

Company no. 06269047
Charity no. 1120934

Birth Companions
Report and Unaudited Financial
Statements
31 March 2024

Birth Companions

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For The Year Ended 31 March 2024

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Birth Companions

Reference and administrative details

For the year ended 31 March 2024

Company number 06269047

Charity number 1120934

Registered office Office 118
372 Old Street
London
EC1V 9LT

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 | (resigned 27 September 2023) |
| Lydia Fowles | (appointed 13 March 2024) |
| 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 | |

Company secretary and director Naomi Delap

| | | |
|----------------|--|--|
| Bankers | CAF Bank Ltd 25 Kings Hill Avenue Kings Hill, West Malling Kent ME19 4JQ | Charity Bank Fosse House 182 High Street Tonbridge TN9 1BE |
|----------------|--|--|

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 2024

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2024.

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; and
- 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. This year we supported women in two prisons (HMP Bronzefield and HMP Foston Hall) and in the community in London and the South East. We work in a variety of ways that include:

- One-to-one practical and emotional support;
- 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 2024

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 disadvantages 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 fifty women with lived experience who work to make change. LET members and the engagement staff supporting them:

- 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.

ACHIEVEMENTS AND PERFORMANCE

Significant activities

We continued to deliver frontline support to women in our prison and community-based services. We co-designed and raised funds to pilot a new service for women with children's social care in Hackney. Our unique, trauma-informed approach ensures women receive consistent, high-quality support wherever and however we work with them.

"I can't thank Birth Companions enough. Their help has made such a difference to me and their support has helped me get through difficult times. Thank you so much".

The support we offered

From 1 April 2023 to 31 March 2024 we supported **250** women during the perinatal period:

- **130** women in prisons in England;
- **131** women in the community in London and the Southeast;
- We supported **61** women during separation from their baby;
- **46** women were supported with breastfeeding;
- **16** women were supported following baby loss; and
- **6** women were supported through termination.

Birth Companions

Report of the trustees

For The Year Ended 31 March 2024

Practical support

This year we provided practical support to **127** women. This included taxis for travelling to or from hospital, phone credit, nursing bras and wellbeing packs, and supplying **53** baby boxes, containing everything a woman needs for her baby in the first two weeks after birth, through a partner charity PramDepot.

"Everything was perfect. They felt like family. I felt less alone. They got me everything I need."

The impact of our work

Evaluation data collected from 103 forms completed by women showed that:

- 100% of those who responded felt our support improved their mental health and wellbeing;
- 100% of those who responded said they our support helped them feel less isolated;
- 100% of those who responded felt our support helped them give their baby the best possible start in life; and
- 97% of those who responded were very satisfied with the support they had been given. Women said they particularly valued the way our services made them feel.

Our policy, campaigning and engagement work continues to grow. We intensified our campaign to end the imprisonment of pregnant women, and achieved success through our contribution to the Sentencing Council's new 'mitigating factor' on pregnancy and maternity, which will hopefully result in fewer pregnant women and mothers of infants being sent to prison. We published a major new piece of policy: The Birth Charter for Women with Involvement from Children's Social Care and are working with partners towards developing a national health and social care policy to support better, more consistent care for these mothers. We developed a new strand of work focusing on the climate emergency's impact on reproductive justice in the UK. We 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 new mothers facing disadvantage and inequality.

We are immensely grateful to our funders for their generosity and flexibility; and to our incredible staff and volunteers who enable Birth Companions to continue to develop and flourish.

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.

FINANCIAL REVIEW

The Statement of Financial Activities for the year ended 31 March 2024 shows total income of £603,775. This is an increase in income compared with the previous year of £55k, 10%.

Our principal sources of income are grants which total £338,850 (2023: £282,648), and service delivery contracts which total £138,987 (2023: £167,829). Combined, these comprise 79% of our total income (2023: 82%).

Expenses in year have increased by £55k (9%) compared with the previous year. This was driven by an increased focus on our policy and influencing work.

The Statement of Financial Activities indicates a net deficit for 2023/24 of £39,819 (2022/23 net deficit £39,848).

