



1 July 2022 - 30 June 2023

THE LULLABY TRUST LIMITED

Annual report and consolidated financial statements for the year



Registered charity number: 262191
Company registration number: 01000824

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INTRODUCTION FROM OUR CHAIR

In another year of economic turbulence and challenges posed by the deepening cost of living crisis, I am incredibly grateful to our supporters whose generosity has allowed us to continue saving lives and supporting families.

Over the 52 years since the Lullaby Trust was established, our work has meant that SIDS rates have reduced dramatically and for those babies that do die suddenly and unexpectedly, approximately half of these deaths now go on to be explained. That is why in 2022 we put into action our new four year strategy, which has extended our remit to include unexpected deaths that may have a cause, such as sleep related accidents, infection and illness. Adding these additional areas of focus will bring us closer to achieving our vision of an end to all unexplained infant deaths and every family whose baby or young child has died suddenly and unexpectedly getting the support they need.

Data from the National Child Mortality Database (NCMD) means we now know there is a strong link between deprivation and SIDS. We are concerned that rising poverty will increase the number of babies dying and are working hard to ensure our life saving advice reaches all families, with a particular focus on those who are vulnerable or at higher risk of SIDS.

We are currently working to address health inequalities through our ongoing partnership with the Maternity Consortium and will release a range of resources in the Spring to support professionals in working with young parents. As part of our work on reducing infant deaths we have also taken on the work of Kit Tarka a small charity set up by bereaved parents Sarah and James in memory of their son Kit Tarka who died of HSV1. We have been working with neonatal infection specialists on a range of resources and awareness raising tools to help prevent the spread of infection in babies.

During 2022-23 we trained over 1,500 professionals in safer sleep advice, which they can each pass on to

the hundreds of families they work with. We reached millions of families with safer sleep advice via our digital channels and created new resources to tackle known modifiable factors for sudden infant death and support families at higher risk.

We supported over 591 bereaved families with their next baby through our Care of next infant (CONI) programme to help them reduce anxiety, build confidence and enjoy the first year of their baby's life. We held 5 family days at venues across the country for 248 adults and 235 children.

These free days out allow bereaved families, to spend time with their children, to remember their baby who died, and to access face to face information and support.

As we enter the second year of our strategy we are optimistic about what we can achieve. Despite the current challenges, our commitment to bringing down the number of sudden infant deaths and ensuring bereaved families have access to the support they need remains unwavering.

I would like to offer my sincere thanks to every one of our amazing supporters, colleagues, volunteers and partners who have helped us drive forward our life saving work and provide support to families when they need it most.

**Dr Stephanie Goater,
Chair of The Lullaby Trust**



**WHY
WE
EXIST**

The Lullaby Trust is the UK's leading safer sleep charity, that saves babies' lives and supports bereaved families. Our vision is to end all unexplained infant deaths and for every family whose baby has died suddenly and unexpectedly to get the bereavement support they need.

We reach millions of families with our expert information on reducing the risk of sudden infant death syndrome (SIDS); offer emotional support for bereaved families through our helpline and Befriending scheme; work with local healthcare providers to deliver the Care of Next Infant Programme (CONI) for bereaved families expecting a new baby and have invested over £12million in research into why babies die suddenly and unexpectedly.

The work we have done has resulted in a drop of more than 80% in SIDS since 1991, saving the lives of around 29,000 babies.

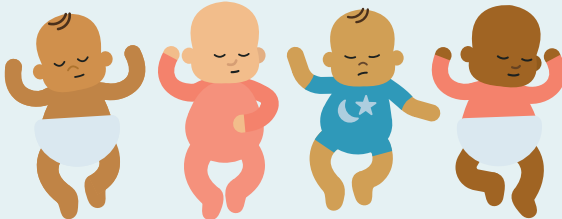
In 2022 we implemented our new 4 year strategy. The strategy keeps the focus on our ultimate aim of eliminating preventable sudden infant death in England, Wales and Northern Ireland and supporting bereaved families. In keeping with this, our work is diversifying to not only focus on unexplained deaths but also other unexpected deaths that may have a cause, including sleep related accidents and illness. We are committed to supporting all families, whether the baby or young child's death was explained or not, for as long as they need.

The strategy outlines 3 key objectives:

- 1. Saving more babies' lives**
- 2. Improving bereavement support**
- 3. Develop inclusively and sustainably**

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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 29,000 babies.



We have invested over

£12million

in SIDS research





OUR IMPACT

98%

of professionals who completed our training in the year said that the quality of the training was high and 99% said that the training received was relevant to their professional role

In 2022-23:

- 98% of professionals who completed our training in the year said that the quality of the training was high and 86% identified changes they would make to their professional practice
- We received 1,564 bookings from professionals for training on safer sleep advice
- 185,619 leaflets on safer sleep advice were sent out to parents, carers and professionals working with families
- 3.4 million visits to our website
- Our social content appeared in over 22 million social media feeds
- Safer sleep animations viewed over 400K times
- 2,916 families contacted us for information on safer sleep
- 587 professionals contacted us for information on safer sleep
- 689 bereaved families contacted us for direct support
- 309 professionals contacted us for support on behalf of a family they are working with
- 53 bereaved families were allocated a Befriender to offer peer-to-peer support during the year
- 591 families were supported through the CONI programme





OUR ACTIVITIES AND ACHIEVEMENTS

1. SAVING MORE BABIES' LIVES

Throughout 2022-2023, we have continued to grow our profile and online following, allowing us to reach an increasing number of parents with our safer sleep advice. We have also seen increased engagement with our messages.



We provided 1,564 professionals with safer sleep advice through online training. We have distributed over 75,000 guides for parents on safer sleep for babies and a further 35,000 easy-read cards.

Over the year, we had more than 3.4 million page views on our website, with our safer sleep advice pages receiving the most visits. We increased our Instagram following by 37% to over 74,000 followers and our Facebook followers by 25% to 99,000.

It was identified that during pregnancy is an ideal time to reach parents with safer sleep advice and prepare in advance for the arrival of their baby. We created a suite of antenatal resources, including a new area of the website specifically aimed at expectant parents, a

new guide “Safer sleep from day one” and two adverts running throughout the year in the Bounty guide, which is part of a pack distributed to most expectant mums when they attend their first appointment. There are also 2 new animations on choosing sleeping products for a new baby and the basics of safer sleep.

We also created advice and social media content for “other carers” who may be looking after a baby in their capacity as a grandparent, family member or friend but who may not be aware of safer sleep.



In March 2023, we ran our ninth Safer Sleep Week campaign to raise awareness of SIDS and our safer sleep advice. The theme of the 2023 campaign was co-sleeping. A report from the National Child Mortality Database on Sudden and Unexpected Deaths in Infancy and Childhood (NCMD), published in December 2022, showed that of the SIDS deaths occurring between April 2019 and March 2021, 52% of deaths occurred when the baby was sharing a sleep surface with a parent or older sibling. Of those co-sleeping deaths; 60% were unplanned and at least 92% were in hazardous circumstances such as on a sofa or with a parent who had consumed alcohol.

Our advice is that the safest place for a baby to sleep is a cot or Moses basket. However, we know that many parents co-sleep and that it is not unusual for co-sleeping to happen accidentally. With the support



of Bounty we conducted a survey of 3.4K parents of babies under 12 months that showed 9 out of 10 co-sleep at least some of the time, though only 9% intended to do so before their baby was born and 52% had fallen asleep with their baby unintentionally.

The campaign focussed on co-sleeping more safely, which means preparing the bed whether or not you plan to co-sleep in order to avoid hazardous co-sleeping if you doze off. The campaign also focussed on the situations in which co-sleeping is very dangerous. The aim of the campaign was not to encourage co-sleeping but to ensure all parents of young babies are fully informed and to reduce the number of families co-sleeping in hazardous situations that could put their baby at risk.

