



Annual Report & Accounts

30 September 2009

(Limited by guarantee)

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CHAIR'S REPORT

The Board of Trustees have continued to ensure that the NCT is achieving a real impact on people's experience of pregnancy, birth and early parenthood, that it is meeting its charity obligations for public benefit, and is being well managed and with stable finances.

We have continued to grow the number of trained Antenatal Teachers, Breastfeeding Counsellors and Post-Natal Group Leaders who, as self-employed practitioners, support parents through the transition to parenthood. Through this network of highly skilled and dedicated specialist workers, we have been able to support more parents than ever before. More people are using our helplines, which are free for all to use and are staffed by qualified advisers, and we have also improved the range and accessibility of information on our website. We have also continued to help mums and dads get support from others in their community through the vast network of groups and events organised by our volunteer branches. These go under many names, including Bumps & Babes groups, Open Houses, Coffee Mornings, Drop-ins, etc.

Building on this extensive and diverse direct support to parents, we are making an impact on the experiences of all parents through training healthcare professionals and influencing government policy.

We have achieved much to make the transition to parenthood better for all and we are seeing the fruits of the widespread internal changes that we have made over the last few years. However, some real challenges lie ahead.

The income of the NCT has continued to grow, largely through the fundraising efforts of our local volunteers and growth in the numbers joining the NCT as members. However, the aftermath of the financial crisis may have an impact on people's willingness to join and is certainly having an impact on income. Expenditure exceeded income by £452K over the year. For a more detailed breakdown see the financial reviews on page 16. The Board believes that the remaining reserves are adequate but there is no room for complacency.

Furthermore, potential government spending cuts over the next few years may limit opportunities for working with the NHS and other government agencies to support vulnerable and hard-to-reach groups.

Although we have made a significant impact, much more needs to be done. For many people in our society, their experience of birth and early parenthood still leaves much to be desired. Too many mothers are denied a real choice in where they give birth, one-third of mothers remember their birth as traumatic, most women are not supported well enough to fulfil their desire to breastfeed their baby, postnatal depression occurs in around 20% of mothers and is increasingly being recognised as affecting fathers, many fathers report not being able to spend as much time with their child as they wanted to, and relationship breakdown is its highest in the year after the birth of a baby. The poorest in our society are still more likely to find the challenge of parenthood on top of their other difficulties too much to cope with. Their children, as a result, suffer health and other disadvantages.

To address these challenges, we have embarked on a process of strategic planning. Our last strategic plan was due to run to 2015 but has already largely been fulfilled. We need a new plan to drive the work of the charity over the next decade, an ambitious plan that will make a lasting difference to all parents, a plan that responds to the changing political, economic, social and technological environment and helps the organisation to grow and fulfil its mission. The plan will be finalised and agreed in the course of 2010 and in its next annual report the Board will set out the organisation's objectives and how it intends to report on progress.

Finally, I would like to give my heartfelt thanks to all those involved with the NCT and who have helped it to achieve so much:

- The members who support the charity financially
- The volunteers who support parents locally, campaign locally and nationally, and raise much needed funds for the organisation
- The self-employed antenatal teachers, breastfeeding counsellors and post-natal leaders (collectively known as Specialist Workers) who support parents through their work, and the student specialist workers who are studying hard for their professional qualifications
- The staff who work so hard to make the organisation and efficient as effective as possible
- The health professionals who work alongside the NCT to improve services to parents
- The individuals and organisations who give money to the NCT to support its work
- My fellow trustees who freely give their time and expertise to govern the charity and ensure that it is achieving its charitable purpose and providing a real public benefit

It has been a privilege working with you.

A handwritten signature in black ink, appearing to read 'Ian Chandler', with a large, stylized flourish at the end.

Ian Chandler
Chair of the Board of Trustees

TRUSTEES' REPORT

NCT's Purpose, Vision and Aims

Our vision

The NCT wants all parents to have an experience of pregnancy, birth and early parenthood that enriches their lives and gives them confidence in being a parent.

Our charitable purpose

- We offer information and support in pregnancy, childbirth and early parenthood.
- We campaign to improve maternity care and ensure better services and facilities for new parents.
- We aim to give every parent the chance to make informed choices.
- We want to make sure that everyone has access to our services and activities.

The trustees have referred to the Charity Commission guidance on public benefit is setting the aims and objectives of the charity and its future plans.

NCT are fully committed to providing public benefit across our full range of data and services. Our wealth of information from our library, evidence based research and 50 years of experience is freely available on our website information centre, as are our information sheets and booklets, via mail, upon request. All our helplines are available for the cost of a local call and for those on reduced income we offer reduced rates to all our classes and courses, free subscription to our monthly e-guide Stepping Stones and annual membership for just £2.00. Member donations help us fund research and campaigns and deliver our services and support to those in more deprived areas, but you don't need to be a member to enjoy any number of our community group activities such as coffee mornings, bumps and babes groups and our well established Nearly New Sales.

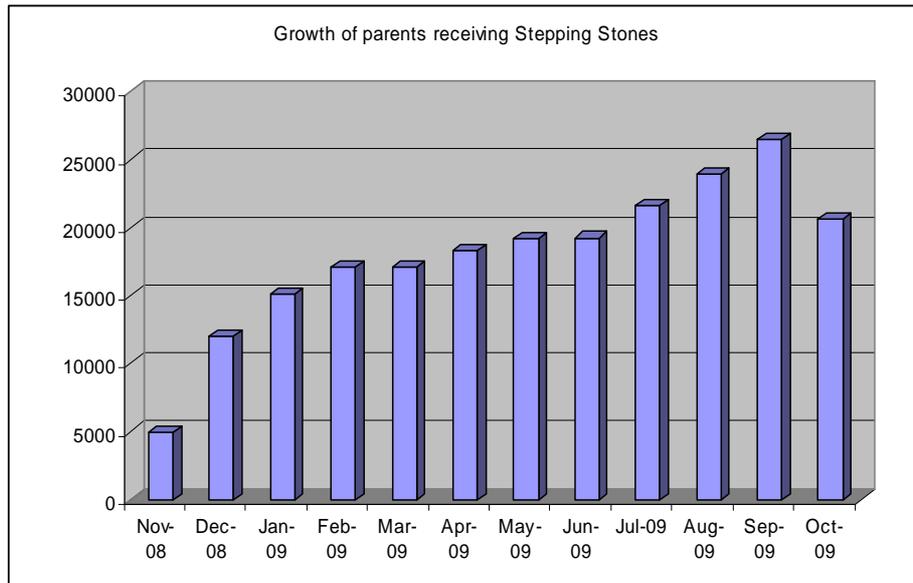
Alongside our services NCT works tirelessly to campaign for improved maternity services and support for all parents and is leading influence in achieving positive outcomes across the UK.

Information

We're committed to providing parents with high-quality information in a variety of formats and channels. A lot of our information is based on our evidence-based research and we are constantly assessing how we can improve both range and access to our materials. This year, our information reached more people than ever.

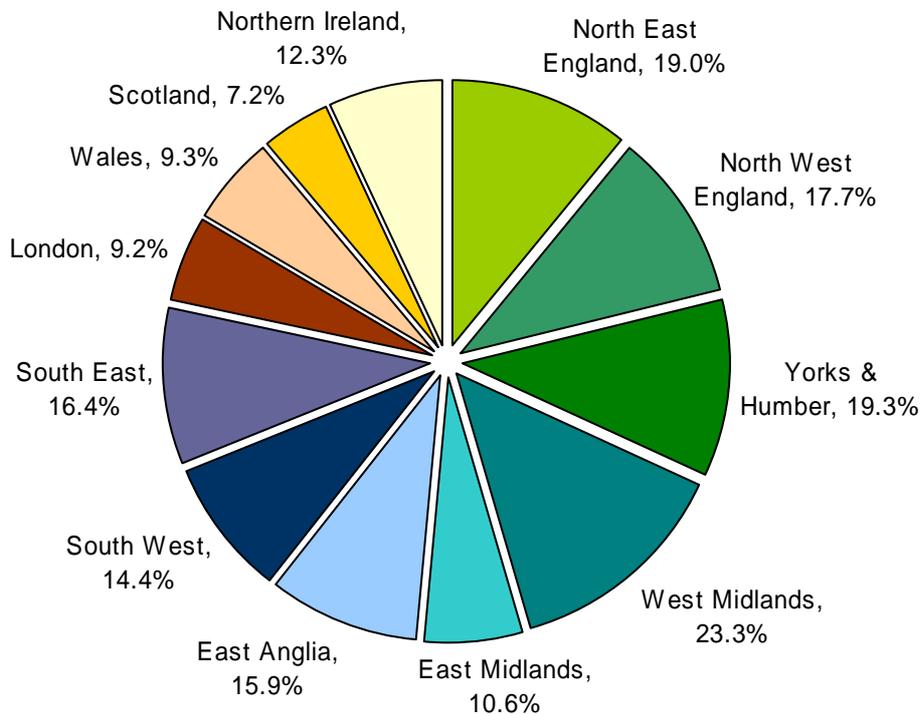
Requested materials

- 200,000 information sheets, 1,700 booklets and 2,600 books, including a new information sheet entitled *Looking after your pelvic floor*. These materials target health professionals for use in their work with supporting parents. Other topics covered include breastfeeding, labour, home birth and miscarriage.
- Stepping Stones – a free e-guide to life as a parent, which reaches 28,000 subscribers every month, an increase of 35%. Available from November 2008, on average 400 parents sign up to receive Stepping Stones every month.



