

Charity number: 1180494

Cosmic

Financial Statements

For the year to 31 January 2023

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COSMIC
REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

Trustees	Dr Simon Nadel, Chair (appointed 8 th February 2023) Angela Birkin, Vice-Chair Jeremy Mills (resigned as Chair, 8 th February 2023) Joshua Lawrence Dr Sunit Godambe (appointed 28 th June 2023) Dr Tom Lissauer Sara Wan Henry St George (appointed 5 th September 2023) Jeanne Altberger (appointed 5 th September 2023)
Charity number	1180494
Principal office	Ground floor Acrow West Unit 20E St. Marys Hospital South Wharf Road London W2 1BL
Independent auditors	Moore Kingston Smith LLP 9 Appold St London EC2A 2AP
Bankers	CAF Bank (CAF accounts closed 1 st March 2023) 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4TA Lloyds Bank 185 Baker Street London NW1 6XB

**COSMIC
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JANUARY 2023**

The Trustees present their report together with the financial statements of Cosmic (the Charity) for the year to 31 January 2023. The Trustees confirm that the Annual Report and the financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015 and updated in 2019).

Objectives and Activities

Cosmic is an independent charity that is dedicated to providing the best possible care for premature and sick babies and children, as well as their families and the frontline staff who care for them.

It was formed through the merger of two legacy charities, each supporting departments within Imperial College Healthcare NHS Trust, London and each founded nearly 30 years ago by parents and doctors who knew that more could be achieved with additional funds than the NHS could provide on its own:

The Winnicott Foundation CIO supported the work of the Trust's two Neonatal Intensive Care Units ("NICUs"); one at St Mary's Hospital, Paddington, and the other at Queen Charlotte's & Chelsea Hospital, Hammersmith. Together they form the UK's largest Neonatal Service providing specialist care for new-born babies across North and West London. The Trust also takes in babies from further afield where the transferring hospital does not have the specialist facilities to care for them.

The NICUs can support babies born up to 17 weeks prematurely – after only 5 months of pregnancy. These babies are extremely vulnerable to infection and may face difficult and stressful procedures during their time in intensive care. Babies born at full term but experiencing complications such as oxygen deprivation at birth, infection, heart and lung problems, or genetic conditions are also treated in the Units. So too are babies facing serious difficulties because their mothers battled drug or alcohol addiction during pregnancy. Depending on the severity of their condition, babies can spend anything from a few days to many months on the NICUs.

Children of St Mary's Intensive Care supported the Trust's Paediatric Intensive Care Unit ("PICU") at St Mary's Hospital, Paddington. It is the only Unit of its kind in West London – all children admitted here are critically ill and need life-support. Around 20% of patients are admitted directly through St Mary's A&E department but they can also be transferred from much further afield, due to the Ward's speciality status.

As with the NICU, children can spend anything from a few days to many months on the PICU. Some patients from the NICU are also readmitted here.

The Charity raised funds and helped to provide direct support to those babies and children and their families.

The Charity aims to:

- Help save the lives of more children
- Support parents to be with their children
- Help to give children the best long-term future
- Help to get children home sooner

**COSMIC
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JANUARY 2023**

We did this by:

- Purchasing leading-edge equipment
- Funding staff training and information
- Funding support for parents
- Helping to improve the environment of the NICUs and PICU
- Supporting research
- Supporting the practice of developmental care and breastfeeding

Structure and Governance

Cosmic's team of 6 employees is led by a Chief Executive who reports to the Board of Trustees.

Trustees

The Trustees who served the Charity were as follows:

Dr Simon Nadel, Chair (appointed Chair 8th February 2023)
Angela Birkin, Vice-Chair
Jeremy Mills (resigned as Chair 8th February 2023)
Joshua Lawrence
Dr Lidia Tyszczuk (resigned 28th June 2023)
Dr Sunit Godambe (appointed 28th June 2023)
Dr Tom Lissauer
Sara Wan
Eleanor Wolfson (resigned 14th September 2022)
Dr Parviz Habibi (resigned 8th February 2023)
Paul Doyle (resigned 8th February 2023)

The combined Board includes parents of children whose lives have been saved by Imperial's Neonatal or Paediatric Intensive Care Units. They bring experience from their own professional and personal lives. In addition, it includes Clinical Representatives from both Units. They help to consider the current and longer-term priorities of the Neonatal and Paediatric Intensive Care Services to ensure the most effective use of donations. All Trustees support the effective management of the Charity and its funds on a voluntary, non-executive basis. The Board of Trustees meets 3-4 times a year.

