

**Charity number: 1120934**  
**Company number: 06269047**  
**(England and Wales)**

**Birth Companions**

**Report of Trustees and Unaudited Financial Statements**

**For the year ended 31 March 2021**

**Birth Companions**  
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**For the year ended 31 March 2021**

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# **Birth Companions Report of the Trustees For the year ended 31 March 2021**

The Trustees, who are also Directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the charitable company for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document and have been prepared in accordance with the Charities Act 2011 and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) (Charities SORP 2019 (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2016

## **Governing Document**

Birth Companions is a registered charity (charity no. 1120934). On 5 June 2007 it became a company limited by guarantee (company no. 06269047). Our memorandum and articles of association set out the structure, purpose and operating parameters of the charity in accordance with the Companies Act 1985 to 2006.

## **Recruitment and Appointment of Trustee Board**

The directors of the company, all of whom are volunteers, are also charity trustees for the purposes of charity law. In order to ensure a strong mix of skills on the board, new trustees are recruited and appointed by the existing trustees. The Chair of the Trustees is responsible for the induction of any new trustees, which includes awareness of a trustee's responsibilities, the governing document, administrative procedures and the history and mission of the charity. New trustees also receive copies of the previous year's annual report and accounts and are expected to attend training sessions run by our staff and volunteers.

The Board is elected annually from and by the members of the charity. The overall responsibility of Birth Companions belongs to the Trustee Board, which meets regularly in order to manage the affairs of the charity. Day-to-day operational responsibility has been delegated to the Director, Naomi Delap, who reports directly to the Board of Trustees.

The Trustees approve a strategic and financial plan annually and review progress against this and fundraising aims on a quarterly basis. Grant applications are submitted to support the services and support delivered by the Charity.

Pay and remuneration of staff, including key management personnel, is approved at least annually by the Trustees. Pay rates of staff are based upon job responsibilities and are externally benchmarked.

The members of the Trustee Board in office during the period ended 31 March 2021 were as follows:

Lucy Ball  
Jenny Beardsley – Treasurer (appointed 10/06/2020)  
Oluwakemi Eze (appointed 10/03/2021)  
Janice Fawell – Treasurer (retired 10/06/2020)  
Vivienne Gray  
Elizabeth Hogarth  
Julie Juliff (appointed 10/06/2020)  
Jennifer Kerr-Davis  
Sally Anne Matthews  
Tuesdae Moncrieffe (appointed 10/03/2021)  
Diana Parkinson – Chair  
Anne Stephens  
Avan Wadia

## **Collaborations**

Birth Companions aims to work closely with related organisations. However, the charity is independent and does not have any affiliations which affect our operating policies.

# **Birth Companions**

## **Report of the Trustees Continued**

### **For the year ended 31 March 2021**

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and Aims**

In our Memorandum of Association, our objects are listed as:

- To preserve and protect the mental and physical welfare of pregnant women and new mothers who experience severe and multiple health and social inequalities by the provision of physical, emotional and practical support during pregnancy, labour, childbirth and the post-natal period. In these objects "pregnant women and new mothers who experience severe and multiple health and social inequalities" shall be defined as pregnant women and new mothers in need by reason of their health, disability, financial hardship or social or economic circumstances.
- To advance and educate the public, in particular the beneficial class in maternity, childbirth and parenting.

Birth Companions aims to improve the lives of mothers and babies facing severe disadvantage. We seek to achieve this by:

- Improving the physical and emotional well being of pregnant women and new mothers.
- Enabling new mothers to give their babies the best possible start in life.
- Shaping the local and national policy and practice which impacts on mothers and their babies.

Our support involves:

- Offering one-to-one and group-based pregnancy support and guidance.
- Providing trained volunteers to support women during childbirth.
- Offering one-to-one postnatal support and guidance.
- Holding groups and classes for women to get support with breastfeeding and postnatal issues
- Providing practical items

We support women in prison (HMP Bronzefield, HMP Peterborough, HMP Foston Hall) as well as women in the community in London. We have a trained and experienced team of volunteers and staff who deliver services.

##### **Statement on Public Benefit**

The Trustees confirm that they have complied with the Charity Commission's general guidance on public benefit, and that the purpose and aims of Birth Companions are for the greater public good. All our charitable activities focus on improving the experience of pregnancy, birth and motherhood for women in prison and the community so that they are better able to care for their baby after the birth. We believe that, in the longer term, our work contributes to women being less likely to re-offend post-release as they have been given both the emotional and practical help to turn their lives around as well as to better long-term outcomes for families as women have been able to build stronger bonds with their babies and learnt better parenting skills.

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **Significant activities**

2020-21 has been dominated by COVID-19. This has greatly affected the situations of the women we work with, and the way in which we have worked as an organisation, delivered services and shaped much of our policy and engagement work.