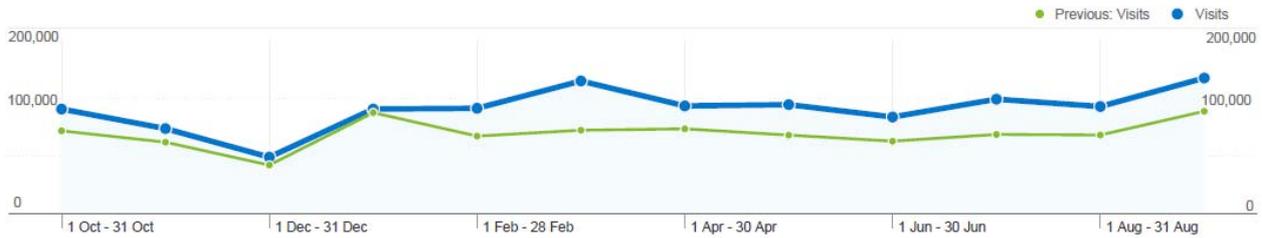
- 480,000 Bumps & Babies magazines distributed to parents-to-be directly and via health professionals.

2007 regional breakdown of live births against distribution of Bumps & Babies magazine



Website

Our website attracted 1.4 million visitors in the last year, an increase of over 30%. To further enhance the site we launched a new look and feel to the Info Centre, including a glossary and easier navigation, as well as increasing the number and range of articles.



Courses and classes

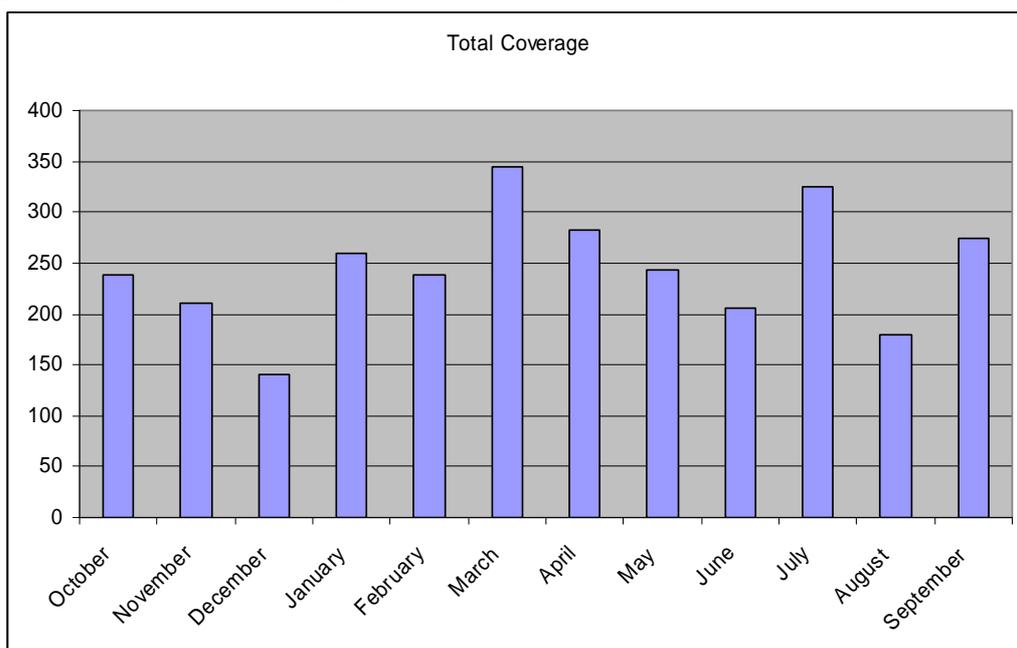
70,000 parents received face-to-face, high-quality support and information through our antenatal, postnatal and breastfeeding courses.

Our classes inspire confidence in mums and dads, helping them develop the skills they will need in their new life as a parent. We support birthing partners with relevant sessions and encourage parents to share their experiences with one another, building a network of social relationships that often last many years.

In the media

In the summer of 2009, there was a lot of media coverage on swine flu with NCT information featuring extensively across national press, TV and radio. Although our advice was initially reported incorrectly, the internal press team dealt with this quickly and many papers issued written retractions. A national survey by the University of Wolverhampton highlighted how high-profile spokespeople have enormous power to reassure and inform the public in the event of a health scare, with Belinda Phipps rated as ninth in a national survey of the best risk communicators in relation to swine flu health concerns (incidentally, the prime minister, Gordon Brown came in at number 15.)

2008/9 no. of articles/mentions in the media



Evidence-based research

This year saw the culmination of a three-year research project to identify effective interventions for communication, information and support for parents of a premature baby. Project POPPY was funded by Big Lottery Fund and, as a result of the report, the NCT is calling for a renewed focus to ensure that communication is of a consistently high standard, that there is improvement in facilities and even more effective engagement with parents.

Support

The NCT remains at the heart of the community for pregnant women and new parents. At times, we know parents can feel isolated. New parents often don't know other people with young children or don't live close to them, so meeting other parents for peer support and to share experiences is invaluable.

Our local network of 318 branches covers every postcode in the UK and is the local face of the NCT. Run by committed volunteers, our branches have a busy calendar of social events from days out with other families to Bumps and Babies groups. This basic level of support creates lasting friendships between parents and provides valuable sources of reassurance and information in pregnancy and the early days after birth.

In 2008/9, 350,000 parents and parents-to-be attended NCT events across the UK.

How our branches make a difference

NCT branches run thousands of family events every year providing support and raising funds for the charity. Nearly New Sales (NNS) are the NCT's single largest fundraiser, providing parents-to-be with an affordable way of purchasing items for their new arrival as well as helping to ensure that used baby equipment doesn't go straight to landfill. Seven hundred NNS – an 8.5% increase on last year - were held with an estimated 500 tons of baby equipment sold and saved from going to landfill.

NCT Helplines

Our team of trained and experienced NCT workers provide practical information and support to parents on pregnancy, birth and breastfeeding. This year, we received an average of 2,583 calls a month across these two helplines:

Breastfeeding line	28,000
Pregnancy and birth line	3,000

In September, there was also the 'soft launch' of the new Postnatal line, ensuring all new parents have easy access to information and support after the birth of their baby.

In addition, last year, we were successful in securing funding for the re-launch of the NCT Shared Experiences helpline, allowing us to develop new systems and support more families. We expect to recruit 900 peer support contacts for the helpline and handle 2,000 calls. In June 2009, we opened the appeal for volunteers for the register.

Delivering services to parents

The NCT has about 10,000 volunteers working across the UK to make a difference for parents through mutual support and fundraising for all the charity's work.

- 47% of our volunteers completed up to two hours of work for the charity in a typical week. A further 43% completed up to nine hours in a typical week.

The volunteers who organise branch activities are the foundation of everything the NCT achieves, giving their time, energy and skills in a wide range of roles. These include not only those who take on branch team roles but also thousands of others those who help at Nearly New Sales and other fundraising events, make refreshments at Bumps and Babies groups, host open houses and deliver newsletters.

Volunteer Policy & Charter

We consulted with our volunteers about the need to set out a clear Volunteer Policy & Charter, concerning the relationship between volunteers and the NCT. The charter was approved by the Board in June 2009 and:

- Makes explicit that volunteers are valued, enabled to carry out appropriate activities, and have access to appropriate support and training.
- Demonstrates that, as one of the largest volunteer involving charities in the UK, we follow good practice.
- Meets requests from volunteers for clarity and provides staff with clear guidelines on how to involve volunteers.
- Assists in the introduction of the Branch Charter and volunteer recruitment at a local level, increasing involvement of both members and non-members in voluntary activities. It also safeguards NCT's reputation – all volunteers, whether they are taking on a designated role or helping out from time to time - will have the Volunteer Charter drawn to their attention through the log-on process for update online, branch newsletters, etc. In order for these changes to take place, we expect the Charter and Policy to be fully implemented during 2009/10

Volunteer & Specialist Worker Awards

Our annual members' event, NCT Conference, gives us the opportunity to acknowledge the dedication, passion and skill of our volunteers and trained workers in helping new parents. Award categories consisted of:

- Fundraising success
- Communication of the year
- Bumps & Babies Group of the year
- Local campaign of the year
- Reaching out project
- Most supportive specialist worker
- Reaching all parents project
- Research networker

In addition, Cynthia Clarkson was short listed as Volunteer of the Year in the Third Sector Excellence Awards for 2009. Cynthia joined the NCT in 1968 and has volunteered for over 40 years.

