

THE FETAL MEDICINE FOUNDATION
(A Charitable Company Limited by Guarantee)

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2020

IOANNOU & CO.,
Chartered Accountants
767 - 769 High Road
North Finchley
London N12 8JY

THE FETAL MEDICINE FOUNDATION

COMPANY INFORMATION

Trustees/Directors	Prof. K H Nicolaides Mr Jonathan Hyett Dr. Ranjit S. Akolekar Mr. Bruce A. Noble Mr. Paul Jacobs
Secretary	Dr. Ranjit S. Akolekar
Company Number	02922302
Registered Office	137 Harley Street London W1G 6BG
Auditors	AGK Partners Chartered Accountants & Statutory Auditors 1 Kings Avenue London N21 3NA
Accountants	Ioannou & Co., Chartered Accountants 767 - 789 High Road North Finchley London N12 8JY
Registered Charity Number	1037116

THE FETAL MEDICINE FOUNDATION

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THE FETAL MEDICINE FOUNDATION

TRUSTEES'/DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 2020

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report together with the consolidated accounts for the year ended 31st March 2020

Governing Document Structure, Governance and Management

Governing Document

The Fetal Medicine Foundation is a company limited by guarantee and is registered under the Companies Act 2006. At 31st March 2020, there were five members and each member has guaranteed to contribute up to £10 in the event of a winding up. The company is a registered charity.

Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purpose of charity law. Under the requirements of the Memorandum and Articles of Association the trustees are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

All trustees give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Trustee Induction and Training

New trustees are invited and encouraged to attend short training sessions (of no more than two hours) to familiarise themselves with the charity and the context within which it operates. These are with one of the Trustees and cover:

- The obligation of Trustees.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

Risk Management

The Trustees have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients, patients and visitors. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Objectives and Activities for the public benefit

The principle activity of the charity during the year under review was to raise money in order to achieve its principal objectives. The principal objectives are to promote and encourage the development of new methods for fetal diagnosis and therapy through research and to encourage and facilitate the controlled clinical introduction of such methods through lectures, training and funding of doctors.

Review of Activities and how we delivered public benefit

The Fetal Medicine Foundation (FMF) has continued to promote research and training in many aspects of Fetal Medicine.

THE FETAL MEDICINE FOUNDATION

TRUSTEES'/DIRECTORS' REPORT (Continued/.....)

FOR THE YEAR ENDED 31ST MARCH 2020

Review of Activities (Continued/.....)

Donations and Grants for research and training

During this period the FMF has donated just over £2,900,000 towards funding training fellowships and research in Fetal Medicine. Up to 80 scholarships for 2-year training fellowships are given to doctors from many different countries around the world.

Research activity

A major multicentre study, supported by the Fetal Medicine Foundation, was carried out in 22 hospitals in England, Spain, Bulgaria, Italy, Belgium and France. In total 582 women with twin pregnancies were assigned to receive progesterone and 587 to receive placebo. The study found that in women with twin pregnancies, universal treatment with vaginal progesterone does not reduce the incidence of spontaneous birth between 24+0 and 33+6 weeks' gestation. However, progesterone may reduce the risk of spontaneous birth before 32 weeks' gestation in women with a cervical length of <30 mm.

Another major multicentre study supported by the Fetal Medicine Foundation is one in which women have screening for late preeclampsia at 35-36 weeks of gestation. Those found to be at high risk are randomized to either pravastatin or placebo. We anticipate to complete the study by the end of next year.

More than 50 papers reporting the findings of our research have been published in International Scientific Journals.

Grant making policy

The FMF has established its grant making policy to achieve its objects for the public benefit in early fetal diagnosis and therapy. We review the grant making policy annually to ensure that it reflects the Charity's objects and thereby advances public benefit.

Doctors from many countries are receiving training and undertake research in Fetal Medicine with the aim of firstly, improving pregnancy care and preventing perinatal death and secondly, improving the provision of care internationally.

Reserves policy

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately two months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to respond to Grants requests, and ensure that there are sufficient funds available to cover support and governance costs. The level of reserves is reviewed annually and it is considered adequate and appropriate and enables the Charity to meet its charitable purpose and objects.