The power of appointing new Trustees is vested in the Trustees who will vote at a Trustee meeting. For this accounting period, the Trust Deed provided for a maximum of 12 and prior to signing this Report and Accounts there were 7 Trustees.

Before appointment, new Trustees meet with the Chair and the Chief Executive and at least one other Trustee, in order to understand expectations from both sides as well as the Charity's aims. They are also given a role description as well as a copy of the Charity Commission's document CC3 – The Essential Trustee.

Trustees are appointed for fixed, renewable terms of three years.

Management

Staff work closely with the medical teams to deliver support to patients and their families. The Cosmic team work from home on a flexible basis, ensuring at least half the team are always on-site. This model has been successful in delivering our objectives and attracting and retaining staff.

In carrying out this review and in planning future activities the Trustees have considered the Charity Commission's guidance on the public benefit.

**COSMIC
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JANUARY 2023**

Achievements and performance

These accounts mark three years since the merger between The Winnicott Foundation CIO and Children of St Mary's Intensive Care, providing cost and operational efficiencies as well as greater security for both legacy charities.

This year has posed a number of operational challenges for the team. Cosmic runs on-site accommodation for the families of children who are receiving treatment in the PICU, allowing families to remain with their children during this difficult time. However, some of the bedrooms were impacted by a flood within the hospital and so significant staff time was spent relocating families to local hotels and dealing with remedial action.

In addition, a challenging recruitment market meant that the team was operating under headcount target (4 instead of 6) for much of the year. As a result, some of the projects which were due to complete within the year have completed post year end.

Key achievements include:

- **Refurbishment of the Milk Bank** – The Milk Bank at QCCH is the oldest continuously operating Milk Bank in the world. However, it was becoming unfit for purpose and at risk of closing down. Breast milk is especially critical for the healthy survival of very low birth weight, premature and sick babies. Mothers of these infants may be unable to provide sufficient human milk for their needs, particularly in the early days following the baby's birth. Milk banks follow rigorous protocols to screen donors, test, process and dispense the donated milk and to provide safe donor human milk to these babies. Cosmic raised the funds to refurbish the QCCH Milk Bank so that it can continue to support babies within Imperial's hospitals and the surrounding areas.
- **Purchase of RETCAM equipment** - Retinopathy of Prematurity (ROP) is a complication in premature babies which can cause vision impairment, and in extreme cases blindness. All premature babies born at or before 32 weeks' gestation or born with weight under 1,500g have their eyes routinely checked for ROP. Those who show severe ROP require laser therapy to prevent visual impairment or blindness. The ROP examination has historically been done by a specialised eye doctor, on a weekly basis, at set times. Babies experience stress during this procedure and sometimes take days to recover. However, if Neonatal nurses can be trained to take photographs of the back of the baby's eye using a device called a Retcam, the procedure can be performed when suitable for the baby whilst making sure the baby is comfortable and supported by either the parent or another nurse. The images can then be reviewed by the specialised eye doctor remotely and saved in the baby's health records to be reviewed whenever necessary. This approach reduces the stress to the baby whilst the parents can also objectively see the photos and understand the changes within their baby's eyes. Cosmic supported this Quality Improvement Project by purchasing a RETCAM to enable a pilot study.
- **SimBaby** – A SimBaby is highly realistic mannequin of a 9 month old child designed to help healthcare providers effectively recognize and respond to critically ill children. Cosmic purchased a SimBaby for the PICU medical team to assist with training on initial assessment and treatment.
- **Bereavement Counselling** – Cosmic now has 2 counsellors available to support bereaved parents from the PICU. Referrals are made by the Family Liaison Team for a minimum of 10 sessions, or as required, during this difficult time.
- **Staff Training** – Cosmic continues to fund additional training for doctors and nurses in line with our aim to provide patients with the best possible care, whilst also supporting medical staff recruitment and retention.
- In addition, a number of **on-going projects aimed at improving the environment for staff and for parents** are now planned to complete within the next financial year.

The Trustees would like to thank the parents, families, friends, staff, corporate partners and members of the public who have supported the Charity and have helped to raise £563,951 in this financial year. Their kindness and generosity has enabled the Charity to continue to support both families and staff across both the NICU and PICU in line with our Aims above.

