

THE FETAL MEDICINE FOUNDATION
(A Charitable Company Limited by Guarantee)

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 March 2022

IOANNOU & CO.,
Chartered Accountants
767 - 769 High Road
North Finchley
London N12 8JY

THE FETAL MEDICINE FOUNDATION

COMPANY INFORMATION

Trustees/Directors	Prof. K H Nicolaides Mr Jonathan Hyett Dr. Ranjit S. Akolekar Mr. Bruce A. Noble (Resigned on 25/05/2021) Mr. Paul Jacobs Dr. Marietta Charakida (Appointed on 24/05/2021) Dr. Argyro Syngelaki (Appointed on 24/05/2021)
Secretary	Dr. Ranjit S. Akolekar
Company Number	02922302
Registered Office	137 Harley Street London W1G 6BG
Auditors	AGK Partners Chartered Accountants & Statutory Auditors 1 Kings Avenue London N21 3NA
Accountants	Ioannou & Co., Chartered Accountants 767 - 769 High Road North Finchley London N12 8JY
Registered Charity Number	1037116

THE FETAL MEDICINE FOUNDATION

CONTENTS

FOR THE YEAR 31 MARCH 2022

	Page
Trustees'/Directors' Report	1 to 4
Independent Auditors' Report	5 to 8
Statement of Consolidated Income and Expenditure and Retained Earnings	9
Consolidated Statement of Financial Position	10
Company Statement of Financial Position	11
Consolidated Statement of Cash Flows	12
Consolidated Statement of Financial Activities	13 to 14
Accounting Policies	15 to 17
Notes to the Accounts	18 to 26

THE FETAL MEDICINE FOUNDATION

TRUSTEES'/DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report together with the Consolidated Accounts for the year ended 31 March 2022 and confirm that they comply with the requirements of the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the Act, together with the Consolidated Financial Statements.

STRATEGIC REPORT:

Governing Document Structure, Governance and Management

Governing Document

The Fetal Medicine Foundation is a company limited by guarantee and is registered under the Companies Act 2006. At 31 March 2022, there were six members and each member has guaranteed to contribute up to £10 in the event of a winding up. The company is a registered charity.

Recruitment and Appointment of Trustees.

The directors of the company are also charity trustees for the purpose of charity law. Under the requirements of the Memorandum and Articles of Association the trustees are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

All trustees give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Trustee Induction and Training

New trustees are invited and encouraged to attend short training sessions (of no more than two hours) to familiarise themselves with the charity and the context within which it operates. These are with one of the Trustees and cover:

- The obligation of Trustees.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

Risk Management

The Trustees have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients, patients and visitors. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Principal risks and uncertainties

The Trustees are satisfied that for all major risks identified for the group appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that systems can provide only reasonable, but not absolute assurance that major risks have been managed. The principal risks and uncertainties are assessed as:

- Financial Risk - the principal concern is an adverse change in the economic or regulatory conditions, which reduced the affordability of fees and results in a reduction in fee income. The Company mitigates this risk by a regular review of its forecasts and level of reserves.
- Reputational Risk - the principal risk is a current or historic failure leading to a loss of reputation. This risk is managed by a balanced approach of controls and training. There is regular training and the Company has the required talent to train team members.

THE FETAL MEDICINE FOUNDATION

TRUSTEES'/DIRECTORS' REPORT (Continued/.....)

FOR THE YEAR ENDED 31 MARCH 2022

Review of Activities (Continued/.....)

Objectives and Activities for the public benefit

The principle activity of the charity during the year under review was to raise money in order to achieve its principal objectives. The principal objectives are to promote and encourage the development of new methods for fetal diagnosis and therapy through research and to encourage and facilitate the controlled clinical introduction of such methods through lectures, training and funding of doctors.

Review of Activities and how we delivered public benefit

The Fetal Medicine Foundation (FMF) has continued to promote research and training in many aspects of Fetal Medicine.

Donations and Grants for research and training

During this period the FMF has donated just over £3,507,000 towards funding training fellowships and research in Fetal Medicine. Up to 80 scholarships for 2-year training fellowships are given to doctors from many different countries around the world.

The FMF has agreed to donate £1.5 Million to Kings College to create two senior lectureships in Maternal Fetal Medicine. The posts will be supported by PhD studentships and consumables. Half of the posts will be academic and the other half will be clinical.