Provision of clinical services

The FMF has continued the provision of clinical services to pregnant women at King's College NHS Foundation Trust, London, Medway Maritime Hospital, Lewisham University Hospital, Homerton University Hospital, North Middlesex University Hospital, Southend University Hospital, and the Royal London Hospital.

World Congress in Fetal Medicine and other Educational Activities

In 2019 the FMF organized a very successful 18th World Congress in Fetal Medicine in Alicante, Spain which was attended by more than 2,200 delegates from 96 countries.

THE FETAL MEDICINE FOUNDATION

TRUSTEES'/DIRECTORS' REPORT (Continued/.....)

FOR THE YEAR ENDED 31ST MARCH 2020

On line courses

The online courses for medical professionals and patients on first-trimester screening for abnormalities, fetal echocardiography, cervical assessment and fetal defects are continuing to be a great success:

The 11-13 weeks scan (542,729 views)
Fetal Echocardiography (205,304 views)
Fetal abnormalities (252,447 views)
Antenatal surveillance (160,321 views)
Basic fetal echocardiography (75,914 views)
Measurement of cervical length (149,670 views)
Fetal Cardiac Defects (53,441 views)
Preeclampsia Screening (155,786 views)
Placenta Accreta Spectrum (36,312 views)

Results

The results of the Group for the year ended 31st March 2020 are set out in the consolidated statement of income and expenditure and retained earnings on page 8.

Fixed Assets

Details of movements in fixed assets are shown in note 8 to the accounts.

Intangible Assets

Details of movements in intangible assets are shown in note 9 to the accounts.

Trustees

The Trustees/Directors of the company in office during the year were:

Prof. K H Nicolaides
Mr Jonathan Hyett
Dr. Ranjit S. Akolekar
Mr. Bruce A. Noble
Mr. Paul Jacobs

THE FETAL MEDICINE FOUNDATION

TRUSTEES'/DIRECTORS' REPORT (Continued/.....)

FOR THE YEAR ENDED 31ST MARCH 2020

Trustees'/Directors' Responsibilities

The trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees/directors to prepare financial statements for each financial year. Under the law the trustees have elected to prepare the financial statements in accordance with United Kingdom General Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Financial statements are required by law to give a true and fair view of the state of affairs of the charity and the surplus or deficit of the charity for that period.

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

Select suitable accounting policies and then apply them consistently;

Observe the methods and principles in the applicable Charities SORP;

Make judgements and estimates that are reasonable and prudent;

State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explain in the financial statements;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

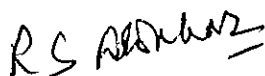
There is no relevant audit information of which the charity's auditors are unaware; and

The trustees have taken all steps that 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.

This report was approved by the board of trustees/directors and signed on their behalf by:

Registered Office:
137 Harley Street
London
W1G 6BG

Signed by Order of the Trustees/Directors



Dr. Ranjit S. Akolekar
Trustee & Director

11th March 2021

THE FETAL MEDICINE FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE FETAL MEDICINE FOUNDATION
YEAR ENDED 31ST MARCH 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FETAL MEDICINE FOUNDATION

We have audited the financial statements of The Fetal Medicine Foundation (the "parent charitable company") and its subsidiaries (the "group") for the year ended 31st March 2020 which comprise the Statement of Financial Position, Statement of Cash of Flows 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 31st March 2020 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 OF 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 the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS'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 or 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.

OTHER INFORMATION

The trustees/directors are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

THE FETAL MEDICINE FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FETAL MEDICINE FOUNDATION

YEAR ENDED 31ST MARCH 2020

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In 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'/directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, 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; or
- 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'/directors' Annual Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees'/directors' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose 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's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 the 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 judgment and maintain professional scepticism throughout the audit. We also:

THE FETAL MEDICINE FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE FETAL MEDICINE FOUNDATION
YEAR ENDED 31ST MARCH 2020

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED/.....)

