million ran stories about the two events.

The launch of the My Premature Baby App in November was also well received by the parenting press and was covered by key outlets including Prima Baby & Pregnancy and Parentdish. Our strong digital focus also paid dividends with a number of parenting bloggers posting reviews of the app. Our Twitter reach for that week, which coincided with World Prematurity Day, topped 1.8 million and our most popular tweet was retweeted 72 times.

Tommy's also achieved coverage in a range of national dailies throughout the year including the Daily Mirror, The Times Scotland and The Sun with progress updates and the latest news from the research centres.

## Trustees' Report (continued)

We are fortunate to continue to receive the donated services of several agencies including Ogilvy, Mindshare and Creston Health. Ogilvy have developed another brand advert for us and Mindshare continue to be instrumental in helping Tommy's gain donated advertising space. In the last financial year, the donated advertising space was worth approximately £575,000. PAN, who are part of Creston Health also developed a new visual identity for us which has received much positive feedback.

## Financial Review

Income this year stands at a record high of £4,997,599 which is £615,109 higher than previous year's results and 32% percent higher than our target. This has been achieved from fundraising through the inaugural, biannual Sensathon event, an overwhelming level of support in running events such as the 2014 London Marathon, the receipt of statutory funding from the Department of Health and the launch of a new Major Donor fundraising campaign. However, ongoing economic uncertainty has led Corporate donors to continue to manage their charitable contributions with caution and the recruitment of committed donors through supported care activities remains challenging. Current year income also includes £575,000 of donated services, which is offset equally within education and information projects.

A significant part of the charitable activities that Tommy's fund is outsourced to university based research centres, rather than being performed in-house. The charity acts as a fundraising vehicle in order to create the funding for these grants. A consequence of this structure is that a higher proportion of support costs are attributed to fundraising rather than charitable activities, inflating the cost/income ratio compared to other charities. Tommy's fundraising structure is unusual because we invest in recruiting individual donors with high associated cost/income ratios, and receive very little income from statutory funding or legacies which have a low cost/income ratio. We are constantly trying to improve this ratio and have seen the ratio fall from thirty seven percent in 2009 to thirty four percent this year.

Tommy's continues to invest in attracting and retaining regular donations which will provide the charity with a much needed source of regular income.

Of our charitable spend of £3,134,655; £1,326,982 was invested in research grants and £1,807,673 was invested in our information programme.

Tommy's trading subsidiary made profits of £329,426 which were transferred to the charity.

## Reserves policy

The reserves policy is that a minimum of twelve months anticipated unrestricted fund expenditure should be maintained to cover charitable expenditure, staff salaries, overheads and a proportion of fundraising costs. At the year-end unrestricted funds stood at £3,070,470 which shows a steady increase towards our target reserves level.

## Trustees' Report (continued)

### Key Performance Indicators

KPI	Target	Result
<b>Income</b>	£ 3,788,000	Over budget (by £1,209,599)
<b>Expenditure:</b> Cost of generating funds	£ 1,454,000	Over budget (by £38,027)
Charitable	£ 2,373,000	Over budget (by £761,655)
<b>Cost/income ratio</b>	38 %	30 %
<b>Research performance</b>	➤ Satisfactory annual reports completed for MFRU's and current project grants	Completed
<b>Information performance</b>	➤ Publications distributed on target ➤ Phone enquires answered on target	Completed Completed
<b>Communication</b>	➤ Coverage maximised in all available media	Completed
<b>Planning &amp; Administration</b>	➤ Satisfactory audit report ➤ Annual budget and plan completed ➤ Risk assessments completed	Completed Completed Completed

### Plans for future periods

The charity's future plans are a continuation of the current strategy:

- To grow our income in line with our five-year strategy.
- To continue to fund medical research at St Thomas' Hospital, London and St Mary's Hospital, Manchester and the Royal Infirmary/University of Edinburgh.
- To establish a fourth research centre specialising in early miscarriage, to open in April 2016.
- To continue to reach more mothers-to-be with our pregnancy information service and evidence based community support programmes.

