

# Tommy's Campaign

Accounts 31 March 1998  
together with trustees' and auditors' reports

Registered Charity number: 1060508

Registered Company number: 3266897



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## Trustees and advisors

### Constitution

Registered Charity No. 1060508

Registered Company No. 3266897 - Company limited by guarantee

### Patron

Sarah, the Duchess of York

### President

Lord Palumbo of Walbrook

### Trustees

Ian Fergusson FRCS FRCOG

Anthony Kenney FRCS FRCOG

The Hon Mrs James Nelson

John Dalton

Giles Henderson CBE

Michael Grunberg FCA FIMC

Tom Shields QC

Dominic Proctor

Sally Tennant

Chairperson

Honorary Treasurer

(resigned February 1998)

(appointed 4 September 1997)

### Chief Executive

Helen Otton

### Principal Address

1 Kennington Road

London

SE1 7RR

### Auditors

Binder Hamlyn

20 Old Bailey

London EC4M 7BH

### Solicitors

Radcliffes Crossman Block

5 Great College Street

London SW1- 3SJ

### Bankers

National Westminster Bank plc

91 Westminster Bridge Road

London SE1 7ZB

### Investment advisors

Kleinwort Benson Charities

Dresdner RCM Global Investors

PO Box 191

Fenchurch Street

London EC3M 3LB

# Chairman's report

For the year ended 31 March 1998

## Introduction

1997/98 confirmed Tommy's Campaign as a major source of funds in the UK for obstetric and related research. Grants this year have increased from just over £800,000 last year to over £1 million. The charity has also continued to pursue its objective to educate parents-to-be and health professionals about ways to reduce the risk of a complicated pregnancy.

In the summer Tommy's Campaign moved out of the converted wards in St Thomas' Hospital which had been its home for six years to nearby offices in Lambeth. We are proud of our close connections with the Hospital but the move marked a watershed in our development as an independent and national charity.

Over £1.7 million was raised during the year. This is a remarkable achievement as Tommy's Campaign receives no government funds and very few legacies.

## Research and Education

In the summer the Trustees took the decision to invite two eminent professors of obstetrics, Professor Andrew Calder from Edinburgh and Professor William Dunlop from Newcastle, to undertake a consultation exercise on future research strategy for the charity. Tommy's Campaign believes that it has the opportunity to raise significant funds that could result in an important step forward for researchers in the field. The report will be delivered later this year and the charity is determined to fund the very best research so that we can make the greatest clinical impact on the persistent problems of prematurity and stillbirth.

Professor Lucilla Poston, Tommy's Campaign's Professor of Fetal Health, continued to expand her work. By training a succession of clinical research fellows together with running the Fetal Health Research Group and collaborating with clinicians and researchers in this country and overseas her influence is also growing. Dr Andrew Shennan from the Imperial School of Medicine at Queen Charlotte's Hospital joined the Group on 1 April with a five year appointment partly funded by Tommy's Campaign. His expertise in pre-eclampsia and high blood pressure in pregnancy will enhance the team. Two major clinical trials were launched during the year. The PREMET trial, a multicentre prematurity research trial, is set to establish whether the treatment of genital tract infection with antibiotics reduces the likelihood of preterm labour in women who have been identified as high risk. The VIP Trial, Vitamins in Pregnancy, aims to establish whether supplementing the diet of women who have an increased risk of pre-eclampsia with vitamins C&E will reduce the incidence of the disease.

The twice yearly applications for projects grants exceeded the funds available more than ever before.

Projects supported during the year included investigations into:

- Miscarriage;
- pre-eclampsia;
- the function of the uterine muscle;

## Chairman's report (continued)

### Research and Education (continued)

- vaginal infection and premature labour;
- understanding premature rupture of the fetal membranes;
- use of magnetic resonance images to assess fetal brain activity.

We are fortunate to have Professor Christopher Redman of the John Radcliffe Hospital in Oxford as a new member of our Medical Advisory Group. Professor Anthony Milner resigned during the year; we are grateful for the support he gave the Group over several years. Dr Kate Costello of the Royal London Hospital has kindly agreed to replace him as the neonatology representative.

