

Tommy's

Trustees' Report and Financial statements

For the year ended 31 March 2022

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

Dominic Proctor	Resigned 21 April 2022
Stephen Russell	Resigned 29 October 2021
Anita Charlesworth	
Hayley Tatum	
David Logan	
Bjorn Saven	
Joe Chambers - Chairman	
Trudi Boardman	
Kate Smaje	
Professor Anna David	
Aedamar Comiskey	
Robert Stirling	
Stephen Edge	Resigned 05 September 2022
Dr Sonji Clarke	
Dr Shema Tariq	

Chief Executive

Katherine Abrahams

Principal Address

Nicholas House
3 Laurence Pountney Hill
London
EC4R 0BB

Auditor

Saffery Champness LLP
Mitre House
North Park Road
Harrogate
HG1 5RX

Solicitor

Foot Anstey LLP
Senate Court
Southernhay Gardens
Exeter
EX1 1NT

Bankers

National Westminster Bank plc
91 Westminster Bridge Road
London
SE1 7HW

Trustees' Report

The Boards of Trustees of Tommy's presents its Trustees' Report and Financial Statements for the year ended 31 March 2022.

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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Coronavirus Pandemic Impact

The coronavirus pandemic impact has been ongoing throughout the year, delaying and suppressing some of the Charity's fundraising activity and clinical research studies. The charity has continued to develop and implement its priority activity and infrastructure plans whilst keeping tight control over expenditure, including implementing the reduction in research centres from five to three. As the level of uncertainty decreases the charity intends to invest in growth and increase our impact.

Chair's Statement

During the year we have been able to maintain grant levels to three Tommy's research centres whilst planning to open one new national research centre focussed on preterm birth in 2023. We have continued to invest in Tommy's pregnancy information service, which has experienced increased demand.

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

The Charity's objects are the advancement of education in and the practice of gynaecology and obstetrics by all charitable means and in particular by:

- funding research and the publication of its results;
- promoting the education of both those engaged in the practice of gynaecology and obstetrics and the public care of mothers and babies before and after birth; and
- providing equipment; and
- such other charitable purposes as the Trustees in their absolute discretion determine.

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.

Pregnancy loss and maternal death is more common in women from lower socio-economic groups and ethnic minorities; our focus is on identifying all those most at risk and developing treatments which improve pregnancy outcomes for these families.

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 Charity Commission. The Charity is working to benefit the public in several ways:

Trustees' Report (continued)

- 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.
- We want to reduce the inequality of outcome and access to care experienced by some people in the UK including ethnic minorities and those on low incomes.

Our core belief is that medical research will increase knowledge about how to improve antenatal care and outcomes which we can implement in the research clinics associated with our centres, developing best practice models of care. We also believe that disseminating best practice care throughout the NHS will improve care for many more families. We believe that evidence-based pregnancy information can help minimise the risks in pregnancy. This approach is designed to have most impact on reducing pregnancy problems.

Our main objectives for the year were:

To fund medical research based at three research centres:

- Manchester University/St Mary's Hospital, Manchester.
- Tommy's National Centre for Miscarriage Research based at Birmingham University, Warwick University, Imperial College London and four major NHS hospitals.
- Tommy's National Centre for Maternity Improvement a collaboration with the Royal College of Obstetricians and Gynaecologists (RCOG), the Royal College of Midwives (RCM) and UK Universities.

We also retain a Chair of Maternal and Fetal health at King's College London/St Thomas' Hospital London which is funded in perpetuity.

To provide evidence-based pregnancy information to an increased number of mothers-to-be and especially to those who are most at risk of a poor pregnancy outcome.

In the current year, grants were awarded to maternal and fetal research groups based at St Mary's Hospital, Manchester University, Birmingham University who are leading the Tommy's miscarriage research collaboration, and the RCOG who lead the maternity improvement collaboration. A grant to fund a new centre in its set up phase in year one beginning 2023, was also agreed.

This year we have increased our policy work, concentrating on the case for improving miscarriage care and working to establish a joint policy unit with Sands, another baby-loss charity.

Structure, Governance and Management

The Charity operates in the UK, with its headquarters in central London. In agreement with our landlord, we are reducing the number of floors we occupy from four to two and increasing the capacity on each remaining floor so that staff can work more flexibly. The Charity and trading subsidiaries are governed by Articles of Association, a Board of Trustees and subsidiary Boards of Directors. The Trustees are supported by a Fundraising Board, Audit Committee and Medical Research Group.

The London Landmarks Half Marathon is accounted for in the trading subsidiary, LLHM Limited. The Board of Directors of LLHM contains one Trustee of Tommy's, two senior managers of Tommy's and three external members.

The Baby Fund Trading Limited is the Charity's other trading subsidiary, which conducts the Group's trading activities. Its Board of Directors consists of ten Trustees of Tommy's and one external member.

Trustees' Report (continued)

Every year one third of the Trustees retire by rotation and can be nominated for re-election. Trustees met four times during the accounting year. Joe Chambers has chaired the Trustees since 1st April 2016. The information on page 1 forms part of this report.

New Trustees are nominated by existing Trustees and selected by majority vote. All new Trustees are provided with a comprehensive induction programme which covers:

- A meeting with the Chair,
- 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,
- Primary 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.

The Fundraising Board is chaired by a Trustee who brings together a group of external supporters to assist with fundraising.

A Medical Research Group comprising three Trustees, together with external reviewers, has met during the year to peer review the five research centres' activities which includes the final year of the two centres which we have now ceased funding.

The Audit Committee, comprising two Trustees and three external members, meets regularly with the Chief Operating Officer to review policies, risk, and ensure controls are in place and oversee the external audit arrangements.

The Trustees have delegated the day-to-day management of Tommy's to the Chief Executive who, together with the Chief Operating Officer, 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 CEO reported to Joe Chambers, Chair of the Trustees, on a regular basis.