## **Statement of Trustees' Responsibilities**

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

Company and charity 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 group and parent charity and of the incoming resources and application of resources, including its income and expenditure, of the group and parent charity for the year. In preparing those 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 , regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011 and regulations made thereunder and with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

## **Auditors**

A resolution to appoint BDO LLP as auditors of the charitable company will be proposed at the Annual Meeting for the ensuing year.

Trustees' Report (continued)

## Chairmen's Statement

"We are pleased to report that the charity's income has exceeded budget this year, enabling us to maintain grant levels and increase our reserves modestly, in line with our policy to provide greater cover during this period of economic uncertainty. We want to acknowledge and thank all those supporters whose fundraising efforts have enabled our achievements this year. We also want to thank our staff, who join with us, in our unfailing commitment to make pregnancy and birth safer for all."

Signed on behalf of the Trustees of Tommy's



Ron Dennis CBE  
Co-Chairman  
25th June 2015



Sally Tennant  
Co-Chairman

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF TOMMY'S**

We have audited the financial statements of Tommy's for the year ended 31 March 2015 which comprise the Group and Parent Statement of Financial Activities (incorporating an Income and Expenditure Account), the Group and Parent Charity Balance Sheets, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees and 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 charity and the charity's trustees and 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 purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006, section 151 of the Charities Act 2011 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2015, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).



## Independent Auditor's Report (continued)

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual 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, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate, sufficient and proper accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the directors' report or the exemption from the requirements to prepare a strategic report.

BDO LLP

Richard Faulkner, Senior Statutory Auditor  
for and on behalf of BDO LLP, Statutory Auditor  
London  
United Kingdom

Date: 3/7/15

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

# Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2015

	Notes	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b>Incoming resources</b>					
<b><i>Incoming resources from generated funds:</i></b>					
-Voluntary income	2	3,333,842	455,935	3,789,777	2,855,232
-Corporate sponsorship, promotions and events	3	812,547	-	812,547	1,102,336
-Regional fundraising		215,670	-	215,670	274,696
-Investment income and interest	4	68,696	2,195	70,891	50,226
<b><i>Incoming resources from charitable activities:</i></b>					
-Dept. of Health – Having a Healthy Pregnancy		-	-	-	90,000
-Scottish Government Grant		-	10,500	10,500	10,000
-Dept. of Health – Smoking Cessation		-	90,122	90,122	-
-Patent and Consultancy Income		8,092	-	8,092	-
<b>Total incoming resources</b>		<b>4,438,847</b>	<b>558,752</b>	<b>4,997,599</b>	<b>4,382,490</b>
<b>Resources expended</b>					
<b><i>Cost of generating funds:</i></b>					
- costs of generating voluntary income		1,002,925	-	1,002,925	980,333
- costs of corporate sponsorship, promotions & events		254,292	-	254,292	233,915
- costs of regional fundraising		234,810	-	234,810	228,889
		<b>1,492,027</b>	<b>-</b>	<b>1,492,027</b>	<b>1,443,137</b>
<b><i>Charitable expenditure:</i></b>					
Medical research costs	5	1,077,636	249,346	1,326,982	1,256,231
Education and information projects	6	1,476,265	331,408	1,807,673	1,010,041
		<b>2,553,901</b>	<b>580,754</b>	<b>3,134,655</b>	<b>2,266,272</b>
<b>Governance</b>	7	<b>13,200</b>	<b>-</b>	<b>13,200</b>	<b>12,840</b>
<b>Total resources expended</b>	7,8,10	<b>4,059,128</b>	<b>580,754</b>	<b>4,639,882</b>	<b>3,722,249</b>
<b>Net movement in funds</b>		<b>379,719</b>	<b>(22,002)</b>	<b>357,717</b>	<b>660,241</b>
Fund balances brought forward		<b>2,690,751</b>	<b>183,591</b>	<b>2,874,342</b>	<b>2,214,101</b>
<b>Fund balances carried forward</b>	17	<b>3,070,470</b>	<b>161,589</b>	<b>3,232,059</b>	<b>2,874,342</b>

All results have been derived from continuing activities. The group has no other recognised gains or losses other than those stated above.

