



The Lullaby Trust Limited

Annual report and consolidated
financial statements for the year
1 July 2018 - 30 June 2019

Contents

Introduction from our Chairman	3
Why we exist	4
Our impact	5
Our activities and achievements	5
Future plans	10
Financial report	12
Structure governance and management	12
Key management personnel	13
Remuneration Policy	13
Reserves Policy	14
Risk management and financial control	15
Statement of Trustees' responsibilities	15
Audit information	16
Auditors	16
Thank you	17
Board of Trustees & Committees	18
Independent Auditors' Report to the Members and Trustees of The Lullaby Trust Limited	19
Consolidated Statement of Financial Activities	23
Consolidated Balance Sheet	25
Statement of Cash flows	26
Notes to the Financial Statements	26

Introduction from our Chairman

We are proud of the success that this year has brought, despite the challenges and uncertainty faced by the sector. In 2018-19 we reached millions of people with life-saving safer sleep advice and provided support to more bereaved families than ever before.

2018-19 saw the departure of our Chief Executive Francine Bates, after seven years of successfully leading the charity and overseeing a major re-brand and transformation from Foundation for the Study of Infant Deaths to The Lullaby Trust. We will greatly miss her vast experience and knowledge of the sector. Her contribution in raising the profile of the charity and the life-saving work that we do has been immense. Though we are sorry to see Francine go, we are delighted that our former Director of Services Jenny Ward has taken on the role of Chief Executive, after 12 years with The Lullaby Trust.

In August, the Office for National Statistics (ONS), National Records of Scotland (NRSScotland) and the Northern Ireland Statistics and Research Agency (NISRA) released statistics for 2017 on unexplained deaths in infancy. The figures showed a decrease, taking SIDS rates to the lowest ever recorded. In their report, ONS attributed the drop to increased awareness of safer sleep advice, with specific reference to The Lullaby Trust and our annual Safer Sleep Week campaign.

We are proud of the role we have played in bringing down the SIDS rate in the UK. Nonetheless there is always more work to be done and challenges are posed by a reduction in the level of support available for new and expectant families. We are determined to work harder than ever to keep driving down the number of deaths and prevent families from suffering the devastation of losing a child.

During 2018-19 we supported hundreds of bereaved families through our helpline, Befriender scheme and our Care of Next Infant (CONI) programme. We provided thousands of health professionals with safer sleep advice they can pass on to families and through our campaigning activities, social channels and media coverage, we reached millions of people with our safer sleep messages.

None of this would be possible without the incredible generosity of our supporters. Thank you to all our volunteers, supporters, partners and all who have contributed to supporting families during this year. We look forward to seeing what the next one will bring and the difference we can make together to families' lives.

Why we exist

The death of a baby is devastating for families. Every week in the UK, around 4 babies die from sudden infant death syndrome (SIDS). Also known as cot death, SIDS is when a seemingly healthy baby dies unexpectedly and no cause is found after post mortem.

The Lullaby Trust aims to prevent sudden infant death by providing lifesaving information to all families on how to reduce the risk of SIDS. They also fund research to help understand why babies and young children die suddenly and unexpectedly and how these deaths can be prevented in the future.

For those families where a baby has died, The Lullaby Trust provides bereavement support and campaigns for better, consistent bereavement care across the UK.

The work we have done has resulted in an 82% drop in SIDS since 1991, saving the lives of around 20,000 babies. We have invested over £12million in SIDS research and provided support to thousands of bereaved families.

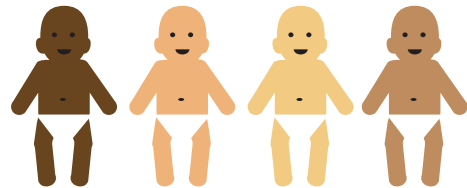
All of The Lullaby Trust's activities are focused on our ultimate aim of eliminating preventable sudden infant death in England, Wales and Northern Ireland and supporting bereaved families.

In 2015 we published a five year strategy, which set out our four key objectives:

- To reduce the numbers of babies who die from SIDS to below 150 across the UK by 2020 by promoting our Safer Sleep message
- To fund research into both the causes and prevention of unexpected infant death, including SIDS
- To provide support to bereaved families, affected by the unexpected death of a baby or toddler
- To work across the infant and child health community to reduce infant mortality in the UK.

200

SIDS claims the lives of approximately 200 babies every year in the UK: that's around 4 babies a week



1 per 3,845

The current unexplained infant death rate in the UK for live births.



88%

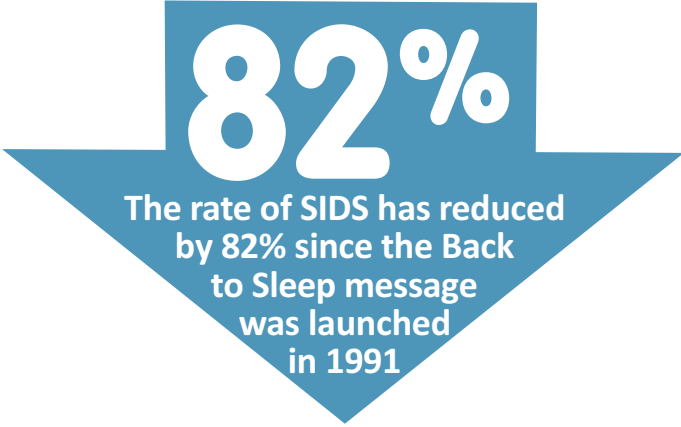
Around 88% of SIDS happen in the first 6 months of life



Our impact

In 2018-19:

- SIDS rates for 2017 were released showing they had dropped to the lowest level ever recorded, a total reduction of 82% since 1991. In their report the Office for National Statistics attributed the drop, in part, to the work of The Lullaby Trust
- We provided 4,500 professionals with safer sleep advice
- 68% of health professionals who attended our training sessions detailed changes they would make to their professional practice as a result of attending the training
- Over 17 million people were reached with safer sleep advice during our Safer Sleep Week campaign
- 149,891 leaflets on safer sleep advice were sent out to parents and professionals working with families
- 1,479 parents contacted us for information on safer sleep
- 741 professionals contacted us for information on safer sleep
- 813 bereaved parents contacted us for direct support
- 258 professionals contacted us for support on behalf of a family they are working with
- 87 bereaved families were allocated a Befriender to offer peer-to-peer support during the year
- 598 adults and 449 children attended our free family days out, giving them access to face to face support and information



82%

The rate of SIDS has reduced by 82% since the Back to Sleep message was launched in 1991

Our activities and achievements

1. To reduce the numbers of babies who die from SIDS to below 150 across the UK by 2020 by promoting our Safer Sleep message

Over 2018-19, we have continued to grow our profile and our online following, allowing us to reach an ever growing number of parents with our safer sleep advice.

This year, over 2,200 people contacted our information services for advice, and we have distributed over 77,000 guides for parents on safer sleep for babies and a further 29,557 easy-read cards. Over the year; we had over 2.3 million page views on our website (a 44% increase from last year) with our safer sleep advice pages receiving the most visits and we increased our Facebook followers by 46% to over 32,000.

In March 2019, we ran our fifth and most successful Safer Sleep Week campaign to raise awareness of SIDS and our safer sleep advice. The focus of the 2019 campaign was on co-sleeping as we knew this was a very important topic for many parents and something that health professionals found difficult to discuss with families. This meant parents often did not receive safety advice on co-sleeping.

We once again partnered with Public Health England, and also with Unicef and Basis to create resources to support health professionals in having productive discussions with families about co-sleeping and safer sleep. We produced printed resources for health professionals to give to parents and an animation for our website and social media channels. We involved our Young Parent Panel (YPP) - an advisory body of young parents - in the campaign and their feedback and ideas helped to shape our messaging.

We once again worked with Bounty, to reach new mums and mums-to-be. Bounty distributed a survey for us on co-sleeping, which received over 8,000



80,295 engagements with Facebook posts during Safer Sleep Week

responses. 60,000 Safer Sleep Week advice cards were distributed via Bounty's New-Born packs, to new mums in maternity units. Additionally, a Bounty e-shot was sent to 338,586 new and expectant parent subscribers, containing our co-sleeping advice.

Social media engagement was strong with the hashtag #SaferSleepWeek reaching an audience of 3 million people. Our Facebook engagement (likes, shares, comments and clicks) was 80,295 over the week and the animation was viewed over 174,000 times.

49,000 visits were made to our website during the campaign. We received 650 pieces of media coverage, including articles in national and regional newspapers and blogs and appearances on TV and radio. The highlights were appearances on BBC Breakfast, ITV News, Sky News and Good Morning Britain.

The campaign messages received a very warm and positive response with parents praising our more realistic and supportive approach to co-sleeping.

A number of local authorities ran Safer Sleep Week campaigns and Little Lullaby, our service for young parents, ran a campaign aimed at a younger audience.

Little Lullaby had a strong year in terms of engaging more young parents than before through our social media channels and recently redeveloped website. Unfortunately, our second round of funding from National Lottery Community Fund came to an end and we were unable to secure an alternative source of funding. As a result, the project came to an end in March 2019.



People reached on Twitter with our #SaferSleepWeek hashtag

Though the project has ended we are very proud of all that has been achieved during its four years. 39 young parents were trained as ambassadors delivering safer sleep advice to their peers. Of the last cohort, 90% said they had gained new skills as a result of the training. We worked with health professionals to help improve young parents' engagement with health services, as a result, 93% of professionals said they felt better equipped to support young parents adopt safer sleep practices.