Education & Training

We provide high quality training for parents in antenatal teaching, leading postnatal groups and breastfeeding counselling. We currently have over 841 students working towards a Diploma of Higher Education qualification, awarded by The University of Bedfordshire. This includes 453 antenatal teachers, 295 breastfeeding counsellors and 93 postnatal leaders who will join our existing team of over 800 specialist workers.

Parent Education Access Programme

Many young women leave school early due to becoming a mum so the NCT has developed a Parent Education Access Programme (PEAP) to help young mums prepare for the challenges of Higher Education. The course is now in its second year and includes residential programmes to provide the students with the time to complete their modules away from the pressures of being a parent.

Reach

NCT membership

In September, member number 100,000 joined the NCT. Membership growth equated to an increase of 8.3% and an extra £200,000 to support our work – this is particularly impressive given the national and global economic situation.

Our members are the lifeblood of the charity, becoming volunteers, specialist workers and campaigners, and inspiring advocates for the organisation.

Diversity and access to services

The NCT is committed to supporting all parents throughout the transition to parenthood and to ensuring that our services meet the diverse needs of parents from a wide range of backgrounds. As part of these commitments we have started a three-year programme to develop new policies and practices to achieve the aim of increasing access to NCT services.

Broadening our reach through professionals

To reach more parents, we work with health professionals to deliver engaging, positive and informative products and services, with over 13,000 catalogues requested this year. We are experienced at delivering inspiring workshops that helped 450 health professionals feel confident in running antenatal classes and postnatal courses, providing breastfeeding support and working one-to-one with parents.

The NCT currently works with five NHS Trusts delivering NCT antenatal classes on contract. Having antenatal classes delivered by the NCT helps the NHS by removing the strain on maternity services, and ensures we can give the best possible support to a wider range of parents. The NCT commissioned an evaluation of 148 courses of antenatal classes taught by NCT teachers at Birmingham Women's Hospital. 100% of those responding agreeing that the teacher did a good job and that they would recommend the courses to someone else.

Breastfeeding peer support

Three quarters of mothers who stopped breastfeeding in the first six months and 90% who stopped in the first two weeks would have liked to have continued for longer. Thanks to Department of Health (England) funding, over 100 parents are training to become breastfeeding peer supporters which will enable women to continue breastfeeding by training their peers to offer practical and emotional support.

Northern Ireland Maternity & Family Services Awards

To highlight work in Northern Ireland, the NCT started planning the first annual awards ceremony to celebrate good practice across Northern Ireland's maternity and family services. Awards being considered are for maternity, feeding, supporting the transition to parenthood, and user involvement in service development.

Reaching all parents

The NCT is committed to reaching all parents with services that are welcoming, relevant, and responsive to their needs. Good practice examples highlighted in NCT publications during 2009 include:

- A pioneering Scottish project to work with new fathers who are also recovering drug users. A small group of antenatal dads helped men to make decisions about how they might support their partners and be involved in caring for their new baby.
- The long-standing collaboration between Sure Start and NCT continued to help vulnerable women in Chapeltown, an area of high deprivation in Leeds. Surveyed local pregnant women wanted free antenatal classes, so NCT teachers created a drop-in, weekly rolling programme of classes, open to both men and women.
- Choices, a Brighton-based NCT initiative, which helps young parents by supporting new mums with no previous experience of motherhood. This project aims to dispel myths that young mums are irresponsible and remove the feelings of isolation.
- Antenatal classes in Edinburgh for Muslim women who would not normally have access to antenatal classes due to barriers of language, low confidence and lack of childcare for other children and have specific religious and cultural needs.
- A West Midlands Project called Improving Access and Choice which takes traditional models for NCT parenting classes and makes them more accessible to all parents. NCT teachers undertake diversity training to understand different social cultural norms and provide free parenting support that embraces cultural differences and sensitivities.

Partners

We work in partnership with a variety of organisations including governments across the UK, the National Institute for Health and Clinical Excellence (NICE) and other third sector organisations to facilitate development of information tailored to a range of different needs. Here we outline some key partnerships from this year.

MIDIRS

MIDwives Information and Resource Service (MIDIRS) is the educational charity for midwives providing information relating to childbirth to assist in the improvement of maternity care. Our work with MIDIRS aims to support parent-centred work in maternity services through utilising both organisations knowledge and information. This relationship has been well received and beneficial to both charities.

10,000 MIDIRS subscribers receive a copy of *Perspective: the NCT publication for parent-centred midwifery* – a new quarterly publication to promote innovation and good practice among maternity services by showcasing positive examples from the NHS, social care and NCT. Our own specialist workers receive access to MIDIRS data as part of their continued professional development.

NCT & Mumsnet

We realise it's not always possible to meet up in person, so we have a range of egroups and forums offering online support for new parents, enabling people to share information, experiences and thoughts. Many NCT volunteers use online forums as well as NCT forums, so in 2008 NCT teamed up with Mumsnet, an online service for parents. The route into Mumsnet via the NCT increases the number of parents using Mumsnet and NCT forums.

Commercial relationships

As a charity with minimal funding from government, our commercial relationships enable us to provide information and services to a much wider range of parents. Unilever sponsors our membership magazine NewGen, allowing us to concentrate on quality content, and our Nearly New Sales, ensuring our branches have relevant support and guidance to continue this important fundraising work. Other partners include Pampers who sponsor the NCT antenatal class packs, which are sent to all parents who enquire about this service whether they attend a class or not; as well as Vitabiotics and Family Investments, a leading UK Child Trust Fund provider.

Bliss

Our work with Bliss, the premature baby charity, culminated in the POPPY report this year, produced alongside other partners, RCNRI at University of Warwick (formerly the research team at the Royal College of Nursing Institute) and NPEU (The National Perinatal Epidemiology Unit). The report enabled the NCT and Bliss to produce support materials for parents, and good practice guidance and training programmes for health professionals.

Change

Achieving change for parents

Our campaigning work focuses on providing improved services, support and health outcomes for all parents and parents-to-be across the UK. National activity included:

Baby feeding

We campaign for all parents to feel supported in their decisions about how they feed their babies. We want to see a culture that supports breastfeeding and allows parents who decide to use formula milk to be able to access clear, non-commercial information. We are a founding member of the Breastfeeding Manifesto Coalition, which campaigns to increase breastfeeding rates across the UK. We also succeeded in getting the Government to review the effect of new regulations on the labelling, presentation, advertising and promotion of infant formula and follow-on formula.

Bisphenol A

The NCT is calling for manufacturers to remove Bisphenol A (BPA) from baby bottles as there are alternative plastics that do not contain BPA. In response to a letter to Philips AVENT from the NCT, Philips AVENT announced that it is adding a BPA-free reusable bottle to its range of babyfeeding products. Philips AVENT is also changing its packaging to clearly label the materials used to make each product in its babyfeeding range and will clearly mark the products that are BPA-free.

End Child Poverty

In October 2008, NCT Active members joined 10,000 campaign supporters at the End Child Poverty rally in London and urged the Government to keep its promise to halve child poverty by 2020 in law. The Government missed the opportunity to make real progress towards eradicating child poverty and so NCT activists and the Campaign to End Child Poverty will continue to put pressure on the Government to keep its promise.

NCT Active

Our activist network was created to support people in campaigning for change in their local area and provide opportunities for action and getting involved in national campaigns with the NCT. Our activists use a range of tactics from user representation to lobbying and consultation.

Now one year old, NCT Active:

- Provides resources and materials including a Lobbying Guide.
- Responds to local queries and alerts.
- Provides training and skills development at regional events.

In total, over 700 people have joined NCT Active in the year 2008/9.

Maternity Units awarded for innovation services

The All Party Parliamentary Group on Maternity (APPGM), which is serviced by the NCT, highlights maternity issues within Parliament and brings together health professionals and maternity service users with politicians to enable a more collaborative working approach to improving maternity services.

