

Company no. 06269047
Charity no. 1120934

Birth Companions
Report and Unaudited Financial
Statements
31 March 2022

Birth Companions

Reference and administrative details

For the year ended 31 March 2022

Company number 06269047

Charity number 1120934

Registered office Dalton House
60 Windsor Avenue
South Wimbledon
London
SW19 2RR

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Lucy Ball	
Jenny Beardsley	Treasurer
Oluwakemi Eze	(resigned 5 July 2022)
Vivienne Gray	
Elizabeth Hogarth, O.B.E.	
Julie Juliff	
Jennifer Kerr-Davis	
Sally Anne Matthews	Chair
Klare Meyer	(appointed 15 June 2022)
Tuesdae Moncrieffe	
Diana Parkinson	
Anne Stephens	
Avan Wadia	(resigned 9 March 2022)

Company secretary Naomi Delap

Bankers CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill, West Malling
Kent
ME19 4JQ

Independent examiners Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Birth Companions

Report of the trustees

For the year ended 31 March 2022

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

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;
- Empowering women through engagement; and
- Shaping the local and national policy and practice which impacts on mothers and their babies.

Birth Companions is built on three interlocking areas of work: frontline services; policy and campaigning; and engagement, with the women we support at the heart of everything we do.

Service delivery

Through the work of our staff team and specialist volunteers, we offer practical and emotional support to women before, during and after their baby's birth. We support women in three prisons (HMP Bronzefield, HMP Peterborough, HMP Foston Hall) and in the community in London and the South East. We work in a variety of ways that include:

- Offering one-to-one and group-based pregnancy support and guidance;
- Birth support;
- Practical essential items;
- Trauma-informed antenatal classes;
- Mother and baby groups;
- Support for women experiencing bereavement and loss through miscarriage, stillbirth and separation from their children;
- Support for women accessing abortions; and
- A peer support programme.

Birth Companions

Report of the trustees

For the year ended 31 March 2022

Policy and campaigning

The unique insight we gain from delivering services in prisons and the community and working alongside women with lived experience shapes our research, policy and campaigning. We commission academic and peer-led research and direct the attention of local and national policy-makers, commissioners and service providers to what really matters, what needs to change, and how. We work with journalists to uncover injustice and practice that breaches women's human rights, and we campaign to address these inequalities.

Engagement

Women with lived experience of multiple disadvantage during pregnancy and early motherhood play many key roles at Birth Companions, including serving as trustees and working as peer supporters to help others through similar experiences.

Our Lived Experience Team (LET) is a group of over forty women with lived experience who work to make change. LET members and the engagement staff supporting them to:

- increase understanding and awareness by contributing to research, inquiries and serving on expert reference groups;
- work with journalists and documentary makers in a range of media;
- inform and shaping policy through consultations, meetings and conferences;
- improve practice by meeting providers and commissioners; facilitating training; conducting service evaluations; and
- support other organisations to develop their engagement work effectively.

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

During 2021 we marked our 25th anniversary which provided a valuable opportunity to reflect on the development of our services in that time, our response to the impact of the COVID-19 pandemic, and the impact of our work to shape and improve policy and practice.

We continued to deliver frontline support to women in our prison and community-based services. We also led a major public campaign to end the imprisonment of pregnant women; helped shape new guidelines on state intervention at birth through new-born care proceedings; hosted a major national conference on the intersection of the criminal and family justice systems; and supported many members of our Lived Experience Team as they took part in a range of projects to improve the care of pregnant women and mothers of infants facing disadvantage and inequality.

Birth Companions

Report of the trustees

For the year ended 31 March 2022

As services in both the prisons and the community adapted to the end of pandemic-related restrictions, we were able to restart our antenatal classes and mother and baby groups in London, see women one-to-one, attend births, and start visiting prisons again. We have also been able to maintain a greater level of remote support, in line with the preferences of some women and appropriate to their circumstances. This has allowed us to sustain high levels of engagement across a high caseload.

"Birth Companions has supported me in all ways mentally, physically and I am so glad to have all the support I needed during labour and after giving birth. I can't thank them enough, their support and kindness, I'll always appreciate and never forget."