The accompanying notes form an integral part of the financial statements.

# Charity Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2015

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b>Incoming resources</b>				
<b><i>Incoming resources from generated funds:</i></b>				
-Voluntary income	3,333,041	455,935	3,788,976	2,854,583
-Corporate sponsorship, promotions and events	267,291	-	267,291	587,826
-Regional fundraising	215,670	-	215,670	274,697
-Investment income and interest	58,278	2,195	60,473	45,370
<b><i>Incoming resources from charitable activities:</i></b>				
-Dept. of Health – Having a Healthy Pregnancy	-	-	-	90,000
- Scottish Government Grant	-	10,500	10,500	10,000
- Dept. of Health – Smoking Cessation	-	90,122	90,122	-
<b><i>Other incoming resources:</i></b>	504,466	-	504,466	490,324
<b>Total incoming resources</b>	<u>4,378,746</u>	<u>558,752</u>	<u>4,937,498</u>	<u>4,352,800</u>
<b>Resources expended</b>				
<b><i>Cost of generating funds:</i></b>				
- costs of generating voluntary income	1,004,244	-	1,004,244	981,571
- costs of corporate sponsorship, promotions & events	225,663	-	225,663	218,341
- costs of regional fundraising	235,853	-	235,853	231,929
	<u>1,465,760</u>	<u>-</u>	<u>1,465,760</u>	<u>1,431,841</u>
<b><i>Charitable expenditure:</i></b>				
Medical research costs	1,077,858	249,346	1,327,204	1,256,724
Education and information projects	1,443,889	331,408	1,775,297	992,680
	<u>2,521,747</u>	<u>580,754</u>	<u>3,102,501</u>	<u>2,249,404</u>
<b><i>Governance</i></b>	11,520	-	11,520	11,314
<b>Total resources expended</b>	<u>3,999,027</u>	<u>580,754</u>	<u>4,579,781</u>	<u>3,692,559</u>
<b>Net movement in funds</b>	379,719	(22,002)	357,717	660,241
Fund balances brought forward	2,690,751	183,591	2,874,342	2,214,101
<b>Fund balances carried forward</b>	<u>3,070,470</u>	<u>161,589</u>	<u>3,232,059</u>	<u>2,874,342</u>

Other incoming resources include a management charge of £171,039 between Tommy's and its subsidiary the Baby Fund Trading Limited. Voluntary income includes the payment under gift aid of £329,426 from the Baby Fund Trading Limited.

The accompanying notes form an integral part of the financial statements.

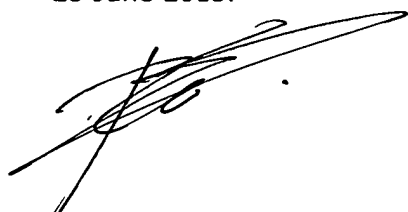
# Consolidated balance sheet

At 31 March 2015


Registered Company number: 3266897

	Notes	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b>Fixed assets</b>					
Tangible assets	13	3,329	-	3,329	2,970
<b>Current assets</b>					
Debtors	15	380,249	-	380,249	321,130
Short term deposits		4,506,934	161,589	4,668,523	4,177,667
Cash at bank and in hand		479,466	-	479,466	358,044
		5,366,649	161,589	5,528,238	4,856,841
<b>Creditors:</b> amounts falling due within one year	16	(2,299,508)	-	(2,299,508)	(1,985,469)
<b>Net current assets</b>		3,067,141	161,589	3,228,730	2,871,372
<b>Total assets less current liabilities</b>		3,070,470	161,589	3,232,059	2,874,342
<b>Total Net Assets</b>		3,070,470	161,589	3,232,059	2,874,342
<b>Represented by</b>					
Funds	17	3,070,470	161,589	3,232,059	2,874,342

The financial statements on pages 16 to 31 were approved and authorised for issue by the Trustees on 25 June 2015.