The impacts on Birth Companions have included:

- We were unable to visit prisons or run antenatal or mother and baby groups for the best part of the year
- We adapted all our services to deliver remote and blended services
- We increased significantly the amount of practical support offered to women, and the range of that support
- Staff members have coped with illness, home schooling, and the challenges arising from adapting and delivering services to women in greater need.
- Opportunities to deliver new services responding to need arising from the pandemic
- Opportunities to campaign and influence policy relating to the pandemic.

## **Birth Companions Report of the Trustees Continued For the year ended 31 March 2021**

The impacts on the women and babies we work with have included:

- Greater levels of hardship, housing insecurity, isolation, risk of illness, risk of domestic abuse, stress and mental ill-health;
- In prisons COVID-19 related restrictions have led to women confined to their cells for at least 23 hours a day, cessation of family visits, increased levels of self-harm, meant greater challenges on release;
- Reduced level and quality of statutory services.

During the year 1st April 2020 – 31st March 2021 we supported 234 women overall in seven prisons in England and the community in London:

- 207 women received essential practical items, including baby boxes and activity and information packs;
- 185 women engaged directly with our services, including:
  - 97 women in prison
  - 88 women in the community
  - 31 women supported before, during and after their release from prison
  - 53 women who were supported one-to-one in the community
  - 38 women who were supported through our community antenatal services
  - 24 women who were supported through our community postnatal services
  - 6 women who received birth support
  - 17 women who were supported during separation from their babies.

Evaluation data collected from 23 women shows us that:

- 100% of the women who provided feedback felt our support had helped improve their mental health and well-being
- 100% of the women who provided feedback felt we had helped them feel less isolated
- 100% of women who provided feedback felt our support had helped them to give their babies a better start in life.
- 91% women told us they were very or quite satisfied with the services they had received from Birth Companions.

We are immensely grateful to our funders for their generosity and flexibility; and to our incredible staff and volunteers who have enabled Birth Companions to continue and flourish during these difficult times.

### **FINANCIAL REVIEW**

The statement of Financial Activities for the year ended 31 March 2021 shows total income of £610,826. This is an increase in income compared with the previous year of £121k (25%). This was driven by emergency covid funding, including specific support to the NHS, and a £27k increase in individual donations to the Charity. Additionally, new Peterborough services were started in January 2021 for Perinatal and Healthcare Peer Support.

Our principal source of income is grants, which total £525,029 (2020: £437,113) which comprise 86% of our total income (2020: 89%)

Expenses in year have decreased by £25k compared with the previous year (6%) This was driven by the requirement to work remotely, meaning prison visits were not possible and communications events could not proceed in the planned format.

The Statement of Financial Activities indicates net income for 2020/21 of £190,139 (2019/20 £44,134).

We received funding this year from Bromley Trust, Bronzefield Prison, CAF, City & Hackney CCG, Clinks, Esmee Fairbairn Foundation, Evan Cornish Foundation, HMRC (furlough grant), Henry Smith Charity, London Catalyst, London Community Response, Ministry of Justice, National Lottery, NHS England, North Central London Local Maternity Service, Northwick Family Trust, P and G Trust, Peoples Health Trust Active Communities, Pilgrim Trust, Rayne Foundation, Samaritans, Smallwood Trust, The A B Charitable Trust, The Sylvia Adams Charitable Trust, and many individual donors.

Since the beginning of the pandemic, our previous funders and new funders have recognised the importance of the work we are undertaking. We were successful in securing funding to support us throughout this period and ensure services can continue into 2021/22 providing stability to the women we support.

## **Birth Companions Report of the Trustees Continued For the year ended 31 March 2021**

The future fundraising landscape remains uncertain as we move away from funders offering emergency covid funds, and we will continue to work with current funders and new trusts and donors to ensure the finances of the charity remain robust. Our ringfenced reserves have been increased this year as a response to this uncertainty.

### **Reserves**

Free reserves are part of unrestricted funds that are freely available to spend on any of the charity's purposes.

In considering the reserves policy, the Trustees have taken into account the following issues:

- Sources of income e.g. a grant not being renewed. Funds might be needed to give trustees time to take action if income falls below expectations.
- Planned commitments that cannot be met by future income alone e.g. new projects.
- The risks of an unforeseen emergency or other unexpected need for funds e.g. pump-priming an urgent project.
- Covering unforeseen day-to-day operational costs e.g. employing temporary staff to cover a long term sickness absence.
- The need to fund short-term shortfalls in the cash budget e.g. if funding is required to be spent before a funding grant is received.

Bearing in mind the issues above, trustees have agreed that our free reserves target should reflect sufficient funding to cover the on-going running of the charity for a period of at least 6 months if no other income source was available. In addition, funding should be set aside for closure costs (such as redundancy and other commitments) to ensure a worst case scenario was covered.

