



# The Lullaby Trust Limited

Annual report and consolidated  
financial statements for the year  
1 July 2019 - 30 June 2020

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# Introduction from our Chair

**This year has brought unprecedented challenges across the sector. We owe a huge debt of gratitude to our supporters whose generosity and determination has enabled us to weather the crisis and continue to deliver support to families at a critical time.**

2019-20 has been a year that ended in uncertainty due to the COVID-19 pandemic and the impact this has had on our fundraising income. At the same time our services are needed more than ever as the pressure placed on the health service has meant less support for new families. Parents have been left with far less guidance and information around reducing the risk of sudden infant death syndrome, especially the most vulnerable in society. For bereaved families, grief has been compounded by lockdown isolation. Our bereavement support services are a vital lifeline during this extremely difficult time.

The Lullaby Trust needed to get into a financial position, which would allow us to deliver vital information and support to families as well as navigating the difficulties ahead. We anticipate the effects of COVID-19 on our income will continue well into 2021 and the road to recovery will be long. Thanks to our supporters and emergency funding we have been able to rise to the challenge and continue to deliver our services including additional support for families during the pandemic.

In August, the Office for National Statistics (ONS), National Records of Scotland (NRScotland) and the Northern Ireland Statistics and Research Agency (NISRA) released statistics for 2018 on unexplained deaths in infancy. The figures showed a slight increase, we are concerned this may herald a further rise during COVID-19. The rate of SIDS has declined by more than 80% since the Back to Sleep Campaign in 1991. We want to make sure this progress is not threatened.

It is with sadness that, after a little more than nine years, it is now the time for me to step down as Chair of The Lullaby Trust. My tenure has been most enjoyable, at times challenging and very rewarding. It has been a huge privilege to serve as Chair and I want to thank my fellow trustees both past and present, all the staff and all those who help in so many ways for their support and for everything they have done to help The Lullaby Trust achieve its goals.

I am however, very pleased to announce the appointment of our new Chair Dr Stephanie Henderson-Begg. Stephanie is a molecular biologist who then moved into the financial sector and now works for Price Waterhouse Coopers. She is bereaved parent and has used our support services. We are very excited to welcome her and believe she is absolutely the right person to lead the charity into our 50th year and beyond.

As we move into 2021 we will be celebrating 50 years of The Lullaby Trust. We are incredibly grateful for the help we have received and our amazing supporters who have continued to take on challenges and whose dedication has allowed us to continue our essential work. Despite the threat posed by COVID-19, we are determined to continue bringing down the SIDS rate in the UK and fight for better support for bereaved families, wherever in the country they live.

**Terry Hebden, Chair of The Lullaby Trust**

# Why we exist

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

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

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

The work we have done has resulted in a drop of more than 80% in SIDS since 1991, saving the lives of around 20,000 babies. We have invested over £12million in SIDS research and provided support to thousands of bereaved families.

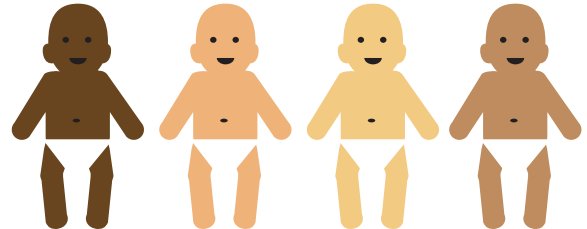
All of The Lullaby Trust's activities are focused on our ultimate aim of eliminating preventable sudden infant death in England, Wales and Northern Ireland and supporting bereaved families.

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

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

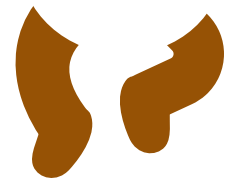
# 4

Every week in the UK, around 4 babies die from sudden infant death syndrome (SIDS)



# 80%

The work we have done has resulted in a drop of more than 80% in SIDS since 1991, saving the lives of around 20,000 babies.



We have invested over

# £12million

in SIDS research



# Our impact

In 2019-20:

- SIDS rates for 2018 were released showing a slight increase from 2017 but overall a total reduction of more than 80% since 1991
- We provided over 2,000 professionals with safer sleep advice
- 89% of health professionals who attended our training sessions detailed changes they would make to their professional practice as a result of attending the training
- Millions of people were reached with safer sleep advice during our Safer Sleep Week campaign
- 125,647 leaflets on safer sleep advice were sent out to parents and professionals working with families
- 2,218 parents contacted us for information on safer sleep
- 802 professionals contacted us for information on safer sleep
- 767 bereaved parents contacted us for direct support
- 379 professionals contacted us for support on behalf of a family they are working with
- 74 bereaved families were allocated a Befriender to offer peer-to-peer support during the year

# 89%

**of health professionals who attended our training sessions detailed changes they would make to their professional practice as a result of attending the training**

# Our activities and achievements

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

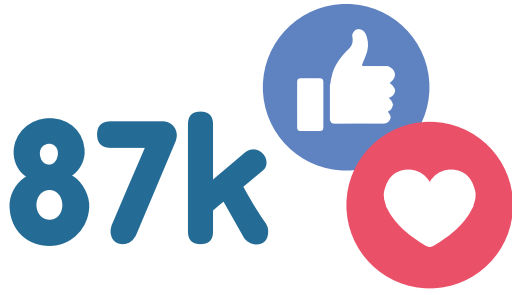
Over 2019-20, we have continued to grow our profile and our online following, allowing us to reach an increasing number of parents with our safer sleep advice.

This year, over 2,200 people contacted our information services for advice, and we have distributed over 66,028 guides for parents on safer sleep for babies and a further 32,385 easy-read cards. Over the year; we had over 3.4 million page views on our website (a 48% increase from last year) with our safer sleep advice pages receiving the most visits and we increased our Facebook followers by 81% to over 58,000.

In March 2020, we ran our sixth Safer Sleep Week campaign to raise awareness of SIDS and our safer sleep advice. The focus of the 2020 campaign was on coping with tiredness as we know this is one of the biggest barriers to following safer sleep advice. We carried out a survey, distributed by Bounty, of over 7,000 parents that showed 46% of parents admitted to placing their child in an unsafe sleeping environment as a result of tiredness.

We once again partnered with Public Health England, to produce resources including an animation focusing on those times when tired parents take risks and how we can help to support them in those moments. We also addressed the pressure parents feel for their baby to sleep through the night when in fact it is normal and healthy for babies to wake frequently. Parents responded positively to this message in particular as the survey revealed a gap between expectations of how long a baby should sleep and the reality.

We involved our Young Parent Panel (YPP) - an advisory body of young parents - in the campaign and their feedback and ideas helped to shape our messaging. We once again worked with Bounty, to reach new parents and parents-to-be. 60,000 Safer Sleep Week advice cards were distributed via Bounty's New-Born packs, to new mums in maternity units. Additionally,



## Over 87,427 engagement with Facebook likes, shares, comments & clicks

a Bounty e-shot was opened by over 100,000 new and expectant parent subscribers, containing our co-sleeping advice.

Social media engagement was strong with the hashtag #SaferSleepWeek reaching an audience of 3.5 million people. Our Facebook engagement (likes, shares, comments and clicks) was 87,427 over the week and the animation was viewed 300,000 times.

Over 43,000 visits were made to our website during the campaign. Media coverage was down from previous years as the campaign week coincided with the declaration that COVID-19 had reached the status of global pandemic and dominated the news agenda. Despite this we did achieve a spot on BBC's Victoria Derbyshire show.

The campaign messages were well received on the whole, with parents saying they felt reassured by our messaging on baby sleep in the early months. A number of local authorities ran Safer Sleep Week campaigns.

COVID-19 created new challenges and opportunities. Demand for information was higher than ever with our coronavirus and caring for your baby information page being viewed over 174,000 times. This was our top performing page at the peak of the crisis.

With the National Health Service placed under enormous strain, leaving new and expectant parents, particularly the most vulnerable, with less information and guidance around safer sleep and baby care, getting information to parents in the most accessible way became a priority. Funding from the London Community Response Fund has allowed us to start work on a series of animations covering the key questions and areas of concern that come up repeatedly on our information line and social media channels. One of the animations will be text free



## People reached on social media with our #SaferSleepWeek hashtag

and silent to ensure safer sleep advice is available for parents who don't speak English or struggle with reading.