Ron Dennis CBE  
Trustee



Sally Tennant  
Trustee

The accompanying notes form an integral part of the financial statements.

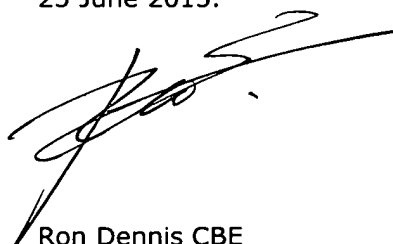
# Charity Balance sheet

At 31 March 2015

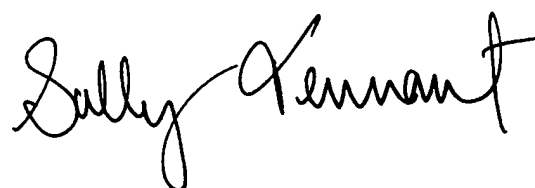
Registered Company number: 3266897

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
<b>Fixed assets</b>					
Tangible assets	13	3,329	-	3,329	2,970
Investments	14	2	-	2	2
		<u>3,331</u>	<u>-</u>	<u>3,331</u>	<u>2,972</u>
<b>Current assets</b>					
Debtors	15	1,075,621	-	1,075,621	987,429
Short term deposits		4,063,890	161,589	4,225,479	3,574,948
Cash		203,517	-	203,517	252,939
		<u>5,343,028</u>	<u>161,589</u>	<u>5,504,617</u>	<u>4,815,316</u>
<b>Creditors:</b> amounts falling due within one year	16	(2,275,889)	-	(2,275,889)	(1,943,946)
		<u>3,067,139</u>	<u>161,589</u>	<u>3,228,728</u>	<u>2,871,370</u>
<b>Net current assets</b>					
<b>Total assets less current liabilities</b>		<u>3,070,470</u>	<u>161,589</u>	<u>3,232,059</u>	<u>2,874,342</u>
<b>Net Assets</b>		<u>3,070,470</u>	<u>161,589</u>	<u>3,232,059</u>	<u>2,874,342</u>
<b>Represented by</b>					
Funds	17	<u>3,070,470</u>	<u>161,589</u>	<u>3,232,059</u>	<u>2,874,342</u>

The financial statements on pages 16 to 31 were approved and authorised for issue by the Trustees on 25 June 2015.



Ron Dennis CBE  
Trustee



Sally Tennant  
Trustee

The accompanying notes form an integral part of the financial statements.

## Notes to the financial statements

For the year ended 31 March 2015

### 1 Accounting policies

#### *a) Basis of accounting*

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with applicable accounting standards and "Accounting and Reporting by Charities" (SORP 2005).

#### *b) Basis of consolidation*

The group financial statements include the results for the year ended 31 March 2015 of Tommy's and its subsidiary company The Baby Fund Trading Limited. The results of the subsidiary are included on a line by line basis and its own profit and loss account and balance sheet are shown in note 18.

#### *c) Funds accounting*

Unrestricted General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Restricted funds are funds subject to restrictions imposed by donors or the nature of the appeal. The purpose and use of the restricted funds is set out in note 17.

#### *d) Incoming resources*

All incoming resources becoming available to the group during the year are included when there is certainty of receipt. The incoming resources are shown gross except for small events organised by volunteers, where expenses are netted off against income. For legacies, entitlement is the earlier of the charity being notified of an impending distribution and of the legacy being received.

#### *e) Donated Services*

Donated services are recognised when the benefit to the charity is reasonably quantifiable and measurable. The value placed on these services is the estimated value to the charity of the service received. The value is included in incoming resources and a corresponding amount is shown as expenditure under the relevant charitable activity

#### *f) Deferred Income*

Deferred income comprises of amounts received in respect of fundraising events to be held in the following financial year, or amounts awarded from a funding body to be spent in the following financial year.

#### *g) Gifts in kind*

Gifts in kind are assets donated to the charity for its own use or for distribution to beneficiaries. They are included at valuation and recognised as income only when they are used or distributed.