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

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 11 and 22 to the accounts.

Pay Policy for Senior Staff

The pay of all staff is reviewed annually by Human Resources and agreed with a Trustee with relevant experience. The salaries of the senior management team, comprising the CEO, COO, Fundraising Director, Marketing Director, Research, Policy and Pregnancy Information Director and Race Director of LLHM, are reviewed, and approved by the Board of Trustees annually at the March meeting.

Internal Financial Control and Risk Assessment

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

Trustees' Report (continued)

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.

Risk Management

The Trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties of the Charity and its subsidiaries, The Baby Fund Trading Ltd and LLHM Ltd,
- Subsequent, regular review of identified risks by the CEO, COO, 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 based on conservative forecasts, 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 at the quarterly Trustees meetings. The Charity also has a prudent reserves policy to ensure that activity can continue for a period of time if income does not meet expectations and in the event of major impacts such as the coronavirus pandemic.

Medical Risk

The Charity provides information concerning pregnancy to the public and the risk of giving incorrect or inappropriate information is mitigated by ensuring that the Charity follows NHS best practice for developing and updating patient information, medical malpractice insurance is held, and that staff are appropriately qualified, trained 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. 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 because of the pandemic staff work flexibly between their homes and the office. The continued move of software to a cloud-based platform has assisted this and will continue until the Charity's IT systems are completely cloud based.

Trustees' Report (continued)

Charity Corporate Governance Code

The Charity monitors the Charity Corporate Governance Code and policies are regularly reviewed and revised and new policies instigated where necessary. The Charity aims to follow the Code, as a key source of best-practice.

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 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 this widely in the NHS,
- Develop an app to assist in identifying risk and ensure optimal care is given to women who have risks which might adversely affect their pregnancy outcome, and
- Provide evidence-based information to women to improve their pregnancy outcome.

Tommy's has awarded core medical research grants of £1,458,000 this year:

- Maternal and Fetal Research Unit at St Mary's Hospital, Manchester - £458,000
- Tommy's National Centre for Miscarriage Research - £500,000
- Tommy's National Centre for Maternity Improvement - £500,000

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 impact of our funding remains a key objective of our strategy.

The research centres produce an annual report and key performance indicators which are circulated to the Trustees. In addition, every year, each centre is peer reviewed by external experts together with three Trustees with 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 designed to empower them to change their behaviour to help improve pregnancy outcomes. Our service targets women who are most at risk of a poor pregnancy outcome, which includes women in the lowest socio-economic groups and women from minority ethnic groups.

The Charity has focused on providing content and reach through our website, Tommy's Midwives, on social media and via telephone and through pregnancy campaigns. These campaigns 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 and Social Care, Public Health England and NHS England.

Trustees' Report (continued)

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, and major gifts and corporate partnerships. Caution is exercised in the appointment of commercial fundraising partners, who must be able to demonstrate that they abide by the rules established by the Fundraising Regulator, of which the Charity is also a member. The Charity has invested in the recruitment of supporters and donors via digital marketing. Tommy's is not involved in telemarketing or direct-mail donor recruitment or fundraising, nor does it run reactivation campaigns.

The number of complaints received in the financial year was 86 (2021: 17).

The rise in complaints is, in part, due to increased staff awareness within Tommy's of the importance of recording complaints and training on complaints handling.

The main source of complaints has been from our Community Events team which experienced some problems and delays with the organisation engaged to fulfil prizes and gifts to participants. This led to 27 complaints in the year. Our digital fundraising operations generated 18 complaints. These were largely in relation to wording relating to the terms of a prize draw.

The recording, investigation and reporting of complaints continues to be a key control for management which has led to changes in processes when necessary.

Fundraising Review

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

Companies: The Fertility Partnership, GSK, Glossybox, Hologic, MAM UK Ltd, McDermotts, Pattie & Co., Philips, Poundland and The Poundland Foundation, Plum & Ashby and Mutha.Hood both in collaboration with Elle Wright of Feathering the Empty Nest, and Teneo.

Trusts & Foundations: The Aurum Charitable Trust, the Bally's Foundation, Beehive Fund, The Boltini Trust, Edith Murphy Foundation, Holbeck Charitable Trust, James Tudor Foundation, the John Armitage Charitable Trust, The Jon Moulton Charity Trust, Martin Charitable Trust, Peter Sowerby Foundation, The Reed Foundation, Sandra Charitable Trust, The Stanley Grundy Foundation, Teddy's Wish, The Webb Family Charitable Trust, and The Zochonis Charitable Trust.

Individuals: Paulo & Melinda Almeida, Kate & David Beck, Gerald Carroll & Sasha Wright, Joe Chambers, Kalpana Desai, Steve Edge & Jane Fogg, Dominic & Claire Freemantle, Nikki & Bruce Hodges (Metrow Foods), Oliver & Johanna Hudson, Chloe & Archie Hunter, Richard & Hannah Jeens, Stephen & Benetta Morant, Ioannis Papagiannakopoulos & Michaela Vergottis, Dominic & Lindsay Proctor, Julia Rosier, Bjorn Saven, Ian & Carol Sellars, Kassie Smith QC, and Robert Stirling.

We would also like to thank Marina Fogle and her committee for organising the Tommy's Children's Carols, and Toby Flood and his committee for choosing Tommy's to benefit from his testimonial event.

Statutory grants: Tampon Tax Fund – Department for Digital, Culture, Media & Sport
VSCE Health and Wellbeing Alliance – Department of Health and Social Care

Thank you to Mindshare UK for their pro bono support of our marketing activity.

Trustees' Report (continued)

London Landmarks Half Marathon

The London Landmarks Half Marathon was delayed due to covid restrictions but finally went ahead in August 2021. The Charity would like to thank everyone involved in the event for their support and forbearance, especially colleagues at Westminster City Council and the City of London Corporation.