This year, we invited maternity units to nominate themselves for awards based on five key themes and over 40 submissions were received in all. The awards were for practices to promote:

- Inclusive services for disadvantaged groups and communities.
- Normal birth.
- Responsive, woman-centred, family focused postnatal care.
- Tailoring services to meet the needs of fathers.
- Involvement of women in improving local maternity services.

In total, eight outstanding maternity units won awards and a further five units were commended. The awards acknowledged the units' inspiring work in improving local maternity services and were presented at the reception in July at the Houses of Parliament.

Keeping Childbirth Natural and Dynamic (KCND) in Scotland

The Scottish Government Health Directorates (SGHD) established KCND, which aims to maximise opportunities for women to have a natural birth experience as far as possible through:

- Providing evidence-based care.
- Reducing unnecessary intervention.
- Ensuring informed choice.
- Developing multi-professional care pathways.

The NCT has been actively supporting this new programme and monitoring the progress made by the Scottish Government in its implementation. In addition, we held a Reaching Out conference with NHS Greater Glasgow & Clyde for new parents, parents-to-be, health professionals and agencies in April 2009. The conference increased awareness of the KCND programme in Glasgow and surrounding areas.

Finance

Last year the charity benefited from a surplus based on the infrastructure developments put in place during the previous year. However, this year the general economic climate has affected financial performance. Although the charity budgeted to break even the final financial position for the 2008/09 year worsened from a surplus of £314K for 2007/08 to a deficit of £452K. This resulted from:

- A fall in interest rates earned on deposits which led to a drop in interest income of 158K (81.9%).
- A fall in individual donations of £115K (24.6%) probably due to prevailing economic conditions.
- A fall in income from NCT Trading of £355K (15.2%) as result of the economic downturn and problems with the support for NCT Shop's e-commerce site which caused the site to be unavailable for nearly three weeks.

Despite those problems the charity still managed to increase its income from £11.7M in 2007/8 to £12.1M, an increase of £400K, (3.4%). Income from charitable activities increased from £6.52M in 2007/08 to £7.46M - an increase of £938K (14.4%) - derived principally from additional income from courses and from membership subscriptions.

Total resources expended increased from £11.4M in 2007/08 to £12.6M an increase of £1.2M (10%). This was due to a rise in expenditure on services for parents of £665K (11.4%) to £6.5M, and an increase in expenditure on policy, research and campaigning of £249K (17.1%) to £1.7M.

Commercial trading operations expenditure increased from £1.75M to £1.78M (17%) due to investment in a new e-commerce site and integrated fulfilment software. Another significant increase in expenditure was on information for parents which increased by £39K (4.4%) to £929K due to the additional number of members joining the NCT and additional partnership working.

2009/10 is planned to be a year of investment and growth. However, the charity, like all organisations, faces an uncertain financial and economic climate and, accordingly, the Board has budgeted to make a small deficit so the charity can continue to build capacity in order to benefit when the economic climate improves.

Reserves policy

In line with Charity Commission guidelines the Trustees approved a new Reserves Policy that reflects the true level of resources needed to cover fixed costs of charitable activity for between 3 and 6 months. The Trustees will review the range and required level of reserves each year in line with the policy. Using the new policy a range of reserves for 2008/09 was set at £1.76M to £2.64M. At the end of the financial year the level of reserves was £1.88M.

Financial position

The group balance sheet shows total funds of £2.8M. These funds include £447K which is restricted. These monies have been raised and their use restricted, for specific purposes, or they comprise donations and grants subject to donor-imposed conditions. Full details of these restricted funds can be found in note 14 to the accounts together with an analysis of movements in the year.

A Fixed Assets Fund equivalent to the net book value of the tangible fixed assets used in the day-to-day operations of the NCT has been maintained. These funds are not available for working capital. The balance of the general funds of the group at 30 September 2008 totalled £1.88M and represent “free reserves “. The “free reserves” “have decreased from last year though they remain within the range set by the Board for the year.

The charity’s assets

There have been no major acquisitions or disposals of fixed assets during the year.

Structure, Governance, Organisation and Management

NCT (the National Childbirth Trust) is a registered charity. It is a company limited by guarantee governed by its Memorandum and Articles of Association, as last amended on 21st June 2008.

NCT is governed by a Board of Trustees who are the directors of the charity for the purposes of the Companies Act. The names of Trustees at the date at which the accounts were approved are given on page 39.

The charity is a membership charity. Members are organized locally into more than 300 branches covering every postcode in the UK. Many volunteer to carry out the work of the charity at a local level. Many members also train as specialist workers. Employees are based at the UK Office in London, or work from home. Employees of the Trading Company are based in London and Glasgow.

Recruitment and appointment of Trustees

The Board of Trustees may have up to 15 Trustees, including the charity’s President. Trustees must be members of the charity and are elected at the members’ Annual General Meeting. Any member may stand for election as a Trustee with the support of at least two other members. The Nomination and Governance Committee of the Board has the responsibility to keep under review the vacancies and likely vacancies available on the Board and the skills, experience and other qualities the Board needs. Prior to the Annual General Meeting the Committee notifies members of the number of vacancies available and the skills and experience being sought at the time, and invites nominations. Trustee Recruitment Meetings are then arranged for those expressing interest to provide them with information about the role and discuss how they could contribute to the Board’s work. All those submitting a duly completed nomination form go forward to the election at the annual general meeting. Available vacancies are also advertised externally.

The Board additionally may appoint Trustees during the year to fill vacancies. All candidates so appointed must have the support of the Nomination and Governance

Committee who may recommend a preferred candidate or present a short list for the Board's decision. Any Trustee appointed during the year must stand for election by the membership at the following Annual General Meeting.

Trustees are elected for a term of three years (five years for the President) and may serve for a maximum of two successive terms.

Induction and training of Trustees

Induction for new Trustees consists of:

- An introductory session with existing Trustees and key members of staff as part of the Board's annual Training Day.
- Comprehensive written briefing about Trustees' responsibilities, the work of the Board and the charity's strategy, policies, and constitution.
- Mentoring of new Trustees by existing Trustees through a "buddy" system.

Training is also provided during the year for Trustees as required on topics relevant to the Board's current work. Trustees also attend external events and conferences.

The Board of Trustees

The Board of Trustees is ultimately responsible for running the charity to ensure that it acts in the best interests of all parents, who are the charity's beneficiaries.

Trustees:

- Set the charity's strategy and future direction, following advice from the charity's staff, and after consultation and discussion with the charity's stakeholders.
- Set the right policy and financial framework for the charity's staff, volunteers, trained workers, contractors and others, so that they can work together to achieve the charity's aims.
- Ensure the charity complies with the law.
- Safeguard the charity's assets.

The Board of Trustees sets the strategic, policy and financial framework for the charity and has the responsibility for its overall direction and control. Authority for the day to day management of the charity within that framework is delegated to the Chief Executive, supported by the Senior Management Team. The Senior Management Team comprises senior staff, who support the Chief Executive in meeting her responsibilities. Together they formulate strategy, policy and financial plans for the Board's approval, ensure delivery of required performance, and oversee the charity's day to day operation. A list of the members of the Senior Management Team at the date at which the report was approved is given on page 41.

Each year the Board reviews past performance and sets future plans within a three year planning horizon. As part of that review and planning process the Trustees consider how future plans and performance relate to our aims and vision, and thus to our charitable purpose. One of the Board's Committees (see below) is now responsible for carrying out a rolling programme of reviews across the charity's principal areas of activity, so that we can demonstrate the outcome or longer term impact we have on our beneficiaries, and ensure that we continue to achieve our charitable purpose. We expect to draw on these reviews to report on public benefit in future annual reports.

Board Committees

The Board of Trustees is supported in its work by four Committees:

- Audit and Risk: adequacy of financial control, the charity's external reporting of performance, and risk management.
- Remuneration: remuneration policy for senior management and other key groups within the charity.
- Nominations and Governance: Trustee recruitment, training and appraisal; assessing the Board's own effectiveness.
- Impact: Assessing the charity's outcomes and impact and demonstrating the achievement of intended public benefit.

In addition, a number of advisory groups across the charity's work enable internal and external stakeholders to be involved in decision-making.

Key Relationships

The charity wholly owns one active Trading Company, NCT Trading Ltd, which gift aids its profits directly to the charity. The Board of NCT Trading Ltd is responsible for its activities, which include:

- NCT Sales, which offers goods for sale to the general public and to health professionals through mail and internet order.
- Commercial fundraising, which manages all sponsorship and advertising relationships.
- NCT Publishing.

The charity works with many external organisations at national level in the four countries of the UK to pursue its charitable aims and objectives. For example, it:

- Is a member of, and provides support for, the Breastfeeding Manifesto Coalition.
- Is a member of the Baby Feeding Law Group and End Child Poverty.
- Is represented with other user organizations and professional bodies on the Board of the National.