#### *h) Medical research grants*

Each year, the Maternal and Fetal Research Units present their proposed research and budgets for the following year in order to gain authorisation for the funding from the trustees. Once authorised, the costs are recognised by the charity as expenditure in the current financial year.

## Notes to the financial statements

For the year ended 31 March 2015

### Accounting policies (continued)

#### *i) Allocation of expenditure*

Expenditure is classified under the principal headings of direct charitable and cost of generating funds rather than the type of expense in order to provide more useful information to the users of these accounts. Where costs cannot be directly attributed they have been allocated to activities on an utilisation basis, assessed by staff time on each activity.

Governance costs comprise of cost relating to governance infrastructure of the charity such as audit fees and apportioned costs of senior management time. In accordance with SORP 2005, support costs which include the central functions such as Information Technology, Human Resources and Office operating costs have been allocated to activities on an utilisation basis, assessed by staff time on each activity.

#### *j) Operating Leases*

Operating lease rental are charged to the Statement of Financial Activities on a straight line basis over the lease term.

#### *k) Capitalisation and Depreciation of tangible fixed assets*

Assets costing more than £1,000 are capitalised and depreciated. Furniture and equipment is depreciated over two years, whilst new systems expenditure is depreciated between two years and six years to reflect their estimated useful economic lives to the charity.

Website development costs are capitalised in line with UITF 29, where there are reasonable grounds for supposing that the economic benefits from future donations will be in excess of website development costs incurred.

#### *l) Current Asset Investments*

Tommy's does, from time to time, receive donated shares which are listed on the AIM market and which are subject to certain time restrictions. Until these restrictions are met the shares cannot be actively traded on the market. Tommy's policy, due to the volatility of these shares is to dispose of them as soon as the time restriction has passed and the shares can be actively traded and sold.

Where such shares are donated and can be valued they are included in the financial statements as current asset investments until such time as they can be sold. Shares held by Tommy's which cannot be valued owing to the absence of an active market in which to sell them are disclosed separately.

#### *m) Taxation*

To the extent that it does not exceed the accounting profit for the period, any taxable profit of the subsidiary, The Baby Fund Trading Limited, is eliminated by gift aid payment in favour of the charity. The activities of the charity fall within the exemptions granted in sections 478-488 of the Corporation Taxes Act 2010.

## Notes to the financial statements

For the year ended 31 March 2015

### *n) Pension Policy*

Tommy's the baby charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered scheme. The pension cost charge represents the amounts payable by Tommy's amounting to £24,209 (2014: £27,853).

## **2 Voluntary Income**

	2015 £	2014 £
Public donations	2,107,027	1,841,715
Legacies	114,457	-
Donated Services	575,000	-
Corporate	797,108	670,266
Trusts	196,185	343,251
	<u>3,789,777</u>	<u>2,855,232</u>

## **3 Corporate sponsorship, promotions and events**

	2015 £	2014 £
Corporate sponsorship and promotions	563,132	512,661
Events	249,415	589,675
	<u>812,547</u>	<u>1,102,336</u>

## **4 Investment income and interest**

	2015 £	2014 £
Interest	<u>70,891</u>	<u>50,226</u>



## Notes to the financial statements

For the year ended 31 March 2015

### 5 Grants for medical research

	2015 £	2014 £
The charge for the year for research consists of the following		
Grants awarded during the year		
- Maternal and Fetal Health Team, St Thomas' Hospital, London	400,000	400,000
- Maternal and Fetal Health Team, St Mary's Hospital, Manchester	400,000	400,000
- Maternal and Fetal Health Team, The Royal Infirmary, Edinburgh	400,000	400,000
- Supplementation in Teenage Pregnancies, Sheffield Hallam University	-	5,757
- Previous years grants exceeded/not fully taken up	(32,689)	(6,181)
	<u>1,167,311</u>	<u>1,199,576</u>
Other research costs	159,671	56,655
	<u>1,326,982</u>	<u>1,256,231</u>
Outstanding grants at 1st April 2014	1,721,519	1,483,088
Grants awarded during the year	1,167,311	1,199,576
Paid during the year	(984,109)	(961,145)
Outstanding grants at 31st March 2015 falling due within one year	<u>1,904,721</u>	<u>1,721,519</u>

Details of grants awarded in the previous year are available on written request to the principle address detailed on page 1.