- 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 purpose of expressing an opinion on the effectiveness of the group'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's or 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Marcus (Senior Statutory Auditor)

11th March 2021

For and on behalf of AGK Partners
AGK Partners
Chartered Accountants & Statutory Auditors
1 Kings Avenue
London

N21 3NA

AGK Partners is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE FETAL MEDICINE FOUNDATION

STATEMENT OF CONSOLIDATED INCOME AND EXPENDITURE AND RETAINED EARNINGS

FOR THE YEAR ENDED 31ST MARCH 2020

	Notes	2020 £	2019 £
Income			
Income from charitable activities	2	1,367,958	1,317,514
Rental income	2	233,732	132,076
Income from EU Grant	2	-	-
Special Services to Hospitals	2	4,458,082	4,168,893
Net Trading Surplus from Non-Charitable trading activities			
Income £8,163,921 (2019 - £7,276,064)			
Expenses £6,865,102 (2019 - £6,411,475)	1 & 10	1,298,819	864,589
Total Income		7,358,591	6,483,072
Administrative expenses		(2,434,915)	(2,176,875)
Grants and Donations	6	(2,910,319)	(2,360,935)
Operating Surplus	3	2,013,357	1,945,262
Interest payable and similar charges	4	(129)	(15,828)
Interest receivable		20,762	19,909
Other Income - gain on disposal of tangible assets		-	-
Surplus/(Deficit) on Ordinary activities before taxation		2,033,990	1,949,343
Tax on Profit on Ordinary Activities		(227,379)	(33,338)
Surplus/(Deficit) on Ordinary activities after taxation	26	1,806,611	1,916,005
Total comprehensive Income for the year		1,806,611	1,916,005
Accumulated surplus B/Forward		8,254,958	6,338,953
Fair Value Revaluation Reserve		-	-
Share premium account		-	-
Non-controlling Interests		-	-
Accumulated surplus C/Forward		10,061,569	8,254,958
All amounts relate to continuing activities			

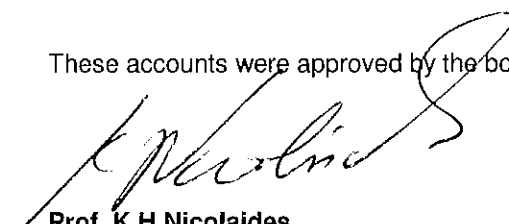
THE FETAL MEDICINE FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH 2020

	Notes	2020 £	2019 £
Fixed Assets			
Intangible assets	9a	9,012,443	9,542,587
Tangible assets	8a	<u>3,551,464</u>	<u>3,847,108</u>
		12,563,907	13,389,695
Current Assets			
Debtors	11	2,451,332	2,140,349
Cash at bank and in hand		4,231,910	3,620,820
		<u>6,683,242</u>	<u>5,761,169</u>
Creditors: Amounts Falling Due Within One Year	12	<u>(4,779,581)</u>	<u>(4,727,507)</u>
Net Current Assets		<u>1,903,661</u>	<u>1,033,662</u>
		14,467,568	14,423,357
Creditors: Amounts Falling Due After more than One Year	13	<u>(4,405,999)</u>	<u>(6,168,399)</u>
Total Assets Less Current Liabilities		<u>10,061,569</u>	<u>8,254,958</u>
Capital and Reserves			
Unrestricted income fund	15	10,061,569	8,254,958
Share Premium account		<u>-</u>	<u>-</u>
Total		10,061,569	8,254,958
Non-controlling interests		<u>-</u>	<u>-</u>
Total Funds	15	<u>10,061,569</u>	<u>8,254,958</u>

These accounts were approved by the board on 11th March 2021 and signed on their behalf by:-



Prof. K H Nicolaides
Trustee & Director

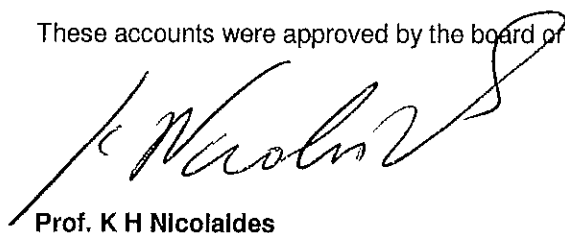
THE FETAL MEDICINE FOUNDATION

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH 2020

	Notes	2020 £	2019 £
Fixed Assets			
Intangible assets	9a	-	-
Tangible assets	8b	2,851,031	3,067,731
Investments	10	1,803	1,803
		<u>2,852,834</u>	<u>3,069,534</u>
Current Assets			
Debtors	11	4,058,528	3,706,451
Cash at bank and in hand		4,158,907	3,252,948
		<u>8,217,435</u>	<u>6,959,399</u>
Creditors: Amounts Falling Due Within One Year	12	(1,205,878)	(1,518,292)
Net Current Assets		<u>7,011,557</u>	<u>5,441,107</u>
		<u>9,864,391</u>	<u>8,510,641</u>
Total Assets Less Current Liabilities		<u>9,864,391</u>	<u>8,510,641</u>
Capital and Reserves			
Unrestricted income fund	15	9,864,391	8,510,641
Total Funds	15	<u>9,864,391</u>	<u>8,510,641</u>

