



nct

Annual Report
and Accounts

Prunella Briance
NCT Founder

2016

recalling

1956



“

It was all really rather simple. I thought there were things people should know and connections they could make...

”

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Chair's report

When in 1956 our founder, Prunella Briance, placed an advert in the national press she can't have known what an extraordinary movement would grow from that call for change. But the spirit in which she began our great adventure is still alive over sixty years later. NCT continues to deliver knowledge, build networks and campaign for change for parents across the UK every day.

Without the brilliant work of our volunteers, practitioners and staff this wouldn't be possible.

So thank you. To you all. For the difference you make.

This year we collated, sifted and shaped thousands of lines of data into our ambition for the next ten years: to support all parents across the first thousand days. And we drew our map for the beginning of that journey, our forward agenda three year strategy. We also took significant first steps along the road.

From a governance perspective it has been a challenging year, and one in which we said goodbye to some long-standing Trustees. We also commissioned Andrew Hind, a former Chief Executive of the Charity Commission, to undertake a governance review to enable us to strengthen and develop the way we do things at NCT. I'd like to thank my predecessor, Helen Stephenson CBE, for her work in steering the organisation during 2016–2017.

We know we have much to do to realise our ambition, and that there will be setbacks along the way. We know too, that supporting all parents across the first thousand days begins with what we do today.

I am so proud to chair this wonderful movement. NCT has achieved so much already. With your help we're going to do so much more.

Jess Figueras
Chair – October 2017

The Trustees

Jessica Figueras, Chair of Trustees, elected trustee

Jessica is currently Chief Analyst at a technology advisory company, where she leads a multi-million pound public sector research programme. Previously she has worked as a strategy consultant and director at a digital start-up company. She is also an NCT breastfeeding counsellor and longstanding NCT volunteer.

Marsha Daniel, Honorary Secretary, elected trustee

Marsha has held a number of positions across the Financial Services sector including business development, client management and programme management roles. She is an active volunteer, with her voluntary work including being media reporter for the 2002 Commonwealth Games. Additionally she has founded a Women's Network.

Caroline Flint, elected trustee

Caroline has been a midwife for 39 years and ran a Birth Centre for over 20 years. Caroline is also a retired NCT Practitioner and has facilitated classes for more than 45 years.

Stephanie Maurel, appointed trustee

Stephanie is Chief Executive of Concordia, a charity promoting international volunteering. She began her career in the commercial sector before moving into customer focused and strategy roles at Sport England. Stephanie is also a trustee of her county sports partnership.

Felicity Oswald, elected trustee

Felicity is a Senior Civil Servant and has held roles in risk management, policy and strategy, leading organisational change, project management and performance management.

Carey Oppenheim, appointed trustee

Carey is the outgoing Chief Executive of The Early Intervention Foundation. Carey has held a number of senior positions including Co-Director of the Institute for Public Policy Research, and Special Adviser in the No 10 Policy Unit (2000–2005). Carey currently sits on the UK Advisory Board for Save the Children.

Elgan Owen, appointed trustee

Elgan works for the Macular Society as Regional Manager for North Wales supporting their groups and volunteers across North Wales and parts of Powys. Within NCT Elgan has held a number of voluntary roles, from web coordinator to branch coordinator, and is currently the regional coordinator for Wales, also chairing NCT's Regional Volunteer Support Network.

David Shanks, appointed trustee

David is a lawyer, currently working at Google as Senior Counsel. Previously, David was an associate at Freshfields in the City. He has significant experience in managing risk and has knowledge of the digital and tech industries. He is also a trustee of a dance charity and sits on their Finance and General Purposes Committee.

Richard Smothers, Honorary Treasurer, appointed trustee

Richard is Chief Financial Officer and Executive Director at Mothercare. Richard has held senior positions in a number of FTSE 100 companies both in the UK and internationally.



About us

Our vision is of a world in which no parent is isolated and all parents are supported to build a strong society.

Our mission is to support parents throughout the first 1,000 days to have the best possible experience of pregnancy, birth and early parenthood.

Since 1956, we have supported millions of women and parents through birth and early parenthood whilst also securing major advances in professional practice and public policy.

At our core we are a movement of parents supporting parents, through our 327 local branches and over 5,000 volunteers who offer a wide range of activities, from Bumps and Babies drop-in sessions to Nearly New Sales offering low-cost baby clothes and equipment and Baby First Aid courses.

Our practitioners provide practical and emotional support for expectant and new parents before and after their baby arrives. Our breastfeeding counsellors and peer supporters support mums with feeding entirely free of charge. Our online information centre and national support line provide information to over five million parents each year.

5,000
volunteers

over
1000
individual NCT
practitioners

327
volunteer-led branches

We do this through three interconnected aims:

1: Knowledge

we provide evidence-based information for parents online and face-to-face, aiming to give every parent the chance to make informed choices

2: Networks

we support parents to build networks through our 327 branches across the UK, forging vital, often lifelong, friendships

3: Voice

we campaign on the issues that matter most to families throughout the first 1,000 days, working to make the UK more parent-friendly

NCT in numbers 2016–2017

5,689

volunteers supported new
parents through

327

local branches

94,843

people attended
an NCT course

95%

of parents rated their
antenatal course as
'Excellent' or 'Good'

The background of the infographic is a photograph of a smiling woman holding a baby. The image is overlaid with a green tint and several semi-transparent white circles that serve as containers for text. The circles are arranged in a way that they overlap each other and the background image. The text inside the circles is in a clean, sans-serif font, with the numbers being larger and bolder than the accompanying text.

482

Nearly New Sales were hosted by
NCT volunteers, raising over

£740,000

44

Baby Cafes offered
breastfeeding support
to mums

181

students trained to become
NCT practitioners to support
the parents of the future

5.6m

users made

8.2m

visits to our website

Month by month

2016

April

We secured a grant to run Parents in Mind, a pilot project to develop a new model of perinatal mental health peer support developed in partnership with the Institute of Health Visiting.

May

We celebrated our Diamond Jubilee. It was on 4 May 1956 that Prunella Briance's advert appeared in the Times.

Our new branch in Northern Ireland, Tyrone, Armagh and Down branch, held their first meeting.

June

A committee of MPs visited Portsmouth and Southsea NCT branch to hear about new mums' experiences of discrimination in the workplace and discuss ideas on how to improve the maternity leave process.

July

We hosted an event in the Welsh Assembly to give parents in Wales a chance to meet their Assembly Members and Cabinet Secretary for Health, Vaughan Gething, to talk about perinatal mental health.

August

Throughout the summer season our volunteers provided valuable and much needed baby feeding and changing areas at a wide range of events including the Bristol Balloon Fiesta and Salisbury Playday.

September

We welcomed a record 140 new students on to the NCT Birth and Beyond Foundation Degree delivered in partnership with the University of Worcester.

October

More than 250 people joined Newham branch at Queen Elizabeth Olympic Park for a fun and scenic 5km walk to help raise money and awareness of postnatal depression and loneliness among new parents.

November

We celebrated the contribution and achievement of our volunteers at our Stars Awards at London's Living Room in City Hall with NCT Founder Prunella Briance.

December

47 branches got creative to celebrate the Christmas season putting on a range of events from parties to christmas toy sales.

2017

January

We launched Support Overdue 2017, based on our second survey of women's experiences of maternity services and presented the findings to the Health Select Committee in Parliament.

February

We won an opportunity to partner with CAST (Centre for Acceleration of Social Technology) to boost our use of technology to make it easier for parents to find information about our courses.

March

Our Babychange app that provides parents with accurate information on where to find a baby changing area anywhere in the country won a MadeForMums gold award.

2016–2017

A Foundational Year

In this, the foundational year of what we see as a ten year ambition to reach all parents across the first thousand days, we set five specific organisational objectives to lay the path for this work:

- Embedding our renewed vision, mission, and goals across our movement
- Bringing together a new Executive Team to lead this period of rediscovery and renewal
- Establishing clear, compelling early steps which demonstrate our intent and ability to increase reach and expand the scope of our work
- Building a planning and budgeting process that turns our agreed Common Purpose into a three year rolling strategic plan
- Ensuring key external stakeholders, opinion-formers and decision-makers believe NCT will renew and deliver

We made great progress in 2016–2017 on those foundational objectives. From the thousands of lines of data we collected from our common purpose workshops last year, we set our ambition of reaching all parents across the first thousand days in ten years. And we worked to filter and hone that data into our strategy for the next three years, our Forward Agenda, launched in April 2017.

With 327 volunteer-led branches and over 1,000 individual NCT practitioners, we recognise that our strategy must be relevant across our movement – the only way we will achieve our ambition for parents is together. So we're proud that we've started to plan in a collaborative

way at NCT and have built a planning and budgeting framework that will annually incorporate the views of our volunteers, practitioners and staff.

We also appointed directors of communications and development, parent services and corporate services this year, restructuring our Executive Team from six directors to three and we made good progress on beginning to evaluate the impact of pilot programmes that we believe will enable us to increase our reach and expand our scope in years to come.

We know we have much to do in the next ten years to deliver on our ambition. We believe it is both stretching and credible. We think we have laid solid foundations and are excited by the challenges that lie ahead.

So how have we done against our five core goals in this our foundational year...?



Five core goals for the decade ahead

There is no more important job on earth than being a parent and the first thousand days are crucial to life chances, but being a parent can be challenging and isolating too.

So now, sixty years on from our foundation, NCT is committed to going further, building on, not away from our roots. We will build on all the good we do today thanks to our incredible, inspiring volunteers and practitioners so that we are here for all parents across the first thousand days.

Last year we explored with our staff, practitioners and volunteers the common purpose that binds us. We revisited our vision and mission as we embarked on our journey to support all parents across the first thousand days.