Future Plans

The Charity looks forward to the future as Covid restrictions ease and the environment begins to return to a new normal. The charity has plans to grow so that it can increase the scale and impact of its work post the pandemic, which has disrupted healthcare and put so many families at increased risk of stillbirth and preterm birth caused by covid.

Financial Review

Group income this year increased to £8,672,817, which was £1,691,482 higher than the previous year. This was due to the return of mass participation fundraising events, following the relaxation of covid restrictions. Ongoing economic uncertainty has led corporate donors to continue to manage their charitable contributions with caution and the recruitment of committed donors remained challenging.

A significant part of the charitable activities that Tommy's fund is outsourced to university-based research centres. The Charity acts as a fundraising vehicle to create the funding for 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 many other charities. Tommy's fundraising structure is unusual because we invest in recruiting individual donors with high associated cost/income ratios and receive little income from statutory funding or legacies which have a low cost/income ratio. Additionally, much of our income is generated from events, which have a higher cost base than standard charitable giving.

Nevertheless, the Group made a surplus of £840,074 (2021: surplus of £1,392,697) due to a continued focus on controlling costs and the cancellation of unspent grants awarded to medical centres who were unable to operate as usual during the pandemic.

Tommy's trading subsidiary The Baby Fund Trading Limited made a loss of £21,507 (2021: profit of £10,750) due to the timing of investment into new product offerings. LLHM Limited made a profit of £435,257 (2021: loss of £541,285) as London Landmarks Half Marathon went ahead for the first time since 2019.

The Trustees believe 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.

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 cash expenditure, which is approximately £8.4m. This would enable the Charity to cover charitable expenditure, staff salaries, overheads, and a proportion of fundraising costs for a year. Free reserves rose by £822,853 in the year. It should be noted that the required reserves 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 £6,671,140 (2021: £5,848,287). The Charity intends to continue to control expenditure and investigate new revenue streams to build towards its target reserves level.

Trustees' Report (continued)

Financial Key Performance Indicators

KPI	Target	Result
Income	£7,542,346	£8,672,817
Expenditure:		
Cost of raising funds	£3,787,129	£3,716,852
Charitable	£4,775,004	£4,115,891
Cost/income ratio	50%	43%

The evolving governmental and societal response to the pandemic made it difficult to forecast and the target figures, above, reflect expectations at the point at which it became clear that mass-participation fundraising events would resume in the year.

Income exceeded target by £1,130,471 due to unexpected success in applications for statutory funding and the recovery in mass-participation events, which attracted higher numbers of participants and higher average fundraising than had been expected.

The Charity achieved a cost-to-income ratio of 43%, a considerable increase on the prior year figure of 23%. It is important to note that this increase is due to the distorting influence of a £3 million legacy gift received in the prior year as well as the strategic decision to largely maintain headcount to enable fundraising activity to resume at the earliest opportunity. If the prior year cost-to-income ratio were adjusted to exclude the legacy gift, the figure would have been a more consistent 41%.

Charitable expenditure was £659,113 below target, as the Charity kept its discretionary marketing activities under tight control, and a number of medical research projects were disrupted by the pandemic, preventing them from spending their full budget.

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 require 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; and
- observe the methods and principles in the Charities SORP; and
- make judgements and accounting estimates that are reasonable and prudent; and
- 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

Trustees' Report (continued)

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.

As far as the Trustees are aware, there is no relevant audit information of which the Auditors are unaware. The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Saffery Champness LLP have continued as auditors during this year.

The Trustees' Report, which includes the Strategic Report, was approved by the Board of Trustees on 7th September 2022 and signed on its behalf by:

A handwritten signature in black ink that reads "Joe Chambers". The signature is fluid and cursive, with "Joe" on the left and "Chambers" on the right, connected by a flourish.

Joe Chambers
Chairperson

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 2022 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows and notes to the financial statements, including 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 affairs of the group and the parent charitable company as at 31 March 2022 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 and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 parent charitable company in accordance with the ethical requirements that are 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 relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 to the Members and Trustees of Tommy's

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has 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 parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

- 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's 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 10, the trustees (who are also the directors of the parent 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 determine is necessary to enable the preparation of the 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 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 to the Members and Trustees of Tommy's

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the group and parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate

Independent Auditor's Report to the Members and Trustees of Tommy's

professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the parent charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent 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 parent charitable company, the parent charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Sally Appleton (Senior Statutory
Auditor)
for and on behalf of Saffery Champness
LLP

Chartered Accountants
Statutory Auditors
Mitre House
North Park Road
Harrogate
HG1 5RX

Date: 4 October 2022

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

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

For the year ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Income from:							
Donations	2	5,922,536	941,259	6,863,795	6,137,766	714,894	6,852,660
Other trading activities	3	1,806,082	-	1,806,082	52,374	-	52,374
Investments	4	2,884	56	2,940	26,752	810	27,562
Coronavirus Job Retention Scheme Grant		-	-	-	48,739	-	48,739
Total income		7,731,502	941,315	8,672,817	6,265,631	715,704	6,981,335
Expenditure on:							
Raising funds	7,8	3,716,852	-	3,716,852	1,639,121	-	1,639,121
Charitable activities	7,8	3,120,951	994,940	4,115,891	2,879,700	1,069,817	3,949,517
Total expenditure		6,837,803	994,940	7,832,743	4,518,821	1,069,817	5,588,638
Net movement in funds for the year		893,699	(53,625)	840,074	1,746,810	(354,113)	1,392,697
Reconciliation of funds							
Fund balances brought forward		6,219,605	348,130	6,567,735	4,472,795	702,243	5,175,038
Fund balances carried forward	18	7,113,304	294,505	7,407,809	6,219,605	348,130	6,567,735

All results have been derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The accompanying notes on pages 18-39 form an integral part of the financial statements. Movements in funds are disclosed in Note 18 to the financial statements.

