

Company No: 02920866

Charity No: 1037513

THE MOTHER AND CHILD FOUNDATION LIMITED

(A company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2019

Dub & Co

Chartered Certified Accountants

7 Torriano Mews

London

NW5 2RZ

THE MOTHER AND CHILD FOUNDATION LIMITED

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THE MOTHER AND CHILD FOUNDATION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2019

Reference and administrative details

Charity registration number: 1037513
Company registration number: 02920866

Registered office 7 Torriano Mews
London
NW5 2RZ

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees who served during the year and since the year end were as follows:

R Keene OBE (Chairman)
Major A C Robinson
Professor M A Crawford PhD FRSB FRCPATH (Research Director)
Lord J N Rea MD DCH FRCGP
Dr R E Lister PhD FRSB
Dr Z Hassam MD FRCPATH
M D Pirkis Dip Agric
Rev S H House

Secretary

R Gow MSc PhD

Independent examiner

J Davies
Dub & Co
Chartered Certified Accountants
7 Torriano Mews
London
NW5 2RZ

THE MOTHER AND CHILD FOUNDATION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2019

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 April 2019.

The legal and administrative information set out on page 1 forms part of this report. The trustees confirm that the annual report and the financial statements of the charity comply with the current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice - Accounting and Reporting by Charities (Charities SORP FRS 102).

Structure, governance and management

Governing document

The Mother And Child Foundation is a charitable company limited by guarantee with no share capital, incorporated in England and Wales on 20 April 1994 and registered as a charity on 12 May 1994. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

The directors of the company are also trustees of the charity. The trustees provide a balance of expertise and knowledge ranging from the representation of parents and mothers to agronomists, science and medicine. The Foundation has no offices and does not employ staff, the work being done voluntarily.

Recruitment and appointment of the board of trustees

Trustees are recruited through personal contact, advertisement or a not for profit organisation.

Trustees induction and training

New trustees meet with the Chair and present members of the Board informally to discuss the working of the Foundation, its past, present and future commitments.

Risk Management

The trustees have examined the major risks (operational, financial and general) to which the company is exposed and confirm that appropriate steps are in place to mitigate these risks.

In the present situation, we have funds underwritten for 12 months. The Foundation has no property and does not engage staff. All functions are voluntary, except for payment to our web master when requested. All studies carried out on humans are before starting, covered by NHS ethical approval. The same applies to those conducted abroad where we insist on local ethical approval.

Objectives and activities for the public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities.

The Foundation's primary goal is to foster good maternal health and prevent adverse pregnancy outcomes. Dissemination of the Foundation's work has been achieved by the publication in peer reviewed publications and its web site <http://www.themotherandchildfoundation.org>

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2019

Achievements during this current financial year

The Foundation continued to support the seminal work being carried out at the Chelsea and Westminster Hospital Campus of Imperial College. This study of 300 pregnancies has revealed for the first time a bio-marker predicting preterm delivery when a mother books in for pregnancy care at about 12 weeks after conception. The predictive power was at a better than 90% confidence level. It is intended to test this biomarker in a larger study of 10,000 pregnancies where it and other anticipated bio-markers could be identified for the neurodevelopmental disorders associated with preterm birth such as autism, epilepsy, learning disabilities, ADHD, other behavioural disorders and cerebral palsy. Biomarkers for these conditions provide biochemical evidence for cause leading to both preventive and therapeutic strategies.

In addition, the analysis of magnetic resonance imaging of the new born brain from mothers with and without a supplement of brain specific fatty acids demonstrated the ability to enhance the volume of certain regions of the male brain. The regions exhibiting increased volumes included, the cortex volume, whole brain with CSF/volumes, whole grey matter, and corpus callosum. Grey matter regions deal with cognition and motor function relevant to learning disability and physical abilities. The corpus callosum on the other hand is concerned with connectivity. There is good evidence, its adverse development is involved in autism.