The 2023 Safer Sleep Week campaign achieved 382 pieces of media coverage across print, online and radio. The success was also reflected on our social media channels with 2.7 million impressions on social media and an estimated hashtag reach of 2 million, generating over 179K engagements (likes, shares, comments, clicks). Over 200K people viewed the animation during the campaign and 100K people visited our website.

As part of our work to reach more vulnerable families or families of babies with a higher risk of SIDS, we worked with the Scottish Government to adapt our resources on premature and low birth weight babies for a Scottish audience. We also provided safer sleep resources to Little Village Baby Banks to be distributed via their new baby bundles and sent a mailout to over 100 refugees letting them know about our services and resources.



We have expanded our advice to create resources for safer sleep in winter/cold weather, posters for early years settings, posters on safer sleep when away from home in collaboration with South West Child Death Review Panel (for display in hotels, B&Bs, holiday parks, camp sites etc) and updated our current advice in line with the latest research and guidance. We also worked with the Office for Product Safety and Standards (OPSS) to create an updated product guide, including information on buying and using second hand products, and updated the product advice on our website.



Through Little Lullaby, our young parent project, we have been working with the Maternity Consortium of the Sands and Tommy's Joint Policy Unit to provide resources for health professionals on working more effectively with young parents. This project got underway during the year with the aim of helping to address health inequalities by tackling some of the barriers to young parents engaging with antenatal and postnatal health services. The resource is young parent led and we have surveyed over 100 young parents and over 100 health professionals as well as carrying out a young parent focus group.

The Lullaby Trust continues to be an active member of the Pregnancy and Baby Charities Network, which is made up of 30 charities who work in the area of pregnancy, birth and first year of life. Our CEO, Jenny Ward, has been joint Co-Chair of the Network during the year, and became Chair of the Network in June 2023.

Jenny also sits on the steering group for the NCMD as one of the three charities represented. Jenny was an author of the Thematic review into Sudden and Unexpected Deaths in Childhood published in December 2022. The Lullaby Trust has also joined the groups for the two reports due in 2023, on trauma and infections.

The Lullaby Trust was invited to join the steering group for the Multi Agency SUDI Prevention for County Durham, called “Eyes on the Baby”, which concluded during the year. This project aimed to co-produce, pilot, implement and evaluate a multi-agency SUDI prevention programme in County Durham. Jenny Ward joined the steering group and members of the Support and Information team viewed and fed back on the training. The project concluded in June 2023 and the final report was launched on Friday 9th June 2023 in Durham. Discussions about continuing and extending the work are ongoing.

We have sat on the Consumer Reference Panel for the Office for Product safety and Standards since 2022 and our CEO, Jenny Ward, sits on the British Standards Committee, which considers Safety of Child Use and Child Care Products. Jenny also co-wrote a chapter on Pregnancy Loss and Baby Death for the latest edition of *Mayes Midwifery* with the CEO of Sands, Clea Harmer, and Midwife Educationalist, formally Education Advisor at the Royal College of Midwives, Gail Johnson.



2. IMPROVING BEREAVEMENT SUPPORT

The Lullaby Trust offers confidential support to anyone affected by the sudden and unexpected death of a baby or young child. We do this through our freephone helpline, email, resources, Facebook groups, befriending service and Family Days Out.

At the beginning of 2023, we commissioned Fiveways, an external evaluation company to conduct research to better understand the needs of bereaved families after the COVID pandemic.

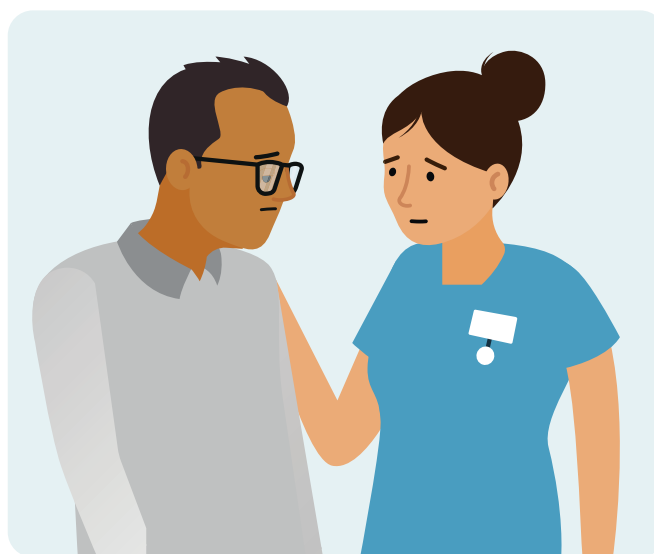
The bereaved parents and family members who participated in the research described how they would value any support that helps them through such a difficult period during which they can feel traumatised and isolated.

As their needs are great, multiple, and changeable, a consistent offer of a variety of support options, which they could access in different ways, at different times, according to need and preference, was their ideal. Although all options of support are welcomed, the types of support participants felt would be most useful changed depending on where they were in their personal bereavement journey. Support should be flexible to offer these different types of support at different stages.

Participants state it is essential that support is delivered by someone who has experienced child loss – no one else is able to understand their pain. Ideally, support should be delivered by the same person to build a relationship and avoid people having to describe their experience several times.

As a result of the research finding we have started to implement the following:

- **Mapping bereaved families' journeys**
- **Resources for bereaved families - Podcasts, books and songs lists on website**



- **Sending 3, 6 month and 1 year 'thinking of you' contacts to families.**
- **The creation of a new trauma resource, which is now available on our website. The resource has also been shared on Healthinote – an online platform where GP and healthcare professionals share key information and links with their patients.**
- **Improving and updating the 'When a Baby or Young Child Dies Suddenly and Unexpectedly' booklet to include what happens immediately following death**
- **Creating more Facebook peer support groups – e.g. pregnancy after loss, fathers group**
- **Improved promotion of services, particularly across our social media channels**

Parents who have suffered a sudden and unexpected death of a baby often feel anxious when they have another baby. Since 1988 we have been working with the NHS, and providers of public health nursing

services, to facilitate a national health visitor led service for bereaved parents; the Care of Next Infant (CONI) programme. The CONI programme provides specialist advice, information and support to health visitors who, in turn, support bereaved families with their next baby to help them reduce anxiety, build confidence and enjoy the first year of their baby's life.

The core elements of the programme are increased contact with a health visitor, safer sleep advice, specialised symptom diaries and weight charts, a room thermometer, basic life support training and movement (breathing) monitors. The CONI programme supported over 591 families in 2022-23.

Families are invited to give feedback on their experience of the CONI programme. It shows that, in particular, the support they receive from health visitors is highly valued, with 90% of respondents in 2022 finding it helpful or very helpful. Feedback suggests that the emotional and practical support provided by the CONI programme is greatly appreciated by families using the programme.

As part of the support we offer to bereaved families, we commit to offering every bereaved parent who has given us their details, the offer of a free family day out, once a year. They are held throughout the country at various venues, and allow families to spend time with their children, to remember their baby who died, and to access face to face information and support. Last year we held five days, which were attended by 248 adults and 235 children.

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 form part of an alliance of over 60 charities led by Sands who deliver Baby Loss Awareness Week. We also sit on the smaller working group who take a more active role in the running of the national campaign.

We are part of the All-Party Parliamentary Group on Baby Loss, which brings together MPs and Peers from across parties to work on this vital issue. We remain on the Steering Group for the National Bereavement Care Pathway, which works to improve the quality and consistency of bereavement care received by parents in NHS trusts after pregnancy loss or the death of a baby.