Balance sheet

As at 31 March 2022

Registered Company number 3266897

	Notes	Group		Charity	
		2022 £	2021 £	2022 £	2021 £
Fixed assets					
Intangible assets	13	257,542	236,535	230,066	220,659
Tangible assets	14	184,622	134,783	184,622	134,783
Investments	15	-	-	3	3
		442,164	371,318	414,691	355,445
Current assets					
Debtors	16	1,315,836	684,122	3,391,175	2,442,501
Short term deposits		8,604,156	8,593,851	8,604,156	8,593,851
Cash at bank and in hand		4,004,427	3,225,844	943,951	1,193,625
		13,924,419	12,503,817	12,939,282	12,229,976
Creditors: amounts falling due within one year	17	(6,958,774)	(6,307,400)	(5,450,997)	(5,108,766)
Net current assets		6,965,645	6,196,417	7,488,285	7,121,210
Total net assets		7,407,809	6,567,735	7,902,976	7,476,655
Funds	18				
Restricted funds		294,505	348,130	294,505	348,130
Unrestricted funds		7,113,304	6,219,605	7,608,471	7,128,525
Funds		7,407,809	6,567,735	7,902,976	7,476,655

The financial statements were approved and authorised for issue by the Trustees on 7th September 2022.

As permitted by s408 Companies Act 2006, the parent Charity has not presented its own income and expenditure account and related notes. The parent Charity recorded a surplus in the year of £426,321 (2021: £1,933,981).



Joe Chambers
Chairperson

Consolidated statement of cash flows

For the year ended 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	23	1,010,510	986,673
Cash flows from investing activities:			
Interest income		2,940	27,562
Purchase of tangible and intangible fixed assets		(224,562)	(242,679)
Net cash (used in) investing activities		(221,622)	(215,117)
Change in cash and cash equivalents in the year		788,888	771,556
Cash and cash equivalents at the beginning of the year	24	11,819,695	11,048,139
Total cash and cash equivalents at the end of the year	24	12,608,583	11,819,695

The accompanying notes on pages 18-39 form an integral part of the financial statements.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies

Tommy's is a charity registered in England and Wales and a registered company limited by guarantee incorporated in England and Wales. The registered office is Nicholas House, 3 Laurence Pountney Hill, London, EC4R 0BB. Tommy's meets the definition of a public benefit entity under FRS 102.

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) – (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 are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

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

The accompanying notes on pages 18-39 form an integral part of the financial statements.

b) Preparation of the accounts on a going concern basis

The Trustees are of the view that the Charity's and the Group's reserves level, strong cash holdings and disciplined approach to budgeting mean that the immediate future of the Charity and the Group over the next 12 to 18 months is secure and that on this basis the Charity and the Group is a going concern.

c) Group financial statements

The group financial statements include the results for the year ended 31 March 2022 of Tommy's and its wholly owned subsidiary companies The Baby Fund Trading Limited and LLHM Limited. The results of the subsidiaries are consolidated on a line by line basis and their own profit and loss accounts and balance sheets are shown in notes 20 and 21.

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 18.

Notes to the financial statements

For the year ended 31 March 2022

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 measured reliably and is not deferred.

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

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

Accrued income comprises amounts due in respect of fundraising and contractual events held in the financial year, which had not been received by the year-end date.

Interest income on investments is recognised on an accrual basis. Interest is allocated between unrestricted and restricted funds on a proportional basis.

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 third party market value and recognised as income only when they are used or distributed.

Notes to the financial statements

For the year ended 31 March 2022

Accounting policies (continued)

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.

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) 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.

j) 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 and communicated to the recipient, the costs are recognised by the Charity as expenditure in the current financial year.

k) 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.

l) 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 Charity is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2011 and therefore meets the definition of a charitable company for UK corporation tax purposes.

Notes to the financial statements

For the year ended 31 March 2022

Accounting policies (continued)

m) 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. Contributions to the Charity's stakeholder pension scheme are charged to the Statement of Financial Activities in the year in which they become payable.

n) Tangible fixed assets

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

o) 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 three and six years to reflect their estimated useful economic lives. The minimum cost for capitalisation is £1,000.

p) Assets Under Construction

Assets under construction 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. Depreciation on assets under construction does not commence until they are completed and available for use.

q) Debtors

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

r) Operating leases

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

s) 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.

t) Critical estimates and areas of significant judgement

In the application of the Charity's accounting policies, the Trustees are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the financial statements

For the year ended 31 March 2022

Accounting policies (continued)

There are no areas of significant judgement to consider.

Critical estimates include the following:

- The value of donated services, detailed further in note 1(f).
- The recoverability and useful economic lives of tangible and intangible fixed assets, detailed further in note 1(n) and note 1(o).
- The recognition of deferred income in respect of fundraising events to be held in the following financial year, detailed further in note 1(e).

2 Income from donations

	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	£	£	£	£	£	£
Gifts	5,424,724	941,259	6,365,983	2,621,087	714,894	3,335,981
Legacies	-	-	-	3,000,000	-	3,000,000
Donated services	497,812	-	497,812	516,679	-	516,679
Total	5,922,536	941,259	6,863,795	6,137,766	714,894	6,852,660

3 Income earned from trading activities

	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	£	£	£	£	£	£
Corporate sponsorship and promotions	148,533	-	148,533	31,921	-	31,921
Events	1,657,549	-	1,657,549	20,453	-	20,453
Total	1,806,082	-	1,806,082	52,374	-	52,374

4 Investment income and interest

All the group's investment income of £2,940 (2021: £27,562) arose from money held on deposit account.

