

Tommy's

Trustees' Report and Financial statements

For the year ended 31 March 2019

Registered Company number: 3266897

Registered Charity number: 1060508

Charity Registered in Scotland number: SC039280

MONDAY



A13 *A8A7KXND* #308
22/07/2019
COMPANIES HOUSE

Index to financial statements 31 March 2019

	Page
Trustees and advisors	1
Trustees' report	2-9
Independent Auditor's report	10-12
Consolidated statement of financial activities	13
Consolidated balance sheet	14
Charity balance sheet	15
Consolidated statement of cash flows	16
Notes to the financial statements	17-37

Trustees and advisors

Constitution

Registered Company No. 3266897 – Company limited by guarantee

Registered Charity No. 1060508

Charity Registered in Scotland No. SC039280

Trustees

Dominic Proctor

Stephen Russell - Honorary Treasurer

Anita Charlesworth

Hayley Tatum

Dominic Shorthouse

Resigned 13 April 2018

Bjorn Saven

Joe Chambers - Chairman

Trudi Boardman

Kate Smaje

Professor Anna David

Aedamar Comiskey

Robert Stirling

Stephen Edge

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

Foot Anstey LLP

Senate Court

Southernhay Gardens

Exeter

EX1 1NT

Bankers

National Westminster Bank plc

91 Westminster Bridge Road

London

SE1 7ZB

Trustees' Report

The Board of Trustees of Tommy's presents its Trustees' Report and Financial Statements for the year ended 31 March 2019.

Chairman's Statement

We have had a year of modest growth whilst we implement our fundraising strategy to deliver future sustainable growth. We have been able to maintain grant levels to the four existing Tommy's research centres whilst investing in Tommy's information service and selecting Tommy's 5th Centre which will come on stream in the next financial year. We want to acknowledge and thank all our 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.

Objectives and Activities

Our goal remains to help 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.
- Over 3,000 babies are stillborn in the UK each year.
- Eight percent of pregnancies end in premature birth.

In setting our objectives and planning our activities the Trustees have considered 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 regarding public benefit guidance issued by the Charities Commission. The charity is working to benefit the public in several ways:

- Losing a baby or having a baby who 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 outcomes which we can implement in the research clinics associated with all our centres and disseminate both nationally and internationally. We believe that disseminating evidence-based pregnancy information can help parents to minimise the risks in pregnancy. This dual approach is designed to have most impact on reducing pregnancy problems.

Our main objectives for the year were:

- To grow our income in line with our five-year fundraising strategy,
- To fund medical research based at our four existing centres:
 - King's College London/St Thomas' Hospital London.
 - Manchester University/St Mary's Hospital, Manchester.
 - The University of Edinburgh/Edinburgh Royal Infirmary.
 - Tommy's National Centre for Miscarriage Research based at Birmingham University, Warwick University, Imperial College London and four major NHS hospitals.
- To tender for a new research centre, to open in 2019 – Tommy's National Centre for Maternity Improvement.
- To provide evidence-based pregnancy information to an increased number of mothers-to-be.

In the current year, grants were awarded to maternal and fetal research groups based at St Thomas' Hospital, Kings College London; St Mary's Hospital, Manchester University; Edinburgh Infirmary, Edinburgh University and Birmingham University who are leading the Tommy's

Trustees' Report (continued)

miscarriage research collaboration. The budgets were presented to the Trustees at their meeting in November and were discussed and formally agreed.

This year our income exceeded £9.1 million. Further details are set out in the **Financial Review** on page 7.

Structure, Governance and Management

The charity operates in the UK, with its headquarters based in central London. The charity and trading subsidiaries 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 the 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 assesses and manages 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, and
- Completion of Companies House documentation.

Every year one third of the Trustees resign and can be nominated for re-election. Trustees met four times during the year. Joe Chambers has chaired the Trustees since 1st April 2016.

On 24th March 2019, we held the second running of the London Landmarks Half Marathon. This event is accounted for in the trading subsidiary, LLHM Ltd.

The fundraising board is chaired by trustee, Steve Edge who brings together a group of external supporters to assist with fundraising for the charity. A medical research group comprising two Trustees has met several times during the year to select the new centre, alongside an external selection panel, and to peer review the four research centres activities, alongside external reviewers. The audit committee comprising two Trustees meets regularly with the Finance Director to review policies, review risk and ensure controls are in place. This committee has recruited an external person to join the group this year.

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 at the Trustees meetings. Between Trustees meetings the Chief Executive reported to Joe Chambers, Chairman of the Trustees, on a regular basis.

In addition to the Chief Executive, staff are employed and contracted to work in fundraising, the pregnancy information department, marketing, finance, IT support and office management duties.

The directors consider that the board of directors, who are the Charity's Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no remuneration was paid in the year. Details of directors' expenses and related party transactions are disclosed in notes 12 and 24 to the accounts.

Trustees' Report (continued)

Pay policy for senior staff

The pay of all staff is reviewed annually by the HR Manager and agreed with one of the Trustees with relevant experience. Salaries are benchmarked against pay levels in other charities of similar income. The remuneration bench-mark is the mid-point of the range paid for similar roles.

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

Risk Management

The Trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the charity and its subsidiaries, The Baby Fund Trading Ltd and LLHM Ltd face,
- Subsequent, regular review of identified risks by the Chief Executive, Finance Director and key staff, with actions documented for follow-up,
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Key risks have been identified as:

Income Risk

The risk that budgeted income will not be raised is mitigated by the diversification of revenue streams to ensure that the charity is not dependent upon any one large supporter. Budgets are conservative, and are scrutinised and challenged by the Trustees, prior to their sign off, to confirm that they are reasonable. Management accounts, along with a reforecast of the expected year-end position, are reviewed by senior management monthly, with Trustees receiving regular updates on progress, along with quarterly Trustees meetings. The charity also has a prudent reserves policy to ensure that activity can continue if income does not meet expectations.