Collaborating Centre for Women and Children's Health, which develops evidence-based guidelines for the NHS in England and Wales.

- Supports, services and participates in the Maternity Care Working Party.
- Supports and services the All Party Parliamentary Group on Maternity in the Westminster Parliament.
- Supports Jessica's Trust, Independent Midwives Association, Action Medical Research - the Standing up for Tiny Lives campaign – and MedAct's campaign to improve maternity services for refugees and asylum seekers.

Locally, NCT works in partnership with a wide range of voluntary and other organisations to improve services for parents and provide them with the information and support they need.

Risk Management

The Trustees last undertook a comprehensive review to identify sources of potentially significant risk two years ago though this work has been revisited by the Chief Executive and Director of Finance and Facilities. Such risks are those which are likely to occur and which would have a severe impact on the charity's ability to

achieve its aims and objectives, or severely damage the charity's reputation and standing. Since then the Board has concentrated on ensuring that the "significant risks" identified are being managed effectively. Changes implemented during 2008/09 or underway have substantially reduced potential risks in the areas of employment and of volunteer management.

The Audit and Risk Committee is responsible for ensuring that effective risk management systems and processes are embedded within the charity's work and that the Board of Trustees has a proper focus on major risk issues. The Committee is in process of reviewing our approach to risk management and a further report will be made in next year's annual report. In the meantime the risks we continue to focus on and to mitigate as far as possible include managing finances through the economic downturn, improving financial controls and improving business recovery and data security.

Trustee benefits

Under the terms of its Memorandum of Association the charity is enabled to pay Trustees for the provision of services to achieve its objects, subject to certain safeguards. This includes the requirement that a majority of the Trustees must have received no payments from the charity either as employees or for goods and services supplied to the charity.

Expenses were reimbursed to 15 (2008:13) members of the Board of Trustees during the year. Their expenses amounted to £6,170 (2008: £3,903) in respect of expenses incurred as a trustee in attending board and related meetings and for regional and branch support and for attending trading company meetings.

Two trustees (2008:2) were paid £5,468 fees and expenses (2008: £2,748) for services provided as tutors, teachers, counsellors, and similar services provided at arms' length. Two Trustees had a beneficial interest in a contract with the charity through their spouses who provided services – one as a teacher and the other as a breastfeeding counsellor (2008: 1). No other member of the Board of Trustees had any beneficial interest in any other contract with the charity or its wholly owned subsidiaries during the year other than in relation to contracts for purchases of goods and services on the same terms as available to the general public.

Details of individual payments may be obtained from the charity's registered office on request.

No member of the Board of Trustees received any remuneration in respect of their services as trustees during the year (2008: £nil).

Statement of the Board's responsibilities as Trustees

Statement of Trustees' Responsibilities

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

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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.

Employees and volunteers

The Board of Trustees would like to thank all staff, volunteers, specialist workers, members and supporters for their commitment to the vision and work of the charity.

During 2008/09 NCT (and its trading company) employed 124 full time equivalent salaried staff and 56 Parent Service Area administrators (see note 9 to the accounts).

In September 2008, the NCT had 101,801 members (57,385 member households), 4135 registered volunteers, 925 trained specialist workers (antenatal teachers, breastfeeding counsellors and postnatal leaders) and 872 students.

In addition, we estimate that there may be a further 6,000 volunteers who help on an occasional basis such as by helping at nearly new sales, delivering newsletters, running bumps and babies groups, hosting coffee mornings or in no end of other tasks where a few hours of time can make such a difference.

Equal opportunities

The NCT is committed to a policy of equality of opportunity in its employment practices and aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of race, colour, national or ethnic origins, sex, sexual orientation or perceived sexuality, marital status, disability, membership or non-membership of trade union, "spent convictions" of ex-offenders, class, age, politics, religion or belief.

It is the charity's policy to meet the provisions of the Sex Discrimination Act, the Equal Pay Act, the Race Relations Act, and the Disability Discrimination Act, which make it unlawful to discriminate on the grounds of sex, marital status, race and disability. This latter Act by definition has a slightly different emphasis to the other three; the employer can discriminate if he/she can justify the different treatment. The Rehabilitation of Offenders Act is also relevant.

Auditors

Kingston Smith LLP were appointed as the charity's auditors at the 2008 annual general meeting and will be deemed reappointed this year under the Companies Act 2006.

Approved by the Board of Trustees and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Ian Chandler', with a large, stylized flourish at the end.

Ian Chandler
Chair
11 March 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL CHILDBIRTH TRUST

We have audited the group and parent charitable company financial statements (the "financial statements") of The National Childbirth Trust for the year ended 30 September 2009 which comprise the Consolidated Statement of Financial Activities, the Group and Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

The trustees' (who are also the directors of The National Childbirth Trust for the purposes of company law) responsibilities 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) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006.

We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with those financial statements. In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report, which incorporates the Directors' Report required by the Companies Act 1985, and consider the implications for our report if we become aware of any apparent misstatements within it. We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the

reports of the Chair and the Chief Executive. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

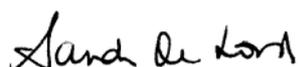
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and charitable company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion:

- The financial statements give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 September 2009 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- The financial statements have been properly prepared in accordance with the Companies Act 2006; and
- The information given in the Trustees' Annual Report is consistent with the financial statements.



Sandra De Lord, Senior Statutory Auditor
for and on behalf of Kingston Smith LLP
Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date: 24/03/10

NCT CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2009

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2009 £'000	Total 2008 £'000
Incoming Resources					
Incoming resources from generated funds					
Voluntary income					
Donations		351	2	353	468
Grants receivable	1	<u>351</u>	<u>434</u>	<u>434</u>	<u>407</u>
		351	436	787	875
Activities for generating funds					
Fundraising activities		1,447		1,447	1,258
Commercial trading operations		1,985		1,985	2,340
Advertising in branch newsletters		389		389	398
Other income receivable		25		25	83
Interest receivable		<u>35</u>		<u>35</u>	<u>193</u>
		3,881	-	3,881	4,272
Incoming resources from charitable activities					
Fees from courses and conferences		5,662		5,662	5,021
Grants receivable	1	202		202	114
Membership subscriptions		1,500		1,500	1,340
Other income receivable		<u>98</u>		<u>98</u>	<u>49</u>
		7,462	-	7,462	6,524
Total incoming resources		11,694	436	12,130	11,671
Resources Expended					
Costs of generating funds					
Fundraising costs of voluntary income	3	74		74	38
Activities for generating funds					
Fundraising costs	4	783		783	708
Commercial trading operations		<u>1,781</u>		<u>1,781</u>	<u>1,746</u>
		2,564		2,564	2,492
Charitable activities					
Direct services to parents	5	6,197	317	6,514	5,849
Policy, campaigning and research		1,686	17	1,703	1,454
Information		929		929	890
Membership services		<u>702</u>		<u>702</u>	<u>591</u>
		9,514	334	9,848	8,784
Governance costs	7	96		96	81
Total resources expended		12,248	334	12,582	11,357
Net (outgoing)/incoming resources for the year	8	(554)	102	(452)	314
Reconciliation of funds					
Funds brought forward at 1 October 2008		2,876	345	3,221	2,907
Funds carried forward at 30 September 2009		2,322	447	2,769	3,221

All of the group's activities derived from continuing operations during the above two financial years.

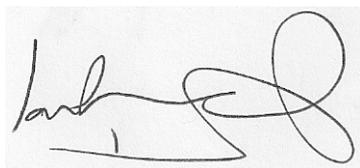
The group has no recognised gains or losses other than those shown above. The movement in reserves is shown above.