Birth Companions

Report of the trustees

For The Year Ended 31 March 2024

We received funding this year from Adrian Squire Charitable Trust, Advance Advocacy and Non-Violence Community Education, Bromley Trust, Bronzefield Prison, Brown Dog, Central and North West London NHS Foundation Trust, City & Hackney CCG, The Crucible Foundation, Esmee Fairbairn Foundation, The Evan Cornish Foundation, Kings College London, Kings Fund Impact Award, London Borough of Hackney, London School of Hygiene and Tropical Medicine, Ministry of Justice, National Lottery NHS England, Oxford University, PramDepot, Rayne Foundation, Samaritans, Segelman Trust, the University of Hertfordshire, and many individual donors.

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 2024/25 providing stability to the women we support.

The future fundraising landscape remains uncertain as funders are assessing their priorities. We 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 of 9 months (pre-Covid 6 months) as a response to this uncertainty and to ensure we have continuity of service for the women we support.

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; and
- The current funding landscape is uncertain as Trusts and Foundations are reassessing their aims following the COVID pandemic.

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 budgeted ongoing running of the charity's core services for 9 months costs around £483,000, and that closure costs, based largely on staffing commitments, would be in the region of £60,000. This gives a total reserves target of £543,000. At 31 March 2024, Birth Companions unrestricted free reserves were £575,395 (2023: £623,302), including £543,000 specifically ring-fenced as contingency funds (2022: £540,000). Therefore 106% (2023: 115%) of the revised reserves target has currently been met.

Birth Companions

Report of the trustees

For The Year Ended 31 March 2024

Going concern statement

The trustees have reviewed the budgets for the 2024/25 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. 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:

- **Safeguarding issues and the risk of women being harmed during the course of our support.** Birth Companions has recently completed an audit of our safeguarding across the organisation and will continue to do this annually. We have 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 Infection Policy.
- **Changes in criminal justice policy and practice impacting on our services and the support women receive.** We are managing this risk through a maintaining a flexible and innovative approach to our prison-based services to ensure they meet changing need; developing community-based CJS services in response to growing need in this area; and focussing policy work on the social services, immigration and maternity systems as well as the criminal justice systems to ensure we are meeting women's complex needs where they are most acute.
- **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 increased the amount we hold in reserves in recognition of the increased size of the organisation and ongoing challenges around fundraising in the voluntary sector.
- **Impact of cost of living on staff team.** 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). In order to ensure our organisation is an attractive one to work in, we offer wellbeing support, job flexibility and development opportunities.

Contribution of volunteers

We are incredibly grateful to all of our volunteers. The time of general volunteers has not been included in these accounts but we estimate that 500 hours (2023: 490 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.

Birth Companions

Report of the trustees

For The Year Ended 31 March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is registered as a charitable company limited by guarantee and does not have any share capital. The company is constituted under the Memorandum of Association dated 5 June 2007, as amended on 5 August 2012 and 10 March 2021. The company number is 06269047. The registered charity number is 1120934.

As Birth Companions is both a charity and a company limited by guarantee, all board members are directors for the purposes of company law, and trustees for the purposes of charity law.

The objects of the charity are defined by its Articles of Association, which also set out trustees' powers and the permitted activities of the charity. The principal objects are listed above.

When appointing new board members, the trustees consider the skills or knowledge gaps and seek candidates to meet those needs. We strive to ensure that we are inclusive and represent the communities we serve, including members of our Lived Experience Team. Induction is provided for new trustees, and ongoing training is offered.

The board currently comprises 11 trustees, including people with exceptional clinical and finance skills and experience of the Criminal Justice System.

There are four sub-committees which manage Finance and Risk, Fundraising, Safeguarding and Impact.

Day to day responsibility for achieving strategic and financial aims is delegated to the Director.

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.

Birth Companions

Report of the trustees

For The Year Ended 31 March 2024

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.

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 re-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 June 2024 and signed on their behalf by

S 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 2024, which are set out on pages 11 to 27.

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.

Godfrey Wilson Limited also provides payroll services to the charitable company. I confirm that as a member of the ICAEW I am subject to the FRC's Revised Ethical Standard 2016, which I have applied with respect to this engagement.

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:

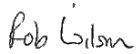
- (1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement 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).

Independent examiner's report

To the trustees of

Birth Companions

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.