We have continued to pursue our information and education goals. The second National Pregnancy Week was held in September. Although overshadowed by the news of Princess Diana's untimely death it still attracted significant media interest. Leaflets on health tips for pregnant women were widely distributed via GP surgeries, antenatal clinics and health centres.

The sixth annual Parent Friendly Awards proved as popular as ever. More voting forms than ever before were distributed. This initiative has brought about very real benefits for parents with young children and we continue to evaluate and evolve the format to ensure it remains topical and relevant to young families.

### Fundraising

Tommy's Campaign is determined to bring down the cost of its fundraising activities. This cannot be achieved overnight but the importance of the decisions taken to invest in a branch network and in donor development are beginning to become evident. There can be no doubt that the two major corporate partners who came on board during the year needed to be sure that the charity had a national network of supporters to enhance the initiatives. ASDA and Boots the Chemists have both committed to support Tommy's Campaign during 1998. These partnerships are immensely valuable to us for not only will they raise money but they will also enhance public awareness of our cause in a way that we could never afford. The Mirror has been a great friend to the charity during the year. The Mirror Christmas Appeal gave us fantastic coverage whilst also raising funds. Our association with the recently launched Kleenex Huggies Mother & Baby Club means that we will reach every new mother in the country. All of these partnerships are helping to lay a more sure foundation for funds and have enabled us to predict next year's income with justifiable optimism.

"Party Picnics", a multifaceted fundraising initiative with corporate, regional and media support, was launched in the summer. It attracted support from Heart FM, Sainsbury's and many of their suppliers, with a picnic for over 15,000 in Battersea Park where thousands of individual fundraising picnic packs were distributed.

## Chairman's report (continued)

### Fundraising (continued)

We were very pleased and proud to win the Charities Annual Review Award especially when we were competing with organisations who raise in excess of £1 million. We were complimented on our ability to communicate complex research in a way that was easily understandable.

The move to new offices has meant improved IT facilities. Our objective to increase significantly our supporter database is being realised. Now that we have on the staff both technical and donor development expertise we will make highly targeted and appropriate appeals for funds. Events in London and in the regions have been very successful. The third Wine dinner, which was run in association with the CARE Shington Silver Appeal, raised over £200,000 gross. Volunteer and branch fundraising increased during the year by 84%. The appointment of a part-time regional Appeals manager in the south of England is working well. Trust fundraising has been highly effective and plans to implement a major donor strategy are awaiting the findings of the research consultation paper.

### Committee support

Michael Grunberg resigned as a Trustee in February due to his increasing travel commitments. We are sorry to lose him as he gave us invaluable guidance not only as a Trustee but, in the formative years of the charity, as Chairman of the Management Group. We are extremely fortunate that Sally Tennant joined the Board during the year. Sally has been a wonderful fundraiser and now we can benefit from her business and financial expertise.

Stephen Carter who succeeded Dominic Proctor as Chief Executive of J Walter Thompson generously agreed to take on the Chairmanship of the Marketing Advisory Group. The agency has continued to be unstinting in its support to the charity. In particular we are grateful to Dominic for his past involvement with the Group and his continued commitment as a Trustee. The City Group has once again provided the backbone for our fundraising initiatives in the financial sector. Sarah, Duchess of York, our Patron, visited our new offices and the Research Group at St Thomas' Hospital in January. She continues to give us loyal support in many different ways.

### Chief Executive

Very sadly in November 1997 Helen Otton, gave us her decision to retire from the post of Chief Executive of Tommy's Campaign from June 1998. Helen took over from Lucy Nelson, the originator of Tommy's Campaign, in 1994 and has converted a brilliant artefact into a mainstream charity.

She has developed and consolidated every department of the organisation so that she will hand over to her successor a really strong and vibrant charity ready to burgeon into the next millennium.

As Chairman, I have witnessed her superb management and personal skills, her huge fundraising abilities, her tact and diplomacy in handling the trustees, the marketing advisory group, the medical advisory group; and above all her personal flair and empathy for the cause of Tommy's Campaign.

We are currently involved in the search for a successor, but she is a very hard act to follow.

## Chairman's report (continued)

### Financial overview

The income derived from fundraising rose by approximately 15% to £1.59 million. Resources expended on charitable objectives increased to over £1.2 million. This represented a drawing down on reserves of approximately £190,000 and is a indication of the Trustees commitment to provide consistent and reliable funds to researchers.