We committed to **5** core goals for the decade ahead

- 1:** Strengthening our work in antenatal education and infant feeding
- 2:** Expanding the support we provide to parents postnatally
- 3:** Increasing our reach into less affluent communities and to parents at greater risk of isolation
- 4:** Modernising our public image to ensure we are seen as relevant and trusted
- 5:** Building a brilliant organisation to support our incredible movement of volunteers and practitioners



A photograph of a woman holding a baby, with a blue tint overlay. The woman is looking down at the baby, and the baby is wrapped in a blanket. The text is overlaid on the image.

“

We couldn't have been more pleased, and relieved, to have had such a well-informed, laid back, personable instructor. She taught us an enormous amount in a style that we always felt comfortable with; covering all areas of birth equally without agenda. I now feel informed and empowered but not pressured to do anything other than what's best for me and baby at the time.

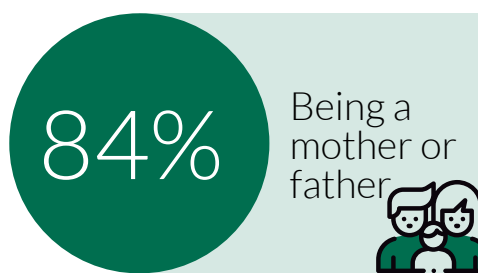
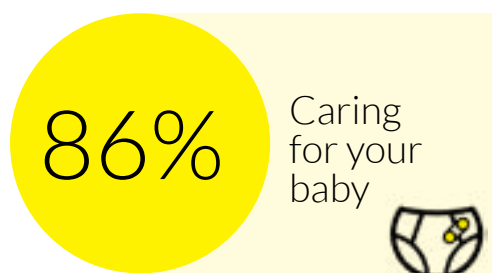
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Strengthening our work in antenatal education and infant feeding

The first 1,000 days describes the time from the start of pregnancy to a child's second birthday. It is a period that evidence shows us plays a vital role in whether children grow up happy, healthy and well-adjusted.

Ask any new parent and they will likely tell you it is also an incredibly challenging time in which they face a myriad of competing dilemmas and choices on almost a daily basis. Our core work in antenatal education and infant feeding aims to provide parents with the information and support they need at this critical time of transition.

How did the course affect your confidence in: Increased or greatly increased



We're excited to see such positive responses from parents we support. 95% of parents rate Signature antenatal courses as either 'Excellent' or 'Good', and parents tell us how much they value the combination of knowledge and new friendship groups as they prepare for birth and early parenthood.

But we recognise there is room for improvement. We're putting parent experiences first, listening to feedback so we can continue to improve our support for parents.

Next year we will: focus on workforce planning so we can start to reach more parents, more effectively – avoiding the mismatch of supply and demand that we currently see in some areas. We will focus on offering consistently high quality venues for our courses, and we will begin a major review of our services, informed by parent insight, to understand how best to strengthen and modernise what we offer to parents.

2016– 2017:

we ran

7,100

antenatal courses delivered by

550

trained antenatal teachers

277

specialist breastfeeding counsellors supported new parents through

26,800

one-to-one sessions

Expanding scope and increasing reach

2016–2017:

we evaluated eight geographically dispersed NCT drop-ins. We found that of the parents attending our drop-ins:

93%

feel less anxious or worried

88%

feel less isolated or lonely

85%

feel more confident as a parent

We know that many more parents could benefit from NCT than do at present. To truly deliver on our ambition of supporting all parents across the first thousand days we must develop low cost, high impact models of support.

Through our Early Steps work we evaluated elements of our existing provision to understand what parents value most and what outcomes our services achieve, to help identify models with the potential to be taken to scale.

NCT drop-ins

Qualitative research we undertook in April 2016 with The Challenge and London Early years Foundation told us that many first time parents feel they are 'uniquely failing' in the first few weeks of parenthood.

NCT Drop-ins provide practical and emotional support from trained professionals, together with the opportunity to build a network of other new parents for support and reassurance – a combination parents told us they particularly value. Our drop-ins are offered at no or minimal cost to parents.

NEXT YEAR WE WILL:

aim to secure funding for NCT drop-ins so that more parents can benefit from them.

Reasons for attending the drop-ins were:



50%

To meet other people



70%

To get out of the house or help with loneliness



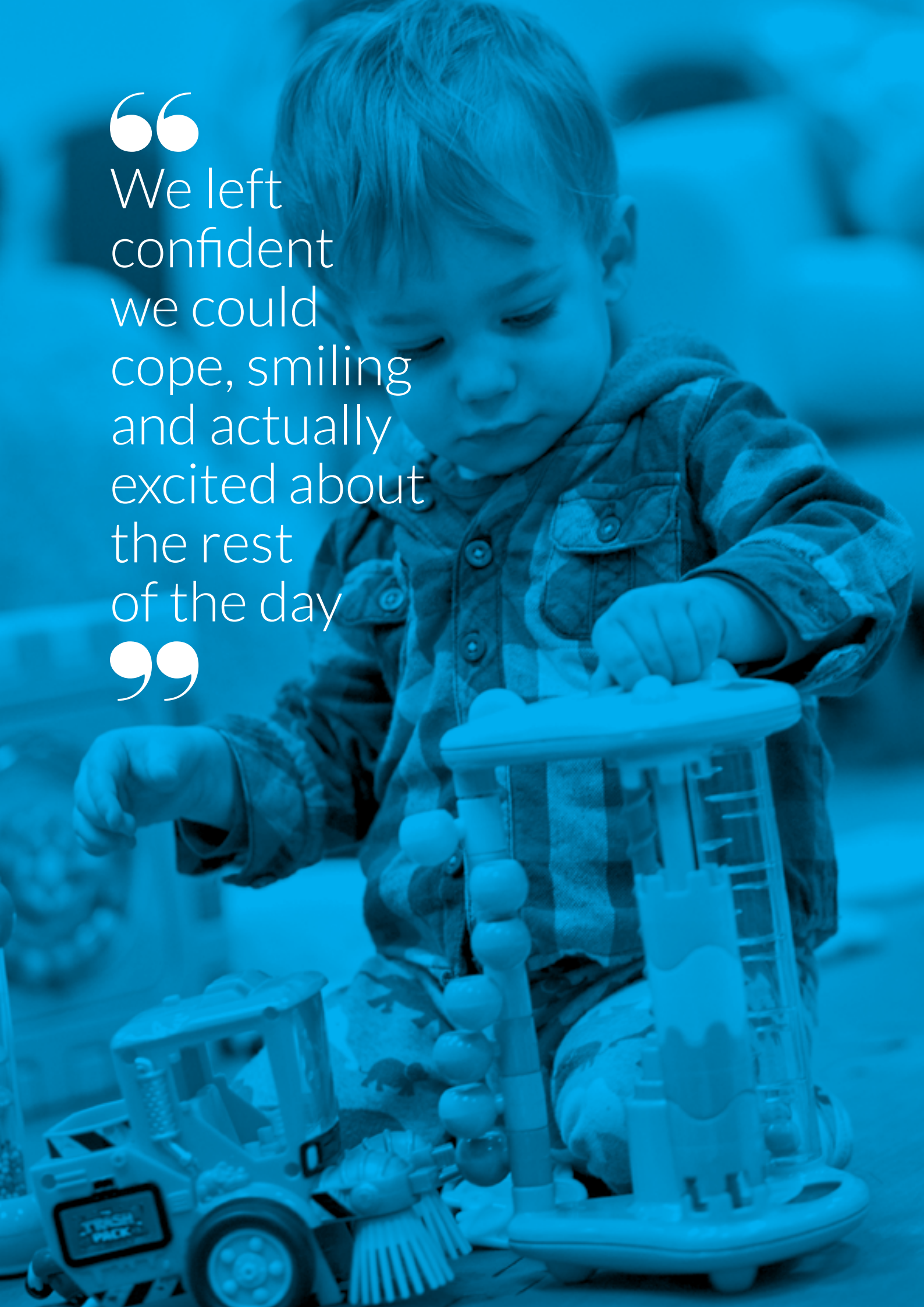
23%

To share their experiences and discuss coping skills

“

We left
confident
we could
cope, smiling
and actually
excited about
the rest
of the day

”



There are currently

42

Baby Cafes across the UK

In 2016 Baby Café supported

6,300

women with feeding their baby

96%

of mothers had found the service useful

75%

said Baby Café had enabled them to breastfeed for longer than they would have done without the support

Baby Café

Baby Cafés are informal drop-in sessions run by skilled facilitators with help from volunteers and peer supporters, accessible free of charge to all mothers needing support with breastfeeding. They're designed to provide both social support and expert help to mothers with breastfeeding questions or concerns, and each session is attended by a suitably qualified health professional or breastfeeding counsellor.

“

If it wasn't for the support of Baby Café I would not be breastfeeding still and enjoying it! I have made lifelong friends at Baby Café. When I felt down about being a single mother Baby Café gave me a boost each week

”

Birth and Beyond Community Peer Support

Birth and Beyond Community Peer Support enables NCT to support parents in areas that we haven't previously worked in. Working with the Paddington Development Trust, NCT trained 35 Maternity Champion volunteers to support local families in two of the most deprived wards in North West London.

The early outcomes from this programme have been fantastic, showing strong benefits to both the parents who are supported, and the volunteers themselves.

92% of parents said they had benefited from the support provided by the Maternity Champions.

80% of parents also reported that the Maternity Champions had helped them access local services, including health visiting services and other support groups for new and pregnant parents.

NEXT YEAR WE WILL:

work to secure funding to roll out this programme to a much larger scale.