Date: 19 June 2024

Robert Wilson FCA

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 2024

| | Note | Restricted £ | Unrestricted £ | 2024 Total £ | 2023 Total £ |
|---|------|----------------------|-----------------------|------------------------------|-----------------------|
| Income from: | | | | | |
| Donations | 3 | 161,716 | 297,208 | 458,924 | 379,579 |
| Charitable activities | 5 | - | 138,987 | 138,987 | 167,829 |
| Investments | 6 | - | 5,864 | 5,864 | 1,292 |
| Total income | | <u>161,716</u> | <u>442,059</u> | <u>603,775</u> | <u>548,699</u> |
| Expenditure on: | | | | | |
| Raising funds | 11 | - | 15,501 | 15,501 | 14,762 |
| Charitable activities | 8 | <u>153,628</u> | <u>474,465</u> | <u>628,093</u> | <u>573,785</u> |
| Total expenditure | | <u>153,628</u> | <u>489,966</u> | <u>643,594</u> | <u>573,785</u> |
| Net income / (expenditure) and net movement in funds | 12 | 8,088 | (47,907) | (39,819) | (39,848) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | <u>8,547</u> | <u>623,302</u> | <u>631,849</u> | <u>671,697</u> |
| Total funds carried forward | | <u><u>16,635</u></u> | <u><u>575,395</u></u> | <u><u>592,030</u></u> | <u><u>631,849</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.

Birth Companions

Balance sheet

As at 31 March 2024

| | Note | 2024 £ | 2023 £ |
|--|------|-----------------------|------------------|
| Current assets | | | |
| Debtors | 16 | 45,690 | 76,266 |
| Cash at bank and in hand | | <u>579,449</u> | <u>658,494</u> |
| | | 625,139 | 734,760 |
| Liabilities | | | |
| Creditors: amounts falling due within 1 year | 17 | <u>(33,109)</u> | <u>(102,911)</u> |
| Net current assets | | <u>592,030</u> | <u>631,849</u> |
| Funds | 20 | | |
| Restricted funds | | 16,635 | 8,547 |
| Unrestricted funds | | | |
| Designated funds | | 543,000 | 540,000 |
| General funds | | <u>32,395</u> | <u>83,302</u> |
| Total charity funds | | <u>592,030</u> | <u>631,849</u> |

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 June 2024 and signed on their behalf by

S Matthews

Sally Anne Matthews - Chair

Birth Companions

Statement of cash flows

For The Year Ended 31 March 2024

| | 2024 | 2023 |
|--|------------------------------|-----------------------|
| | £ | £ |
| Cash used in operating activities: | | |
| Net movement in funds | (39,819) | (39,848) |
| Adjustments for: | | |
| Loss on disposal of fixed assets | - | 4,705 |
| Investment income | (5,864) | (1,291) |
| Decrease in debtors | 30,576 | 41,129 |
| Increase / (decrease) in creditors | (69,802) | 30,778 |
| Net cash provided by / (used in) operating activities | <u>(84,909)</u> | <u>35,473</u> |
| Cash flows from investing activities: | | |
| Investment income | <u>5,864</u> | <u>1,291</u> |
| Net cash provided by investing activities | <u>5,864</u> | <u>1,291</u> |
| Increase in cash and cash equivalents in the year | (79,045) | 36,764 |
| Cash and cash equivalents at the beginning of the year | <u>658,494</u> | <u>621,730</u> |
| Cash and cash equivalents at the end of the year | <u><u>579,449</u></u> | <u><u>658,494</u></u> |

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 2024

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 level of unrestricted reserves at year end, and funding already secured for the year ending March 2024. There are no material uncertainties about the charity's ability to continue as a going concern.

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.

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.

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

1. Accounting policies (continued)

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 expenditure which is 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.

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 |
|--------------------|---------|

Items of equipment are capitalised where the purchase price exceeds £1,000.

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.

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

1. Accounting policies (continued)

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 charitable 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.

2. Prior period comparatives: statement of financial activities

| | Restricted £ | Unrestricted £ | 2023 Total £ |
|-----------------------------------|------------------|-------------------|--------------------|
| Income from: | | | |
| Donations | 156,648 | 222,931 | 379,579 |
| Charitable activities | - | 167,829 | 167,829 |
| Investments | - | 1,291 | 1,291 |
| Total income | 156,648 | 392,051 | 548,699 |
| Expenditure on: | | | |
| Charitable activities | 258,439 | 315,346 | 573,785 |
| Raising funds | - | 14,762 | 14,762 |
| Total expenditure | 258,439 | 330,108 | 588,547 |
| Net income / (expenditure) | (101,791) | 61,943 | (39,848) |