Grants for medical research have risen from £800,000 last year to over £1 million. These figures represent approximately £567,000 of funds to nation-wide research, £478,000 to Professor Poston's team and £55,000 part funding for a senior lecturer's post.

The increased proportion to Professor Poston represents 18 months support reflecting a move to longer term funding. The grant is shown, in line with other grants, as expenditure at the time it is awarded. Professor Poston will in future submit a request for core funding in advance of the new financial year.

The charity's costs remain high with a significant proportion of these costs relating to benefits provided to donors through the events run. It is essential to continue a policy of investment in fundraising methods that will, in the long term, generate higher returns. The move costs relate to one-off costs incurred through our relocation to 1 Kennington Road from St Thomas' Hospital. We are now liable for rent and service charge costs.

### Reserves

Total funds stand at around £689,000 with approximately £135,000 restricted for purposes specified by the donors. The general funds represent about 4 months current charitable expenditure and it is essential to maintain a level of commitment to future research. It is the trustees policy to hold specific resources in the form of long term investments that will be used to pay grant obligations.

### Auditors

A resolution proposing that Binder Hamlyn be re-appointed as auditors of the Charity will be put to the Annual General Meeting.

### Trustees' responsibilities

It is the responsibility of the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and of the charity and of the results of the group for that period. In preparing those financial statements, the trustees have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis.

## Chairman's report (continued)

### Trustees' responsibilities (continued)

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 3 June 1998 and signed on their behalf by:-

A handwritten signature in black ink, appearing to read 'Ian Fergusson', written in a cursive style.

Ian Fergusson  
Chairman



# BINDER HAMLYN

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Andersen Worldwide

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20 Old Bailey  
London EC4M 7BH

## Auditors' report

To the members of Tommy's Campaign Limited

We have audited the financial statements on pages 7 to 19 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, and the accounting policies set out on pages 9 and 10.

### Respective responsibilities of directors and auditors

As described on pages 4 and 5, the trustees, who are also the directors of Tommy's Campaign Limited for the purposes of company law are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### Basis of opinion

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

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

### Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the company and of the group as at 31 March 1998 and of the group's incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Binder Hamlyn

Chartered Accountants and Registered Auditors

20 Old Bailey

London

EC4M 7BH

3 June 1998

# Consolidated statement of financial activities

For the year ended 31 March 1998

	Notes	Unrestricted funds £	Restricted funds £	Total 1998 £	Total 1997 £
<b>Incoming resources</b>					Refer note 1a
Donations	2	237,882	245,663	483,545	450,316
Events and fundraising	3	471,268	-	471,268	496,713
Corporate sponsorship and promotions	4	621,243	17,000	638,243	444,125
Lotteries grant	5	-	-	-	40,665
Investment and other income	6	101,380	7,728	109,108	112,206
<b>Total incoming revenue</b>		<u>1,431,773</u>	<u>270,391</u>	<u>1,702,164</u>	<u>1,544,025</u>
<b>Resources expended</b>					
<b>Direct charitable expenditure</b>					
Grants for medical research	7	889,590	209,488	1,099,078	800,425
Other medical research		2,283	34,851	37,134	79,449
Education and information projects	8	110,910	-	110,910	138,386
Support costs		51,212	-	51,212	44,844
		<u>1,053,995</u>	<u>244,339</u>	<u>1,298,334</u>	<u>1,063,104</u>
<b>Other expenditure</b>					
Fund-raising and publicity					
- events and promotions		226,625	-	226,625	165,154
- others		446,542	-	446,542	424,365
Administration		49,470	-	49,470	42,575
Relocation costs		6,843	5,000	11,843	-
		<u>729,480</u>	<u>5,000</u>	<u>734,480</u>	<u>632,094</u>
<b>Total resources expended</b>	9	<u>1,783,475</u>	<u>249,339</u>	<u>2,032,814</u>	<u>1,695,198</u>
<b>Net (outgoing)/incoming resources</b>		(351,702)	21,052	(330,650)	(151,173)
Net investment gains	13	<u>140,211</u>	-	<u>140,211</u>	<u>35,840</u>
Net movement in funds		(211,491)	21,052	(190,439)	(115,333)
Fund balances 1 April 1997		<u>765,847</u>	<u>113,551</u>	<u>879,398</u>	<u>994,731</u>
<b>Fund balances 31 March 1998</b>		<u>554,356</u>	<u>134,603</u>	<u>688,959</u>	<u>879,398</u>

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

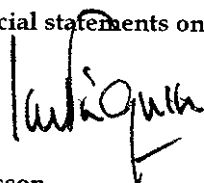
The accompanying notes form an integral part of this consolidated statement of financial activities.