These accounts were approved by the board on 11th March 2021 and signed on their behalf by:-



Prof. K H Nicolaidis

Trustee & Director

Company Registration Number: 02922302

THE FETAL MEDICINE FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31ST MARCH 2020

	Notes	31-Mar-20 £	31-Mar-19 £
Cash flows from operating activities			
Profit for the financial year		2,033,990	1,949,343
Adjustments for:			
Depreciation of tangible assets		467,104	529,540
Interest receivable and similar income		20,762	(19,909)
Interest payable & similar charges		129	15,828
Accrued expenses/(income)		(98,891)	383,471
Other income - gain on disposal of tangible assets		-	-
Changes in:			
Trade and other debtors		(310,983)	(412,610)
Trade and other creditors		150,965	(929,392)
Provisions		-	-
Cash generated from operations		<u>2,263,076</u>	<u>1,516,271</u>
Interest paid		(129)	(15,828)
Interest received		(20,762)	19,909
Net cash from operating activities	16	<u><u>2,242,185</u></u>	<u><u>1,520,352</u></u>
Cash flows from investing activities			
Purchase of intangible assets	9a	-	-
Purchase of tangible assets	8a	(171,460)	(1,970,786)
Net cash used in investing activities		<u><u>(171,460)</u></u>	<u><u>(1,970,786)</u></u>
Cash flows from financing activities			
Proceeds from issue of ordinary shares		-	-
Payments of borrowings		-	-
Net cash used in financing activities		<u><u>-</u></u>	<u><u>-</u></u>
Net increase/(decrease) in cash and cash equivalents		611,090	(1,716,028)
Cash and cash equivalents at beginning of year		3,620,820	5,336,848
Cash and cash equivalents at end of year	18	<u><u>4,231,910</u></u>	<u><u>3,620,820</u></u>

THE FETAL MEDICINE FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

AS AT 31ST MARCH 2020

		Unrestricted	Total	Total
	Notes	Funds	2020	2019
		£	£	£
Incoming Resources				
Donations and fund raising		143,932	143,932	40,577
Rental Income		233,732	233,732	132,076
EU Grant		-	-	-
Special Services to Hospitals		4,458,082	4,458,082	4,168,893
Other income		1,224,026	1,224,026	1,276,937
	2	6,059,772	6,059,772	5,618,483
Interest receivable		20,762	20,762	19,909
Other incoming resources - Gain on disposal of Fixed Asset		-	-	-
		6,080,534	6,080,534	5,638,392
Net trading Surplus from trading subsidiaries	10	1,298,819	1,298,819	864,589
Total Incoming resources		7,379,353	7,379,353	6,502,981
		Unrestricted	Total	Total
		Funds	2020	2019
		£	£	£
Resources Expended				
Direct Charitable Expenditure				
Grants for research		2,909,184	2,909,184	2,359,837
Donations		1,135	1,135	1,098
Educational activities		924,401	924,401	893,258
		3,834,720	3,834,720	3,254,193
Other Expenditure				
Depreciation		363,248	363,248	425,314
Admin and Costs of Grant Making		1,147,266	1,147,266	858,303
Financial costs	4	129	129	15,828
Total Expenditure		5,345,363	5,345,363	4,553,638
Surplus/(deficit) for the year before tax		2,033,990	2,033,990	1,949,343
Tax on Profit of ordinary activities		(227,379)	(227,379)	(33,338)
Surplus/(deficit) for the year after tax		1,806,611	1,806,611	1,916,005

