



Annual Report & Accounts

The National Childbirth Trust
Year to 31 March 2015

Company Registration: 2370573
(England and Wales)

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President's report

I want to say thank you to all our extraordinary volunteers and practitioners who put so much time and energy into helping parents. You are the backbone of NCT and we would not exist without you. Whether running Bumps & Babies groups, producing branch newsletters and other outreach and fundraising activity, you are essential to our success. We also now have nearly twice as many people volunteering for their region as last year, offering greater support to branches and to parents all over the UK. Fantastic!

Our 317 branches worked incredibly hard during the year to support parents locally through a number of great initiatives. Our 650 Nearly New Sales helped thousands of parents save money.

We also saw 118 branches running Baby First Aid courses, training thousands of parents in vital knowledge and skills. I was pleased to see so many branches holding a Cheeky Monkey Tea Party, raising money through fun and games.

The 'Little Bundles' project continued to go from strength to strength with branches helping more than 1,000 parents in need with essential support packages.

We formally recognised some of our volunteers, students and practitioners and through our awards, but to each and every one of you, thank you.

I am sad to say that after five wonderful years my term as NCT President is coming to an end. I plan to have a holiday, my first since 2009, and then to work out what comes next.

A handwritten signature in black ink that reads "Sue Saxey". The signature is written in a cursive, flowing style.

Sue Saxey
President – June 2015

Chair's report

I am delighted to report that NCT has continued to grow and expand its reach to an even more diverse range of parents across the UK in what has been an extraordinary year for NCT.

NCT's reach and influence continued to grow this year, we had over 6 million visits to our website and over 50,000 parents attended our antenatal courses. We made a huge impact on high profile NICE guideline consultations, which will go on to have an impact on every parent-to-be in the future.

I continue to be amazed by NCT's ability to influence at the highest levels. This year we were represented on international committees including UNICEF and the European Commission. In March, just before the general election, we held an event at Parliament to bring parents and their MPs together to talk about the high cost of childcare. The fact that there were so many MPs in the room is demonstration of the high regard in which NCT is held.

In October 2014 we regrettably lost our long standing Chief Executive, Belinda Phipps. It was my pleasure to work with Belinda for almost two years and I would like to join the organisation in thanking Belinda for her incredible work for NCT over the last 15 years. It was her unique drive, determination and boundless energy that transformed NCT from a small loss-making charity to the financially strong and influential organisation that it is today.

Susie Parsons joined as Interim Chief Executive in December 2014, in a very short space of time made a big impact, and with her drive and professionalism developed a robust operational plan with the Executive Team to help keep us on course while we recruited a new Chief Executive. Sadly, Susie died following a stroke in June 2015, and our thoughts continue to be with her loved ones.

I was appointed as Chair in 2013, for a fixed term of 2 years. This will expire in July and the Trustees have invited me to stay on until the AGM in September. Whilst I would love to stay on for another term, my personal circumstances have changed so that this is not possible. However, I will be here to welcome our new CEO, Nick Wilkie, in July and oversee his induction. This is an exciting time for the charity and I am confident that Nick will provide excellent leadership as we move towards our goal of making NCT services accessible to parents, meeting their needs and influencing on their behalf.

I have enjoyed my time on the Board. One of my overwhelming memories will be standing on the platform at our annual conference, Babble Live! and feeling goose-bumps on my arms. I was overwhelmed by the passion you all demonstrate for the charity, and more importantly for new parents at such an important stage of their lives. Whatever role you undertake – as a volunteer, practitioner or member of staff – you are all really special and NCT is so fortunate to have such a brilliant team.



Beryl Hobson
Chair – June 2015

The Trustees

Sue Saxey, President

Sue is currently a Practice Nurse, having worked in nursing over the last 37 years.

Beryl Hobson, Chair

Beryl's early career was as a Marketing Director in the insurance industry. Since then she has chaired a Primary Care Trust in the NHS, been the interim CEO of a medical charity, worked as Head of the Large Charities Division at the Charity Commission, and now runs a business providing governance advice and support to not-for-profit organisations. She is also a trustee of Womankind Worldwide.

Amber Foster, Vice Chair

Amber is a senior solicitor with over 12 years' experience in commercial law. For most of her career, Amber has worked in-house at large companies.

Nina El-Imad, Hon. Treasurer

Nina is a Chartered Accountant who has worked in a number of finance related positions for the last 15 years. She is currently a Director of a recruitment business in the private sector and serves on the Finance and Audit Committee for another charity.

Lisa Coffee, Hon. Secretary

Lisa has over 10 years experience as a management consultant, advising CEOs and the executive suite on business planning and change management issues.

Andre Clark

Andre's background is Economics, which he teaches at his local university. He is chair of Beacons Creative Wales Ltd, an award winning social enterprise.

Marsha Daniel

Marsha has held a number of positions across the Financial Services including business development, client management and programme management roles. She is an active volunteer, with her voluntary work including being media reporter for the 2002 Commonwealth Games. Additionally she has founded a Women's Network.

Stephanie Darroch

Stephanie is a qualified accountant with the Chartered Institute of Public Finance and Accountancy (CIPFA) and has over 10 years relevant professional finance experience across both the public and private sector. She has worked most recently as a senior consultant with PwC advising struggling NHS trusts on their financial turnaround plans.

Greg Hall

Greg is a Chartered Accountant and partner in an international firm of business advisors.

Bryan Macpherson

Bryan is the assistant to the Member of the Scottish Parliament for the Western Isles. A member of our Nominations & Governance committee since 2009, and formerly NCT's Honorary Secretary.

Maral Mesrobian

Maral is a fully qualified chartered certified accountant (Fellowship of ACCA) with over 15 years of experience in multi-national companies in the field of Finance, Internal Controls, Reporting, Analysis and Governance Risk and Assurance. She works in a Multi-national oil services company in the Finance area.

Felicity Oswald-Nicholls

Felicity is currently a Senior Civil Servant at the Cabinet Office. Her previous roles have included setting strategy, leading organisational change, project management and performance management.

Margaret Reid

Margaret is a retired professor of Women's Health at Glasgow University, a sociologist by training. Her research career was focused upon the maternity services, and she has spent some 35 years researching ways of improving women's experiences of childbirth. Margaret Chairs NCT's Impact Committee.

Lois Swift

Lois is a retired NHS professional and has had over 30 years' experience in many different roles in the NHS, both at director/management level and practising as a nurse, midwife and health visitor.

Seana Talbot

Seána has previously worked in the health service as a Speech & Language Therapist, a manager, a commissioner and a planner. Seána manages a Sure Start project in Belfast and chairs her local Maternity Services Liaison Committee (MSLC). She also serves as a non-executive director of the Patient Client Council in Northern Ireland. Until June 2015 Seana was NCT's Vice Chair.

Trustees' report

Strategic Report

Our Approach, Mission and Vision

Our vision

NCT's vision is a world where parents are valued and supported to build a strong society, believing that a child's early years significantly impact upon the future they help to shape.

Our goal

Making NCT services accessible to parents, meeting their needs and influencing on behalf of all parents.

Our mission

NCT is an advocate, guide and friend for parents through their First 1,000 Days.

Our charitable purpose

- We offer information and support in pregnancy, childbirth and early parenthood
- We aim to give every parent the chance to make informed choices
- We want to make sure that everyone in the UK, regardless of background or location, has access to our services and activities
- We advocate on behalf of parents to make the UK more parent friendly by improving services and support for parents

For nearly 60 years, NCT has provided essential information and support to new parents and advocated on their behalf to make the UK more parent friendly.

Our role is to help parents through this exciting time. We support them through pregnancy and right up to their child's second birthday, a period we call the First 1,000 Days.

We want to create confident and capable parents. We do this by offering high quality information, services and support, and by helping build a society where parenthood is recognised as important and services are parent centred. As well as our antenatal and postnatal classes, NCT provides a national network of baby feeding support, including skilled breastfeeding counsellors, Baby Café drop-ins and breastfeeding peer support. NCT also runs free and low-cost events for parents across the UK. These include 'Bumps and Babies' and Nearly New Sales.

Our volunteers are the backbone of NCT. Our nationwide network of local branches allows all parents and parents-to-be access to local support networks through our dedicated volunteers. Our branches enable us to reach parents in their local communities giving them the opportunity to attend community social activities and build a network of social support.

The year in review

NCT in numbers

In 2014/15:

- Over 650 Nearly New Sales raised over £940,000
- Over 5,000 people volunteered in 317 branches, support by a further 5,000 informal volunteers
- A new membership record of over 116,000
- 6.2 million visits to our website
- 51,089 attended NCT courses
- Distributed 260,000 physical copies of NCT Matters and 226,000 copies of E-Matters
- 1,736 practitioners running our courses
- 572 students training to become practitioners

Executive

In October 2014, Chief Executive Belinda Phipps departed NCT after 15 years. She has been succeeded by Nick Wilkie who joined us July 2015. Susie Parsons joined NCT in December 2014 as Interim Chief Executive to lead the charity through the change and work with the board for the recruitment of the new Chief Executive.

This year saw the introduction of the Four Nations Working Group, which reports through the Impact Committee. Its purpose is to analyse, and develop recommendations to improve NCT's geographic reach throughout the UK. The group is established initially for one year. The group will identify existing barriers to NCT's reach and growth in Wales, Ireland, Scotland and the North of England and identify opportunities to strengthen NCT's presence and effectiveness in each nation.