The support we offered

From 1 April 2021 to 31 March 2022 we supported 247 women and birthing people:

- 123 women and 2 birthing people in prisons in England.
- 31 women through our Peer Support services in prisons.
- 122 women in the community in London and the South East.
- 22 women through our new Probation service.
- 44 women through our community Antenatal services.
- 48 women through our community Birth service.
- 29 women through our community Postnatal services.
- We supported 33 women during separation from their baby; more than twice the number supported last year.

Practical support

- This year we provided practical support to 177 women and birthing people. This included taxis for travelling to or from hospital, phone credit, nursing bras and wellbeing packs, and supplying 44 baby boxes, containing everything a woman needs for her baby in the first two weeks after birth, through charity PramDepot.

"This helped me so much, I am on a low income and would not have been able to purchase the items given to me by PramDepot & Birth Companions."

The impact of our work

Evaluation data collected from 30 women showed that:

- 87% felt our support had helped improve their mental health and well-being.
- 96% felt we had helped them to feel less isolated.
- 88% of women felt our support had helped them to give their babies a better start in life.
- 97% were very satisfied with the support they had been given. Women said they particularly valued the way our services made them feel.

"I think Birth Companions is amazing, I can't fault a thing."

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.

Birth Companions

Report of the trustees

For the year ended 31 March 2022

Financial review

The Statement of Financial Activities for the year ended 31 March 2022 shows total income of £591,589. This is a small decrease in income compared with the previous year of £19k (3%). There was a £15k increase in personal donations and associated gift aid. The prior year included £183k of Covid emergency funding compared to £45k in the current year.

Our principal source of income is grants, which total £475,357 (2021: £525,029) which comprise 80% of our total income (2021: 86%)

Expenses in year have increased by £49k compared with the previous year. This was driven by a strengthened staff management structure and some limited return to prison visits by staff.

The Statement of Financial Activities indicates net income for 2021/22 of £121,492 (2020/21 £190,139).

We received funding this year from Advance Advocacy and Non-Violence Community Education, Brown Dog, BK Adrian Squire, Bromley Trust, Bronzefield Prison, Central and North West CCIG, City & Hackney CCG, Department of Education, Esmee Fairbairn Foundation, Goldsmiths Company Charity, Henry Smith Charity, London Catalyst, Ministry of Justice, NHS England, North Central London LMS, Northwick Family Trust, Pears Foundation, PramDepot, Rayne Foundation, Samaritans, Segelman Trust, Social Care Institute for Excellence, The A B Charitable Trust, The EQ Foundation, 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 2022/23 providing stability to the women we support.

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 remain at a higher level than pre-Covid 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.
- The current funding landscape is uncertain as Trusts and Foundations are reassessing their aims following the Covid pandemic.

Birth Companions

Report of the trustees

For the year ended 31 March 2022

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 9 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 charity's core services for 9 months costs around £489,000, and that closure costs, based largely on staffing commitments, would be in the region of £43,000. This gives a total reserves target of £532,000. At 31 March 2022, Birth Companions unrestricted free reserves were £541,331 (2021: £356,752), including £532,000 specifically ring-fenced as contingency funds (2020/21 £309,000). Therefore 101% (2020/21 97%) of the revised reserves target has currently been met.

Going concern statement

The trustees have reviewed the budgets for the 2022/23 financial year, including reserves and secured income and consider there to be sufficient funding secured to prepare these accounts on a going concern basis.

Key risks and uncertainties

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 at least 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:

- **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; we practice 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 Infection Policy.
- **High staff turnover and cost of living increase.** We ensure our salaries and cost of living increases are benchmarked regularly to ensure they are competitive within our sector; we offer additional financial support as appropriate (such as home-working allowance); and to ensure our organisation is an attractive one to work in we offer additional wellbeing support and job flexibility.

Birth Companions

Report of the trustees

For the year ended 31 March 2022

- **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. In 2022 we 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 360 hours (2021: 240 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 in the prior year was predominantly driven by the reduced ability to meet face to face due to COVID-19.

Key management personnel

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, the Head of Services and the Operations Manager 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.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally 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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice 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 charity will continue in operation.

Birth Companions

Report of the trustees

For the year ended 31 March 2022

The trustees 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.