In the last 2 years of the project our young parents produced 2,637 pieces of content for our channels including videos, blogs and social media posts, sharing their experiences and advice on parenting. We hosted young parent takeovers on Snapchat and Instagram. By the end of the project our social media reach had exceeded 3.5 million. As young parents are a hard to reach audience this was an incredible achievement.

One of the main aims of the project was to reduce isolation amongst young parents and 87% of young parents who completed our survey said they felt less isolated or had made new friends through their connection to Little Lullaby.

We have learned a great deal from our work with these inspiring young people and will continue the legacy by ensuring our activities and messages are inclusive of and relevant to young parents. The YPP- an advisory body of young parents - remains active. The latest figures show that the rate of SIDS is 5 times higher for babies born to mums under 20, than for any other age group, so they remain a target audience.

2. To fund research into both the causes and prevention of unexpected infant death, including SIDS

Our 2018 Grantholders Meeting was held at our head office in London on October 18th. The annual meeting is an opportunity for researchers from a diverse range of specialities to further their own and others' knowledge of sudden infant death. It featured presentations from current Lullaby Trust grantholders, who shared their research findings with colleagues and other interested parties.

Lily Gates, PhD student, UCL GOS Institute of Child Health, presented on the study on which she is working with Professor Neil Sebire, Professor of Paediatric Pathology, Great Ormond Street Hospital. The research project investigates whether specific combinations of infection-causing bacteria are associated with sudden unexpected death in infancy (SUDI), and whether the presence of these bacteria is related to known risk factors for SUDI, such as sleeping position or infant age.

Professor David Tappin, Professor of Clinical Trials for Children, Glasgow University, gave an update on his phase III study to examine the effectiveness and cost-effectiveness of offering voucher incentives to pregnant smokers. The aim of the incentive is to encourage them to engage with stop-smoking services and to quit during pregnancy and after.

Professor Peter Blair delivered the final report on the newborn hearing study. Almost every baby born in the UK has the newborn hearing screening test. The research explored whether it is feasible to identify babies who could be at a higher risk of SIDS by studying the test results.

Dr Victoria Bryant, Clinical Research Associate and Honorary SpR, UCL Great Ormond Street Institute of Child Health (GOSH), also delivered a final report on her study into Sudden Unexpected Death in Childhood. There is very little research into these deaths, which though rare do sadly still occur. GOSH has a unique database, which includes around 500 sudden unexpected deaths in childhood and 1,500 sudden unexpected deaths in infancy. The study, which began in 2016, is the largest single centre autopsy study of

sudden unexpected deaths in childhood. Unexplained SUDC cases were compared and contrasted to SIDS cases from the same series to identify similarities and differences.

3. To provide support to bereaved families affected by the unexpected death of a baby or toddler

The sudden and unexpected death of a baby devastates families. Our support services are open to anyone affected by the sudden death of a baby, and we offer support to all family members as well as professionals involved with families.

Our Freephone Bereavement Support Helpline remains the most popular means of seeking support from us, following the death of a baby or young child. Despite SIDS rates remaining low, we have seen an increase in families contacting us for the first time during the year, which may be linked to the increased awareness of baby loss. Whilst our telephone support remains the most popular means of accessing our bereavement support services, online support has increased in the past year. We distributed over 4,000 bereavement support leaflets and over 500 helpline cards.

During the year, we had 813 bereaved family members looking for bereavement support. Of the bereavement contacts we received in the year, 439 were contacting us for the first time, which is an increase of 19% from 2017-2018. Our support services are open to anyone affected by the sudden death of a baby or young child, so the SIDS statistics are not always reflected in our contact numbers.

87

families were allocated a Befriender to offer peer-to-peer support

87 families were allocated a Befriender to offer peer-to-peer support during the year. Befriending continues to be an important service for families. This year we have been successful in gaining a grant from the National Lottery Community Fund for a two-year project to increase our befriender numbers. It has also enabled us to offer more training and support to Befrienders undertaking this vital role to support other bereaved families.

We commit to offering a free, annual day out to every bereaved parent who has given us their details. Family Days are held throughout the country at various venues, and allow families to spend time with their children, to remember their baby who died, and to access face-to-face information and support.

Last year we held 8 Family Days, which were attended by over 598 adults and 449 children. The days were well-attended this year, partly due to a number of grants that enabled us to hold the days in venues that attracted more families. In 2019 we began a project called Wings of Love where bereaved families are invited to create an origami heart or butterfly in memory of a baby or young child. This happens at each of our family days, and is a way for families to create a memorial and remember their baby.

Parents who have suffered the sudden and unexpected death of a baby often feel anxious when they have another baby. Working with the NHS, we run a national health visitor-led service for bereaved parents, the Care of Next Infant (CONI) programme.

CONI provides specialist advice, information and support to health professionals who, in turn, support bereaved families with their next baby and help them reduce anxiety and enjoy the first year of their baby's life. The core elements of the programme are regular contact with a health visitor/team, use of symptom diaries and baby check, regular weight monitoring and apnoea (movement) monitors, along with the support of a paediatrician.

Since CONI began in 1988, we have supported almost 10,000 families and over 14,200 babies on the CONI programme. Since CONI PLUS began in 1996, we have supported over 8,600 families and over 10,400 babies. We supported the families of more than 203 babies in 2018, including over 104 on CONI and 99 on CONI PLUS. CONI PLUS supports other groups of vulnerable families, including those with a close family history of SIDS or following an Apparent Life-Threatening Event.

1,047

Parent and children attended a total of 8 free family days throughout the UK

From 2019, we combined CONI and CONI PLUS into one support programme. There have been 120 enrolments since 1st January, which is significantly lower than would normally be expected. We know that a reduction in health visitor numbers and availability, as well as cuts to budgets and commissioning has meant CONI is not delivered in as many areas as it had been previously. This has affected enrolment numbers. Delays in returning forms electronically and in data-inputting has also influenced these figures. We therefore believe these numbers are not a true reflection of the number of families supported by CONI co-ordinators. We are working on ways of improving the enrolment processes.

All families supported by CONI are invited to give feedback on their experience. From this, we know that families continue to find all elements of the programme helpful. Of most value to parents is the support they get from the regular contact with their health visitor and the loan of the movement monitor to check their baby's breathing. CONI continues to receive positive feedback from parents:

'Appreciated the support of CONI at a very difficult time for us'

- Family Cornwall

CONI has increased its presence on The Lullaby Trust website and has made more information available online for health professionals and families. Progress has been made with the digitalisation of CONI; with online registration and evaluation of the programme, organising and planning regional meetings and training.

Currently there are 971 CONI co-ordinators, an increase from last year. The rise reflects the amount of training delivered in the first months of 2019, supported by a generous donation from Teddy's Wish and the move to create local CONI teams, which builds sustainability of the CONI programme.

The commissioning of the CONI programme, as part of the health visiting service, remains a priority to us and is an ongoing challenge. CONI is stable in Wales, with 83% of Health Boards covered and 100% of the Health and Social Care Trusts in Northern Ireland covered. England is a more challenging area so the CONI team produced a document for commissioners explaining CONI and how the programme supports them to achieve national health outcome targets. We will continue to work on ways to ensure bereaved families can access this vital service.

4. To work across the infant and child health community to reduce infant mortality in the UK

Influencing practice at local level

Following the publication, by the Office for National Statistics, of the numbers of unexplained infant deaths in August 2018, we produced a policy briefing for local public health leads, Local Safeguarding Children's Panels (LSCBs) and MPs, with the aim of raising awareness of SIDS and our safer sleep messages.

We provided safer sleep advice to over 4,500 professionals during the year. Our new safer sleep publications, launched in March 2019, include a booklet for professionals giving advice on supporting families to follow the safer sleep advice. We send out a monthly e-newsletter to around 8,500 professionals to keep them updated with the latest advice, research and events.

We reviewed our evaluation process for training during the year, and now offer digital returns for all who attend our training. 96% of professionals who attended one of our regional training sessions said the presentation was highly relevant or relevant to their professional role. We were pleased to see that 68% of those who attended the training sessions detailed changes they would make to their professional practice as a result of attending the training.

Influencing practice at a national level

The Lullaby Trust continues its work to highlight the high level of infant mortality in the UK and the need for better bereavement care for all families. During the year we were involved in a number of key pieces of work, all of

which are collaborative projects with other organisations.

We continue to provide the secretariat of the All Party Parliamentary Group on Baby Loss in Parliament. During the year, one of the Co-Chairs, Will Quince MP, stepped down, having been appointed to a ministerial role. Antoinette Sandbach MP became the Chair at this time. We thank both of them for their dedicated work to highlight the issues around baby loss, and look forward to the next year. The Baby Loss Awareness Week debate in parliament was again a key focus of the Week.

We continue to work closely with Sands, Bliss, Miscarriage Association, Antenatal Results and Choices on the National Bereavement Care Pathway. The NBCP, which has the support of the Department of Health, has been developed to improve the quality of bereavement care experienced by parents and families at all stages of pregnancy and baby loss up to 12 months, through a set of guidelines to help professionals support families whose baby dies. During the year, we celebrated the extension of the project to a further 21 sites.

Our previous Chief Executive, Francine Bates, stepped down from co-chairing the national Smoking in Pregnancy Challenge Group earlier in the year. We continue to be a member of the group and to support its work during the year to reduce the numbers of women smoking in pregnancy.