Medical Risk

The charity provides information concerning pregnancy to women, and the risk of giving incorrect or inappropriate information is mitigated by ensuring that the charity's NHS England Information Standard accreditation is maintained, medical malpractice insurance is held, and that staff are appropriately qualified and monitored.

Reputational Risk

The charity undertakes project management planning for new projects that it engages in, both in its charitable and fundraising activities, to help prevent poor outcomes that could negatively impact on public perception. Caution is taken in the appointment of commercial fundraising partners, who must be able to demonstrate that they abide by the rules established by the

Trustees' Report (continued)

Institute of Fundraising, of which the Charity is also a member. Prudent systems and controls have been established within the charity to ensure that its finances are stable and transparent. Public relations support is also in place to assist the charity to manage any event that may result in negative publicity.

Risk of Business Interruption

The charity is headquartered in the City of London and as such there is a deemed risk of severe business disruption caused by terrorist activity. Less location specific, business could also be interrupted by IT failure, cyber-attack, fire or flooding. This risk has been mitigated by the implementation of online back-up technology (which is tested on a periodic basis) and a remote working. The charity's disaster recovery plan is dependent on the continued move of software to a cloud-based platform.

GDPR

A group to ensure continued compliance, chaired by the Chief Executive has continued to meet throughout the year, keeping a log of issues, agreed actions and completed tasks including the implementation of recommendations by the ICO who completed an advisory visit at the charity's request. The charity has recruited a manager to ensure all policies are reviewed appropriately and put into practice across the organisation.

Charity Corporate Governance Code

The charity reviewed the Charity Corporate Governance Code and developed and implemented several new policies for Trustees and senior managers in response. These policies and procedures include an automatic disqualification procedure, an equality and diversity policy, a safeguarding policy, code of conduct, conflict of interest policy and a formal delegation scheme, accompanied by terms of reference for sub-committees which include the Audit Committee, Fundraising Committee and Medical Research Committee.

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 or high birth-weight baby. We aim to help reduce the incidence of miscarriage, pre-term birth and stillbirth and the conditions which cause these outcomes 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,
- Develop best models of clinical practice, evidence the impact on improved patient care and outcomes and disseminate widely in the NHS, and
- Provide evidence-based information to women to improve their pregnancy outcome.

Tommy's has awarded £2.301m this year in medical research:

- Maternal and Fetal Research Unit at St Thomas' Hospital, London - £413,977
- Maternal and Fetal Research Unit at St Mary's Hospital, Manchester - £491,618
- Maternal and Fetal Research Unit at the University of Edinburgh at the Royal Infirmary - £400,000
- Tommy's National Centre for Miscarriage Research - £500,000
- Tommy's National Centre for Maternity Improvement - £500,000

Trustees' Report (continued)

Results from Tommy's funded studies help the research centres to attract funding for further and larger studies, effectively multiplying our contribution above the initial investment. This leverage of our funding remains a key objective of our strategy.

The research centres produce an annual report and key performance indicators report which are circulated to the Trustees. In addition, every year, each centre is peer reviewed by external experts together with two Trustees who have expertise in this area.

Details of all the projects funded by Tommy's are on the website www.tommys.org

Pregnancy information service

Our long-term goal is to reach every pregnant woman with pre-pregnancy and pregnancy information that is designed to empower them to change their behaviour in ways that will help improve pregnancy outcomes.

The charity has focused on providing content and reach through our website, Tommy's Midwives on social media and phone line and through pregnancy campaigns which are informed by our research outputs and centre experts.

We work with a panel of senior representatives from midwifery and obstetrics to provide a strategic overview of our Pregnancy Information Service. The panel includes representatives from RCOG, RCM, Department of Health, Public Health England and NHS England.

Fundraising

Fundraising Statement

The charity seeks to diversify its income streams and balance the risk inherent to each channel, and as such undertakes fundraising activities via sponsored community fundraising and challenge events, trusts and major gifts and corporate partnerships. The charity also invests in the recruitment of committed, long-term direct debit donors. Tommy's is not involved in telemarketing or direct-mail donor recruitment or fundraising, nor does it run reactivation or upgrade campaigns.

Recruitment activity is conducted by commercial participators who are members of the Institute of Fundraising, as is Tommy's. These fundraising partners are carefully selected to ensure that their policies and procedures are compliant with best practice as set out by the Institute of Fundraising, with the best interests of the charity's donors and the vulnerable being paramount. The charity will also only work with partners who subscribe to mystery shopping programmes and, when resources permit, Tommy's undertakes its own mystery shopping activity. Regular meetings are conducted with the agencies to monitor key performance indicators and complaints. The charity received seven complaints regarding its fundraising activities in the last twelve months. These complaints were taken very seriously and were investigated with the recruitment agency, with disciplinary action being taken where appropriate. If a complaint is deemed serious enough it may result in the removal of a fundraiser from the campaign and/or the termination of a campaign.

Fundraising Review

Our heartfelt thanks go to everyone who has helped Tommy's raise funds, including:

Companies:

Entertainment One, Poundland, True Capital, ING Bank, M&G Investments, First Choice Holiday Villages, Hologic UK, Clearblue, Marsh Ltd, Bank ABC, National Association for Commercial Finance Brokers, Mam UK, Piccolo, Muthahood.

Trustees' Report (continued)

Trusts & Foundations:

The TUI Care Foundation, The R S Macdonald Charitable Trust, The Zochonis Charitable Trust, The James Tudor Foundation, Wellcome Trust, The Aurum Charitable Trust, Martin Charitable Trust, Pavers Foundation, The Light Fund, The Eveson Charitable Trust, The Childwick Trust and Healthwatch England.