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

3. Income from donations

| | Restricted £ | Unrestricted £ | 2024 Total £ |
|------------------------------------|-----------------------|-----------------------|-----------------------|
| Donations* | - | 120,074 | 120,074 |
| Grants (note 4) | <u>161,716</u> | <u>177,134</u> | <u>338,850</u> |
| Total income from donations | <u>161,716</u> | <u>297,208</u> | <u>458,924</u> |

Prior period comparative:

| | Restricted £ | Unrestricted £ | 2023 Total £ |
|------------------------------------|-----------------------|-----------------------|-----------------------|
| Donations* | - | 96,931 | 96,931 |
| Grants (note 4) | <u>156,648</u> | <u>126,000</u> | <u>282,648</u> |
| Total income from donations | <u>156,648</u> | <u>222,931</u> | <u>379,579</u> |

*Included within donations are gifts and gifts in kind:

| | 2024 £ | 2023 £ |
|-------------------------------------|----------------------|---------------------|
| Unrestricted funds | | |
| Pramdepot boxes donated for free | 5,000 | 3,500 |
| Provision of meeting rooms | 500 | - |
| Provision of co-working space | 7,000 | - |
| Christmas gifts for community group | - | 580 |
| Refreshments for community group | <u>-</u> | <u>66</u> |
| | <u>12,500</u> | <u>4,146</u> |

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

4. Analysis of grants received

| | Restricted £ | Unrestricted £ | 2024 £ |
|-------------------------------|-----------------|-------------------|----------------|
| A B Charitable Trust | 7,840 | - | 7,840 |
| Adrian Swire Charitable Trust | - | 12,000 | 12,000 |
| Bromley Trust | - | 25,000 | 25,000 |
| Brown Dog | - | 10,000 | 10,000 |
| Crucible Foundation | 65,494 | - | 65,494 |
| Esmée Fairbairn Foundation | - | 50,000 | 50,000 |
| Evan Cornish Foundation | - | 10,000 | 10,000 |
| Kings Fund Impact Award | - | 40,134 | 40,134 |
| Ministry of Justice | 60,000 | - | 60,000 |
| National Lottery | 13,632 | - | 13,632 |
| Rayne Foundation | 12,750 | - | 12,750 |
| Samaritans | 2,000 | - | 2,000 |
| Segelman Trust | - | 30,000 | 30,000 |
| | <u>161,716</u> | <u>177,134</u> | <u>338,850</u> |

Prior period comparative

| | Restricted £ | Unrestricted £ | 2023 £ |
|--------------------------------------|-----------------|-------------------|----------------|
| A B Charitable Trust | 75 | 20,000 | 20,075 |
| Bromley Trust | - | 25,000 | 25,000 |
| Brown Dog | - | 5,500 | 5,500 |
| Department of Health and Social Care | 12,960 | - | 12,960 |
| Esmée Fairbairn Foundation | 60,000 | - | 60,000 |
| Goldsmiths Company Charity | - | 33,000 | 33,000 |
| Henry Smith Charity | 17,500 | - | 17,500 |
| Impact 100 London | - | 27,500 | 27,500 |
| Ministry of Justice | 9,863 | - | 9,863 |
| Rayne Foundation | 22,250 | - | 22,250 |
| Samaritans | 2,000 | - | 2,000 |
| Segelman Trust | 32,000 | - | 32,000 |
| The Balcombe Charitable Trust | - | 5,000 | 5,000 |
| The Material World Foundation | - | 10,000 | 10,000 |
| | <u>156,648</u> | <u>126,000</u> | <u>282,648</u> |

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

5. Income from charitable activities

| | 2024 £ | 2023 £ |
|---|----------------|----------------|
| Advance Advocacy and Non-Violence Community Education | 31,410 | 19,864 |
| Bronzefield Prison | 13,170 | 12,801 |
| Central and North West London CCG | 12,404 | 9,617 |
| City & Hackney CCG | 7,695 | 7,695 |
| NHS England | 42,883 | 90,616 |
| Other contract income | 31,425 | 27,236 |
| | <u>138,987</u> | <u>167,829</u> |

All income from charitable activities is unrestricted in both the current and prior period.