Parents in Mind

Parents in Mind is a project funded by the Department of Health which aims to develop a safe, effective and sustainable model of perinatal mental health peer support. We're trialling it in three NCT branch areas: Coventry and Warwick, Runcorn and Widnes, and Newham.

We have worked with the Institute of Health Visiting to adapt their perinatal mental health champion training and resources for our NCT peer support trainers and practitioners. Since then volunteer peer supporters have been trained in the first two areas and training will start shortly in Newham. Trained volunteers are now directly supporting women, with clinical supervision in place and referrals into the programme from a range of local services.

In addition, the mental health specialist NCT practitioners will cascade their learning to NCT volunteers and practitioners more widely, supported by the money raised through our Big Push fundraiser.

NEXT YEAR WE WILL:

continue to deliver peer support for women experiencing mild to moderate mental health issues, evaluating the impact of the service on their emotional wellbeing.



Campaigning for change

At NCT we are proud of the changes we have been part of. Our campaigning achievements include pressing to allow fathers into the delivery room; the labelling and then banning of Bisphenol A in baby bottles; reducing unnecessary interventions during childbirth; and influencing the Equality Act in Britain and the Breastfeeding etc. (Scotland) Act 2005 to protect women breastfeeding in public.

2017–2018:

we have launched our mass mobilisation campaign on maternal mental health,

#HiddenHalf

with over 5,000 supporters in the first month.

In 2016–17, following a call from our volunteers and practitioners to strengthen and reinvigorate our campaigning voice, we developed a framework for determining campaign priorities and agreed the following priority areas:

- Maternal mental health as our flagship campaign to be launched early in 2017–18
- Maternity discrimination in the workplace
- Maternity services, including supporting and influencing the implementation of the Better Births and The Best Start reports in England and Scotland
- Postnatal care as an area for further policy development

The objective of this prioritisation process, which involved stakeholder input from staff, practitioners and volunteers, was to provide clear focus and a route to achievable change for parents.

During the year we continued to shape maternity policy through our involvement in the implementation of Better Births, the National Maternity Review for England, and The Best Start, the Scottish Maternity and Neonatal Review.

We presented evidence to the Health Select Committee in Parliament about progress in implementing the recommendations of Better Births; and the report of the Women and Equalities Committee on maternity discrimination quoted input from NCT members.

NEXT YEAR WE WILL:

seek through the #HiddenHalf campaign to drive changes to the health system to improve the rate of identification of postnatal mental illness. We will also launch local campaigning tools to better support our branches to campaign on issues that matter locally to them.

Modernising image

To reach all parents across the first thousand days, we need to modernise our image. If you're a parent, whoever you are, wherever you're from, we want to be your first port of call for information and support.

So we started this year with a new tone of voice and style guide to become more engaging and accessible to all parents.

We're working hard to place content in different channels so that more parents become aware of the support we can provide, including BBC Asian Network, Take a Break and Closer magazine as well as maintaining levels of coverage in national print and broadcast outlets.

We've also begun work to refresh our website and make it easier to use.

NEXT YEAR WE WILL:

refresh our website with:

- a new look and feel
- the site adjusted to work well on all mobile devices
- a complete overhaul of the content for parents – including review of the evidence base, tone of voice and reading level



2016– 2017:

8.2m

website visits, up from 6.6 million last year

more than

5.6m

website users, up from 3.6 million last year

1000

new Facebook fans every month

Building a better organisation

To achieve our ambition of supporting all parents across the first thousand days, we need to strengthen the foundations of our organisation, and much work in 2016–2017 was given to beginning this build.

During the year we held a series of events to enable stakeholders from across our movement to discuss our common purpose and to seek their feedback on the five core goals we proposed for the coming decade. In total 482 volunteers, practitioners and staff members attended 32 workshops across the country, from Aberdeen to Exeter and Belfast to Norwich.

Nine out of ten attendees said they supported our renewed vision, mission, and core goals and it was genuinely inspiring to see so much commitment to supporting parents now and in the future.

Building on the proposals put forward at the Common Purpose workshops and the feedback we gathered, we developed a three year strategy, our forward agenda, and an annual planning and budgeting framework.

We also established a new Executive team this year through the appointment of directors of communications and development, parent services and organisational services. In structural terms this sees NCT move from six to three departments and directors, yielding savings approaching £200,000 as well as greater alignment across different functions of the charity. We improved critical systems and processes to see us fit for future growth:

- We designated a new safeguarding lead internally who developed a new Safeguarding policy and procedure to ensure the safeguarding of parents and their babies is central to our work
- We created a new complaints procedure so that complaints are dealt with systematically and that we can identify trends to improve parents' experience of NCT
- We developed and implemented a new approach to managing organisational risk
- We analysed our data protection compliance and created an action plan to strengthen it.

In 2017–2018 we have begun a cohort development programme for our Leadership Team and recruited a Chief Technology Officer to support the digital requirements within our new strategy. We have also gathered engagement data from staff, practitioners and volunteers to establish how we can improve our support for them.

NEXT YEAR WE WILL:

refresh our IT infrastructure ensuring we are prepared for the implementation of the UK General Data Protection Regulation, and make improvements for staff, practitioners and volunteers based on information gathered from them in 16–17.

“

Feedback from Common Purpose events:

I know...

What the plan is and what other people think

the process of where NCT is going and how we are contributing

I feel...

involved, part of the organisation, valued
enthusiastic, engaged –
although a little apprehensive

NCT can do this!

”





Where next?

As we kick off 2017–18 financial year, we now have what we believe is an ambitious, achievable and shared three year strategy, working towards our longer term ambition of supporting all parents across the first 1,000 days.

There is much to do and we're excited to get started on the year's work...

Strengthening our core offer: by focusing on continual improvement of our courses and venues, alongside beginning a full review of our services for parents

Increasing reach and expanding scope: by scaling up our Early Steps programmes, driving our mass mobilisation campaign to improve maternal mental health, creating campaigning tools for our volunteers so they can influence change in their local area, and beginning our work to improve our support for NCT volunteers

Modernising our image: by upgrading our website to make it more parent-focussed, revising our online information centre to make it more accessible for more parents, and improving our media presence by building our team of relatable spokespeople

Building a stronger organisation: by significantly improving our IT capability to fully support the ambition within our new strategy.



Financial review

In the year to 31 March 2017, NCT saw continued growth in our primary income stream – courses delivered direct to parents, which now account for 62% of turnover (2016: 59%).

Following a significant recruitment drive led by the marketing team, NCT College enjoyed an increase in student numbers on their professional programmes which has contributed to an increase in income. NCT College continues to support the provision of increased bursaries to encourage the development of practitioners in geographical areas with greater need.

We chose this year to change the way we sell membership and to make it more transparent to parents. This meant an anticipated but significant reduction in membership income in year which we worked hard to offset by reducing our cost base including restructuring our Executive Team, bringing teams together under three Executive Directors.

With much work undertaken this year under our core goal of building a stronger organisation we have seen increased expenditure on improving internal processes particularly in relation to our information systems, and this work is expected to continue in to 2018.

In sum, the charity has generated a small net unrestricted surplus before gains on investment assets of £572k (2016: £408k) and unrealised investment gains increased funds by £586k (2016: £8k).

The Group, which incurred additional costs in the current and prior year relating to the decision to stop its loss making retail activity, generated a surplus of £497k (2016: Deficit of £9k). The Trading Company's loss for the period was £74k (2017: £401k) and is expected to return to profit next year.

The Group accounts include NCT Charity and NCT Trading Limited.

NCT ends the year in a strong financial position with net assets increasing from £7.3m to £8.4m. This provides a solid base as the charity moves to strengthen its charitable purpose under the Forward Agenda programme.

Investment policy

NCT adopted a revised investment policy in December 2014.

Under this policy NCT considers that it holds a mixed motive investment in NCT Trading Limited. This is because the investment has two aims:- firstly to provide funding which will generate a financial return for NCT; and secondly to contribute to NCT's charitable purpose by promoting goods and services that are beneficial and dilemma solving to prospective and new parents. This will assist the charity in achieving its strategic objective of providing new parent support.

The investment in NCT Trading Limited has been made through holding 100% of its issued share capital at a cost of £100, together with the provision of a long-term loan facility of £0.2m.

Reserves policy

During 16-17 the Director of Organisational Services and Head of Finance led a review of NCT's reserves policy, with the objectives of adapting to updated recognised guidance, increased clarity, and balancing prudence and the need to build resilience with investment in strategy. The policy was adopted in March 2017.

The policy provides a dynamic framework for determining reserves by identifying the three components of the risk management reserve, which comprise the costs of winding down, funds to protect against uncertainty identified in the risk management process and cash flow requirements. Any surplus funds represent the strategic development reserve. At 31 March 2017 the combined risk reserve, which represents the minimum level of reserves the charity must hold, amounted to £4.7m (2016: £4.7m) and the strategic development reserve sat at £3.5m (2016: £2.3m)

The policy also addresses what form each element should be held in. The Fixed Asset Fund represents assets which cannot be converted to cash in the short term including property and equipment, given their illiquid nature these funds are allocated to the element of the risk management reserve which would cover the costs of winding up the

charity. At 31 March 2017 the fund amounted to £1.7m (2016: £1.8m).

The Trustees are satisfied the charity meets the minimum level defined by its reserves policy.

Financial position

The Group balance sheet at 31 March 2017 shows total funds of £8.4m (2016: £7.3m) of which £0.2m (2016: £0.2m) is restricted and £1.6m (2016: £1.8m) is designated as the fixed assets fund. Restricted funds, analysed in Note 15, comprise donations and grants subject to donor-imposed conditions. The balance of the group general funds, representing the 'free reserves', of the group at 31 March 2017 was £6.5m (2016: £5.3m).