Research activity

After the disappointing results from the pravastatin trial for prevention of term preeclampsia (PE) a new major trial is being planned for screening for PE at 35-36 weeks and based on the risk to time delivery with the objective of reducing the condition by about 60%. Another major multicenter trial is being planned for the use of aspirin to reduce the rate of PE in twin pregnancies.

During the year of 2021 research projects supported by the Foundation have led to the publication of 53 papers in high impact International Scientific Journals. There is continuing research in the prediction and prevention of major pregnancy complications including preeclampsia and stillbirth. A major emphasis is now given to the better understanding of maternal and fetal cardiovascular function in normal and pathological pregnancies and the development of strategies to reduce the risk of long term cardiovascular risk for mothers and babies.

Grant making policy

The FMF has established its grant making policy to achieve its objectives for the public benefit in early fetal diagnosis and therapy. We review the grant making policy annually to ensure that it reflects the objectives of the Charity and thereby advances public benefit.

Doctors from many countries are receiving training and undertake research in Fetal Medicine with the aim of firstly, improving pregnancy care and preventing perinatal death and secondly, improving the provision of care internationally.

Reserves policy

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately two months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to respond to Grants requests, and ensure that there are sufficient funds available to cover support and governance costs. The level of reserves is reviewed annually and it is considered adequate and appropriate and enables the Charity to meet its charitable purpose and objects.

THE FETAL MEDICINE FOUNDATION

TRUSTEES'/DIRECTORS' REPORT (Continued/.....)

FOR THE YEAR ENDED 31 MARCH 2022

Provision of clinical services

The FMF has continued the provision of clinical services to pregnant women at King's College NHS Foundation Trust and several other hospitals including Medway Maritime Hospital, Lewisham University Hospital, Homerton University Hospital, Newham University Hospital and Southend University Hospital.

World Congress in Fetal Medicine and other Educational Activities

In 2021 due to the pandemic, the FMF did not organise the 19th World Congress in Fetal Medicine. The FMF has been supporting continuous education by free of charge online meetings. The FMF organized several such webinars with presentations from leading international experts that were attended by about 15 thousand participants from more than 150 countries on each occasion.

On line courses

The online courses for medical professionals and patients on first-trimester screening for abnormalities, fetal echocardiography, cervical assessment and fetal defects are continuing to be a great success:

The 11-13 weeks scan (790,896 views)
Fetal echocardiography (272,267 views)
Fetal abnormalities (351,971 views)
Antenatal surveillance (208,167 views)
Basic fetal echocardiography (98,846 views)
Measurement of cervical length (183,167 views)
Fetal cardiac defects (76,854 views)
Preeclampsia screening (254,143 views)
Placenta accreta spectrum (73,772 views)

Results

The results of the Group for the year ended 31 March 2022 are set out in the consolidated statement of income and expenditure and retained earnings on page 9.

The trustees are satisfied with the financial performance for the year.

Fixed Assets

Details of movements in fixed assets are shown in note 8 to the accounts.

Intangible Assets

Details of movements in intangible assets are shown in note 9 to the accounts.

Trustees

The Trustees/Directors of the company in office during the year were:

Prof. K H Nicolaides
Mr Jonathan Hyett
Dr. Ranjit S. Akolekar
Mr Paul Jacobs
Dr. Marietta Charakida
Dr. Argyro Syngelaki

THE FETAL MEDICINE FOUNDATION

TRUSTEES'/DIRECTORS' REPORT (Continued/.....)

FOR THE YEAR ENDED 31 MARCH 2022

Trustees'/Directors' Responsibilities

The trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees/directors to prepare financial statements for each financial year. Under the law the trustees have elected to prepare the financial statements in accordance with United Kingdom General Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Financial statements are required by law to give a true and fair view of the state of affairs of the charity and the surplus or deficit of the charity 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 applicable Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explain in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Statement as to disclosure of information to auditors

In so far as the trustees are aware:

There is no relevant audit information of which the charity's auditors are unaware; and

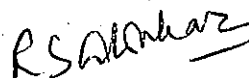
The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of AGK Partners as auditors to the Company will be put to the Annual General Meeting.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustees of The Fetal Medicine Foundation on **20 March 2023** including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