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were appointed as independent examiners to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 19 October 2022 and signed on their behalf by

Sally Matthews

Sally Anne Matthews - Chair

Independent examiner's report

To the trustees of

Birth Companions

I report to the trustees on my examination of the accounts of Birth Companions (the charitable company) for the year ended 31 March 2022, which are set out on pages 10 to 26.

Responsibilities and basis of report

As the trustees of the charitable 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 charitable 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 the charitable company'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 charitable 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 (ICAEW), which is one of the listed bodies.

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

- (1) accounting records were not kept in respect of the charitable 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.

Laura May Richards

Date: 20 October 2022

Laura Richards ACA

Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Birth Companions

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Restricted £	Unrestricted £	2022 Total £	Restated 2021 Total £
Income from:					
Donations	3	346,113	228,854	574,967	609,886
Charitable activities	4	-	16,514	16,514	-
Investments	5	-	108	108	940
Total income		<u>346,113</u>	<u>245,476</u>	<u>591,589</u>	<u>610,826</u>
Expenditure on:					
Charitable activities	7	409,200	49,080	458,280	411,253
Raising funds	10	-	11,817	11,817	9,434
Total expenditure		<u>409,200</u>	<u>60,897</u>	<u>470,097</u>	<u>420,687</u>
Net income / (expenditure) and net movement in funds	10	(63,087)	184,579	121,492	190,139
Reconciliation of funds:					
Total funds brought forward		<u>193,453</u>	<u>356,752</u>	<u>550,205</u>	<u>360,066</u>
Total funds carried forward		<u><u>130,366</u></u>	<u><u>541,331</u></u>	<u><u>671,697</u></u>	<u><u>550,205</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 20 to the accounts.

The prior year comparatives have been restated to reclassify expenditure between raising funds and charitable activities. There has been no change to total expenditure or funds.

Birth Companions

Balance sheet

As at 31 March 2022

	Note	£	2022 £	2021 £
Fixed assets				
Tangible assets	15		4,705	2,097
Current assets				
Debtors	16	117,395		38,603
Cash at bank and in hand		621,730		558,517
		739,125		597,120
Liabilities				
Creditors: amounts falling due within 1 year	17	(72,133)		(49,012)
Net current assets			666,992	548,108
Net assets	19		671,697	550,205
Funds	20			
Restricted funds			130,366	193,453
Unrestricted funds				
Designated funds			532,000	309,000
General funds			9,331	47,752
Total charity funds			671,697	550,205

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the Company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 19 October 2022 and signed on their behalf by

Sally Matthews

Sally Anne Matthews - Chair

Birth Companions

Statement of cash flows

For the year ended 31 March 2022

	2022 £	2021 £
Cash used in operating activities:		
Net movement in funds	121,492	190,139
Adjustments for:		
Depreciation charges	956	981
Fixed asset disposal	-	612
Decrease / (increase) in debtors	(78,792)	(5,093)
Increase / (decrease) in creditors	23,121	29,527
Net cash provided by / (used in) operating activities	66,777	216,166
Cash flows from investing activities:		
Purchase of tangible fixed assets	(3,564)	(499)
Net cash provided by / (used in) investing activities	(3,564)	(499)
Increase in cash and cash equivalents in the year	63,213	215,667
Cash and cash equivalents at the beginning of the year	558,517	342,850
Cash and cash equivalents at the end of the year	621,730	558,517

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

Services have mainly returned to face to face but where more appropriate services can be delivered remotely. Our current funders, and new funders, have recognised the importance of our work at this crucial time as the NHS deals with large backlogs post COVID 19, and the charity has secured vital grant and donation funding towards its work over the next 12 months. The charity's target of holding 9 months' core running costs in reserve, to cover any period of funding uncertainty, has been 101% 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.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of provision of services is deferred until criteria for income recognition are met.

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies (continued)

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Goods donated for distribution by the charity are recognised as incoming resources when received and as outgoing resources when distributed.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Support and governance costs

Support costs

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

Fundraising costs

Fundraising costs are allocated based on time spent on fundraising activities.

Governance costs

Governance costs include costs relating to governance, including independent examination fees, trustee expenses, compliance fees and legal and professional fees.

Support and governance costs have been allocated in full to charitable activities.