The significance of this result cannot be over-estimated. Mental ill-health associated with learning difficulties, autism and other neurodevelopmental disorders is an escalating problem for which at the time of writing there are no solutions. Its continued escalation leads to an unthinkable end product. Most studies directed to test nutrition and brain development have focussed on omega 3 fatty acids. The brain is made of both omega 3 and omega 6. The supplement used in the CWH study contained both. The implications for public health are extensive.

First there is a need to recognise the logical and now firmly evidence-based importance of maternal health and nutrition before conception. This means pre-conception care services and education stressing the fact that the period prior to conception establishes the milieu intérieur to provide for the implantation of the fertilised egg and the subsequent critical periods of embryogenesis and neurgenesis.

Secondly, no Government has prioritised the nutritional and other needs of the brain in its health, food and agricultural policies. It is the brain that makes us different from apes. Our sponsored research shows that Nature prioritises the brain nutritionally before birth and in the provision of energy during its development and after. This failing has to be corrected.

Future

The results of the research at Chelsea and Westminster Hospital Campus of Imperial College, need to be translated into practice. The evidence clearly upholds the call of the late Sir Kenneth Stuart, for a United Nations Charter for Mothers.

Having funded three randomised clinical trials the Foundation now aims to apply the knowledge gained. Future research is needed to establish the bio-marker for specific disorders such as autism, learning disabilities, epilepsy and ADHD in order to diagnose risk and so prevent such disorders. It will also be feasible with the knowledge already gained to identify risk for poor cognitive development and so provide advice and a strategy for enhancing brain development in under privileged populations. A delegation from Imperial visited Khartoum to discuss this point. Our Foundation had previously

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2019

sponsored three Sudanese PhD. Their work laid the foundations for a programme to help prevent stunting of the brain from malnourishment. The implementation of such a programme has been discussed with the Hagger Foundation. The report of the delegation on the wide health issues in Sudan has been published in the BMJ.

References:

Ogundipe, E; Tusor N; Wang, Y; Johnson MR; Edwards AD; Crawford MA. (2018) Randomized controlled trial of brain specific fatty acid supplementation in pregnant women increases brain volumes on MRI scans of their new-born infants PLEFA FOSS trial – ISRCTN 240687; on line ahead of print DOI: <https://doi.org/10.1016/j.plefa.2018.09.001>

Charani E, Cunningham AJ, Yousif AHA, Seed Ahmed M, Ahmed AEM, Babiker S, Badri S, Buytaert W, Crawford MA, Elbashir MI, Elhag K, Elsiddig KE, Hakim N, Johnson MR, Miras AD, Swar MO, Templeton MR, Taylor-Robinson SD. (2019) BMJ Glob Health. 2019 Aug 21;4(4):e001723. doi: 10.1136/bmjgh-2019-001723. PMID: 31543996

Previous Sudanese work.

Nyuar KB, Khalil AK, Crawford MA. Dietary intake of Sudanese women: a comparative assessment of nutrient intake of displaced and non-displaced women. Nutr Health. 2012 Apr;21(2):131-44. doi: 10.1177/0260106012467244.PMID: 23275454

Daak AA, Ghebremeskel K, Hassan Z, Attallah B, Azan HH, Elbashir MI, Crawford M (2013) Effect of omega-3 (n-3) fatty acid supplementation in patients with sickle cell anemia: randomized, double-blind, placebo-controlled trial. Am J Clin Nutr. :37-44. doi: 0.3945/ajcn.112.036319. PMID: 23193009

Nyuar KB, Min Y, Ghebremeskel K, Khalil AK, Elbashir MI, Crawford MA.(2010) Milk of northern Sudanese mothers whose traditional diet is high in carbohydrate contains low docosahexaenoic acid. Acta Paediatr.c;99(12):1824-7.

Izzeldin SH, Crawford MA, Ghebremeskel K. (2009) Salt fortification with iodine: Sudan situation analysis. Nutr Health; 20(1):21-30.

Financial review

The Foundation has sufficient funds to operate for a further year. New funds are urgently needed.

Reserve policy

The directors and trustees have continued the provision of £10,000 in the bank account at the National Westminster Bank.