We are a member of the stakeholder group convened by the University of Bristol on the National Child Mortality Database, which began collecting data on 1st April 2019. This is a significant step forward to help understand why children die in the UK and to look at how we might prevent future deaths. We had been campaigning for a database of this type for nearly a decade and are very pleased to see the database now in place.

As a result of our expertise and trusted brand, we have managed to secure regular coverage in the media. Over the past year we have issued news stories and statements on a variety of subjects from baby boxes to the impact of celebrity influencers on parental behaviour. We have achieved hundreds of pieces of media coverage in the local and national press, and on television and radio, which have given us the opportunity to reach millions of people with our safer sleep messages.

Future plans

We remain dedicated to achieving our over-arching goal of reducing the numbers of SIDS to below 150 by 2020.

In 2016, the number of unexplained deaths in infancy across the UK was 240 and SIDS rates increased by 14% from 2015 rates. In 2017, the UK figure recorded was 200 and the rate decreased to the lowest ever recorded at 0.26 deaths per 1,000 births. This is very good news and we believe that The Lullaby Trust has played a key role in the decline of SIDS in the UK. However, there is still much to be done. We believe that 200 babies is still far too many, the death of a child is devastating for any parent and we are determined to do all we can to prevent this from happening to families.

As we enter our 50th year and the fifth year of our 2015-2020 strategy, we are in the process of developing our new strategic objectives, which will guide the future direction of the charity. This is a particularly important time to be reviewing our strategic objectives as SIDS rates have reached the lowest on record. We also know that demand for our bereavement support services is still increasing despite the lower number of deaths, so we need to have a strategy for how we consider this and ensure our services are fully prepared.

For 2019 our four strategic objectives remain the same. These are:

- To reduce the numbers of babies who die from SIDS to below 150 across the UK by 2020 by promoting our Safer Sleep message
- To fund new research into both the causes and prevention of unexpected infant death, including SIDS
- To provide support to bereaved families affected by the unexpected death of a baby or toddler
- To work across the infant and child health community to reduce infant mortality in the UK.

Promoting our safer sleep message

We are continuing to reach more and more people via our social media channels and attract increasing numbers of visitors to the website. We are also

experiencing much more engagement with our social media content with people asking questions, commenting and sharing. We are taking feedback on board and developing new content in response to common questions, areas of confusion and issues that are important to people. We will continue to work on the creation of compelling, shareable digital content to ensure we are answering the questions people ask about SIDS and safer sleep and that our advice reaches as many people as possible.

We have developed new resources for parents and health professionals with Public Health England, Unicef Baby Friendly Initiative and Basis and will continue to promote our new messages and resources to ensure all professionals are clear on their advice.

We are also in the process of updating the safer sleep advice on our website to ensure it is in line with our updated evidence base, and making the information clearer and more accessible. We have already received positive feedback on some of our updated guidance.

We will continue to create targeted campaigns to make parents aware of modifiable risks such as the use of unsafe sleeping products. We will also continue to reach out to more vulnerable groups such as young parents. Our service for young parents; Little Lullaby, came to an end earlier this year but we are continuing to work with and consult young parents through our Young Parent Panel (YPP). The YPP helps us to ensure that our activities and communications are relevant to young parents and that we are meeting their needs.

Funding research

The results of our Global Action and Prioritisation of Sudden infant death (GAPS) project to establish new global priorities for tackling Sudden Unexpected Death in Infancy continues to inform our research strategy. It will help The Lullaby Trust identify relevant projects to support that could help us reduce SIDS still further over the next 10 years.

This year has been about consolidation and although we have been able to recover from a challenging financial year in 2017-18 we have not been able to raise sufficient funds to set aside money for new research projects in this coming year. However, we remain committed to finding out more about SIDS and how to prevent it. Over the past 49 years we have invested

more than £12million in SIDS research. This research has saved lives and made a significant contribution to the decline in SIDS rates by allowing us to share wider knowledge on how to reduce the risk. For any promising research projects identified that will help further this work, we will endeavour to raise the funds to support them through targeted campaigns.

We continue to be involved in projects, which will allow us to further our knowledge of SIDS, and have joined the stakeholder group convened by the University of Bristol to help develop the first ever national child mortality database. The National Child Mortality Database will collect information about all children in England who die before their 18th birthday. The collection, analysis and public reporting of information from all child deaths across England will facilitate learning to reduce preventable child mortality. We are also involved in the development of the SUDI registry.

Supporting bereaved families

We are committed to improving our bereavement support services. This year we have received a National Lottery Community Fund grant that is allowing us to enlist 30 new Befrienders. Our Befriending service is where we offer bereaved family members support from specially trained volunteers who are bereaved parents, grandparents or siblings themselves. We have now expanded the remit of our bereavement services to support more families who have lost a baby during the neonatal stage and are welcoming Befriender applications from those whose child has died from causes other than SIDS.

The Befriender project will see new Befrienders trained during this year. As part of this programme, we will be introducing online training for Befrienders, to ensure we can update them on changes and make the training process quicker and more flexible.

We will continue to work in partnership with other baby charities and professional bodies to improve the quality of care that bereaved parents receive when their baby dies, through the development of The National Bereavement Care Pathway (NBCP). We will also continue to work in collaboration with other baby loss charities for Baby Loss Awareness Week, which as well as giving bereaved families the opportunity to commemorate their children, campaigns for better bereavement care for all parents wherever they live in the UK.

We will look to work with local authorities to ensure the effects of local changes in public health on the delivery of CONI support to families is as minimal as possible. This will be helped by partnerships we have formed with Teddy's Wish and Nimans.

The generous funding provided by the partnership with Teddy's Wish will enable us to deliver free CONI Co-ordinator training to health visitors in England, Wales and Northern Ireland. Both charities hope that this will open up training to areas of the country that might not have previously been able to afford it and allow more families access to the vital support offered by the CONI programme.

We have also formed a partnership with Nimans who produce the Snuz monitor, a small wearable movement monitor for babies. Nimans have donated 300 monitors to the CONI scheme, which will allow us to gift monitors to many parents rather than loan the more expensive monitors.

Working to reduce wider infant mortality

We will continue to work with the other leading pregnancy loss and infant death charities across the UK. By sharing information and expertise, we bring pressure to bear on policy makers to help us reduce preventable infant mortality and improve services for bereaved families. We are looking at potential strategic partnerships, with other organisations in the sector, to strengthen our services.

We will progress our work with other organisations, to highlight the importance of universal health services for all new parents to promote healthy outcomes for families.

Financial report

We have seen an overall increase in our income in 2019, achieving £1.66m in the current year against £1.6m in 2018.

Community fundraising has increased significantly to £527,000 in 2019, after a challenging year in 2018 raising £415,000. We introduced two new activities in the year, both of which proved highly successful. Comedian Adam Kay featured the charity in his live tour, giving us the opportunity to hold bucket collections after every show and Facebook launched its digital fundraising platform in the summer of 2018, which inspired people with a connection to the charity to set up birthday fundraisers. It was also a high-performing year for our London Marathon team.

Donations and legacies from individuals increased to £384,000 in 2019 from £367,000 in 2018. Within this total were significant amounts received from families choosing to support the charity by requesting donations at a funeral or memorial service.

Our charitable activities generated £120,000 in 2019, which had increased from £110,000 in 2018. This included further collaborative work with Public Health England and the University of Bristol as well as partners in the baby charity sector.

We maintained our income from special events at £20,000 in 2019, which included our popular Carols by Candlelight and Quiz Evening.

Grants received from trusts and foundations totalled £354,000 in 2019, reduced from £401,000 in 2018. The National Lottery Community Fund grant for Little Lullaby came to an end in the current year but we were extremely grateful to be awarded a new two-year grant from the National Lottery Community Fund's Reaching Communities Programme towards our befriending service, which offers peer to peer support to parents bereaved by infant death.

Income from companies presented more of a challenge in 2019, with £132,000 received. 2018 had been an exceptional year, raising £181,000 with significant one-off items, including pro bono support, grants and a charity of the year opportunity. This is an area that we

are keen to invest in in the future, as we continue to recognise the need to diversify our sources of income and place less reliance on community fundraising.

We have seen an overall reduction in our expenditure, which totalled £1.56m in 2019 against £1.76m in 2018.

Expenditure on support and information programmes reduced to £988,000 in 2019 from £1.14m in 2018 as the Little Lullaby project concluded in the year.

Purchases of monitors and equipment for the CONI programme returned to usual levels, costing £99,000 in 2019 after an extensive campaign to replace obsolete monitors resulted in costs of £138,000 in 2018.

Our fundraising expenditure decreased to £429,000 in 2019 from £489,000 in the previous year following a restructure of our fundraising team in 2018, which reduced the overall headcount. A saving also resulted from the decision to combine the CEO and Director of Services roles following the departure of our CEO in December 2018.

We spent £48,000 on research in 2019, which included a commitment to the second year of the PhD studentship hosted by University College London and Great Ormond Street Hospital. This was an increase from 2018, which had resulted in a net credit of £5,000 due to the release of provisions, in relation to two longstanding research projects concluded in that year.

The Lullaby Trust holds restricted funds in accordance with donors' requirements. At 30 June 2019, the balance of Restricted Funds amounted to £295,000 (2018: £224,000).