	2009	2008
Net movement in funds	(452)	314
Difference between historical cost depreciation and the actual depreciation charge calculated on the revalued amount.	(5)	(5)
Historical cost net movement in funds	(447)	309

BALANCE SHEET AS AT 30 SEPTEMBER 2009

	Notes	2009		2008	
		Group £'000	Charity £'000	Group £'000	Charity £'000
Fixed Assets					
Tangible Assets	10	446	441	425	420
Current Assets					
Stocks		241	54	190	52
Debtors	12	1,148	1,541	1,344	1,658
Short term deposits		1,307	1,307	1,900	1,900
Cash at bank and in hand		<u>3,051</u>	<u>2,644</u>	<u>2,954</u>	<u>2,654</u>
		5,747	5,546	6,388	6,264
Creditors					
Amounts falling due within one year	13	3,424	3,201	3,592	3,445
Net current assets		2,323	2,345	2,796	2,819
Total net assets		<u>2,769</u>	<u>2,786</u>	<u>3,221</u>	<u>3,239</u>
Fund balances					
Charitable funds					
Restricted funds	14	447	447	345	345
Unrestricted funds	15				
General funds		1,878	1,898	2,454	2,474
Fixed asset fund		<u>446</u>	<u>441</u>	<u>425</u>	<u>420</u>
		2,324	2,339	2,879	2,894
Non charitable trading funds	2	(2)		(3)	-
Total funds		<u>2,769</u>	<u>2,786</u>	<u>3,221</u>	<u>3,239</u>

Approved by the Board of Trustees and authorised for issue on 11 March 2010



Ian Chandler
Chair of the Board of Trustees

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2009

	Notes	2009 £'000	2008 £'000
Net (outflow)/inflow from operating activities	(a)	(433)	566
Returns on investments and servicing of finance			
Interest received		35	193
Capital expenditure			
Payments to acquire tangible fixed assets		<u>(98)</u>	<u>(41)</u>
		(496)	718
Management of liquid resources (Increase)/decrease in short term deposits		593	(100)
Increase/(decrease) in cash	(b)	97	618

Notes to the cash flow statement

(a) Adjustment of net movement in funds to net cash inflow from operating activities

	2009 £'000	2008 £'000
Net movement in funds	(452)	314
Depreciation charge	77	78
Interest receivable	(35)	(193)
(Increase)/decrease in stocks	(51)	53
Decrease/(increase) in debtors	196	(809)
(Decrease)/increase in creditors	<u>(168)</u>	<u>1,123</u>
Net cash (outflow)/inflow from operating activities	<u>(433)</u>	<u>566</u>

(b) Analysis of changes in net funds

	At 1 October 2008	Cash flow	At 30 September 2009
	£'000	£'000	£'000
Cash at bank and in hand	2,954	97	3051
	<u>2,954</u>	<u>97</u>	<u>3051</u>

(c) Reconciliation of net cash flow to movement in net funds

	£'000
Increase in cash for the year	97
Cash (inflow) from (increase) in debt	<u>(549)</u>
	(452)

a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of the freehold property at a valuation and the inclusion of quoted investments at market value, and in accordance with the requirements of the Companies Act 2006. Applicable United Kingdom accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

b) Basis of consolidation

The statement of financial activities and balance sheet consolidate the financial statements of the charity and all its subsidiary undertakings made up to the balance sheet date. The charity has taken advantage of the exemption in section 408 Companies Act 2006 and paragraph 397 of SORP 2005 from the requirement to present a parent company Statement of Financial Activities.

c) Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfill conditions before becoming entitled to it or when the donor or funder has specified that the income is to be expended in a future accounting period. Therefore, a proportion of the membership fees are deferred into the future accounting period(s) depending on the period of membership. Legacies are included in the statement of financial activities when the charity is advised by the personal representative of an estate, that payment will be made or property transferred and the amount involved can be quantified with reasonable certainty. Grants from government and other agencies have been included as income from activities in furtherance of the charity's objectives where these amount to a contract for services.

d) Resources expended and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes any attributable VAT, which cannot be recovered.

Resources expended comprise the following:

- ◆ The costs of generating funds include the salaries, direct costs and overheads associated with generating donated income and carrying out commercial trading operations through the charity's subsidiaries. Many of the fundraising events held by the branches of the charity have two objectives, to raise funds for the charity, and also to meet the aims of the charity in terms of providing postnatal support for families. There is no meaningful way of apportioning the costs of branch fundraising events between fundraising costs and charitable activities.

- ◆ The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the report of the Board of Trustees. Such costs include:
 - ◆ The cost of direct services to parents including the cost of antenatal and early days classes and related teachers' fees, venue costs and class materials, the costs of breastfeeding support, and the costs of postnatal support and the cost of training the antenatal teachers, breastfeeding counsellors and postnatal leaders which principally comprises the fees, course materials, and venue costs.
 - ◆ The costs of policy, campaigning and research which includes the costs in obtaining the research-based information to enable policies to be developed and campaigns to be performed which is research-based.
 - ◆ The costs of information, which principally includes the NewGen magazine and branch newsletters.
 - ◆ The costs of membership services which, includes the costs of administering membership and supporting the branch and regional network of volunteers and specialist workers.
- ◆ Governance costs comprise the costs of governance arrangements, which relate to the general running of the charity and include audit fees, any legal advice for trustees and costs associated with the constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts.

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment in a suitable working environment. Support costs are apportioned to the other activities on the basis of average number of full time equivalent employees utilised by the activity. Staff costs are allocated in the same proportion as directly attributable staff costs.

e) Gifts in kind

Assets donated to the charity for its own use, are included in the incoming resources and resources expended at their market value as at the time of the gift.

Items donated to the charity for resale are included within incoming resources when sold and no value is placed on stock of such items at the year-end.

f) Tangible fixed assets

All assets costing more than £200 and with an expected useful life exceeding one year are capitalised.

Functional freehold property - Freehold properties used for the direct charitable work of the charity are included in these accounts at the valuation in 1998. Functional freehold properties are depreciated at a rate of 2% per annum on a straight-line basis in order to write the buildings off over their estimated useful economic life to the charity. Building services are depreciated at a rate of 20% per annum.

Other tangible fixed assets - Other tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

Furniture and general office equipment	10% per annum based on cost
Computer and similar equipment	33% per annum based on cost

g) Fixed asset investments

Listed equities are included in the financial statements at their market value as at the balance sheet date. Investments in subsidiary undertakings are stated at net asset value. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

h) Stocks

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

i) Fund accounting

Restricted funds are monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

The fixed assets fund represents the net book value of the tangible fixed assets used in the day-to-day operations of the NCT. The value of this fund is not available for working capital.

General funds represent those monies, which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

j) Leased assets

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

k) Branches

Branch transactions are considered transactions of the charity. All branch transactions that have been entered in to the Branch Accounting System by the date of preparation of the financial statements are included in the Charity accounts.

l) Pension costs

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

m) Liquid resources

Liquid resources comprise monies held on short-term deposit with a United Kingdom bank.

1 Grants receivable

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2009 £'000	Total 2008 £'000
GROUP & CHARITY				
Dept. of Health – Breastfeeding peer support	-	5	5	20
Scottish Exec. Health Department: Scottish worker training	-	6	6	8
Big Lottery Fund: Scottish community worker	-	-	-	-
Big Lottery Fund: Premature baby project	-	16	16	72
Parenting fund: NW Develop't with Sowing Seeds	-	19	19	83
Welsh development (Welsh council for vol action)	-	-	-	13
Midlands Development Worker – Improving Choice and Access Project (West Midlands) – Dept of Health	-	38	38	9
John Ellerman Foundation – Special Experiences Register	-	20	20	-
Austin & Hope Pilkington Trust – Special Experiences Register	-	1	1	-
Big Lottery Fund – Investing in Ideas, Scotland	-	10	10	-
Disadvantaged Mothers Project	-	-	-	20
Grants to local branches	-	319	319	182
Total voluntary income	-	434	434	407
PCT Contracts for Services	27	-	27	12
Contracts for providing Peer Support services	23	-	23	-
Sure Start/Children's Centres Projects	24	-	24	12
Connect/NHS Hospital Partnerships	70	-	70	33
Voices training	12	-	12	7
Grants to Local Branches	1	-	1	6
Other	45	-	45	44
Total incoming resources from charitable activities	202	-	202	114
	202	434	636	521

2

Commercial trading operations

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

- ◆ NCT Trading Limited whose principal activities are to promote the work of the National Childbirth Trust, and to generate profit, and the taxable profit is then gift-aided to the charity. It now has three divisions: NCT commercial fundraising, which obtains sponsorship of activities and events and undertakes other business activity on behalf of the NCT; NCT Sales (formerly NCT (Maternity Sales) Limited) its principal activity is the sale of maternity and feeding clothes, publications and practical items to expectant and new parents and health professionals, and NCT Publishing, formerly NCT Publishing Ltd, which undertakes the publishing and sale of books and other forms of information.
- ◆ NCT (Maternity Sales) Limited did not trade during the period of these accounts, as its business was transferred to NCT Trading Limited in January 2005.
- ◆ NCT Publishing Limited did not trade during the period of these accounts. The publishing and sale of books is now undertaken and financed by the NCT Publishing division of NCT Trading Ltd.

NCT Trading Limited gift aids its taxable profit to the National Childbirth Trust. A summary of the results of the trading subsidiary for the year are given below. Audited accounts will be filed with the Registrar of Companies.