Statement of trustees' responsibilities

The trustees (who are also directors of the The Mother And Child Foundation 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 Generally Accepted Accounting Standards.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2019

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees confirm that to the best of their knowledge there is no information relevant to the independent examination of which the examiner is unaware. The trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant examination information and that this information has been communicated to the examiner.

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 number of such guarantees at 30 April 2019 was 8 (2018: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Small company provisions

The above report has been prepared in accordance with the small companies' regime under the Companies Act 2006.

This report was approved by the Board of trustees on 20 January 2020 and signed on its behalf by

Professor M A Crawford PhD FRSB FRCPath
Director and trustee

THE MOTHER AND CHILD FOUNDATION LIMITED

Independent examiner's report to the trustees of The Mother and Child Foundation Limited

I report on the accounts of the charitable company for the year ended 30 April 2019, which are set out on pages 7 to 13.

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having been satisfied that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by 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 2015) have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J Davies FCCA
Dub & Co
Chartered Certified Accountants
7 Torriano Mews
London NW5 2RZ
20 January 2020

THE MOTHER AND CHILD FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) FOR THE YEAR ENDED 30 APRIL 2019

	Note	funds £	Restricted funds £	Total funds 2019 £	Total funds 2018 £
Income					
Donations and gifts	2	79,657	-	79,657	57,033
<i>Income from charitable activities:</i>					
Medical research projects	4	-	-	-	10,000
Investment income	3	71	-	71	807
Total income		<u>79,728</u>	<u>-</u>	<u>79,728</u>	<u>67,840</u>
Expenditure					
<i>Expenditure on charitable activities:</i>					
Medical research projects	6	73,054	-	73,054	64,184
Total expenditure		<u>73,054</u>	<u>-</u>	<u>73,054</u>	<u>64,184</u>
Net income and net movement in funds before gain on investment		6,674	-	6,674	3,656
Net gain on investment (COIF)		-	-	-	871
Net income		<u>6,674</u>	<u>-</u>	<u>6,674</u>	<u>4,527</u>
Transfers between funds	10	-	-	-	-
Net movement in funds		<u>6,674</u>	<u>-</u>	<u>6,674</u>	<u>4,527</u>
Reconciliation of funds:					
Total funds brought forward		(8,477)	15,612	7,135	2,608
Total funds carried forward	10	<u>(1,803)</u>	<u>15,612</u>	<u>13,809</u>	<u>7,135</u>

The Statement of Financial Activities also complies with the requirements for an income and expenditure account and includes all recognised gains or losses under the Companies Act 2006.

All income and expenditure derive from continuing activities.

The notes on pages 9 to 13 form part of these accounts.

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BALANCE SHEET 30 APRIL 2019

	Note	2019 £	£	2018 £	£
Current assets					
Debtors	8	1,100		16,100	
Cash at bank and in hand		14,437		12,643	
Total current assets		<u>15,537</u>		<u>28,743</u>	
Liabilities					
Creditors falling due within one year	9	<u>(1,728)</u>		<u>(21,608)</u>	
Net current assets			13,809		7,135
Total assets less current liabilities			<u>13,809</u>		<u>7,135</u>
The funds of the charity:					
Unrestricted deficit	10	(1,803)		(8,477)	
Restricted funds	10	15,612		15,612	
Total charity funds			<u>13,809</u>		<u>7,135</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2019 in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for :

- ensuring that that charitable company keeps accounting records that comply with sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of the affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements on page 7 to 13 were approved by the board of directors and trustees on 20 January 2020 and signed on its behalf by:

Professor M A Crawford PhD FRSB FRCPATH
Director and trustee

Company registration no: 02920866

THE MOTHER AND CHILD FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

(a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity has taken advantage of the disclosure exemption, otherwise requiring a Statement of Cash Flows, as permitted by Update Bulletin 1.

The Mother And Child Foundation 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.

(b) Going concern

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

(c) Fixed asset investments

Investments are a form of basic financial instruments and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

(d) Funds accounting

Funds held by the charity are:

Unrestricted funds: these are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds: are subjected to restrictions on their expenditure imposed by the donor or where funds have been raised for a specific purpose.