The Lullaby Trust Sales Limited continued its activities of securing sponsorship from corporate partners and selling merchandise and entry fees for challenge events. The Lullaby Trust Sales Limited made profits of £80,000 in the year, and a distribution of profits of the same amount was made to the charity under the gift aid scheme.

Structure, governance and management

The Lullaby Trust is a company limited by guarantee, Registered in England and Wales No. 01000824 and is a registered charity, No. 262191. Its governing document

is its Memorandum and Articles of Association, dated January 1971 as amended by special resolution in February 2017. There was a change of name in March 2012 (formerly the Foundation for the Study of Infant Deaths).

The Lullaby Trust has one, wholly-owned subsidiary, The Lullaby Trust Sales Limited, which is a private limited company, Registered in England and Wales No. 01731141. Its governing document is its Memorandum and Articles of Association, dated April 1983 as amended in March 2012 to reflect the change of name from F.S.I.D. Sales Limited. The principal activity of the subsidiary company is that of raising funds for The Lullaby Trust through trading and sponsorship income and a deed of covenant is in force whereby all profits are donated to The Lullaby Trust annually under the Gift Aid scheme.

The charity's Articles of Association allow it to operate in England, Wales and Northern Ireland; its headquarters are in London, where it employs 14 full-time and 16 part-time staff, including six regional staff working part-time from their homes. The majority of employees deliver the charitable objects, four full-time equivalent posts are administrative and financial functions, and five are engaged in fundraising.

The Board of Trustees meets four times a year to set strategy, agree on policy and review finances. The Board comprises of trustees who bring a broad range of skills and professional qualifications necessary to ensure that the charity has access to all relevant expertise.

They are advised by:

- The Scientific Committee, which meets one to two times a year to review submitted proposals for scientific research and to recommend them to The Board of Trustees for approval for funding.
- The Lullaby Trust Advisory Committee, which meets three times a year to act as a forum for discussion and provide advice to senior staff on The Lullaby Trust's core charitable activities.
- The Finance and Resources Committee, which meets five times a year to monitor the finance and resources of The Lullaby Trust on behalf of the Board of Trustees and to provide strategic advice to the Chief Executive.

- The Remuneration Committee, which consists of the Chairman of the Board of Trustees and the Chairman of the Finance and Resources Committee, meets twice a year to review policy and make recommendations for the remuneration of staff to the Board of Trustees.

Each of these committees operates under terms of reference approved by the Board of Trustees.

The Trustees are appointed by the Board of Trustees. The Board of Trustees continue to review and monitor governance arrangements. New trustees receive a comprehensive induction pack when they join the charity and are offered training on the roles and responsibilities of charity trusteeship. New trustees are introduced to staff and encouraged to attend all events organised by the charity.

Key management personnel

The Trustees and the Chief Executive are key management personnel. Day to day operational management of the charity is delegated to the Chief Executive.

Remuneration policy

The Lullaby Trust believes that its staff are key to delivering its objectives. To this end it believes that its pay policies should be fair, transparent, competitive and sustainable. The Lullaby Trust believes that it is important to reward its staff competitively within the small charity sector and at the same time ensure that it remains prudent and can guarantee that its pay bill is sustainable both at the current time and in the future.

The Remuneration Committee has overall responsibility to set remuneration and terms and conditions of employment for all staff of The Lullaby Trust. It specifically has the responsibility to set the pay and terms and conditions of the Chief Executive, which is then approved by the full Board of Trustees.

The Lullaby Trust aspires to pay its staff around the median market pay level for comparable jobs in similar sized charities in London where the jobs are based in London and with respect to the local pay market place where the jobs are not based in London.

The Lullaby Trust is committed to paying the “London Living Wage” for its paid staff, so far as this is within the sustainable financial resources of The Lullaby Trust. The Lullaby Trust’s salaries include any “London Weighting” for all salaries paid to staff working in London.

Currently, The Lullaby Trust pays “spot salaries” for each employee, related to their particular skills, experience, qualifications, performance and contribution to The Lullaby Trust, which is the typical approach to setting pay for small to medium sized charities.

The Lullaby Trust aspires to provide an employee benefits package, which is appropriate and competitive within the relevant charity market place for relevant jobs. In addition, The Lullaby Trust provides training and development for its staff both to enable them to undertake their job to the required standards and also to develop them for future job growth and career development.

The Lullaby Trust normally reviews salary levels prior to setting the charity’s Annual Budget in June each year. The Remuneration Committee will recommend to the Board of Trustees whether all staff or selected staff should receive a pay rise.

The Lullaby Trust aims to undertake a pay benchmarking exercise, every three years, to measure the extent to which The Lullaby Trust is achieving its objective of setting the pay of its staff at the chosen level against the relevant market place.

Volunteers

The Lullaby Trust relies on volunteers in many areas of its work. During the reporting year we received voluntary help from 104 volunteers including:

- 43 befrienders providing support to bereaved families
- 17 young parents recruited through Little Lullaby to act as peer ambassadors and/or serve on our Young Parent Panel
- 25 members of our advisory, scientific and finance and resources committees supporting the governance of the charity and working alongside our trustees
- 6 regular office volunteers or voluntary interns helping with fundraising and office administration.
- 13 CONI Steering Group members helping to guide and feedback on the CONI programme.

Reserves Policy

The reserves policy as agreed by Trustees is designed to reflect the underlying risks facing the charity and to ensure that the charity has an appropriate level of reserves to safeguard its day to day operations from disruption at short notice due to a lack of available funds. The Trustees have adopted a risk-based approach to calculate the minimum level of free General Funds required to support the charity’s operations in the coming year. At 30 June 2019 this amounted to a target range of £232,000 to £295,000.

At 30 June 2019 free General Funds stood at £260,000. The Trustees are satisfied that the general free reserves meet the above conditions.

Grant Making Policy

The Lullaby Trust is a member of the Association of Medical Research Charities (AMRC) and follows best practice. The Lullaby Trust provides research grants in order to support our key charitable objectives. The Scientific Committee is responsible for assessing all requests for research funding. Applicants from accredited research institutions are invited to apply for funding for projects that meet our criteria to reduce incidence of sudden infant death.

All applications are subject to independent peer review and are also considered by a lay panel of bereaved parents. The committee will only recommend projects for funding to the Board of Trustees, which meet the highest scientific merit. The Board of Trustees have ultimate responsibility for approving any grant expenditure. Once a grant is approved, the successful applicant will be contacted and required to complete a formal research contract with the charity. This contract will be monitored by the Chief Executive and the Scientific Committee.

Fundraising Disclosures

Our approach to fundraising is focused on engaging and interacting with supporters who are passionate about supporting The Lullaby Trust. A large proportion of our income comes via Events and Community supporters, many of whom have benefitted from our work or may know of people affected by our cause, and therefore feel compelled to support our work.

We do not carry out intrusive fundraising activities. We have a limited direct mailing programme, which contacts supporters by post once or twice a year and via email in line with their consent for receiving communications. We do not carry out any face to face fundraising.

In 2018-19, we have worked with fundraising experts, KEDA Consulting Ltd, to support our fundraising from trusts and other grantmakers. KEDA Consulting is a well-respected fundraising consultancy that is committed to the established codes of practice of the Institute of Fundraising, Fundraising Regulator and all relevant regulations. Their work with us does not involve any contact with the general public or solicitation of funds from individuals on our database. We have regular reporting mechanisms in place to monitor the work undertaken.

Our complaints procedure is carried out in line with the Fundraising Regulator requirements. Every complaint is investigated, responded to and logged internally. We received one complaint during 2018/2019 in relation to our fundraising activity, which focused on the content and/or phrasing of communications. We have reviewed the complaints and adapted our communications appropriately.

Risk management and financial control

The Board of Trustees continues to review and assess risks faced by the charity at each board meeting. The Chief Executive fully updates the Board of Trustees at these meetings and highlights current risks facing the charity.

The Senior Management Team assesses risks facing the charity, updating the charity's risk register every six months. The risk register is the charity's chart and description of the quantitative method of evaluating risk. It covers Governance, Financial, Operational, Physical, Child Protection, External and Reputational, Legal and Compliance risks.

The Senior Management Team ensures that robust policies, procedures, systems and training are in place to deal with risk and these are designed to mitigate or manage any potential impact on the charity should those risks materialise.

The following risks in our Risk Register have been identified as high risk to the charity before taking into account measures in place to safeguard against them:

- We are conscious of the need to respond quickly in the event of a disaster, whether directly affecting our office or indirectly due to our Central London location and have developed a recovery plan to ensure business continuity.
- In the current economic climate we are mindful that our income from corporate partnerships can be especially vulnerable. We are planning to increase our staff resource to manage existing relationships, research and pursue further opportunities.
- The main operational risks include loss of productivity through IT system failure or falling behind in technology. We have upgraded hardware and migrated to cloud-based file storage in 2019.
- Health and safety risks are taken very seriously, including accidents causing injury to staff, beneficiaries or supporters of the charity. Measures include regular servicing of equipment, inductions for staff and risk assessments for all events. We review the charity's insurances annually to ensure cover is adequate.
- Risks of a physical nature include damage or theft of the charity's property, which are safeguarded by security measures and insurance cover.
- Our work with families exposes us to a number of safeguarding risks, including the possibility of abuse by persons attending a Lullaby Trust activity. All staff and volunteers who have direct contact with families are subject to criminal record checks.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of The Lullaby Trust Limited 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 (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company and the group and of its income and expenditure 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 set out in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. None of the Trustees had any beneficial interest in any contract, to which the Organisation was party, during the year.