6. Income from investments

| | 2024 £ | 2023 £ |
|---------------------------|--------------|--------------|
| Unrestricted funds | | |
| Bank interest receivable | <u>5,864</u> | <u>1,292</u> |

7. Statutory funding

The charitable company receives government grants, defined as funding from the Ministry of Justice (2023: Department of Health and Social Care and Ministry of Justice), to fund charitable activities. The total value of such grants in the period ending 31 March 2024 was £60,000 (2023: £22,823). In 2022 / 23 there are unfulfilled conditions attached to the grant from the Department of Health and Social Care where some delivery has been delayed into the first quarter of the 2023 / 24 financial year, with agreement.

The charitable company also receives government contract income, defined as funding from City & Hackney CCG, NHS England and Central and North West London CCG to fund charitable activities. The total value of such contracts in the period ending 31 March 2024 was £62,982 (2023: £107,928). There are no unfulfilled conditions or contingencies attached to these contracts.

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

8. Costs of charitable activities by activity type

| | Activities undertaken directly £ | Support costs (note 9) £ | 2024 Total £ |
|---------------------------------|---|-----------------------------------|-----------------|
| Criminal Justice System Support | 167,570 | 29,650 | 197,219 |
| Community Support | 187,014 | 33,090 | 220,105 |
| Policy and Influence | 179,083 | 31,687 | 210,770 |
| Total expenditure | 533,667 | 94,426 | 628,093 |

Prior period comparative:

| | Activities undertaken directly £ | Support costs (note 9) £ | 2023 Total £ |
|---------------------------------|---|-----------------------------------|-----------------|
| Criminal Justice System Support | 171,563 | 29,250 | 200,813 |
| Community Support | 178,675 | 30,463 | 209,138 |
| Policy and Influence | 139,970 | 23,864 | 163,834 |
| Total expenditure | 490,208 | 83,577 | 573,785 |

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

9. Analysis of support costs

| | Justice System Support £ | Community support £ | Policy and influence £ | 2024 Total £ |
|--------------------------------------|-----------------------------------|---------------------------|------------------------------|-----------------|
| Staff costs | 4,722 | 4,522 | 4,231 | 13,475 |
| Staff volunteer training and support | 3,711 | 3,554 | 3,326 | 10,591 |
| Travel costs | 366 | 351 | 328 | 1,045 |
| Finance costs | 4,499 | 4,308 | 4,030 | 12,837 |
| Insurance | 818 | 783 | 733 | 2,334 |
| Venue hire and meeting costs | 3,852 | 3,689 | 3,451 | 10,992 |
| Phone, website and IT costs | 3,730 | 3,572 | 3,342 | 10,644 |
| Administration and marketing costs | 983 | 941 | 881 | 2,805 |
| Sundry costs | 2,043 | 1,956 | 1,831 | 5,830 |
| Governance costs (note 10) | 8,366 | 8,011 | 7,496 | 23,873 |
| | <u>33,090</u> | <u>31,687</u> | <u>29,649</u> | <u>94,426</u> |
| Prior period comparative: | | | | |
| | Justice System Support £ | Community support £ | Policy and influence £ | 2023 Total £ |
| Staff costs | 4,876 | 5,079 | 3,978 | 13,933 |
| Staff volunteer training and support | 3,486 | 3,630 | 2,844 | 9,960 |
| Travel costs | 548 | 570 | 447 | 1,565 |
| Finance costs | 4,169 | 4,342 | 3,401 | 11,912 |
| Insurance | 788 | 821 | 643 | 2,252 |
| Venue hire and meeting costs | 1,066 | 1,110 | 870 | 3,046 |
| Phone, website and IT costs | 2,731 | 2,844 | 2,228 | 7,803 |
| Administration and marketing costs | 3,525 | 3,671 | 2,876 | 10,072 |
| Sundry costs | 1,795 | 1,870 | 1,465 | 5,130 |
| Governance costs (note 10) | 6,266 | 6,526 | 5,112 | 17,904 |
| | <u>29,250</u> | <u>30,463</u> | <u>23,864</u> | <u>83,577</u> |

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

10. Governance costs

Governance costs are included within support costs

| | 2024 | 2023 |
|---------------------------------------|---------------|---------------|
| | £ | £ |
| Staff costs | 10,979 | 10,631 |
| Finance costs | 3,757 | 2,382 |
| Compliance | 263 | 587 |
| Payroll service costs | 1,316 | 1,436 |
| Independent examiner's fees (inc VAT) | 1,920 | 1,740 |
| Trustee expenses (note 12) | 284 | 108 |
| Legal and professional fees | - | 1,020 |
| Organisational review | 5,353 | - |
| | <u>23,872</u> | <u>17,904</u> |