**COSMIC
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JANUARY 2023**

Financial review

Our income arises principally from donations from the families who benefit from PICU and NICU services. We continue to build strong relationships with the medical teams and with the families on-site and often receive support from those families long after their child has been discharged.

We also continue to build strong relationships with a number of corporates, particularly those based in the Paddington area near to St Mary's Hospital. They have been generous in both their financial donations and in providing pro bono services and facilities to the Charity.

In addition, we are excited that our full calendar of Challenge Events is returning. Our London Marathon runners in October 2022 did exceptionally well this year raising nearly £52,000.

It is the Charity's policy to maintain restricted funds for the specific projects and equipment for which they were donated. It holds reserves of 12 months running costs, including the provision of core services to both Units. Major projects – either fundraising or charitable expenditure – are not committed to without funds being available.

Total funds at the year-end were £970,491 of which £359,558 relates to restricted funds, and £610,933 to unrestricted funds.

The Charity has no investments, although the Chief Executive and the Finance Committee review the banking arrangements annually.

The Charity funds projects undertaken by the NICU and PICU so that all staff providing specialist support and expertise are operating under NHS contracts and child protection policies. Purchased equipment is gifted to the NHS Trust which is then responsible for maintenance.

As permitted by the Charity's governance document, Indemnity Insurance is held by the Charity as a precaution. No claims have been made either in the year under review or since the year end.

There were no serious incidents relating to the Charity and therefore no reports made to the Charity Commission.

Managing Restricted Funds

The Charity holds some restricted funds on behalf of the NICU and PICU, allowing them to be awarded grants for use in their respective Units. These cover such things as staff education and training and equipment.

Each fund outlines the purpose of the grant as well as the nominated member of staff who may access the funds under set criteria.

Fundraising

Cosmic's approach is largely relationship led through individual donor giving and grants from Trusts and Foundations. Cosmic does not generally engage with commercial participators and professional fundraiser's and does not carry out house to house fundraising or street collections. Cosmic did not receive any complaints associated with its fundraising practices during the year. The Charity utilises applicable updates and guidance on fundraising issued by the Charity Commission.

Cosmic does not fundraise on a large scale to the general public and its exposure to vulnerable people unknown to the Charity is minimal. Cosmic does not use any third-party fundraising agencies, nor conduct any direct marketing. The Charity's individual donors mainly come from or through the Units and any families classified as "vulnerable" - those for example who may have been bereaved - are flagged to the Charity by clinicians and the Family Liaison Teams. Cosmic works in partnership with such individuals on any fundraising activity they may be conducting and liaise with NHS staff if any concerns.

**COSMIC
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JANUARY 2023**

Funding Policy

The Charity funds projects, activities and equipment that will not be funded by Imperial College Healthcare NHS Trust – or other parts of the NHS – and expects all applicants for support to have approached the NHS Trust first. Applicants are also expected to have already considered other sources of funding before approaching the charity.

The Charity generally funds projects that are run by, and purchases equipment that is gifted to, the NHS Trust, ensuring that long term liability, future maintenance and patient and child safety is appropriately managed by the NICUs and PICU rather than through charity staff.

Cosmic have received no complaints around fundraising in the year.

Post balance sheet events and plans for future periods

The Charity's support for an overwhelmed NHS is needed more than ever before. We continue to look for ways in which to boost morale amongst the medical teams and to expand our care.

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They 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.

This report was approved by the Trustees, on 5th Nov 2023 and signed on their behalf by:



Angela Birkin
Trustee

COSMIC
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF Cosmic
FOR THE YEAR ENDED 31 JANUARY 2023

Opinion

We have audited the financial statements of Cosmic for the period ended 31 January 2023 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2023, and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

**COSMIC
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF Cosmic
FOR THE YEAR ENDED 31 JANUARY 2023**

Other information (continued)

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the annual report.

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; and
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

COSMIC
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF Cosmic
FOR THE YEAR ENDED 31 JANUARY 2023

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the group and charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the group and charity and considered that the most significant are the Charities Act 2011 and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the group and charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

COSMIC
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF Cosmic
FOR THE YEAR ENDED 31 JANUARY 2023

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group or charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.