Highlights

- **248 adults and 235 children attended our free family days out, giving them access to face to face support and information.**
- **1008 enquiries about bereavement support.**
- **232 first time contacts from families**
- **53 families were allocated a Befriender to offer peer-to-peer support during the year.**
- **591 families were supported through the CONI programme**



3. DEVELOP INCLUSIVELY AND SUSTAINABLY

Our current strategy sets out our core values, which are:



Caring



Reassuring



Trustworthy



Driven

At The Lullaby Trust our values guide our behaviour and ways of working. Following on from the implementation of our 2022-2026 strategy, the staff team collaborated to produce *Our Values in Action* as a way to live our values in our everyday actions. The *Values in Action* are a way that we can talk about how we work together to support a positive environment, enabling us to deliver excellence, social engagement and make an impact. It has become a part of our induction and appraisal process and everyday work.

It is important to us that we continue to improve as an organisation; to track this we conduct an annual engagement survey with staff. The survey gives our staff a chance to honestly and anonymously review the areas we are doing well in and the ones we need to improve. We share the results openly with the whole team and Board of Trustees and use the results to track

our progress. Staff benefits were reviewed earlier in the year to attract, retain and support staff.

We recently moved offices into The Royal College of Obstetrics and Gynaecology and now work on the same floor as several other baby and women’s health charities. The new set up supports hybrid and remote working well, allowing us to combine working in person and online effectively. The shared space encourages our goal of working in partnership across all our work.

We are building Equality Diversity and Inclusion (EDI) into all areas of our work and have adapted our recruitment processes with this in mind. We have been collecting data over the last year to monitor our progress in this area and inform our EDI plan.

To ensure all our information and advice is accurate and up to date, we have a Scientific Advisory Group, made up of experts in maternal, infant and child health, mortality and SIDS. We also have representation from the Royal College of Midwives and the Institute of Health Visiting. In expanding our international links, the CEOs of our equivalent charities from the USA and Australia are also members. The group evaluates the latest research and guidance and where we need to make changes to our existing advice.



Any new advice and resources are reviewed by them. We also have Finance and Audit, Services, Fundraising and Communications and Grants Committees to guide and keep under review all areas of our work. All committees have a calendar of regular meetings in place.

As part of valuing, nurturing and growing our supporter base we commissioned two pieces of research; one into how to develop our communications to more fully engage with our supporters, and one specifically focused on our individual giving programme, how to optimise our current products whilst making the most of the opportunities that are out there, and may interest our supporters.

The conclusion of both pieces of work has allowed us to start implementing strategies to further personalise the experience our supporters have with us and our work, by ensuring they are informed about those areas that are relevant to them. We look forward to developing this further over the coming year.





FUTURE PLANS

In 2022 we implemented our new four year strategy and have been working on the objectives for the past year. The strategy keeps the focus on our ultimate aims of ending SIDS deaths and ensuring all families whose baby or child has died get the support they need.

The latest figures on unexplained deaths in infancy were recently released by the Office for National Statistics covering 2021. The new figures show that the number of deaths increased from 162 (a rate of 0.26 deaths per 1,000 live births) in 2020 to 166 (a rate of 0.27 deaths per 1,000) in 2021. The ONS states that although the number of SIDS deaths has gone up slightly, they have followed a general pattern of decline since records began in 2004.

We are concerned that rising deprivation will lead to more babies dying and are continuing to adapt and create additional information and resources to reach vulnerable families and those at a higher risk of SIDS.

The strategy committed to a new focus around the wider risk factors associated with infant and child deaths. During the year 2022-2023 year the National Child Mortality Database detailed 6 modifiable factors for sudden infant death. **These remain a key focus:**

- **Unsafe sleeping arrangements**
- **Smoking in pregnancy or in the household**
- **Alcohol or substance use / misuse**
- **Quality of service provision**
- **Poor home environment**
- **Domestic or child abuse /neglect**

Additional Factors:

- **Infection prevention**
- **Explained deaths prevention**

We are planning a range of activities and resources to address these key risks. We are also planning an Infection Prevention campaign in the Autumn. This is a new area of work for us after we took over the work of Kit Tarka a small charity set up by bereaved parents Sarah and James in memory of their son Kit Tarka who died of HSV1 virus. The charity did a great deal to research into and raise awareness of neonatal herpes.

When Kit Tarka Foundation looked for someone to take forward their work, The Lullaby Trust stepped up as we felt it aligned with our purpose of reducing preventable baby deaths through raising public awareness. We have worked closely with KTF to understand the work they have done so far and to honour their legacy. We have also worked with neonatal infection specialists to find out about how to prevent the spread of infection to new babies and create resources to raise awareness among the public and health professionals.



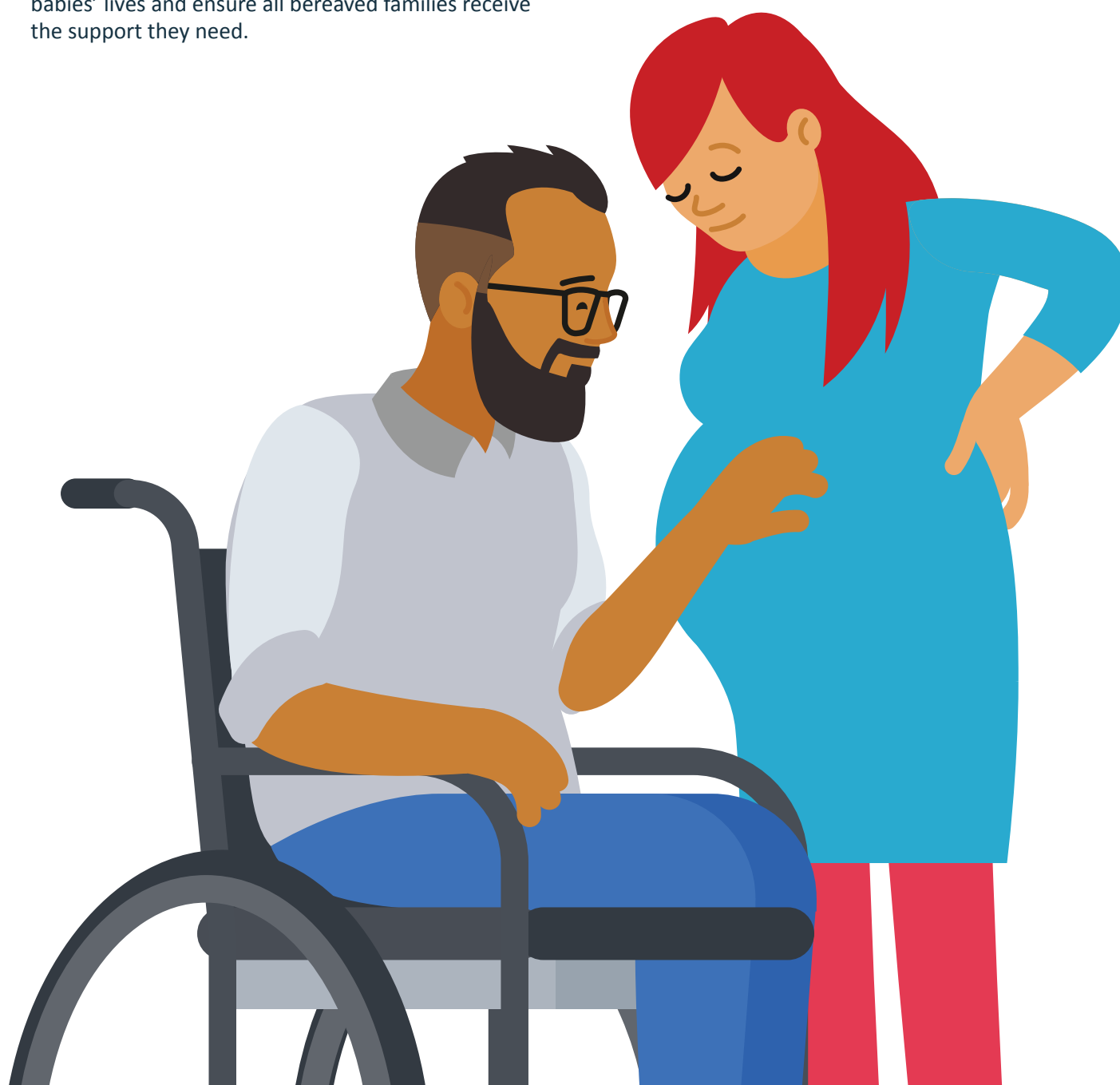
We will continue to build on the creation and delivery of high quality, accessible and relevant advice for families and professionals. This year we intend to update our evidence on safer sleep advice, expand our advice to help reduce non-SIDS deaths, continue to reach more parents in the antenatal period with our tailored advice and work in partnership with other organisations to reach vulnerable families with a higher risk of SIDS.