We re-launched Instagram in June allowing us to reach a wider audience. We lost old inactive followers and gained many new followers in its first week. We ended June with around 11,000 followers and plan to continue building on this.

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

For financial reasons we were unable to offer grants for new research during the year. Work continued on two projects funded by us, as detailed below:

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

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

The Oasis study, funded by The Lullaby Trust in 2017, published a retrospective review in Archives of Disease in Childhood in September 2019 entitled “Quality of investigations into unexpected deaths of infants and young children in England after implementation of national child death review procedures in 2008”. The Oasis study examined data from the newborn hearing screen test to see if this could identify babies and young children at risk of sudden unexpected death.

The Lullaby Trust’s Scientific Committee met during the year and reviewed the objectives of the research strategy. Many of those objectives are being achieved through programmes and projects not funded by The Lullaby Trust, but which we are involved with, such as the National Child Mortality Database. The Board of Trustees agreed to support researchers to attend the next planned International SIDS and Stillbirth (IPSID) Conference in 2020, at the recommendation of the Committee. The Conference has now been postponed to 2021.

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

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

Whilst our Freephone Bereavement Support Helpline remains a popular means of accessing our bereavement support services, online support has increased in the past year and we saw more families contacting via email and social media.

Our support services have continued during the COVID-19 crisis. The service is offered by telephone and online and is therefore safe during social distancing measures. Nonetheless, the COVID-19 pandemic has impacted certain aspects of our work and we have been unable to hold our annual Family Days from March 2020. We held 6 Family Days for bereaved families between June and December 2019 and look forward to resuming them when restrictions end.

In April 2020, and throughout lockdown, we extended our helpline hours to Tuesday and Thursday evenings and we provided this service for 5 months. We wanted to offer helpline support outside of office hours as

# 74

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

we anticipated the difficulties for many families to call during the day with children at home, home schooling, and being able to find somewhere private to make a call.

During the year, we had 767 bereaved family members looking for bereavement support. Of the bereavement contacts we received in the year, 328 were contacting us for the first time. Our support services are open to anyone affected by the sudden death of a baby or young child, so the SIDS statistics are not always reflected in our contact numbers. In addition to bereaved family members contacting us for support, we received 379 contacts from professionals contacting us on behalf of families they are working with. We distributed over 2,200 bereavement support leaflets and over 1300 helpline cards.

74 families were allocated a Befriender to offer peer-to-peer support during the year. Befriending continues to be an important service for families. Our 2-year grant from the National Lottery Community Fund has enabled us to train more befrienders and we have recruited a diverse pool of volunteers; those who have experienced non-SIDS death and more father befrienders, which is reflective of the increase in the number of families seeking support for different causes of death and more men seeking support.

**“My befriender has not only helped with my bereavement but also other difficulties that have been affecting me. Thank you”**

**“I’d like to say thank you to the Lullaby Trust, they have been a godsend and I am very appreciative of them.”**

**“This is an excellent service provided by Lullaby Trust. It has really helped me over these past few months. I can’t thank you enough.”**

Families who have experienced the sudden and unexpected death of a baby or young child are often very anxious when they have another baby.

The Care of Next Infant (CONI) programme provides emotional and practical support to bereaved families during pregnancy and throughout the early months of their new baby's life, allowing them to enjoy this special time. Working with midwives, doctors (GPs), health visitors/health professionals and paediatricians (children's doctors), CONI helps parents gain confidence in looking after their baby. The Lullaby Trust works with health professionals from local hospitals and public health services to facilitate CONI.

Since CONI began in 1988, we have supported more than 20,000 families and over 23,000 babies on the CONI/CONI plus programme. In 2019, we combined CONI and CONI PLUS into one programme, as the focus became parental bereavement support rather than research.

CONI enrolment numbers continue to fall with decline in SIDS deaths and have continued to be lower than in past years, 543 babies enrolled onto CONI July 2019 – June 2020. The reduction in health visitor numbers, cuts to public health budgets and commissioning of health visiting services nationally, has meant that the programme availability has diminished and local eligibility criteria has become more specific i.e. only available for parents who have experienced sudden infant death.

Parents who have responded with feedback on CONI are positive; 74% report it being very helpful and 64% stated that it reduced their anxiety when caring for their baby:-

**"Fantastic program. Offers that little bit of peace of mind after an extended family suffered tragically."**

- Mother, Hertfordshire 2019

**"Helping me to feel more confident that my baby was safe and well."**

- Mother, Greater Manchester

**"I think the programme is brilliant. You can have as little or as much support as required. This is our second time using the programme and both times, we have found it extremely beneficial to us. Please never stop this programme."**

- Mother, Devon

There are currently 144 active CONI teams and 649 CONI Coordinators, down from 971 in 2019. CONI coordinators are experienced health visitors, midwives or neonatal nurses. They promote and support families and are professional in the delivery of the CONI programme in their local area. The decrease in

**Millions**  
of people were  
reached with  
safer sleep advice  
during our Safer Sleep  
Week campaign



number is a result of the new requirement to update training every 3 years, to ensure high quality care and implementation of the CONI programme.

In 2019, a generous donation from Teddy's Wish enabled the offer of free training for 12 months. Between July 2019 – February 2020 more than 100 coordinators attended training in 8 sessions. Since March 2020, we have been unable to offer face-to-face training and have developed a distance learning training; Teddy's Wish has supported the online learning modules.

Before February, 2020 nine regional meetings were held across the country with attendance of more than 90 coordinators. The focus of the meeting is to provide updates about Lullaby Trust activities, SIDS, safer sleep messages and new CONI administrative processes. Since March 2020, we have been unable to offer face-to-face meetings and have developed bi monthly Question and Answer sessions via Microsoft-teams alternated by brief e-shots.

Families and professionals value the CONI programme. The digitalisation of processes and resources and the clear, comprehensive web presence ensures the programme is accessible, cost efficient and relevant for families and professionals today and for the future.

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

### Influencing practice at local level

Following the publication in August 2019, by the Office for National Statistics, of the numbers of unexplained infant deaths in 2017 we produced a policy briefing for local public health leads, Local Safeguarding Children's Panels (LSCBs), Child Death Overview Panels (CDOPs) and MPs, with the aim of raising awareness of SIDS and our safer sleep messages.

We provided safer sleep training to over 2,000



professionals during the year. This was lower than we would usually expect as much of our training takes place face to face and this could not take place for the latter half of the year due to the COVID-19 pandemic.

We continue to send out a monthly e-newsletter to around 10,000 professionals to keep them updated with the latest advice, research and events.

We reviewed our evaluation process for training during the year, and now offer digital returns for all who attend our training. 96% of professionals who attended one of our regional training sessions said the presentation was highly relevant or relevant to their professional role. We were pleased to see that 88% of those who attended the training sessions detailed changes they would make to their professional practice as a result of attending the training. This is an increase of 30 percent from last year, and shows the positive changes we have made to our training.

### Influencing practice at a national level

The Lullaby Trust continues its work to highlight the high level of infant mortality in the UK and the need for better bereavement care for all families. We are proud to continue our collaborative work in this area with other organisations and charities.

We continue to provide the secretariat of the All Party Parliamentary Group on Baby Loss in Parliament. The general election in December 2019 meant that Antoinette Sandbach, could no longer be Chair as she was not re-elected. Victoria Prentis MP, was Chair for a while before being appointed as a Minister and stepping down. We thank both of them for their dedicated work to highlight the issues around baby loss. We were pleased to appoint two Co-Chairs in early 2020, The Right Honourable Jeremy Hunt MP and Cheryl Mackrory MP. The Baby Loss Awareness Week debate in parliament in October 2019 was again a highlight of the campaign.

We are pleased to say that the National Bereavement Care Pathway (NBCP) completed its pilot programme during the year and is now accessible to all areas. We continue to work closely with Sands who manage the project alongside the other partners; Bliss, Miscarriage Association, Antenatal Results. The NBCP has the support of the Department of Health and has been developed to improve the quality of bereavement care experienced by parents and families at all stages of pregnancy and baby loss up to 12 months. This is achieved through a set of guidelines to help professionals support families whose baby dies.