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.

Audit Information

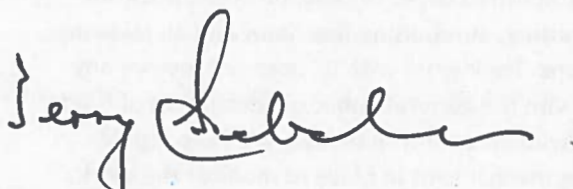
So far as each of the Trustees at the time the Trustees' report is approved is aware:

there is no relevant information of which the auditors are unaware; and they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that Information.

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

This report was approved by the Board of Trustees and signed on its behalf by:



Terry Hebden

Chairman

Date 03/12/19

Thank you

We would like to say a huge thank you to the many individual supporters, who in the past year have given up time and energy, taken part in an event, raised money or made a donation to support the work of The Lullaby Trust. Highlights from 2018/2019 include:

The Big Give Christmas Challenge 2018 saw our supporters generate over £70,000 in support of our Bereavement Support Helpline and Befriender programme. We aim to help more bereaved families as a result of these generous donations.

The 2019 Virgin London Marathon saw 56 runners taking part in Team Lullaby, raising over £136,000. Our pre-marathon training day was supported by David Lloyd Clubs who provided training and physio advice for our runners.

One of the many highlights from our active Community supporters was the Children's Portrait Awards 2018; The Lullaby Trust was chosen for a second year as the beneficiary and received a generous donation of £6,080.

We have also had huge success with the introduction of Facebook birthday fundraisers. Thank you to everyone who has requested donations to The Lullaby Trust for their birthdays and helped us to raise an incredible £37,532.

Comedy writer, performer and best-selling author, Adam Kay generously supported The Lullaby Trust throughout his sell-out theatre tour of This is Going to Hurt Live. Collections were held at each performance, raising over £73,000. We're also delighted to welcome Adam as an official Ambassador for the charity.

We were also delighted to secure funding from the National Lottery Community Fund Reaching Communities for £87,754 over 2 years and 3 months in support of our Befriender programme.

Supporters attended a host of Lullaby Trust events. One particular highlight was our annual London Carol Concert, at which more than 300 people enjoyed performances from the London Community Gospel

Choir and Eaton Square School along with a host of celebrity readers including Dan Jones, Adam Kay, Helen George, Pandora Sykes and Ben Shires. The evening was supported by Douglas and Gordon as event sponsor.

Thank you to our special events committee for their hard work and for arranging a number of fundraising events for The Lullaby Trust. A highlight in April 2019 was a fun quiz night, which raised a fantastic £8,000.

Thank you to all of our corporate partners, Trusts and Foundations who have funded our work this year. In the year 2018/19 we were delighted to enter into the 18th year of our relationship with The Gro Company, our longest standing partnership, and one which continues to thrive. We also continued our work with Kiddy, Moba and Eve Sleep and are delighted to have worked in partnership with Beyond to offer a free will writing service to Lullaby Trust supporters. We have received valued Pro-bono support from White and Case throughout the year.

Thank you to all the staff and hundreds of volunteers across the country who worked so hard to help The Lullaby Trust achieve its aims.

Companies, Trust and Foundations offering pro bono services or donating £5,000 or more in 2018/2019 include:

Adint Charitable Trust
BBC Children in Need
Candis Magazine
Cascade Productions International Ltd
Dandia Charitable Trust
Eve Sleep
God My Silent Partner Foundation
Global Make Some Noise
Greenergy
Gwyneth Forrester Trust
Iliffe Family Charitable Trust
JE Posnansky Charitable Trust
Kiddy
Magri Developments Limited
Masonic Charitable Foundation
Medical Air Technology
Moba
Morrisons Foundation
National Lottery Community Fund
Pilkington Charities' Fund
Postcode Community Trust
Sandhu Charitable Foundation
Sandra Charitable Trust

Teddy's Wish
The Gro Company as part of Mayborn Group Ltd
The Kristina Martin Charitable Trust
The Motcomb Street Traders Association
The Swire Charitable Trust
Walton Wagner
White and Case
Yorkshire Children's Hospital Fund

We also wish to give thanks to:
The Schuh Trust

A gift in a will is a special way of supporting The Lullaby Trust. We are grateful to the late Florence Marcellina Haywood Frost for leaving a gift of £2,000 for the charity in her memory.

Board of Trustees & Committees

Patron

HRH the Duchess of Gloucester

President

Mr Charles de Selincourt OBE

Vice-President

Sylvia Lady Limerick CBE MA Hon FRCP HonFRCPCH

Founder

The late Mrs Nancy Hunter-Gray MBE

Chief Executive

Ms Francine Bates OBE (to December 2018)
Mrs Jenny Ward (from January 2019)

Board

Mr Terry Hebden (Chairman)
Miss Holly Butcher (resigned September 2019)
Mr Chris Cleaver
Dr Charlotte Daman Willems FRCP FRCPCH
Dr Justin Daniels BMedSci BMBS MSc FRCPCH
Ms Ethna Dillon BSc (Hons) RN RHV
Dr Steve Gould FRCPATH
Mrs Rupal Kantaria

Mr David Marshall FCA
Ms Gabrielle Osrin
Mrs Lavinia Postlethwaite
Mrs Kirsti Robertshaw
Dr Peter Sidebotham

Scientific Committee

Professor Helen Ball (Chair)
Ms Lynsay Allan
Professor Mike Campbell BA MSc PhD CStat
Dr Rachel Carling
Dr Robert Coombs MB BS BSc FRCPCH MRCP DCH
Dr Charlotte Daman Willems FRCP FRCPCH
Dr Justin Daniels BMedSci BMBS MSc FRCPCH
Dr Sarah Johnson BSc PhD
Dr Anna Pease MA MSc PhD
Dr Peter Sidebotham MB ChB
Dr Victoria Thomas MB BS
Dr Penny Young

Advisory Committee

Dr Justin Daniels BMedSci BMBS MSc FRCPCH (Chair)
Ms Ellie Buchdahl
Dr Charlotte Daman Willems FRCP FRCPCH
Ms Louise Carmi
Dr Robert Coombs MB BS BSc FRCPCH MRCP DCH
Dr Paul Davis MD MB FRCPCH MRCP DCH representing the British Association of Community Child Health
Dr Steve Gould FRCPATH
Ruth Jalloh
Ms Gail Johnson representing the Royal College of Midwives
Ms Clare Jolly BSc (Hons) MSc RGN RHV representing Community Practitioners and Health Visitors Association
Dr Marilena Korkodilos
Ms Lucy Lyus
Dr Angela Moore MB BS MMedSci DCH FRCP FRCPCH
Dr Shah Rakhee
Mr Edward Thomas
Ms Alison Wall

Finance and Resources Committee

Mr David Marshall FCA (Chairman), Mr Nick Beaumont, Mr Terry Hebden, Ms Sue Hunt, Mrs Rupal Kantaria, Mr Kevin O'Brien, Mr Charles de Selincourt OBE

The Lullaby Trust Sales Limited

Mr Terry Hebden (Chairman), Director, Ms Francine Bates (CEO), Director (resigned December 2018), Mr Andrew Cole, Director, Mr Alan Curtis, Director, Mr David Marshall FCA, Director, Ms Lisa Penney, Director, Mrs Jenny Ward, Director (appointed July 2019)

Independent Auditors' Report to the Members and Trustees of The Lullaby Trust Limited

Opinion

We have audited the financial statements of The Lullaby Trust for the year ended 30 June 2019 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 June 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year 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 Companies Act 2006.

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 charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The Lullaby Trust Limited

Independent Auditors' Report to the Members and Trustees of The Lullaby Trust Limited (continued)

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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

The Lullaby Trust Limited

Independent Auditors' Report to the Members and Trustees of The Lullaby Trust Limited (continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 group and parent charitable company'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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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 parent charitable company'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 and parent charitable company'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 parent charitable company 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.

The Lullaby Trust Limited

Independent Auditors' Report to the Members and Trustees of The Lullaby Trust Limited (continued)

- 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 report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters which 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 charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Luke Holt, Senior Statutory Auditor

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 16/12/2019
Devonshire House
60 Goswell Road
London EC1M 7AD

The Lullaby Trust Limited

Consolidated Statement of Financial Activities for the year ended 30th June 2019

	Note	General Funds	Restricted Funds	Total 2019
INCOME AND EXPENDITURE		£	£	£
Income				
Income				
Donations and legacies	5	959,852	438,038	1,397,890
Other trading activities:				
- The Lullaby Trust generated income	6	20,152	-	20,152
- The Lullaby Trust Sales Limited	8	124,072	-	124,072
Income from investments				
- The Lullaby Trust		2,213	-	2,213
- The Lullaby Trust Sales Limited	8	31	-	31
Income from charitable activities	7	72,267	47,972	120,239
Total Income		1,178,587	486,010	1,664,597
Expenditure				
Expenditure on raising funds				
- The Lullaby Trust	9	(384,772)	-	(384,772)
- The Lullaby Trust Sales Limited	8	(43,890)	-	(43,890)
Charitable activities				
- Scientific research	10	(14,523)	(33,573)	(48,096)
- Support and information	10	(704,867)	(282,731)	(987,598)
- Monitors and sundry equipment (CONI)	10	-	(99,329)	(99,329)
Total Expenditure		(1,148,052)	(415,633)	(1,563,685)
Net Movement in Funds	12	30,535	70,377	100,912
Balance at 1st July 2018		280,585	224,338	504,923
Balance at 30th June 2019	22	311,120	294,715	605,835

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

The net incoming resources of the parent amounted to £100,912 (2018: net outgoing resources of £77,086)

The notes on pages 26 to 42 form part of these financial statements.