THE FETAL MEDICINE FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

AS AT 31ST MARCH 2020

	Notes	Unrestricted Funds	Total 2020 £	Total 2019 £
Reconciliation of Movement of Funds				
Opening funds	15	8,254,958	8,254,958	6,338,953
Surplus of incoming resources for the year	15	1,806,611	1,806,611	1,916,005
Revaluation of Tangible Assets		-	-	-
Share premium account		-	-	-
Closing funds	15	10,061,569	10,061,569	8,254,958
Non-controlling interests		-	-	-
		<u>10,061,569</u>	<u>10,061,569</u>	<u>8,254,958</u>
Funds balance at 31st March 2020				
Represented by:-				
Intangible fixed assets	9a	9,012,443	9,012,443	9,542,587
Tangible fixed assets	8a	3,551,464	3,551,464	3,847,108
Debtors less creditors		(6,734,248)	(6,734,248)	(8,755,557)
Cash at bank and in hand		4,231,910	4,231,910	3,620,820
Provision		-	-	-
		<u>10,061,569</u>	<u>10,061,569</u>	<u>8,254,958</u>

FOR THE YEAR ENDED 31ST MARCH 2020

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THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2020

Accounting Policies (Continued/.....)

Basis of Consolidation

The group financial statements consolidate the accounts of The Fetal Medicine Foundation and its trading subsidiaries The Fetal Medicine Centre Limited and King's Fertility Limited for the year ended 31st March 2020.

The net operating profit of the trading subsidiaries has been incorporated into consolidated income. The trustees consider that full consolidation of gross income and expenditure of the trading subsidiaries would be inappropriate because their activities are fundamentally different from the activities of the Charity.

A separate income and expenditure account for the trading companies is not presented as permitted by Section 408 of the Companies Act 2006. The surplus/(deficit) for the year dealt with in the accounts of the parent company was £1,298,819, (2019 - (£864,589)).

The operational results of The Fetal Medicine Centre Limited and King's Fertility Limited are given in note 10.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of the ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by the reducing balance method over their expected useful lives. The rates and periods generally applicable are:

Plant and machinery	- 20% on written down value
Furniture and equipment	- 20% on written down value
Leasehold properties	- Over the life of the lease, Nil in year of acquisition

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2020

Accounting Policies (Continued/.....)

For Impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2020

2 Income

Income is derived from the company's principal activity and the net profit earned by The Fetal Medicine Centre Limited, a wholly owned trading subsidiary whose profits are covenanted to The Fetal Medicine Foundation, and the profits earned by King's Fertility Ltd, a majority owned trading subsidiary whose profits are covenanted to The Fetal Medicine Foundation.

3 Operating Surplus/(deficit)

Operating surplus/(deficit) is stated after charging:

	2020	2019
	£	£
Rent Payable – premises	864,514	1,179,130
Depreciation of owned assets	467,104	529,540
Amortisation of intangible assets	530,144	530,144
Auditors remuneration	12,000	15,240

4 Interest Payable and Similar Charges

	2020	2019
	£	£
Bank loan interest	-	-
Bank overdraft and other interest	129	15,828
	<u>129</u>	<u>15,828</u>

5 Staff Costs

	2020	2019
	£	£
Salaries and wages	2,415,570	2,145,383
Social security costs	224,787	212,622
Other pension costs	94,894	101,307
	<u>2,735,251</u>	<u>2,459,312</u>

	2020	2019
Average number of staff during the year - Group	78	67
Average number of staff during the year - Company	24	14

No member of staff of the Charity received a salary greater than £60,000 per annum.

Seven members of staff employed by the trading subsidiaries received a salary greater than £60,000.

6 Grants and Donations

(a) GRANTS

During the year the Charity provided grants to doctors to carry out medical research in the UK, pursuant of its objects for the public benefit in early fetal diagnosis and therapy.

	2020	2019
	£	£
Individuals	<u>2,909,184</u>	<u>2,359,837</u>

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2020

6 Grants and Donations Cont...

(b) DONATIONS

During the year the Charity made the following donations.

	2020 £	2019 £
King's College NHS Foundation Trust	-	-
Windsor Walk	973	900
Other Donations	162	198
	<u>1,135</u>	<u>1,098</u>

7 Trustees Expenses

The trustees receive no remuneration or expenses for acting as trustees. During the year one trustee received seminar and conference related travel expenses of £4,709 (2019 £5,476).