## Notes to the financial statements

For the year ended 31 March 2015

### 6 Education and information projects

	2015 £	2014 £
Parent Friendly Awards	123,851	136,383
Pregnancy Accreditation	15,927	36,939
Information Provision	214,188	109,207
Midwife Pregnancy Helpline	108,930	108,381
Publications production and distribution	180,302	80,117
Public Relations	271,112	220,237
Health Campaigns Projects	159,838	187,742
Website	88,437	82,289
Supporter Newsletter	41,860	32,278
Advertising	603,228	16,468
	<u>1,807,673</u>	<u>1,010,041</u>

### 7 Analysis of resources expended

	Staff costs £	Direct costs £	Allocated Support Costs £	Total 2015 £	Total 2014 £
<b>Cost of generating funds</b>					
Donations and Legacies	137,044	800,959	64,922	1,002,925	980,333
Corporate sponsorship, promotions and events	146,478	41,231	66,583	254,292	233,915
Regional Fundraising	143,523	18,128	73,159	234,810	228,889
	<u>427,045</u>	<u>860,318</u>	<u>204,664</u>	<u>1,492,027</u>	<u>1,443,137</u>
<b>Charitable expenditure</b>					
Medical research	23,671	1,294,660	8,651	1,326,982	1,256,231
Education and Information projects	607,086	362,434	263,153	1,232,673	1,010,041
	<u>630,757</u>	<u>1,657,094</u>	<u>271,804</u>	<u>2,559,655</u>	<u>2,266,272</u>
<b>Governance</b>	-	13,200	-	13,200	12,840
<b>Total</b>	<u>1,057,802</u>	<u>2,530,612</u>	<u>476,468</u>	<u>4,064,882</u>	<u>3,722,249</u>

Details of allocated support costs are set out in note 8.

Governance costs include fees paid to our auditors in respect to the audit for the group of £11,000 (2014: £10,700). £Nil was paid to our auditors for other services (2014: £Nil).

# Notes to the financial statements

For the year ended 31 March 2015

## 8 Analysis of allocated support costs

	Information Technology	Human Resources	Office Operating Costs	Total 2015	Total 2014
	£	£	£	£	£
<b>Cost of generating funds</b>					
Donations and Legacies	12,853	13,960	38,109	64,922	35,770
Corporate sponsorship, promotions and events	13,182	14,317	39,084	66,583	37,221
Regional Fundraising	14,484	15,731	42,944	73,159	50,408
	<u>40,519</u>	<u>44,008</u>	<u>120,137</u>	<u>204,664</u>	<u>123,399</u>
<b>Charitable expenditure</b>					
Research	1,713	1,860	5,078	8,651	8,181
Education and Information projects	52,100	56,584	154,469	263,153	194,094
	<u>53,813</u>	<u>58,444</u>	<u>159,547</u>	<u>271,804</u>	<u>202,275</u>
<b>Governance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>94,332</u>	<u>102,452</u>	<u>279,684</u>	<u>476,468</u>	<u>325,674</u>

Included in the office operating costs are the office rent, service charges, rates and associated equipment running costs. The costs are allocated based on time allocated by the staff to the associated activities.

## 9 Net Incoming Resources

Net incoming resources is stated after charging:	2015	2014
	£	£
Auditor's remuneration		
- audit fees	11,000	10,700
- other	-	-
Depreciation	2,533	4,578
Operating lease rentals	<u>74,400</u>	<u>74,400</u>

## Notes to the financial statements

For the year ended 31 March 2015

### 10 Staff costs

	2015 £	2014 £
Salaries and wages	891,017	793,197
Social security costs	92,393	82,272
Pension costs	24,209	27,853
Temporary Staff & Volunteer costs	50,183	53,666
	<u>1,057,802</u>	<u>956,988</u>

The emoluments for the year of one member of staff including benefits in kind are within the range of £110,000 to £119,999 (2014 - 1 member within the range of £110,000 to £119,999). Contributions amounting to £11,226 (2014 - £11,226) were also made to the personal pension scheme of the employee in the above band.