The Lullaby Trust Limited

Consolidated Statement of Financial Activities for the year ended 30th June 2018

	Note	General Funds	Restricted Funds	Total 2018
INCOME AND EXPENDITURE		£	£	£
Income				
Donations and legacies	5	855,171	508,489	1,363,660
Other trading activities:				
- The Lullaby Trust generated income	6	19,713	-	19,713
- The Lullaby Trust Sales Limited	8	110,587	-	110,587
Income from investments				
- The Lullaby Trust		649	-	649
- The Lullaby Trust Sales Limited	8	51	-	51
Income from charitable activities	7	58,081	52,132	110,213
Total Income		<u>1,044,252</u>	<u>560,621</u>	<u>1,604,873</u>
Expenditure				
Expenditure on raising funds				
- The Lullaby Trust	9	(441,879)	-	(441,879)
- The Lullaby Trust Sales Limited	8	(46,902)	-	(46,902)
Charitable activities				
- Scientific research	10	(390)	5,146	4,756
- Support and information	10	(750,771)	(388,152)	(1,138,923)
- Monitors and sundry equipment (CONI)	10	-	(138,090)	(138,090)
Total Expenditure		<u>(1,239,942)</u>	<u>(521,096)</u>	<u>(1,761,038)</u>
Net Incoming/(Outgoing) Resources		(195,690)	39,525	(156,165)
Transfers between funds		21,570	(21,570)	-
Net Movement in Funds	12	(174,120)	17,955	(156,165)
Balance at 1st July 2017		454,705	206,383	661,088
Balance at 30th June 2018	20	<u>280,585</u>	<u>224,338</u>	<u>504,923</u>

The Lullaby Trust Limited

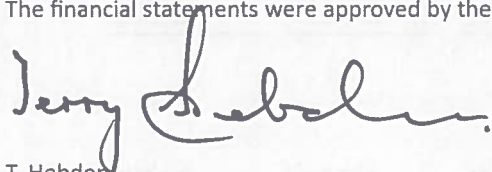
Consolidated Balance Sheet as at 30 June 2019

	Note	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Fixed Assets					
Tangible	15	23,416	12,144	23,416	12,144
Intangible	16	27,845	41,096	27,845	41,096
Investments	8	-	-	10,000	10,000
		<u>51,261</u>	<u>53,240</u>	<u>61,261</u>	<u>63,240</u>
Current Assets					
Stocks		1,534	1,370	-	-
Debtors and prepayments	17	282,759	222,039	288,437	253,080
Cash at bank and in hand		420,215	494,024	398,751	482,706
		<u>704,508</u>	<u>717,433</u>	<u>687,188</u>	<u>735,786</u>
Creditors: Amounts falling due within one year	18	<u>(147,446)</u>	<u>(242,364)</u>	<u>(140,126)</u>	<u>(270,717)</u>
Net Current Assets		557,062	475,069	547,062	465,069
Creditors: Amounts falling due after more than one year	19	<u>(2,488)</u>	<u>(23,386)</u>	<u>(2,488)</u>	<u>(23,386)</u>
Net Assets		<u>605,835</u>	<u>504,923</u>	<u>605,835</u>	<u>504,923</u>
Represented by:					
Restricted funds	21	294,715	224,338	294,715	224,338
General funds	21	<u>311,120</u>	<u>280,585</u>	<u>311,120</u>	<u>280,585</u>
		<u>605,835</u>	<u>504,923</u>	<u>605,835</u>	<u>504,923</u>

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the provisions of FRS 102 (effective January 2015).

The notes on pages 26 to 42 form part of these financial statements.

The financial statements were approved by the Board of Trustees and authorised for issue on 3 December 2019.



T. Hebden
Chairman

Date: 03/12/19

Registered Company No. 01000824

The Lullaby Trust Limited

Statement of Cash flows for the year ended 30th June 2019

	Note	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Cash used in operating activities					
Cash provided by (used in) operating activities	1	(46,314)	(259,132)	(56,429)	(203,328)
Cash flows from investing activities					
Interest income		2,244	700	2,213	649
Disposal of tangible fixed assets		(389)	-	(389)	-
Purchase of tangible fixed assets		(22,630)	(6,385)	(22,630)	(6,385)
Purchase of intangible assets		(6,720)	(16,943)	(6,720)	(16,943)
Cash provided by (used in) investing activities		(27,495)	(22,628)	(27,526)	(22,679)
Change in cash and cash equivalents in the reporting period		(73,809)	(281,760)	(83,955)	(226,007)
Cash and cash equivalents at the beginning of the reporting period		494,024	775,784	482,706	708,713
Cash and cash equivalents at the end of the reporting period	2	420,215	494,024	398,751	482,706
1 Reconciliation of net income/(expenditure) to net cash provided by operating activities		Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Net Income/(Expenditure)		100,912	(156,165)	100,912	(77,086)
Depreciation Charges		7,528	10,787	7,528	10,787
Amortisation Charges		19,971	13,802	19,971	13,802
Loss on Disposal of Fixed Assets		4,219	185	4,219	185
Interest Income		(2,244)	(700)	(2,213)	(649)
(Increase)/decrease in Current Assets		(60,884)	(48,212)	(35,357)	(106,938)
Increase/(decrease) in Creditors		(115,816)	(78,829)	(151,489)	(43,429)
Net Cash Flow from Operating Activities		(46,314)	(259,132)	(56,429)	(203,328)
2 Cash and cash equivalents					
Cash in hand		420,215	494,024	398,751	482,706
Total cash and cash equivalents		420,215	494,024	398,751	482,706

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

3 Accounting Policies

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company and Group is a public benefit company for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

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. In particular the trustees have considered the charity's forecasts and projections and have taken account of pressures on donations income. 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. The charity therefore continues to adopt the going concern basis in preparing its financial statements. There were no material uncertainties at the year end.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The principal accounting policies are as follows:

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 year.

Consolidation

The group financial statements consolidates the financial statements of The Lullaby Trust and its wholly owned subsidiary undertaking, The Lullaby Trust Sales Limited, for the year ended 30th June 2019. A separate income and expenditure account for The Lullaby Trust is not presented because The Lullaby Trust has taken advantage of the exemptions permitted by section 230 of the Companies Act 2006.

Income

Income is recognised when the three conditions of probable, entitlement and measurement are satisfied and where it is probable that monies will not be repayable.

Expenditure

All expenditure is accounted for on an accruals basis and is classified under specific expenditure categories where appropriate.

Overhead expenses which do not relate to a specific expenditure category within the Statement of Financial Activities are apportioned over the various categories using a formula based on the level of hours dedicated. This is approved by the Finance and Resources Committee of The Lullaby Trust and reviewed on an annual basis.

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

3 Accounting Policies (continued)

Grants payable are payments made to the third parties in the furtherance of the charitable objects of the Charity. Single or multi year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Charity.

Long term creditors for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about the timing of the grant.

Gifts in kind

Goods and services donated to the charity with an estimated value of at least £5,000 are recognised as donations under income and as expenditure under the most appropriate heading for the expense.

Tangible Fixed Assets

Fixed assets, which are stated at cost, are depreciated at rates sufficient to reduce the net book amount of those assets to their estimated residual value at the end of their expected useful lives. The following rates are currently used:

Office equipment – over 4 years on a straight line basis

Fixtures & fittings – over the period of the lease on a straight line basis

Fixed assets costing £100 or more are capitalised.

Intangible Assets

Fixed assets, which are stated at cost, are amortised at rates sufficient to reduce the net book amount of those assets to £nil at the end of their expected useful lives. The following rates are currently used:

Website developments – over 3 years on a straight line basis

Software licences – over 3 years on a straight line basis

Fixed assets costing £100 or more are capitalised. Software licences with a fixed term are not capitalised.

Stocks

Stocks of goods for resale are stated at the lower of cost and net realisable value after making allowance for obsolete and slow moving items.

Other financial instruments

- i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

3 Accounting Policies (continued)

ii. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

Fund Accounting

Funds held by The Lullaby Trust are either:

Unrestricted general funds – these are funds which can be used for the charitable objects at the discretion of the trustees.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific purposes or projects.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Taxation

The taxable profit of the subsidiary undertaking The Lullaby Trust Sales Limited is eliminated by a gift aided donation in favour of The Lullaby Trust which is not liable to taxation due to its charitable status.

Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the terms of the lease.

4 Liability of Members

At 30th June 2019 The Lullaby Trust has 70 Members (2018 - 69 members). The liability of each Member to contribute to the assets of the Charity is limited to £1.00. The number of Members is limited to 150.