Estates Strategy

During the year NCT implemented the first phase of its estates strategy; obtaining a larger and higher quality base in Bristol to replace the leased accommodation inherited from the merger with MIDIRS. The lease for Elmdale Road was surrendered and Brunel House, a landmark Victorian building overlooking Clifton Down, was purchased and carefully refurbished for occupation in June 2015. Brunel House will provide NCT with offices and a new location for NCT Parent and College Courses as well as a providing office and conference accommodation for local business and community groups.

NCT has conducted a review of its services with a view to strengthening financial viability and improving the appeal of its products and services to attract a larger number of parents and midwives. In order to improve the efficiency of our library and information services we are consolidating the MIDIRS and NCT libraries into new premises in Bristol.

The purchase of Brunel House has allowed the Board to proceed with Alexandra House, London. A sale, for completion in December 2015, has been agreed and a search for a new central London base has commenced.

NCT College

This year 245 NCT students have studied parenting education courses at the University of Worcester from Level 4 through to Level 6, training for roles in the nine-specialism areas and for roles as NCT tutors and assessors. Two PhD studentships have also been agreed in areas of research, which will contribute to NCT strategy. In the same period, 1,188 NCT practitioners have provided services for parents in nine specialism areas ranging from NCT Signature and NCT Essentials antenatal courses through to postnatal Early Days courses and Mother and Baby Yoga.

Support for New Parents

During the year, NCT won contracts worth over £200,000 to deliver breastfeeding peer support in key wards where breastfeeding rates were lowest in Haringey, Leicester and Bradford. These contracts complement those already running in other areas including Glasgow, Peterborough, Hounslow, Lewisham and Southampton. They are designed to reduce health inequalities in areas where they are greatest.

Through our Commissioned Services team, NCT trained and supported over 350 Breastfeeding Peer Supporters across the country providing local help for mothers to breastfeed in hospitals, Children's Centres and Baby Cafes.

NCT also delivered antenatal classes on behalf of the NHS in Hampshire, Chester and Walsall, providing support to over 2,500 parents that was free at the point of access.

Parents have also been supported by over 1,500 NCT peer supporters providing either breastfeeding or perinatal support, often as part of out-reach projects in less advantaged communities as in Queen's Park, London. Baby massage training and courses were introduced to extend the First 1,000 Days offer.

CASE STUDY: Birth and Beyond Community Supporter (BBCS)

Building on the success of the Department of Health funded pilot project, the BBCS programme is being developed in two new areas:

Garfield Weston

A £50,000 grant from the Garfield Weston Foundation has been received to fund a project to work with communities in the North East of England who have not traditionally accessed NCT services. A group of eight students will undertake the Birth and Beyond Community Supporters (BBCS) 8-week programme. This will enable them to work as peer supporters in local communities. The students can progress to the University of Worcester courses in September which will enable NCT to offer antenatal and breastfeeding support in these communities as well.

Queen's Park

We have just completed the 8-week Birth and Beyond Community Supporter (BBCS) training for 16 maternity champions in Queen's Park, one of London's most deprived communities. This provides trained peer support to be offered to parents in the community, as well as an opportunity for those in the community taking part in the training to gain externally accredited qualifications.

The training has proved so successful that the community team would like to explore offering NCT Essentials courses in the community, undertaking Breastfeeding Peer Support training for some of their maternity champions, and offering doula training to some of the peer supporters.

Support for Young Parents

Young women (aged 15-17) who become pregnant are at increased risk of not achieving qualifications beyond their teenage years, not finding employment, and/or having difficulty with parenting skills. In addition, babies of teenage mothers are 3.4 times more likely to suffer unexplained infant death; teenage mothers have 50% lower rates of breastfeeding and are three times more likely than older mothers to develop postnatal depression.

CASE STUDY: Working with Young Parents

A grant from Hampshire County Council enabled NCT Practitioners to develop an innovative antenatal course for Young Parents

In collaboration with local midwifery teams, family outreach workers and children's centre staff, NCT antenatal teachers and breastfeeding counsellors have been facilitating a four-week antenatal course designed to improve outcomes by empowering and equipping young parents for their transition to parenthood.

The local Young Parent midwife says:

'These sessions are crucial in providing in depth information to young parents ensuring that they are prepared for the journey ahead. The young parents I care for have often had poor experiences of being parented themselves. These sessions enable knowledge and information to be shared in order for them to be successful with parenting... The sessions are held in local children's centres and this encourages young parents, who are often very isolated, to get out, meet other young parents and access their local children's centre'

An evaluation of the courses showed that by the end of the course 92% knew 'a lot' about practical baby care; 81% knew 'a lot' about helping breastfeeding to go well; 96% felt less isolated and better able to get help and support and all were more confident in all aspects of parenting.

Reach and influence

Collaboration in research

During 2014/15, NCT has continued to collaborate widely with a number of successful research teams, acting as co-investigator or user representative on projects within areas of strategic importance to NCT. This activity enables us to advocate for parents at every stage of the research process, making sure the research questions and design reflect the needs or concerns of expectant or new parents, supporting the sharing of new knowledge with parent and professional audiences, and maximising the likelihood of effective implementation and impact. Ultimately, this increases the drive towards better care and better health, through the conduct of high quality research with the potential to improve information, services and support for families.

In the UK, Department of Health policy recommends that service users (patients, carers and the public) should be involved in all publicly funded health and social care research, and NCT plays a central role in ensuring the voice of parents is heard. Research successes during 2014 include key publications arising from the Birthplace study, which informed the updated NICE Intrapartum Care guidelines, and from the Infant Feeding Impact Review, as well as research on deferred cord clamping in preterm babies.

NCT research has been presented at a number of national conferences, covering mental health, infant feeding and community peer support. External research funding was secured for new projects, including a novel breastfeeding peer support intervention (led by Cardiff University) and the development of an intervention package to support parents of excessively crying infants (led by De Montfort University).

CASE STUDY: Supporting PhD research

New research partnerships have enabled NCT to secure match funding for two PhD studentships.

The first studentship is a collaboration with Professor Susan Ayers at City University, and will focus on support and services for women who experience birth trauma. This forms part of a bigger programme of work with the Centre for Maternal and Child Health at City University within the theme of perinatal mental health.

The second is a collaboration with Dr Wendy Messenger at the University of Worcester, extending our joint programme of higher education from the undergraduate to postgraduate level. This project will explore self-determined learning amongst 'new-traditional' learners within adult education.

These studentships are an exciting new venture, re-enforcing NCT's strategic objectives within education and research, with projects offering the potential to influence support and services for parents.

Media highlights

NCT continued to receive widespread media coverage throughout the year both proactively and reactively.

Our First 1,000 Days longitudinal research into new parents' experiences of returning to work, which is discussed below, generated several high-profile media stories. There was front-page coverage by the Evening Standard of our report on London parents not finding it financially worthwhile going back to work. Our research into women returning to work was covered by The Independent and included a supportive quote from the shadow minister for Women and Equalities. This story was also covered by several other national newspapers including The Times, Telegraph, Mail and Mirror.

In July, our research into provision of care for perinatal mental health across England was covered in several national and trade publications and on the BBC website. Our report in October into the inadequacy of many six-week postnatal check-ups appeared in a number of national and regional newspapers, in print as well as online, and broadcast channels including the BBC TV News.

We reacted to several updated NICE guidelines throughout the year. In May, our response to new draft guidance on choice of place of birth was broadcast on BBC Radio 2 and most BBC regional radio stations. In September, NCT's reaction to new bed-sharing guidance was run in several broadcast channels and publications.

In December, our agreement with updated NICE guidelines on home birth was included in several national newspapers and over 100 regional newspapers and websites. Also in December, our response to guidelines on perinatal mental health was covered by national and regional print and online channels and a letter to the Editor from our interim CEO Susie Parsons was printed in The Guardian.

In January, NCT made the front page of The Times in a report about the presence of male partners during childbirth.

Stakeholder reactions and advocacy

The NCT policy and research teams continued its influencing work with UK and national governments, civil service and other key stakeholders, including WHO, EHRC, Netmums, Maternal Mental Health Alliance, European Commission, UNICEF among many others throughout the year.

NCT joined a UK working group determining public health messages for reducing stillbirth. This was a project co-ordinated by Department of Health and Sands (Stillbirth and Neonatal Death Society); and was represented at a stillbirth research day conference to carry out a priority-setting exercise. The messages are now on NHS Choices website and being disseminated widely elsewhere, including an article in Perspective. In addition, NCT responded to a Welsh Assembly Government call for evidence around measures to reduce stillbirth.

NCT was represented on the stakeholder group for MBRRACE-UK (Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries across the UK), appointed by the Healthcare Quality Improvement Partnership (HQIP) to undertake the Maternal, Newborn and Infant Clinical Outcome Review Programme (MNI-CORP). Reports during 2014/15 included the confidential enquiry into maternal mortality and morbidity, 'Saving Lives, Improving Mothers' Care', and the UK Perinatal Mortality Surveillance report. NCT joined the lay writing group, responsible for developing and communicating key messages for a wide range of audiences.

NCT was invited to join a high-level meeting led by Ian Dodge, National Director NHS England, to discuss choice in maternity services. This was a successful meeting that contributed to the setting up of the subsequent National Maternity Review and the two projects will be combined: from March 2015, NCT has had a role on the review team and in chairing the 'choice' work stream of the review.

In Scotland NCT was represented on the Maternal and Child Health Advisory group of the Scottish Improvement Science Collaborating Centre (SISCC), chaired by Professor Mary Renfrew. The inaugural spring meeting was an excellent opportunity to not only learn about the work of the SISCC, and contribute views and updates of work from NCT, but to meet and network with representatives of various other organisations working in this sector in Scotland.