	2009	2008
	£'000	£'000
Turnover	2,024	2,088
Cost of sales	<u>(1,030)</u>	<u>(1,119)</u>
Gross profit	994	969
Distribution costs	(152)	(74)
Administrative expenses	(698)	(647)
Interest payable	<u>(30)</u>	<u>(9)</u>
Operating profit/loss	114	339
Payment Under Gift Aid to NCT	113	214
Accumulated profit/(loss) for year	<u>1</u>	<u>25</u>
Retained in subsidiary	(2)	<u>(3)</u>

	2009	2008
	£'000	£'000
Balance Sheet – NCT Trading Ltd		
Fixed Assets	5	5
Current Assets	880	722
Creditors< 1 year	<u>(887)</u>	<u>(730)</u>
Net Assets	(2)	<u>(3)</u>

The above figures exclude any consolidation adjustments for inter-group profits/losses, which have been reflected in the statement of financial activities. The accounts figures have been consolidated on a line- by-line basis.

3 Fundraising costs of voluntary income

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2009 £'000	Total 2008 £'000
GROUP				
Central fundraising	74	-	74	38
	<u>74</u>	<u>-</u>	<u>74</u>	<u>38</u>

4 Fundraising costs of activities for generating funds

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2009 £'000	Total 2008 £'000
GROUP				
Central fundraising	405	-	405	328
Branch fundraising	378	-	378	380
	<u>783</u>	<u>-</u>	<u>783</u>	<u>708</u>

5 Charitable activities expenditure

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2009 £'000	Total 2008 £'000
GROUP				
Direct services to parents:				
- Antenatal	2,698	-	2,698	3,103
- Breastfeeding support	372	-	372	677
- Postnatal	293	-	293	387
- Apportioned support costs	646	-	646	517
- Health professional training	293	-	293	135
- General Parental Support	1,895	317	2,212	1,030
Sub-total	<u>6,197</u>	<u>317</u>	<u>6,514</u>	<u>5,849</u>
Policy, campaigning and research	1,686	17	1,703	1,454
Information	929	-	929	890
Membership services	702	-	702	591
	<u>9,514</u>	<u>334</u>	<u>9,848</u>	<u>8,784</u>

6 Support cost allocations

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment in a suitable working environment. Support costs are apportioned to the other activities on the basis of average number of full time equivalent employees utilised by the activity. Staff costs are allocated in the same proportion as directly attributable staff costs. This table shows a breakdown of the amounts of these costs that have been included in each of the main headings for the accounts.

GROUP	Fundraising voluntary income	Fundraising cost of generating funds	Direct Services	Policy, campaigns and research	Information	Membership services	Governance	Total 2009	Total 2008
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs	12	49	426	152	37	64	6	746	679
Depreciation	1	11	20	23	9	10	1	75	73
Premises and equipment cost	5	41	71	83	31	34	4	269	99
Postage, stationary and telephone	1	10	18	21	8	9	1	68	35
Irrecoverable VAT	2	13	22	26	10	11	1	85	71
Insurance	1	3	5	6	2	3	1	21	16
Irrecoverable VAT Adjustment (Branches)	1	4	7	8	3	3	1	27	21
Other	6	44	76	89	33	36	5	289	231
Total Support Costs	29	175	645	408	133	170	20	1,580	1,225
Direct Costs	45	608	5,869	1,295	796	532	76	9,221	8,375
Total Costs	74	783	6,514	1,703	929	702	96	10,801	9,600

Notes to the financial statements – NCT Year Ending 30 September 2009

7 Governance

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2009 £'000	Total 2008 £'000
CHARITY				
Board	12	-	12	7
Audit fee	28	-	28	24
Office and shared services	24	-	24	23
Apportioned support costs	20	-	20	17
	<u>84</u>	<u>-</u>	<u>84</u>	<u>71</u>

In addition there were costs of £11,820 (2008, £10,000) incurred for the audit of the Trading subsidiary.

8 Net movement in funds

	2009 Group £'000	2008 Group £'000
Net movement in funds is stated after charging:		
Depreciation of tangible fixed assets	77	78
Staff costs (excluding agency staff, note 9)	3,634	2,777
Operating lease rentals	10	10
Auditors' remuneration (group)		
Audit fees	33	32
Prior Year's Auditors Remuneration	7	2
Other services	-	-

The amounts of total incoming resources and net (outgoing) resources attributable to the parent charity were £10,457,000 and £(453,000) respectively (2008: £9,883,000 and (£280,000)).

9 Staff costs and remuneration of the Board of Trustees

GROUP	2009 £'000	2008 £'000
Staff costs during the year were as follows:		
Wages and salaries	3,312	2,467
Social security costs	278	270
Other pension costs	44	40
	<u>3,634</u>	<u>2,777</u>
Payments to agency staff	55	183
	<u>3,689</u>	<u>2,960</u>

GROUP	2009 £'000	2008 £'000
Staff costs by function were as follows:		
Charitable activities	3,173	2,493
Fundraising	247	218
Commercial Trading operations	269	249
	<u>3,689</u>	<u>2,960</u>

One employee earned between £80,000 and £90,000 p.a. (including taxable benefits) during the year (2008 one). The pension cost for this employee was £4,000 (2008: £4,000).

The headcount including part-time staff, analysed by function was:

GROUP AND CHARITY	Number 2009	Number 2008
Charitable activities	221	197
Fundraising: voluntary income	2	2
Fundraising	9	6
Commercial trading operations	12	12
	<u>244</u>	<u>217</u>

Notes to the financial statements – NCT Year Ending 30 September 2009

The average number of full time equivalents, analysed by function was:

GROUP AND CHARITY	FTEs 2009	FTEs 2008
Charitable activities	103.7	91.3
Fundraising: voluntary income	1.3	2.0
Fundraising	8.5	5.5
Commercial trading operations	10.1	10.1
	123.6	108.9

In addition 56 Parent Service Area (PSA) administrators formed part of the payroll (2008: 28), these are paid salary on the basis of the numbers of courses booked in each PSA and not on the basis of an amount of contracted hours of work and thus do not form part of the above analysis of full-time equivalent members of staff.

Expenses were reimbursed to 15 (2008:13) members of the Board of Trustees during the year. Their expenses amounted to £6,170 (2008: £3,903) in respect of expenses incurred as a trustee in attending board and related meetings and for regional and branch support and for attending trading company meetings.

Two trustees (2008:2) were paid £5,468 fees and expenses (2008: £2,748) for services provided as tutors, teachers, counsellors, and similar services provided at arms' length. Two Trustees had a beneficial interest in a contract with the charity through their spouses who provides services – one as a teacher and the other as a breastfeeding counsellor (2008: 1). No other member of the Board of Trustees had any beneficial interest in any other contract with the charity or its wholly owned subsidiaries during the year other than in relation to contracts for purchases of goods and services on the same terms as available to the general public.

Details of individual payments may be obtained from the charity's registered office on request.

No member of the Board of Trustees received any remuneration in respect of their services as trustees during the year (2008: £nil).

Notes to the financial statements – NCT Year Ending 30 September 2009

10 Tangible fixed assets

	Freehold Property £'000	Building Services £'000	Office Equipment £'000	Total £'000
GROUP				
Cost or valuation				
At 1 October 2008	320	38	306	664
Additions	35		63	98
Disposals			(26)	(26)
At 30 September 2009	355	38	343	736
Cost	35	38	343	416
Valuation (1998)	320			320
	355	38	343	736
Depreciation				
At 1 October 2008	62	25	152	239
Charge for year	7	8	62	77
On disposals			(26)	(26)
At 30 September 2009	69	33	188	290
Net book values	286	5	155	446
At 30 September 2009				
At 30 September 2008	258	13	154	425
CHARITY				
Cost or valuation				
At 1 October 2008	320	38	284	642
Additions	35		62	97
Disposals			(26)	(26)
At 30 September 2009	355	38	320	713
Cost	35	38	320	393
Valuation (1998)	320			320
	355	38	320	713
Depreciation				
At 1 October 2008	62	25	135	222
Charge for year	7	8	61	76
On disposals			(26)	(26)
At 30 September 2009	69	33	170	272
Net book values	286	5	150	441
At 30 September 2009				
At 30 September 2008	258	13	149	420

The freehold property was valued professionally in December 1998 on the basis of Existing Use Value. Having previously adopted the transitional rules of FRS15, a valuation has not been repeated. The historical cost of the freehold property included above at a valuation of £320,000 was £583,168 and the aggregate depreciation thereon would have been £209,935 (2008 £198,272).

Notes to the financial statements – NCT Year Ending 30 September 2009

11 Fixed asset investments

	2009 £'000	2008 £'000
CHARITY		
Investment in group undertakings:	£	£
NCT (Maternity Sales) Limited	6	6
NCT Trading Limited	100	100
NCT Publishing Limited	2	2
	<u>108</u>	<u>108</u>

Investments in group undertakings represent the entire called up share capital in the companies listed, all of which are incorporated in England.