5	Donations and legacies income	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
	Community and events	505,557	21,885	527,442
	Individuals	310,880	73,148	384,028
	Trusts	11,317	342,705	354,022
	Companies	132,098	300	132,398
		<u>959,852</u>	<u>438,038</u>	<u>1,397,890</u>

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

5	Donations and legacies income (continued)	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £
	Community and events	396,157	19,279	415,436
	Individuals	289,260	77,253	366,513
	Trusts	37,445	363,287	400,732
	Companies	132,309	48,670	180,979
		<u>855,171</u>	<u>508,489</u>	<u>1,363,660</u>

6	The Lullaby Trust generated income	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
	Special events	20,152	-	20,152
		<u>20,152</u>	<u>-</u>	<u>20,152</u>

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £
Special events	19,713	-	19,713
	<u>19,713</u>	<u>-</u>	<u>19,713</u>

7	Charitable activities income	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
	CONI	8,553	39,272	47,825
	Other activities	63,714	8,700	72,414
		<u>72,267</u>	<u>47,972</u>	<u>120,239</u>

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £
CONI	16,620	36,191	52,811
Other activities	41,461	15,941	57,402
	<u>58,081</u>	<u>52,132</u>	<u>110,213</u>

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

8 The Lullaby Trust Sales Limited

The Lullaby Trust has a wholly-owned trading subsidiary undertaking, The Lullaby Trust Sales Limited, a company incorporated and registered in England and Wales. The principal activity of this company is the raising of funds for the Charity through the sale of goods and all its profits are paid to the Charity by gift aid. The Charity owns the entire issued share capital of 10,000 ordinary shares of £1 each. A summary of the results is shown below:

Profit and Loss Account	2019	2018
	£	£
Income	124,072	110,587
Cost of sales	(32,912)	(44,772)
Gross profit	91,160	65,815
Distribution and administration expenses	(10,978)	(2,130)
Interest receivable and similar income	31	51
Profit on ordinary activities after taxation	80,213	63,736

Movement in Shareholders' Funds	2019	2018
	£	£
Profit/(loss) for the financial year	80,213	63,736
Distribution to parent under gift aid	(80,213)	(142,815)
Shareholders' funds at 1st July 2018	10,000	89,079
Shareholders' funds at 30 June 2019	10,000	10,000

Balance Sheet	2019	2018
	£	£
Current assets	50,166	68,096
Creditors: amounts falling due within one year	(40,166)	(58,096)
Total assets less current liabilities	10,000	10,000
Called up share capital	10,000	10,000
Retained profit and loss account	-	-
Shareholders' funds	10,000	10,000

Registered Company No. 01731141

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

9	Fundraising expenditure	Direct Costs 2019	Apportioned Costs 2019	Total 2019	Total 2018
		£	£	£	£
	<u>Raising funds</u>				
	Community and events	46,190	145,041	191,231	216,087
	Individuals	6,460	79,541	86,001	116,615
	Trusts	55,297	23,393	78,690	63,216
	Companies	33	11,697	11,730	29,104
	Special events	4,253	12,867	17,120	16,857
		<u>112,233</u>	<u>272,539</u>	<u>384,772</u>	<u>441,879</u>

10	Charitable expenditure	General Funds	Restricted Funds	Total 2019
		£	£	£
	<u>Scientific Research</u>			
	Grants payable:			
	Great Ormond Street Hospital Over 1 Research (i)	-	(11,607)	(11,607)
	Great Ormond Street Hospital Microbiome Project	-	39,834	39,834
	Direct costs	11,440	5,346	16,786
	Support costs apportioned (Note 11)	3,083	-	3,083
		<u>14,523</u>	<u>33,573</u>	<u>48,096</u>
	<u>Support and information</u>			
	CONI Programme	31,038	67,503	98,541
	Direct costs	341,276	215,228	556,504
	Support costs apportioned (Note 9)	332,553	-	332,553
		<u>704,867</u>	<u>282,731</u>	<u>987,598</u>
	<u>Monitors and Sundry Equipment</u>			
	Purchase of equipment	-	99,329	99,329

(i) An amount of £11,607 was written back in 2019 for the project titled 'Sudden Unexpected Death in Childhood (SUDC); Characteristics, autopsy findings and investigation' as this project had been completed and no further invoices were payable.

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

10 Charitable expenditure (continued)	General Funds	Restricted Funds	Total 2018
	£	£	£
<u>Scientific Research</u>			
Grants payable:			
University of Bristol Hearing Project (ii)	-	(36,543)	(36,543)
University of Sheffield Long QT Syndrome Project (iii)	(17,049)	-	(17,049)
Direct costs	4,055	31,397	35,452
Support costs apportioned (Note 11)	13,384	-	13,384
	<u>390</u>	<u>(5,146)</u>	<u>(4,756)</u>
<u>Support and information</u>			
CONI Programme	71,773	38,997	110,770
Direct costs	371,912	349,155	721,067
Support costs apportioned (Note 11)	307,086	-	307,086
	<u>750,771</u>	<u>388,152</u>	<u>1,138,923</u>
<u>Monitors and Sundry Equipment</u>			
Purchase of equipment	<u>-</u>	<u>138,090</u>	<u>138,090</u>

(ii) An amount of £36,543 was written back in 2018 for the project titled 'Newborn Hearing Feasibility Study and the Risk of Unexpected Infant Death' as this project had been completed and no further invoices were payable.

(iii) An amount of £17,049 was written back in 2018 for the project titled 'The Prevalence of Long QT Syndrome Gene Variants in Sudden Infant Death Syndrome in England: A Molecular-Clinical Study From Victims to Families' as this project had been completed and no further invoices were payable.

Monitors and sundry equipment

Monitors and sundry equipment expenditure represents the cost of the specific purchase of monitors and sundry equipment for use by health providers, and is funded by specific donations and group committees raising the necessary funds locally.

Grants payable

The total amount of grants payable in the year amounted to £53,064 (2018: £99,841).

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

11 Apportioned costs	Management & Staff Costs (i) £	Facilities & Depreciation (i) £	Fundraising Costs (ii) £	Governance Costs (i) £	Total 2019 £
Support costs apportioned					
Costs of generating voluntary income:					
Individuals	10,545	12,685	56,311	-	79,541
Community and events	19,229	23,128	102,684	-	145,041
Trusts	3,101	3,730	16,562	-	23,393
Companies	1,551	1,865	8,281	-	11,697
Special events	1,706	2,052	9,109	-	12,867
	36,132	43,460	192,947	-	272,539
Scientific Research	1,008	1,212	-	863	3,083
Support and information	108,708	130,753	-	93,092	332,553
	145,848	175,425	192,947	93,955	608,175

	Management & Staff Costs (i) £	Facilities & Depreciation (i) £	Fundraising Costs (ii) £	Governance Costs (i) £	Total 2018 £
Support costs apportioned					
Costs of generating voluntary income:					
Individuals	12,873	12,195	74,146	-	99,214
Community and events	20,597	19,514	118,634	-	158,745
Trusts	3,781	3,582	21,780	-	29,143
Companies	3,701	3,506	21,317	-	28,524
Special events	1,448	1,372	8,340	-	11,160
	42,400	40,169	244,217	-	326,786
Scientific Research	5,712	5,412	-	2,260	13,384
Support and information	131,062	124,165	-	51,859	307,086
	179,174	169,746	244,217	54,119	647,256

(i) Support costs are apportioned on the basis of the number of staff working in each area and includes governance costs for audit, legal and professional fees.

(ii) Other fundraising costs are apportioned on the basis of the number of fundraising staff working in each area.

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

12 Net Movement of Funds

2019
£

2018
£

Net Movement of Funds is stated after charging:

Auditors remuneration current year	10,535	10,180
Non audit services	750	675
Operating leases	112,334	76,860
Depreciation	7,528	10,787
Amortisation	19,971	13,802

13 Staff Costs and Trustees' Remuneration

2018
£

2017
£

Staff costs arising during the year amounted to:

Wages and salaries	697,489	886,035
Social security costs	61,333	79,795
Pension costs	52,739	50,889
Redundancy payments	1,291	-
Other staff benefits	6,836	6,064
	819,688	1,022,783

Number

Number

The average monthly number of persons employed during the year was as follows:

30

33

The number of employees with emoluments above £60,000 were:

£80,001 - £90,000	-	1
	-	1

Employers pension contribution in respect of higher paid employees in 2019 totalled £nil (2018: £4,218).

Trustees receive no remuneration or benefits. During the year 2 trustees received reimbursed expenses of £2,320 for travel expenses (2018: £2,832 to 4 trustees).

Key management personnel as listed on page 13 received remuneration totalling £98,731 (2018: £94,979).

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

14 Related Party Transactions

As at 30 June 2019, Trustees' and key management personnel donations amounted to £1,776 (2018: £2,066). Trustees and key management personnel paid £200 (2018: £189) for attendance at fundraising events.

Identica Limited, of which Christopher Cleaver is a Director, donated pro bono branding and design work with an estimated value of £nil (2018: £10,000). This is included in donations and legacies income from companies (note 5).

White & Case LLP, of which Kirsti Robertshaw is a Member, donated space for meetings and events and pro bono legal advice with an estimated value of £75,728 (2018: £nil). This is included in donations and legacies income from companies (note 5).

There are no other related party transactions during the year, or the previous year.