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies (continued)

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	5 years
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Items of equipment are capitalised where the purchase price exceeds £70.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

n) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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.

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

2. Prior period comparatives: statement of financial activities (restated)

	Restricted £	Unrestricted £	2021 Total £
Income from:			
Donations	458,029	151,857	609,886
Investments	-	940	940
Total income	458,029	152,797	610,826
Expenditure on:			
Charitable activities	396,982	14,271	411,253
Raising funds	-	9,434	9,434
Total expenditure	396,982	23,705	420,687
Net income	61,047	129,092	190,139

3. Income from donations

	Restricted £	Unrestricted £	2022 Total £
Donations	-	85,195	85,195
Grants	346,113	129,244	475,357
Gift aid	-	14,415	14,415
Total income from donations	346,113	228,854	574,967
Prior period comparative:			
	Restricted £	Unrestricted £	2021 Total £
Donations	-	77,634	77,634
Grants	458,029	67,000	525,029
Gift aid	-	7,223	7,223
Total income from donations	458,029	151,857	609,886

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

3. Income from donations (continued)

Analysis of grants received:

	2022 £	2021 £
A B Charitable Trust	15,000	-
Adrian Swire Charitable Trust	10,000	-
Advance Charity	19,250	-
Bromley Trust	25,000	25,000
Brown Dog	5,000	-
Bronzefield Prison	14,190	8,514
CAF Coronavirus Emergency Fund	-	4,000
Central and North West London CCG	2,471	-
City & Hackney CCG	7,695	7,691
Clinks	-	9,619
Esmée Fairbairn Foundation	40,000	60,000
Evan Cornish Foundation	-	10,000
Goldsmiths Company Charity	60,000	-
Henry Smith Charity	35,000	35,000
HMRC Furlough Grant	-	7,247
London Catalyst	1,750	5,000
London Community Response Fund	-	30,242
Ministry of Justice	45,000	35,000
National Lottery Community Fund	-	82,100
NHS England	119,556	121,341
North Central London Local Maternity Service	-	5,296
Northwick Family Trust	5,000	5,000
P and G Trust	-	3,000
Pears Foundation	10,000	-
Peoples Health Trust Active Communities	-	6,379
Pilgrim Trust	-	20,000
Pramdepot	4,100	-
Rayne Foundation	20,000	5,000
Samaritans	-	1,500
Segelman Trust	30,000	-
Smallwood Trust	-	23,100
Social Care Institute for Excellence	6,201	-
The A B Charitable Trust	-	10,000
The Sylvia Adams Charitable Trust	-	5,000
Other small grants	144	-
	475,357	525,029

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

4. Income from charitable activities

	2022 £	2021 £
Unrestricted funds		
Consultancy fees	<u>16,514</u>	<u>-</u>

5. Income from investments

	2022 £	2021 £
Unrestricted funds		
Bank interest receivable	<u>108</u>	<u>940</u>

6. Government grants

The charitable company receives government grants, defined as funding from City & Hackney CCG, HMRC Furlough Grant, Ministry of Justice, NHS England and North Central London Maternity Service to fund charitable activities. The total value of such grants in the period ending 31 March 2022 was £174,722 (2021: £176,575). There are no unfulfilled conditions or contingencies attached to these grants.

7. Costs of charitable activities by activity type

	Activities undertaken directly £	Support costs (note 7) £	2022 Total £
Prison and community support	187,299	166,514	353,813
Service user involvement	<u>74,444</u>	<u>30,023</u>	<u>104,467</u>
Total expenditure	<u>261,743</u>	<u>196,537</u>	<u>458,280</u>

Prior period comparative:

	Activities undertaken directly £	Support costs (note 7) £	2021 Total £
Prison and community support	169,306	163,013	332,319
Service user involvement	<u>64,583</u>	<u>14,351</u>	<u>78,934</u>
Total expenditure	<u>233,889</u>	<u>177,364</u>	<u>411,253</u>