# Consolidated balance sheet

31 March 1998

	Note	Unrestricted funds £	Restricted funds £	Total 1998 £	Total 1997 £
<b>Fixed assets</b>					Refer note 1a
Tangible assets	12	55,231	-	55,231	17,707
Investments	13	1,664,938	-	1,664,938	1,525,795
		<u>1,720,169</u>	<u>-</u>	<u>1,720,169</u>	<u>1,543,502</u>
<b>Current assets</b>					
Stocks		15,057	-	15,057	1,965
Debtors	14	329,297	-	329,297	195,455
Collection in progress		48,384	-	48,384	-
Short term deposits		159,604	117,603	277,207	306,573
Cash at bank and in hand		105,055	17,000	122,055	248,334
		<u>657,397</u>	<u>134,603</u>	<u>792,000</u>	<u>752,327</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(1,536,995)</u>	<u>-</u>	<u>(1,536,995)</u>	<u>(1,232,804)</u>
<b>Net current (liabilities)/assets</b>		<u>(879,598)</u>	<u>134,603</u>	<u>(744,995)</u>	<u>(480,477)</u>
<b>Total assets less net current (liabilities)/assets</b>		840,571	134,603	975,174	1,063,025
<b>Creditors: amounts falling due after more than one year</b>	16	<u>(286,215)</u>	<u>-</u>	<u>(286,215)</u>	<u>(183,627)</u>
<b>Net assets</b>		<u>554,356</u>	<u>134,603</u>	<u>688,959</u>	<u>879,398</u>
<b>Represented by</b>					
Funds (including £174,899 unrealised gains (1997: £35,840))	17	<u>554,356</u>	<u>134,603</u>	<u>688,959</u>	<u>879,398</u>

The financial statements on pages 7 to 19 were approved by the Trustees on 3 June 1998.



Ian Fergusson  
Trustee

The accompanying notes form an integral part of this consolidated balance sheet.

# Notes to the financial statements

31 March 1998

## 1 Accounting policies

### a) *Prior year comparatives*

Prior year comparatives are those of the registered charity, Tommy's Baby Fund at 31 March 1997. The assets and liabilities of Tommy's Baby Fund were transferred to Tommy's Campaign at 1 April 1997. As Tommy's Baby Fund carried out the same activities as Tommy's Campaign, the Trustees consider it appropriate to show these figures as comparatives.

### b) *Basis of accounting*

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments which are included on a market value basis. The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice SORP - 'Accounting by Charities'.

### c) *Basis of consolidation*

The group financial statements include the results for the year ended 31 March 1998 of Tommy's Campaign and its subsidiary company The Baby Fund Trading Limited. The results of the subsidiary are included on a line by line basis and its own profit and loss account and balance sheet are shown in note 18.

### d) *Funds accounting*

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the fund.

Designated funds comprise general funds which are set aside at the discretion of the trustees for specific purposes.

Restricted funds are funds subject to restrictions imposed by donors or the nature of the appeal. The purpose and use of the restricted funds is set out in note 17.

### e) *Incoming resources*

All incoming resources becoming available to the group during the year are included when there is certainty of receipt. The incoming resources are shown gross except for small events organised by volunteers, where expenses are netted off against income.

### f) *Medical research grants*

Medical research payable within the three years are accounted for as expenditure when awarded by the Medical Advisory Group notwithstanding that the amounts may not be paid in the year. The amounts payable after three years are met from future income and have not been recognised as a liability. Disclosure of these commitments are made in the note 20 to the financial statements. Where expenditure is charged to unrestricted funds in anticipation of receiving restricted funding in a subsequent year an adjustment is made to reflect this.

## Notes to the financial statements (continued)

### 1 Accounting policies (continued)

#### g) Allocation of expenditure

Expenditure is classified under the principal headings of direct charitable and other expenditure rather than the type of expense in order to provide more useful information to the users of these accounts. Where costs cannot be directly attributed they have been allocated to activities on a headcount basis.