In Northern Ireland, NCT is part of implementation groups for the Maternity Strategy, Breastfeeding Strategy and Guidelines & Audit Implementation Network (GAIN) guidelines for Midwife Led Units.

Working with MPs and Parliament:

During the year, NCT used the relationships we previously had with politicians, ministers and wider political influencers to raise awareness of our priority issues and press for changes in these areas. The focus of the past twelve months has been influencing the political parties' manifestos to ensure that the new Government delivers policies that benefit new parents.

To raise awareness of the issues facing parents and call for better services, with the ultimate aim of improving outcomes for parents, we published research showing the levels of service provided across England based on FOI requests to clinical commissioning groups (CCGs) and NHS Trusts. This showed that only 3% of CCGs have a perinatal mental health strategy, a statistic that has been quoted numerous times by Government ministers.

NCT met with the maternity lead at the Department of Health to discuss the deficiencies in the 6-week postnatal check, including identification of postnatal depression. Consequently, NCT was invited to attend a high-level ministerial roundtable led by Health Minister Dr Dan Poulter to identify steps needed to improve support available to women. As a result of our lobbying, the Chancellor announced an additional £75 million of funding for maternal mental health services in the March Budget.

CASE STUDY: The 2015 General election manifesto

'Priorities for Parents'

NCT's manifesto, which was distributed to all MPs and parliamentary candidates, called for action in four priority areas: more midwives, better maternal mental health services, increased maternity and paternity pay and more help with childcare costs as soon as parents choose to return to work.

We were pleased to see each of the main parties include one of our calls in their election manifestos. The Conservatives committed to improving maternal mental health services, the Liberal Democrats stated their ambition to make 15 hours of free childcare from the end of parental leave and Labour pledged funding for 3,000 new midwives.

Building on the work we did last year to shape and promote Shared Parental Leave, NCT hosted a successful parent event at our head office where Employment Relations Minister Jo Swinson met with parents and answered questions about the new entitlement.

In December we published the 'Working it out: new parents' experiences of returning to work', highlighting the findings from our First 1,000 Days longitudinal study, which was publically endorsed by a range of stakeholders and formed the evidence base for our policy calls. We then further demonstrated the strength of feeling amongst parents about the need for more support with childcare costs by organising an event in Parliament. This enabled NCT members meet with their MP and share their views. This was attended by 40 parents, 3 ministers, 1 shadow minister and 18 MPs.

In the past year, NCT also hosted the APPG (All-Party Parliamentary Groups) on Maternity awards attended by Health Minister Dr Dan Poulter MP, who presented the awards, and twelve parliamentarians with an interest in maternity and related issues, including Shadow Public Health Minister Luciana Berger MP.

An NCT policy advisor was invited to give oral evidence to the Public Administration Select Committee on midwifery supervision and regulation. At political party conferences, representatives of NCT spoke at a panel event on childcare, met with Labour backbencher Sharon Hodgson MP about increasing statutory maternity pay and spoke with Conservative Childcare Minister Sam Gyimah MP who has a six-month-old baby.

Public benefit statement

Through our Impact Committee, which monitors the work of the charity, we review the difference that NCT makes to society. A summary of this work has been summarised above in this 'Trustees Report'. We believe that we have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance, as published by the Charity Commission, because our charitable services provide a value to the public in general and new parents in particular.

Fundraising

The fundraising function at NCT has faced a number of challenges over the course of the last year, including the end of the largest sponsorship deal in NCT's history and falling revenue from branch fundraising. Considerable work has been done to address the demands of a challenging environment and ensure the fundraising function at NCT is primed to succeed. The fundraising team has been restructured during the course of the year, with the commercial and community teams brought together so that there is maximum synergy.

Branch fundraising has been busy optimising the performance of branches on grant fundraising, with an increase in the numbers of branches successfully applying for grants year on year. Another area of focus has been Baby First Aid, with NCT's partnership with British Red Cross paying dividends. Work has been done with branches to identify why revenue from Nearly New Sales has been falling, with competition and insufficient volunteer numbers being identified as two key drivers. A team of volunteer Regional Fundraising Supporters has been recruited to work in tandem with Community Fundraising in encouraging and facilitating the successful fundraising work of branches.

The commercial fundraising team has had success with implementing its search for fewer, larger more strategic partners, having secured new sponsors for Antenatal Courses and NCT's Babychange App. The relationship with Pampers, NCT's partner on 'Love Sleep & Play' goes from strength to strength, with Pampers donating 100,000 nappies to local branch initiative 'Little Bundles' to mark the arrival of Princess Charlotte. An extensive evaluation of NCT's ethical policy for working with commercial organisations was also undertaken, with a re-written policy due by autumn 2015.

Financial review

In the year to 31 March 2015, the charity's financial performance was strong this year with an increase in net funds of £2.9m. Additionally, before unrecognised gains and losses, the charity had a small surplus of £86k. (2014: £511k). Turnover increased because of the merger with MIDIRS increasing income from professional publications, principally journals and information search services. The growth in NCT's courses for parents continued and now accounts for over 50% of turnover. NCT College also increased its income in line with the growth in the professional programmes delivered in partnership with the University of Worcester. As discussed above the income from fundraising and local newsletters is under pressure and declined over the year.

Expenditure increased with the two most significant factors being additional resources expended on marketing and communications and those relating to the incorporation of the costs of the MIDIRS Charity.

The Group accounts include NCT Charity, NCT Trading Limited and, from 1 July 2013 to 31 March 2014, the MIDIRS Charity. From 1 April 2014, all the activities of the MIDIRS charity had been incorporated into NCT and MIDIRS charity became dormant, prior to being struck of the register at Companies House and deregistered as a charity.

NCT Trading did less well in a challenging economic environment and made a loss as of £0.1m. This resulted from growth in retail sales being insufficient to make up for the non-renewal of key commercial fundraising contracts and, although progress was made towards replacement contracts, their timing resulted in them not impacting in this financial year.

NCT ends the year in a strong financial position with net assets increasing from £4.6m to £7.5m. This provides a strong basis as the charity moves to strengthen its charitable purpose under the leadership of a new Chair and CEO.

Investment Policy

NCT adopted a revised investment policy in December 2014. Under this policy NCT considers that it holds a mixed motive investment in NCT Trading. This is because the investment has two aims:- Firstly to provide funding which will generate a financial return for NCT and secondly to contribute to NCT's charitable purpose by promoting goods and services that are beneficial and dilemma solving to prospective and new parents. This will assist the charity in achieving its strategic objective of providing new parent support.

The investment in NCT Trading has been made through holding 100% of its issued share capital at a cost of £100, together with the provision of a long-term loan facility of £0.5m, supplemented by a further £0.3m medium term loan. The long-term loan has been provided on more favourable terms than would otherwise be available to NCT Trading on the open market place and with the expectation that it will be repaid in full over time. There is also an expectation of regular gift-aid receipts being received by NCT from NCT Trading, which should operate as a sound and viable business, charged with making a profit. Because of an incident that took place in April 2015, and in the light of this NCT Trading's decision to

reduce its range of bedside cots until further inquiries are completed, there has been a negative impact on turnover in 2015/16. The Charity is monitoring the situation but is satisfied that its long-term investment in NCT trading remains sound and that it will continue to provide its financing facility to NCT Trading in accordance with currently negotiated terms.

Reserves policy

NCT's current reserves policy was adopted in February 2013. This policy seeks to reflect the true level of appropriate reserves for a charity of NCT's size, mix of incoming resources, and asset base. The policy provides a dynamic framework for determining reserves by taking each area of activity and determines an appropriate reserve level to combine with an assessment of working capital requirements. Using this policy, the minimum and upper reserve levels at 31 March 2015 were £5.1m (2014: £4.7m) and £8.0m (2014: £7.5m) respectively. These compare to actual free reserves of £5.6m (2014: £3.8m), a surplus of £0.6m (2014: shortfall £0.9m) against the minimum level and a shortfall of £0.9m (2014: 2.3m) against the mid-point between the lower and upper levels.

Trustees are pleased that the charity ends the year having met the minimum level defined by its reserves policy. They are committed, as a minimum, to maintaining reserves at the lower level and for aiming towards the mid point between the upper and lower levels. In this context, the Board approved the purchase of Brunel House and continued support for NCT Trading.

A Fixed Assets Fund equivalent to the net book value of the tangible fixed assets used in the day-to-day operations of NCT has been maintained. These funds are not available for working capital. Alexandra House, and related assets, have been excluded from the fund, due to the agreed sale releasing funds for the general operation of the charity and the intention to rent a smaller office for staff remaining in London. Other than the purchase of Brunel House, there have been no major acquisitions or disposals of fixed assets during the period.

Financial position

The Group balance sheet at 31 March 2015 shows total funds of £7.5m (2014: £4.6m) of which £0.2m (2014: £0.1m) is restricted and £1.6m (2014: £0.7m) are designated as the fixed assets fund. Restricted funds, analysed in Note 15, comprise donations and grants subject to donor-imposed conditions. The balance of the group general funds, representing the 'free reserves', of the group at 31 March 2015 was £5.6m (2014: £3.8m).

Risk Management

Trustees acknowledge their responsibility for ensuring effective risk management systems and procedures at NCT. During the year, the risk management policy, adopted in 2013, continued in use.

The Audit and Risk Committee has delegated authority from the Board to review risk management systems and procedures and to advise the Board as to the principal risks faced by the NCT Group. The committee regularly reviews the risk register and works with management to ensure it is up to date. NCT recognises the level of inherent risk incurred in achieving its charitable activities. Through the risk management policy, NCT aims to recognise the level of gross risk in our current and proposed activities and seeks to reduce this to an acceptable level of net risk.