Risk management

Trustees acknowledge their responsibility for ensuring effective risk management systems and procedures at NCT. During the year, the charity renewed its approach to risk and is committed to engaging its three senior teams, the leadership team, executive team and board of trustees in the identification and mitigation of risk.

The Audit and Risk Committee has delegated authority from the Board to review risk management systems and procedures and to advise the Board as to the principal risks faced by the NCT Group. The committee regularly reviews the risk register and works with management to ensure it is up to date. Through the risk management policy, NCT aims to recognise the level of gross risk in our current and proposed activities and seeks to reduce this to an acceptable level of net risk.

As part of the recent review of risk, the trustees identified the following significant risks to which the Charity is exposed: design of our core antenatal product, dependence on IT systems and a lack of practitioners to deliver services in some areas. While these risks cannot be eliminated, trustees are satisfied that these risks are being managed through a strategy agreed by the Board.

Other Information

Public Benefit Statement

We believe that we have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance (as published by the Charity Commission in its guidance documents PB1 “Public benefit, the public benefit requirement”, PB2 “Public benefit: running a charity and PB3 “Public benefit: reporting”), because our charitable services provide value to the public in general and new parents in particular.

NCT is governed by a Board of Trustees who are the directors of the Charity for the purposes of the Companies Act. The names of trustees at the date at which the accounts were approved, or who served during the period, are given below. The Board are very grateful for the work and commitment of Trustees who have served NCT and stood down in 2016–17. We also welcomed four new Trustees in 2017.

The Charity is a membership charity. Members are organised locally into 325 branches covering every postcode in the UK. Many volunteer to carry out the work of the Charity at local level. Many members also train as NCT Practitioners.

Structure and governance

NCT (The National Childbirth Trust) is a registered charity. It is a company limited by guarantee governed by its Articles of Association as adopted on 26th September 2015.

	Date of most recent appointment	Date of resignation
Jessica Figueras Chair	Elected 8 October 2016	-
Marsha Daniel Honorary Secretary	Elected 4 November 2014	-
Richard Smothers Honorary Treasurer	Appointed 5 February 2016	-
Stephanie Darroch	Elected 14 September 2013	Resigned 6 September 2016
Caroline Flint	Elected 26 September 2015	-
Amber Foster Vice Chair	Elected 26 September 2015	Resigned 29 June 2017
Greg Hall	Elected 14 September 2013	Resigned 8 October 2016
Bryan Macpherson	Appointed December 2014	Resigned 13 December 2016
Stephanie Maurel	Appointed 7 August 2017	
Maral Mesrobian	Elected 14 September 2013	Resigned 8 October 2016
Carey Oppenheim	Appointed 7 August 2017	-
Felicity Oswald	Elected 4 November 2014	-
Dafydd Elgan Owen	Appointed 30 March 2017	-
Margaret Reid	Elected 4 November 2013	Resigned 22 November 2016
David Shanks	Appointed 7 August 2017	-
Helen Stephenson Chair	Appointed 25 September 2015	Resigned 15 May 2017
Lois Swift	Elected 4 November 2014	Resigned 29 June 2017
Seána Talbot	Elected 26 September 2015	Resigned 9 December 2016

Recruitment and appointment of Trustees

The Board of Trustees may have up to eight member-elected trustees and four appointed trustees. Any member may stand for election as a trustee provided they gain the nomination of two other members, are not disbarred from being a trustee and support the aims and objectives of the Charity.

Member-elected trustees are elected to coincide with the Annual General Meeting whilst appointed trustees may be elected during the course of the year. Any member-elected trustee vacancies arising during the year may also be filled by the Board. An individual may serve a maximum of two terms as an Elected Trustee, two terms as an Appointed Trustee and two terms as President.

The Nomination and Governance Committee of the Board has the responsibility for maintaining and enhancing the quality of NCT's trustees. To this end it keeps under review the vacancies and likely vacancies available on the Board and the skills, experience and other qualities the Board needs. Prior to the Annual General Meeting the Committee notifies members of the number of vacancies available and the skills and experience being sought at the time, and invites nominations. Roles are advertised on the charity's website where a downloadable information pack and application form are available. Opportunities are offered for those expressing an interest to discuss, with current trustees, the role and how they could contribute.

The Board, usually upon the recommendation of the Nominations and Governance Committee, may appoint trustees during the year to fill vacancies amongst elected trustees.

Induction and training of Trustees

Induction for new trustees currently consists of:

- Comprehensive written briefing about trustees' responsibilities, the work of the Board and the Charity's strategy, policies, and governance.
- Mentoring of new trustees by existing trustees through a buddy system.

A new board development programme, including training and induction arrangements, is currently being developed. Training is also provided during the year for trustees as required on topics relevant to the Board's current work. Trustees also attend external events and conferences.

The Board of Trustees

The Board of Trustees is ultimately responsible for the governance of the Charity to ensure that it acts in the best interests of all parents, who are the Charity's beneficiaries. The Board of Trustees sets the strategy, policy and financial framework for the Charity and has the responsibility for its overall direction and control. Additionally, the Board has responsibility for ensuring the Charity complies with the law and the safeguarding of the Charity's assets, including its money, property and reputation.

Authority for the day-to-day management of the Charity within that framework is delegated to the Chief Executive, supported by the Directorate. The Directorate comprises senior staff, who support the Chief Executive in meeting his responsibilities. Together they formulate strategy, policy and financial plans for the Board's approval, ensure delivery of required performance, and oversee the Charity's day-to-day operation.

Each year the Board reviews past performance and sets plans within a three-year planning horizon. As part of that review and planning process the trustees consider how future plans and performance relate to our aims and vision, and thus to our charitable purpose.

Board committees

The Board of Trustees is supported in its work by committees. During the year four committees were in place:

- Audit and Risk – adequacy of financial control, external reporting of performance, budget and risk management.
- Remuneration – remuneration policy for senior management and other key groups.
- Nominations and Governance – trustee recruitment, training and appraisal, reviewing the governance framework and assessing the Board's effectiveness.
- Impact Committee – assessing the Charity's outcomes and impact and demonstrating the achievement of intended public benefit.

In addition, a number of advisory groups across NCT's work enable internal and external stakeholders to be involved in decision-making.

During the year the Trustees commissioned a governance review within the Charity, recommendations from which will be implemented as fitting in 17–18. NCT Trustees welcome the findings from this review and see this as an incredibly important and far-reaching piece of work. The Trustees are committed to ensuring NCT's governance and constitutional framework reflect current thinking on best practice.

Current trustee committee membership is as detailed in the table below:

Name / Committee	Audit and Risk	Remuneration	Nominations and Governance	Impact
Marsha Daniel		✓	✓	✓
Caroline Flint				✓
Jessica Figueras				
Stephanie Maurel	✓			
Carey Oppenheim				
Felicity Oswald	✓			✓
Dafydd Elgan Owen				✓
David Shanks		✓	✓	
Richard Smothers	✓	✓	✓	

Key relationships

NCT wholly owns one active commercial company, NCT Trading Ltd, which gift aids its profits to the Charity. The Board of NCT Trading Ltd is responsible for its activities, which during 2016/17 included commercial fundraising and sponsorship.

Charity Commission guidance makes it clear that the trustee Board is responsible for establishing the overarching principles within which its subsidiary's trading activities must take place. Trustees have established a comprehensive Commercial Activities policy within which the Trading Board is required to operate.

Trustee benefits

Under the terms of its Articles the Charity is enabled to pay trustees for the provision of services to achieve its objects, subject to certain safeguards. This includes the requirement that a majority of the trustees must have received no payments from the NCT either as employees or for goods and services supplied to NCT. No (2016: No) member of the Board of Trustees received any remuneration in respect of their services as trustees during the period. Expenses and other payments to trustees are detailed in Note 9.

Statement of the Board's responsibilities as Trustees

The trustees (who are also directors of NCT 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 the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.

- observe the methods and principles in the Charities SORP.
- make judgments and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards, including FRS102, have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, as amended by the Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- there is no relevant audit information of which NCT's auditor is unaware.
- they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Employees and volunteers

The Board of Trustees would like to thank all staff, volunteers, NCT Practitioners, members and supporters for their commitment to the vision and work of NCT.

During 2016–17, NCT (including NCT Trading

Limited and MIDIRS) employed an average of 163 (2016: 191) full time equivalent salaried staff. Employees are based at the UK Office in London, Brunel House in Bristol, or work from home.

At the end of March 2017, NCT had 72,012 (2016: 114,403) members in 39,877 (2015: 64,267) households. The charity anticipated this reduction in membership numbers as the result of changes we have made to make the membership process more transparent. In addition the charity had 5,689 (2016: 5,686) registered volunteers, 1,047 (2016: 1,151) trained NCT Practitioners (antenatal teachers, breastfeeding counsellors and postnatal leaders) and 239 (2016: 194) students.

Volunteers are the heartbeat of NCT, not just running our branches and regions, but also giving their time in many other ways including helping at Nearly New Sales, delivering newsletters, running Bumps and Babies groups, hosting coffee mornings and in many other crucial roles where a few hours of time can make such a difference.

Remuneration policy

NCT recognises that pay is part of a wider employment offer to staff, which also includes the satisfaction of working for a charity, personal development, family-friendly policies and working practices and a range of other benefits including access to the Charity's pension scheme.

NCT operates a benchmarked market rate system, using reputable and appropriate data.