We are working to address health inequalities through our ongoing partnership with the Maternity Consortium and will release a range of resources in the Spring to support professionals in working with young parents. The resources are being created in close consultation with young parents and health care professionals who specialise in this area.

We are currently working on developing our bereavement services and expanding our offering. We are creating a new strategy to enable bereavement support services to reach all families and a CONI strategy to further develop the programme.

We strive to be a fair and supportive employer and keep our internal processes and procedures under constant review. We plan to continue working in close collaboration with staff on policies that affect them and ensure that they are able to share their views and what is important to them. Staff wellbeing is extremely important to us and we will continue to prioritise this and consider how we can improve as we move forward into 2023-24.

We are entering another year of financial uncertainty and global turmoil but we remain focused on our strategic objectives, which will help us continue to save babies' lives and ensure all bereaved families receive the support they need.





FINANCE AND GOVERNANCE

Financial Report

Our income returned to a more usual level in 2023. We achieved £1.47m in the current year against £1.80m in 2022. This was driven by a significant multi-year grant that we received in 2022.

Community fundraising returned to its position as our biggest source of income, increasing to £462,000 in 2023 from £407,000 in 2022. The post-pandemic recovery of challenge events continued and this activity was particularly boosted by the London Marathon occurring twice during the year, in October and April. We were pleased to see our supporters continuing to sign up to a range of campaigns and events as well as coming up with new ideas to fundraise in their own way.

Donations and legacies from individuals decreased to £334,000 this year from £407,000 in 2022. Although we experienced a reduction in legacies and one-off gifts, we continued to receive support from our regular donors during the year and welcomed subscribers to our new Lullaby Lottery launched in July. We were delighted to exceed our target for the annual Big Give appeal, this time in support of Little Lullaby and we are grateful to those kindly donating in memory of their loved ones.

Grants from trusts and foundations totalled £194,000 in 2023, settling back down from an exceptional £624,000 in 2022. In the prior year we had received a £0.5m grant from a trust that wishes to remain anonymous. This multi-year grant to deliver projects that will make a measurable difference to the NHS and its beneficiaries is due to be fully spent in our 2024 financial year.

Income from companies increased to £136,000 in the year from £104,000 in 2022. This included donations and fundraising by companies as well as a significant level of support in kind relating to pro bono legal advice and donated nursery equipment.

Trading income rose to £193,000 in 2023 from £135,000 in 2022. This included increased room thermometer sales as well as corporate sponsorship for The Lullaby Trust Sales Limited.

Our charitable activities and partnership working generated £138,000 in 2023, which had increased from £122,000 in 2022. A key new partnership was formed

when the Kit Tarka Foundation announced its intention to wind down and awarded The Lullaby Trust funding to take forward its work in infection prevention for babies.

Investment income grew to £11,000 in 2023 from £1,000 in 2022. This was largely due to the Bank of England increasing interest rates affecting our cash held in deposit accounts. At the end of the year the trustees opted to invest in a common deposit fund for the first time. Other income totalling £2,000 was claimed in the prior year from the Government's Job Retention Scheme before it closed.

Our expenditure totalled £1.51m in 2022 which had increased from £1.39m in 2022. This included investment in new strategic projects, delivery against a multi-year grant and core expenditure.

Expenditure on our support and information programmes increased to £964,000 in the year from £834,000 in 2022. This included a full year of activity on our project to bring our life-saving safer sleep information and advice to a new audience of expectant families at the antenatal stage, one of the two projects funded by our anonymous £0.5m grant. We also commissioned research into bereavement support for families with funds allocated by trustees from the Strategic Delivery Fund.

Due to the reversal in the year of the VAT provision made in 2022, expenditure on purchases of monitors and equipment for the CONI programme amounted to a negative figure of £19,000 in 2023 which compares to expenditure of £61,000 in 2022. This followed clarification by HMRC of the relevant VAT treatment.

Our research spend decreased to £54,000 in 2023 from £113,000 in 2022. Although no new grant commitments were made in the year we continued to work with the University of Plymouth and Imobisoft on the BabyCheck project funded by our anonymous £0.5m grant.

Our fundraising expenditure totalled £507,000 in 2023 compared to £383,000 in 2022. We increased staff numbers by bringing trust fundraising in-house which had previously been outsourced and filling a longstanding corporate fundraising vacancy. We also invested in two income generation projects with funds allocated by trustees from the Strategic Delivery Fund, focusing on individual giving strategy and the implementation of supporter journeys to improve stewardship. Cost of sales increased in The Lullaby Trust Sales Limited due to the purchase of London Marathon bond places for two events in the reporting year and the purchase of additional room

thermometers to meet sales demand.

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 £125,000 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 net expenditure of £36,000. This is a smaller deficit than we had planned for given the challenging climate we were operating in and the significant multi-year grant received in the prior year.

The Trustees had designated £200,000 into a Strategic Delivery Fund in June 2022 to be invested in short- to medium-term transformational projects aligned with the aims of our four-year strategy. During the first year of the strategy the Trustees considered the suitability and potential impact of a number of proposed projects and approved the following allocations from the fund:

Transforming service delivery

- £11,000 towards research into our bereavement support provision for families

Income generation

- £12,000 towards the implementation of supporter journeys
- £11,000 towards strategic guidance on individual giving activities

Research priorities

- £10,000 towards researching and rewriting The Lullaby Trust's evidence base

Investment in business effectiveness

- £35,000 towards brand development

Expenditure on the first three of these projects amounted to £30,000 during the year. No expenditure was made from the £2,000 designated for the completion of our finance system integration. The Trustees have reviewed the need for designated funds in 2023/24. At 30 June 2023, the balance of designated funds amounted to £172,000 (2022: £202,000).

The Lullaby Trust holds restricted funds in accordance with donors' requirements. At 30 June 2023, the balance of restricted funds amounted to £307,000 (2022: £450,000).

Structure, governance and management

The Lullaby Trust Limited is a company limited by guarantee, Registered in England and Wales No. 01000824 and is a registered charity, No. 262191. Its governing document is its Memorandum and Articles of Association, dated January 1971 as amended by special resolution in February 2021.

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. 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.

The Lullaby Trust employs nine full-time and eighteen part-time staff, with the team splitting their time between our office base and homeworking. The majority of employees deliver the charitable objects, three full-time equivalent posts are administrative and financial functions, and six 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 Grants 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 Services 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 Fundraising Committee, which meets four times a year to give strategic direction to the fundraising function.
- 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 Treasurer, meets twice a year to review policy and make recommendations for the remuneration of staff to the Board of Trustees.

Each of these committees operates under terms of

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

Key management personnel

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

Remuneration policy

The Lullaby Trust believes that its staff are key to delivering its objectives and strives to give staff equal opportunities and fair pay. 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, based on location of the role. 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.