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

8. Analysis of support costs

	Prison and community support £	Service user involvement £	2022 Total £
Staff costs	122,440	16,727	139,167
Staff volunteer training and support	5,445	1,809	7,254
Travel costs	693	275	968
Finance costs	5,380	5,098	10,478
Insurance	1,272	506	1,778
Venue hire and meeting costs	1,287	512	1,799
Phone, website and IT costs	3,655	1,246	4,901
Administration and marketing costs	5,961	1,493	7,454
Sundry costs	5,296	450	5,746
Governance costs (note 8)	15,085	1,907	16,992
	<u>166,514</u>	<u>30,023</u>	<u>196,537</u>

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

Prior period comparative:

	Prison and community support £	Service user involvement £	2021 Total £
Staff costs	113,331	11,684	125,015
Staff volunteer training and support	2,951	12	2,963
Travel costs	62	1	63
Finance costs	9,269	1,186	10,455
Insurance	1,677	72	1,749
Phone, website and IT costs	9,635	255	9,890
Administration and marketing costs	5,819	96	5,915
Sundry costs	18,276	954	19,230
Governance costs (note 8)	1,993	91	2,084
	<u>163,013</u>	<u>14,351</u>	<u>177,364</u>

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

9. Governance costs

Governance costs are included within support costs

	2022	2021
	£	£
Staff costs	9,486	-
Finance costs	2,082	-
Compliance	80	53
Payroll service costs	1,206	1,061
Independent examiner's fees (incl VAT)	1,440	950
Trustee expenses	100	20
Legal and professional fees	2,598	-
	<u>16,992</u>	<u>2,084</u>

10. Fundraising costs

Fundraising costs comprise:

	2022	2021
	£	£
Staff costs	8,898	8,272
Finance costs	1,397	1,162
Other costs	1,522	-
	<u>11,817</u>	<u>9,434</u>

11. Net movement in funds

This is stated after charging:

	2022	2021
	£	£
Depreciation	956	981
Trustees' remuneration	1,425	150
Trustees' reimbursed expenses	100	20
Independent examiner's remuneration:		
▪ Independent examination (including VAT)	1,440	950
	<u>1,440</u>	<u>950</u>

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

12. Staff costs and numbers

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	345,202	307,198
Social security costs	27,976	25,130
Pension costs	9,621	9,512
Freelance staff	17,559	11,185
	<u>400,358</u>	<u>353,025</u>

No employee earned more than £60,000 during the year (2021: none).

The key management personnel of the charitable company comprise the Trustees, Director, Head of Services and Operations Manager. The total employee benefits of the key management personnel were £147,689 (2021: £91,703).

The pension scheme is defined contribution. The outstanding balance at year end was £2,639 (2021: £1,704).

As ever we are extremely thankful to our volunteers for their commitment to the charity. We estimate that 360 hours of volunteer time was dedicated to the charity (2021: 240 hours).

	2022 No.	2021 No.
Average head count	<u>13</u>	<u>11</u>
Full time equivalent	<u>10</u>	<u>8</u>

13. Trustee remuneration and related party transactions

During the year no trustee earned or received remuneration. Two trustees received reimbursement of expenses of £100 for travel to meetings (2021: One trustee received reimbursement of £20 mobile data to facilitate attendance at online meetings). Additionally, two trustees were paid £1,425 for their time when contributing to the lived experience team. This is paid at the standard rate for the service, as paid to all members of the team. (2021: £150).

During the current year there were unrestricted donations from relatives of key personnel and trustees totalling £6,700 (2021: £4,145).

Donations from six trustees in the year totalled £3,900 (2021: £3,300).

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

14. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

15. Tangible fixed assets

Computer equipment £

Cost

At 1 April 2021

2,846

Additions in year

3,564

At 31 March 2022

6,410

Depreciation

At 1 April 2021

749

Charge for the year

956

At 31 March 2022

1,705

Net book value

At 31 March 2022

4,705

At 31 March 2021

2,097

16. Debtors

2022

2021

£

£

Trade debtors

113,833

35,186

Prepayments and accrued income

3,562

3,417

117,395

38,603

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

17. Creditors : amounts due within 1 year

	2022 £	2021 £
Trade creditors	3,119	3,813
Accruals	9,536	16,675
Other taxation and social security	25,314	7,323
Deferred income (see note 18)	<u>34,164</u>	<u>21,201</u>
	<u>72,133</u>	<u>49,012</u>

18. Deferred income

	2022 £	2021 £
Balance at the start of the year	21,201	5,296
Released in year	(21,201)	(5,296)
Deferred in year	<u>34,164</u>	<u>21,201</u>
Balance at the end of the year	<u>34,164</u>	<u>21,201</u>

Deferred income relates to funds received in advance of delivery of services.

19. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	4,705	4,705
Current assets	130,366	532,000	76,759	739,125
Current liabilities	<u>-</u>	<u>-</u>	<u>(72,133)</u>	<u>(72,133)</u>
Net assets at 31 March 2022	<u>130,366</u>	<u>532,000</u>	<u>9,331</u>	<u>671,697</u>
Prior period comparative				
	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	2,097	2,097
Current assets	193,453	309,000	94,667	597,120
Current liabilities	<u>-</u>	<u>-</u>	<u>(49,012)</u>	<u>(49,012)</u>
Net assets at 31 March 2021	<u>193,453</u>	<u>309,000</u>	<u>47,752</u>	<u>550,205</u>

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

20. Movements in funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Restricted funds					
Advance Advocacy and Non Violence Community Education	-	19,250	(18,155)	-	1,095
Bromley Trust	9,311	-	(9,311)	-	-
Bronzefield Prison	6,750	14,190	(14,935)	-	6,005
Charles Hayward Foundation	1,265	-	(1,265)	-	-
City & Hackney CCG	2,345	7,695	(10,040)	-	-
Clinks	821	-	(821)	-	-
London Catalyst	821	-	(821)	-	-
London Community Response Fund	3,110	-	(3,110)	-	-
NHS England	11,511	122,027	(120,610)	-	12,928
Rayne Foundation	5,000	20,000	(20,013)	-	4,987
Samaritans	-	1,750	(1,750)	-	-
Social Care Institute for Excellence	-	6,201	(3,336)	-	2,865
Core funds, time restricted	<u>152,519</u>	<u>155,000</u>	<u>(205,033)</u>	<u>-</u>	<u>102,486</u>
Total restricted funds	<u>193,453</u>	<u>346,113</u>	<u>(409,200)</u>	<u>-</u>	<u>130,366</u>
Unrestricted funds					
Designated contingency funds	<u>309,000</u>	<u>-</u>	<u>-</u>	<u>223,000</u>	<u>532,000</u>
General funds	<u>47,752</u>	<u>245,476</u>	<u>(60,897)</u>	<u>(223,000)</u>	<u>9,331</u>
Total unrestricted funds	<u>356,752</u>	<u>245,476</u>	<u>(60,897)</u>	<u>-</u>	<u>541,331</u>
Total funds	<u><u>550,205</u></u>	<u><u>591,589</u></u>	<u><u>(470,097)</u></u>	<u><u>-</u></u>	<u><u>671,697</u></u>

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

20. Movements in funds (continued)

Purposes of restricted funds

Advance Advocacy and Non-Violence Community Education: Services to support women within the probation service.

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.

London Catalyst: Contribution towards Whittington service.

London Community Response Fund: Towards salaries and running costs for Community Birth Services.

NHS England: Towards salaries and running costs at Foston Hall, Drake Hall and Peterborough prisons.

Rayne Foundation: Community work in Hackney and Islington.

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

Social Care Institute for Excellence: Policy and engagement work.

Core funds, time restricted: Time restricted funds to support overall activities of the charity.

Purposes 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 9 months.

Transfers

The designated contingency has been increased to retain 9 months reserves and closure costs, based upon projected costs in 2022 / 23.

Birth Companions

Notes to the financial statements

For the year ended 31 March 2022

20. Movements in funds (continued)

Prior period comparative

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
Big Lottery Fund Grant (Women & Girls)	32,545	-	(32,545)	-	-
Bromley Trust	6,372	10,000	(7,061)	-	9,311
Bronze field 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
Total restricted funds	132,406	458,029	(396,982)	-	193,453
Unrestricted funds					
Designated contingency funds	120,000	-	-	189,000	309,000
General funds	107,660	152,797	(23,705)	(189,000)	47,752
Total unrestricted funds	227,660	152,797	(23,705)	-	356,752
Total funds	360,066	610,826	(420,687)	-	550,205