Registered Office:
137 Harley Street
London
W1G 6BG

Signed by Order of the Trustees/Directors



Dr. Ranjit S. Akolekar
Trustee & Director

THE FETAL MEDICINE FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FETAL MEDICINE FOUNDATION

YEAR ENDED 31 MARCH 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FETAL MEDICINE FOUNDATION

We have audited the financial statements of The Fetal Medicine Foundation (the "parent charitable company") and its subsidiaries (the "group") for the year ended 31 March 2022 which comprise the Consolidated Statement of Income and Retained Earnings, the Consolidated and Parent Statement of Financial Position, the Consolidated Statement of Cash Flows, Consolidated Statement of Financial Activities and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The trustees/directors are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE FETAL MEDICINE FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FETAL MEDICINE FOUNDATION

YEAR ENDED 31 MARCH 2022

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the trustees'/directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees'/directors' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees'/directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees'/directors' Annual Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees'/directors' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

THE FETAL MEDICINE FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FETAL MEDICINE FOUNDATION

YEAR ENDED 31 MARCH 2022

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued/....)

We designed procedures capable of detecting non-compliance with laws and regulations and irregularities, including fraud, through:

- Obtaining an understanding of the Charitable Company and the Group, and its industry through discussions with management, and the application of our cumulative audit knowledge and experience of the industry to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements including tax, pensions, employment, health and safety, data protection and anti-bribery legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.
- Identifying possible risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, whether there was potential for management bias in the reporting of events and transactions in the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Our audit procedures were designed to respond to the identified risks relating to non-compliance with laws and regulations and irregularities (including fraud) that are material to the financial statements.

Our audit procedures in relation to non-compliance with laws and regulations included, but were not limited to:

- Discussing with the Trustees and management their policies and procedures regarding compliance with laws and regulations and reviewing correspondence with regulators and with solicitors; and
- Communicating identified laws and regulations with the audit team and remaining alert to any indications of non-compliance throughout the audit; and
- Considering the risk of non-compliance with laws and regulations; and
- Considering whether the financial statement disclosures fairly represent the underlying transactions.

Our audit procedures in relation to irregularities and fraud included, but were not limited to:

- Making enquiries of Trustees and management as to where they considered there was susceptibility to fraud, and whether they had knowledge of actual, suspected or alleged fraud; and
- Gaining an understanding of the internal controls established to mitigate risks relating to fraud; and
- Discussing the risk of fraud and management bias with the audit team and remaining alert to any indications of fraud and management bias throughout the audit; and
- Addressing the risk of fraud and management override of controls by testing journal entries, considering the rationale behind significant or unusual transactions, and reviewing accounting estimates.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rest with management.

Because of these inherent limitations, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

THE FETAL MEDICINE FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE FETAL MEDICINE FOUNDATION
YEAR ENDED 31 MARCH 2022

USE OF OUR REPORT

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



Alekos Christofi (Senior Statutory Auditor)

20 March 2023

For and on behalf of AGK Partners
AGK Partners
Chartered Accountants & Statutory Auditors
1 Kings Avenue
London
N21 3NA

THE FETAL MEDICINE FOUNDATION

STATEMENT OF CONSOLIDATED INCOME AND EXPENDITURE AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Income			
Income from charitable activities	2	179,521	36,067
Rental income	2	277,194	201,255
Special Services to Hospitals	2	4,600,831	4,730,135
Net Trading Surplus from Non-Charitable trading activities			
Income £12,723,232 (2021 - £9,457,322)			
Expenses £9,944,299 (2021 - £7,670,904)	1 & 10	2,778,933	1,786,418
Total Income		7,836,479	6,753,875
Administrative expenses		(1,670,023)	(1,387,318)
Grants and Donations	6	(3,507,572)	(1,758,142)
Operating Surplus	3	2,658,884	3,608,415
Interest receivable		5,904	2,176
Surplus/(Deficit) on Ordinary activities before taxation		2,664,788	3,610,591
Tax on Profit on Ordinary Activities		(129,664)	(196,326)
Surplus/(Deficit) on Ordinary activities after taxation	23	2,535,124	3,414,265
Total comprehensive income for the year		2,535,124	3,414,265
Accumulated surplus B/Forward		13,475,834	10,061,569
Accumulated surplus C/Forward		16,010,958	13,475,834