THE FETAL MEDICINE FOUNDATION
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2020

8a Tangible Fixed Assets - Group

	Leasehold Property	Plant and Machinery	Furniture & Equip	Total
	£	£	£	£
Cost				
At 1st April 2019	1,614,710	3,548,312	2,300,403	7,463,425
Additions	78,688	67,860	24,912	171,460
At 31st March 2020	1,693,398	3,616,172	2,325,315	7,634,885
Depreciation				
At 1st April 2019	54,704	2,315,966	1,245,647	3,616,317
Charge for the year	48,384	260,041	158,679	467,104
At 31st March 2020	103,088	2,576,007	1,404,326	4,083,421
Net Book Value				
At 31st March 2020	1,590,310	1,040,165	920,989	3,551,464
Net Book Value				
At 31st March 2019	1,560,006	1,232,346	1,054,756	3,847,108

8b Tangible Fixed Assets - Company

	Leasehold Property	Plant and Machinery	Furniture & Equip	Total
	£	£	£	£
Cost				
At 1st April 2019	1,602,072	3,283,148	814,825	5,700,045
Additions	78,688	67,860	-	146,548
At 31st March 2020	1,680,760	3,351,008	814,825	5,846,593
Depreciation				
At 1st April 2019	-	2,069,918	515,276	2,585,194
Charge for the year	47,120	256,218	59,910	363,248
At 31st March 2020	47,120	2,326,136	575,186	2,948,442
Net Book Value				
At 31st March 2020	1,633,640	1,024,872	239,639	2,898,151
Net Book Value				
At 31st March 2019	1,602,072	1,213,230	299,549	3,114,851

THE FETAL MEDICINE FOUNDATION
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2020

9a Intangible Assets - Group

	Goodwill £	Total £
Cost		
At 1st April 2019	10,602,875	10,602,875
Additions	-	-
At 31st March 2020	10,602,875	10,602,875
Amortisation		
At 1st April 2019	1,060,288	1,060,288
Charge for the year	530,144	530,144
At 31st March 2020	1,590,432	1,590,432
Net Book Value		
At 31st March 2020	9,012,443	9,012,443
Net Book Value		
At 31st March 2019	9,542,587	10,072,731

9b Intangible Assets - Company

	Goodwill £	Total £
Cost		
At 1st April 2019	-	-
Additions	-	-
At 31st March 2020	-	-
Amortisation		
At 1st April 2019	-	-
Charge for the year	-	-
At 31st March 2020	-	-
Net Book Value		
At 31st March 2020	-	-
Net Book Value		
At 31st March 2019	-	-

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2020

10 Investments

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Cost of shares in subsidiaries				
at 1st April 2019	-	-	1803	1803
Cost of additional shares in subsidiaries purchased during the year	-	-	-	-
At 31st March 2020	-	-	1803	1803

The Fetal Medicine Foundation has a 100% interest in the issued ordinary share capital of The Fetal Medicine Centre Limited, a company incorporated in England. The principal activity of The Fetal Medicine Centre Limited is the provision of services including fetal diagnosis and therapy and fetal scanning. The Fetal Medicine Foundation has also acquired 100% of the ordinary shares in Antigoni Limited a company that did not trade during the year and remains a dormant. The Fetal Medicine Foundation also acquired 90% of the ordinary shares in King's Fertility Limited a company incorporated in England and its principle activity is the provision of medical services specialising in the provision of In Vitro Fertilisation (IVF) treatment.

The Fetal Medicine Centre Limited has entered into a Deed of Covenant whereby it covenants all its trading profits to The Fetal Medicine Foundation. The covenanted payment for the year was £618,450 - (2019 £719,059).

King's Fertility Limited has entered into a Deed of Covenant whereby it covenants all its trading profits to The Fetal Medicine Foundation. The covenanted payment for the year was £Nil - (2019 £Nil).

The Balance Sheets of the trading subsidiaries have been consolidated.