15 Tangible Fixed Assets

<i>Group and Charity</i>	Office Equipment £	Fixtures & Fittings £	Total £
Cost			
At 1st July 2018	61,430	17,528	78,958
Additions	22,630	-	22,630
Disposals	(49,250)	(17,302)	(66,552)
At 30th June 2019	<u>34,810</u>	<u>226</u>	<u>35,036</u>
Depreciation			
At 1st July 2018	49,498	17,316	66,814
Disposals	(45,420)	(17,302)	(62,722)
Charge for year	7,443	85	7,528
At 30th June 2019	<u>11,521</u>	<u>99</u>	<u>11,620</u>
Net Book Value			
At 30th June 2019	<u>23,289</u>	<u>127</u>	<u>23,416</u>
At 30th June 2018	<u>11,932</u>	<u>212</u>	<u>12,144</u>

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

16 Intangible Assets

<i>Group and Charity</i>	Website Developments	Software Licences	Total
	£	£	£
Cost			
At 1st July 2018	67,496	35,170	102,666
Additions	1,047	5,673	6,720
Disposals	-	-	-
At 30th June 2019	<u>68,543</u>	<u>40,843</u>	<u>109,386</u>
Amortisation			
At 1st July 2018	26,400	35,170	61,570
Charge for year	19,420	551	19,971
At 30th June 2019	<u>45,820</u>	<u>35,721</u>	<u>81,541</u>
Net Book Value			
At 30th June 2019	<u>22,723</u>	<u>5,122</u>	<u>27,845</u>
At 30th June 2018	<u>41,096</u>	<u>-</u>	<u>41,096</u>

17 Debtors and Prepayments

	Group 2019	Group 2018	Charity 2019	Charity 2018
	£	£	£	£
Amounts owed by group undertaking	-	-	30,213	50,737
Trade debtors	40,743	37,460	20,411	17,764
Other debtors	20,291	27,985	20,291	27,985
Prepayments and accrued income	<u>221,725</u>	<u>156,594</u>	<u>217,522</u>	<u>156,594</u>
	<u>282,759</u>	<u>222,039</u>	<u>288,437</u>	<u>253,080</u>

All Debtors are financial instruments measured at present value except prepayments of £61,198 (2018: £61,488).

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

18 Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade creditors	51,500	59,627	49,475	59,490
Amounts owed to group undertakings	-	-	2,633	35,712
Taxation and social security	17,478	26,165	12,667	21,904
Accruals and deferred income	78,468	156,572	75,351	153,611
	<u>147,446</u>	<u>242,364</u>	<u>140,126</u>	<u>270,717</u>

All Creditors are financial instruments measured at present value except the social security creditor, £17,478 (2018: £26,165). Accruals include an amount in respect to pension commitments of £nil (2018: £671).

19 Creditors: Amounts falling due after more than one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Grants payable - research grants	<u>2,488</u>	<u>23,386</u>	<u>2,488</u>	<u>23,386</u>

All Creditors are financial instruments measured at present value.

20 Operating Leases

At 30th June 2019 there were total commitments in respect of operating leases for office equipment, land and buildings as follows:

	Office equipment 2019 £	Buildings 2019 £	Total 2019 £	Total 2018 £
<i>Group and Charity</i>				
Lease payments due within 1 year	3,960	92,532	96,492	84,899
Lease payments due in 1-2 years	2,970	-	2,970	3,960
Lease payments due in 2-5 years	-	-	-	2,970
Total commitments	<u>6,930</u>	<u>92,532</u>	<u>99,462</u>	<u>91,829</u>

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

21 Statement of Funds

	At 30th June 2018	Incoming Resources	Outgoing Resources	Fund Transfers	At 30th June 2019
	£	£	£	£	£
Restricted Funds:					
Befrienders (National Lottery Community Fund)	-	46,223	(7,473)	-	38,750
Bereavement Services	-	71,972	(63,535)	-	8,437
Helpline	13,963	19,921	(19,744)	-	14,140
Regional Family Days	14,000	91,737	(25,085)	-	80,652
Regional Development Officers	819	2,184	(819)	-	2,184
Little Lullaby (National Lottery Community Fund)	38,743	46,942	(85,685)	-	-
Little Lullaby (Other)	-	2,875	-	-	2,875
Baby Check Resources	2,290	-	(2,290)	-	-
Safer Sleep Activities	2,098	8,500	(10,598)	-	-
Scientific Research Projects	9,544	1,785	11,607	-	22,936
Hearing Research	13,000	-	(3,346)	-	9,654
Over 1 Projects	416	-	(416)	-	-
Research Direct Costs	-	2,000	(2,000)	-	-
Research PhD Studentship	80,000	-	(39,834)	-	40,166
CONI	49,465	191,871	(166,415)	-	74,921
Total Restricted Funds	224,338	486,010	(415,633)	-	294,715
Unrestricted General Funds:					
The Lullaby Trust	280,585	1,054,484	(1,104,162)	80,213	311,120
The Lullaby Trust Sales Ltd	-	124,103	(43,890)	(80,213)	-
Total General Funds	280,585	1,178,587	(1,148,052)	-	311,120
Total Funds	504,923	1,664,597	(1,563,685)	-	605,835

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

21 Statement of Funds (continued)

	At 30th June 2017	Incoming Resources	Outgoing Resources	Fund Transfers	At 30th June 2018
	£	£	£	£	£
Restricted Funds:					
Child Death Review Consultation	-	9,891	(9,891)	-	-
Helpline	13,792	36,158	(35,987)	-	13,963
Regional Family Days	6,555	22,368	(14,923)	-	14,000
Regional Development Officers	2,809	950	(2,940)	-	819
Little Lullaby (National Lottery Community Fund)	52,391	188,597	(202,245)	-	38,743
Little Lullaby (Other)	798	-	(798)	-	-
Baby Check Resources	3,150	500	(1,360)	-	2,290
Safer Sleep Activities	24,651	38,648	(61,201)	-	2,098
Scientific Research Projects	-	4,264	9,265	(3,985)	9,544
Hearing Research	-	-	13,000	-	13,000
Over 1 Projects	40,367	646	(23,012)	(17,585)	416
Research Direct Costs	-	23,765	(23,765)	-	-
Research PhD Studentship	-	80,000	-	-	80,000
CONI	61,870	154,834	(167,239)	-	49,465
Total Restricted Funds	206,383	560,621	(521,096)	(21,570)	224,338
Unrestricted General Funds:					
The Lullaby Trust	375,626	933,614	(1,193,040)	164,385	280,585
The Lullaby Trust Sales Ltd	79,079	110,638	(46,902)	(142,815)	-
Total General Funds	454,705	1,044,252	(1,239,942)	21,570	280,585
Total Funds	661,088	1,604,873	(1,761,068)	-	504,923

The nature and purpose of each of the funds is as follows:

Restricted Funds

Befrienders (National Lottery Community Fund) – A two-year grant awarded in May 2019 from National Lottery Community Fund's Reaching Communities Programme. Funding peer to peer support for parents bereaved by infant death

Bereavement Services – Funds raised towards a range of services supporting bereaved families, including our helpline, befrienders programme and bereavement publications

Child Death Review Consultation – A grant from NHS England towards consultation with bereaved parents to develop suitable messages for bespoke literature about the Child Death Review process.

Helpline – Provides support for bereaved families and advice for professionals and members of the public on bereavement and on infant health.

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

21 Statement of Funds (continued)

Regional Family Days – Days for bereaved families to engage with other families, and make contact with The Lullaby Trust.

Regional Development Officers – They represent The Lullaby Trust in six regions across the country, liaising with local professionals to ensure best practice supporting families and promoting safer sleep advice.

Little Lullaby (National Lottery Community Fund) – A two-year grant awarded in May 2017 from National Lottery Community Fund's Reaching Communities Programme. Funding our work with young parents, developing peer education opportunities and digital engagement.

Little Lullaby (Other) – Grants from The Schuh Trust for our work with young parents. The 2019 grant will enable our Young Parent Panel to continue, ensuring young parents will continue to influence our work.

Baby Check Resources – For the development of our baby check application to help parents determine whether their baby needs to see a doctor or health professional based on a series of symptom checks.

Safer Sleep Activities – Funds raised towards an annual Awareness Campaign for parents about safer sleep and year-round outreach activities to disseminate our advice.

Scientific Research Projects – Specific research projects to determine our evidence based advice to reduce the risk of sudden infant death syndrome.

Hearing Research – Funds raised for Professor Peter Fleming's Newborn Hearing Study into the risk of Unexpected Infant Death and for the dissemination of the results of the study.

Over 1 Projects – Funds raised for research and project work relating to babies over one year old including a research grant awarded to Great Ormond Street Hospital to study Sudden Unexpected Death in Childhood.

Research Direct Costs – Funds raised towards the internal costs of supporting research activity including recruiting families to take part in research projects, managing grants and applications and ensuring the latest findings from the SIDS research community are translated into the charity's evidence-based policies.

CONI – A programme run together with the NHS to provide support and monitoring equipment to bereaved parents when they go on to have another baby.

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2019

22 Analysis of Group Net Assets between Funds	General Funds 2019	Restricted Funds 2019	Total Funds 2019
	£	£	£
Tangible fixed assets	51,261	-	51,261
Net current assets	262,347	294,715	557,062
Creditors: amounts falling due after more than one year	(2,488)	-	(2,488)
	<u>311,120</u>	<u>294,715</u>	<u>605,835</u>
	General Funds 2018	Restricted Funds 2018	Total Funds 2018
	£	£	£
Tangible fixed assets	53,240	-	53,240
Net current assets	250,731	224,338	475,069
Creditors: amounts falling due after more than one year	(23,386)	-	(23,386)
	<u>280,585</u>	<u>224,338</u>	<u>504,923</u>

The Lullaby Trust Limited
Audley House, 13 Palace Street
London
SW1E 5HX

www.lullabytrust.org.uk

Registered charity number: 262191

Company registration number: 01000824