The average weekly number of persons employed during the year by department was:

	2015 Number	2014 Number
Charitable activities	8	9
Cost of generating funds	13	11
Management and administration of the charity	5	5
	<u>26</u>	<u>25</u>

### 11 Trustees

The Trustees received no remuneration or reimbursed expenses during the year (2014 - £Nil).

### 12 Other Commitments

At 31 March 2015 the Charity had annual commitments under operating leases for land and buildings as follows:

Expiring within:	2015 £	2014 £
Within two years	-	-
Two and five years	<u>74,400</u>	<u>74,400</u>

Notes to the financial statements  
For the year ended 31 March 2015

**13 Tangible fixed assets**

	Group £	Charity £
<b>Office equipment</b>		
<b>Cost</b>		
1 April 2014	585,914	585,914
Additions	2,892	2,892
Disposals		
<b>31 March 2015</b>	<b>588,806</b>	<b>588,806</b>
<b>Depreciation</b>		
1 April 2014	582,944	582,944
Charge for the year	2,533	2,533
Disposals		
<b>31 March 2015</b>	<b>585,477</b>	<b>585,477</b>
<b>Net book value</b>		
1 April 2014	2,970	2,970
<b>31 March 2015</b>	<b>3,329</b>	<b>3,329</b>

**14 Fixed asset investments**

The charity owns the whole of the issued share capital of £2 in The Baby Fund Trading Limited, a company incorporated in the UK. This company was formed to carry on the trading activities of the charity and profits are covenanted to the charity. The results of the trading subsidiary are shown in note 18.

## Notes to the financial statements

For the year ended 31 March 2015

### 15 Debtors

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	150,547	44,172	24,188	2,443
Taxation recoverable	27,658	17,199	27,658	17,199
Amounts owed by subsidiary company	-	-	824,249	749,948
Prepayments and accrued income	161,653	155,390	159,135	113,470
Other debtors	40,391	104,369	40,391	104,369
	<u>380,249</u>	<u>321,130</u>	<u>1,075,621</u>	<u>987,429</u>

### 16 Creditors: amounts falling due within one year

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	110,697	31,961	108,165	18,368
VAT payable	35,315	5,102	35,315	5,102
Medical grants outstanding	1,904,721	1,721,519	1,904,721	1,721,519
Accruals, deferred income and other creditors	248,775	226,887	227,688	198,957
	<u>2,299,508</u>	<u>1,985,469</u>	<u>2,275,889</u>	<u>1,943,946</u>

## Notes to the financial statements

For the year ended 31 March 2015

### 17 Statement of funds

	Balance 31 March 2014 £	Income £	Expenditure £	Allocated Interest £	Balance 31 March 2015 £
<b><u>Unrestricted funds</u></b>					
General funds	<u>2,690,751</u>	<u>4,370,151</u>	<u>4,059,128</u>	<u>68,696</u>	<u>3,070,470</u>
<b><u>Restricted funds</u></b>					
Maternal and Fetal Health Team, Manchester	60,731	54,951	115,682	-	-
Maternal and Fetal Health Team, Edinburgh	-	78,237	78,237	-	-
Maternal and Fetal Health Team, St Mary's Hospital, London	-	44,927	44,927	-	-
Fourth Research Centre – specialising in miscarriage	-	159,022	-	2,190	161,212
Scottish Government Grant Under Section 16B of the NHS Act 1978	-	10,500	10,500	-	-
Pregnancy Help Line	-	34,748	34,748	-	-
Information Services	31,778	24,050	55,456	5	377
Department of Health, "Having a Healthy Pregnancy"	91,082	-	91,082	-	-
Department of Health "Smoking Cessation"	-	90,122	90,122	-	-
Health Campaigns Manager Grant	-	60,000	60,000	-	-
Total restricted funds	<u>183,591</u>	<u>556,557</u>	<u>580,754</u>	<u>2,195</u>	<u>161,589</u>
<b>Total funds</b>	<u>2,874,342</u>	<u>4,351,708</u>	<u>4,064,882</u>	<u>70,891</u>	<u>3,232,059</u>

#### *Restricted Funds*

These are donations for specific projects as requested by the donors. Interest is allocated to restricted funds that are unspent at year end.