All amounts relate to continuing activities

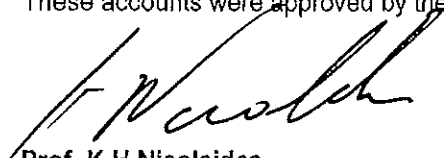
THE FETAL MEDICINE FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
Fixed Assets			
Intangible assets	9	7,952,155	8,482,299
Tangible assets	8a	<u>3,172,728</u>	<u>3,613,901</u>
		11,124,883	12,096,200
Current Assets			
Debtors	11	1,321,383	3,516,389
Cash at bank and in hand		<u>10,777,738</u>	<u>6,803,485</u>
		12,099,121	10,319,874
Creditors: Amounts Falling Due Within One Year	12	<u>(7,213,046)</u>	<u>(5,415,441)</u>
Net Current Assets		<u>4,886,075</u>	<u>4,904,433</u>
		16,010,958	17,000,633
Creditors: Amounts Falling Due After more than One Year	13	<u>-</u>	<u>(3,524,799)</u>
Total Assets Less Current Liabilities		<u><u>16,010,958</u></u>	<u><u>13,475,834</u></u>
Capital and Reserves			
Unrestricted income fund	15	<u>16,010,958</u>	<u>13,475,834</u>
Total Funds	15	<u><u>16,010,958</u></u>	<u><u>13,475,834</u></u>

These accounts were approved by the board on **20 March 2023** and signed on their behalf by:-


Prof. K H Nicolaides
Trustee & Director

THE FETAL MEDICINE FOUNDATION

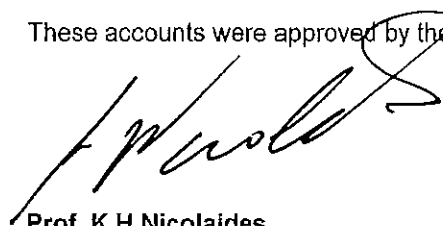
COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
Fixed Assets			
Tangible assets	8b	2,623,592	2,958,781
Investments	10	1,802	1,803
		<u>2,625,394</u>	<u>2,960,584</u>
Current Assets			
Debtors	11	8,698,887	5,467,469
Cash at bank and in hand		10,003,941	6,104,259
		<u>18,702,828</u>	<u>11,571,728</u>
Creditors: Amounts Falling Due Within One Year	12	<u>(5,821,954)</u>	<u>(1,589,819)</u>
Net Current Assets		<u>12,880,874</u>	<u>9,981,909</u>
		<u>15,506,268</u>	<u>12,942,493</u>
Total Assets Less Current Liabilities		<u>15,506,268</u>	<u>12,942,493</u>
Capital and Reserves			
Unrestricted income fund	15	15,506,268	12,942,493
Total Funds	15	<u>15,506,268</u>	<u>12,942,493</u>

The profit for the financial year dealt within the financial statements of the parent company was £2,563,775 (2021: £3,078,102).

These accounts were approved by the board on **20 March 2023** and signed on their behalf by:-



Prof. K H Nicolaides

Trustee & Director

Company Registration Number: 02922302

THE FETAL MEDICINE FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2022

	Notes	31-Mar-22 £	31-Mar-21 £
Cash flows from operating activities			
Profit for the financial year		2,664,788	3,610,591
Adjustments for:			
Depreciation of tangible assets		441,173	509,781
Amortisation of goodwill		530,144	530,144
Interest receivable and similar income		5,904	2,176
Interest payable & similar charges		-	-
Accrued expenses/(income)		3,970,778	251,776
Changes in:			
Trade and other debtors		2,195,006	(1,065,057)
Trade and other creditors		(5,827,636)	(693,442)
Cash generated from operations		<u>3,980,157</u>	<u>3,145,969</u>
Interest paid		-	-
Interest received		(5,904)	(2,176)
Net cash from operating activities	16	<u><u>3,974,253</u></u>	<u><u>3,143,793</u></u>
Cash flows from investing activities			
Purchase of tangible assets	8a	-	(572,218)
Net cash used in investing activities		<u>-</u>	<u>(572,218)</u>
Net increase/(decrease) in cash and cash equivalents		3,974,253	2,571,575
Cash and cash equivalents at beginning of year		6,803,485	4,231,910
Cash and cash equivalents at end of year	18	<u><u>10,777,738</u></u>	<u><u>6,803,485</u></u>