Individuals:

Elle Wright, author of 'Tell Me His Name', EW Bateman in memory of James Gammon, Paulo & Melinda Almeida, Bjorn Saven, Ian & Carol Sellars, Andy & Meg Headley, Julia Rosier, David & Kate Beck, Steve Edge, Dominic & Claire Freemantle, Kassie Smith QC, Lansdowne Partners, Ana Tomic, Stephen & Benetta Morant, Dominic & Lindsay Proctor, Mike Flockhart, Joe Chambers, Robert Stirling, Oliver & Johanna Hudson.

We'd also like to thank Marina Fogle and her team for organising the inaugural Tommy's Children's Carols in December 2018.

We'd also like to thank Mindshare, Jim Cohen and Taxi Media who have donated services to Tommy's.

London Landmarks Half Marathon

On the 24th March 2019 the London Landmarks Half Marathon took place; a closed road charity run with 13,000 participants. As well as participants running for Tommy's, other charities took part raising funds for more than 180 other good causes. Further information about this event is found at www.lhlm.co.uk. The charity would like to thank all the volunteers who helped to staff cheering-points along the route and all our partners who are involved in delivering this event.

Future Plans

The charity is implementing its five-year plan, during which it will seek to increase charitable expenditure by investing in new areas of research that are significant to its core charitable aim, to help reduce the incidence of miscarriage, premature birth and stillbirth. The charity must grow its fundraising income significantly to fund this strategy. It is anticipated that this growth will be delivered from the charity's core fundraising model and the London Landmarks Half Marathon.

Financial Review

Income this year stands at a record high of £9,113,054 which is £545,914 higher than the previous year's results and 8% higher than our target. This has been achieved through the continued success of London Landmarks Half Marathon, fundraising via challenge events such as London Marathon 2018 and investment in the charity's Trusts and Major Gifts team. However, ongoing economic uncertainty has led corporate donors to continue to manage their charitable contributions with caution and the recruitment of committed donors remains challenging.

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.

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

Trustees' Report (continued)

Tommy's trading subsidiary The Baby Fund Trading Limited made profits of £58,954 (2018: £75,634) which were transferred to the charity. LLHM Limited made a profit of £582,717 (2018: £23,721) and transferred distributable reserves of £547,215 (2018: £nil) to the charity.

Reserves policy

Reserves are essential to reduce risk and enable the charity to continue to fund its research and information projects, even in the event of the loss of a key donor or an economic downturn.

The Trustees consider that the ideal level of free reserves is a minimum of twelve months anticipated unrestricted fund expenditure, which is approximately £7.6m. This would enable the charity to cover charitable expenditure, staff salaries, overheads and a proportion of fundraising costs for a year. It should be noted that the required figure will grow as the charity grows and develops. At the year-end free reserves (which represents total unrestricted funds less fixed assets) stood at £5,320,490 (2018: £4,820,099) which shows steady progress towards our target reserves level, with 71% currently covered. The charity intends to continue to tightly control expenditure and investigate new revenue streams to enable it to continue to build towards its target reserves level.

Key Performance Indicators

KPI	Target	Result
Income	£ 8,438,600	Over budget (by £674,455)
Expenditure: Cost of raising funds	£ 3,796,314	Under budget (by £45)
Charitable	£ 4,650,073	Over budget (by £112,193)
Cost/income ratio	45%	42%

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 judgements and accounting estimates that are reasonable and prudent; and

Trustees' Report (continued)

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

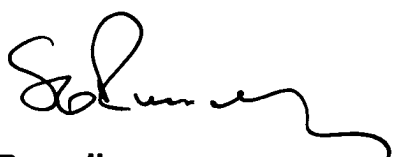
The Trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements 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.

Signed on behalf of the Trustees of Tommy's:



Steve Russell
Honorary Treasurer

10th July 2019

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

Opinion

We have audited the financial statements of Tommy's ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2019 which comprise the consolidated and parent charitable company statement of financial activities, the consolidated and parent charitable company balance sheet, the consolidated and parent charitable company cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2019 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

Basis for opinion

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

Conclusions related to going concern

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

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

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

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

Responsibilities of Trustees

As explained more fully in the 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, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Fiona Condron (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

Date: *2 July 2019*

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

Consolidated statement of financial activities (including consolidated income and expenditure account)

For the year ended 31 March 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Unrestricted funds £	Restricted funds £	Total 2018 £
Income from:							
-Donations	2	6,143,371	1,053,560	7,196,931	6,648,858	658,710	7,307,568
Income from charitable activities:							
-Public Health England – Pre-conception		-	-	-	-	60,000	60,000
Other trading activities	3	1,854,472	-	1,854,472	1,158,324	-	1,158,324
Investment income and interest	4	57,396	4,255	61,651	38,171	3,076	41,247
Total income		<u>8,055,239</u>	<u>1,057,815</u>	<u>9,113,054</u>	<u>7,845,353</u>	<u>721,786</u>	<u>8,567,139</u>
Expenditure on:							
Raising funds	7,8	3,796,269	-	3,796,269	3,326,689	-	3,326,689
Charitable activities	7,8	3,801,964	960,302	4,762,266	3,285,937	761,361	4,047,298
Total expenditure		<u>7,598,233</u>	<u>960,302</u>	<u>8,558,535</u>	<u>6,612,626</u>	<u>761,361</u>	<u>7,373,987</u>
Net movement in funds for the year		457,006	97,513	554,519	1,232,727	(39,575)	1,193,152
Reconciliation of funds							
Fund balances brought forward		5,012,497	539,879	5,552,376	3,779,770	579,454	4,359,224
Fund balances carried forward	19	<u>5,469,503</u>	<u>637,392</u>	<u>6,106,895</u>	<u>5,012,497</u>	<u>539,879</u>	<u>5,552,376</u>

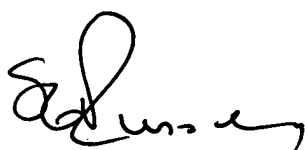
All results have been derived from continuing activities. The group has no other recognised gains or losses other than those stated above.