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. The benchmarking procedures are also followed prior to recruitment for each role.

Volunteers

The Lullaby Trust relies on volunteers in many areas of its work. During the reporting year we received voluntary help from 329 volunteers including: 59 befrienders providing support to bereaved families 103 members of our young parents, bereaved parents and new and expectant parent panels who help to ensure our work is informed by the voices of parents 27 members of our grants, services, fundraising and finance and resources committees supporting the governance of the charity and working alongside our Trustees 140 volunteers at fundraising events including bucket collectors, photographers and a reggae choir

Reserves Policy

The reserves policy as agreed by Trustees is designed to reflect the underlying risks facing the charity. The Trustees have adopted a risk-based approach, considering two categories of risks in the calculation of an appropriate reserves level. Their key objectives are to:

- Safeguard day to day operations from disruption at short notice due to a lack of available funds as patterns of income and expenditure may be misaligned and we are working in a rapidly changing environment
- Ensure the charity can meet its commitments to beneficiaries, staff and suppliers and make a considered and appropriate response when faced with events outside its control

The Trustees have undertaken a cost analysis of these strategies in setting the minimum level of free General Funds required in the coming year. At 30 June 2023 this amounted to a target range of £603,000 to £924,000. At 30 June 2023 free General Funds stood at £955,000. The Trustees have noted that the general free reserves were above the recommended level at the year end and expect that the budgeted deficit for 2023/24 will bring them back within the target range.

Investment Policy

The charity's Articles of Association allow the Trustees unrestricted powers to invest money not immediately required for its purposes. The Trustees have reviewed their approach to investment in response to the significant rises in inflation seen in the year and the challenges we face in respect of income generation.

The Trustees' strategy for the investment of reserves is to provide a return that contributes to the core operating costs of the charity whilst maintaining the value of the capital for future sustainability. Having decided to invest in a money market fund, the Trustees selected CCLA's COIF Charities Deposit Fund. An initial investment of £719,000 was made in June. As this investment is intended to be held in excess of one year, the investment fund has been classed as a Fixed Asset Investment on the Balance Sheet.

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 Grants 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 has 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 and organisations 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 us. We also receive donations from companies, individuals and grants from trusts and

foundations.

We do not carry out any intrusive fundraising activities and in 2022/23 have not used any external fundraising agencies to fundraise on our behalf. 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. Our complaints procedure is carried out in line with the Fundraising Regulator requirements and we received four complaints during 2022/23 in relation to our fundraising activity. Every complaint is investigated, responded to and logged internally.

Vulnerable Persons Policy

The Lullaby Trust believes that any interaction with the charity should be a positive experience for all.

We recognise that some of the people we engage with through our fundraising activities may be experiencing vulnerable circumstances or need extra support to make a decision about donating to our charity. Therefore, we take all reasonable steps to treat our supporters fairly and with compassion, so they can make an informed decision about any donation towards our work.

We will never exploit the trust or circumstances of any supporter at any time on their journey with us as a charity. If we believe that a person is in vulnerable circumstances, which means they are unable to make an informed decision about donating, The Lullaby Trust will not accept that donation. We stringently follow the Fundraising Regulator's guidance and comply fully with their Code of Fundraising Practice in relation to the protection of vulnerable people in fundraising.

The Lullaby Trust recognises that bereavement and grief can trigger vulnerability and acknowledges the undeniable connection between bereavement and the fundraising journey for individuals who choose to raise money for, and support, the charity. With this in mind, all bereaved individuals are excluded from any pro-active fundraising contact for at least one month from their first bereavement support enquiry with the charity, unless they specifically contact the charity with a fundraising enquiry. The Lullaby Trust also has an ongoing commitment to conduct bereavement training with all staff to allow them to respond sensitively to fundraisers when people may be in a particularly vulnerable place. This training is renewed every two years.

We will always do everything we can do to assist supporters in making informed decisions about the support they choose to give The Lullaby Trust. At our core, The Lullaby Trust prides itself on its values and is compassionate towards our supporters and will never knowingly exploit vulnerability.

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 Leadership Team assesses risks facing the charity and updates 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 Leadership 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.

We have recognised a need to achieve greater diversity in our Board of Trustees. In recent years recruitment has focused on succession planning to fill gaps identified in our skills audits. We are planning further recruitment in 2023/24 and will continue to review against our wider equality and diversity plan.

We continue to operate in an unstable external economic and fiscal environment. It remains important for the Trustees to monitor trends to inform financial planning and to diversify income streams to prevent over-reliance on one source. Our fundraising committee will oversee the strategy to diversify income streams whilst our finance and resources committee will focus on overall financial performance and monitoring risks.

External fraud is a risk that we need to be continually alert to, particularly due to the fundraising activities we undertake and the rapid evolution of cyber crime. We plan to review our anti-fraud policy in 2023/24 and deliver a fraud awareness refresher for all staff to

ensure we can be vigilant in identifying threats. Linked to this is the risk of virus outbreak and we are working with our IT providers to ensure IT controls are in place and working well.

Key operational risks include staff retention, sickness and absenteeism. In the current climate the Remuneration Committee have committed to carrying out pay benchmarking annually as well as an annual review of employee benefits. We offer an Employee Assistance Plan and an optional Health Cash Plan. We monitor sickness and absence rates, conduct back to work interviews and refer to occupational health where appropriate. Reasonable adjustments are put in place when recommended by a healthcare professional.

We consider our reputation and the trust placed in us by families and health professionals to be vitally important. We ensure our advice and the public health information we publish is reviewed by our Scientific Advisory Group and we are planning to rewrite our evidence base in 2023/24. We provide regular training for staff and volunteers and review all social media posts to ensure up to date advice is given. We are also undertaking a review of our crisis communications plan.

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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Trustees are responsible for keeping adequate 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 company 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

Sayer Vincent 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.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

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

Dr Stephanie Goater
Chair

Date: 01.02.24





**THANK
YOU
LULLABY
HEROES**

In what has been a year of economic and wider societal turmoil, we would like to say an enormous thank you to the many supporters who in the past year have continued to give their time and energy to take part in an event, raise money or make a donation to support our life-saving work. Whilst we are not able to list all the kind individuals, families and communities who fundraise in support of our work, we recognise that this has been a particularly difficult year for the charity and our supporters, and truly appreciate every single person's efforts to keep fundraising to enable our vital work to continue, throughout this challenging period.

Highlights from 2022 /23 include:

The support we received from Simfest's simulated flights for an amazing fourth year in a row. Their awe-inspiring 24/7 round the world flight over the course of 7 days raised a huge £35,000 for The Lullaby Trust in 2022, meaning that the group has raised over £147,000 in the past four years. We would like to thank them for their ongoing commitment and support of our vital work.

We took on The Big Give Christmas Challenge 2022 again, which saw our supporters generate over £64,000 to fund Little Lullaby, our young parent programme, for 10 months. This programme empowers young parents with life-saving safer sleep advice. This incredible amount helped us to deliver Little Lullaby's social media channels and develop our online communities, partner with specialist organisations to access harder to reach young parents communities and improve the communication skills of health professionals through co-creating resources with young parents.

We were delighted to be able to cheer Team Lullaby runners on again at the 2022 Great North Run, London Marathon and Royal Parks Half Marathon. A huge thank you to everyone who took on a challenge during the year, whether virtually or in person. Our

London Marathon training day was once again kindly supported by David Lloyd Clubs and the Chelsea Harbour Club who provided training and advice for our runners.

We were proud to launch a new event, Little Lights Walk, in Baby Loss Awareness Week 2022. We invited families to walk in memory of someone special to them, and provided them with a lantern pack to help light up the night. It raised a fantastic £16,000 and we look forward to this becoming an annual event.