Moore Kingston Smith LLP, Chartered Accountants and Statutory auditor

Date: 15 November 2023

9 Appold St
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

COSMIC

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31 JANUARY 2023**

		Unrestricted funds	Restricted funds	Year to 31 January	Year to 31 January
		2023	2023	2023	2022
	Notes	£	£	£	£
Income from:					
Donations and legacies	2	492,688	69,486	562,174	351,871
Other Trading activities	2	894	295	1,189	2,391
Investment income	2	842	-	842	50
Donations in services	2	-	-	-	3,000
JRS Grant		-	-	-	16,718
Total income		<u>494,424</u>	<u>69,781</u>	<u>564,205</u>	<u>374,030</u>
Expenditure on:					
Costs of raising funds	3	143,907	380	144,287	89,214
Charitable activities	4	297,303	77,920	375,223	342,778
Total expenditure		<u>441,210</u>	<u>78,300</u>	<u>519,510</u>	<u>431,992</u>
Net movement in funds before transfers		53,214	(8,519)	44,695	(57,962)
Transfers	14	-	-	-	-
Net movement in funds		<u>53,214</u>	<u>(8,519)</u>	<u>44,695</u>	<u>(57,962)</u>
Reconciliation of funds:					
Total funds brought forward	17	557,719	368,077	925,796	983,758
Total funds carried forward		<u>610,933</u>	<u>359,558</u>	<u>970,491</u>	<u>925,796</u>

* see note 17 for the comparative Statement of Financial Activities.

The notes on pages 13 to 25 form part of these financial statements.

COSMIC
BALANCE SHEET
AS AT 31 JANUARY 2023

			31 January 2023	31 January 2022
	Note	£	£	£
Fixed Assets				
Tangible assets	9		8,734	12,951
Current assets				
Debtors	10	9,464		6,586
Cash at bank and in hand		1,290,029		1,100,920
		<u>1,299,493</u>		<u>1,107,506</u>
Creditors: amount falling due within one year	11	(337,736)		(194,661)
Net current assets			<u>961,757</u>	<u>912,845</u>
Net assets			<u>970,491</u>	<u>925,796</u>
Charity Funds				
Restricted funds	12		359,558	368,077
Unrestricted funds	12		610,933	557,719
Total funds			<u>970,491</u>	<u>925,796</u>

The financial statements were approved by the Trustees on 8th Nov. 2023 and signed on their behalf by:


Angela Birkin
Trustee

The notes on pages 13 to 25 form part of these financial statements.

COSMIC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting Policies

1.1 General Information

Cosmic is a registered charity. Its registered office and principal place of business is Ground floor, Acrow West Unit 20E, St. Mary's Hospital, South Wharf Road, London W2 1BL.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102) including Update Bulletin 2 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011. The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

Cosmic constitutes a public benefit entity as defined by FRS 102.

1.3 Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements and have considered the Charity's forecasts. After making enquiries the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in the preparation of the financial statements.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

1 Accounting Policies (Continued)

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donation and fundraising income is recognised at the point at which the pledge is made.

Grant income is recognised in line with the conditions specified in the grant contract. Where grant contracts specify the period the activities and the costs are to be undertaken, they are recognised as income over that period as the associated costs which give rise to the entitlement to the income are incurred.

Investment income is recognised on a receivable basis.

Following a review of income and expenditure a number of categories have been reanalysed into the area that more appropriately represents their activity, but there has been no change to the prior year surplus/deficit nor balance sheet reserves.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Grants Payable

Grants payable are charged in the period when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the period end are noted as a commitment, but not accrued as expenditure.

Costs of raising funds

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Allocation of support costs

Support costs are allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

Raising funds	30%
Medical research	0%
Unit support	30%
Parents support	30%
Accommodation	10%

Charitable activity costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

1 Accounting Policies (Continued)

1.6 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.

1.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.8 Debtors

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

1.9 Cash at bank and in hand

Cash at bank and 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.

1.10 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	25% straight line basis
Fixtures and fittings	25% straight line basis

Assets acquired under £250 are not capitalised in line with the Charity's policy.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

Trade and other creditors are recognised at the settlement amount after any trade discounts received. Accruals are value based on the estimated amount to be paid.

1.12 Financial instruments

The Charity 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 measured at amortised cost using the effective interest method.

COSMIC**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 JANUARY 2023****1 Accounting Policies (Continued)****1 Pensions**

The Charity operated a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the period.

1 Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial period.