We continue to be a member of the Smoking in

Pregnancy Challenge Group and to support its work during the year to reduce the numbers of women smoking in pregnancy.

We are a member of the stakeholder group convened by the University of Bristol on the National Child Mortality Database, which began collecting data on 1st April 2019. The first full year of data was collected to 31st March 2020. This is a significant step forward to help understand why children die in the UK and to look at how we might prevent future deaths.

# Future plans

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

According to the latest available figures; in 2018 the number of unexplained deaths in infancy across the UK was 230 and the rate of deaths increased by 19% from 0.26 to 0.31. This is very disappointing but as the numbers have become smaller, we are seeing fluctuations in what is an overall pattern of decline. We are committed to bringing down the rate further over the next few years and reducing the number of babies dying.

As we enter our 50th year and the final year of our 2015-2020 strategy, we are in the process of developing our new strategic objectives, which will guide the future direction of the charity. This is a particularly important time to be reviewing our strategic objectives as coronavirus continues to impact new and expectant parents' access to healthcare support and information. We know that the most vulnerable families have been particularly hard hit and we are working hard to ensure our advice reaches those at highest risk and is accessible to all communities. Demand for our bereavement support services is increasing, so we need to consider this and ensure our services are fully prepared.

For 2020, our strategic objectives remain very similar as they continue to reflect our key priorities. These are:

- Secure annual reductions in the rate of SIDS
- Ensure bereavement support is available to all families affected by sudden infant death, at any time, and with any future children i.e. any baby born after a bereavement
- Commit to keeping SIDS on the research and policy agenda

## Secure annual reductions in the rate of SIDS

We are continuing to reach more and more people via our social media channels and attract increasing numbers of visitors to the website. We are also experiencing much more interaction via social media with people asking questions and commenting.

This allows us to tailor content specifically to address common questions or clear up areas of confusion and keep the focus on issues that are important to our audience. We also work closely with the support team to keep abreast of what questions are coming through on the information line.

We have recently re-launched our Instagram account, which is rapidly attracting a large following. We are working on the creation of shareable digital content to ensure we reach as many people as possible. We are also working on more inclusive digital resources such as a text free, silent animation to allow those who do not speak English to access our safer sleep information.

We have developed new COVID-19 focused resources for parents and health professionals, including a soon to be released animation with Public Health England. We are continuing to provide updated information to parents and parents to be on baby care and safety during the pandemic.

As part of a push to reduce deaths, we are focusing on the most at risk groups such as young parents. We received grant funding from the National Lottery, which will allow us to relaunch Little Lullaby our service for young parents in August. We still have a Young Parent Panel to ensure all our advice and activities are relevant to young parents and they will be advising on the relaunch and future direction of Little Lullaby.

We have also received funding from London Community Response Fund. The grant has allowed us to work on a series of animations to convey our advice in an engaging way. The grant is also allowing us to target some of the most high risk groups in London by sending boxes of leaflets to professionals who work with those families. We are also sending boxes of our publication on safer sleep for premature babies to all neonatal units in the Boroughs of London.

## Ensure bereavement support is available to all families affected by sudden infant death, at any time, and with any baby born after a bereavement

We are committed to improving our bereavement support services. This Autumn we will be launching a webchat function on the website. This will allow people to talk to our helpline advisors through text if they would prefer this to talking on the phone.

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

We continue to work with local authorities to minimise the effects of local changes in public health and the COVID-19 pandemic on the delivery of CONI support to families. A report in the Archives of Disease in Childhood on SUDI and the CONI programme showed that CONI is still a vital lifeline for bereaved families.

## Commit to keeping SIDS on the research and policy agenda

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

We will continue to work with the other leading pregnancy loss and infant death charities across the UK. By sharing information and expertise, we bring pressure to bear on policy makers to help us reduce preventable infant mortality and improve services for bereaved families.

We are looking to make policy and research a more integral part of our work. We plan to create targeted campaigns to increase awareness of SIDS amongst decision makers and parliamentarians and to lobby for changes to prevent unnecessary risk to babies, such as regulation of the sale of unsafe sleeping products and clearer safety standards.

# Financial report

We have seen an overall reduction in our income in 2020, achieving £1.53m in the current year against £1.66m in 2019. This is mainly due to the discontinuation of funding for our Little Lullaby project and an exceptional level of in-kind support in the prior year.

The emergence of the COVID-19 pandemic posed a significant threat to our fundraising income in the final months of our 2019/20 financial year and beyond. Due to the introduction of social distancing measures, events organised by the charity and the large number of mass participation events that our supporters regularly take part in have been cancelled or postponed. This started to affect our income in the April-June quarter and it has become clear that it will have a considerable impact on our ability to generate income in 2020/21. We launched an urgent appeal in April and thanks to the tremendous response from individuals, trusts, community supporters and companies we ended the financial year in a relatively stable position to face the challenges in the year to come.

Community fundraising fell to £494,000 from £527,000 in 2019. Our supporters continued to take part in a range of campaigns and challenges or organise their own events up until the spring when mass participation events including the London Marathon were cancelled. We were delighted to be invited to continue our bucket collections in conjunction with Adam Kay's live tour, building on the success of the previous year up to March when shows were suspended. The ingenuity and determination of our supporters meant that some of the losses we suffered were replaced by alternative ideas for digital fundraising and virtual events.

Donations and legacies from individuals remained stable at £383,000 in the year. This total included our loyal regular givers as well as those donating to remember loved ones or in response to the Big Give Christmas Challenge and our urgent appeal in April.

Grants received from trusts and foundations totalled £291,000 in 2020, reduced from £354,000 in 2019. Sadly, we were unable to secure funding to continue the Little Lullaby project after our National Lottery Community Fund grant had come to an end in 2019. We entered the second year of our Reaching Communities grant for our befriending service in 2020.

Other grants in the year included restricted funds for core projects and targeted COVID-19 response work and unrestricted funds in response to our urgent appeal.

Income from companies totalled £81,000 in the year, which had decreased from £132,000 in 2019. The prior year figure included an exceptional level of support in kind. Companies continued to support the charity through donations, charity of the year opportunities and staff fundraising as well as in kind support including pro bono legal advice and meeting space.

Special events presented more of a challenge in 2020 with income reduced to £9,000 from £20,000 in 2019. We hosted our popular Carols by Candlelight in December but due to COVID-19 we substituted our Quiz Evening in April with a virtual subscription-based quiz.

Our charitable activities generated £92,000 in 2020, which had decreased from £120,000 in 2019. Sales of monitors and equipment for the CONI programme to health providers declined as Public Health services' budgets were under pressure.

Other income totalling £25,000 was receivable in the year from the Government's Job Retention Scheme. This related to staff on furlough from our Regional Development, Fundraising and Communications teams whose work was limited by the lockdown and social distancing measures.

We have seen an overall reduction in our expenditure, which totalled £1.28m in 2020 against £1.56m in 2019. Major factors in this were again the discontinuation of Little Lullaby due to lack of funding and the exceptional level of in-kind support in the prior year.

Expenditure on our support and information programmes reduced to £774,000 in the year from £988,000 in 2019. Without funding to continue the Little Lullaby project, activities were limited to the Young Parents Panel, which continued to ensure the charity's work was influenced by the voice of young parents. The prior year expenditure on governance also recognised considerable legal costs in the form of in-kind support for contracts with partners which were not repeated in 2020.

In the later months of the year, our face-to-face activities including training for professionals and Family Days were suspended due to COVID-19 which resulted in some savings on activities and travel costs. We developed new approaches and adapted services to reach families needing more support due to increased isolation and those less able to access our advice due to reduced availability of healthcare services in lockdown. Some of the additional costs were met from new grants, which emerged to support charities responding to the pandemic.

During the year we entered a partnership with the distributor of a new product to distribute free monitors direct to families on our CONI programme. Purchases of monitors and equipment for the CONI programme were scaled back to £29,000 in 2020 from £99,000 in 2019.