The trustees have considered the major risks to which the Charity is exposed. The most significant risks are detailed in the table below together with the risk mitigation strategy:

Risk	Mitigation
Developments and opportunities in the new parent sector move faster than NCTs ability to take advantage of them	Horizon and competitor scanning and market research needed and new service and product development.

Risk	Mitigation
The significant reliance placed on the income from antenatal courses sold directly to parents.	Seeking to broaden NCT's income through new products.
The Charity's ability to grow commissioned services as anticipated.	Bid in partnership with other organisations to succeed in tenders requiring multi-service provision.
Competition and lack of volunteer resource reducing the effectiveness of NCTs Branch network.	Employing a team of regional volunteer facilitators specifically to support Branch volunteers in making their Branches more effective.
The ability of the NCT Trading subsidiary to continue to successfully maintain its position and grow, within a competitive market.	Paying close attention to the financial position of the subsidiary and limiting the financial support, and therefore the risk, to the Charity.

While these risks cannot be eliminated, trustees are satisfied that these risks are being managed through a strategy agreed by the Board.

Future plans

NCT has a new Operational Plan for 2015/16, which sets the following strategic objectives for 2015/16:

1. To provide services and products which support and empower parents to give their children the best possible start in life during their First 1,000 Days, including innovative services which are appropriate in a digital age and to make sound, evidence-based information available which will enhance parenting choices. Specifically we aim to introduce IT improvements to enable provision of new digital products and services.
2. To provide excellent education programmes, which develop practitioners and ensure quality and to work in collaboration with and influence health care professionals in the best interests of parents. Specifically we will:
 - I. Support NCT College and Parent Services Operations to implement the Strategic Workforce Planning and Recruitment Strategy 2015/2019.
 - II. Improve communication with NCT practitioners.
 - III. Strengthen collaboration with the Royal College of Midwives and other key partner organisations.
3. To increase public awareness of NCT's charitable purposes and work; and to campaign for improvements for parents throughout their First 1,000 Days, working across the four nations of the UK and in collaboration with like-minded organisations in the Republic of Ireland and elsewhere.
 - I. Encourage implementation of 2014 NICE Guidelines on Intrapartum Care.
 - II. Support the Four Nations Working Group to consider how best to influence national governments.
 - III. Work with the Royal College of Midwives to ensure reform of NICE Guideline on Continuity of Care.
 - IV. Campaign for improvements to antenatal and postnatal mental health services.
4. To create an organisation which recognises members, practitioners, volunteers and local branches as important to everything that NCT does, and values and develops its staff,

practitioners and volunteers. Additionally NCT needs to be organisationally fit for purpose; and have robust and effective systems and procedures in place. To achieve this we plan to:

- I. Improve NCT reach across the four countries of the UK.
- II. Review our governance structure, specifically the balance between member elected and Board appointed Trustees.
- III. Implement improvements arising from the Branch Review.
- IV. Implement a Volunteering Strategy.
- V. Complete our office moves in both London and Bristol.
- VI. Introduce a new pay and benefits policy.

Other Information

Structure and Governance

NCT (The National Childbirth Trust) is a registered charity. It is a company limited by guarantee governed by its Articles of Association as adopted on 4 November 2014.

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, or who served during the period are given below:

Sue Saxey (President)	-
Beryl Hobson (Chair)	-
Amber Foster (Vice Chair)	-
Lisa Coffee (Hon. Secretary)	-
Nina El-Imad (Hon. Treasurer)	-
David Adams	Resigned 17 June 2014
Andre Clark	-
Marsha Taylor-Daniel	Elected 4 November 2014
Stephanie Darroch	-
Greg Hall	-
Rob Hayter	Resigned 4 November 2014
Bryan Macpherson	Appointed 12 December 2014
Maral Mesrobian	-
Felicity Oswald-Nicholls	Elected 4 November 2014
Lois Swift	Elected 4 November 2014
Ian Potts	Resigned 4 November 2014
Margaret Reid	-
Kathryn Scanlan	Resigned 4 November 2014
Seana Talbot	-

The Charity is a membership charity. Members are organised locally into 317 branches covering every postcode in the UK. Many volunteer to carry out the work of the Charity at local level. Many members also train as NCT Practitioners.

Recruitment and appointment of Trustees

The Board of Trustees may have up to fifteen member elected trustees, including the Charity's President, and four appointed trustees, who are elected by the Board. Any member may stand for election as a trustee provided they gain the nomination of two other members, are not disbarred from being a trustee and support the aims and objectives of the Charity. Member elected trustees are elected to coincide with the Annual General Meeting whilst appointed trustees may be elected during the course of the year. Any member-elected trustee vacancies arising during the year may also be filled by the Board. Trustees are elected for a term of three years (five years for the President). They may serve for a maximum of two successive terms.

The Nomination and Governance Committee of the Board has the responsibility for maintaining and enhancing the quality of NCT's trustees. To this end it keeps 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. Roles are advertised on the charity's website where a downloadable information pack and application form are available. Opportunities are offered for those expressing an interest to discuss, with current trustees, the role and how they could contribute.

Each year the Board, upon the advice of the Nominations and Governance Committee, may determine that a particular skill or experience is required and that consequently a position should be reserved for a trustee meeting these requirements.

The Board, usually upon the recommendation of the Nominations and Governance Committee, may appoint trustees during the year to fill vacancies amongst elected trustees. Any trustee so appointed during the year must stand for election by the membership at the following Annual General Meeting, stand down or become an appointed trustee.

Induction and training of Trustees

Induction for new trustees consists of:

- A structured new trustees induction day led by the Hon. Secretary
- An annual Board Training Day where trustees and senior staff determine strategy and reach a common understanding of issues facing the charity
- Comprehensive written briefing about trustees' responsibilities, the work of the Board and the Charity's strategy, policies, and governance
- 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. The Board of Trustees sets the strategy, policy and financial framework for the Charity and has the responsibility for its overall direction and control. Additionally the Board has responsibility for ensuring the Charity complies with the law and the safeguarding of the Charity's assets.

Authority for the day-to-day management of the Charity within that framework is delegated to the Chief Executive, supported by the Directorate. The Directorate comprises senior staff, who support the Chief Executive in meeting his 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.

Each year the Board reviews past performance and sets 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.

Board Committees

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

- Audit and Risk - adequacy of financial control, external reporting of performance, budget and risk management
- Remuneration - remuneration policy for senior management and other key groups
- Nominations and Governance - trustee recruitment, training and appraisal, reviewing the governance framework and assessing the Board's 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 NCT's work enable internal and external stakeholders to be involved in decision-making.

Current trustee committee membership is as detailed in the table below:

Trustee / Committee	Audit and Risk	Nominations and Governance	Impact	Remuneration
Andre Clark			X	
Lisa Coffee		X		
Stephanie Darroch	X		X	X
Nina El-Imad	X			X
Amber Foster		X	X	
Greg Hall	X			
Beryl Hobson	X	X	X	X
Bryan Macpherson		X		
Maral Mesrobian	X			
Felicity Oswald-Nicholls	X		X	
Margaret Reid			X	
Sue Saxey	X	X	X	X
Lois Swift			X	
Seana Talbot		X	X	X
Marsha Taylor-Daniel		X	X	

During the year the sub-committees contributed to the work and governance of the charity as outlined below:

Audit and Risk	Reviewed, as a matter of routine, financial and audit information prior to its presentation to the Board. Advised the Board of NCT Trading. Selected an Investment Manager. Advised the Board as to estates strategy, including property acquisitions and disposals. Reviewed the 2015/16 budget and recommended it to the Board.
Impact	Received and reviewed the Operational Plan; updated the Terms of Reference of the Committee and appointed a Deputy chair; progressed towards a framework for reporting NCT's Impact; established a horizon scanning review to inform NCT future policies; oversaw the work of the 4 Nations Working Party.
Nominations and Governance	Reviewed the workings of the 2014 Trustees election, advised the Board as to revisions to NCT's governing documents. Updated various Hon. Officer role descriptions and Board policies.
Remuneration	Reviewed senior pay against the market.

Trustee Attendance

The table below shows the numbers of meeting attended during the financial year 2015 out of the maximum number of meetings that the Trustee could have attended based on their term of office either as a Trustee or as members of the particular Committee.