THE FETAL MEDICINE FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

AS AT 31 MARCH 2022

	Notes	Unrestricted Funds £	Total 2022 £	Total 2021 £
Incoming Resources				
Donations and fund raising		26,620	26,620	36,067
Rental Income		277,194	277,194	201,255
EU Grant		-	-	-
Special Services to Hospitals		4,600,831	4,600,831	4,730,135
Other income		152,901	152,901	-
	2	5,057,546	5,057,546	4,967,457
Interest receivable		5,904	5,904	2,176
		5,063,450	5,063,450	4,969,633
Net trading Surplus from trading subsidiaries	10	2,778,933	2,778,933	1,786,418
Total Incoming resources		7,842,383	7,842,383	6,756,051
		Unrestricted Funds £	Total 2022 £	Total 2021 £
Resources Expended				
Direct Charitable Expenditure				
Grants for research		3,007,356	3,007,356	1,755,834
Donations		500,216	500,216	2,308
Educational activities		221,159	221,159	156,322
		3,728,731	3,728,731	1,914,464
Other Expenditure				
Depreciation		335,189	335,189	401,966
Admin and Costs of Grant Making		1,113,675	1,113,675	829,030
Financial costs	4	-	-	-
Total Expenditure		5,177,595	5,177,595	3,145,460
Surplus/(deficit) for the year before tax		2,664,788	2,664,788	3,610,591
Tax on Profit of ordinary activities		(129,664)	(129,664)	(196,326)
Surplus/(deficit) for the year after tax		2,535,124	2,535,124	3,414,265

THE FETAL MEDICINE FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

AS AT 31 MARCH 2022

	Notes	Unrestricted Funds	Total 2022 £	Total 2021 £
Reconciliation of Movement of Funds				
Opening funds	15	13,475,834	13,475,834	10,061,569
Surplus of incoming resources for the year	15	2,535,124	2,535,124	3,414,265
Closing funds	15	16,010,958	16,010,958	13,475,834
Non-controlling interests		-	-	-
		<u>16,010,958</u>	<u>16,010,958</u>	<u>13,475,834</u>
Funds balance at 31 March 2022				
Represented by:-				
Intangible fixed assets	9	7,952,155	7,952,155	8,482,299
Tangible fixed assets	8a	3,172,728	3,172,728	3,613,901
Debtors less creditors		(5,891,663)	(5,891,663)	(5,423,851)
Cash at bank and in hand		10,777,738	10,777,738	6,803,485
Provision		-	-	-
		<u>16,010,958</u>	<u>16,010,958</u>	<u>13,475,834</u>

FOR THE YEAR ENDED 31 MARCH 2022

Page 15

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

Accounting Policies (Continued/.....)

Basis of Consolidation

The group financial statements consolidate the accounts of The Fetal Medicine Foundation and its trading subsidiaries The Fetal Medicine Centre Limited and King's Fertility Limited for the year ended 31 March 2022.

The net operating profit of the trading subsidiaries has been incorporated into consolidated income. The trustees consider that full consolidation of gross income and expenditure of the trading subsidiaries would be inappropriate because their activities are fundamentally different from the activities of the Charity.

A separate income and expenditure account for the trading companies is not presented as permitted by Section 408 of the Companies Act 2006. The surplus/(deficit) for the year dealt with in the accounts of the parent company was £2,563,775, (2021 - £3,078,102).

The operational results of The Fetal Medicine Centre Limited and King's Fertility Limited are given in note 10.

Operating lease agreements

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

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by the reducing balance method over their expected useful lives. The rates and periods generally applicable are:

Plant and machinery	- 20% on written down value
Furniture and equipment	- 20% on written down value
Leasehold properties	- Over the life of the lease, Nil in year of acquisition

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

Accounting Policies (Continued/.....)

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

2 Income

Income is derived from the company's principal activity and the net profit earned by The Fetal Medicine Centre Limited, a wholly owned trading subsidiary whose profits are covenanted to The Fetal Medicine Foundation, and the profits earned by King's Fertility Ltd, a majority owned trading subsidiary whose profits are covenanted to The Fetal Medicine Foundation.