Further designated funds could also be set aside for specific projects that trustees agree to be a priority but do not have a separate restricted funding source. This would be established as a specific reserve and not form part of the general reserves.

At present, we have calculated that ongoing running of the charities core services for 6 months costs around £263,000, and that closure costs, based largely on staffing commitments, would be in the region of £44,000. This gives a total reserves target of £309,000. At 31 March 2021, Birth Companions unrestricted free reserves were £354,657 (2019/20 £224,469), including £309,000 specifically ring-fenced as contingency funds (2018/19 £120,000). Therefore 115% (2018/19 95%) of the revised Reserves Target has currently been met.

### **Going concern statement**

The Trustees have reviewed the budgets for the 2021/22 financial year, including reserves and secured income and consider there to be sufficient funding secured to prepare these accounts on a going concern basis.

### **Responsibilities of the Trustees**

The trustees (who are also directors of Birth Companions for the purposes of company law) are responsible for preparing the Trustees' Report incorporating the strategic report and directors' report and the financial statements in accordance with 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 Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company 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 accounting 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; and
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Birth Companions**

## **Report of the Trustees Continued**

### **For the year ended 31 March 2021**

#### **Key Risks and Uncertainty**

The Trustees regularly review the principal risks and major uncertainties to which the charity may be exposed and systems and procedures have been established to manage those risks.

The Trustees consider a full risk assessment at least annually, though during the last year with the additional uncertainty arising from COVID-19 they have been assessed quarterly. The operational team review it every six months, when new services start and where there are significant changes to existing services. The register lists the key risks identified together with the potential level of harm caused and the likelihood of occurrence. Actions being taken to manage the identified risks are listed on the register.

Key areas of risks identified and mitigating actions are:

- **High and unmanageable levels of work leading to difficulties taking leave, compassion fatigue and burnout.** Managers focus on keeping workloads sustainable through monitoring of timesheets and regular supervision, and staff attend reflective practice sessions regularly.
- **Safeguarding issues and the risk of women being harmed during the course of our support, which have increased due to the COVID-19 pandemic.** Birth Companions has a robust safeguarding policy and practice framework; the safeguarding subgroup meet monthly to discuss all incidents and report quarterly to the board; training and refresher training is compulsory for staff and volunteers; all members have enhanced DBS checks; BC practices safer recruitment; volunteers go through a robust training course; we follow a detailed code of conduct; we have a robust Health and Safety Policy and a separate Infection Policy in relation to COVID-19.
- **Changes in the female prison population affecting need for our services.** We are managing this risk through maintaining and developing community based services; and focussing policy work on the social services, immigration and maternity systems as well as the criminal justice systems.
- **Financial instability.** We have a rolling fundraising programme, and aim for a diverse funding mix from charitable trusts and foundations; statutory sources; and individual giving. We have recently increased the amount we hold in reserves in recognition of the increased size of the organisation and the additional instability arising from the COVID-19 pandemic.

#### **Contribution of volunteers**

We are incredible grateful to all of our volunteers. The time of general volunteers has not been included in these accounts but we estimate that 240 hours (2020: 979 hours) of support has been provided by volunteers during the year and without them we would not be able to deliver many of our services, particularly the birth support, which is such a core part of our work. The reduction of hours was predominantly driven by the reduced ability to meet face to face due to COVID-19.

#### **Key management personal**

The SORP considers the key management personnel of the charity to be those persons having authority and responsibility for planning, directing and controlling the activities of the charity, directly or indirectly. The trustees consider that the board of trustees, the Director and the Head of Services are Key Management Personnel of the charity.

#### **THANKS**

As ever, we are immensely grateful to our staff and volunteers for their commitment and dedication. We would also like to thank our funders for their ongoing support of our work.

Approved by the Board and signed on its behalf by

22<sup>nd</sup> September 2021

Diana Parkinson

**Birth Companions**  
**Report of the Trustees Continued**  
**For the year ended 31 March 2021**

**REFERENCE AND ADMINISTRATIVE INFORMATION**

<b>Name of Charity</b>	Birth Companions
<b>Charity registration number</b>	1120934
<b>Company registration number</b>	06269047
<b>Principal address</b>	Dalton House 60 Windsor Avenue South Wimbledon London SW19 2RR

**Trustees**

The trustees and officers serving during the year and since the year end were as follows:

Lucy Ball  
Jenny Beardsley  
Oluwakemi Eze  
Janice Fawell  
Vivienne Gray  
Elizabeth Hogarth  
Julie Juliff  
Jennifer Kerr-Davis  
Sally Anne Matthews  
Tuesdae Moncrieffe  
Diana Parkinson  
Anne Stephens  
Avan Wadia

<b>Secretary</b>	Naomi Delap
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<b>Independent examiner</b>	Joshua Kingston BSc ACA Burton Sweet Limited The Clock Tower 5 Farleigh Court Old Weston Rd Flax Bourton Bristol BS48 1UR
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<b>Principal Bankers</b>	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill, West Malling Kent ME19 4JQ
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**Birth Companions  
Independent Examiner's Report  
For the year ended 31 March 2021**