Name	Board	Audit and Risk	Nominations and Governance	Impact	Remuneration
Andre Clark	3/7	0/1	-	4/4	-
Lisa Coffee	7/7	-	2/2	1/2	-
Stephanie Darroch	5/7	3/4	-	-	-
Nina El-Imad	7/7	4/4	-	-	1/1
Amber Foster	5/7	-	4/4	-	-
Greg Hall	7/7	4/4	2/2	-	-
Rob Hayter	2/3	-	2/2	1/2	-
Beryl Hobson	7/7	1/4	2/4	1/4	1/1

Name	Board	Audit and Risk	Nominations and Governance	Impact	Remuneration
Bryan Macpherson	6/6	-	3/4	-	-
Maral Mesrobian	6/7	4/4	-	-	-
Felicity Oswald-Nicholls	4/4	-	-	1/2	-
Ian Potts	1/2	1/1	1/2	-	-
Margaret Reid	5/7	-	-	4/4	-
Sue Saxey	4/7	0/4	3/4	0/4	0/1
Kathryn Scanlan	0/3	-	-	2/2	-
Lois Swift	3/4	-	-	2/2	-
Seana Talbot	7/7	-	2/4	2/4	1/1
Marsha Taylor-Daniel	3/4	-	2/2	-	-

Key Relationships

NCT wholly owns one active commercial company, NCT Trading Ltd, which gift aids its profits 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
- Commercial fundraising, which manages all sponsorship and advertising

NCT works with many external organisations at national level in the UK to pursue its charitable aims and objectives. For example, NCT:

- Is an active member of the Baby Feeding Law Group, which lobbies for implementation of the International Code in the UK
- Is a member of End Child Poverty and the End Fuel Poverty Coalition
- Works with Maternity Action, Working Families, unions and the Alliance Against Pregnancy Discrimination to defend parents' rights at work
- Is represented on the Board of the National Collaborating Centre for Women and Children's Health, which develops evidence-based guidelines for the NHS
- Supports and services the All Party Parliamentary Group on Maternity
- Is a member of the National Collaborating Centre for Women and Children's Health
- Is a member of the Maternal Mental Health Alliance
- Works with the National Federation of Women's Institutes
- Works with the Royal Colleges including Royal College of Midwives and Royal College of GPs, Royal College of Paediatrics and Child Health, Royal College of Obstetricians and Gynaecologist

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

Trustee Benefits

Under the terms of its Articles 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 NCT either as employees or for goods and services supplied to the NCT. No (2014: No) member of the Board of Trustees received any remuneration in respect of their services as trustees during the period. Expenses and other payments to Trustees are detailed in Note 10.

Statement of the Board's responsibilities as Trustees

The trustees (who are also directors of the NCT 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 judgments 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 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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 trustees 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 NCT's auditor is unaware
- they 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, NCT Practitioners, members and supporters for their commitment to the vision and work of NCT.

During 2015, NCT (including NCT Trading) employed an average of 191 (2014: 195 – including MIDIRS) full time equivalent salaried staff. Employees are based at the UK Office in London, Brunel House in Bristol, or work from home. Employees of the Trading Company are based in Glasgow or are home based.

At the end of March 2015, NCT had 116,766 (2014: 104,308) members in 64,267 (2014: 57,130) households, 5,213 (2014: 5,400) registered volunteers, 1,240 (2014: 1,102) trained NCT Practitioners (antenatal teachers, breastfeeding counsellors and postnatal leaders) and 181 (2014: 240) students.

Volunteers are the heartbeat of NCT, not just running our branches and regions, but also giving their time in many other ways including helping at Nearly New Sales, delivering newsletters, running Bumps and Babies groups, hosting coffee mornings and in many other crucial roles where a few hours of time can make such a difference.

Remuneration Policy

NCT recognises that pay is part of a wider employment offer to staff, which also includes the satisfaction of working for a charity, personal development, family-friendly policies and working practices and a range of other benefits including access to the Charity's pension scheme.

NCT operates a benchmarked market rate system, using reputable and appropriate data. NCT aims to pay employees between plus/minus 10% margin of the market median salary for most roles. Employees will not normally be paid less than the lower decile or higher than the higher decile for any role. NCT will take into account the following factors when bench marketing pay and benefits including comparing against charities of similar size, employee numbers and income, work place location and competitors. Additionally, a specialist consultancy will be commissioned to independently review the market rate for the salaries of the Executive Team every three years.

Each year NCT will consider whether to uplift all employees by the cost of living. This will take into account the Consumer Price Index, Retail Price Index and the national average increase in earnings. Any decision will be based on affordability.

Equal opportunities

NCT is committed to 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 NCT's policy to meet the provisions of the Sex Discrimination Act, the Equal Pay Act, the Race Relations Act, and the Disability Discrimination Act.

Appointment of Auditors

Kingston Smith LLP have indicated their willingness to continue in office and are deemed reappointed in accordance with section 487(2) of the Companies Act 2006.

The strategic report, which forms part of the Trustees Annual Report, is approved by the Trustees in their capacity as Directors of the Company. The Trustees Report is approved by the Board of Trustees and signed on its behalf by:

A handwritten signature in black ink that reads "B. Hobson .". The signature is written in a cursive style with a large initial 'B' and a period at the end.

Beryl Hobson
Chair
25th September 2015

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

We have audited the consolidated and parent charitable company's financial statements of The National Childbirth Trust (NCT) for the year ended 31 March 2015 which comprise the Group and Parent Charitable Company Statements of Financial Activities (incorporating the Summary Income and Expenditure Account), the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 13 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the trustees' annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2015 and of the group's and the parent charitable company'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 properly prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

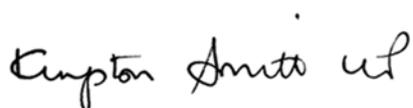
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- the parent charitable company has not kept proper and adequate accounting records, 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.



Sandra De Lord, Senior Statutory Auditor

for and on behalf of Kingston Smith LLP, Statutory Auditor

25 September 2015

Devonshire House
60 Goswell Road
London EC1M 7AD

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

**NCT Consolidated Group Statement of Financial Activities
Including Income & Expenditure Account for the Year Ended 31 March 2015**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
Incoming Resources					
Incoming resources from generated funds					
Voluntary income					
Membership		2,319	-	2,319	2,146
Donations		48	-	48	171
Grants receivable	3	-	343	343	356
		2,367	343	2,710	2,673
Activities for generating funds					
Community fundraising		1,354	-	1,354	1,825
Commercial fundraising		138	-	138	448
Trading		1,861	-	1,861	1,778
		3,353	-	3,353	4,051
Investment income					
Interest		44	-	44	38
Investments		2	-	2	-
		46	-	46	38
Incoming resources from charitable activities					
NCT Courses		9,433	-	9,433	9,068
NCT College		521	-	521	496
Professional Publications		547	-	547	421
Health Professional Contracts	4	646	-	646	669
		11,147	-	11,147	10,654
Other incoming resources					
Other income receivable		56	-	56	141
		16,969	343	17,312	17,557
Total incoming resources					
Resources Expended					
Costs of generating funds					
Costs of generating voluntary income					
Membership		516	-	516	526
Fundraising trading					
Community fundraising	5	884	-	884	833
Commercial fundraising		69	-	69	181
Retail trading		1,911	-	1,911	1,821
		2,864	-	2,864	2,835
Charitable activities					
NCT Courses	6	7,111	302	7,413	7,539
NCT College		1,902	-	1,902	1,898
Health professionals		894	-	894	933
Policy, research and information		3,539	-	3,539	3,133
		13,446	302	13,748	13,503
Governance costs					
	7	208	-	208	184
		17,034	302	17,336	17,048
Total resources expended					
Net incoming / (outgoing) resources for the year before other recognised gains and losses					
		(65)	41	(24)	509
Transfers Between Funds					
		-	-	-	-
Other recognised gains and losses					
Gain on investment assets		21	-	21	-
Gain on revaluation of fixed assets		2,767	-	2,767	-
		2,723	41	2,764	509
Net Movement in Funds					
	9	2,723	41	2,764	509
Reconciliation of funds					
Funds brought forward at 1 April 2014		4,445	141	4,586	4,077
Funds carried forward at 31 March 2015	15,16	7,168	182	7,350	4,586

NCT Consolidated Statement of Financial Activities (continued)

All of the group's activities derived from continuing operations during the above two financial periods. The group has no recognised gains or losses other than those shown above. The movement in reserves is shown above.

Note of Historical Cost Movement in Funds

Group	2015 £'000	2014 £'000
Net movement in funds	2,764	509
Difference between historical cost depreciation and the actual depreciation charge calculated on the revalued amount	(5)	(5)
Historical cost net movement in funds	2,759	504

NCT Charity Statement of Financial Activities
Including Income & Expenditure Account for the Year Ended 31 March 2015

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
Incoming Resources					
Incoming resources from generated funds					
Voluntary income					
Membership		2,317	-	2,317	2,146
Donations		48	-	48	189
Grants receivable	3	-	343	343	356
		2,365	343	2,708	2,691
Activities for generating funds					
Community fundraising		1,354	-	1,354	1,825
Commercial fundraising		-	-	-	5
Trading		365	-	365	443
		1,719	-	1,719	2,273
Investment income					
Interest		69	-	69	38
Investments		2	-	2	-
		71	-	71	38
Incoming resources from charitable activities					
NCT Courses		9,433	-	9,433	9,068
NCT College		521	-	521	496
Professional Publications		547	-	547	65
Health Professional Contracts	4	646	-	646	669
		11,147	-	11,147	10,298
Other incoming resources					
Other income receivable		95	-	95	247
Total incoming resources		15,397	343	15,740	15,547
Resources Expended					
Costs of generating funds					
Costs of generating voluntary income					
Membership		516	-	516	526
Fundraising trading					
Community fundraising	5	884	-	884	833
Retail trading		306	-	306	363
		1,190	-	1,190	1,196
Charitable activities					
NCT Courses	6	7,111	302	7,413	7,539
NCT College		1,902	-	1,902	1,898
Health professionals		894	-	894	933
Policy, research and information		3,539	-	3,539	2,796
		13,446	302	13,748	13,166
Governance costs	7	200	-	200	148
Total resources expended	8	15,352	302	15,654	15,036
Net (outgoing) / incoming resources for the year before other recognised gains and losses		45	41	86	511
Transfers between funds		-	-	-	-
Other recognised gains and losses					
Gain on investment assets		21	-	21	-
Gain on revaluation of fixed assets		2,767	-	2,767	-
Net Movement in Funds	9	2,833	41	2,874	511
Reconciliation of funds					
Funds brought forward at 1 April 2014		4,447	141	4,588	4,077
Funds carried forward at 31 March 2015	15,16	7,280	182	7,462	4,588

NCT Charity Statement of Financial Activities (continued)

All of the NCT's activities derived from continuing operations during the above two financial periods. The Charity has no recognised gains or losses other than those shown above. The movement in reserves is shown above.