3 Operating Surplus/(deficit)

Operating surplus/(deficit) is stated after charging:

	2022	2021
	£	£
Rent Payable – premises	903,648	901,389
Depreciation of owned assets	441,173	509,781
Amortisation of intangible assets	530,144	530,144
Auditors remuneration	16,020	13,800

4 Interest Payable and Similar Charges

	2022	2021
	£	£
Bank overdraft and other interest	-	-

5 Staff Costs

	2022	2021
	£	£
Salaries and wages	3,456,564	2,589,233
Social security costs	337,056	265,707
Other pension costs	104,808	79,284
	<u>3,898,428</u>	<u>2,934,224</u>

	2022	2021
Average number of staff during the year - Group	106	79
Average number of staff during the year - Company	36	21

No member of staff of the Charity received a salary greater than £60,000 per annum.

Nine members of staff employed by the trading subsidiaries received a salary greater than £60,000.

6 Grants and Donations

(a) GRANTS

During the year the Charity provided grants to doctors to carry out medical research in the UK, pursuant of its objects for the public benefit in early fetal diagnosis and therapy.

	2022	2021
	£	£
Individuals	<u>3,007,356</u>	<u>1,755,834</u>

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

6 Grants and Donations Cont...

(b) DONATIONS

During the year the Charity made the following donations.

	2022 £	2021 £
King's College NHS Foundation Trust	500,000	-
Windsor Walk	-	2,092
Other Donations	216	216
	<u>500,216</u>	<u>2,308</u>

7 Trustees Expenses

The trustees receive no remuneration or expenses for acting as trustees. During the year one trustee received seminar and conference related travel expenses of £NIL (2021 £NIL).

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

8a Tangible Fixed Assets - Group

	Leasehold Property	Plant and Machinery	Furniture & Equip	Total
	£	£	£	£
Cost				
At 1 April 2021	1,693,398	4,125,888	2,387,817	8,207,103
Additions	-	-	-	-
At 31 March 2022	1,693,398	4,125,888	2,387,817	8,207,103
Depreciation				
At 1 April 2021	151,472	2,885,983	1,555,747	4,593,202
Charge for the year	52,577	247,981	140,615	441,173
At 31 March 2022	204,049	3,133,964	1,696,362	5,034,375
Net Book Value				
At 31 March 2022	1,489,349	991,924	691,455	3,172,728
Net Book Value				
At 31 March 2021	1,541,926	1,239,905	832,070	3,613,901

8b Tangible Fixed Assets - Company

	Leasehold Property	Plant and Machinery	Furniture & Equip	Total
	£	£	£	£
Cost				
At 1 April 2021	1,680,760	3,860,724	814,825	6,356,309
Additions	-	-	-	-
At 31 March 2022	1,680,760	3,860,724	814,825	6,356,309
Depreciation				
At 1 April 2021	141,360	2,633,054	623,114	3,397,528
Charge for the year	51,313	245,534	38,342	335,189
At 31 March 2022	192,673	2,878,588	661,456	3,732,717
Net Book Value				
At 31 March 2022	1,488,087	982,136	153,369	2,623,592
Net Book Value				
At 31 March 2021	1,539,400	1,227,670	191,711	2,958,781

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

9 Intangible Assets - Group

	<u>Goodwill</u>
	<u>£</u>
Cost	
At 1 April 2021	10,602,875
Additions	-
At 31 March 2022	<u>10,602,875</u>
Amortisation	
At 1 April 2021	2,120,576
Charge for the year	530,144
At 31 March 2022	<u>2,650,720</u>
Net Book Value	
At 31 March 2022	<u>7,952,155</u>
Net Book Value	
At 31 March 2021	<u>8,482,299</u>

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

10 Investments

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Cost of shares in subsidiaries				
at 1 April 2021	-	-	1803	1803
Antigoni Ltd - disposal as par value			(1)	
At 31 March 2022	-	-	1802	1803

The Fetal Medicine Foundation has a 100% interest in the issued ordinary share capital of The Fetal Medicine Centre Limited, a company incorporated in England. The principal activity of The Fetal Medicine Centre Limited is the provision of services including fetal diagnosis and therapy and fetal scanning. The Fetal Medicine Foundation has disposed of its 100% interest in Antigoni Limited a company that did not trade during the year and was dissolved on 8 February 2022. The Fetal Medicine Foundation also owns 90% of the ordinary shares in King's Fertility Limited a company incorporated in England and its principle activity is the provision of medical services specialising in the provision of In Vitro Fertilisation (IVF) treatment.