We spent £50,000 on research in 2020, slightly increased from £48,000 in 2019. This included a commitment to the third year of the PhD studentship hosted by University College London and Great Ormond Street Hospital.

Our fundraising expenditure was virtually unchanged at £431,000 in 2020 compared to £429,000 in 2019.

We were able to make savings on overheads once our office lease ended in April as our new premises were unavailable in lockdown and staff were able to work from home.

The Lullaby Trust Sales Limited continued its activities of securing sponsorship from corporate partners and selling merchandise and entry fees for challenge events. The Lullaby Trust Sales Limited made profits of £127,000 in the year, and a distribution of profits of the same amount was made to the charity under the gift aid scheme.

The overall result for the year was a net income of £245,000. This was largely driven by the combined response to the COVID-19 pandemic. We took steps to mitigate our expected losses in key income streams which included:

- Our urgent appeal for additional support in this time
- Applying for emergency funding for our COVID-19-response activities
- Furloughing some of our staff under the Government's Job Retention Scheme
- Cost savings on activities that we were not able to deliver face to face and on rent and associated costs while our staff have been home-working

Our stable position at June 2020 will help us to face the ongoing uncertainty around fundraising which is expected to result in a deficit year for the charity in 2020/21.

Mindful of the significant challenges ahead the Trustees have agreed to set aside funds for the following purposes in 2020/21:

- £250,000 towards safer sleep activities to ensure the charity's life-saving safer sleep advice reaches families including those most at risk of the sudden and unexpected death of a baby
- £50,000 towards restructuring costs to enable the charity to adapt its services, fundraising and support functions to fit the changing environment in which we operate and ensure the charity is structured in a way to meet its strategic aims efficiently

Accordingly, a transfer of £300,000 has been made from General Funds to Designated Funds in the year. At 30 June 2020, the balance of Designated Funds amounted to £300,000 (2019: £nil).

The Lullaby Trust holds restricted funds in accordance with donors' requirements. During the year trusts and foundations kindly released a total of £57,000 in grants from their original restrictions in response to the COVID-19 pandemic, allowing us to transfer this sum into General Funds. At 30 June 2020, the balance of Restricted Funds amounted to £182,000 (2019: £295,000).

## Structure, governance and management

The Lullaby Trust is a company limited by guarantee, Registered in England and Wales No. 01000824 and is a registered charity, No. 262191. Its governing document is its Memorandum and Articles of Association, dated January 1971 as amended by special resolution in December 2019. There was a change of name in March 2012 (formerly the Foundation for the Study of Infant Deaths).

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

donated to The Lullaby Trust annually under the Gift Aid scheme. The charity's Articles of Association allow it to operate in England, Wales and Northern Ireland. It employs 10 full-time and 15 part-time staff, since March 2020 all of whom have been working from their homes. The majority of employees deliver the charitable objects, three full-time equivalent posts are administrative and financial functions, and five are engaged in fundraising.

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

They are advised by:

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

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

The Trustees are appointed by the Board of Trustees. The Board of Trustees continue to review and monitor governance arrangements. New trustees receive a comprehensive induction pack when they join the charity and are offered training on the roles and responsibilities of charity trusteeship. New trustees are introduced to staff and encouraged to attend all events organised by the charity. Training needs and opportunities are monitored through membership of the National Council for Voluntary Organisations (NCVO) and the Chair's membership of the Association of Chairs.

## Key management personnel

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

## Remuneration policy

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

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

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

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

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

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

The Lullaby Trust normally reviews salary levels prior to setting the charity's Annual Budget in June each year.

The Remuneration Committee will recommend to the Board of Trustees whether all staff or selected staff should receive a pay rise.

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

## Volunteers

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

- 50 befrienders providing support to bereaved families
- 13 young parents recruited through Little Lullaby to serve on our Young Parent Panel
- 25 members of our advisory, scientific and finance and resources committees supporting the governance of the charity and working alongside our trustees
- 9 regular office volunteers or voluntary interns helping with fundraising and office administration
- 9 CONI Steering Group members helping to guide and feed back on the CONI programme
- 64 bucket collectors and volunteers at fundraising events

## Reserves Policy

The reserves policy as agreed by Trustees is designed to reflect the underlying risks facing the charity and to ensure that the charity has an appropriate level of reserves to safeguard its day to day operations from disruption at short notice due to a lack of available funds.

The Trustees have adopted a risk-based approach to calculate the minimum level of free General Funds required to support the charity's operations in the coming year. As detailed on page 16 the likelihood of the charity facing financial risks has increased in light of COVID-19. Together with an anticipated deficit for 2020/21 this has led the Trustees to increase the recommended level of reserves to be held by the charity. At 30 June 2020 this amounted to a target range of £324,000 to £370,000.

At 30 June 2020 free General Funds stood at £342,000. The Trustees are satisfied that the general free reserves meet the above conditions.

## Grant Making Policy

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

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

## Fundraising Disclosures

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

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

In 2019-20, we have worked with fundraising experts, KEDA Consulting Ltd, to support our fundraising from trusts and other grantmakers. KEDA Consulting is a well-respected fundraising consultancy that is committed to the established codes of practice of the Institute of Fundraising, Fundraising Regulator and all relevant regulations. Their work with us does not involve any contact with the general public or solicitation of funds from individuals on our database. We have regular reporting mechanisms in place to monitor the work undertaken.

Our complaints procedure is carried out in line with the Fundraising Regulator requirements.

Every complaint is investigated, responded to and logged internally. We received three complaints during 2019/2020 in relation to our fundraising activity, which focused on the use of personal data and the timing of fundraising asks. We have reviewed the complaints and adapted our procedures and communications appropriately.

## Risk management and financial control

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

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

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

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

- Publication of the Board's 2020 strategy was delayed due to COVID-19 and it will be necessary to reconsider strategy in light of the pandemic as well as embedding the strategic aims of the charity in its new structure.
- We are operating in an unstable external economic and fiscal environment. It is important for the Trustees to monitor trends to inform financial planning and to diversify income streams to prevent over-reliance on one source.
- COVID-19 has increased financial risks affecting our ability to set a robust annual budget and to meet fundraising targets due to unpredictability of key income streams. The Trustees have increased the recommended reserves range and designated funds for essential safer sleep activities which are traditionally more difficult to fundraise towards as detailed on page 13.
- The main operational risks include loss of productivity or corruption of data through IT system failure.

We upgraded hardware and migrated to cloud-based file storage in 2019 and are taking steps to ensure finance systems are fully compatible.

## Statement of Trustees' responsibilities

The Trustees (who are also the directors of The Lullaby Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles set out in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. None of the Trustees had any beneficial interest in any contract to which the Organisation was party during the year.



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

## Audit Information

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

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

## Auditors

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

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

A handwritten signature in black ink, appearing to read 'T. Hebden', written over a faint dotted grid background.

Terry Hebden  
Chair  
Date: 04/01/21

# Thank you

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

Whilst it has been a difficult year for our supporters with the cancellation of many sporting and community events we truly appreciate everyone's efforts to keep fundraising.

Highlights from 2019/2020 include:

The Big Give Christmas Challenge 2019 saw our supporters generate over £74,000, which has supported our work in reaching new and expectant parents with safer sleep advice for their babies. We aim to help more families as a result of these generous donations.

The 2020 Virgin London Marathon, Royal Parks Half Marathon, London Landmarks Half Marathon, RideLondon were all unfortunately postponed until 2021. A huge thank you to everyone who signed up, started training and raised some money. We hope to welcome you all back to complete your challenges next year. Our pre-marathon training day was supported by David Lloyd Clubs who provided training and physio advice for our runners.

One of the many highlights from our active Community supporters was the support we received from Simfest's simulated flights, including their epic 24/7 round the world flight. Their events were streamed online and raised £40,000 for The Lullaby Trust.

The Wheatsheaf Pub in Ewell also supported us in 2019 by organising lots of family-friendly fundraising events throughout the year and a 100km walk along the Thames Path, raising over £13,000.