NCT aims to pay employees between plus/minus 10% margin of the market median salary for most roles. Employees will not normally be paid less than the lower decile or higher than the higher decile for any role. NCT will take into account the following factors when bench-marking pay and benefits including comparing against charities of similar size, employee numbers and income, work place location and competitors. Additionally, a specialist consultancy will be commissioned to independently review the market rate for the salaries of the Executive Team every three years.

Each year NCT will consider whether to uplift all employees by the cost of living. This will take into account the Consumer Price Index, Retail Price Index and the national average increase in earnings. Any decision will be based on affordability.

Equal opportunities

NCT is committed to equality of opportunity in its employment practices and aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of race, colour, national or ethnic origins, sex, sexual orientation or perceived sexuality, marital status, disability, membership or non-membership of trade union, spent convictions of ex-offenders, class, age, politics, religion or belief.

It is NCT's policy to meet the provisions of the Sex Discrimination Act, the Equal Pay Act, the Race Relations Act, the Disability Discrimination Act, and the Equality Act.

Appointment of Auditors

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

The strategic report, which forms part of the Trustees' Annual Report, is approved by the Trustees in their capacity as Directors of the Company. The Trustees' Report is approved by the Board of Trustees and signed on its behalf by:

Jessica Figueras
Chair
23 October 2017

Independent Auditor's Report to the Trustees and Members of NCT

We have audited the consolidated and parent charitable company's financial statements of The National Childbirth Trust (NCT) for the year ended 31 March 2017 which comprise the Group and Parent Charitable Company Statements of Financial Activities (incorporating the Summary Income and Expenditure Account), the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland'.

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 and to the charitable company's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report addressed to them 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 and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 22 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.

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the trustees' annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 31 March 2017 and of the group's and the parent charitable company'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 properly prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion 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 Strategic Report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors report has been prepared in accordance with legal requirement.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate 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.

Sandra De Lord, Senior Statutory Auditor for and on behalf of Kingston Smith LLP, Statutory Auditor
30 October 2017

Devonshire House
60 Goswell Road
London EC1M 7AD

Kingston Smith LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

NCT Consolidated Group Statement of Financial Activities

INCLUDING INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Unrestricted Funds £'000 (restated)	Restricted Funds £'000 (restated)	Total 2016 £'000 (restated)
Income from Charitable activities							
NCT Courses		10,704	-	10,704	10,280	-	10,280
NCT College		542	-	542	499	-	499
Professional Publications		399	-	399	389	-	389
Health Professional Contracts	3	742	-	742	618	-	618
		12,387	-	12,387	11,786	-	11,786
Other trading activities							
Community fundraising		1,333	-	1,333	1,368	-	1,368
Commercial fundraising		207	-	207	131	-	131
Trading		446	-	446	1,430	-	1,430
		1,986	-	1,986	2,929	-	2,929
Donations							
Membership		1,780	-	1,780	2,352	-	2,352
Donations		51	-	51	58	-	58
Grants receivable	4	31	239	270	-	134	134
		1,862	239	2,101	2,410	134	2,544
Investments							
Interest		13	-	13	18	-	18
Investment portfolio income		103	-	103	29	-	29
		116	-	116	47	-	47
Other income							
Other income receivable		133	-	133	25	-	25
Total incoming resources		16,484	239	16,723	17,197	134	17,331
Expenditure on							
Raising funds							
Charitable activities							
NCT Courses	5	7,684	124	7,808	7,588	150	7,738
NCT College		2,123	26	2,149	2,223	-	2,223
Health professionals		1,090	72	1,162	975	-	975
Policy, research and information		2,869	-	2,869	3,055	-	3,055
		13,766	222	13,988	13,841	150	13,991
Other trading activities							
Community fundraising	6	786	-	786	852	-	852
Commercial fundraising		82	-	82	44	-	4
Retail trading		688	-	688	1,790	-	1,790
		1,556	-	1,556	2,686	-	2,686
Raising funds							
Membership		665	-	665	663	-	663
Total Expenditure	7	15,987	222	16,209	17,190	150	17,340

NCT Consolidated Group Statement of Financial Activities

INCLUDING INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Unrestricted Funds £'000 (restated)	Restricted Funds £'000 (restated)	Total 2016 £'000 (restated)
Net operating income/(expenditure)		497	17	514	7	(16)	(9)
Gain on investment assets	12	586	-	586	8	-	8
Net income/(expenditure) and net movement in funds	8	1,083	17	1,100	15	(16)	(1)
Reconciliation of funds							
Total funds brought forward (restated)		7,100	166	7,266	7,085	182	7,267
Total funds carried forward	15,16	8,183	183	8,366	7,100	166	7,266

All of the group's activities derived from continuing operations during the above two financial periods. The group has no recognised gains or losses other than those shown above. The movement in reserves is shown above.

NCT Charity Statement of Financial Activities

INCLUDING INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Unrestricted Funds £'000 (restated)	Restricted Funds £'000 (restated)	Total 2016 £'000 (restated)
Income from							
Charitable Activities							
NCT Courses		10,704	-	10,704	10,280	-	10,280
NCT College		542	-	542	499	-	499
Professional Publications		399	-	399	389	-	389
Health Professional Contracts	3	742	-	742	618	-	618
		12,387	-	12,387	11,786	-	11,786
Donations and legacies							
Membership		1,780	-	1,780	2,352	-	2,352
Donations		51	-	51	58	-	58
Grants receivable	4	31	239	270	-	134	134
		1,862	239	2,101	2,410	134	2,544
Other trading activities							
Community fundraising		1,333	-	1,333	1,368	-	1,368
Commercial fundraising		-	-	-	-	-	-
Trading		147	-	147	213	-	213
		1,480	-	1,480	1,581	-	1,581
Investments							
Interest		27	-	27	39	-	39
Investment portfolio income		103	-	103	29	-	29
		130	-	130	68	-	68
Other income		161	-	161	35	-	35
Total income		16,020	239	16,259	15,880	134	16,014
Expenditure on							
Charitable activities							
NCT Courses	5	7,684	124	7,808	7,588	150	7,738
NCT College		2,123	26	2,149	2,223	-	2,223
Health professionals		1,090	72	1,162	975	-	975
Policy, research and information		2,869	-	2,869	3,055	-	3,055
		13,766	222	13,988	13,841	150	13,991
Other trading activities							
Community fundraising	6	786	-	786	852	-	852
Retail trading		231	-	231	116	-	116
		1,017	-	1,017	968	-	968
Raising funds							
Membership		665	-	665	663	-	663
Total resources expended	7	15,448	222	15,670	15,472	150	15,622
Gain on investment assets	12	586	-	586	8	-	8
Net operating income/(expenditure)		1,158	17	1,175	416	(16)	400

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Unrestricted Funds £'000 (restated)	Restricted Funds £'000 (restated)	Total 2016 £'000 (restated)
Other recognised gains and losses							
Capital contribution to subsidiary	12	-	-	-	(640)	-	(640)
Net income/(expenditure) and net movement in funds	8	1,158	17	1,175	(224)	(16)	(240)
Reconciliation of funds							
Total funds brought forward (restated)		6,973	166	7,139	7,197	182	7,379
Total funds carried forward	15,16	8,131	183	8,314	6,973	166	7,139

All of the NCT's activities derived from continuing operations during the above two financial periods. The Charity has no recognised gains or losses other than those shown above. The movement in reserves is shown above.

NCT Balance Sheets as at 31 March 2017

	Notes	2017 Group £'000	2017 Charity £'000	2016 Group £'000 (restated)	2016 Charity £'000 (restated)
Fixed Assets					
Tangible Assets	10	1,644	1,644	1,659	1,659
Intangible Assets	11	31	31	140	140
Investments	12	4,922	4,922	4,261	4,261
Total Fixed Assets		6,597	6,597	6,060	6,060
Current Assets					
Stocks		3	3	118	15
Debtors	13	1,721	1,886	1,576	1,566
Short term deposits		1,789	1,789	734	734
Cash at bank and in hand		2,699	2,340	3,204	2,997
		6,212	6,018	5,632	5,312
Creditors					
Amounts falling due within one year	14	(4,443)	(4,301)	(4,426)	(4,233)
Net current assets		1,769	1,717	1,206	1,079
Total net assets		8,366	8,314	7,266	7,139
	Notes	2017 Group £'000	2017 Charity £'000	2016 Group £'000 (restated)	2016 Charity £'000 (restated)
Fund balances					
Charitable funds					
Restricted funds	15	183	183	166	166
Unrestricted funds	16				
General funds		6,508	6,456	5,301	5,174
Fixed asset fund		1,675	1,675	1,799	1,799
		8,183	8,131	7,100	6,973
Total funds	17	8,366	8,314	7,266	7,139

Approved by the Board of Trustees and signed on its behalf

Jessica Figueras
Chair

23 October 2017

Company Number: 2370573 (England & Wales)

NCT Consolidated Cash Flow Statement for the Year Ended 31 March 2017

	2017 Group £'000	2016 Charity £'000 (restated)
Cashflows from Operating Activities		
Net income for the reporting period	1,100	(1)
(Gains) on investments	(586)	-
Depreciation and amortisation charge	172	158
Investment income	(103)	(29)
Interest receivable	(13)	(18)
Decrease in stocks	115	164
Decrease / (increase) in debtors	(145)	(276)
Increase / (decrease) in creditors	17	257
Net cash provided by operating activities	557	255
Cash flows from Investing Activities		
Proceeds from the sale of property	-	3,092
Payments to acquire tangible fixed assets	(48)	(326)
Purchase of Investments	(2,369)	(893)
Proceeds from the sale of Investments	5	43
Dividends received	103	29
Interest receivable	13	18
Net cash from investing activities	(2,296)	1,963
Change in cash and cash equivalents in the reporting period	(1,739)	2,218
Cash and cash equivalents at the beginning of the reporting period	6,407	4,182
Cash and cash equivalents at end of the reporting period	4,668	6,400
	2017 £'000	2016 £'000
Analysis of cash and cash equivalents		
Cash at bank and in hand	2,699	3,204
Short term deposits	1,789	734
Cash held by investment managers	180	2,469
Total cash and cash equivalents	4,668	6,407

Notes to the Financial Statements

1 Principal Accounting Policies

a) Basis of accounting

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014, the Charities Trust Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 as amended in 2014.