Our ambassador, the BAFTA-winning writer and comedian Adam Kay, continued his generous support of The Lullaby Trust into 2022/23 with post-show bucket collections at his performances of This is Going to Hurt...MORE. With a steadfast team of 122 volunteers, we were able to collect £27,000 across 26 of Adam's shows. We are hugely grateful to Adam, James and their team for helping us facilitate these phenomenal collections.

Thank you to all of our corporate partners and trusts and foundations who have funded our work this year, with particular thanks to The H.O.B Charitable Trust for their significant donation towards our core work. In the year 2022/23 we were delighted to continue our strong partnership with HALO, promoting our safer sleep advice to their UK customers, as well as Naturalmat who provide sustainable baby mattresses and The Little Silk, who sell baby bedding. We have also continued receiving support from Nimans, who provided 250 Snuza HeroMD baby monitors during the year to support The Lullaby Trust's Care of Next Infant programme. We were thrilled to bring two new corporate partners on board; Sweet Dreamers and iCandy World.

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.

Thank you to our dedicated corporate partners who have helped to fund our work this year

HALO (Aden and Anais)
iCandy World
The Little Silk
Naturalmat
SNUZA
Nimans
Sweet Dreamers

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 and individuals offering pro bono services or donating £5,000 or more in 2022 / 23 include:

Adam Kay
Adint Charitable Trust
Andrew Foxall
BBC Children In Need
Childwick Trust
Christine McParland
Dandia Charitable Trust
David Lloyd Leisure
Edward J Baker
Glenn and Geraldine Earlam
HALO (Aden and Anais)
iCandy World
Kit Tarka Foundation
Mark and Mandy Barson
Moondance Foundation
Naturalmat
Nick Morris
Nimans
Richard and Marelyn Aylmer
Schroder Charity Trust
Simfest
Simon and Catherine Rees
Sweet Dreamers
The H.O.B. Trust
The Hodge Foundation
The J E & J V Posnansky Charitable Trust
The Julia and Hans Rausing Trust
The Little Silk
The Scottish Government
The Swire Charitable Trust
Tom Mason-Elliott
University Of Bristol
White & Case

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

Robert Silverwood
Ceinwan Vaughan



The background is a solid light blue color. It features two large, dark blue curved shapes: one in the top right corner and another in the bottom left corner, creating a sense of depth and movement.

BOARD OF TRUSTEES AND 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

Dr Stephanie Goater (Chair)
Mr Robin Edward Carvell (appointed August 2022)
Mr Chris Cleaver (retired February 2023)
Mr Alan David Curtis (appointed August 2022)
Dr Justin Daniels BMedSci BMBS MSc FRCPCH (retired February 2023)
Miss Alison Day (appointed August 2022)
Ms Ethna Dillon BSc (Hons) RN RHV
Mrs Sally Hogg
Mr David Marshall FCA (resigned February 2023)
Mr Nick Mitrovic (appointed August 2022)
Mr Ben O'Reilly
Dr Emily Laura Prior (appointed August 2022)
Ms Catharine Pusey
Mr Peter Thomas ACMA, CGMA
Mr George Williams (appointed August 2022)

Grants Committee

Professor Helen Ball (Chair)
Professor Mike Campbell BA MSc PhD CStat
Dr Justin Daniels BMedSci BMBS MSc FRCPCH (resigned August 2023)
Dr Stephanie Goater (appointed September 2022)
Dr Sarah Johnson BSc PhD
Dr Anna Pease MA MSc PhD
Dr Peter Sidebotham MB ChB (resigned June 2023)
Dr Victoria Thomas MB BS

Services Committee

Ms Catharine Pusey (Chair)
Ms Carol Ainge (resigned September 2022)
Ms Elaine Ainsworth (resigned September 2022)
Ms Lisa Allenby (resigned September 2022)
Ms Valerie Bates (resigned September 2022)
Ms Louise Carmi
Ms Gillian Devine-Skellern (resigned September 2022)
Ms Ethna Dillon BSc (Hons) RN RHV (appointed September 2022)

Jonathan Holmes BA(Hons), MSc (appointed September 2022)

Ms Nicky Hughes (appointed September 2022)

Dr Prakash Kalambettu (appointed September 2022)

Angela McKenzie MSc (appointed September 2022)

Dr Angela Moore MB BS MMedSci DCH FRCP FRCPCH (appointed September 2022)

Mr Edward Thomas

Kate Whittaker (appointed September 2022)

Fundraising Committee

Mr Alan Curtis (Chair)

Miss Alison Day (appointed September 2022)

Mr David Marshall FCA (appointed September 2022 and resigned February 2023)

Ms Lisa Hyde (appointed September 2022)

Mr Robert Pascoe (appointed September 2022)

Ms Sarah-Jane Pickering (appointed September 2022)

Mrs Lavinia Postlethwaite (appointed September 2022)

Finance and Resources Committee

Mr Peter Thomas ACMA, CGMA (Chair)

Mr Nick Beaumont (deceased June 2023)

Mr Robin Edward Carvell (appointed September 2022)

Dr Stephanie Goater

Mr David Marshall FCA (resigned February 2023)

Mr Nick Mitrovic (appointed September 2022)

Mr Kevin O'Brien (resigned March 2023)

Ms Catharine Pusey

Mr Charles de Selincourt OBE

Mr George Williams (appointed September 2022)

The Lullaby Trust Sales Limited

Dr Stephanie Goater, Director and Chair

Mr Alan Curtis, Director (resigned June 2023)

Mr David Marshall FCA, Director (resigned February 2023)

Ms Lisa Hyde, Director (resigned June 2023)

Mr Robert Pascoe, Director (resigned June 2023)

Mrs Jenny Ward, Director



LEGAL AND ADMINISTRATIVE DETAILS

Registered Office

The Lullaby Trust
10-18 Union Street
London
SE1 1SZ
www.lullabytrust.org.uk

Auditor

Sayer Vincent LLP
Invicta House
110 Golden Lane
London
EC1Y 0TL

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

Investment Managers

CCLA
One Angel Lane
London
EC4R 3AB

Solicitors

White & Case
5 Old Broad Street
London EC2N 1DW

Chief Executive

Mrs Jenny Ward

Company Secretary

Miss Polly Rolfe FCCA

Become a follower of The Lullaby Trust on Instagram at

www.instagram.com/lullabytrust

Follow us on Facebook at

www.facebook.com/lullabytrust

Follow us on Twitter at

www.twitter.com/lullabytrust



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

Opinion

We have audited the financial statements of The Lullaby Trust Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 30 June 2023 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 of the parent charitable company's affairs as at 30 June 2023 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Lullaby Trust Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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

The Lullaby Trust Limited

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

of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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
- 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 the parent charitable company and their 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 in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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's and the 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 the 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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The Lullaby Trust Limited

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior Statutory Auditor)

Date: 7 February 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 110 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

The background of the cover features a light blue gradient with two large, dark blue curved shapes. One shape is in the top right corner, and the other is in the bottom left corner, creating a sense of depth and movement.