Comedy writer, performer and best-selling author, Adam Kay generously continued his support of The Lullaby Trust throughout his sell-out theatre tour of This is Going to Hurt Live. Collections were held at each performance up until March, raising over £75,000. Adam has also been instrumental in securing donations for the charity. We were delighted to receive £20,000 in July from Audible in celebration of Adam's podcast 'What seems to be the matter' and £25,000 in June from Chris Evans' charity auction.

Supporters attended a highlight in our fundraising calendar, our annual London Carol Concert, at which more than 275 people enjoyed performances from Sing Gospel and Eaton Square School along with a host of celebrity readers including Giles Coren, Tessa Dunlop, Dan Jones, and Mark Watson. The evening was supported by Douglas and Gordon as event sponsor. Thank you to our special events committee for their hard work in supporting the event.

We are very grateful to those funders who have supported our work during the COVID-19 pandemic by providing donations during lockdown and loosening restrictions on their grants, including but not limited to the National Lottery Community Fund, the City Bridge Trust, the Gwyneth Forrester Trust, the Morrisons Foundation, Garfield Weston Foundation, the Postcode Community Trust, the Moondance Foundation and the Swire Charitable Trust.

Thank you to all of our corporate partners, Trusts and Foundations who have funded our work this year. In the year 2019/20 we were delighted to continue receiving support from the National Federation of Demolition Contractors as well as working with new supporters Childs Farm and Katie Loxton.

We have received valued pro-bono support from Identica and White and Case throughout the year. Thank you to all the staff and hundreds of volunteers across the country who worked so hard to help The Lullaby Trust achieve its aims.

Companies, Trust and Foundations offering pro bono services or donating £5,000 or more in 2019/2020 include:

Audible  
BBC Children In Need  
Charities Aid Foundation  
Dandia Charitable Trust  
David Lloyd Leisure (Head Office)  
Eve Sleep  
Garfield Weston Foundation  
Global Make Some Noise  
Gwyneth Forrester Trust  
H O B Trust  
J E & J V Posnansky Charitable Trust  
Katie Loxton  
Mayborn Group Ltd  
Moondance Foundation  
Morrisons Foundation  
Motcomb Street Traders Association  
Postcode Community Trust  
Reflections Marketing Group  
Sandhu Charitable Foundation  
Teddy's Wish

The Ashla Charitable Trust  
The Barbour Foundation  
The Childwick Trust  
The City Bridge Trust  
The Gro Company  
The Jake Memorial Charitable Trust  
The James Tudor Foundation  
The National Lottery Community Fund (Reaching Communities)  
The Reed Foundation  
The Swire Charitable Trust  
The National Federation of Demolition Contractors  
Waitrose Belgravia  
White & Case LLP

A gift in a will is a special way of supporting The Lullaby Trust's work. We are grateful to the following supporters for leaving us a gift in their will:

Stanley Allsop  
Thelma Allsop  
Simon Cassillis Cassels  
Mary Patricia McCormack  
Kathleen Walker  
Beryl Kathleen Webber

# Board of Trustees & Committees

## Patron

HRH the Duchess of Gloucester

## President

Mr Charles de Selincourt OBE

## Vice-President

Sylvia Lady Limerick CBE MA Hon FRCP HonFRCPCH

## Founder

The late Mrs Nancy Hunter-Gray MBE

## Chief Executive

Mrs Jenny Ward

## Board

Mr Terry Hebden (Chair)  
Miss Holly Butcher (resigned September 2019)  
Mr Chris Cleaver  
Dr Charlotte Daman Willems FRCP FRCPCH  
Dr Justin Daniels BMedSci BMBS MSc FRCPCH  
Ms Ethna Dillon BSc (Hons) RN RHV  
Dr Stephanie Goater (Née Henderson-Begg) (appointed July 2020)  
Dr Steve Gould FRCPATH (retired February 2020)  
Mrs Rupal Kantaria  
Mr David Marshall FCA  
Ms Gabrielle Osrin (retired February 2020)  
Mrs Lavinia Postlethwaite  
Ms Catharine Pusey (appointed August 2020)  
Mrs Kirsti Robertshaw  
Dr Peter Sidebotham

## Scientific Committee

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

## Advisory Committee

Dr Justin Daniels BMedSci BMBS MSc FRCPCH (Chair)  
Ms Ellie Buchdahl  
Dr Charlotte Daman Willems FRCP FRCPCH  
Ms Louise Carmi  
Dr Paul Davis MD MB FRCPCH MRCP DCH representing the British Association of Community Child Health  
Dr Steve Gould FRCPATH (retired Feb 2020)  
Ms Gail Johnson representing the Royal College of Midwives  
Ms Clare Jolly BSc (Hons) MSc RGN RHV representing Community Practitioners and Health Visitors Association  
Dr Marilena Korkodilos  
Dr Angela Moore MB BS MMedSci DCH FRCP FRCPCH  
Dr Shah Rakhee  
Mr Edward Thomas  
Ms Lisa Allenby  
Ms Gillian Devine-Skellern  
Ms Valerie Bates  
Ms Annette Lawrence-Owen  
Ms Carol Ainge  
Ms Elaine Ainsworth

### Finance and Resources Committee

Mr David Marshall FCA (Chair)  
Ms Francine Bates  
Mr Nick Beaumont  
Mr Terry Hebden  
Ms Sue Hunt  
Mrs Rupal Kantaria  
Mr Kevin O'Brien  
Mr Charles de Selincourt OBE  
Dr Stephanie Goater (Née Henderson-Begg)  
(appointed September 2020)  
Ms Catharine Pusey (appointed November 2020)

### The Lullaby Trust Sales Limited

Mr Terry Hebden (Chair), Director  
Mr Andrew Cole, Director  
Mr Alan Curtis, Director  
Mr David Marshall FCA, Director  
Ms Lisa Penney, Director  
Mrs Jenny Ward (appointed July 2019)

### Solicitors

White & Case  
5 Old Board Street  
London EC2N 1DW

### Chief Executive

Mrs Jenny Ward

### Company Secretary

Miss Polly Rolfe FCCA

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[www.facebook.com/lullabytrust](http://www.facebook.com/lullabytrust)

**Follow us on Twitter at** [www.twitter.com/lullabytrust](http://www.twitter.com/lullabytrust)

# Legal and administrative details

### Registered Office

The Lullaby Trust  
CAN Mezzanine  
7-14 Great Dover Street  
London SE1 4YR  
[www.lullabytrust.org.uk](http://www.lullabytrust.org.uk)

### Auditors

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

### Bankers

Royal Bank of Scotland  
Drummond House (G)  
49 Charing Cross  
London SW1A 2DX

CAF Bank Ltd  
25 Kings Hill Ave  
Kings Hill  
West Malling ME19 4JQ

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

## Opinion

We have audited the financial statements of The Lullaby Trust for the year ended 30 June 2020 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 June 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

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

## The Lullaby Trust Limited

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

## Other information

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

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

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

## Matters on which we are required to report by exception

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

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

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

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial statements

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

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

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

## The Lullaby Trust Limited

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

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

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

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

**Luke Holt, Senior Statutory Auditor**

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

**Date:** 4 January 2021

Devonshire House

60 Goswell Road London EC1M 7 AD



# The Lullaby Trust Limited

## Consolidated Statement of Financial Activities for the year ended 30th June 2020

	Note	General Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
<b>INCOME AND EXPENDITURE</b>					
<b>Income</b>					
Donations and legacies	6	948,219	-	300,509	1,248,728
Other trading activities:					
- The Lullaby Trust generated income	7	8,725	-	-	8,725
- The Lullaby Trust Sales Limited	9	153,078	-	-	153,078
Income from investments					
- The Lullaby Trust		964	-	-	964
- The Lullaby Trust Sales Limited	9	94	-	-	94
Income from charitable activities	8	76,922	-	15,259	92,181
Other Income		24,646	-	-	24,646
<b>Total Income</b>		<b>1,212,648</b>	<b>-</b>	<b>315,768</b>	<b>1,528,416</b>
<b>Expenditure</b>					
Expenditure on raising funds					
- The Lullaby Trust	10	(404,512)	-	-	(404,512)
- The Lullaby Trust Sales Limited	9	(26,654)	-	-	(26,654)
Charitable activities					
- Scientific research	11	(6,368)	-	(43,404)	(49,772)
- Support and information	11	(470,630)	-	(303,052)	(773,682)
- Monitors and sundry equipment (CONI)	11	(4,500)	-	(24,695)	(29,195)
<b>Total Expenditure</b>		<b>(912,664)</b>	<b>-</b>	<b>(371,151)</b>	<b>(1,283,815)</b>
<b>Net Incoming/(Outgoing) Resources</b>		<b>299,984</b>	<b>-</b>	<b>(55,383)</b>	<b>244,601</b>
Transfers between funds	22	(242,964)	300,000	(57,036)	-
Net Movement in Funds	13	57,020	300,000	(112,419)	244,601
Balance at 1st July 2019		311,120	-	294,715	605,835
Balance at 30th June 2020	23	368,140	300,000	182,296	850,436

All amounts relate to continuing activities.