The charity is a public benefit entity for the purposes of FRS 102 and a registered charity. The charity has therefore also prepared its individual and consolidated financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the measurement of investments and certain financial assets and liabilities at fair value with movements in value reported within the Statement of Financial Activities (SOFA). The principal accounting policies adopted are set out below and have been applied consistently throughout the year.

The financial statements are prepared in sterling, which is the functional currency of the charity. Amounts included in the financial statements are rounded to the nearest thousand pounds.

b) Basis of consolidation

The statement of financial activities and balance sheet consolidate on a line-by-line basis the financial statements of the Charity and all its subsidiary undertakings made up to the balance sheet date. Immaterial subsidiaries are not consolidated. The decision on consolidation is based on the degree of control that, in substance, NCT exercises over undertaking and the extent to which it operates on a unified basis with the parent undertaking.

c) Income

Incoming resources are recognised in the period in which the Charity is entitled to receipt, the receipt is probable and the amount can be measured reliably. Income is deferred only when the Charity has to fulfil conditions before becoming entitled to it or when the donor

or funder has specified that the income is to be expended in a future accounting period. Legacies are included in the statement of financial activities when the Charity is advised by the personal representative of an estate, that payment will be made or property transferred and the amount involved can be quantified with reasonable certainty. Grants have been included as income from charitable activities where these amount to a contract for services. NCT affiliate courses are included in full within incoming resources.

d) Expenditure

Expenditure is included in the statement of financial activities when incurred and includes any attributable VAT, which cannot be recovered. Resources expended comprise the following:

- **The expenditure on raising funds** is categorised into membership and donations receivable. **Membership** expenditure comprises the costs of the department that services members and perspective members and the team that provides support to members and Branches.
- **Fundraising trading** is categorised into community fundraising, commercial fundraising, and retail trading.
 - **Community fundraising**, which comprises the community fundraising support team, the costs of Branch fundraising activities, and costs associated with the administration of Branches. Many of the fundraising events held by the branches have two objectives, to raise funds for the Charity, as well as meeting the aims of the Charity in terms of providing postnatal support for families. There is no meaningful way of apportioning the costs of Branch fundraising events between fundraising costs and charitable activities.
 - **Commercial fundraising** are the costs of obtaining and managing the sponsorship of activities and events and undertakes other business activity on behalf of NCT by NCT Trading Limited.
 - **Retail trading** comprises the costs of the predominately on-line trading facility, operated by NCT Trading Limited, selling maternity and early years products to individual and corporate customers.

Notes to Financial Statements (continued)

- **Charitable activities**, which comprises expenditure on the Charity's primary purposes and are categorised as NCT Courses, NCT College, Health Professionals, and Policy, Research and Information.

- **NCT Courses** comprise the costs of providing courses, for parents and prospective parents where the participant generally books the course.

- **NCT College** comprises the costs of providing training and support for NCT Practitioners who deliver NCT courses.

- **Health Professionals** comprises the costs of delivering services procured under a contract for services or a grant.

- **Policy, research and information** comprises the cost of the research team, the library, communications, marketing and providing specialist helplines and journals.

e) Basis of apportioning support costs

Support costs, which includes governance costs represent indirect charitable expenditure. In order to carry out the primary purposes of NCT it is necessary to provide support in the form of human resources, financial operations and management, information technology, general management and administration and office services. These costs are apportioned to the other activities within the Charity based on the average number of full-time equivalent employees utilised by the activity.

f) Gifts in kind

Assets donated to the Charity for its own use, are included in the incoming resources and resources expended at their value to the charity as at the time of the gift.

g) Tangible and intangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised. Leasehold properties used for the work of the Charity are included in these accounts at the cost of acquisition. Tangible fixed assets are capitalised and depreciated at the following rates per annum, based on cost, in order to write them off over their estimated useful lives:

Category	Asset Group	Rate per annum
Property	Leasehold	2%
	Leasehold improvements	Lease length, minimum 2%
Building Services	Building Services including boilers and mechanical equipment	20%
	End user computer equipment and software	33%
	Computer and telecoms network infrastructure and software	20%
	Furniture	20%
	Warehouse equipment	20%
	Other equipment	33%
Website	Third party website development costs	33%

At the end of each reporting period residual values and useful lives are reviewed and adjusted as necessary. Assets are also reviewed annually for impairment.

h) Fixed asset investments

Listed equities are included in the financial statements at fair value as at the balance sheet date. Investments in subsidiary undertakings are held at cost less impairment. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

i) Stocks

Stocks represent goods for resale and are stated at the lower of cost and net realisable value.

j) Fund accounting

Restricted funds are monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

The fixed assets fund represents the net book value of the tangible and intangible fixed assets used in the day-to-day operations of NCT. The value of this fund is not available for working capital.

Notes to Financial Statements (continued)

General funds represent those monies, which are freely available for application towards achieving any charitable purpose that falls within the Charity's charitable objects.

k) Leased assets

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

l) Branches

Branch transactions are considered transactions of the Charity.

m) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

n) Pension costs

The Charity as an employer contributes to personal pension plans of its employees. The contributions are set at up to 5% of gross salary and are available to all employees whose contracts are permanent and who have completed three months' service with the Charity.

o) Financial Instruments

The National Childbirth Trust has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise trade and other creditors.

p) Preparation of the accounts on a going concern basis

At the 31 March 2017 the National Childbirth Trust Charity reported unrestricted reserves of £8.1m and cash and cash equivalents of £4.7m. The National Childbirth Trust Group reported unrestricted reserves of £8.2m and cash equivalents of £4.7m. Both the Charity and the Group have reported a net surplus of income for the year to 31 March 2017.

The Trustees are of the view that measures taken to reduce operating costs including stopping the group's loss making retail activity have secured the short and medium term future of the Trust for the next 24 months and on this basis it is appropriate to prepare the Group and Charity accounts on the going concern basis.

q) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Any bank overdrafts would be shown within borrowings in current liabilities.

r) Irrecoverable VAT

All expenditure is charged to the SOFA on an accruals basis including the charge for VAT which is not recoverable.

s) Accounting judgements and estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the board to have most significant effect on amounts recognised in the financial statements.

Tangible fixed assets are depreciated to their estimated residual value over their estimated useful economic life as detailed above.

Accrued course expenditure is estimated at the year end date using algorithmic modelling based on contracted hours and pre-agreed rates and anticipated venue costs.

During the previous year £640k of the long-term loan to NCT Trading Limited was released by way of a formal deed of release. This was treated as a capital contribution to NCT Trading Limited so was capitalised as an investment. Given the financial position of NCT Trading Limited, the decision was taken to impair this additional investment to £nil.

Notes to Financial Statements (continued)

2 Commercial trading operations

The National Childbirth Trust owns the entire called up ordinary share capital of four companies incorporated in the United Kingdom:

- NCT Trading Limited, which has two principal activities; the promotion of the work of NCT and profit generation;
- NCT (Maternity Sales) Limited which did not trade during the period of these accounts;
- NCT Publishing Limited which did not trade during the period of these accounts;
- First 1,000 Days Foundation which did not trade during the period of these accounts.

NCT Trading Limited may gift-aid its taxable profit to NCT. A summary of the results of the trading subsidiary for the period are given below.

	2017 £'000	2016 £'000
Profit and loss account – NCT Trading Ltd		
Turnover	512	1,489
Cost of sales	(223)	(1,043)
Gross profit	289	446
Distribution costs	-	(180)
Administrative expenses	(349)	(646)
	(349)	(826)
Loss on ordinary activities before interest	(60)	(380)
Interest payable	(14)	(21)
Loss for the period	(74)	(401)
	31 March 2017 £'000	31 March 2016 £'000
Balance Sheet – NCT Trading Ltd 31 March 2017		
Fixed Assets	-	-
Current Assets	522	517
Amounts falling due within one year	(309)	(230)
Amounts falling due after more than one year	(160)	(160)
Net Assets	53	127

The above figures exclude any consolidation adjustments for inter-group profits/losses, which have been reflected in the consolidated statement of financial activities. The accounts figures have been consolidated on a line-by-line basis.