Support costs comprise all services supplied centrally and identified as wholly or mainly in support of grants and education and information projects and include an appropriate proportion of general overheads. Details of allocation of expenditure are shown in note 9.

#### h) Depreciation of tangible fixed assets

Depreciation is provided on a straight line basis to write off the cost of assets over their estimated useful lives ranging between three and ten years.

#### i) Investments

Investments are stated at market value. It is the charity's policy to keep valuations up to date such that when investments are sold there is no gain and loss arising. As a result the statement of financial activities only includes those unrealised gains or losses arising from the revaluation of the investment portfolio throughout the year. A disclosure is made within note 13 to the financial statements of the differences between the historic cost and the sales proceeds of the investments sold during the year.

#### j) Stocks

Stocks are valued at the lower of cost and net realisable value.

#### k) Taxation

To the extent that it does not exceed the accounting profit for the period, any taxable profit of the subsidiary, The Baby Fund Trading Limited, is eliminated by deed of covenant in favour of the charity. The activities of the charity fall within the exemptions granted under section 505 of the Income and Corporation Taxes Act 1988.

#### l) Cash flow statement

The charity has taken advantage of the exemption from preparing a cash flow statement available under Financial Reporting Standard No. 1 (Revised) on account of its size.

### 2 Donations

	1998 £	1997 £
Public donations	203,644	154,144
Corporate	54,244	171,610
Trusts	225,657	124,562
	<u>483,545</u>	<u>450,316</u>

## Notes to the financial statements (continued)

### 3 Events and fundraising

	1998	1997
	£	£
Events	339,784	404,548
Regional fundraising	131,484	92,165
	<u>471,268</u>	<u>496,713</u>

### 4 Corporate sponsorship and promotions

	1998	1997
	£	£
Sponsorship, staff fundraising and merchandising	<u>638,243</u>	<u>444,125</u>

### 5 Lotteries grant

	1998	1997
	£	£
National Lottery Charities Board grant	<u>-</u>	<u>40,665</u>

### 6 Investment and other income

	1998	1997
	£	£
Investments	17,065	8,751
Interest	86,680	80,440
Other merchandise	5,363	3,793
Conference fees	-	19,222
	<u>109,108</u>	<u>112,206</u>

## Notes to the financial statements (continued)

### 7 Grants for medical research

	1998 £	1997 £
Outstanding grants at 1 April	1,017,765	823,180
Grants awarded during the year		
- Fetal health research team	478,000	225,000
- Grants awarded by medical advisory group	565,933	575,425
- Senior lecturer's post	55,145	-
	<u>1,099,078</u>	<u>800,425</u>
Paid during the year	(507,706)	(605,840)
Outstanding grants at 31 March	<u>1,609,137</u>	<u>1,017,765</u>
Grants falling due within one year	1,322,922	834,138
Grants falling due after more than one year	<u>286,215</u>	<u>183,627</u>
	<u>1,609,137</u>	<u>1,017,765</u>

Full details of the grants awarded to institutions during the year are listed in the Annual Review 1997/98. Details of grants awarded in the previous years are available on request.

The charity awards grants each year and shows this expenditure in full as unrestricted expenditure. Of the £800,425 awarded in the previous year, donors contributed £209,488 during the year ended 31 March 1998. An adjustment has been made this year to the statement of financial activities to reflect the fact that these payments, previously charged to unrestricted funds, have been paid out of restricted funds, received in the current year to fund this specific expenditure.

### 8 Education and information projects

	1998 £	1997 £
Parent Friendly Awards	73,131	55,364
National Pregnancy Week	33,887	52,079
Medical conference	-	26,497
Annual review	3,162	3,000
Newsletter	<u>730</u>	<u>1,446</u>
	<u>110,910</u>	<u>138,386</u>