The Fetal Medicine Centre Limited has entered into a Deed of Covenant whereby it covenants all its trading profits to The Fetal Medicine Foundation. The covenanted payment for the year was £595,586 - (2021 £803,929).

King's Fertility Limited has entered into a Deed of Covenant whereby it covenants all its trading profits to The Fetal Medicine Foundation. The covenanted payment for the year was £2,082,334 - (2021 £450,000).

The Balance Sheets of the trading subsidiaries have been consolidated.

The operational results of The Fetal Medicine Centre Limited and King's Fertility Limited are given below:

	King's Fertility Ltd		The Fetal Medicine Centre Ltd	
	2022	2021	2022	2021
	£	£	£	£
Turnover	10,449,897	6,951,882	2,273,335	2,505,440
Cost of sales	(2,952,168)	(1,860,659)	(679,500)	(750,461)
Gross profit	7,497,729	5,091,223	1,593,835	1,754,979
Administrative expenses	(5,307,309)	(4,100,676)	(1,005,322)	(959,108)
Operating Profit/(Loss)	2,190,420	990,547	588,513	795,871
Interest payable	-	-	-	-
Profit/(Loss) for the Financial Year before charging Covenanted Payment	2,190,420	990,547	588,513	795,871
Covenanted Payment to the Fetal Medicine Foundation	(2,082,334)	(450,000)	(595,586)	(803,929)
Profit/(Loss) for the Financial Year	108,086	540,547	(7,073)	(8,058)

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

11 Debtors

	Notes	Group		Company	
		2022 £	2021 £	2022 £	2021 £
Amounts due from group company		-	-	7,929,537	2,846,806
Trade Debtors		940,483	3,258,720	551,760	2,534,639
Other Debtors		12,885	22,391	-	1,702
Prepayments and accrued income		368,015	235,278	217,590	84,322
		<u>1,321,383</u>	<u>3,516,389</u>	<u>8,698,887</u>	<u>5,467,469</u>

12 Creditors: Amounts Falling Due Within One Year

	Notes	Group		Company	
		2022 £	2021 £	2022 £	2021 £
Amounts due to group company	19	-	-	73,934	65,563
Trade creditors		1,545,770	1,142,367	644,035	367,357
Corporation Tax		128,307	196,083	-	-
Other taxes and social security		31,772	32,225	31,772	32,225
Other creditors		355,068	2,863,415	12,205	12,617
Accruals and deferred income		5,152,129	1,181,351	5,060,008	1,112,057
		<u>7,213,046</u>	<u>5,415,441</u>	<u>5,821,954</u>	<u>1,589,819</u>

13 Creditors: Amounts Falling Due After More Than One Year

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Other Creditors	-	3,524,799	-	-
	<u>-</u>	<u>3,524,799</u>	<u>-</u>	<u>-</u>
	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Repayable between one and five years	-	3,524,799	-	-
	<u>-</u>	<u>3,524,799</u>	<u>-</u>	<u>-</u>

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

14 Commitments under Operating Leases

At 31 March 2022 the group has annual commitments under non-cancellable operating leases as set out below.

	Group Land and buildings		Company Land and buildings	
	2022 £	2021 £	2022 £	2021 £
Operating leases which expire:				
Within 1 year	868,025	850,405	614,175	596,555
Within 2 to 5 years	1,099,887	1,359,887	500,092	656,092
After more than 5 years	6,901,228	7,175,953	3,117,515	3,242,390
	<u>8,869,140</u>	<u>9,386,245</u>	<u>4,231,782</u>	<u>4,495,037</u>