Notes to Financial Statements (continued)

3 Income: health professional contracts

Group and Charity	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
National Health Service	273	-	273	236
Peer Support services	-	-	-	4
Local Authorities	411	-	411	340
Baby Café	31	-	31	13
Other	27	-	27	25
	742	-	742	618

4 Income: grants receivable

Group and Charity	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Parents in Mind	-	92	92	-
Scottish Exec. Health Dept. – Scottish worker	8	-	8	10
Grants to branches	23	147	170	124
	31	239	270	134

5 Expenditure: NCT courses

Group and Charity	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2016 £'000
Antenatal	5,122	-	5,122	4,792	-	4,792
Breastfeeding support	505	-	505	524	-	524
Postnatal	360	-	360	320	-	320
General Parental Support	848	124	972	1,225	150	1,375
Apportioned support costs	849	-	849	727	-	727
	7,684	124	7,808	7,588	150	7,738

6 Expenditure: community fundraising

Group and Charity	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Branch fundraising	438	-	438	498
Central fundraising	348	-	348	354
	786	-	786	852

Notes to Financial Statements (continued)

7 Support cost allocations

Support costs are allocated to the expenditure headings in the Statement of Financial Activities, on the basis stated in Accounting Policies (note 1), as stated in the tables below:

Group	Membership £'000	Community Fundraising £'000	Commercial Fundraising £'000	Trading £'000	NCT Courses £'000	NCT College £'000	Health Professionals £'000	Policy research & information £'000	Total 2017 £'000
Staff costs	83	2	-	40	304	278	141	303	1,151
Depreciation	14	-	-	7	50	46	23	49	189
Premises and equipment	20	1	-	10	74	68	35	74	282
Office supplies	8	-	-	4	30	28	14	30	114
Insurance	4	-	-	2	16	15	8	17	62
Irrecoverable VAT	21	-	-	10	78	72	36	80	297
Other	81	2	-	39	297	271	138	296	1,124
Support Costs	231	5	-	112	849	778	395	849	3,219
Direct Costs	434	781	82	576	6,959	1,371	767	2,020	12,990
Total Costs	665	786	82	688	7,808	2,149	1,162	2,869	16,209

Group (restated)	Membership £'000	Community Fundraising £'000	Commercial Fundraising £'000	Trading £'000	NCT Courses £'000	NCT College £'000	Health Professionals £'000	Policy research & information £'000	Total 2016 £'000
Staff costs	116	19	-	5	334	331	159	369	1,333
Depreciation	12	2	-	1	35	34	16	38	138
Premises and equipment	19	3	-	1	55	55	26	61	220
Office supplies	8	1	-	-	22	22	11	24	88
Insurance	3	1	-	-	9	9	4	10	36
Irrecoverable VAT	22	3	-	1	62	62	30	69	249
Other	73	12	-	4	210	209	100	232	840
Support Costs	253	41	-	12	727	722	346	803	2,904
Direct Costs	410	811	44	1,778	7,011	1,501	629	2,252	14,436
Total Costs	663	852	44	1,790	7,738	2,223	975	3,055	17,340

Charity	Membership £'000	Community Fundraising £'000	Trading £'000	NCT Courses £'000	NCT College £'000	Health Professionals £'000	Policy research & information £'000	Total 2017 £'000
Staff costs	83	2	40	304	278	141	303	1,151
Depreciation	14	-	7	50	46	23	49	189
Premises and equipment	20	1	10	74	68	35	74	282
Office supplies	8	-	4	30	28	14	30	114
Insurance	4	-	2	16	15	8	17	62
Irrecoverable VAT	21	-	10	78	72	36	80	297
Other	81	2	39	297	271	138	296	1,124
Support Costs	231	5	112	849	778	395	849	3,219
Direct Costs	434	781	119	6,959	1,371	767	2,020	12,451
Total Costs	665	786	231	7,808	2,149	1,162	2,869	15,670

Notes to Financial Statements (continued)

Charity (restated)	Membership £'000	Community Fundraising £'000	Trading £'000	NCT Courses £'000	NCT College £'000	Health Professionals £'000	Policy research & information £'000	Total 2016 £'000
Staff costs	116	19	5	334	331	159	369	1,333
Depreciation	12	2	1	35	34	16	38	138
Premises and equipment	19	3	1	55	55	26	61	220
Office supplies	8	1	-	22	22	11	24	88
Insurance	3	1	-	9	9	4	10	36
Irrecoverable VAT	22	3	1	62	62	30	69	249
Other	73	12	4	210	209	100	232	840
Support Costs	253	41	12	727	722	346	803	2,904
Direct Costs	410	811	104	7,011	1,501	629	2,252	12,718
Total Costs	663	852	116	7,738	2,223	975	3,055	15,622

8 Net movement in funds

	Group		Charity	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Net movement in funds is stated after charging:				
Depreciation/amortisation of fixed assets	172	158	178	136
Cost of inventories recognised as an expense	223	983	-	-
Staff costs (excluding agency staff)	5,284	5,830	5,199	5,278
Operating lease rentals	155	63	135	43
Auditors' remuneration: audit services	43	31	33	22
Auditors' remuneration: non-audit services	10	8	7	5

Notes to Financial Statements (continued)

9 Staff costs and remuneration of the Board of Trustees

Staff costs during the period were as follows:

	Group		Charity	
	Total 2017	Total 2016	Total 2017	Total 2016
	£'000	£'000	£'000	£'000
Wages and salaries	4,677	5,129	4,607	4,868
Redundancy costs	126	177	118	151
Social security costs	357	395	351	376
Other pension costs	124	129	123	127
	5,284	5,830	5,199	5,522
Payments to agency staff	14	215	8	192
	5,298	6,045	5,207	5,714

Staff costs by function were as follows:

	Group		Charity	
	Total 2017	Total 2016	Total 2017	Total 2016
	£'000	£'000	£'000	£'000
Costs of generating voluntary income	423	443	423	443
Fundraising trading	268	598	177	267
Charitable activities	4,607	5,004	4,607	5,004
	5,298	6,045	5,207	5,714

Higher paid employees:

	Group		Charity	
	Total 2017	Total 2016	Total 2017	Total 2016
	£'000	£'000	£'000	£'000
£60,000 – 69,999	2	1	2	1
£70,000 – 79,999	-	4	-	4
£80,000 – 89,999	-	2	-	2
£90,000 – 99,999	2	-	2	-
	4	7	4	7

The pension cost for these employees, was £29,620 (2016: £23,013), which includes the Chief Executive who received a salary of £95,000 and pension contributions of £4,750.

The headcount including part-time staff, analysed by function was:

	Group		Charity	
	Number 2017	Number 2016	Number 2017	Number 2016
Costs of generating voluntary income	11	14	11	14
Fundraising trading	6	28	4	14
Charitable activities	215	219	215	219
Support	27	33	27	32
	259	294	257	279

Notes to Financial Statements (continued)

The average number of full time equivalents, analysed by function was:

	Group		Charity	
	FTEs 2017	FTEs 2016	FTEs 2017	FTEs 2016
Costs of generating voluntary income	10.0	11.8	10.0	11.8
Fundraising trading	5.0	27.8	3.0	11.8
Charitable activities	123.3	121.4	123.3	124.5
Support	24.4	30.6	24.4	30.6
	162.7	191.6	160.7	178.7

The key management personnel of the charity comprise the trustees and the executive team. The total employee benefits of the key management personnel of the charity were £468,856 (2016 – £580,760).

Expenses were reimbursed to 8 (2016: 10) members of the Board of Trustees during the year. Their expenses amounted to £4,192 (2016: £4,461) in respect of expenses incurred as a trustee in attending board and related meetings and for regional and branch support and for attending trading company meetings. No trustees were remunerated in the current or prior year.

Notes to Financial Statements (continued)

10 Tangible fixed assets

Group	Leasehold Improvements £'000	Property £'000	Equipment £'000	Total 31 March £'000
Cost or valuation				
At 1 April 2016	22	1,507	396	1,925
Additions	-	-	51	51
Disposals	(22)	(3)	-	(25)
At 31 March 2017	-	1,504	447	1,951
Depreciation				
At 1 April 2016	22	26	218	266
Charge for period	-	30	33	63
On disposals	(22)	-	(22)	
At 31 March 2017	-	56	251	307
Net book values				
At 31 March 2017	-	1,448	196	1,644
At 31 March 2016	-	1,481	178	1,659
Charity		Property £'000	Equipment £'000	Total 31 March £'000
Cost or valuation				
At 1 April 2016		1,507	390	1,897
Additions		-	57	57
Disposals		(3)	-	(3)
At 31 March 2017		1,504	447	1,951
Depreciation				
At 1 April 2016		26	212	238
Charge for period		30	39	69
On disposals		-	-	-
At 31 March 2017		56	251	307
Net book values				
At 31 March 2017		1,448	196	1,644
At 31 March 2016		1,481	178	1,659

Property relates to a leasehold building.

Notes to Financial Statements (continued)

11 Intangible fixed assets

Group	Software £'000	Website £'000	Total 31 March £'000
Cost or valuation			
At 1 April 2016	371	169	540
Additions	-	-	-
Disposals	(141)	-	(141)
At 31 March 2017	230	169	399
Amortisation			
At 1 April 2016	231	169	400
Charge for period	109	-	109
On disposals	(141)	-	(141)
At 31 March 2017	199	169	368
Net book values			
At 31 March 2017	31	-	31

At 31 March 2016	140	-	140
------------------	------------	----------	------------

Charity	Software £'000	Website £'000	Total 31 March £'000
Cost or valuation			
At 1 April 2016	371	169	540
Additions	-	-	-
Disposals	(141)	-	(141)
At 31 March 2017	230	169	399
Amortisation			
At 1 April 2016	231	169	400
Charge for period	109	-	109
On disposals	(141)	-	(141)
At 31 March 2017	199	169	368
Net book values			
At 31 March 2017	31	-	31
At 31 March 2016	140	-	140

Notes to Financial Statements (continued)

12 Fixed asset investments

	2017 31 March	Group 2016 31 March	2017 31 March	Charity 2016 31 March
	£	£	£	£
Investment in group undertakings:				
NCT (Maternity Sales) Limited	-	-	6	6
NCT Trading Limited	-	-	100	100
NCT Publishing Limited	-	-	2	2
First 1,000 Days Foundation	-	-	-	-
Other investments:				
Managed investment funds	4,921,770	4,261,295	4,921,770	4,261,295
	4,921,770	4,261,295	4,921,878	4,261,403

On 7 August 2013, the 'First 1,000 Days Foundation' was formed as a company limited by guarantee (registered in England and Wales 864816) with the sole member as The National Childbirth Trust. The Company has been dormant since incorporation.