Note of Historical Cost Movement in Funds

Charity	2015 £'000	2014 £'000
Net movement in funds	2,874	511
Difference between historical cost depreciation and the actual depreciation charge calculated on the revalued amount	(5)	(5)
Historical cost net movement in funds	2,869	506

NCT Balance Sheets as at 31 March 2015

	Notes	2015 Group £'000	2015 Charity £'000	2014 Group £'000	2014 Charity £'000
Fixed Assets					
Tangible Assets	12	4,839	4,817	677	653
Investments	11	1,023	1,023	-	16
		5,862	5,840	677	669
Current Assets					
Stocks		282	18	321	37
Debtors	13	1,300	1,631	1,604	2,209
Short term deposits		726	726	1,216	1,216
Cash at bank and in hand		3,366	3,265	4,932	4,490
		5,674	5,640	8,073	7,952
Creditors					
Amounts falling due within one year	14	(4,186)	(4,018)	(4,164)	(4,033)
Net current assets		1,488	1,622	3,909	3,919
Total net assets		7,350	7,462	4,586	4,588
Fund balances					
Charitable funds					
Restricted funds	15	182	182	141	141
Unrestricted funds	16				
General funds		5,558	5,670	3,792	3,794
Fixed asset fund		1,610	1,610	653	653
		7,168	7,280	4,445	4,447
Total funds	17	7,350	7,462	4,586	4,588

Approved by the Board of Trustees and signed on its behalf



Beryl Hobson
Chair
25th September 2015

Company Number: 2370573 (England & Wales)

NCT Consolidated Cash Flow Statement for the Year Ended 31 March 2015

	Notes	2015 £'000	2014 £'000
Net (outflow) / inflow from operating activities	(a)	(596)	892
Returns on investments and servicing of finance			
Interest received		44	38
Capital expenditure			
Payments to acquire tangible fixed assets		(1,504)	(154)
		(2,056)	776
Management of liquid resources			
Decrease / (increase) in short term deposits		490	(507)
Decrease / increase in cash	(b)	(1,566)	269

Notes to the cash flow statement

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

	2015 £'000	2014 £'000
Net movement in funds	2,764	509
Depreciation charge	109	140
Purchases of investments	(1,023)	-
Net loss on disposal of fixed assets	-	1
Net gain on revaluation of fixed assets	(2,767)	-
Interest receivable	(44)	(38)
Decrease / (increase) in stocks	39	(30)
Decrease / (increase) in debtors	304	(263)
Increase in creditors	22	573
Net cash (outflow) / inflow from operating activities	(596)	892

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

	2015 £'000	2014 £'000
(Decrease) / increase in cash	(1,566)	269
Cash used to (decrease) / increase liquid resources	(490)	507
Change in net funds arising from cash flows	(2,056)	776
Net funds at 1 April 2014	6,148	5,372
Net funds at 31 March 2015	4,092	6,148

(c) Analysis of changes in net funds

	2015 £'000	2014 £'000
At 1 April 2014:		
Cash at bank and in hand	4,932	4,663
Current asset investments	1,216	709
	6,148	5,372
Change in funds arising from cash flows	(2,056)	776
At 31 March 2015	4,092	6,148

Notes to the Financial Statements

1 Principal Accounting Policies

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.

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. Immaterial subsidiaries are not consolidated. The decision on consolidation is based on the degree of control that, in substance, NCT exercises over undertaking and the extent to which it operates on a unified basis with the parent undertaking.

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 fulfil 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. 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 have been included as income from charitable activities where these amount to a contract for services. NCT affiliate courses are included in full within incoming resources.

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 voluntary income* is categorised into membership and donations receivable.
 - *Membership* expenditure comprises the costs of the department that services members and perspective members and the team that provides support to members and Branches.
- *Fundraising trading* is categorised into community fundraising, commercial fundraising, and retail trading.
 - *Community fundraising*, which comprises the community fundraising support team, the costs of Branch fundraising activities, and costs, associated with the administration of Branches. Many of the fundraising events held by the branches have two objectives, to raise funds for the Charity, as well as meeting 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.
 - *Commercial fundraising* are the costs of obtaining and managing the sponsorship of activities and events and undertakes other business activity on behalf of NCT by NCT Trading Limited.
 - *Retail trading* comprises the costs of the predominately on-line trading facility, operated by NCT Trading Limited, selling maternity and early years products to individual and corporate customers.
- *Charitable activities*, which comprises expenditure on the Charity's primary purposes and are categorised as NCT Courses, NCT College, Health Professionals, and Policy, Research and Information.
 - *NCT Courses* comprise the costs of providing courses, for parents and perspective parents where the participant generally books the course.
 - *NCT College* comprises the costs of providing training and support for NCT Practitioners who deliver NCT courses.
 - *Health Professionals* comprises the costs of delivering services procured by under a contract for services or a grant.
 - *Policy, research and information* comprises the cost of the research team, the library, communications, marketing and providing specialist helplines and journals.
 - *Governance* costs comprise costs of the Charity, which relate to the audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Notes to the Financial Statements (continued)

e) Basis of apportioning support costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of NCT it is necessary to provide support in the form of human resources, financial operations and management, information technology, general management and administration and office services. These costs are apportioned to the other activities within the Charity based on the average number of full-time equivalent employees utilised by the activity.

f) 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.

g) Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised. Freehold property used for the work of the Charity has been revalued in these accounts to market value as the property has been committed to a sale since the year-end.

The remaining property acquired during the year is leasehold and as a separate class of asset is reflected at cost with depreciation calculated over the life of the lease.

Tangible fixed assets are capitalised and depreciated at the following rates per annum, based on cost, in order to write them off over their estimated useful lives:

Category	Asset Group	Rate per annum
	Leasehold	Lease length, minimum 2%
Building Services	Building Services including boilers and mechanical equipment	20%
Equipment	End user computer equipment and software	33%
	Computer and telecoms network infrastructure and software	20%
	Furniture	20%
	Warehouse equipment	20%
	Other equipment	33%
Website	Third party website development costs	33%

h) 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.

i) Stocks

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

j) 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 NCT. The value of this fund is not available for working capital. Freehold assets are removed from the fund once the charity is committed to their sale due to the funds becoming available for general use.

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

k) 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.

l) Branches

Branch transactions are considered transactions of the Charity.

m) 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.

n) Liquid resources

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

Notes to the Financial Statements (continued)

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, which has two principal activities; the promotion of the work of NCT and profit generation. It has two divisions, Commercial Fundraising which obtains sponsorship of activities and events and undertakes other business activity on behalf of NCT, and Sales which sells maternity and baby clothes, publications and practical items to expectant and new parents and health professionals and publishes maternity related books and information;
- NCT (Maternity Sales) Limited which did not trade during the period of these accounts; and
- NCT Publishing Limited which did not trade during the period of these accounts

NCT Trading Limited may gift-aid its taxable profit to NCT. A summary of the results of the trading subsidiary for the period are given below.

Profit and loss account – NCT Trading Ltd	2015	2014
	£'000	£'000
Turnover	1,770	1,865
Cost of sales	(1,086)	(1,075)
Gross profit	684	790
Distribution costs	(156)	(147)
Administrative expenses	(615)	(625)
	(771)	(772)
Operating (loss) / profit	(87)	18
Interest payable	(25)	-
Payment Under Gift Aid to NCT	-	(18)
Loss / profit for period	(112)	-
Retailed loss brought forward	-	-
Retained in subsidiary	(112)	-
Balance Sheet – NCT Trading Ltd	31 March	31 March
	2015	2014
	£'000	£'000
Fixed Assets	22	24
Current Assets	559	889
Amounts falling due within one year	(193)	(413)
Amounts falling due after more than one year	(500)	(500)
Net Assets	(112)	-

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 Incoming resources: grants receivable

Group and Charity	Unrestricted	Restricted	Total	Total
	Funds	Funds	2015	2014
	£'000	£'000	£'000	£'000
Garfield Western Foundation	-	50	50	-
Health and social care – volunteering fund	-	93	93	205
Ministry of Defence: Community Covenant	-	22	22	-
Scottish Exec. Health Dept. - Scottish worker	-	8	8	-
Grants to branches	-	170	170	151
	-	343	343	356

Notes to the Financial Statements (continued)

4 Incoming resources: health professional contracts

Group and Charity	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
National Health Service	311	-	311	258
Peer Support services	17	-	17	119
Local Authorities	301	-	301	87
Baby Café	5	-	5	113
Other	12	-	12	92
	646	-	646	669

5 Resources expended: community fundraising

Group and Charity	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
Branch fundraising	519	-	519	475
Central fundraising	365	-	365	358
	884	-	884	833

6 Resources expended: NCT courses

Group and Charity	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
Antenatal	4,641	-	4,641	4,481
Breastfeeding support	524	-	524	599
Postnatal	286	-	286	270
Apportioned support costs	642	-	642	804
General Parental Support	1,018	302	1,320	1,385
	7,111	302	7,413	7,539

7 Governance

Group	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
Board	77	-	77	46
Audit and professional accountancy fees	50	-	50	54
Office and shared services	62	-	62	58
Apportioned support costs	19	-	19	26
	208	-	208	184

Notes to the Financial Statements (continued)

Charity	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
Board and Committee Services	77	-	77	31
Audit fee	42	-	42	33
Office and shared services	62	-	62	58
Apportioned support costs	19	-	19	26
	200	-	200	148