2 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Donations	52,535	10,007	62,542	106,775
Legacies	-	-	-	460
Individuals and Trust	99,671	59,479	159,150	131,590
Challenge events	116,173	-	116,173	91,419
Special events	83,750	-	83,750	-
Gift Aid - HMRC	33,557	-	33,557	596
Corporate and Club sponsors	107,002	-	107,002	21,031
Total donations and legacies	492,688	69,486	562,174	351,871
Total 2022	277,959	73,912	351,871	

In the prior year, Gift Aid was included under donations except when applied for separately by Cosmic.

Income from other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Other	894	295	1,189	2,391
Total	894	295	1,189	2,391
Total 2022	507	1,884	2,391	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

2 (continued)

Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Bank interest receivable	842	-	842	50
Total	<u>842</u>	<u>-</u>	<u>842</u>	<u>50</u>
Total 2022	<u>50</u>	<u>-</u>	<u>50</u>	

3 Costs of raising funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Fundraising and marketing expenses	12,805	50	12,855	19,322
Challenge events	5,241	-	5,241	7,750
Other fundraising costs	10,398	-	10,398	6,070
Support costs- other	56,536	330	56,866	18,698
Support costs- wages	58,927	-	58,927	37,374
Total	<u>143,907</u>	<u>380</u>	<u>144,287</u>	<u>89,214</u>
Total 2022	<u>86,876</u>	<u>2,338</u>	<u>89,214</u>	

COSMIC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

4 Analysis of expenditure on charitable activities

	Unrestricted funds 2023	Restricted funds 2023	Total 2023	Total 2022
	£	£	£	£
Equipment donated/Unit Support	88,068	18,458	106,526	96,792
Medical Research	5,493	-	5,493	41,823
Parents support	82,534	49,970	132,504	88,054
Accommodation	121,208	9,492	130,700	116,109
Total 2023	297,303	77,920	375,223	342,778
Total 2022	276,808	65,970	342,778	

5 Analysis of expenditure by activities

	Activities undertaken directly 2023	Support costs 2023	Total 2023	Total 2022
	£	£	£	£
Equipment donated/Unit Support	24,598	81,928	106,526	96,792
Medical Research	99	5,394	5,493	41,823
Parents support	51,675	80,829	132,504	88,054
Accommodation	93,751	36,949	130,700	116,109
Total 2023	170,123	205,100	375,223	342,778
Total 2022	147,359	195,419	342,778	

Support costs for charitable activities have been allocated to charitable activities based on usage in the year

COSMIC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

6 Support costs

	31 January 2023	31 January 2022
	£	£
Audit and accountancy	26,969	20,104
Legal and Professional	-	9,024
Office Costs	71,941	14,759
Depreciation	6,687	6,849
Salaries, NIC and pension costs	196,422	186,870
Stationery & consumables	1,163	1,770
Communication costs	-	3,000
Staff costs	11,999	6,815
Other	5,711	2,300
	<u>320,892</u>	<u>251,491</u>

Office costs have increased due to the inclusion of back-rent on the office space.

7 Net income/(expenditure)

This is stated after charging:

	31 January 2023	31 January 2022
	£	£
Depreciation of tangible fixed assets	6,687	6,849
Auditor's remuneration - audit	12,000	14,700
Auditor's remuneration - other	7,037	5,404
	<u>25,724</u>	<u>26,953</u>

COSMIC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023****8 Staff costs**

	31 January 2023	31 January 2022
	£	£
Wages and salaries	179,643	160,367
Social security costs	8,211	12,512
Other pension costs	8,490	6,583
Staff training	305	-
	<u>196,649</u>	<u>179,462</u>

The average number of persons employed by the Charity during the period was as follows:

	2023	2022
	No.	No.
Average number of employees	5	5

No employee received remuneration amounting to more than £60,000 in either period.

During the period key management personnel received remuneration totalling £80,084, which included the salary for parental leave for the Chief Executive.

No trustees received any remuneration, benefits in kind or reimbursement of expenses in the current or prior period.