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

The net incoming resources of the parent amounted to £246,368 (2019: net outgoing resources of £100,912)

The notes on pages 28 to 45 form part of these financial statements.

# The Lullaby Trust Limited

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

	Note	General Funds £	Restricted Funds £	Total 2019 £
<b>INCOME AND EXPENDITURE</b>				
<b>Income</b>				
Donations and legacies	6	959,852	438,038	1,397,890
Other trading activities:				
- The Lullaby Trust generated income	7	20,152	-	20,152
- The Lullaby Trust Sales Limited	9	124,072	-	124,072
Income from investments				
- The Lullaby Trust	9	2,213	-	2,213
- The Lullaby Trust Sales Limited	8	31	-	31
Income from charitable activities		72,267	47,972	120,239
<b>Total Income</b>		<b>1,178,587</b>	<b>486,010</b>	<b>1,664,597</b>
<b>Expenditure</b>				
Expenditure on raising funds				
- The Lullaby Trust	10	(384,772)	-	(384,772)
- The Lullaby Trust Sales Limited	9	(43,890)	-	(43,890)
Charitable activities				
- Scientific research	11	(14,523)	(33,573)	(48,096)
- Support and information	11	(704,867)	(282,731)	(987,598)
- Monitors and sundry equipment (CONI)	11	-	(99,329)	(99,329)
<b>Total Expenditure</b>		<b>(1,148,052)</b>	<b>(415,633)</b>	<b>(1,563,685)</b>
<b>Net Incoming/(Outgoing) Resources</b>		<b>30,535</b>	<b>70,377</b>	<b>100,912</b>
Transfers between funds	22	-	-	-
<b>Net Movement in Funds</b>	<b>13</b>	<b>30,535</b>	<b>70,377</b>	<b>100,912</b>
Balance at 1st July 2018		280,585	224,338	504,923
<b>Balance at 30th June 2019</b>	<b>23</b>	<b>311,120</b>	<b>294,715</b>	<b>605,835</b>

# The Lullaby Trust Limited

## Consolidated Balance Sheet as of 30 June 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Fixed Assets</b>					
Tangible	16	16,138	23,416	16,138	23,416
Intangible	17	9,606	27,845	9,606	27,845
Investments	9	-	-	10,000	10,000
		25,744	51,261	35,744	61,261
<b>Current Assets</b>					
Stocks		438	1,534	-	-
Debtors and prepayments	18	180,072	282,759	210,601	288,437
Cash at bank and in hand		810,680	420,215	757,381	398,751
		991,190	704,508	967,982	687,188
<b>Creditors: Amounts falling due within one year</b>	19	(166,498)	(147,446)	(153,290)	(140,126)
<b>Net Current Assets</b>		824,692	557,062	814,692	547,062
<b>Creditors: Amounts falling due after more than one year</b>	20	-	(2,488)	-	(2,488)
<b>Net Assets</b>		850,436	605,835	850,436	605,835
<b>Represented by:</b>					
Restricted funds	22	182,296	294,715	182,296	294,715
Designated Funds	22	300,000	-	300,000	-
General funds	22	368,140	311,120	368,140	311,120
		850,436	605,835	850,436	605,835

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

The notes on pages 28 to 45 form part of these financial statements.

The financial statements were approved by the Board of Trustees and signed on its behalf by:



Terry Hebden  
Chair

Date: 04/01/2021

Registered Company No 01000824

# The Lullaby Trust Limited

## Statement of Cash flows for the year ended 30th June 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Cash used in operating activities</b>					
Cash provided by (used in) operating activities	1	390,050	(46,314)	358,309	(56,429)
<b>Cash flows from investing activities</b>					
Interest income		1,058	2,244	964	2,213
Disposal of tangible fixed assets		-	(389)	-	(389)
Purchase of tangible fixed assets		(643)	(22,630)	(643)	(22,630)
Purchase of intangible assets		-	(6,720)	-	(6,720)
Cash provided by (used in) investing activities		415	(27,495)	321	(27,526)
<b>Change in cash and cash equivalents in the reporting period</b>		<b>390,465</b>	<b>(73,809)</b>	<b>358,630</b>	<b>(83,955)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>420,215</b>	<b>494,024</b>	<b>398,751</b>	<b>482,706</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	2	<b>810,680</b>	<b>420,215</b>	<b>757,381</b>	<b>398,751</b>
<b>1 Reconciliation of net income/(expenditure) to net cash provided by operating activities</b>					
		<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2020 £</b>	<b>Charity 2019 £</b>
Net Income/(Expenditure)		244,601	100,912	244,601	100,912
Depreciation Charges		7,227	7,528	7,227	7,528
Amortisation Charges		18,239	19,971	18,239	19,971
Loss on Disposal of fixed assets		694	4,219	694	4,219
Interest Income		(1,058)	(2,244)	(964)	(2,213)
(Increase)/decrease in Current Assets		103,783	(60,884)	77,836	(35,357)
Increase/(decrease) in Creditors		16,564	(115,816)	10,676	(151,489)
Net Cash Flow from Operating Activities		<u>390,050</u>	<u>(46,314)</u>	<u>358,309</u>	<u>(56,429)</u>
<b>2 Cash and cash equivalents</b>					
Cash in hand		810,680	420,215	757,381	398,751
<b>Total cash and cash equivalents</b>		<u>810,680</u>	<u>420,215</u>	<u>757,381</u>	<u>398,751</u>
<b>3 Analysis of changes in net debt</b>					
		At 1st July 2019 £	Cash flows £	Other non-cash changes £	At 30th June 2020 £
Cash		420,215	390,465	-	810,680
Total		<u>420,215</u>	<u>390,465</u>	<u>-</u>	<u>810,680</u>

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 4 Accounting Policies

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

#### Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the group's forecasts and projections, taking into account the financial impact of the Covid-19 pandemic on fundraising activities and ensuring that contingency plans are in place in the event of income reducing significantly more than forecast. During this period of uncertainty the trustees have taken additional steps to designate funds for core activities that are traditionally harder to fundraise for and for restructuring the organisation. After due consideration the trustees have concluded that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements. There were no material uncertainties at the year end.

#### Currency

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

The principal accounting policies are as follows:

#### Critical accounting estimates and areas of judgement

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

#### Consolidation

The group financial statements consolidates the financial statements of The Lullaby Trust and its wholly owned subsidiary undertaking, The Lullaby Trust Sales Limited, for the year ended 30th June 2020. A separate income and expenditure account for The Lullaby Trust is not presented because The Lullaby Trust has taken advantage of the exemptions permitted by section 408 of the Companies Act 2006.

#### Income

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

#### Expenditure

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

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

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

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 4 Accounting Policies (continued)

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

#### Gifts in kind

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

#### Tangible Fixed Assets

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

Office equipment - over 4 years on a straight line basis  
Fixtures & fittings - over the period of the lease on a straight line basis

Fixed assets costing £100 or more are capitalised.

#### Intangible Assets

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

Website developments - over 3 years on a straight line basis  
Software licences - over 3 years on a straight line basis

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

#### Stocks

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

#### Other financial instruments

##### i. Cash and cash equivalents

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

##### ii. Debtors and creditors

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

#### Fund Accounting

Funds held by The Lullaby Trust are either:

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

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

*Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the charity.