Notes to the financial statements

For the year ended 31 March 2022

5 Grants for medical research

The charge for the year for research consists of the following Grants awarded during the year:

	2022 £	2021 £
Core grants:		
- Maternal and Fetal Research Unit, St Mary's Hospital, Manchester	458,000	400,000
- Tommy's National Centre for Miscarriage Research	500,000	500,000
- Tommy's National Centre for Maternity Improvement	500,000	500,000
- Bio bank, Royal Infirmary, Edinburgh	20,000	-
- Bio bank, St Thomas' Hospital, London	20,000	-
- Previous years grants (not fully taken up)	(567,574)	(28,230)
	930,426	1,371,770
Non-core grants:		
- Fetal monitoring vest research, St Mary's Hospital, Manchester	-	49,799
- PARROT study, St Thomas' Hospital, London	122,640	61,995
- Ursodeoxycholic acid research, St Thomas' Hospital, London	100,000	-
- Quality Improvement project, University of Edinburgh, Scotland	-	19,340
- Diabetes Fellowship Clinic, St Thomas' Hospital, London	59,272	-
- DCMS Tampon Tax Fund Miscarriage Tool, Tommy's National Centre for Maternity Improvement	59,606	-
Other research costs	7,236	-
	1,279,180	1,502,904
Outstanding grants at 1st April 2021	3,333,360	4,034,526
Grants awarded during the year	930,426	1,371,770
Paid during the year	(1,446,722)	(2,072,936)
	2,817,064	3,333,360

£817,145 (2021: £356,174) of medical research expenditure was funded by restricted funds during the year.

The DCMS Tampon Tax Fund Miscarriage Tool grant expenditure includes £14,818 (2021: £Nil) of staff costs.

During the year the Charity cancelled £567,574 (2021: £28,230) of unspent grants awarded in previous years to medical centres who were unable to operate as usual during the pandemic.

Notes to the financial statements

For the year ended 31 March 2022

6 Expenditure on education, information and policy

	2022 £	2021 £
Pregnancy accreditation	131,638	88,772
General health information provision	290,033	193,989
Midwife pregnancy helpline	104,808	72,649
Public relations, cause awareness and campaigns	855,332	662,956
Policy	150,614	-
Website and tech development	409,125	531,964
Supporter enewsletter and channels	118,001	98,452
Advertising and media	600,686	599,790
	2,660,237	2,248,572

7 Analysis of expenditure

	Staff costs £	Direct costs £	Allocated support & governance costs £	Total 2022 £
Cost of raising funds				
Donations and legacies	526,113	1,144,234	266,933	1,937,280
Corporate sponsorship, promotions and events	480,868	1,071,583	227,121	1,779,572
	1,006,981	2,215,817	494,054	3,716,852
Charitable expenditure				
Medical research	139,937	1,264,362	51,355	1,455,654
Education, information and policy	1,041,469	1,169,520	449,248	2,660,237
	1,181,406	2,433,882	500,603	4,115,891
Total	2,188,387	4,649,699	994,657	7,832,743

Notes to the financial statements

For the year ended 31 March 2022

Analysis of expenditure – previous year

	Staff costs £	Direct costs £	Allocated support & governance costs £	Total 2021 £
Cost of raising funds				
Donations and legacies	525,469	243,794	220,885	990,148
Corporate sponsorship, promotions and events	435,976	35,299	177,698	648,973
	<hr/> <hr/> 961,445	<hr/> <hr/> 279,093	<hr/> <hr/> 398,583	<hr/> <hr/> 1,639,121
Charitable expenditure				
Medical research	153,126	1,507,021	40,797	1,700,944
Education, information and policy	970,421	943,415	334,737	2,248,573
	<hr/> <hr/> 1,123,547	<hr/> <hr/> 2,450,436	<hr/> <hr/> 375,534	<hr/> <hr/> 3,949,517
Total	<hr/> <hr/> 2,084,992	<hr/> <hr/> 2,729,529	<hr/> <hr/> 774,117	<hr/> <hr/> 5,588,638
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

8 Analysis of allocated support and governance costs

	Information technology £	Human resources £	Office operating costs £	Governance costs £	Total 2022 £
Cost of raising funds					
Donations and legacies	62,234	32,211	163,538	8,950	266,933
Corporate sponsorship, promotions and events	52,952	27,407	139,147	7,615	227,121
	<hr/> <hr/> 115,186	<hr/> <hr/> 59,618	<hr/> <hr/> 302,685	<hr/> <hr/> 16,565	<hr/> <hr/> 494,054
Charitable expenditure					
Medical research	11,973	6,197	31,463	1,722	51,355
Education, information and policy	104,740	54,212	275,234	15,062	449,248
	<hr/> <hr/> 116,713	<hr/> <hr/> 60,409	<hr/> <hr/> 306,697	<hr/> <hr/> 16,784	<hr/> <hr/> 500,603
Total	<hr/> <hr/> 231,899	<hr/> <hr/> 120,027	<hr/> <hr/> 609,382	<hr/> <hr/> 33,349	<hr/> <hr/> 994,657
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the financial statements

For the year ended 31 March 2022

Analysis of allocated support and governance costs– previous year

	Information technology £	Human resources £	Office operating costs £	Governance costs £	Total 2021 £
Cost of raising funds					
Donations and legacies	52,984	21,555	135,954	10,392	220,885
Corporate sponsorship, promotions and events	42,625	17,341	109,372	8,360	177,698
	95,609	38,896	245,326	18,752	398,583
Charitable expenditure					
Medical research	9,786	3,981	25,111	1,919	40,797
Education, information and policy	80,294	32,666	206,029	15,748	334,737
	90,080	36,647	231,140	17,667	375,534
Total	185,689	75,543	476,466	36,419	774,117

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:	2022 £	2021 £
Auditor's remuneration		
- audit fees	27,440	24,000
- under accrual of prior year's audit fees	280	11,270
- non-audit fees	5,080	4,800
Depreciation and amortisation charge	153,716	121,197
Operating lease rentals	304,692	229,048

Notes to the financial statements

For the year ended 31 March 2022

10 Group staff costs

	2022	2021
	£	£
Salaries and wages	1,773,347	1,657,818
Social security costs	150,681	155,340
Pension costs	79,923	72,363
Temporary staff and volunteer costs	184,435	199,471
	2,188,386	2,084,992

Temporary staff and volunteer costs include the costs of contractors and consultants.