8 Support cost allocations

Support costs are allocated to the expenditure headings in the Statement of Financial Activities, on the basis stated in Accounting Policies (note 1), as stated in the tables below:

Group	Membership £'000	Community Fundraising £'000	Commercial Fundraising £'000	Trading £'000	NCT Courses £'000	NCT College £'000	Health Professionals £'000	Policy, Research & Information £'000	Govern- ance £'000	Total 2015 £'000
Staff costs	97	52	-	5	343	305	110	416	10	1,338
Depreciation	7	4	-	-	24	22	8	30	1	96
Premises and equipment	11	6	-	1	39	34	12	47	1	151
Office supplies	12	6	-	1	42	37	13	51	1	163
Insurance	3	1	-	-	9	8	3	11	-	35
Irrecoverable VAT	15	8	-	1	52	46	17	63	2	204
Other	38	20	-	2	133	118	43	161	4	519
Support Costs	183	97	-	10	642	570	206	779	19	2,506
Direct Costs	333	787	69	1,901	6,771	1,332	688	2,760	189	14,830
Total Costs	516	884	69	1,911	7,413	1,902	894	3,539	208	17,336

Group	Membership £'000	Community Fundraising £'000	Commercial Fundraising £'000	Trading £'000	NCT Courses £'000	NCT College £'000	Health Professionals £'000	Policy, Research & Information £'000	Govern- ance £'000	Total 2014 £'000
Staff costs	61	26	-	4	382	248	78	285	12	1,096
Depreciation	7	3	-	-	41	27	8	31	1	118
Premises and equipment	13	6	-	1	81	53	17	61	3	235
Office supplies	8	4	-	1	52	34	11	39	2	151
Insurance	1	-	-	-	7	5	1	5	-	19
Irrecoverable VAT	8	3	-	1	50	33	10	37	2	144
Other	30	13	-	2	191	124	39	143	6	548
Support Costs	128	55	-	9	804	524	164	601	26	2,311
Direct Costs	398	778	181	1,812	6,735	1,374	769	2,532	158	14,737
Total Costs	526	833	181	1,821	7,539	1,898	933	3,133	184	17,048

Charity	Membership £'000	Community Fundraising £'000	Trading £'000	NCT Courses £'000	NCT College £'000	Health Professionals £'000	Policy, Research & Information £'000	Govern- ance £'000	Total 2015 £'000
Staff costs	97	52	5	343	305	110	416	10	1,338
Depreciation	7	4	-	24	22	8	30	1	96
Premises and equipment	11	6	1	39	34	12	47	1	151
Office supplies	12	6	1	42	37	13	51	1	163
Insurance	3	1	-	9	8	3	11	-	35
Irrecoverable VAT	15	8	1	52	46	17	63	2	204
Other	38	20	2	133	118	43	161	4	519
Support Costs	183	97	10	642	570	206	779	19	2,506
Direct Costs	333	787	296	6,771	1,332	688	2,760	181	13,148
Total Costs	516	884	306	7,413	1,902	894	3,539	200	15,654

Notes to the Financial Statements (continued)

Charity	Community		NCT		NCT	Health	Policy, Research &	Govern- ance	Total
	Membership £'000	Fundraising £'000	Trading £'000	Courses £'000	College £'000	Professionals £'000	Information £'000	ance £'000	2014 £'000
Staff costs	61	26	4	382	248	78	285	12	1,096
Depreciation	7	3	-	41	27	8	31	1	118
Premises and equipment	13	6	1	81	53	17	61	3	235
Office supplies	8	4	1	52	34	11	39	2	151
Insurance	1	-	-	7	5	1	5	-	19
Irrecoverable VAT	8	3	1	50	33	10	37	2	144
Other	30	13	2	191	124	39	143	6	548
Support Costs	128	55	9	804	524	164	601	26	2,311
Direct Costs	398	778	354	6,735	1,374	769	2,195	122	12,725
Total Costs	526	833	363	7,539	1,898	933	2,796	148	15,036

9 Net movement in funds

	Group		Charity	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Net movement in funds is stated after charging:				
Depreciation of tangible fixed assets	109	140	106	118
Staff costs (excluding agency staff)	6,068	5,493	5,728	4,971
Operating lease rentals	19	19	3	3
Auditors' remuneration: audit services	50	45	42	33
Auditors' remuneration: non-audit services	10	2	10	2

Auditors remuneration includes £10k relating to the audit for 2014.

10 Staff costs and remuneration of the Board of Trustees

Staff costs during the period were as follows:

	Group		Charity	
	Total 2015 £'000	Total 2014 £'000	Total 2015 £'000	Total 2014 £'000
Wages and salaries	5,487	5,005	5,177	4,526
Social security costs	446	413	419	372
Other pension costs	135	75	132	73
	6,068	5,493	5,728	4,971
Payments to agency staff	190	194	168	189
	6,258	5,687	5,896	5,160

Staff costs by function were as follows:

	Group		Charity	
	Total 2015 £'000	Total 2014 £'000	Total 2015 £'000	Total 2014 £'000
Costs of generating voluntary income	334	278	334	278
Fundraising trading	618	501	256	137
Charitable activities	5,205	4,846	5,205	4,683
Governance	101	62	101	62
	6,258	5,687	5,896	5,160

Notes to the Financial Statements (continued)

Higher paid employees:

	Group		Charity	
	Total 2015	Total 2014	Total 2015	Total 2014
£60,000 – 69,999	5	4	5	4
£80,000 – 89,999	-	1	-	1
£90,000 – 99,999	-	1	-	1
£120,000 – 129,999	1	-	1	-
	6	6	6	6

The pension cost for these employees, was £28,294 (2014: £17,002).

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

	Group		Charity	
	Number 2015	Number 2014	Number 2015	Number 2014
Costs of generating voluntary income	12	10	12	10
Fundraising trading	21	20	7	4
Charitable activities	216	221	216	207
Governance	1	2	1	2
Support	40	35	40	34
	290	288	276	257

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

	Group		Charity	
	FTEs 2015	FTEs 2014	FTEs 2015	FTEs 2014
Costs of generating voluntary income	10.3	7.6	10.3	7.6
Fundraising trading	21.5	19.3	5.5	3.3
Charitable activities	124.5	135.9	124.5	124.6
Governance	1.1	1.6	1.1	1.6
Support	33.3	30.8	33.3	30.4
	190.7	195.2	174.7	167.5

Expenses were reimbursed to 15 (2014: 14) members of the Board of Trustees during the year. Their expenses amounted to £13,925 (2014: £6,764) 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. No trustee (2014: One) was paid fees and expenses of £Nil (2014: £435) for services at arms' length as a NCT Practitioner.

11 Fixed asset investments

	Group		Charity	
	2015 31 March £	2014 31 March £	2015 31 March £	2014 31 March £
Investment in group undertakings:				
NCT (Maternity Sales) Limited	-	-	6	6
NCT Trading Limited	-	-	100	100
NCT Publishing Limited	-	-	2	2
Midwives Information and Resource Service	-	-	-	15,980
Other investments:				
Managed investment funds	1,023,062	-	1,023,062	-
	1,023,062	-	1,023,170	16,088

Investments in NCT (Maternity Sales) Limited, NCT Trading Limited, and NCT Publishing Limited represent the entire called up share capital of the companies, all of which are incorporated in England. The National Childbirth Trust was the sole member of MIDIRS, a company limited by Guarantee that was incorporated in England. MIDIRS was dissolved on 31 March 2015 and removed for the register of charities on 4 June 2015.

Notes to the Financial Statements (continued)

Managed investment funds

Group and Charity

	2015	2014
	31 March	31 March
	£'000	£'000
Market value at 1 April 2014	-	-
Acquisitions	1,002	-
Net unrealised investment gains	21	-
Market value at 31 March 2015	1,023	-
The Market value is represented by:		
Equities	757	-
Bonds	176	-
Cash	90	-
	1,023	-

12 Tangible fixed assets

Group	Leasehold Improvements £'000	Property £'000	Building Services £'000	Equipment £'000	Website £'000	Total 31 March £'000
Cost or valuation						
At 1 April 2014	22	555	92	570	173	1,412
Additions	-	1,352	6	146	-	1,504
Revaluations	-	2,552	-	-	-	2,552
Disposals	-	-	-	-	-	-
At 31 March 2015	22	4,459	98	716	173	5,468
Depreciation						
At 1 April 2014	3	115	80	365	172	735
Charge for period	5	12	4	87	1	109
Revaluations	-	(127)	(84)	(4)	-	(215)
On disposals	-	-	-	-	-	-
At 31 March 2015	8	-	-	448	173	629
Net book values						
At 31 March 2015	14	4,459	98	268	-	4,839
At 31 March 2014	19	440	12	205	1	677
Cost						
Cost	22	1,587	98	716	173	2,596
Valuation (1998)	-	320	-	-	-	320
Valuation (2015)	-	2,552	-	-	-	2,552
	22	4,459	98	716	173	5,468

Notes to the Financial Statements (continued)

Charity	Property	Building Services	Equipment	Website	Total
	£'000	£'000	£'000	£'000	31 March £'000
Cost or valuation					
At 1 April 2014	555	92	565	173	1,385
Additions	1,352	6	145	-	1,503
Revaluation	2,552	-	-	-	2,552
Disposals	-	-	-	-	-
At 31 March 2015	<u>4,459</u>	<u>98</u>	<u>710</u>	<u>173</u>	<u>5,440</u>
Depreciation					
At 1 April 2014	115	80	365	172	732
Charge for period	12	4	89	1	106
Revaluations	(127)	(84)	(4)	-	(215)
On disposals	-	-	-	-	-
At 31 March 2015	<u>-</u>	<u>-</u>	<u>450</u>	<u>173</u>	<u>623</u>
Net book values					
At 31 March 2015	<u>4,459</u>	<u>98</u>	<u>260</u>	<u>-</u>	<u>4,817</u>
At 31 March 2014	<u>440</u>	<u>12</u>	<u>200</u>	<u>1</u>	<u>653</u>
Cost					
At 31 March 2015	1,587	98	710	173	2,568
Valuation (1998)	320	-	-	-	320
Valuation (2015)	2,552	-	-	-	2,552
	<u>4,459</u>	<u>98</u>	<u>710</u>	<u>173</u>	<u>5,440</u>

Property relates to freehold property except for the additions of £1,352,000 (2014: £nil) that relate to property held on a long lease. No depreciation (2014: £nil) was charged on these additions.