**Independent examiner's report to the trustees of Birth Companions ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Joshua Kingston BSc ACA  
Burton Sweet Limited  
The Clock Tower  
5 Farleigh Court  
Old Weston Road  
Flax Bourton  
Bristol BS48 1UR

Date: 22 September 2021

**Birth Companions**  
**Statement of Financial Activities (Including income and Expenditure Account)**  
**For the year ended 31 March 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
<b>Income from:</b>					
Donations and legacies	2	151,857	458,029	609,886	488,976
Investments	3	940	-	940	900
<b>Total</b>		<b>152,797</b>	<b>458,029</b>	<b>610,826</b>	<b>489,876</b>
<b>Expenditure on:</b>					
Charitable activities	4	(23,705)	(396,982)	(420,687)	(445,742)
<b>Total</b>		<b>(23,705)</b>	<b>(396,982)</b>	<b>(420,687)</b>	<b>(445,742)</b>
<b>Net income / (expenditure) for the year</b>	8	<b>129,092</b>	<b>61,047</b>	<b>190,139</b>	<b>44,134</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	16	227,660	132,406	360,066	315,932
<b>Total funds carried forward</b>	16	<b>356,752</b>	<b>193,453</b>	<b>550,205</b>	<b>360,066</b>

All of the activities of the charity are classed as continuing.

Prior year fund comparatives are disclosed in note 16.

Prior year comparatives are disclosed in note 12.

The notes on pages 12 – 23 form part of these financial statements.

**Birth Companions  
Financial Position  
For the year ended 31 March 2021**

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	2,097	3,191
		<b>2,097</b>	<b>3,191</b>
<b>Current assets</b>			
Debtors	14	38,603	33,510
Cash at bank and in hand	19	558,517	342,850
		<b>597,120</b>	<b>376,360</b>
Creditors: falling due within one year	15	(49,012)	(19,485)
<b>Net current assets</b>		<b>548,108</b>	<b>356,875</b>
<b>Total assets less current liabilities</b>		<b>550,205</b>	<b>360,066</b>
<b>Net assets</b>		<b>550,205</b>	<b>360,066</b>
<b>The funds of the charity</b>			
Restricted income funds	17	193,453	132,406
Unrestricted income funds	17	356,752	227,660
<b>Total funds</b>		<b>550,205</b>	<b>360,066</b>

For the year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts in question in accordance with section 476.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The financial statements were approved and authorised for issue by the board and signed on its behalf by:

Date 22 September 2021

Diana Parkinson

The note on pages 12 – 23 form part of these financial statements

**Birth Companions**  
**Statement of Cashflows**  
**For the year ended 31 March 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>		<b>215,226</b>	<b>45,411</b>
<b>Cash flows from investing activities</b>			
Payments for tangible assets		(499)	(1,847)
<b>Net cash (used in) provided by investing activities</b>		<b>(499)</b>	<b>(1,847)</b>
<b>Cash flows from financing activities</b>			
Bank interest		940	900
<b>Net cash provided by (used in) financing activities</b>		<b>940</b>	<b>900</b>
<b>Change in cash in the reporting period</b>	18, 19, 20	<b>215,667</b>	<b>44,464</b>
<b>Cash at the beginning of the reporting period</b>		342,850	387,314
<b>Cash at the end of the reporting period</b>		<b><u>558,517</u></b>	<b><u>342,850</u></b>

The notes on pages 12 – 23 form part of these financial statements

**Birth Companions**  
**Notes to Financial Statements**  
**For the year ended 31 March 2021**

**1. Accounting Policies**

**Basis of accounting**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Birth Companions meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The accounts present a true and fair view and the accounting policies adopted are those outlined in this note. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

**Going concern**

The financial statements are prepared on a going concern basis, as the Trustees consider there are no material uncertainties around the charitable company's ability to continue as a going concern.

Whilst COVID 19 has changed the delivery of services to women, they are supported remotely until such time as face to face support can be reintroduced. Our current funders, and new funders, have recognised the importance of our work at this crucial time and the charity has secured vital grant and donation funding towards its work over the next 12 months. The charity's target of holding 6 months' core running costs in reserve, to cover any period of funding uncertainty, has been 96% achieved at the year end, and the adequacy of reserves is reviewed regularly by the Trustees. As such, these accounts are prepared on the going concern basis.

**Significant accounting estimates and judgements**

Aside from going concern set out above, there have been no other key estimates or judgements required in determining the carrying value of assets and liabilities.

**Funds**

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Designated funds comprise of unrestricted funds that have been set aside by trustees for a particular purpose.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above.