## Notes to the financial statements (continued)

### 9 Analysis of allocated expenditure

	Staff costs	Direct costs	Other allocated costs	Total
	£	£	£	£
<b>Direct charitable expenditure</b>				
Fetal Health Research team	-	478,000	-	478,000
Grants awarded by Medical Advisory Group	-	565,933	-	565,933
Senior lecturer's post	-	55,145	-	55,145
Other medical research	-	37,134	-	37,134
Parent Friendly Awards	12,197	58,549	2,385	73,131
National Pregnancy Week	6,099	26,767	1,021	33,887
Other publications	-	3,892	-	3,892
Support costs	38,430	2,566	10,216	51,212
<b>Other expenditure</b>				
Fund-raising and publicity	290,721	298,431	84,015	673,167
Administration	29,452	11,958	8,060	49,470
Relocation costs	-	11,843	-	11,843
	<u>376,899</u>	<u>1,550,218</u>	<u>105,697</u>	<u>2,032,814</u>

Relocation costs are one-off costs relating to the relocation of Tommy's campaign from St Thomas' Hospital to leasehold premises at 1 Kennington Road, London, SE1. The lease is held on a ten year term at market rent, renewable upwards in 2002.

Administration costs include fees paid to our auditors in respect to the audit for the group of £7,598 and other services of £4,360.

### 10 Staff costs

	1998 £	1997 £
Salaries and wages	342,610	326,720
Social security costs	<u>34,289</u>	<u>30,893</u>
	<u>376,899</u>	<u>357,613</u>

No employee earned £40,000 pa or more



## Notes to the financial statements (continued)

### 10 Staff costs (continued)

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

	1998 Number	1997 Number
Fund-raising and publicity	14	14
Support	2	2
Administration	1	1
	<u>17</u>	<u>17</u>

### 11 Trustees

The Trustees received no remuneration or reimbursed expenses during the year (1997: Nil).

### 12 Tangible fixed assets

	Group £	Charity £
<b>Office equipment</b>		
<b>Cost</b>		
1 April 1997	46,655	30,374
Additions	59,992	59,992
Disposals	(1,600)	-
31 March 1998	<u>105,047</u>	<u>90,366</u>
<b>Depreciation</b>		
1 April 1997	28,948	15,322
Charge for the year	22,208	19,813
Disposals	(1,340)	-
31 March 1998	<u>49,816</u>	<u>35,135</u>
<b>Net book value</b>		
31 March 1997	<u>17,707</u>	<u>15,052</u>
31 March 1998	<u>55,231</u>	<u>55,231</u>

## Notes to the financial statements (continued)

### 13 Fixed asset investments

Group	1998 £	1997 £
Market value at 1 April	1,525,795	1,389,064
Additions	5,251	487,500
Disposals	(6,319)	(386,609)
Net investment gain	140,211	35,840
Market value at 31 March	1,664,938	1,525,795
Cost at 31 March	1,490,049	1,489,955
Unrealised gain	174,889	35,840

	1998 £	1997 £
Sale proceeds	6,319	386,609
Historic cost of investment sold	(5,157)	(339,302)
Realised gains based on historic cost	1,162	47,307
UK Unit trusts	689,732	405,629
Overseas Unit Trusts	161,987	112,818
Cash	813,219	1,007,348
Total	1,664,938	1,525,795

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

### 14 Debtors

	1998 Group £	1997 Group £	1998 Charity £	1997 Charity £
Trade debtors	211,947	15,865	-	5,287
Taxation recoverable	49,794	82,539	49,794	78,702
Amounts owed by subsidiary company	-	-	152,498	138,194
Prepayments and accrued income	67,556	97,051	57,638	56,541
	329,297	195,455	259,930	278,724

## Notes to the financial statements (continued)

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

	1998 Group £	1997 Group £	1998 Charity £	1997 Charity £
Trade creditors	97,345	297,395	75,739	122,432
Tax payable	47,403	77,038	-	3,838
Net VAT payable	8,617	5,964	943	22,714
Deferred income	1,190	2,198	500	2,198
Grants outstanding within one year	1,322,919	834,138	1,322,919	975,891
Other creditors	-	901	-	606
Accruals	59,521	15,170	10,810	8,802
	<u>1,536,995</u>	<u>1,232,804</u>	<u>1,410,911</u>	<u>1,136,481</u>

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

	1998 Group £	1997 Group £	1998 Charity £	1997 Charity £
Grants outstanding after one year	<u>286,215</u>	<u>183,627</u>	<u>286,215</u>	<u>183,627</u>