The operational results of The Fetal Medicine Centre Limited and King's Fertility Limited are given below:

	King's Fertility Ltd		The Fetal Medicine Centre Ltd	
	2020	2019	2020	2019
	£	£	£	£
Turnover	5,606,160	4,413,312	2,557,761	2,862,752
Cost of sales	(1,260,974)	(1,049,210)	(842,688)	(736,912)
Gross profit	4,345,186	3,364,102	1,715,073	2,125,840
Administrative expenses	(3,655,116)	(3,531,290)	(1,106,324)	(1,094,063)
Operating Profit/(Loss)	690,070	(167,188)	608,749	1,031,777
Interest payable	-	-	-	-
Profit/(Loss) for the Financial Year before charging Covenanted Payment	690,070	(167,188)	608,749	1,031,777
Covenanted Payment to the Fetal Medicine Foundation	-	-	(618,450)	(719,059)
Profit/(Loss) for the Financial Year	690,070	(167,188)	(9,701)	312,718

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2020

11 Debtors

	Notes	Group		Company	
		2020 £	2019 £	2020 £	2019 £
Amounts due from group company		-	-	2,396,132	2,172,951
Trade Debtors		2,217,490	1,871,645	1,596,183	1,410,471
Other Debtors		32,525	39,640	1,396	39,640
Prepayments and accrued Income		201,317	229,064	64,817	83,389
		<u>2,451,332</u>	<u>2,140,349</u>	<u>4,058,528</u>	<u>3,706,451</u>

12 Creditors: Amounts Falling Due Within One Year

	Notes	Group		Company	
		2020 £	2019 £	2020 £	2019 £
Amounts due to group company	19	-	-	64,581	37,031
Trade creditors		714,366	713,810	228,159	203,531
Corporation Tax		227,379	33,338	-	-
Other taxes and social security		35,088	139,137	35,088	139,137
Other creditors		2,873,173	2,812,756	6,053	156,378
Accruals and deferred Income		929,575	1,028,466	871,997	982,215
		<u>4,779,581</u>	<u>4,727,507</u>	<u>1,205,878</u>	<u>1,518,292</u>

13 Creditors: Amounts Falling Due After More Than One Year

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Other Creditors	4,405,999	6,168,399	-	-
	<u>4,405,999</u>	<u>6,168,399</u>	<u>-</u>	<u>-</u>

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Repayable between one and five years	4,405,999	6,168,399	-	-
Repayable in five years or more	-	-	-	-
	<u>4,405,999</u>	<u>6,168,399</u>	<u>-</u>	<u>-</u>

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2020

14 Commitments under Operating Leases

At 31st March 2020 the group has annual commitments under non-cancellable operating leases as set out below.

	Group		Company	
	Land and buildings		Land and buildings	
	2020	2019	2020	2019
	£	£	£	£
Operating leases which expire:				
Within 1 year	870,405	871,725	616,555	617,875
Within 2 to 5 years	1,619,887	1,926,567	812,092	1,014,772
After more than 5 years	7,450,678	7,725,403	3,367,265	3,492,140
	<u>9,940,970</u>	<u>10,523,695</u>	<u>4,795,912</u>	<u>5,124,787</u>

15 Reconciliation of Funds

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Opening accumulated funds - Unrestricted	8,254,958	6,338,953	8,510,641	6,691,000
Surplus for the year	<u>1,806,611</u>	<u>1,916,005</u>	<u>1,353,750</u>	<u>1,819,641</u>
Unrestricted Fund	10,061,569	8,254,958	9,864,391	8,510,641
Share Premium	-	-	-	-
Non-controlling interests	-	-	-	-
Total Funds	<u>10,061,569</u>	<u>8,254,958</u>	<u>9,864,391</u>	<u>8,510,641</u>
Closing accumulated funds - Unrestricted	10,061,569	8,254,958	9,864,391	8,510,641
Total Funds	<u>10,061,569</u>	<u>8,254,958</u>	<u>9,864,391</u>	<u>8,510,641</u>

16 Reconciliation of operating profit to net cash inflow from operating activities

	2020	2019
	£	£
Operating profit	2,013,357	1,945,262
Depreciation	467,104	529,540
(Increase)/Decrease in debtors	(310,983)	(412,610)
Increase/(Decrease) in creditors	52,074	(545,921)
Interest Payable and similar charges	(129)	(15,828)
Interest receivable	20,762	19,909
Net cash inflow/(outflow) from operating activities	<u>2,242,185</u>	<u>1,520,352</u>

17 Analysis of changes in cash and cash equivalents during the year

	2020	2019
	£	£
Balance at 1st April 2019	3,620,820	5,336,848
Net cash inflow/(outflow)	<u>611,090</u>	<u>(1,716,028)</u>
Balance at 31st March 2020	<u>4,231,910</u>	<u>3,620,820</u>