Funds restricted to Maternal and Fetal Health Teams at St Mary's Hospital, Manchester; St Thomas' Hospital, London and the Royal Infirmary at the University of Edinburgh are used to cover staff and research costs at these three Tommy's research centres (see page 4). Fundraising activities restricted to the proposed fourth research centre have begun and it is intended that this new miscarriage research centre will open on 1<sup>st</sup> April 2016.

The Scottish Government grant was restricted to the Edinburgh Centre's study into maternal mental health.

## Notes to the financial statements

For the year ended 31 March 2015

Funds restricted to the Pregnancy Helpline part-funded the running of the free-phone Tommy's Information Line, covering costs such as salaries, training and line rental.

Restricted funds relating to Information Services contributed to the production and distribution of a range of Tommy's resources, providing information on subjects such as the promotion of pregnancy health, management of pregnancy complications, supporting parents of premature babies and bereavement.

The Department of Health funding was used to develop new interventions to encourage teenage mothers to stop smoking during pregnancy and for the development of our pregnancy information offering.

Income restricted to the Health Campaigns Manager covers a portion of the salary for that post as well as the cost of projects.

### 18 Subsidiary company

The statement of financial activities and the consolidated balance sheet include the results, assets and liabilities of the charity's subsidiary, The Baby Fund Trading Limited, which undertakes fundraising activities on behalf of Tommy's. The results of the subsidiary, which are consolidated on a line by line basis, are:

#### Profit and loss account

	<b>Corporate 2015 £</b>	<b>Events 2015 £</b>	<b>Total 2015 £</b>	<b>Total 2014 £</b>
Turnover	529,624	20,524	550,148	515,160
Cost of Sales	(138,694)	(29,687)	(168,381)	(139,367)
Gross Profit	390,930	(9,163)	381,767	375,793
Interest Receivable			10,417	4,855
Administration costs			(62,758)	(47,764)
Gift aid profits			(329,426)	(332,884)
Net profit			-	-
<b>Balance sheet</b>				
Current assets			847,871	791,474
Current liabilities			(847,869)	(791,472)
Net Assets			2	2



## Notes to the financial statements

For the year ended 31 March 2015

### **19 Related party transactions**

In the year Tommy's incurred rental costs of £62,000 for land and buildings payable to a foundation of which Mr Ron Dennis is a Trustee. The current rental agreement commenced on 24<sup>th</sup> June 2012 and extends until 23<sup>rd</sup> June 2017, at a rate of £62,000 per annum.

Also in the year, Environmental Business Products Ltd (EBP Ltd) provided sponsorship of a scheme to donate mobile phones and printer cartridges to benefit Tommy's amounting to £38,000 (exclusive of VAT). Mr Patrick Stead, a trustee of Tommy's until his resignation in November 2014, is a Director of EBP Ltd.

During the year, £575,000 of free advertising space was obtained on behalf of Tommy's by Group M Worldwide, who worked on a pro-bon basis. Mindshare, a subsidiary of Group M Worldwide, provided the charity with £10,000 of services in the year. Mr Dominic Proctor, a trustee, is President of the Group.

Creston Communications, of which Mr Donald Elgie is a minority shareholder, provided the charity with £3,979 of services, in the year. Creston Communications also provided assistance on a pro-bono basis.

Asda continued to conduct a range of fundraising activities on behalf of the charity. Ms Hayley Tatum (Senior Vice-President – People & Stores at Asda) and Mr Barry Williams (Category Director at Asda) are both Trustees of the charity.

### **20 Commitments**

There are no financial commitments other than those shown in the accounts and accompanying notes.