## Notes to the financial statements (continued)

### 17 Statement of funds

	Balance 1 April 1997 £	Income £	Expenditure £	Transfers £	Investment gain £	Balance 31 March 1998 £
<b><u>Unrestricted funds</u></b>						
General fund	600,847	1,431,773	(1,783,475)	165,000	140,211	554,356
<b><u>Designated funds</u></b>						
Senior lecturer's post	165,000	-	-	(165,000)	-	-
Total designated funds	165,000	-	-	-	-	-
Total unrestricted funds	765,847	1,431,773	(1,783,475)	-	140,211	554,356
<b><u>Restricted funds</u></b>						
Research salary	9,223	649	-	-	-	9,872
3D Imaging project	498	-	(498)	-	-	-
Community midwives	2,247	158	-	-	-	2,405
Equipment fund	52,194	11,355	-	-	-	63,549
Other equipment funds	19,264	25,324	(24,373)	-	-	20,215
Research salary	30,125	1,417	(9,980)	-	-	21,562
Medical conference	-	12,000	-	-	-	12,000
Prematurity book	-	5,000	-	-	-	5,000
Fetal health research team	-	145,408	(145,408)	-	-	-
Medical advisory group						
grants	-	64,080	(64,080)	-	-	-
Relocation	-	5,000	(5,000)	-	-	-
Total restricted funds	113,551	270,391	(249,339)	-	-	134,603
Total funds	879,398	1,702,164	(2,032,814)	-	140,211	688,959

#### Restricted Funds

These are donations for specific projects as requested by the donors. The restrictions are as detailed above.

## Notes to the financial statements (continued)

### 18 Subsidiary company

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

Profit and loss account	1998 £	1997 £
Income	603,296	659,633
Expenses	(398,238)	(370,626)
Amount covenanted to charity	<u>(205,058)</u>	<u>(289,007)</u>
Balance sheet		
Fixed assets	-	2,655
Current assets	278,584	248,614
Current liabilities	(278,582)	(251,267)
Share capital	<u>(2)</u>	<u>(2)</u>

### 19 Related party transactions

Ian Fergusson and Anthony Kenney are members of the Women's and Children's Directorate of the Guy's and St Thomas' NHS Trust. Neither Trustee was awarded grants directly from the Charity. Grants totalling £488,315 were made to the United Medical and Dental School Department of Obstetrics.

### 20 Commitments

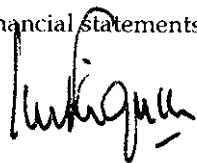
The charity has a commitment to fund from future income part of a senior lecturer's salary. In accordance with its policy the charity has recognised, as a liability, the first three years expenditure. The amounts committed but not yet provided for amounts to approximately £110,000.

# Notes to the financial statements (continued)

## 21 Charity balance sheet

	Notes	Unrestricted Funds £	Restricted Funds £	Total 1998 £	Total 1997 £
<b>Fixed assets</b>					
Tangible assets	12	55,231	--	55,231	15,052
Investments	13	<u>1,664,940</u>	<u>-</u>	<u>1,664,940</u>	<u>1,525,797</u>
		1,720,171	-	1,720,171	1,540,849
<b>Current assets</b>					
Debtors	14	259,930	-	259,930	278,724
Collection in progress		48,384	-	48,384	-
Short term deposits		159,604	117,603	277,207	306,573
Cash		<u>63,393</u>	<u>17,000</u>	<u>80,393</u>	<u>73,360</u>
		531,311	134,603	665,914	658,657
<b>Creditors: amounts falling due within one year</b>	15	<u>(1,410,911)</u>	<u>-</u>	<u>(1,410,911)</u>	<u>(1,136,481)</u>
<b>Net current liabilities</b>		(879,600)	134,603	(744,997)	(477,824)
<b>Creditors: amounts falling due after more than one year</b>	16	<u>(286,215)</u>	<u>-</u>	<u>(286,215)</u>	<u>(183,627)</u>
<b>Net Assets</b>		<u>554,356</u>	<u>134,603</u>	<u>688,959</u>	<u>879,398</u>
<b>Represented by</b>					
Funds	17	<u>554,356</u>	<u>134,603</u>	<u>688,959</u>	<u>879,398</u>

The financial statements were approved by the Trustees on 3 June 1998.



Ian Fergusson  
Trustee