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 4 Accounting Policies (continued)

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

### Taxation

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

### Operating Leases

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

### 5 Liability of Members

At 30th June 2020 The Lullaby Trust has 70 Members (2019 - 70 members). The liability of each Member to contribute to the assets of the Charity is limited to £1.00. The number of Members is limited to 150.

6 Donations and legacies income	Unrestricted	Restricted	Total
	2020	2020	2020
	£	£	£
Community and events	461,663	32,494	494,157
Individuals	323,136	59,588	382,724
Trusts	85,100	206,164	291,264
Companies	78,320	2,263	80,583
	<u>948,219</u>	<u>300,509</u>	<u>1,248,728</u>
	Unrestricted	Restricted	Total
	2019	2019	2019
	£	£	£
Community and events	505,557	21,885	527,442
Individuals	310,880	73,148	384,028
Trusts	11,317	342,705	354,022
Companies	132,098	300	132,398
	<u>959,852</u>	<u>438,038</u>	<u>1,397,890</u>

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

7 The Lullaby Trust generated income	Unrestricted	Restricted	Total
	2020	2020	2020
	£	£	£
Special events	8,725	-	8,725
	<u>8,725</u>	<u>-</u>	<u>8,725</u>

Special events	Unrestricted	Restricted	Total
	2019	2019	2019
	£	£	£
	20,152	-	20,152
	<u>20,152</u>	<u>-</u>	<u>20,152</u>

8 Charitable activities income	Unrestricted	Restricted	Total
	2020	2020	2020
	£	£	£
CONI	3,160	7,259	10,419
Other activities	73,762	8,000	81,762
	<u>76,922</u>	<u>15,259</u>	<u>92,181</u>

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



# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 9 The Lullaby Trust Sales Limited

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

<b>Profit and Loss Account</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Income	153,078	124,072
Cost of sales	<u>(16,840)</u>	<u>(32,912)</u>
Gross profit	136,238	91,160
Administration expenses	(9,814)	(10,978)
Interest receivable and similar income	94	31
Profit on ordinary activities after taxation	<u>126,518</u>	<u>80,213</u>
<b>Movement in Shareholders' Funds</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Profit/(loss) for the financial year	126,518	80,213
Distribution to parent under gift aid (under deed of covenant)	(126,518)	(80,213)
Shareholders' funds at 1st July 2019	10,000	10,000
Shareholders' funds at 30 June 2020	<u>10,000</u>	<u>10,000</u>
<b>Balance Sheet</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Current assets	74,648	50,166
Creditors: amounts falling due within one year	(64,648)	(40,166)
Total assets less current liabilities	<u>10,000</u>	<u>10,000</u>
Called up share capital	10,000	10,000
Retained profit and loss account	-	-
Shareholders' funds	<u>10,000</u>	<u>10,000</u>

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

<b>10 Fundraising expenditure</b>	<b>Direct Costs 2020</b>	<b>Apportioned Costs 2020</b>	<b>Total 2020</b>	<b>Total 2019</b>
<u>Raising funds</u>	£	£	£	£
Community and events	41,095	143,056	184,151	191,231
Individuals	11,218	82,668	93,886	86,001
Trusts	53,382	28,728	82,110	78,690
Companies	1,563	31,660	33,223	11,730
Special events	1,762	9,380	11,142	17,120
	109,020	295,492	404,512	384,772

<b>11 Charitable expenditure</b>	<b>General Funds</b>	<b>Restricted Funds</b>	<b>Total 2020</b>
<u>Scientific Research</u>	£	£	£
Grants payable:			
Great Ormond Street Hospital Microbiome Project	-	41,649	41,649
Direct costs	5,273	1,755	7,028
Support costs apportioned (Note 12)	1,095	-	1,095
	6,368	43,404	49,772

<u>Support and information</u>	<b>General Funds</b>	<b>Restricted Funds</b>	<b>Total 2020</b>
CONI Programme	809	92,562	93,371
Direct costs	238,352	210,490	448,842
Support costs apportioned (Note 12)	231,469	-	231,469
	470,630	303,052	773,682

<u>Monitors and Sundry Equipment</u>	<b>General Funds</b>	<b>Restricted Funds</b>	<b>Total 2020</b>
Purchase of equipment	4,500	24,695	29,195
	4,500	24,695	29,195

<b>Scientific Research</b>	<b>General Funds</b>	<b>Restricted Funds</b>	<b>Total 2019</b>
<u>Scientific Research</u>	£	£	£
Grants payable:			
Great Ormond Street Hospital Over 1 Research (i)	-	(11,607)	(11,607)
Great Ormond Street Hospital Microbiome Project	-	39,834	39,834
Direct costs	11,440	5,346	16,786
Support costs apportioned (Note 12)	3,083	-	3,083
	14,523	33,573	48,096

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

<b>11 Charitable expenditure (continued)</b>	<b>General Funds</b>	<b>Restricted Funds</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>Support and information</u></b>			
CONI Programme	31,038	67,503	98,541
Direct costs	341,276	215,228	556,504
Support costs apportioned (Note 12)	332,553	-	332,553
	<u>704,867</u>	<u>282,731</u>	<u>987,598</u>
<b><u>Monitors and Sundry Equipment</u></b>			
Purchase of equipment	<u>-</u>	<u>99,329</u>	<u>99,329</u>

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

### **Monitors and sundry equipment**

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

### **Grants payable**

The total amount of grants payable in the year amounted to £43,490 (2019: £53,064).

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

12 Apportioned costs	Management				Total 2020
	& Staff Costs (i)	Facilities & Depreciation (i)	Fundraising Costs (ii)	Governance Costs (i)	
Support costs apportioned	£	£	£	£	£
Costs of generating voluntary income:					
Individuals	12,577	12,931	57,160	-	82,668
Community and events	21,764	22,375	98,917	-	143,056
Trusts	4,371	4,493	19,864	-	28,728
Companies	4,817	4,952	21,891	-	31,660
Special events	1,427	1,467	6,486	-	9,380
	<u>44,956</u>	<u>46,218</u>	<u>204,318</u>	<u>-</u>	<u>295,492</u>
Scientific Research	446	459	-	190	1,095
Support and information	94,283	96,929	-	40,257	231,469
	<u>139,685</u>	<u>143,606</u>	<u>204,318</u>	<u>40,447</u>	<u>528,056</u>
	Management				Total 2019
	& Staff Costs (i)	Facilities & Depreciation (i)	Fundraising Costs (ii)	Governance Costs (i)	
Support costs apportioned	£	£	£	£	£
Costs of generating voluntary income:					
Individuals	10,545	12,685	56,311	-	79,541
Community and events	19,229	23,128	102,684	-	145,041
Trusts	3,101	3,730	16,562	-	23,393
Companies	1,551	1,865	8,281	-	11,697
Special events	1,706	2,052	9,109	-	12,867
	<u>36,132</u>	<u>43,460</u>	<u>192,947</u>	<u>-</u>	<u>272,539</u>
Scientific Research	1,008	1,212	-	863	3,083
Support and information	108,708	130,753	-	93,092	332,553
	<u>145,848</u>	<u>175,425</u>	<u>192,947</u>	<u>93,955</u>	<u>608,175</u>

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

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

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

<b>13 Net Movement of Funds</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net Movement of Funds is stated after charging:		
Auditors remuneration current year	10,905	10,535
Non audit services	775	750
Operating leases	96,588	112,334
Depreciation	7,227	7,528
Amortisation	18,239	19,971

<b>14 Staff Costs and Trustees' Remuneration</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Staff costs arising during the year amounted to:		
Wages and salaries	599,705	697,489
Social security costs	49,668	61,333
Pension costs	57,997	52,739
Redundancy payments	1,575	1,291
Other staff benefits	10,807	6,836
	<u>719,752</u>	<u>819,688</u>

	<b>Number</b>	<b>Number</b>
The average monthly number of persons employed during the year was as follows:	<u>25</u>	<u>30</u>

The number of employees with emoluments above £60,000 were:		
£70,001 - £80,000	<u>1</u>	<u>-</u>
	<u>1</u>	<u>-</u>

Employers pension contribution in respect of higher paid employees in 2019 totalled £6,940 (2019: £nil).