11. Fundraising costs

Fundraising costs comprise:

| | 2024 | 2023 |
|---------------|---------------|---------------|
| | £ | £ |
| Staff costs | 10,979 | 10,632 |
| Finance costs | 1,712 | 1,588 |
| Other costs | 2,810 | 2,542 |
| | <u>15,501</u> | <u>14,762</u> |

12. Net movement in funds

This is stated after charging:

| | 2024 | 2023 |
|---|-------|-------|
| | £ | £ |
| Loss on disposal of fixed assets | - | 4,705 |
| Trustees' remuneration (note 14) | 1,575 | 1,275 |
| Trustees' reimbursed expenses (note 14) | 284 | 108 |
| Independent examiner's remuneration: | | |
| ▪ Independent examination (exc VAT) | 1,600 | 1,450 |
| ▪ Additional costs for prior year independent examination | 1,200 | - |
| ▪ Other services | 1,316 | 763 |

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

13. Staff costs and numbers

Staff costs were as follows:

| | 2024 £ | 2023 £ |
|-----------------------|----------------|----------------|
| Salaries and wages | 456,000 | 427,542 |
| Social security costs | 38,881 | 37,387 |
| Pension costs | 15,748 | 11,809 |
| Freelance staff | 16,666 | 15,416 |
| | <u>527,295</u> | <u>492,154</u> |

One employee earned between £60,000 and £70,000 during the year (2023: none earned more than £60,000 during the year).

The key management personnel of the charitable company comprise the Trustees, Director, Head of Services and Head of Operations. The total employee benefits of the key management personnel were £149,080 (2023: £150,931).

The pension scheme is defined contribution. The outstanding balance at year end was £3,478 (2023: £2,856).

| | 2024 No. | 2023 No. |
|----------------------|-------------|-------------|
| Average head count | <u>16</u> | <u>15</u> |
| Full time equivalent | <u>11</u> | <u>11</u> |

As ever we are extremely thankful to our 32 volunteers for their commitment to the charity. We estimate that 500 hours of volunteer time was dedicated to the charity (2023: 32 volunteers, 490 hours).

14. Trustee remuneration and related party transactions

During the year no trustee earned or received remuneration for their trustee role. Two trustees received reimbursement of expenses of £105 for travel to meetings (2023: one trustee received reimbursement of expenses of £54 for travel to meetings). Additionally, two trustees were paid £1,575 for their time when contributing to the lived experience team, and reimbursed £179 for this work. This is paid at the standard rate for the service, as paid to all members of the team. (2023: two trustees were paid £1,275 for time and reimbursed £54).

During the current year there were unrestricted donations from relatives of key personnel and trustees totalling £115 (2023: £995).

Donations from two trustees in the year totalled £350 (2023: five trustees donated £3,050).

There were no other related party transactions in the current or prior year.

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

15. Taxation

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

16. Debtors

| | 2024 £ | 2023 £ |
|--------------------------------|---------------|---------------|
| Trade debtors | 29,792 | 66,202 |
| Prepayments and accrued income | 15,898 | 10,064 |
| | <u>45,690</u> | <u>76,266</u> |

17. Creditors : amounts due within 1 year

| | 2024 £ | 2023 £ |
|------------------------------------|---------------|----------------|
| Trade creditors | 6,150 | 3,274 |
| Accruals | 8,885 | 6,886 |
| Owed to pension provider | 3,478 | 2,856 |
| Other taxation and social security | 14,596 | 11,651 |
| Deferred income (see note 18) | - | 78,244 |
| | <u>33,109</u> | <u>102,911</u> |

18. Deferred income

| | 2024 £ | 2023 £ |
|----------------------------------|-----------|---------------|
| Balance at the start of the year | 78,244 | 34,164 |
| Released in year | (78,244) | (34,164) |
| Deferred in year | - | 78,244 |
| | <u>-</u> | <u>78,244</u> |
| Balance at the end of the year | - | 78,244 |

Deferred income relates to funds received in advance of delivery of services and grants with time-bound conditions.