The accompanying notes on pages 17-37 form an integral part of the financial statements.

Consolidated Balance Sheet
At 31 March 2019
Registered Company Number 3266897

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Fixed assets					
Intangible assets	14	93,469	-	93,469	122,946
Tangible assets	15	55,544	-	55,544	69,452
		<u>149,013</u>	<u>-</u>	<u>149,013</u>	<u>192,398</u>
Current assets					
Debtors	17	881,338	-	881,338	1,062,535
Short term deposits		6,395,356	637,392	7,032,748	5,726,464
Cash at bank and in hand		2,140,024	-	2,140,024	1,470,998
		<u>9,416,718</u>	<u>637,392</u>	<u>10,054,110</u>	<u>8,259,997</u>
Creditors: amounts falling due within one year	18	(4,096,228)	-	(4,096,228)	(2,900,019)
Net current assets		<u>5,320,490</u>	<u>637,392</u>	<u>5,957,882</u>	<u>5,359,978</u>
Total assets less current liabilities		<u>5,469,503</u>	<u>637,392</u>	<u>6,106,895</u>	<u>5,552,376</u>
Total Net Assets		<u>5,468,503</u>	<u>637,392</u>	<u>6,106,895</u>	<u>5,552,376</u>
Represented by					
Funds	19	<u>5,469,503</u>	<u>637,392</u>	<u>6,106,895</u>	<u>5,552,376</u>

The financial statements were approved and authorised for issue by the Trustees on 10th July 2019.



Steve Russell
Honorary Treasurer

The accompanying notes on pages 17-37 form an integral part of the financial statements.

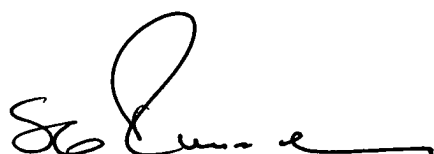
Charity Balance Sheet

At 31 March 2019

Registered Company number: 3266897

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Fixed assets					
Intangible assets	14	75,717	-	75,717	100,756
Tangible assets	15	55,544	-	55,544	69,452
Investments	16	3	-	3	3
		<u>131,264</u>	<u>-</u>	<u>131,264</u>	<u>170,211</u>
Current assets					
Debtors	17	2,017,957	-	2,017,957	1,522,959
Short term deposits		6,395,356	637,392	7,032,748	5,726,464
Cash		689,130	-	689,130	854,047
		<u>9,102,443</u>	<u>637,392</u>	<u>9,739,835</u>	<u>8,103,470</u>
Creditors: amounts falling due within one year	18	(3,764,204)	-	(3,764,204)	(2,685,027)
		<u>5,338,239</u>	<u>637,392</u>	<u>5,975,631</u>	<u>5,418,443</u>
Net current assets					
Total assets less current liabilities					
		<u>5,469,503</u>	<u>637,392</u>	<u>6,106,895</u>	<u>5,588,654</u>
Net Assets					
		<u>5,469,503</u>	<u>637,392</u>	<u>6,106,895</u>	<u>5,588,654</u>
Represented by					
Funds	20	<u>5,469,503</u>	<u>637,392</u>	<u>6,106,895</u>	<u>5,588,654</u>

The financial statements were approved and authorised for issue by the Trustees 10th July 2019.



Steve Russell
Honorary Treasurer

The accompanying notes on pages 17-37 form an integral part of the financial statements.

The parent charity recorded a surplus in the year of £518,241 (2018: £1,169,431). Total income for the year of the parent charity is £8,227,682 (2018: £7,743,295) and total expenditure is £7,709,441 (2018: £6,573,864)

Consolidated Statement of Cash Flows

At 31 March 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by operating activities	25	<u>1,933,287</u>	<u>767,300</u>
Cash flows from investing activities:			
Interest income		61,651	41,247
Purchase of intangible fixed assets		-	(12,747)
Purchase of tangible fixed assets		<u>(19,628)</u>	<u>(78,077)</u>
Net cash provided by (used in) investing activities		<u>42,023</u>	<u>(49,577)</u>
Change in cash and cash equivalents in the year		1,975,310	717,723
Cash and cash equivalents at the beginning of the year	26	<u>7,197,462</u>	<u>6,479,739</u>
Total cash and cash equivalents at the end of the year	26	<u>9,172,772</u>	<u>7,197,462</u>

The accompanying notes on pages 17-37 form an integral part of the financial statements.

Notes to the financial statements

For the year ended 31 March 2019

1 Accounting policies

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

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

b) Preparation of the accounts on a going concern basis

The Charity reported a cash inflow of £1,141,369 for the year (2018: £631,228) and £1,975,312 on a group basis (2018: £717,723). The Trustees are of the view that the Charity's reserves level, strong cash holdings and disciplined approach to budgeting mean that the immediate future of the Charity over the next 12 to 18 months is secure and that on this basis the charity is a going concern.

c) Group financial statements

The group financial statements include the results for the year ended 31 March 2019 of Tommy's and its wholly owned subsidiary companies The Baby Fund Trading Limited and LLHM Limited. The results of the subsidiaries are included on a line by line basis and their own profit and loss accounts and balance sheets are shown in notes 22 and 23.

d) Fund 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 19.