The key management personnel comprise the Trustees, the Chief Executive Officer, Chief Operating Officer, Race Director (LLHM), Fundraising Director, Marketing Director, and Research, Policy and Information Director. The total remuneration of the key management personnel, including pensions and benefits in kind, was £539,758 (2021: £522,681).

The number of employees whose emoluments exceeded £60,000 for the year was:

	2022	2021
	Number	Number
Within the range of £130,000 to £139,999	1	1
Within the range of £80,000 to £89,999	1	-
Within the range of £70,000 to £79,999	1	2
Within the range of £60,000 to £69,999	1	1
	4	4

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

	2022	2021
	Number	Number
Charitable activities	16	15
Cost of generating funds	22	21
Management and administration of the Charity	8	7
	46	43

These numbers exclude temporary agency staff, contractors and consultants.

No redundancies were made in the year (2021: three). The aggregate cost of redundancy payments was £Nil (2021: £4,304).

Notes to the financial statements

For the year ended 31 March 2022

11 Trustees

The Trustees received no remuneration or reimbursed expenses during the year (2021 - £Nil).

12 Operating lease and other commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods with regards to property:

	2022 £	2021 £
- Less than one year	35,668	147,504
- More than one year and less than five years	-	35,668
	35,668	183,172

These commitments include market value provisions in respect of additional office space at Nicholas House of £15,876 (2021: £79,380) while the Charity awaits details of the updated lease.

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

13 Intangible fixed assets

Software and website	Group £	Charity £
Cost		
1 April 2021	290,865	257,237
Additions	100,287	75,387
31 March 2022	391,152	332,624
Depreciation		
1 April 2021	54,330	36,578
Charge for the year	79,280	65,980
31 March 2022	133,610	102,558
Net book value		
1 April 2021	236,535	220,659
31 March 2022	257,542	230,066

Software applications shown as assets under construction of £58,926 in the year ended 31 March 2021 were completed and capitalised in the current year.

Notes to the financial statements

For the year ended 31 March 2022

14 Tangible fixed assets

	Group	Charity
	£	£
Cost		
1 April 2021	469,143	469,143
Additions	124,275	124,275
Disposals	(158,006)	(158,006)
31 March 2022	435,412	435,412
Depreciation		
1 April 2021	334,360	334,360
Charge for the year	74,436	74,436
Disposals	(158,006)	(158,006)
31 March 2022	250,790	250,790
Net book value		
1 April 2021	134,783	134,783
31 March 2022	184,622	184,622

15 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 20.

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 21.

16 Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	126,135	23,351	2,625	-
Taxation recoverable	13,803	15,661	13,803	15,661
Amounts owed by subsidiary companies	-	-	2,434,802	1,622,630
Prepayments and accrued income	1,175,898	645,110	939,945	804,210
	1,315,836	684,122	3,391,175	2,442,501

Notes to the financial statements

For the year ended 31 March 2022

17 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	875,285	438,361	1,169,506	430,851
VAT payable	10,876	904	10,876	904
Medical grants outstanding	2,817,064	3,333,360	2,817,064	3,333,360
Deferred income	2,676,360	2,186,803	887,881	1,022,066
Accruals and other creditors	579,189	347,972	565,670	321,585
	6,958,774	6,307,400	5,450,997	5,108,766
Deferred income at 1st April 2021	2,186,803	737,577	1,022,066	737,577
Amount released to income in the year	(2,048,594)	(618,235)	(1,022,066)	(737,577)
Income received during the year	9,162,374	8,430,561	7,044,087	7,749,261
Amount released to income in the year	(6,624,223)	(6,363,100)	(6,156,206)	(6,727,195)
Deferred income at 31 March 2022	2,676,360	2,186,803	887,881	1,022,066

Notes to the financial statements

For the year ended 31 March 2022

18 Consolidated statement of funds

	Balance 31 March 2021	Income	Expenditure	Allocated interest	Balance 31 March 2022
	£	£	£	£	£
<u>Unrestricted funds</u>					
General funds	6,219,605	7,728,618	(6,837,803)	2,884	7,113,304
<u>Restricted funds</u>					
Maternal and Fetal Research Unit, Manchester	87,275	108,039	(101,068)	16	94,262
Maternal and Fetal Research Unit, Edinburgh	-	2,000	(2,000)	-	-
Maternal and Fetal Research Unit, London	-	281,912	(281,912)	-	-
National Centre for Miscarriage Research	-	175,203	-	35	175,238
National Centre for Maternity Improvement	125,559	145,000	(255,559)	3	15,003
DCMS Tampon Tax Fund, National Centre for Maternity Improvement	-	59,606	(59,606)	-	-
New Research Centre – Preterm Birth Information Services	135,296	10,000	-	2	10,002
Total restricted funds	348,130	941,259	(994,940)	56	294,505
Total funds	6,567,735	8,669,877	(7,832,743)	2,940	7,407,809

Restricted funds

These are donations for specific projects as directed by the donors.

Funds restricted to Maternal and Fetal Research Unit in Manchester, the National Centre for Miscarriage Research and National Centre for Maternity Improvement are primarily used to cover staff and research costs at these three Tommy's research centres.

The Maternal and Fetal Research Unit in Manchester funds are also held for projects relating to bereavement counselling and fetal monitoring vest research and development.