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2020

18 Analysis of the balances of cash and cash equivalents as shown in the balance sheet

	2020 £	2019 £	Change in Year £
Cash at Bank	4,230,209	3,619,120	611,089
Cash in Hand	1,701	1,700	1
Total cash at bank in hand	<u>4,231,910</u>	<u>3,620,820</u>	<u>611,090</u>
	<u>4,231,910</u>	<u>3,620,820</u>	<u>611,090</u>

19 Related party transactions

The Fetal Medicine Foundation has a 100% interest in the issued ordinary share capital of The Fetal Medicine Centre Limited, a company incorporated in England. The Fetal Medicine Centre Limited has entered into a Deed of Covenant whereby it covenants all its profits to The Fetal Medicine Foundation. The Covenanted payment for the year was £618,450 (2019-£719,059). At 31st March 2020 the subsidiary was owed by the charity £64,581 (2019 - £37,031) as shown in note 12 to the Accounts.

The Fetal Medicine Foundation owns 90% interest in the issued ordinary share capital of King's Fertility Limited, a company incorporated in England. King's Fertility Limited has entered into a Deed of Covenant whereby it covenants all its profits to The Fetal Medicine Foundation. The Covenanted payment for the year was £Nil (2019: Nil). At 31st March 2020 the subsidiary owed the charity £2,396,132 (2019 - £2,172,951) as shown in note 11 to the Accounts. A Fixed and Floating Charge and a Debenture over the assets of King's Fertility are in place in favour of the Charity.

During the year the Foundation invoiced the King's College NHS Foundation Trust for Medical Services provided amounting to £3,479,082 (2019 - £3,556,392) and the Trust charged the Foundation £149,368 (2019 - £149,848) for rent at Windsor Walk Property.

Three of the trustees, Prof. Nicolaides, Mr. P. Jacobs and Mr. B. Noble, are also trustees and directors of Windsor Walk, a company limited by guarantee and registered as a Charity. At 31st March 2020 The Fetal Medicine Foundation was owed by Windsor Walk £Nil (2019 - £Nil) as shown in note 11 to the Accounts. During the year the Foundation made a donation of £973 (2019 - £900) to Windsor Walk Charity.

Trustees received no emoluments, or expenses during the year (2019 £Nil). One trustee received seminar and conference related travel expenses of £4,709 (2019 £5,476).

With the Exception of the above disclosed transactions with related parties no trustee or other person related to the Charity has any personal interest in any contract or transaction entered into by the Charity during the year (2019-None).

20 Capital Commitments

At 31st March 2020 the outstanding Capital Commitment was Nil (2019 £Nil).

21 Restricted Funds

As at 31st March 2020 the Restricted Funds were £Nil (2019 - £Nil)

THE FETAL MEDICINE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2020

22 Provision

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be valued or estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

	2020 £	2019 £	Change In Year £
	Valuation of Interest Swap	Valuation of Interest Swap	Valuation of Interest Swap
At 1st April 2019	-	-	-
Charge/(Credit) for provision	-	-	-
At 31st March 2020	-	-	-

23 Revaluation

During the year ended 31st March 2018 a 299 year lease was granted to King's College Hospital NHS Trust so the revaluation reserve was carried to the disposal account leaving a Nil balance as at 31 March 2019 and 2020.

	2020 £	2019 £	Change In Year £
	Revaluation of Freehold Property	Revaluation of Freehold Property	Revaluation of Freehold Property
At 1st April 2019	-	-	-
Revaluation in the year	-	-	-
Disposal during the year	-	-	-
At 31st March 2020	-	-	-

24 Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

25 Post Balance Sheet Events

The COVID-19 pandemic commenced during the year ended 31 March 2020, and continues to date. The full impact of the COVID-19 pandemic continues to evolve as of the date of this report and its magnitude is uncertain. However, the trustees have assessed the charity's financial position having considered the possible impact of COVID-19 pandemic and are of the opinion that the charity's financial position is sound and that the charity will continue in operational existence for the foreseeable future.

26 Excess of Expenditure over Income

During the year the Foundation's Expenditure did not exceed its Income as shown on the Consolidated Income and Expenditure Account on page 8 of the Accounts.