Notes to the financial statements

For the year ended 31 March 2019

Accounting policies (continued)

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measure reliably and is not deferred.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution and of the legacy being received.

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.

f) 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 income and a corresponding amount is shown as expenditure under the relevant charitable activity.

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) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading, donation orientated campaigns, donor recruitment and general fundraising costs.
- Expenditure on charitable activities includes the costs of medical research grants, cause related marketing and pregnancy information and education services.
- Other expenditure represents those items not falling into any other heading.

Notes to the financial statements

For the year ended 31 March 2019

Accounting policies (continued)

Where costs cannot be directly attributed they have been allocated to activities on a utilisation basis, assessed by staff time on each activity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) 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.

j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Taxation

To the extent that it does not exceed the accounting profit for the period, any taxable profit of the subsidiaries, The Baby Fund Trading Limited and LLHM 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.

l) Pension Policy

Tommy's 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 £41,498 (2018: £30,655).

m) Tangible fixed assets

Furniture and equipment is depreciated between two years and six years to reflect their estimated useful economic lives to the charity. The minimum cost for capitalisation is £1,000.

n) Intangible fixed assets

Website development and other software costs are capitalised in line with FRS 102, where there are reasonable grounds for supposing that the economic benefits will be in excess of costs incurred. Such items are amortised between five and ten years to reflect their estimated useful economic lives. The minimum cost for capitalisation is £1,000.

o) Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid net of any trade discounts due.

Notes to the financial statements

For the year ended 31 March 2019

Accounting policies (continued)

p) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs. These costs have been allocated between the cost of raising funds and expenditure on charitable activities on a utilisation basis, assessed by staff time on each activity.

q) Operating Leases

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

r) Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

s) Critical Estimates and Areas of Significant Judgement

There are no areas of critical estimate or significant judgement, other than the value of donated services (see note 1(f)).

2 Income from donations

	Unrestricted Funds	Restricted Funds	Total 2019	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£	£	£	£
Gifts	5,374,456	1,053,560	6,428,016	5,896,992	658,710	6,555,702
Donated	768,915	-	768,915	751,866	-	751,866
Services						
	<u>6,143,371</u>	<u>1,053,560</u>	<u>7,196,931</u>	<u>6,648,858</u>	<u>658,710</u>	<u>7,307,568</u>

3 Income earned from trading activities

	Unrestricted Funds	Restricted Funds	Total 2019	Unrestricted Funds	Restricted Funds	Total 2018
	£	£	£	£	£	£
Corporate sponsorship and promotions	95,513	-	95,513	137,443	-	137,443
Events	<u>1,758,959</u>	<u>-</u>	<u>1,758,959</u>	<u>1,020,881</u>	<u>-</u>	<u>1,020,881</u>
	<u>1,854,472</u>	<u>-</u>	<u>1,854,472</u>	<u>1,158,324</u>	<u>-</u>	<u>1,158,324</u>

Notes to the financial statements

For the year ended 31 March 2019

4 Investment income and interest

All of the group's investment income of £61,651 (2018: £41,247) arises from money held on deposit account.

5 Grants for medical research

The charge for the year for research consists of the following

Grants awarded during the year

	2019 £	2018 £
- Maternal and Fetal Health Team, St Thomas' Hospital, London	400,000	400,000
- Maternal and Fetal Health Team, St Mary's Hospital, Manchester	505,000	462,000
- Maternal and Fetal Health Team, The Royal Infirmary, Edinburgh	400,000	400,000
- Maternal and Fetal Health Team, National Research Centre	500,000	600,000
- Maternal and Fetal Health Team, Implementation Science Centre	500,000	-
- Previous years grants (not fully taken up)/ exceeded	(3,593)	(54,869)

2,301,407 1,807,131

Other research costs

152,708 108,122

2,454,114 1,915,253

Outstanding grants at 1st April 2018

2,251,101 2,115,489

Grants awarded during the year

2,301,407 1,807,131

Paid during the year

(1,382,131) (1,671,520)

Outstanding grants at 31st March 2019 falling due within one year

3,170,377 2,251,100

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 2019

6 Education and information projects

	2019	2018
	£	£
Parent Friendly Awards	103,445	127,135
Pregnancy Accreditation	15,306	15,262
Information Provision	247,956	323,384
Midwife Pregnancy Helpline	110,702	114,066
Public Relations	564,647	409,166
Health Campaigns Projects	146,194	115,954
Website	156,170	155,379
Supporter Newsletter	125,915	92,486
Advertising	837,816	779,213
	<u>2,308,152</u>	<u>2,132,045</u>

7 Analysis of expenditure

	Staff costs	Direct costs	Allocated Support & Governance Costs	Total 2019	Total 2018
	£	£	£	£	£
Cost of raising funds					
Donations and Legacies	625,780	1,236,746	289,887	2,152,413	1,952,090
Corporate sponsorship, promotions and events	326,097	1,164,020	153,739	1,643,856	1,374,599
	<u>951,877</u>	<u>2,400,766</u>	<u>443,626</u>	<u>3,796,269</u>	<u>3,326,689</u>
Charitable expenditure					
Medical research	48,332	2,395,442	10,341	2,454,115	1,915,253
Education and Information projects	684,704	1,361,926	261,521	2,308,151	2,132,045
	<u>733,036</u>	<u>3,757,368</u>	<u>271,862</u>	<u>4,762,266</u>	<u>4,047,298</u>
Total	<u>1,684,913</u>	<u>6,158,134</u>	<u>715,488</u>	<u>8,558,535</u>	<u>7,373,987</u>

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

Support costs include fees paid to our auditors in respect to the audit for the group of £16,625 (2018: £13,750). £Nil was paid to our auditors for other services (2018: £Nil).