FINANCIAL STATEMENTS

The Lullaby Trust Limited

Consolidated Statement of Financial Activities, incorporating an Income and Expenditure Account for the year ended 30th June 2023

	Note	General Funds £	Designated Funds £	Restricted Funds £	Total 2023 £
INCOME AND EXPENDITURE					
Income					
Donations and legacies	6	929,031	-	197,162	1,126,193
Income from charitable activities	9	119,930	-	18,148	138,078
Other trading activities:					
- The Lullaby Trust generated income	7	-	-	-	-
- The Lullaby Trust Sales Limited	11	193,414	-	-	193,414
Income from investments					
- The Lullaby Trust	8	10,451	-	-	10,451
- The Lullaby Trust Sales Limited	11	507	-	-	507
Other Income	10	304	-	-	304
Total Income		1,253,637	-	215,310	1,468,947
Expenditure					
Expenditure on raising funds					
- The Lullaby Trust	12	(418,715)	(18,905)	-	(437,620)
- The Lullaby Trust Sales Limited	11	(69,403)	-	-	(69,403)
Charitable activities					
- Scientific research	13	(28,494)	-	(25,549)	(54,043)
- Support and information	13	(633,959)	(10,740)	(318,910)	(963,609)
- Monitors and sundry equipment (CONI)	13	33,150	-	(13,804)	19,346
Total Expenditure		(1,117,421)	(29,645)	(358,263)	(1,505,329)
Net Movement in Funds (being net income/					
(expenditure) for the year)	15	136,216	(29,645)	(142,953)	(36,382)
Balance at 1st July 2022		833,280	202,228	450,038	1,485,546
Balance at 30th June 2023	25	969,496	172,583	307,085	1,449,164

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 Lullaby Trust Limited

Comparative Consolidated Statement of Financial Activities, incorporating an Income and Expenditure Account for the year ended 30th June 2022

	Note	General Funds £	Designated Funds £	Restricted Funds £	Total 2022 £
INCOME AND EXPENDITURE					
Income					
Donations and legacies	6	853,192	-	689,308	1,542,500
Income from charitable activities	9	111,472	-	10,969	122,441
Other trading activities:					
- The Lullaby Trust generated income	7	1,291	-	-	1,291
- The Lullaby Trust Sales Limited	11	133,406	-	-	133,406
Income from investments					
- The Lullaby Trust		535	-	-	535
- The Lullaby Trust Sales Limited	11	15	-	-	15
Other income	10	1,710	-	-	1,710
Total Income		1,101,621	-	700,277	1,801,898
Expenditure					
Expenditure on raising funds					
- The Lullaby Trust	12	(332,377)	(6,989)	-	(339,366)
- The Lullaby Trust Sales Limited	11	(43,748)	-	-	(43,748)
Charitable activities					
- Scientific research	13	(26,865)	(627)	(85,505)	(112,997)
- Support and information	13	(425,292)	(150,156)	(258,846)	(834,294)
- Monitors and sundry equipment (CONI)	13	(39,150)	-	(21,409)	(60,559)
Total Expenditure		(867,432)	(157,772)	(365,760)	(1,390,964)
Net Incoming/(Outgoing) Resources		234,189	(157,772)	334,517	410,934
Transfers between funds	26	(200,000)	200,000	-	-
Net Movement in Funds	15	34,189	42,228	334,517	410,934
Balance at 1st July 2021		799,091	160,000	115,521	1,074,612
Balance at 30th June 2022	25	833,280	202,228	450,038	1,485,546

The Lullaby Trust Limited

Consolidated Balance Sheets as at 30 June 2023

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed Assets					
Tangible	18	13,119	10,779	13,119	10,779
Intangible	19	1,230	-	1,230	-
Investments	20	719,381	-	729,381	10,000
		<u>733,730</u>	<u>10,779</u>	<u>743,730</u>	<u>20,779</u>
Current Assets					
Stocks		1,789	1,533	-	-
Debtors and prepayments	21	124,022	165,284	235,145	198,534
Cash at bank and in hand		739,691	1,512,930	636,592	1,478,526
		<u>865,502</u>	<u>1,679,747</u>	<u>871,737</u>	<u>1,677,060</u>
Creditors: Amounts falling due within one year	22	<u>(150,068)</u>	<u>(170,884)</u>	<u>(166,303)</u>	<u>(178,197)</u>
Net Current Assets		715,434	1,508,863	705,434	1,498,863
Creditors: Amounts falling due after more than one year	23	<u>-</u>	<u>(34,096)</u>	<u>-</u>	<u>(34,096)</u>
Net Assets		<u>1,449,164</u>	<u>1,485,546</u>	<u>1,449,164</u>	<u>1,485,546</u>
Represented by:					
Restricted funds	26	307,085	450,038	307,085	450,038
Designated Funds	26	172,583	202,228	172,583	202,228
General funds	26	969,496	833,280	969,496	833,280
		<u>1,449,164</u>	<u>1,485,546</u>	<u>1,449,164</u>	<u>1,485,546</u>

The net outgoing resources of the parent amounted to £36,382 (2022: net incoming resources of £410,934).

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

Dr S Goater
Chair
Date: 01.02.24
Registered Company No. 01000824

The Lullaby Trust Limited

Statement of Cash flows for the year ended 30th June 2023

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Cash (used in) provided by operating activities	1	(54,099)	506,814	(122,287)	545,663
Cash flows from investing activities					
Interest income		10,958	550	10,451	535
Purchase of investments		(719,381)	-	(719,381)	-
Proceeds from sale of fixed assets		304	-	304	-
Loss on disposal of fixed assets		(120)	(36)	(120)	(36)
Purchase of tangible fixed assets		(9,457)	(6,736)	(9,457)	(6,736)
Purchase of intangible assets		(1,444)	-	(1,444)	-
Cash provided by (used in) investing activities		(719,140)	(6,222)	(719,647)	(6,237)
Change in cash and cash equivalents in the reporting period		(773,239)	500,592	(841,934)	539,426
Cash and cash equivalents at the beginning of the reporting period		1,512,930	1,012,338	1,478,526	939,100
Cash and cash equivalents at the end of the reporting period	2	739,691	1,512,930	636,592	1,478,526
1. Reconciliation of net income/(expenditure) to net cash provided by operating activities		Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Net Income/(Expenditure)		(36,382)	410,934	(36,382)	410,934
Depreciation Charges		7,054	7,076	7,054	7,076
Amortisation Charges		214	1,719	214	1,719
Loss on Disposal of fixed assets		(121)	321	(121)	321
Interest Income		(10,958)	(550)	(10,451)	(535)
(Increase)/decrease in Current Assets		41,006	(17,688)	(36,611)	20,677
Increase/(decrease) in Creditors		(54,912)	105,002	(45,990)	105,471
Net Cash Flow from Operating Activities		(54,099)	506,814	(122,287)	545,663
2. Cash and cash equivalents					
Cash in hand		739,691	1,512,930	636,592	1,478,526
Total cash and cash equivalents		739,691	1,512,930	636,592	1,478,526
3. Analysis of changes in net debt		At 1st July 2022 £	Cash flows £	Other non-cash changes £	At 30th June 2023 £
Cash		1,512,930	(773,239)	-	739,691
Total		1,512,930	(773,239)	-	739,691

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

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 impact of current economic conditions on our fundraising activities and the pressure of rising inflation on our costs. 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 2023. 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 included on an accruals basis and recognised as follows:

- Donations (and gift aid where applicable) are recognised when the donor initiates a transaction to the charity, or a supporter confirms a sum has been raised on the charity's behalf in connection with a fundraising activity or event.
- Grant income is recognised by the offer of a grant, including whether any conditions attached to the grant, or an instalment, have been met.
- Legacies are recognised following probate and once there is sufficient evidence that receipt is probable, and the amount of the legacy receivable can be measured reliably. Receipt is considered to be probable if the charity is aware that probate has been granted and notification has been made by the executors that a distribution will be made.
- Sale of goods revenue is determined when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods).
- Sponsorship income is recognised by the contracts with our corporate partners and other parties undertaking a sales promotion.

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

4. Accounting Policies (continued)

Deferred income comprises amounts received by the charity that do not meet the criteria for recognition as income at the balance sheet date. Accrued income comprises amounts due in the financial year which had not been received by the year-end date.

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.

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

Gifts in kind

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

Tangible Fixed Assets

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

Office equipment - over 4 years on a straight line basis

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

Fixed assets costing £100 or more are capitalised.