(e) Income

All incoming resources receivable during the year are accounted for in the Statement of Financial Activities. The following specific policies are applied to particular categories of income:

Voluntary income: includes donations and gifts that provide core funding or are of a general nature is recognised where the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured with sufficient reliability.

THE MOTHER AND CHILD FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

Investment income: is recognised on a receivable basis. Investments held as fixed assets are revalued at market value at balance sheet date. Gains or losses on revaluation of investments are charged or credited to the Statement of Financial Activities.

Income from charitable activities: includes income received under contract or where entitlement to grant funding is subject to specific conditions and is recognised as earned. Grant income included in this category provides funding to support the undertaking of activities and is recognised where there is entitlement, it is probable that the income will be received and the amount can be measured with sufficient reliability.

(f) Expenditure

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

Expenditure is classified under the following activity headings:

Charitable activities: include expenditure associated with medical research projects and include both the direct costs and support costs relating to these activities.

Support costs: include central functions and have been allocated to activity cost categories to reflect the use of resources. Costs relating to a particular activity are allocated directly; they also include governance costs associated with the constitutional and statutory requirements of the charity.

2 Income from donations and gifts

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Donations	71,845	-	71,845	54,266
Gift aid repayments	7,812	-	7,812	2,767
	<u>79,657</u>	<u>-</u>	<u>79,657</u>	<u>57,033</u>

3 Investment income

The charity's investment income arises from bank interest receivable.

	2019 £	2018 £
Bank interest receivable	71	6
Dividends from COIF Charities Investment Fund	<u>-</u>	<u>801</u>
	<u>71</u>	<u>807</u>

THE MOTHER AND CHILD FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

4 Income resources from charitable activities

The income was primarily from grants to undertake medical research projects.

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Grants receivable	-	-	-	10,000

5 Allocation of support and governance costs

The charity allocates its support costs as shown below. Support costs are allocated on a basis consistent with the use of resources and identifies those costs which relate to the governance function.

	General Support Mother & Baby Clinic £	Governance Costs £	Total £
Rent and rates	14,602	-	14,602
Bank charges	-	152	152
Independent examiner's fee	-	1,440	1,440
Other costs	35	288	323
	14,637	1,880	16,517

6 Analysis of expenditure on charitable activities

The charity undertakes direct charitable activities for medical research projects.

		£
Imperial College - IBCHN		56,537
Support costs - Mother & Baby Clinic Well Street, London E9	<i>Note 5</i>	14,637
Governance costs	<i>Note 5</i>	1,880
		73,054

(IBCHN - Institute of Brain Chemistry and Human Nutrition)

THE MOTHER AND CHILD FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

7 Taxation

The charitable company is exempt from corporation tax on its charitable activities.

8 Debtors

	2019	2018
	£	£
Other debtors and prepayments	1,100	16,100

9 Creditors: amounts falling due within one year

	2019	2018
	£	£
Other creditors and accruals	1,728	21,608

10 Movement in funds

	Opening balance	Movement in resources		Transfer between funds	Closing balance
	£	Income	Expenditure	£	£
Unrestricted funds					
General funds	(17,015)	79,728	73,054	-	(10,341)
Gain on investment (COIF)	8,538	-	-		8,538
Restricted funds					
Grants and donations	15,612	-	-	-	15,612
Total funds	7,135	79,728	73,054	-	13,809

11 Purposes of restricted funds

Grants and donations receivable were used for the studies on maternal and child nutrition and health.

12 Analysis of net assets / (liabilities) between funds

	Invest- ments	Net current liabilities	Total
	£	£	£
Unrestricted funds	-	(1,803)	(1,803)
Restricted funds	-	15,612	15,612
	-	13,809	13,809

THE MOTHER AND CHILD FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

13 Trustees' remuneration

The trustees received no remuneration or benefits in kind during the year.

14 Related party transactions

During the year, the following trustees made donations to the charity:

	2019	2018
	£	£
Professor M A Crawford	20,845	10,126
Rev S H House	-	7,000

At the balance sheet date, the charity owed Professor M A Crawford £Nil (2018 £19,923).