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

19. Analysis of net assets between funds

| | Restricted £ | Designated £ | General £ | Total £ |
|------------------------------------|-----------------|-----------------|---------------|-----------------|
| Current assets | 16,635 | 543,000 | 65,504 | 625,139 |
| Current liabilities | - | - | (33,109) | (33,109) |
| Net assets at 31 March 2024 | 16,635 | 543,000 | 32,395 | 592,030 |

Prior period comparative

| | Restricted £ | Designated £ | General £ | Total £ |
|------------------------------------|-----------------|-----------------|---------------|----------------|
| Current assets | 8,547 | 540,000 | 186,213 | 734,760 |
| Current liabilities | - | - | (102,911) | (102,911) |
| Net assets at 31 March 2023 | 8,547 | 540,000 | 83,302 | 631,849 |

20. Movements in funds

| | At 1 April 2023 £ | Income £ | Expenditure £ | Transfers between funds £ | As at 31 March 2024 £ |
|---|-------------------------|----------------|------------------|------------------------------------|--------------------------------|
| Restricted funds | | | | | |
| Crucible Foundation | - | 65,494 | (65,494) | - | - |
| Department of Health and Social Care | 5,814 | - | (5,814) | - | - |
| Esmee Fairbairn | - | 7,840 | (3,270) | - | 4,570 |
| Ministry of Justice | - | 60,000 | (60,000) | - | - |
| National Lottery | - | 13,632 | (3,495) | - | 10,137 |
| Rayne Foundation | 1,484 | 12,750 | (14,234) | - | - |
| Samaritans | 1,249 | 2,000 | (1,321) | - | 1,928 |
| Total restricted funds | 8,547 | 161,716 | (153,628) | - | 16,635 |
| Unrestricted funds | | | | | |
| Designated contingency funds | 540,000 | - | - | 3,000 | 543,000 |
| General funds | 83,302 | 442,059 | (489,966) | (3,000) | 32,395 |
| Total unrestricted funds | 623,302 | 442,059 | (489,966) | - | 575,395 |
| Total funds | 631,849 | 603,775 | (643,594) | - | 592,030 |

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

20. Movements in funds (continued)

Purposes of restricted funds

Crucible Foundation

Funding for Criminal Justice Supervision salaries, and the Community Birth Service.

Department of Health and Social Care

Health and Wellbeing Alliance funding provided for work with Tommy's on policy and engagement.

Esmee Fairbairn

Funding for a strategic review and development of future plans including Theory of Change.

Ministry of Justice

Year one of a three year core funding grant for salaries and overheads.

National Lottery

Matched funding for Hackney Navigator Service over four years.

Rayne Foundation

Community work in Hackney and Islington.

Samaritans

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

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 between funds

The designated contingency has been increased to retain 9 months reserves and closure costs, based upon projected costs in 2024/25.

Birth Companions

Notes to the financial statements

For The Year Ended 31 March 2024

20. Movements in funds (continued)

Prior period comparative

| | At 1 April 2022 £ | Income £ | Expenditure £ | Transfers between funds £ | At 31 March 2023 £ |
|---------------------------------|-------------------------|----------------|------------------|------------------------------------|--------------------------|
| Restricted funds | | | | | |
| Department of Health | - | 12,960 | (7,146) | - | 5,814 |
| Ministry of Justice | - | 9,863 | (9,863) | - | - |
| Rayne Foundation | 4,987 | 22,250 | (25,753) | - | 1,484 |
| Samaritans | - | 2,000 | (751) | - | 1,249 |
| Social Care Institute for | 2,865 | - | (2,865) | - | - |
| The A B Charitable Trust | - | 75 | (75) | - | - |
| Core funds, time restricted | <u>102,486</u> | <u>109,500</u> | <u>(211,986)</u> | - | - |
| Total restricted funds | <u>110,338</u> | <u>156,648</u> | <u>(258,439)</u> | - | 8,547 |
| Unrestricted funds | | | | | |
| Designated contingency funds | <u>532,000</u> | - | - | 8,000 | 540,000 |
| General funds | <u>29,359</u> | <u>392,051</u> | <u>(330,108)</u> | (8,000) | 83,302 |
| Total unrestricted funds | <u>561,359</u> | <u>392,051</u> | <u>(330,108)</u> | - | 623,302 |
| Total funds | <u>671,697</u> | <u>548,699</u> | <u>(588,547)</u> | - | 631,849 |

Social Care Institute for Excellence: Policy and engagement work.

The A B Charitable Trust: Engagement work.

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