9 Tangible fixed assets

	Fixtures and Fittings	Office Equipment
	£	£
Cost		
At 1 February 2022	22,515	10,275
Additions	2,348	-
Disposals	(4,656)	(2,432)
At 31 January 2023	<u>20,207</u>	<u>7,843</u>
Depreciation		
At 1 February 2022	13,778	6,061
Charge for the period	5,282	1,283
Disposals	(4,656)	(2,432)
At 31 January 2023	<u>14,404</u>	<u>4,912</u>
Net book value		
At 31 January 2023	<u>5,803</u>	<u>2,931</u>
At 31 January 2022	<u>8,737</u>	<u>4,214</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

10 Debtors

	31 January 2023	31 January 2022
	£	£
Prepayments and accrued income	9,464	6,586
	<u>9,464</u>	<u>6,586</u>

11 Creditors: Amounts falling due within one year

	31 January 2023	31 January 2022
	£	£
Trade creditors	62,967	6,061
Accruals and deferred income	270,946	185,231
Taxation and social security	3,823	3,369
	<u>337,736</u>	<u>194,661</u>

12 Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023
	£	£	£
Tangible fixed assets	8,734	-	8,734
Current assets	939,935	359,558	1,299,493
Creditors due within one year	<u>(337,736)</u>	<u>-</u>	<u>(337,736)</u>
	<u>610,933</u>	<u>359,558</u>	<u>970,491</u>

Analysis of net assets between funds - prior period

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022
	£	£	£
Tangible fixed assets	12,951	-	12,951
Current assets	739,429	368,077	1,107,506
Creditors due within one year	<u>(194,661)</u>	<u>-</u>	<u>(194,661)</u>
	<u>557,719</u>	<u>368,077</u>	<u>925,796</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

14 Statement of funds

Statement of funds - current period

	Balance at 1 February 2022	Income	Expenditure	Transfers	Balance at 31 January 2023
	£	£	£	£	£
Unrestricted funds					
General funds	557,719	494,424	(441,210)	-	610,933
Restricted funds					
Funds held for Neonatal Unit / Doctor education material	26,497	-	-	-	26,497
Post Discharge Support	-	-	(800)	-	(800)
Bereavement Study day	5,000	-	-	-	5,000
COVID-19 / Staff Support	23,701	2,184	(7,326)	-	18,559
Multiple Births Programme	1,030	-	-	-	1,030
Neonatal projects	4,963	-	-	-	4,963
Sound Ear Units	13,596	-	-	-	13,596
Vital Sound Monitors	9,000	-	-	-	9,000
Family Support Fund	29,772	23,000	(18,459)	-	34,313
Best in class (NICU Education Fund)	-	-	(150)	-	(150)
Winnicott discharge nurse	38,771	-	-	-	38,771
ARNI	420	-	-	-	420
Incubator purchases	35,323	10,958	(1,508)	-	44,773
Rebecca Harwood Memorial	5,093	-	(750)	-	4,343
Impact	53,027	-	(39,341)	-	13,686
Accommodation	1,868	20,000	(538)	-	21,330
Cosmic House	3,038	344	(269)	-	3,113
PICU Accommodation	-	4,295	(8,354)	-	(4,059)
More Smiles Appeals	23,462	-	(750)	-	22,712
Kawasaki Research	38,217	-	-	-	38,217
Sleep Study	3,419	-	-	-	3,419
Play Specialist Team	8,325	-	(55)	-	8,270
Egyptian Education Bureau	9,224	-	-	-	9,224
Jimmy St George's Nurses Fund	8,315	-	-	-	8,315
Refurbishment	-	7,000	-	-	7,000
Staff Support	-	2,000	-	-	2,000
Other restricted funds	26,016	-	-	-	26,016
Total restricted funds	368,077	69,781	(78,300)	-	359,558
Total of funds	925,796	564,205	(519,510)	-	970,491

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

**14 Statement of funds (continued)
Statement of funds - prior period**

	Balance at 1 February 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 January 2022 £
Unrestricted					
General funds	629,274	298,234	(363,684)	(6,105)	557,719
Restricted funds					
Funds held for Neonatal Unit / Doctor					
education material	26,497	-	-	-	26,497
Developmental care and breastfeeding	(2,258)	-	-	2,258	-
Bereavement Study day	5,000	-	-	-	5,000
COVID-19	24,754	2,248	(3,301)	-	23,701
Multiple Births Programme	1,030	-	-	-	1,030
Neonatal projects	4,963	-	-	-	4,963
Sound Ear Units	13,596	-	-	-	13,596
Vital Sound Monitors	9,000	-	-	-	9,000
Family Support Fund	30,620	600	(1,448)	-	29,772
Family Liaison Support	-	1,278	(3,476)	2,198	-
Winnicott discharge nurse	38,771	-	-	-	38,771
ARNI	420	-	-	-	420
Incubator purchases	(1,188)	51,220	(14,709)	-	35,323
Rebecca Harwood Memorial	8,093	-	(3,000)	-	5,093
Impact	53,027	-	-	-	53,027
Accommodation	-	1,912	(44)	-	1,868
Cosmic House	-	3,038	-	-	3,038
SMART	(1,649)	-	-	1,649	-
More Smiles Appeals	30,244	-	(6,782)	-	23,462
Kawasaki Research	22,717	15,500	-	-	38,217
Sleep Study	38,967	-	(35,548)	-	3,419
Play Specialist Team	8,325	-	-	-	8,325
Egyptian Education Bureau	9,224	-	-	-	9,224
Jimmy St George's Nurses Fund	8,315	-	-	-	8,315
Other restricted funds	26,016	-	-	-	26,016
Total restricted funds	354,484	75,796	(68,308)	6,105	368,077
Total of funds	983,758	374,030	(431,992)	-	925,796