**Income**

All income is included in the statement of financial activities where the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Grants and donations are recognised when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future periods and is released to income in the period for which it has been received. Such income is only deferred when the donor specifies that the donation must only be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

# **Birth Companions**

## **Notes to Financial Statements**

### **For the year ended 31 March 2021**

Investment income is recognised on a receivable basis.

Government grants are identified in note 2.

#### **Expenditure**

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

#### *Support costs*

Support costs include expenditures which are not directly related to project areas.

#### *Governance costs*

Governance costs include costs relating to governance, including independent examiner fees, trustee expenses and compliance fees.

#### **Taxation**

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value added tax is not recoverable by the company, and is therefore included in the relevant costs in the Statement of Financial Activities.

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of an appeal have specified otherwise.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful life on the following basis:

Computer equipment	20% Straight line
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#### **Legal Form**

Birth Companions is a charitable company incorporated in England under the Companies Act 2006. The company is limited by guarantee and not having a share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is Dalton House, 60 Windsor Avenue, South Wimbledon, London, SW19 2RR. The charity's operations and principal activities are included on page 4 of the Trustees' annual report.

#### **Winding up or dissolution of the charity**

If upon winding up or dissolution of the charity there remains any assets, after the satisfaction of any all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

#### **Debtors**

Debtors are stated in the balance sheet at estimated net realisable value. Net realisable value is the invoiced amount less provisions for bad and doubtful debtors. Provisions are made specifically against debtors where there is evidence of a dispute or an inability to pay.

#### **Creditors**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Birth Companions**  
**Notes to Financial Statements**  
**For the year ended 31 March 2021**

**Cash**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

**Volunteer Time**

The value of any volunteer time received is not included in the accounts but is described in the trustees annual report and note 9.

**2. Income from donations and legacies**

	Unrestricted funds £	Restricted funds £	2021 £	2020 £
Donations received	84,857	-	84,857	51,863
Grants received	67,000	458,029	525,029	437,113
	<b>151,857</b>	<b>458,029</b>	<b>609,886</b>	<b>488,976</b>

Reclaimed gift aid is included within Donations.

In the prior year grants received included £424,113 of restricted funds.

**Analysis of grants received**

	2021 £	2020 £
Big Lottery Fund Grant: Women & Girls Initiative	-	135,883
Bromley Trust	25,000	25,000
Bronzefield Prison	8,514	11,352
CAF Coronavirus Emergency Fund	4,000	-
Charles Hayward Foundation	-	7,000
City & Hackney CCG	7,691	7,500
Clinks	9,619	-
Esmée Fairbairn Foundation	60,000	46,906
Evan Cornish Foundation	10,000	-
Geese Theatre Company	-	403
Henry Smith Charity	35,000	17,500
HMRC Furlough Grant	7,247	-
Horner Smith Foundation	-	3,000
Julia and Hans Rausing Trust	-	17,500
Leigh Trust	-	3,000
London Catalyst	5,000	-
London Community Response Fund	30,242	-
Ministry of Justice	35,000	95,573
National Lottery Community Fund	82,100	-
NHS England	104,940	-
NHS England Health and Justice (Midlands and East)	16,401	-
North Central London Local Maternity Service	5,296	15,890
Northwick Family Trust	5,000	-
P and G Trust	3,000	-
Peoples Health Trust Active Communities	6,379	15,948
Pilgrim Trust	20,000	10,000
Prison Reform Trust	-	158
Rayne Foundation	5,000	-
Samaritans	1,500	1,500
Sheila Kitzinger	-	3,000
Smallwood Trust	23,100	-
The A B Charitable Trust	10,000	10,000
The Goldsmith's Company Charity	-	10,000
The Sylvia Adams Charitable Trust	5,000	-
	<b>525,029</b>	<b>437,113</b>

Government grants have been received from the City & Hackney CCG, HMRC Furlough Grant, Ministry of Justice and NHS England and North Central London Maternity Service.

**Birth Companions**  
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**3. Investment income**

	2021 £	2020 £
<b>Unrestricted funds</b>		
Bank interest receivable	940	900
	<b>940</b>	<b>900</b>

**4. Costs of charitable activities by activity type**

	Activities undertaken directly & grants £	Support costs (Note 5) £	2021 £
Prison and community support	169,283	171,702	340,854
Service user involvement	64,583	15,119	79,702
	<b>233,865</b>	<b>186,821</b>	<b>420,687</b>

**Costs of charitable activities by activity type – prior year**

	Activities undertaken directly & grants £	Support costs (Note 5) £	2020 £
Prison and community support	165,826	159,686	325,512
Service user involvement	73,095	47,135	120,230
	<b>238,921</b>	<b>206,821</b>	<b>445,742</b>

**5. Analysis of support costs**

	Prison and community support £	Service user involvement £	2021 £
Staff costs	113,331	11,684	125,015
Staff costs - fundraising	7,503	769	8,272
Staff volunteer training and support	2,951	12	2,963
Administration and marketing costs	5,819	96	5,915
Travel costs	62	1	63
Insurance	1,677	72	1,749
Phone, Website and IT costs	9,635	255	9,890
Venue hire	25	-	25
Sundry costs	18,275	953	19,228
Finance costs	9,401	1,054	10,455
Finance costs – fundraising	1,030	132	1,162
Governance costs	1,993	91	2,084
	<b>171,702</b>	<b>15,119</b>	<b>186,821</b>

Support costs are allocated to service user involvement when they are directly incurred or at a project agreed percentage rate.