Freehold property, held in December 1998, was valued professionally at that date based on Existing Use Value. Having previously adopted the transitional rules of FRS15, a valuation has not been repeated until this financial year. The historical cost of the freehold property was £583,168 and the aggregate depreciation thereon would have been £274,022 (2014: £262,359). The freehold property has been revalued this year at the agreed open market value in anticipation of its sale during 2015/16. As a separate class of asset, the leasehold property acquired during this financial year is valued at cost.

13 Debtors

	Group		Charity	
	2015 31 March £'000	2014 31 March £'000	2015 31 March £'000	2014 31 March £'000
Amounts due from subsidiary undertakings	-	-	525	782
Prepayments and accrued income	427	298	364	280
Trade and branch debtors	781	1,148	697	1,035
Tax recoverable	41	108	41	108
Other debtors	51	50	4	4
	<u>1,300</u>	<u>1,604</u>	<u>1,631</u>	<u>2,209</u>

'Amounts due from subsidiary undertakings' includes £0.5m (2014: £0.5m) due from NCT Trading Limited in more than one year.

14 Creditors: amounts falling due within one year

	Group		Charity	
	2015 31 March £'000	2014 31 March £'000	2015 31 March £'000	2014 31 March £'000
Expense creditors	886	1,043	736	933
Social security and other taxes	125	154	120	146
Deferred income	2,606	2,411	2,606	2,411
Accruals	569	556	556	543
	<u>4,186</u>	<u>4,164</u>	<u>4,018</u>	<u>4,033</u>

Deferred income relates to sponsorship, training courses and grants.

Notes to the Financial Statements (continued)

15 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:

Group and Charity	Movements in Funds:				At 31 March 2015 £'000
	At 1 April 2014 £'000	Incoming Resources £'000	Outgoing Resources £'000	Fund Transfer £'000	
Grants and donations received by branches	139	170	(177)	-	132
Garfield Weston Foundation	-	50	-	-	50
Health and social care volunteering fund	2	93	(95)	-	-
Ministry of Defence: Community Covenant	-	22	(22)	-	-
Scottish development worker	-	8	(8)	-	-
	141	343	(302)	-	182

The grant from the Garfield Weston Foundation supports a peer support project in North East England.

16 Unrestricted funds

Group	At 1 April 2014 £'000	Incoming Resources £'000	Outgoing Resources £'000	Unrealised Investments £'000	Fixed Asset Revaluation £'000	Transfer Between Funds £'000	At 31 March 2015 £'000
General Funds	3,792	16,969	(17,034)	21	2,767	(957)	5,558
Fixed Assets Fund	653	-	-	-	-	957	1,610
	4,445	16,969	(17,034)	21	2,767	-	7,168

Charity	At 1 April 2014 £'000	Incoming Resources £'000	Outgoing Resources £'000	Unrealised Investments £'000	Fixed Asset Revaluation £'000	Transfer Between Funds £'000	At 31 March 2015 £'000
General Funds	3,794	15,397	(15,352)	21	2,767	(957)	5,670
Fixed Assets Fund	653	-	-	-	-	957	1,610
	4,447	15,397	(15,352)	21	2,767	-	7,280

17 Analysis of net assets between funds

Fund balances at 31 March 2015 are represented by:

Group	Unrestricted Funds:			
	General Funds £'000	Fixed Asset Fund £'000	Restricted Funds £'000	2015 Total £'000
Tangible fixed assets	3,229	1,610	-	4,839
Investment assets	1,023	-	-	1,023
Net current assets	1,306	-	182	1,488
Total net assets	5,558	1,610	182	7,350

Charity	Unrestricted Funds:			
	General Funds £'000	Fixed Asset Fund £'000	Restricted Funds £'000	2015 Total £'000
Tangible fixed assets	3,207	1,610	-	4,817
Investment assets	1,023	-	-	1,023
Net current assets	1,440	-	182	1,622
Total net assets	5,670	1,610	182	7,462

Notes to the Financial Statements (continued)

18 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. Each year subsidiary companies, which do not have charitable status, may Gift Aid any taxable profits to The National Childbirth Trust. The Charity and group is not able to reclaim all VAT suffered on expenditure due to the partial exemption regulations.

19 Operating lease commitments

At 31 March 2015 the group had annual commitments for buildings and equipment under operating leases as set out below:

	Charity		Group	
	2015 31 March £'000	2014 31 March £'000	2015 31 March £'000	2014 31 March £'000
Expire				
Within 1 year	-	-	-	-
After 2 - 5 years	1	1	21	21
After 5 years	-	-	-	1
	<u>1</u>	<u>1</u>	<u>21</u>	<u>22</u>

20 Related party transactions

NCT Trading is a subsidiary of The National Childbirth Trust and its shares are 100% controlled within the group. During the year the National Childbirth Trust purchased services from NCT Trading of £223k (2014: £87k) on normal commercial terms. The National Childbirth Trust supplied services to NCT Trading of £125k (2014: £111k).

At the 31 March 2015 NCT Trading owed The National Childbirth Trust £525k (2014: £782k), including a long-term loan of £500k (2014: £500k). The National Childbirth Trust owed NCT Trading £47k (2014: £45k). Interest on the loan, paid by NCT Trading to The National Childbirth Trust, amounted to £25k (2014: £Nil).

No members of the Board of Trustees (2014: Nil) had a beneficial interest in contracts with the Charity. No member of the Board (2014: Nil) had a beneficial interest in a contract with a wholly owned subsidiary of NCT during the period. At the date of signing the accounts, two (2014: two) trustees were also Directors of NCT Trading Limited.

There are no other related party transactions to disclose other than set out elsewhere in these accounts.

21 Charitable subsidiaries

On 31 March 2011, the Midwives Information and Resource Service (MIDIRS) registered charity number 295346, entered into a merger agreement with NCT. MIDIRS is also a Company Limited by Guarantee, number 2058212 (England and Wales). On 13 May 2011, MIDIRS adopted new Articles of Association making NCT the sole member of MIDIRS. The trustees of both charities entered into the agreement to achieve jointly agreed strategic objectives. Under the terms of the merger agreement the assets, liabilities, employees and activities of MIDIRS would transfer to NCT after the 'longstop date' (12 May 2013) and MIDIRS would be dissolved; unless either party notified the other within 30 days of the longstop that the strategic objectives had not been satisfied. As neither party notified the other, a consequent transfer agreement was signed on 14 November 2013 binding the charities to complete the merger by 31 March 2014. By that date the charity's activities had transferred to NCT and all remaining assets transferred by 30 June 2014. MIDIRS was dissolved on 31 March 2015 and removed for the register of charities on 4 June 2015.

On 7 August 2013, the 'First 1,000 Days Foundation' was formed as a company limited by guarantee (registered in England and Wales 864816) with the sole member as The National Childbirth Trust. The Company has been dormant since incorporation.

22 Capital Commitments

On 30 January 2015, The National Childbirth Trust entered into a contract for £250k with Newgate Construction Limited for the refurbishment of Brunel House. As at 31 March 2015, payments of £135k had been made under this contract.

Reference and Administrative information

Charity Registrations:

The National Childbirth Trust ('NCT')
Company Registration: 2370573 (England & Wales)
Registered Charity: 801395
Charity Registered in Scotland: SC041592
VAT: GB 115 0789 24

Registered Office:

Alexandra House
Oldham Terrace
London
W3 6NH

Board of Trustees:

Sue Saxey, President	Greg Hall
Beryl Hobson, Chair	Bryan Macpherson
Amber Foster, Vice Chair	Maral Mesrobian
Nina El-Imad, Hon. Treasurer	Margaret Reid
Lisa Coffee, Hon. Secretary	Lois Swift
Andre Clark	Seana Talbot
Stephanie Darroch	Marsha Taylor-Daniel

Directorate:

Nick Wilkie, Chief Executive
Joseph Lowe, Corporate Resources Director
Jill Creese, Human Resources Director
Charles Gray, Volunteers and Services Director
Sally Horrox, Marketing and Corporate Communications Director
Jeremy Payne, Fundraising & Sales Director (acting)
Caroline Seddon, Education and Research Director

Company Secretary

Joseph Lowe

Auditors:

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

Bankers:

Lloyds Bank plc.
39 Threadneedle Street
London
EC2R 8AU

Investment Advisors:

Rathbone Brothers PLC
1 Curzon Street
London
W1J 5FB

Solicitors:

Hempsons
Hempsons House
40 Villiers Street
London
WC2N 6NJ

Subsidiaries:

First 1,000 Days Foundation (limited by guarantee, dormant)
NCT Trading Limited
NCT (Maternity Sales) Limited (dormant)
NCT Publishing Limited (dormant)