Notes to the financial statements

For the year ended 31 March 2019

8 Analysis of allocated support and governance costs

	Information Technology	Human Resources	Office Operating Costs	Governance Costs	Total 2019	Total 2018
	£	£	£	£	£	£
Cost of raising funds						
Donations and Legacies	67,516	44,058	170,473	7,840	289,887	241,577
Corporate sponsorship, promotions and events	35,807	23,366	90,409	4,157	153,739	122,992
	<u>103,323</u>	<u>67,424</u>	<u>260,882</u>	<u>11,997</u>	<u>443,626</u>	<u>364,569</u>
Charitable expenditure						
Research	2,408	1,572	6,081	280	10,341	16,340
Education and Information projects	60,909	39,747	153,792	7,073	261,521	261,679
	<u>63,317</u>	<u>41,319</u>	<u>159,873</u>	<u>7,353</u>	<u>271,862</u>	<u>278,019</u>
Total	<u>166,640</u>	<u>108,743</u>	<u>420,755</u>	<u>19,350</u>	<u>715,488</u>	<u>642,588</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 spent by the staff on the associated activities.

9 Net Income

Net income is stated after charging:

	2019 £	2018 £
Auditor's remuneration		
- audit fees	16,625	13,750
Depreciation and Amortisation charge	63,013	41,513
Operating lease rentals	<u>84,000</u>	<u>81,534</u>

Notes to the financial statements

For the year ended 31 March 2019

10 Group staff costs

	2019	2018
	£	£
Salaries and wages	1,461,436	1,165,321
Social security costs	134,312	108,958
Pension costs	41,498	30,655
Temporary Staff & Volunteer costs	47,667	73,546
	<u>1,684,913</u>	<u>1,378,480</u>

Salaries and wages include the costs of contractors and consultants.

The key management personnel comprise the Trustees, the Chief Executive Officer, Finance Director, LLHM Director and Fundraising Director. The total remuneration of the key management personnel was £491,720 (2018: £356,059).

Emoluments for the year for this group, including benefits in kind but excluding pensions and national insurance, are within the following ranges:

	2019	2018
	Number	Number
Within the range of £120,000 to £129,999	1	1
Within the range £80,000 to £89,999	1	-
Within the range £70,000 to £79,999	2	-
Within the range £60,000 to £69,999	-	2
	<u>4</u>	<u>3</u>

Contributions amounting to £11,226 (2018 - £11,226) were also made to the personal pension scheme of the employee in the £120,000 to £129,999 band.

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

	2019	2018
	Number	Number
Charitable activities	11	10
Cost of generating funds	21	16
Management and administration of the charity	4	4
	<u>36</u>	<u>30</u>

These numbers exclude temporary agency staff, contractors and consultants.

Notes to the financial statements

For the year ended 31 March 2019

No redundancies were made in the year (2018: nil). The aggregate cost of redundancy payments was £nil (2018: £nil).

11 Charity staff costs

	2019 £	2018 £
Salaries and wages	1,266,488	975,178
Social security costs	117,798	88,438
Pension costs	37,775	27,816
Temporary Staff & Volunteer costs	42,695	68,057
	<u>1,464,756</u>	<u>1,159,489</u>

Salaries and wages include the costs of contractors and consultants.

The key management personnel comprise the Trustees, the Chief Executive Officer, Finance Director and Fundraising Director. The total remuneration of the key management personnel was £409,485 (2018: £282,327).

Emoluments for the year for this group, including benefits in kind but excluding pensions and national insurance, are within the following ranges:

	2019 Number	2018 Number
Within the range of £120,000 to £129,999	1	1
Within the range £80,000 to £89,999	1	-
Within the range £70,000 to £79,999	1	-
Within the range £60,000 to £69,999	-	1
	<u>3</u>	<u>2</u>

Contributions amounting to £11,226 (2018 - £11,226) were also made to the personal pension scheme of the employee in the £120,000 to £129,999 band.

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

Notes to the financial statements

For the year ended 31 March 2019

	2019 Number	2018 Number
Charitable activities	11	10
Cost of generating funds	17	13
Management and administration of the charity	4	4
	<u>32</u>	<u>27</u>

These numbers exclude temporary agency staff, contractors and consultants.

No redundancies were made in the year (2018: nil). The aggregate cost of redundancy payments was £nil (2018: £nil)

12 Trustees

The Trustees received no remuneration or reimbursed expenses during the year (2018 - £Nil).

13 Operating lease and other commitments

At 31 March 2019 the Charity had total future minimum lease commitments under operating leases for land and buildings as follows:

	2019 £	2018 £
Land and building operating leases		
- Less than one year	84,000	84,000
- More than one year and less than five years	187,792	271,792
- More than five years	-	-
	<u>271,792</u>	<u>355,792</u>

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

Notes to the financial statements

For the year ended 31 March 2019

14 Intangible fixed assets

	Group £	Charity £
Software and Website		
Cost		
1 April 2018	415,508	388,880
Additions	-	-
Disposals	-	-
31 March 2019	415,508	388,880
Depreciation		
1 April 2018	292,562	288,124
Charge for the year	29,477	25,039
Disposals	-	-
31 March 2019	322,039	313,163
Net book value		
1 April 2018	122,946	100,756
31 March 2019	93,469	75,717

Notes to the financial statements

For the year ended 31 March 2019

15 Tangible fixed assets

	Group £	Charity £
Office equipment		
Cost		
1 April 2018	267,850	267,850
Additions	19,628	19,628
Disposals	(1,854)	(1,854)
31 March 2019	285,624	285,624
Depreciation		
1 April 2018	198,398	198,398
Charge for the year	33,536	33,536
Disposals	(1,854)	(1,854)
31 March 2019	230,080	230,080
Net book value		
1 April 2018	69,452	69,452
31 March 2019	55,544	55,544

16 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 22.