15 Reconciliation of Funds

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Opening accumulated funds - Unrestricted	13,475,834	10,061,569	12,942,493	9,864,391
Surplus for the year	<u>2,535,124</u>	<u>3,414,265</u>	<u>2,563,775</u>	<u>3,078,102</u>
Unrestricted Fund	16,010,958	13,475,834	15,506,268	12,942,493
Share Premium	-	-	-	-
Non-controlling interests	-	-	-	-
Total Funds	<u>16,010,958</u>	<u>13,475,834</u>	<u>15,506,268</u>	<u>12,942,493</u>
Closing accumulated funds - Unrestricted	16,010,958	13,475,834	15,506,268	12,942,493
Total Funds	<u>16,010,958</u>	<u>13,475,834</u>	<u>15,506,268</u>	<u>12,942,493</u>

16 Reconciliation of operating profit to net cash inflow from operating activities

	2022 £	2021 £
Operating profit	2,658,884	3,608,415
Depreciation	441,173	509,781
Amortisation	530,144	530,144
(Increase)/Decrease in debtors	2,195,006	(1,065,057)
Increase/(Decrease) in creditors	(5,827,636)	(693,442)
Accrued expenses/(Income)	3,970,778	251,776
Interest Payable and similar charges	-	-
Interest receivable	5,904	2,176
Net cash inflow/(outflow) from operating activities	<u>3,974,253</u>	<u>3,143,793</u>

17 Analysis of changes in cash and cash equivalents during the year

	2022 £	2021 £
Balance at 1 April 2021	6,803,485	4,231,910
Net cash inflow/(outflow)	<u>3,974,253</u>	<u>2,571,575</u>
Balance at 31 March 2022	<u>10,777,738</u>	<u>6,803,485</u>

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

18 Analysis of the balances of cash and cash equivalents as shown in the balance sheet

	2022 £	2021 £	Change in Year £
Cash at Bank	10,766,843	6,801,810	3,965,033
Cash in Hand	10,895	1,675	9,220
Total cash at bank in hand	<u>10,777,738</u>	<u>6,803,485</u>	<u>3,974,253</u>
	<u>10,777,738</u>	<u>6,803,485</u>	<u>3,974,253</u>

19 Related party transactions

The Fetal Medicine Foundation has a 100% interest in the issued ordinary share capital of The Fetal Medicine Centre Limited, a company incorporated in England. The Fetal Medicine Centre Limited has entered into a Deed of Covenant whereby it covenants all its profits to The Fetal Medicine Foundation. The Covenanted payment for the year was £595,586 (2021-£803,929). At 31 March 2022 the subsidiary was owed by the charity £73,934 (2021 - £65,563) as shown in note 12 to the Accounts.

The Fetal Medicine Foundation owns 90% interest in the issued ordinary share capital of King's Fertility Limited, a company incorporated in England. King's Fertility Limited has entered into a Deed of Covenant whereby it covenants all its profits to The Fetal Medicine Foundation. The Covenanted payment for the year was £2,082,334 (2021: £450,000). At 31 March 2022 the subsidiary owed the charity £7,929,537 (2021 - £2,846,806) as shown in note 11 to the Accounts. A Fixed and Floating Charge and a Debenture over the assets of King's Fertility are in place in favour of the Charity.

During the year the Foundation invoiced the King's College NHS Foundation Trust for Medical Services provided amounting to £3,412,498 (2021 - £3,751,269) and the Trust charged the Foundation £125,399 (2021 - £144,388) for rent at Windsor Walk Property. At 31 March 2022 the Trust owed the Foundation £317,433 (2021 - £2,030,952). During the year the Foundation made a donation of £500,000 (2021 - £NIL) to the King's College NHS Foundation Trust.

Two of the trustees, Prof. Nicolaides and Mr. P. Jacobs, are also trustees and directors of Windsor Walk, a company limited by guarantee and registered as a Charity. During the year the Foundation made a donation of £NIL (2021 - £2,092) to Windsor Walk Charity.

Trustees received no emoluments, or expenses during the year (2021 - £Nil).

With the Exception of the above disclosed transactions with related parties no trustee or other person related to the Charity has any personal interest in any contract or transaction entered into by the Charity during the year (2021 - None).

20 Capital Commitments

At 31 March 2022 the outstanding Capital Commitment was Nil (2021 - £Nil).

21 Restricted Funds

As at 31 March 2022 the Restricted Funds were £Nil (2021 - £Nil)

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

22 Excess of Expenditure over Income

During the year the Foundation's Expenditure did not exceed its Income as shown on the Consolidated Income and Expenditure Account on page 9 of the Accounts.