The National Centre for Miscarriage Research funds are also held for projects relating to pre-pregnancy endometrial tests for the prediction and prevention of miscarriage, microbiome research and studies on the psychological morbidity of miscarriage.

Funds restricted to the Maternal and Fetal Research Unit in London are used to cover staff and research costs related to specific projects and are fully donor funded.

Funds restricted to the new Research Centre for Preterm Birth will be spent when set up is completed in 2023.

Notes to the financial statements

For the year ended 31 March 2022

The government grant from the Department for Digital, Culture, Media and Sport is restricted to the development of a digital miscarriage tool for women who have experienced two or more miscarriages.

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.

Consolidated statement of funds – previous year

	Balance 31 March 2020	Income	Expenditure	Allocated interest	Balance 31 March 2021
	£	£	£	£	£
<u>Unrestricted funds</u>					
General funds	4,472,795	6,238,879	(4,518,821)	26,752	6,219,605
<u>Restricted funds</u>					
Maternal and Fetal Research Unit, Manchester	172,002	43,818	(128,748)	203	87,275
Maternal and Fetal Research Unit, Edinburgh	-	19,512	(19,512)	-	-
Maternal and Fetal Research Unit, London	15,110	117,295	(132,405)	-	-
National Centre for Miscarriage Research	120,305	14,209	(134,514)	-	-
National Centre for Maternity Improvement	358,917	142,000	(375,650)	292	125,559
Scottish Government grant – Quality improvement	-	19,340	(19,340)	-	-
Department of Health and Social Care grant – Pregnancy Hub	-	181,000	(181,000)	-	-
Information services	35,909	177,720	(78,648)	315	135,296
Total restricted funds	<u>702,243</u>	<u>714,894</u>	<u>(1,069,817)</u>	<u>810</u>	<u>348,130</u>
Total funds	<u>5,175,038</u>	<u>6,953,773</u>	<u>(5,588,638)</u>	<u>27,562</u>	<u>6,567,735</u>

Restricted funds

The Scottish Government grant was restricted to the Edinburgh Centre's work on quality improvement.

The government grant from the Department of Health and Social Care was restricted to the activities of the Tommy's Pregnancy Information Hub and the promotion of the service to BAME communities.

Details of other funds relating to the current year are explained more fully on page 31.

Notes to the financial statements

For the year ended 31 March 2022

19 Charity statement of funds

	Balance 31 March 2021 £	Income £	Expenditure £	Allocated interest £	Balance 31 March 2022 £
<u>Unrestricted funds</u>					
General funds	7,128,525	6,234,278	(5,757,010)	2,678	7,608,471
<u>Restricted funds</u>					
Maternal and Fetal Research Unit, Manchester	87,275	108,039	(101,068)	16	94,262
Maternal and Fetal Research Unit, Edinburgh	-	2,000	(2,000)	-	-
Maternal and Fetal Research Unit, London	-	281,912	(281,912)	-	-
National Centre for Miscarriage Research	-	175,203	-	35	175,238
National Centre for Maternity Improvement DCMS Tampon Tax Fund, National Centre for Maternity Improvement	125,559	145,000	(255,559)	3	15,003
New Research Centre – Preterm Birth Information services	-	59,606	(59,606)	-	-
	135,296	10,000	-	2	10,002
Total restricted funds	<u>348,130</u>	<u>941,259</u>	<u>(994,940)</u>	<u>56</u>	<u>294,505</u>
Total funds	7,476,655	7,175,537	(6,751,950)	2,734	7,902,976

Refer to note 18 for a detailed description of the restrictions.

Notes to the financial statements

For the year ended 31 March 2022

Charity statement of funds – previous year

	Balance 31 March 2020 £	Income £	Expenditure £	Allocated interest £	Balance 31 March 2021 £
<u>Unrestricted funds</u>					
General funds	4,840,431	6,723,201	(4,460,973)	25,866	7,128,525
<u>Restricted funds</u>					
Maternal and Fetal Research Unit, Manchester	172,002	43,818	(128,748)	203	87,275
Maternal and Fetal Research Unit, Edinburgh	-	19,512	(19,512)	-	-
Maternal and Fetal Research Unit, London	15,110	117,295	(132,405)	-	-
National Centre for Miscarriage Research	120,305	14,209	(134,514)	-	-
National Centre for Maternity Improvement	358,917	142,000	(375,650)	292	125,559
Scottish Government grant – Quality improvement	-	19,340	(19,340)	-	-
Department of Health and Social Care grant – Pregnancy Hub	-	181,000	(181,000)	-	-
Information services	35,909	177,720	(78,648)	315	135,296
Total restricted funds	702,243	714,894	(1,069,817)	810	348,130
Total funds	5,542,674	7,438,095	(5,530,790)	26,676	7,476,655

Refer to note 18 for a detailed description of the restrictions.

Notes to the financial statements

For the year ended 31 March 2022

20 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 wholly owned 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:

	2022	2021
	£	£
Turnover	147,014	31,921
Cost of sales	(109,706)	(4,842)
<hr/>	<hr/>	<hr/>
Gross profit	37,308	27,079
Interest receivable	80	134
Administration costs	(58,895)	(16,463)
<hr/>	<hr/>	<hr/>
(Loss)/Profit for the year	(21,507)	10,750
<hr/>	<hr/>	<hr/>
Retained earnings		
At 1 April 2021	-	-
Results for the year	(21,507)	10,750
Distribution to Tommy's	-	(10,750)
<hr/>	<hr/>	<hr/>
At 31 March 2022	(21,507)	-
<hr/>	<hr/>	<hr/>
Balance sheet		
Non-current assets	23,039	7,000
Current assets	955,098	737,302
Current liabilities	(999,642)	(744,300)
<hr/>	<hr/>	<hr/>
Net assets	(21,505)	2
<hr/>	<hr/>	<hr/>
Called up share capital	2	2
Retained earnings	(21,507)	-
<hr/>	<hr/>	<hr/>
Equity shareholders' funds	(21,505)	2
<hr/>	<hr/>	<hr/>