Trustees receive no remuneration or benefits. During the year 3 trustees received reimbursed expenses of £1,405 for travel expenses (2019: £2,320 to 2 trustees).

Key management personnel as listed on page 14 received remuneration totalling £74,538 (2019: £98,731).

### 15 Related Party Transactions

As at 30 June 2020, Trustees' and key management personnel donations amounted to £7,214 (2019: £1,776). Trustees and key management personnel paid £140 (2019: £200) for attendance at fundraising events.

White & Case LLP, of which Kirsti Robertshaw was a Member until February 2020, donated space for meetings and events and pro bono legal advice with an estimated value of £22,324 (2019: £75,728). This is included in donations and legacies income from companies (note 5).

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

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 16 Tangible Fixed Assets

<i>Group and Charity</i>	<b>Office Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1st July 2019	34,810	226	35,036
Additions	643	-	643
Disposals	(1,142)	(22)	(1,164)
At 30th June 2020	<u>34,311</u>	<u>204</u>	<u>34,515</u>
<b>Depreciation</b>			
At 1st July 2019	11,521	99	11,620
Disposals	(452)	(18)	(470)
Charge for year	7,142	85	7,227
At 30th June 2020	<u>18,211</u>	<u>166</u>	<u>18,377</u>
<b>Net Book Value</b>			
At 30th June 2020	<u>16,100</u>	<u>38</u>	<u>16,138</u>
At 30th June 2019	<u>23,289</u>	<u>127</u>	<u>23,416</u>

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 17 Intangible Assets

Group and Charity	Website	Software	Total
	Developments	Licences	
	£	£	£
Cost			
At 1st July 2019	68,543	40,843	109,386
Additions	-	-	-
Disposals	-	-	-
At 30th June 2020	<u>68,543</u>	<u>40,843</u>	<u>109,386</u>
Amortisation			
At 1st July 2019	45,820	35,721	81,541
Charge for year	<u>16,348</u>	<u>1,891</u>	<u>18,239</u>
At 30th June 2020	<u>62,168</u>	<u>37,612</u>	<u>99,780</u>
Net Book Value			
At 30th June 2020	<u>6,375</u>	<u>3,231</u>	<u>9,606</u>
At 30th June 2019	<u>22,723</u>	<u>5,122</u>	<u>27,845</u>

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

<b>18 Debtors and Prepayments</b>	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Amounts owed by group undertaking	-	-	46,518	30,213
Trade debtors	11,841	40,743	10,281	20,411
Other debtors	41,753	20,291	41,753	20,291
Prepayments and accrued income	126,478	221,725	112,049	217,522
	<u>180,072</u>	<u>282,759</u>	<u>210,601</u>	<u>288,437</u>

All Debtors are financial instruments measured at present value except prepayments of £51,119 (2019: £61,198).

### 19 Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	47,992	51,500	47,992	49,475
Amounts owed to group undertakings	-	-	4,922	2,633
Taxation and social security	27,899	17,478	12,957	12,667
Accruals	90,607	78,468	87,419	75,351
	<u>166,498</u>	<u>147,446</u>	<u>153,290</u>	<u>140,126</u>

All Creditors are financial instruments measured at present value except the social security creditor, £12,957 (2019: £17,478).

Accruals include an amount in respect to pension commitments of £5,169 (2019: £nil)

### 20 Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Grants payable - research grants	-	2,488	-	2,488

All Creditors are financial instruments measured at present value.



# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 21 Operating Leases

At 30th June 2020 there were total commitments in respect of operating leases for office equipment, land and buildings as follows:

	Office equipment	Buildings	Total	Total
Group and Charity	2020	2020	2020	2019
	£	£	£	£
Lease payments due within 1 year	2,970	-	2,970	96,492
Lease payments due in 1-2 years	-	-	-	2,970
Total commitments	<u>2,970</u>	<u>-</u>	<u>2,970</u>	<u>99,462</u>

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 22 Statement of Funds

	At 30th June 2019 £	Incoming Resources £	Outgoing Resources £	Fund Transfers £	At 30th June 2020 £
<b>Restricted Funds:</b>					
Befrienders (National Lottery Community Fund)	38,750	41,531	(41,955)	-	38,326
Bereavement Services	8,437	-	(8,437)	-	-
Covid-19 Activities	-	36,113	(12,099)	-	24,014
Helpline	14,140	15,508	(29,648)	1,000	1,000
Regional Family Days	80,652	9,287	(37,805)	(47,036)	5,098
Regional Development Officers	2,184	240	(2,424)	-	-
Little Lullaby (Other)	2,875	-	(538)	-	2,337
Safer Sleep Activities	-	78,312	(78,312)	-	-
Scientific Research Projects	22,936	5,973	(1,483)	-	27,426
Hearing Research	9,654	-	(1,755)	-	7,899
Research PhD Studentship	40,166	-	(40,166)	-	-
CONI	74,921	128,804	(116,529)	(11,000)	76,196
<b>Total Restricted Funds</b>	<u>294,715</u>	<u>315,768</u>	<u>(371,151)</u>	<u>(57,036)</u>	<u>182,296</u>
<b>Unrestricted Designated Funds:</b>					
Safer Sleep Activities	-	-	-	250,000	250,000
Restructure Costs	-	-	-	50,000	50,000
<b>Total Designated Funds</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>300,000</u>
<b>Unrestricted General Funds:</b>					
The Lullaby Trust	311,120	1,059,476	(886,010)	(116,446)	368,140
The Lullaby Trust Sales Ltd	-	153,172	(26,654)	(126,518)	-
<b>Total General Funds</b>	<u>311,120</u>	<u>1,212,648</u>	<u>(912,664)</u>	<u>(242,964)</u>	<u>368,140</u>
<b>Total Unrestricted Funds</b>	<u>311,120</u>	<u>1,212,648</u>	<u>(912,664)</u>	<u>57,036</u>	<u>668,140</u>
<b>Total Funds</b>	<u>605,835</u>	<u>1,528,416</u>	<u>(1,283,815)</u>	<u>-</u>	<u>850,436</u>

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 22 Statement of Funds (continued)

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

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

#### Restricted Funds

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

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

*Covid-19 Activities* - Grants awarded to deliver activities in response to the Covid-19 pandemic.

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 22 Statement of Funds (continued)

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

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

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

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

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

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

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

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

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

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

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

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

### Transfers between Funds

During the year trusts and foundations kindly released a total of £57,036 in grants from their original restrictions in response to the Covid-19 pandemic, allowing us to transfer this sum into General Funds. A further £1,000 was released from the original restriction for Regional Family Days and instead restricted for Helpline.

# The Lullaby Trust Limited

## Notes to the Financial Statements for the year ended 30 June 2020

### 22 Statement of Funds (continued)

#### Designated Funds

The Trustees have made a transfer from General Funds to Designated Funds for the following purposes in 2020/21:

- £250,000 towards safer sleep activities to ensure the charity's safer sleep advice reaches families including those most at risk of the sudden and unexpected death of a baby
- £50,000 towards restructuring costs to enable the charity to adapt its services, fundraising and support functions to fit the changing environment in which we operate and ensure the charity is structured in a way to meet its strategic aims efficiently

### 23 Analysis of Group Net Assets between Funds

	General Funds 2020 £	Designated Funds 2018 £	Restricted Funds 2020 £	Total Funds 2020 £
Fixed assets	25,744	-	-	25,744
Net current assets	342,396	300,000	182,296	824,692
Creditors: amounts falling due after more than one year	-	-	-	-
	368,140	300,000	182,296	850,436
	General Funds 2019 £	Designated Funds 2017 £	Restricted Funds 2019 £	Total Funds 2019 £
Fixed assets	51,261	-	-	51,261
Net current assets	262,347	-	294,715	557,062
Creditors: amounts falling due after more than one year	(2,488)	-	-	(2,488)
	311,120	-	294,715	605,835

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Registered charity number: 262191  
Company registration number: 01000824