The charity owns the whole of the issued share capital of £1 in LLHM Limited, a company incorporated in the UK. This company was formed to hold the London Landmarks Half Marathon and other fundraising events that the charity may seek to develop in the future, and profits are covenanted to the charity. The results of the trading subsidiary are shown in note 23.

Notes to the financial statements

For the year ended 31 March 2019

17 Debtors

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	76,261	126,326	865	9,213
Taxation recoverable	23,754	48,196	22,978	48,196
Amounts owed by subsidiary companies	-	-	1,219,492	577,537
Prepayments and accrued income	771,166	880,811	764,465	880,811
Other debtors	10,157	7,202	10,157	7,202
	<u>881,338</u>	<u>1,062,535</u>	<u>2,017,957</u>	<u>1,522,959</u>

18 Creditors: amounts falling due within one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	575,125	265,834	271,159	164,433
VAT payable	7,937	7,139	7,937	7,139
Medical grants outstanding	3,170,377	2,251,100	3,170,377	2,251,100
Accruals, deferred income and other creditors	342,789	375,946	314,731	262,355
	<u>4,096,228</u>	<u>2,900,019</u>	<u>3,764,204</u>	<u>2,685,027</u>

Notes to the financial statements

For the year ended 31 March 2019

19 Consolidated statement of funds

	Balance 31 March 2018 £	Income £	Expenditure £	Allocated Interest £	Balance 31 March 2019 £
<u>Unrestricted funds</u>					
General funds	<u>5,012,497</u>	<u>7,997,843</u>	<u>7,598,233</u>	<u>57,396</u>	<u>5,469,503</u>
<u>Restricted funds</u>					
Maternal and Fetal Health Team, Manchester	11,516	424,623	115,303	2,156	322,992
Maternal and Fetal Health Team, Edinburgh	3,017	122,448	125,465	-	-
Maternal and Fetal Health Team, London	39,871	180,546	173,046	318	47,689
Maternal and Fetal Health Team, National Research Centre	473,406	79,114	504,594	322	48,248
Information Services	12,069	236,829	31,894	1,459	218,463
Fundraising Costs	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>-</u>
Total restricted funds	<u>539,879</u>	<u>1,053,560</u>	<u>960,302</u>	<u>4,255</u>	<u>637,392</u>
Total funds	<u>5,552,376</u>	<u>9,051,403</u>	<u>8,558,535</u>	<u>61,651</u>	<u>6,106,895</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; the Royal Infirmary at the University of Edinburgh, and the National Centre for Early Miscarriage Research are used to cover staff and research costs at these four Tommy's research centres.

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.

Donations towards fundraising costs contributed to the salary of a particular member of staff.

Notes to the financial statements

For the year ended 31 March 2019

Consolidated statement of funds – previous year

	Balance 31 March 2017 £	Income £	Expenditure £	Allocated Interest £	Balance 31 March 2018 £
<u>Unrestricted funds</u>					
General funds	3,779,770	7,807,182	6,612,626	38,171	5,012,497
<u>Restricted funds</u>					
Maternal and Fetal Health Team, Manchester	-	65,264	53,814	66	11,516
Maternal and Fetal Health Team, Edinburgh	-	26,471	23,471	17	3,017
Maternal and Fetal Health Team, London	20,119	125,849	106,324	227	39,871
Maternal and Fetal Health Team, National Research Centre	544,558	408,076	481,925	2,697	473,406
Department of Health "Smoking Cessation" Project BOOST	14,777	-	14,777	-	-
Public Health England Grant "Preconception tool"	-	19,050	19,050	-	-
Information Services	-	60,000	60,000	-	-
	-	14,000	2,000	69	12,069
Total restricted funds	579,454	718,710	761,361	3,076	539,879
Total funds	4,359,224	8,525,892	7,373,987	41,247	5,552,376

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; the Royal Infirmary at the University of Edinburgh, and the National Centre for Early Miscarriage Research are used to cover staff and research costs at these four Tommy's research centres.

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.

Project BOOST funding is restricted to research into providing effective dietary vitamin interventions for teenage mothers during pregnancy.

Public Health England funding was for the development of an information tool to help prospective parents to improve their pre-conception health.

Notes to the financial statements

For the year ended 31 March 2019

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.

20 Charity statement of funds

	Balance 31 March 2018 £	Income £	Expenditure £	Allocated Interest £	Balance 31 March 2019 £
<u>Unrestricted funds</u>					
General funds	5,048,775	7,114,123	6,749,139	55,744	5,469,503
<u>Restricted funds</u>					
Maternal and Fetal Health Team, Manchester	11,516	424,623	115,303	2,156	322,992
Maternal and Fetal Health Team, Edinburgh	3,017	122,448	125,465	-	-
Maternal and Fetal Health Team, London	39,871	180,546	173,046	318	47,689
Maternal and Fetal Health Team, National Research Centre	473,406	79,114	504,594	322	48,248
Information Services	12,069	236,829	31,894	1,459	218,463
Fundraising Costs	-	10,000	10,000	-	-
Total restricted funds	539,879	1,053,560	960,302	4,255	637,392
Total funds	5,588,654	8,167,683	7,709,441	59,999	6,106,895

Refer to note 19 for a detailed description of the restrictions.