Investments in NCT (Maternity Sales) Limited, NCT Trading Limited, and NCT Publishing Limited represent the entire called up share capital of the companies, all of which are incorporated in England.

During the year to 31 March 2016 £640k of the long-term loan to NCT Trading Limited was released by way of a formal deed of release. This was treated as a capital contribution to NCT Trading Limited so was capitalised as an investment. Given the financial position of NCT Trading Limited, the decision was taken to impair this additional investment to £nil.

	Registered Company Number	Reserves at 31 March 2017	Reserves at 31 March 2017
		£	£
Investment in Group undertakings:			
NCT (Maternity Sales) Limited	01291517	6	6
NCT Trading Limited	02488491	53,000	127,000
NCT Publishing Limited	03017833	2	2
First 1000 Days Foundation	08641816	-	-
Managed investment funds			
Group and Charity 2017		2017 31 March £'000	2016 31 March £'000
Market value at 1 April 2016		1,792	933
Acquisitions		2,369	893
Disposals		(5)	(45)
Net unrealised investment gains		586	11
Market value at 31 March 2017		4,742	1,792
The Market value is represented by:			
Equities		3,668	1,448
Bonds		1,074	344
		4,742	1,792
Cash held by investment managers		180	2,469
Total Investment fund		4,922	4,261

Notes to Financial Statements (continued)

The charity's actively managed investment fund is revalued annually at the balance sheet date. The increase or decrease in value as a result of this valuation is recognised as an unrealised investment gain or loss.

During the year the excess of the proceeds from the sale of Alexandra House, the charity's former London office which was sold in 2016, over the cost of the charity's new Bristol office, Brunel House were used to fund acquisitions within our managed investment fund.

13 Debtors

	Group		Charity	
	2017 31 March	2016 31 March	2017 31 March	2016 31 March
	£'000	£'000	£'000	£'000
Amounts due from subsidiary undertakings	-	-	327	184
Prepayments and accrued income	968	406	968	362
Trade and branch debtors	728	1,137	567	987
Tax recoverable	22	33	22	33
Other debtors	3	-	2	-
	1,721	1,576	1,886	1,566

'Amounts due from subsidiary undertakings' includes £160k (2016: £160k) due from NCT Trading Limited in more than one year.

14 Creditors: amounts falling due within one year

	Group		Charity	
	2017 31 March	2016 31 March	2017 31 March	2016 31 March
	£'000	£'000 (restated)	£'000	£'000 (restated)
Expense creditors	495	488	473	662
Social security and other taxes	101	142	98	142
Deferred income	2,849	2,849	2,777	2,841
Accruals	998	947	953	588
	4,443	4,426	4,301	4,233

Deferred income relates to sponsorship, training courses and grants.

Notes to Financial Statements (continued)

15 Restricted funds

The income funds of the Charity and the group include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	At 1 April 2016	Incoming Resources	Movements in Funds Outgoing Resources	Fund Transfer	At 31 March 2017
	£'000	£'000	£'000	£'000	£'000
Grants and donations received by branches	124	147	(124)	-	147
Garfield Weston Foundation	42	-	(26)	-	16
Parents in Mind	-	92	(72)	-	20
	166	239	(222)	-	183

The grant from the Garfield Weston Foundation supports a peer support project in North East England.

16 Unrestricted funds

Group	At 1 April 2016 £'000 (restated)	Incoming Resources £'000	Outgoing Resources £'000	Unrealised Investment Gains £'000	Transfer Between Funds £'000	At 31 March 2017 £'000
General Funds	5,301	16,484	16,007	586	124	6,508
Fixed Assets Fund	1,799	-	-	-	(124)	1,675
	7,100	16,484	16,007	586	-	8,183

Charity	At 1 April 2016 £'000 (restated)	Incoming Resources £'000	Outgoing Resources £'000	Unrealised Investment Gains £'000	Transfer Between Funds £'000	At 31 March 2017 £'000
General Funds	5,174	16,020	15,430	586	124	6,456
Fixed Assets Fund 1,799		-	-	-	(124)	1,675
	6,973	16,020	15,430	586	-	8,131

Notes to Financial Statements (continued)

17 Analysis of net assets between funds

Fund balances at 31 March 2017 are represented by:

Group	Unrestricted Funds		Restricted Funds	2017 Total
	General Funds	Fixed Asset Funds		
	£'000	£'000	£'000	£'000
Fixed assets	-	1,675	-	1,675
Investment assets	4,922	-	-	4,922
Net current assets	1,586	-	183	1,556
Total net assets	6,508	1,675	183	8,366

Charity	Unrestricted Funds		Restricted Funds	2017 Total
	General Funds	Fixed Asset Funds		
	£'000	£'000	£'000	£'000
Fixed assets	-	1,675	-	1,675
Investment assets	4,922	-	-	4,922
Net current assets	1,534	-	183	1,717
Total net assets	6,456	1,675	183	8,314

18 Taxation

The National Childbirth Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. Each year subsidiary companies, which do not have charitable status, may Gift Aid any taxable profits to The National Childbirth Trust. The Charity and group is not able to reclaim all VAT suffered on expenditure due to the partial exemption regulations.

19 Operating lease commitments

At 31 March 2017 the group's future minimum operating lease payments were as follows:

	Group		Charity	
	2017 31 March	2016 31 March	2017 31 March	2016 31 March
	£'000	£'000	£'000	£'000
Expire				
Within one year	180	122	157	102
Between one and five years	278	22	277	1
	458	144	434	103

Notes to Financial Statements (continued)

20 Financial Instruments

The financial statements include the following in respect of items held at fair value at the balance sheet date

	Group		Charity	
	2017 31 March	2016 31 March	2017 31 March	2016 31 March
	£'000	£'000	£'000	£'000
Financial assets measured at fair value through profit and loss	4,742	1,792	4,742	1,792
Financial assets measured at amortised cost	983	1,543	832	1,533
Financial liabilities measured at amortised cost	(1,471)	(3,479)	(1,237)	(3,348)
	4,254	(144)	4,337	(23)

21 Related party transactions

NCT Trading Limited is a subsidiary of The National Childbirth Trust and its shares are 100% controlled within the group.

During the year the National Childbirth Trust purchased services from NCT Trading of £21k (2016: £223k) on normal commercial terms. The National Childbirth Trust supplied services to NCT Trading of £45k (2016: £92k).

At the 31 March 2017 NCT Trading Limited owed The National Childbirth Trust £327k (2016: £184k), including a long-term loan of £160k (2016: £160k). Interest on the loan, paid by NCT Trading Limited to The National Childbirth Trust, amounted to £14k (2016: £21k).

During the previous year The National Childbirth Trust made a capital contribution of £640k to NCT Trading Limited in relation to the debts owed by NCT Trading Limited by way of a formal deed of release.

No members of the Board of Trustees (2016: Nil) had a beneficial interest in contracts with the Charity. No member of the Board (2016: Nil) had a beneficial interest in a contract with a wholly owned subsidiary of The National Childbirth Trust during the period. At the date of signing the accounts, one (2016: two) trustee was also a Director of NCT Trading Limited.

There are no other related party transactions to disclose other than set out elsewhere in these accounts.

22 Prior year adjustment

A prior year adjustment has been made to reflect an under accrual in the 2015–16 annual accounts as a result of a reporting error in the system which manages our course expenditure. This timing difference meant that costs in the 2015–16 financial statements were understated. The result of this is to reduce previously published reserves by £264k.

Reserves	Unrestricted Funds	Restricted Funds	Total Funds
Group	£'000	£'000	£'000
Funds previously stated at 31 March 2016	7,364	166	7,530
Restatement of accruals	(264)	-	(264)
Funds restated at 31 March 2016	7,100	166	7,266

Reserves	Unrestricted Funds	Restricted Funds	Total Funds
Charity	£'000	£'000	£'000
Funds previously stated at 31 March 2016	7,237	166	7,403
Restatement of accruals	(264)	-	(264)
Funds restated at 31 March 2016	6,973	166	7,139

Reference and Administrative information

Charity Registrations:

The National Childbirth Trust ('NCT')
Company Registration: 2370573 (England & Wales)
Registered Charity: 801395
Charity Registered in Scotland: SC041592
VAT: GB 115 0789 24

Registered Office:

30 Euston Square
Stephenson Way
London NW1 2FB

Board of Trustees:

Jessica Figueras, Chair
Marsha Daniel, Hon. Secretary
Caroline Flint
Stephanie Maurel
Carey Oppenheim
Felicity Oswald
Dafydd Elgan Owen
David Shanks
Richard Smothers, Hon. Treasurer

Directorate:

Nick Wilkie, Chief Executive
Sam Grimstone, Executive Director of
Communications and Development
Juliet Mountford, Executive Director for Parent
Services (from 04 July 2016)
Peter Pedersen, Chief Technology Officer
(from 03 July 2017)

Joseph Lowe, Corporate Resources Director
(to 04 May 2016)
Jill Creese, Human Resources Director
(to 31 October 2016)
Rui Domingues, Corporate Resources Director
(from 04 May 2016 to 31 March 2017)
Jeremy Payne, Fundraising & Sales Director
(acting to 12 August 2016)
Chris Taylor, Interim Operations Director
(to 13 October 2016)

Company Secretary

Joseph Lowe (to 28 June 2016)
Rui Domingues (from 28 June 2016)

Auditors:

Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 7AD

Bankers:

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39 Threadneedle Street
London EC2R 8AU

Investment Advisors:

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Subsidiaries:

First 1,000 Days Foundation (limited by guarantee,
dormant)
NCT Trading Limited
NCT (Maternity Sales) Limited (dormant)
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