Notes to the financial statements

For the year ended 31 March 2022

21 Subsidiary company: LLHM Limited

The statement of financial activities and the consolidated balance sheet include the results, assets and liabilities of the Charity's wholly owned 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. The results of the subsidiary, which are consolidated on a line by line basis, are:

	2022	2021
	£	£
Turnover	2,000,226	20,453
Cost of sales	(691,271)	(15,134)
<hr/>	<hr/>	<hr/>
Gross profit	1,308,955	5,319
Interest receivable	126	752
Administration costs	(873,824)	(547,356)
<hr/>	<hr/>	<hr/>
Profit/(Loss) on ordinary activities before taxation	435,257	(541,285)
<hr/>	<hr/>	<hr/>
Taxation on ordinary activities	-	-
<hr/>	<hr/>	<hr/>
Profit/(Loss) for the financial year	435,257	(541,285)
<hr/>	<hr/>	<hr/>
Retained earnings		
At 1 April 2021	(908,919)	(367,634)
Results for the year	435,257	(541,285)
<hr/>	<hr/>	<hr/>
At 31 March 2022	(473,661)	(908,919)
<hr/>	<hr/>	<hr/>
Balance sheet		
Non-current assets	4,438	8,876
Current assets	3,318,017	1,483,170
Current liabilities	(3,796,116)	(2,400,964)
<hr/>	<hr/>	<hr/>
Net liabilities	(473,661)	(908,918)
<hr/>	<hr/>	<hr/>
Called up share capital	1	1
Profit and loss account	(473,662)	(908,919)
<hr/>	<hr/>	<hr/>
Equity shareholders' funds	(473,661)	(908,918)
<hr/>	<hr/>	<hr/>

Notes to the financial statements

For the year ended 31 March 2022

22 Related party transactions

Trustees made donations totalling £52,360 (2021: £79,630) of which £13,000 was restricted to The Big Give Miscarriage Care Project (2021: £Nil). Last year £19,020 was donated towards The Big Give Dads and Partners Project. Unrestricted donations totalled £39,360 (2021: £60,610).

Last year, Asda made donations totalling £3,000. Ms Hayley Tatum (Senior Vice-President - People at Asda) was Trustee of the Charity during the year.

During the year the Charity charged management fees of £45,111 (2021: £15,654) to The Baby Fund Trading Limited in respect of support services. The Baby Fund Trading Limited also paid Gift Aid to the Charity of £Nil (2021: £10,750). As at 31 March 2022, The Baby Fund Trading Limited owed the Charity £951,884 (2021: £733,050).

During the year the Charity charged management fees of £552,927 (2021: £510,293) to LLHM Limited in respect of support services. LLHM Limited charged the Charity £342,677 (2021: £Nil) in respect of fundraising events. As at 31st March 2022, LLHM Limited owed the Charity £1,482,918 (2021: £889,580).

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

	2022	2021
	£	£
Net movement in funds	840,074	1,392,697
Add back depreciation and amortisation charge	153,716	121,197
Deduct interest income shown in investing activities	(2,940)	(27,562)
(Increase)/Decrease in debtors	(631,714)	96,861
Increase/(Decrease) in creditors	651,374	(596,520)
Net cash used in operating activities	<hr/> 1,010,510	<hr/> 986,673
	<hr/>	<hr/>

Notes to the financial statements

For the year ended 31 March 2022

24 Analysis of cash and cash equivalents

	2022 £	2021 £
Short term deposit	8,604,156	8,593,851
Cash at bank and in hand	4,004,427	3,225,844
Total cash and cash equivalents	<u>12,608,583</u>	<u>11,819,695</u>

	2022 £	2021 £
Cash and cash equivalents at 1 April 2021	11,819,695	11,048,139
Movement	788,888	771,556
Cash and cash equivalents at 31 March 2022	<u>12,608,583</u>	<u>11,819,695</u>

The Group had no debt during the current or previous year and therefore net funds are equal to cash and cash equivalents.

25 Analysis of Group net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2022 £
Fixed assets	442,164	-	442,164
Cash at bank and in hand	12,314,078	294,505	12,608,583
Other net current liabilities	(5,642,938)	-	(5,642,938)
Total	<u>7,113,304</u>	<u>294,505</u>	<u>7,407,809</u>

Analysis of Group net assets between funds - previous year

	Unrestricted funds £	Restricted funds £	Total 2021 £
Fixed assets	371,318	-	371,318
Cash at bank and in hand	11,471,565	348,130	11,819,695
Other net current liabilities	(5,623,278)	-	(5,623,278)
Total	<u>6,219,605</u>	<u>348,130</u>	<u>6,567,735</u>

Notes to the financial statements

For the year ended 31 March 2022

26 Analysis of Charity net assets between funds

	Unrestricted funds	Restricted funds	Total 2022
	£	£	£
Fixed assets	414,691	-	414,691
Cash at bank and in hand	9,253,602	294,505	9,548,107
Other net current liabilities	(2,059,822)	-	(2,059,822)
Total	7,608,471	294,505	7,902,976

Analysis of Charity net assets between funds – previous year

	Unrestricted funds	Restricted funds	Total 2021
	£	£	£
Fixed assets	355,445	-	355,445
Cash at bank and in hand	9,439,345	348,130	9,787,475
Other net current liabilities	(2,666,265)	-	(2,666,265)
Total	7,128,525	348,130	7,476,655

27 Company Limited by Guarantee

The company is a company limited by guarantee and does not have share capital. In the event of winding up, the liability of each member is limited to £10.