Restricted funds

Funds held for Neonatal Unit / Doctor education material: This fund is held for income generated by neonatal teams from grants and donations for staff education and items to improve the working environment.

Developmental care and breastfeeding - This fund is for the purchase of items and the training of staff to support the developmental care of babies and to support mothers to express their milk and to breastfeed their babies.

Bereavement Study Day - This fund is used to organise a Bereavement Study Day at the Units.

COVID-19 - This is an emergency fund to provide both practical and emotional support for staff, families and patients on NICU and PICU.

14 Statement of funds (continued)

Restricted funds (continued)

Multiple Births Programme - This fund is used to develop a model of Neonatal care for multiple birth babies and their parents.

Neonatal projects - This fund is used to fund research projects to improve Neonatal care.

Family Support fund - This fund is used to provide practical, emotional and financial support to families and staff across all Units.

Winnicott discharge nurse - Funds held for the position of a NICU Discharge Nurse.

ARNI (Advanced Resuscitation of New Born Infants) - Funding for the ARNI resuscitation course.

Incubator purchases - This fund is used to fund the purchase of incubators.

Rebecca Harwood Memorial - This fund is used to fund the training of doctors and nurses on the Units.

Impact - This fund represents monies received towards simulation training and the purchase and upkeep of specialist equipment and materials to support in situ training.

SMART - The St. Mary's Allergy Research Team ("SMART") fund represents amounts received for the training of the allergy team doctors and nurses.

Family Liaison Support - This fund represents monies received to fund the work of our family liaison sisters.

More Smiles Appeals - This fund is used to support the refurbishment and expansion of the PICU from 8 to 15 beds and the provision of its services.

Kawasaki Research - This fund is used to support research into Kawasaki Disease.

Sleep Study - This fund is used to support research into sleep and sleep related medicine and respiratory disorders.

Accommodation - This fund relates to money raised for the development of parent accommodation.

Play Specialist Team - This fund relates to money raised to support the play specialist team.

Egyptian Education Bureau - This fund represents money donated for the joint supervision of a student and education activities for doctors and nurses.

Jimmy St George's Nurses' Fund - This fund relates to money raised for nurses' education, support and recognition.

Other restricted funds - These relate to a small number of other restricted funds.

15 Related party transactions

During the period reimbursements of £nil (2022: £nil) were made to Trustees for expenses paid on behalf of the Charity.

16 Trustee Indemnity

During the year to 31 January 2023, the Charity purchased Trustee indemnity insurance (as allowed under the Charity's constitution) for a price of £8,146 (2022: £6,933).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

17 Prior period Statement of Financial Activities

	Unrestricted funds 2022	Restricted funds 2022	Total 2022
	£	£	£
Income from:			
Donations and legacies	277,959	73,912	351,871
Other Trading Activities	507	1,884	2,391
Investment income	50	-	50
Gift Aid - HMRC	3,000	-	3,000
JRS Grant	16,718	-	16,718
Total income	298,234	75,796	374,030
Expenditure on:			
Costs of raising funds	86,876	2,338	89,214
Charitable activities	276,808	65,970	342,778
Total expenditure	363,684	68,308	431,992
Net movement in funds before transfers	(65,450)	7,488	(57,962)
Transfers	(6,105)	6,105	-
Net movement in funds	(71,555)	13,593	(57,962)
Reconciliation of funds:			
Total funds brought forward	629,274	354,484	983,758
Total funds carried forward	557,719	368,077	925,796