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**Analysis of support costs – prior year**

	<b>Prison and community support</b>	<b>Service user involvement</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	116,100	34,760	150,860
Staff volunteer training and support	3,022	619	3,641
Administration and marketing costs	16,317	1,718	18,035
Travel costs	1,733	1,425	3,158
Insurance	1,363	314	1,677
Phone, Website and IT costs	2,136	1,161	3,297
Venue hire	1,246	708	1,954
Sundry costs	8,729	1,346	10,075
Finance costs	4,871	3,612	8,483
Governance costs	4,169	1,472	5,641
	<b>159,686</b>	<b>47,135</b>	<b>206,821</b>

**6. Governance costs**

Governance costs are included within support costs (note 5) and comprise:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Compliance costs	53	469
Payroll service costs	1,061	1,036
Independent Examiner's fees (including VAT)	950	900
Trustee expenses	20	27
Legal and professional fees	-	3,209
	<b>2,084</b>	<b>5,641</b>

**7. Fundraising costs**

Fundraising costs are included within support costs (note 6) and comprise:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Staff costs	8,272	-
Finance costs	1,162	-
	<b>9,434</b>	<b>-</b>

**8. Net income/(expenditure) for the year**

This is stated after charging/(crediting):

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Depreciation of owned fixed assets	981	576
Staff pension contributions	9,512	8,005
Independent Examiner's fees (including VAT)	950	900

**9. Staff costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries and wages	307,198	285,749
Social security costs	25,130	27,908
Pension costs	9,512	8,005
	<b>341,840</b>	<b>321,662</b>

**Birth Companions**  
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Average monthly employee head count	8	8
	<u>8</u>	<u>8</u>

No employee received employee benefits of more than £60,000 (2020: none)

Earnings by Key Management Personnel, being the Director and the Head of Services totalled £91,703 (2020: £100,366)

The pension scheme is defined contribution. The outstanding balance at year end was £1,704 (2020: £1,677)

As ever we are extremely thankful to our volunteers for their commitment to the charity. We estimate that 240 hours of volunteer time was dedicated to the charity (2020: 979 hours).

**10. Trustee remuneration and related party transactions**

During the year no trustee earned or received remuneration. One Trustee received reimbursement of expenses of £20 for mobile data to facilitate attendance at online meetings (2020: One trustee received reimbursement of £27 for travel to meetings). Additionally, two trustees were paid £150 for their time when contributing to the lived experience team (2020: nil).

During the current year there were unrestricted donations from relatives of key personnel and trustees totalling £4,145.

Donations from three Trustees in year totalled £3,300 (2020: £3,300).

**11. Deferred Income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Balance at 1 <sup>st</sup> April 2020 / 2019	5,296	-
Released in year	(5,296)	-
Deferred in year	21,201	5,296
Balance at 31 <sup>st</sup> March 2021 / 2020	<u><b>21,201</b></u>	<u><b>5,296</b></u>

**12. Comparative Statement of Financial Activities**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income from:</b>			
Donations and legacies	64,863	424,113	488,976
Investments	900		900
<b>Total</b>	<u><b>65,763</b></u>	<u><b>424,113</b></u>	<u><b>489,876</b></u>
<b>Expenditure on:</b>			
Charitable activities	-	(445,742)	(445,742)
<b>Total</b>	<u><b>-</b></u>	<u><b>(445,742)</b></u>	<u><b>(445,742)</b></u>
<b>Net income</b>	<b>65,763</b>	<b>(21,629)</b>	<b>44,134</b>
<b>Reconciliation of funds</b>			
Total funds brought forward	161,897	154,035	315,932
<b>Total funds carried forward</b>	<u><b>227,660</b></u>	<u><b>132,406</b></u>	<u><b>360,066</b></u>

**Birth Companions**  
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**13. Tangible fixed assets**

	<b>Computer Equipment £</b>
<b>Cost or valuation</b>	
At 1 April 2020	4,449
Additions	499
Disposals	(2,102)
At 31 March 2021	<u><b>2,846</b></u>
<b>Depreciation</b>	
At 1 April 2020	1,258
Charge for the year	981
Disposals	(1,490)
At 31 March 2021	<u><b>749</b></u>
<b>Net Book Values</b>	
At 31 March 2021	<u><u><b>2,097</b></u></u>
At 31 March 2020	<u><u><b>3,191</b></u></u>