Notes to the financial statements

For the year ended 31 March 2019

Charity statement of funds – previous year

	Balance 31 March 2017 £	Income £	Expenditure £	Allocated Interest £	Balance 31 March 2018 £
<u>Unrestricted funds</u>					
General funds	<u>3,839,769</u>	<u>6,983,434</u>	<u>5,812,503</u>	<u>38,075</u>	<u>5,048,775</u>
<u>Restricted funds</u>					
Maternal and Fetal Health Team, Manchester	-	65,264	53,814	66	11,516
Maternal and Fetal Health Team, Edinburgh	-	26,471	23,471	17	3,017
Maternal and Fetal Health Team, London	20,119	125,849	106,324	227	39,871
Maternal and Fetal Health Team, National Research Centre	544,558	408,076	481,925	2,697	473,406
Department of Health "Smoking Cessation" Project BOOST	14,777	-	14,777	-	-
Public Health England Grant "Preconception tool"	-	19,050	19,050	-	-
Information Services	-	60,000	60,000	-	-
	<u>-</u>	<u>14,000</u>	<u>2,000</u>	<u>69</u>	<u>12,069</u>
Total restricted funds	<u>579,454</u>	<u>718,710</u>	<u>761,361</u>	<u>3,076</u>	<u>539,879</u>
Total funds	<u>4,419,223</u>	<u>7,702,144</u>	<u>6,573,864</u>	<u>41,151</u>	<u>5,588,654</u>

Refer to note 19 for a detailed description of the restrictions.

Notes to the financial statements

For the year ended 31 March 2019

21 Government Grants

Income from government grants are restricted to specific research projects and the development of education and behavioural intervention and change tools. See note 19 for more information regarding the amount and source of these grants.

22 Subsidiary company: The Baby Fund Trading Limited

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 (a company registered in England and Wales, registration number 2557706, registered at Nicholas House, 3 Laurence Pountney Hill, London, EC4R 0BB), 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

	Total 2019 £	Total 2018 £
Turnover	92,013	137,443
Cost of Sales	(9,700)	(36,460)
Gross Profit	82,313	100,983
Interest Receivable	292	96
Administration costs	(23,651)	(25,445)
Profit for the year	58,954	75,634

Retained Earnings

At 1 April 2018	-	-
Results for the year	58,954	75,634
Qualifying charitable donation to Tommy's	(58,954)	(75,634)
At 31 March 2019	-	-

Balance sheet

Current assets	443,261	269,714
Current liabilities	(443,259)	(269,712)
Net Assets	2	2

Notes to the financial statements

For the year ended 31 March 2019

23 Subsidiary company: LLHM Limited

The statement of financial activities and the consolidated balance sheet include the results, assets and liabilities of the charity's subsidiary, LLHM Limited (a company registered in England and Wales, registration number 10584979, registered at Nicholas House, 3 Laurence Pountney Hill, London, EC4R 0BB), which develops and organises fundraising events on behalf of Tommy's. LLHM Limited was established in the year ending 31st March 2017. The results of the subsidiary, which are consolidated on a line by line basis, are:

Profit and loss account

	Total 2019 £	Total 2018 £
Turnover	2,113,894	1,284,881
Cost of Sales	(878,131)	(836,053)
Gross Profit	1,235,764	448,828
Interest receivable	13,600	-
Administration costs	(666,646)	(425,107)
Profit before taxation	582,717	23,721
Taxation on ordinary activities	776	-
Retained profit	583,493	23,721

Retained Earnings

At 1 April 2018	(36,278)	(59,999)
Results for the year	583,493	23,721
Qualifying charitable donation to Tommy's	(547,215)	-
At 31 March 2019	-	(36,278)

Balance sheet

Non-current assets	17,752	22,191
Current assets	1,103,981	464,348
Current liabilities	(1,121,732)	(522,816)
Net Assets/(Liabilities)	1	(36,277)

Notes to the financial statements

For the year ended 31 March 2019

24 Related party transactions

Asda made donations totalling £25,000 (2018: £532,705). Ms Hayley Tatum (Senior Vice-President – People at Asda) was Trustee of the charity during the year.

Slaughter & May purchased £250 (2018: £nil) of advertising space in the Christmas Carol Concert programme. Mr Steve Edge (Partner - Slaughter & May) was Trustee of the charity during the year.

Trustees made donations totalling £15,500 (2018: £nil) which were restricted to the pregnancy information service, and a further £10,000 (2018: £nil) which were restricted to fundraising costs. Any other donations received from the Trustees were unrestricted.

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

	2019 £	2018 £
Net movement in funds	554,519	1,193,152
Add back depreciation and amortisation charge	63,013	41,513
Deduct interest income shown in investing activities	(61,651)	(41,247)
Decrease (increase) in debtors	181,197	(476,899)
(Decrease) increase in creditors	1,196,209	50,781
Net cash used in operating activities	<u>1,933,287</u>	<u>767,300</u>

26 Analysis of Cash and Cash Equivalents

	2019 £	2018 £
Short term deposit	7,032,748	5,726,464
Cash at bank and in hand	<u>2,140,024</u>	<u>1,470,998</u>
Total cash and cash equivalents	<u>9,172,772</u>	<u>7,197,462</u>

Notes to the financial statements

For the year ended 31 March 2019

27 Analysis of Group Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Fixed Assets	149,013	-	149,013
Cash at bank and in hand	8,535,380	637,392	9,172,772
Other net current (liabilities)	(3,214,890)	-	(3,214,890)
Total	5,469,503	637,392	6,106,895

Analysis of Group Net Assets Between Funds - previous year

	Unrestricted Funds £	Restricted Funds £	Total 2018 £
Fixed Assets	192,399	-	192,399
Cash at bank and in hand	6,657,583	539,879	7,197,462
Other net current (liabilities)	(1,837,485)	-	(1,837,485)
Total	5,012,497	539,879	5,552,376