12 Debtors

	2009		2008	
	GROUP £'000	CHARITY £'000	GROUP £'000	CHARITY £'000
Amounts due from subsidiary undertakings	-	664	-	583
Prepayments and accrued income	150	94	181	132
Trade and branch debtors	852	638	1,083	873
Tax recoverable	145	145	70	70
Other debtors	1	-	10	-
	<u>1,148</u>	<u>1,541</u>	<u>1,344</u>	<u>1,658</u>

13 Creditors: amounts falling due within one year

	2009		2008	
	GROUP £'000	CHARITY £'000	GROUP £'000	CHARITY £'000
Expense creditors (including accrued purchases)	772	672	1,347	1,251
Social security and other taxes	139	110	116	90
Deferred income				
– membership subscriptions	896	896	737	737
– sponsorship, training and grants	1,378	1,378	1,247	1,247
Accruals	239	145	145	120
	<u>3,424</u>	<u>3,201</u>	<u>3,592</u>	<u>3,445</u>

Deferred income relates to annual subscriptions paid in advance and courses paid for but not taking place until the 2009/10 financial year.

Notes to the financial statements – NCT Year Ending 30 September 2009

14 Restricted funds

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

	Movements in Funds			At 30 September 2009 £'000
	At 1 October 2008 £'000	Incoming Resources £'000	Outgoing Resources £'000	
GROUP AND CHARITY				
NW England Development (NIFP)	54	-	16	38
Breastfeeding peer support (DOH)	14	5	19	-
Scottish Executive Health Dept				
Scottish specialist worker training	-	6	6	-
Training maternity services user representatives	4	-	-	4
NW Development (Parenting fund)	36	19	4	51
NE Development (Northern Rock Foundation)	17	-	10	7
Premature baby (Big Lottery)	33	16	17	32
Midlands Development Worker – Dept of Health	(14)	38	24	-
Disadvantaged Mother Project	20	-	-	20
John Ellerman Foundation – Special Experiences Register	-	20	-	20
Austin & Hope Pilkington Trust – Special Experiences Register	-	1	-	1
Big Lottery Fund – Investing in Ideas - Scotland	-	10	-	10
Grants and donations received by branches	150	319	238	231
Other	31	2	-	33
	345	436	334	447

15 Unrestricted funds

	At 1 October 2008 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfer between Funds £'000	At 30 September 2009 £'000
GROUP					
General Funds	2,451	10,664	11,218	(21)	1,876
Fixed Assets Fund	425	-	-	21	446
	2,876	10,664	11,218	-	2,322
CHARITY					
General Funds	2,474	10,021	10,576	(21)	1,898
Fixed Assets Fund	420	-	-	21	441
	2,894	10,021	10,576	-	2,339

Notes to the financial statements – NCT Year Ending 30 September 2009

16 Analysis of net assets between funds

GROUP	Unrestricted Funds				2009 Total £'000
	Non-Charitable Trading Funds £'000	General Funds £'000	Fixed Assets Fund £'000	Restricted Funds £'000	
Fund balances at 30 September 2009 are represented by:					
Tangible fixed assets			446		446
Net current assets	(2)	1,878		447	2323
Total net assets	<u>(2)</u>	<u>1,878</u>	<u>446</u>	<u>447</u>	<u>2,769</u>

CHARITY

Fund balances at 30 September 2009 are represented by:

Fixed assets			441		441
Net current assets		1,898		447	2,345
		<u>1,898</u>	<u>441</u>	<u>447</u>	<u>2,786</u>

GROUP AND CHARITY

Unrealised losses included above on tangible fixed assets

Unrealised losses at 1 October 2008	-	(263)	-	(263)
Disposal	-	-	-	-
Unrealised losses at 30 September 2009	<u>-</u>	<u>(263)</u>	<u>-</u>	<u>(263)</u>

17 Taxation

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

Subsidiary companies, which do not have charitable status, Gift Aid any taxable profits to the National Childbirth Trust each year.

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

18 Related party transactions

During the year, The National Childbirth Trust entered into transactions in the normal course of activities with its subsidiary undertakings (listed in note 11). The charity is exempt from disclosure of these transactions as the subsidiary undertakings are more than 90% controlled within the group. There were no other related party transactions (2008: none).

19 Operating lease commitments

At 30 September 2009 the group had annual commitments for land and buildings under operating leases as set out below:

Expire	2009		2008	
	GROUP £'000	CHARITY £'000	GROUP £'000	CHARITY £'000
In > 5 years	<u>10</u>	<u>-</u>	<u>10</u>	<u>-</u>

Reference and administration information – Year Ending 30 September 2009

Charity:

The National Childbirth Trust ('NCT')
Registered Charity Number: 801395
Company Registration Number: 2370573

Registered Office:

Alexandra House
Oldham Terrace
Acton
London W3 6NH

Board of Trustees

André Clark (Elected 27 June 2009)
Bryan Macpherson (Elected 27 June 2009)
Don Evans (Elected 27 June 2009)
Gail McConnell (Resigned June 2009)
Gail Werkmeister (President)
Ian Chandler (Chair)
Julie Stein Hodges (Honorary Secretary – Chair Nominations and Governance Committee)
Kathryn Scanlan
Malcolm Ashton
Michelle Evans (Vice Chair – Chair of Impact Committee)
Rob Hayter (Chair of Remuneration Committee)
Sarah Brook (Resigned June 2009)
Sanjay Bhasin (Elected 27 June 2009)
Seána Talbot (Elected 27 June 2009)
Suzanne Grocott (Resigned June 2009)
Suzy Broekhuizen
Tarun Chotai (Hon. Treasurer, Chair Audit & Risk Committee - co-opted 17 March 2009 and elected 27 June 2009)
Tina Winders (Deputy Treasurer, Vice Chair Audit & Risk Committee – co-opted 17 March 2009 and elected 27 June 2009)

Senior executives:

Anne Fox, Head Campaigns and Public Policy
Belinda Phipps, Chief Executive
Mark Atkinson, Voluntary Income Director
Joy Dyson, HR Director (Resigned 30 September 2009)
Kate Williams, Parent Services Director
Mary Newburn, Head of Research & Information
Paul Hutchinson, Director of Finance & IT
Ruth Howard, Branch Support & Enquiries Manager
Sally Horrox, Marketing & Communications Director
Vacancy, Education Manager

Auditors

Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 7AD

Bankers:

Lloyds TSB Bank plc
39 Threadneedle Street
London EC2R 8AU

Solicitors

Russell-Cooke
2 Putney Hill
London SW15 6AB

Bates Wells & Braithwaite
2-6 Cannon Street
London
EC4M 6YH

Subsidiary Companies:

NCT Trading Limited
NCT (Maternity Sales) Limited (dormant)
NCT (Publishing) Limited (dormant)

Thank you

NCT would like to thank all our supporters, especially those listed below, for their support during the year...

Major Corporate Sponsors

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DHL
Ford Motor Co
Kenco Coffee
Land Rover Jaguar
Medela
Pampers
Persil Non-Bio & Comfort Pure
Russell Jones & Walker
Vitabiotics

Grants funders

Department of Health - £5,000 for Breastfeeding Peer Support
Scottish Executive - £6,000 for outreach worker training in Scotland
John Ellerman Foundation - £20,000 for Shared Experiences Register
Austin, Hope & Pilkington Trust - £1,000 for Shared Experiences Register
Big Lottery Fund - £16,000 for Premature Baby project
Parenting Fund - £19,000 for North West Development with Sowing Seeds
Dept of Health - £38,000 for Improving Choice and Access Project (West Midlands)
Big Lottery Fund - £10,000 for Investing in Ideas Scotland

Grants to Local Branches

Awards for All – £162,700 19x ANT (1yr), 6x PNL (1yr), 8x BFC (1yr), 1x BF drop in, 6x bumps & babies groups, 8x leaflet printing, 28x conference places, 2x peer support projects, 1 branch library, 1 laptop, 3x Newsletter printing, 1x disadvantaged families project, 1x dad's project, 1x branch split, 1x yoga training, 1x regional day, 1x branch PR & advertising

Grassroots Grants - £11,068 4x BFCs (1yr), 1x ANT expenses, 1x ANT (2yrs), 1x leaflet translation

Sheffield PCT - £10,000 x2 BFCs (2yrs)

Wolgarston/Codsall Community and Learning Partnership - £8,500 2x BFCs (3yrs)

Association of Jersey Charities - £7,600 1x BFC (3yrs)

Waltham Forest PCT - £7,068 x1 BFC tutorial group

Roddons Housing Association - £6,110 1x ANT (3yrs)

Richard Lawes Foundation - £6,000 towards 5x ANTs (1yr)



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Oldham Terrace
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