**14. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
<b>Amounts due within one year:</b>		
Trade debtors	35,186	32,632
Prepayments and accrued income	3,417	878
	<u><b>38,603</b></u>	<u><b>33,510</b></u>

**15. Creditors: amount falling due within one year**

	<b>2021 £</b>	<b>2020 £</b>
Trade creditors	3,813	930
Other creditors	7,323	9,155
Accruals and deferred income	37,876	9,400
	<u><b>49,012</b></u>	<u><b>19,485</b></u>

**16. Movement in funds**

**Unrestricted funds**

	<b>Balance at 01/04/2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Balance at 31/03/2021 £</b>
<i>Designated</i>					
Designated: Contingency reserve	120,000	-	-	189,000	<b>309,000</b>
<i>General</i>					
General unrestricted	107,660	152,797	(23,705)	(189,000)	<b>47,752</b>
	<u><b>227,660</b></u>	<u><b>152,797</b></u>	<u><b>(23,705)</b></u>	<u><b>-</b></u>	<u><b>356,752</b></u>

**Birth Companions**  
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**15. Movement in funds (continued)**

**Unrestricted funds – previous year**

	Balance at 01/04/2019 £	Income £	Expenditure £	Transfers £	Balance at 31/03/2020 £
<i>Designated</i>					
Designated: Contingency reserve	120,000	-	-	-	120,000
<i>General</i>					
General unrestricted	41,897	65,763	-	-	107,660
	<b>161,897</b>	<b>65,763</b>	<b>-</b>	<b>-</b>	<b>227,660</b>

**Purpose of unrestricted funds**

**General unrestricted**

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

**Designated: contingency reserve**

Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The contingency reserve is in place to ensure there are sufficient funds for the ongoing running of the charity's core services for 6 months costs.

**Restricted funds**

	Balance at 01/04/2020 £	Income £	Expenditure £	Balance at 31/03/2021 £
Big Lottery Fund Grant (Women & Girls)	32,545	-	(32,545)	-
Bromley Trust	6,372	10,000	(7,061)	9,311
BronzeField Prison	-	8,514	(1,764)	6,750
Charles Hayward Foundation	7,000	-	(5,735)	1,265
City & Hackney CCG	-	7,691	(5,346)	2,345
Clinks	-	9,619	(8,798)	821
HMRC Furlough Grant	-	7,247	(7,247)	-
London Catalyst	-	5,000	(4,179)	821
London Community Response Fund	-	30,242	(27,132)	3,110
Ministry of Justice	-	35,000	(35,000)	-
National Lottery Covid Emergency Fund	-	82,100	(82,100)	-
NHS England (COVID)	-	90,000	(90,000)	-
NHS England Health and Justice (Midlands and East)	-	16,401	(10,049)	6,352
NHS England and NHS Improvement	-	14,940	(9,781)	5,159
North Central London Maternity Service	3,822	5,296	(9,118)	-
Peoples Health Trust Active Communities	-	6,379	(6,379)	-
Rayne Foundation	-	5,000	-	5,000
Samaritans	-	1,500	(1,500)	-
Smallwood Trust	-	23,100	(23,100)	-
The A B Charitable Trust	6,371	-	(6,371)	-
Core funds, time restricted	76,296	100,000	(23,777)	152,519
	<b>132,406</b>	<b>458,029</b>	<b>(396,982)</b>	<b>193,453</b>

**Birth Companions**  
**Notes to Financial Statements**  
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**15. Movement in funds (continued)**

**Restricted funds – previous year**

	<b>Balance at 01/04/2019 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 31/03/2020 £</b>
Big Lottery Fund Grant (Women & Girls)	16,892	135,883	120,230	32,545
Bromley Trust	-	10,000	3,628	6,372
Bronzefield Prison	-	11,352	11,352	-
Charles Hayward Foundation	-	7,000	-	7,000
City & Hackney CCG	-	7,500	7,500	-
Julia Hans Rausling Trust	-	17,500	17,500	-
Lloyds Enable Trust	2,572	-	2,572	-
London Catalyst / Samaritans	3,013	-	3,013	-
Ministry of Justice	9,741	95,573	105,314	-
North Central London Maternity Service	3,826	15,890	15,894	3,822
Partners for Health Saturday Grant	3,013	-	3,013	-
Peoples Health Trust Active Communities	784	15,948	16,732	-
Pilgrim Trust	-	10,000	10,000	-
The A B Charitable Trust	-	10,000	3,629	6,371
Other restricted funds	-	14,967	14,967	-
Core funds, time restricted	114,194	72,500	110,398	76,296
	<b>154,035</b>	<b>424,113</b>	<b>445,742</b>	<b>132,406</b>

**Purpose of restricted funds**

**Other restricted funds**

Other restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

Big Lottery Fund Grant (Women & Girls): Towards Service User Involvement activities

Bromley Trust: Towards salaries and running costs for policy and communications work

Bronzefield Prison: Towards salaries and running costs related to services delivered at Bronzefield Prison

Charles Hayward Foundation: Towards salaries and running costs delivering services at Foston Hall

City & Hackney CCG: Towards salaries and running costs for the community group held in Hackney

Clinks: costs of LET workshops

HMRC Furlough grant: covering salary costs for staff unable to work due to childcare requirements during lockdown

Julia Hans Rausling Trust: Towards salaries and running costs related to community services

Lloyds Enable Trust: Towards IT and design costs

London Catalyst: Contribution towards Whittington service

Ministry of Justice: Current year, towards core running costs of the charity. Prior year, towards salaries and running costs delivering services at Foston Hall and New Lowton Prisons

National Lottery Covid Emergency fund: to meet the increased needs of the vulnerable pregnant women and new mothers during covid

**Birth Companions**  
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**15. Movement in funds (continued)**

NHS England: To provide additional support to vulnerable pregnant women and new mothers including those who were eligible for early prison release.

NHS England and NHS Improvement: Perinatal and Healthcare Peer Support programmes at Peterborough Prison

NHS England Health and Justice (Midlands and East): Services at Foston Hall Prison

North Central London Maternity Service: Towards complex social needs research

Partners for Health Saturday Grant: Towards salaries and running costs for the community groups

Peoples Health Trust Active Communities: Towards salaries and running costs related to services delivered at Peterborough Prison

Pilgrim Trust: Towards Community Link costs

Rayne Foundation: Community work in Hackney and Islington

Samaritans: To assist people in need through the provision of emergency hardship payments

The A B Charitable Trust: Towards salaries and running costs related to services delivered at prisons

**16. Analysis of net assets between funds**

	Tangible fixed assets	Net current assets / liabilities	Net assets
	£	£	£
<b>Unrestricted funds</b>			
<i>General</i>			
General unrestricted	2,097	45,655	47,752
<i>Designated</i>			
Designated: contingency reserve		309,000	309,000
<b>Restricted funds</b>			
Bromley Trust		9,311	9,311
Bronzefield Prison		6,750	6,750
Charles Hayward Foundation		1,265	1,265
City & Hackney CCG		2,345	2,345
Clinks		821	821
London Catalyst		821	821
London Community Response Fund		3,110	3,110
NHS England Health and Justice (Midlands and East)		6,352	6,352
NHS England and NHS Improvement		5,159	5,159
Rayne Foundation		5,000	5,000
Core funds, time restricted		152,519	152,519
	<b>2,097</b>	<b>548,108</b>	<b>550,205</b>

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**Previous year**

	Tangible fixed assets	Net current assets / liabilities	Net assets
	£	£	£
<b>Unrestricted funds</b>			
<i>General</i>			
General unrestricted	3,191	104,470	107,661
<i>Designated</i>			
Designated: contingency reserve		120,000	120,000
<b>Restricted funds</b>			
Big Lottery Fund Grant (Women & Girls)		32,545	32,545
Bromley Trust		6,372	6,372
Charles Hayward Foundation		7,000	7,000
North Central London Maternity Service		3,822	3,822
The A B Charitable Trust		6,371	6,371
Core funds, time restricted		76,295	76,295
	<b>3,191</b>	<b>356,875</b>	<b>360,066</b>

**17. Reconciliation of net movement in funds to net cashflow from operating activities**

	2021 £	2020 £
Statement of financial activities: net movement in funds from operating activities	189,199	43,234
Depreciation	981	576
Fixed asset purchases	(499)	(1,847)
Fixed asset disposals	612	-
Bank interest	940	900
(Decrease) / Increase in creditors: current liabilities	29,527	(3,178)
Decrease / (Increase) in debtors	(5,093)	4,779
<b>Movement in cash</b>	<b>215,667</b>	<b>44,464</b>

**18. Analysis of changes in cash during the year**

	2021 £	2020 £	Change £
Cash in bank and in hand	477,286	262,220	215,066
Short term deposits	81,231	80,630	601
	<b>558,517</b>	<b>342,850</b>	<b>215,667</b>

  

	2020 £	2019 £	Change £
Cash in bank and in hand	262,220	217,756	44,464
Short term deposits	80,630	80,630	-
	<b>342,850</b>	<b>298,386</b>	<b>44,464</b>

It has been assumed that short term deposits are repayable on demand.

**19. Cashflow restrictions**

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own Objects, except on special authority. In practice this restriction has not had any effect on cashflows for the year.

**20. Operating Leases**

The Charity did not have any operating leases in the year (2020: none).

**Birth Companions**  
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**21. Capital Commitments**

The Charity did not have any capital commitments in the year (2020: none).