Intangible Assets

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

Website developments - over 3 years on a straight line basis

Software licences - over 3 years on a straight line basis

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

Stocks

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

Other financial instruments

i. Cash and cash equivalents

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

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

4. Accounting Policies (continued)

ii. Investments

Investment in the charity's subsidiary is recognised at cost.

The charity has elected to hold investments in a short-term Low Volatility Net Asset Value Money Market Fund. These investments are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date. Any change in fair value will be recognised in the statement of financial activities.

iii. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their 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.

Operating Leases

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

Fund Accounting

Funds held by The Lullaby Trust are either:

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

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

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

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

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

Taxation

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

5. Liability of Members

At 30th June 2023 The Lullaby Trust has 77 Members (2022 - 72 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.

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

6. Donations and legacies income	Unrestricted	Restricted	Total
	2023	2023	2023
	£	£	£
Community and events	450,043	12,269	462,312
Individuals	265,703	68,727	334,430
Trusts	77,400	116,166	193,566
Companies	135,885	-	135,885
	929,031	197,162	1,126,193
	Unrestricted	Restricted	Total
	2022	2022	2022
	£	£	£
Community and events	395,489	11,640	407,129
Individuals	328,621	78,731	407,352
Trusts	27,000	597,397	624,397
Companies	102,082	1,540	103,622
	853,192	689,308	1,542,500

Government Grants

£13,098 was received from the Scottish Government for safer sleep work focusing on premature babies. £8,333 was received from the Department for Business and Trade (Office for Product Safety and Standards) for the redevelopment of our product guide for parents. £4,921 was received from the Department of Health and Social Care (Office for Health Improvement and Disparities) for antenatal resources for our 2023 Safer Sleep Week. £3,891 was received from NHS England in support of our work alongside other baby charities in the Maternity Consortium to co-create a set of resources with young parents and health professionals.

7. The Lullaby Trust generated income	Unrestricted	Restricted	Total
	2023	2023	2023
	£	£	£
Special events	-	-	-
	-	-	-
	Unrestricted	Restricted	Total
	2022	2022	2022
	£	£	£
Special events	1,291	-	1,291
	1,291	-	1,291

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

8. Income from investments	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £
Bank interest	9,643	-	9,643
Interest from fixed asset investments	808	-	808
	<u>10,451</u>	<u>-</u>	<u>10,451</u>
	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Bank interest	535	-	535
Interest from fixed asset investments	-	-	-
	<u>535</u>	<u>-</u>	<u>535</u>
9. Charitable activities income	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £
CONI	10,538	148	10,686
Other activities	109,392	18,000	127,392
	<u>119,930</u>	<u>18,148</u>	<u>138,078</u>
	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
CONI	9,347	10,969	20,316
Other activities	102,125	-	102,125
	<u>111,472</u>	<u>10,969</u>	<u>122,441</u>

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

10. Other income	Unrestricted	Restricted	Total
	2023	2023	2023
	£	£	£
Coronavirus Job Retention Scheme	-	-	-
Sale of fixed assets	304	-	304
	<u>304</u>	<u>-</u>	<u>304</u>
	Unrestricted	Restricted	Total
	2022	2022	2022
	£	£	£
Coronavirus Job Retention Scheme	1,710	-	1,710
Sale of fixed assets	-	-	-
	<u>1,710</u>	<u>-</u>	<u>1,710</u>

The Coronavirus Job Retention Scheme was a Government grant for employers that enabled the charity to recoup some of the costs of furloughing staff that were not able to carry out their work during the global pandemic or needed to work more flexibly due to childcare and caring responsibilities arising from the pandemic.

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

11. 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:

Statement of income and retained earnings	2023	2022
	£	£
Turnover	193,414	133,406
Cost of sales	(58,337)	(27,417)
Gross profit	135,077	105,989
Administrative expenses	(11,066)	(16,331)
Profit on ordinary activities before interest and taxation	124,011	89,658
Interest receivable and similar income	507	15
Profit on ordinary activities before taxation	124,518	89,673
Taxation on profit on ordinary activities	-	-
Profit for the financial year	124,518	89,673
Reconciliation of Retained Earnings	2023	2022
	£	£
Total retained earnings brought forward	-	-
Profit for the financial year	124,518	89,673
Distribution under Gift Aid to parent charity	(124,518)	(89,673)
Total retained earnings carried forward	-	-
Balance Sheet	2023	2022
	£	£
Current assets	144,928	112,474
Creditors: amounts falling due within one year	(134,928)	(102,474)
Total assets less current liabilities	10,000	10,000
Called up share capital	10,000	10,000
Retained earnings	-	-
Shareholders' funds	10,000	10,000

The Lullaby Trust Sales Ltd provided stock to the value of £2,520 to the parent charity which was used in fundraising activities and £51 used for charitable purposes (2022: £1,666 fundraising and £45 charitable). Profits of £124,518 were donated to the parent charity under a deed of covenant (2022: £89,673).

Registered Company No. 01731141

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

12. Fundraising expenditure	Direct	Apportioned		
	Costs	Costs	Total	Total
	2023	2023	2023	2022
<u>Raising funds</u>	£	£	£	£
Community and events	46,982	156,707	203,689	152,717
Individuals	10,290	110,096	120,386	95,675
Trusts	737	98,041	98,778	80,734
Companies	102	14,465	14,567	7,051
Special events	200	-	200	3,189
	<u>58,311</u>	<u>379,309</u>	<u>437,620</u>	<u>339,366</u>

13. Charitable expenditure	General	Designated	Restricted	Total
	Funds	Funds	Funds	2023
<u>Scientific Research</u>	£	£	£	£
Direct costs	13,480	-	25,549	39,029
Support costs apportioned (Note 14)	15,014	-	-	15,014
	<u>28,494</u>	<u>-</u>	<u>25,549</u>	<u>54,043</u>
<u>Support and information</u>				
CONI Programme	25,915	-	86,381	112,296
Direct costs	323,054	10,740	232,529	566,323
Support costs apportioned (Note 14)	284,990	-	-	284,990
	<u>633,959</u>	<u>10,740</u>	<u>318,910</u>	<u>963,609</u>
<u>Monitors and Sundry Equipment</u>				
Purchase of equipment	(33,150)	-	13,804	(19,346)

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

13. Charitable expenditure (continued)	General Funds	Designated Funds	Restricted Funds	Total 2022
	£	£	£	£
<u>Scientific Research</u>				
Grants payable:				
University of Plymouth BabyCheck EASIER Study	-	-	81,345	81,345
Great Ormond Street Hospital Microbiome Project (i)	-	-	(14,586)	(14,586)
Direct costs	20,098	-	18,746	38,844
Support costs apportioned (Note 14)	6,767	627	-	7,394
	<u>26,865</u>	<u>627</u>	<u>85,505</u>	<u>112,997</u>
 <u>Support and information</u>				
CONI Programme	17,507	-	73,402	90,909
Direct costs	190,252	130,000	185,444	505,696
Support costs apportioned (Note 14)	217,533	20,156	-	237,689
	<u>425,292</u>	<u>150,156</u>	<u>258,846</u>	<u>834,294</u>
 <u>Monitors and Sundry Equipment</u>				
Purchase of equipment	<u>39,150</u>	<u>-</u>	<u>21,409</u>	<u>60,559</u>

(i) An amount of £14,586 was written back in 2022 for the project titled ‘Investigating the microbiome of sudden unexpected deaths infancy and childhood’ 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 £16,733 (2022: £904).

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

14. Apportioned Costs

Support costs apportioned	Management & Staff Costs (i) £	Facilities & Depreciation (i) £	Fundraising Costs (ii) £	Governance Costs (i) £	Total 2023 £
Costs of raising funds:					
Individuals	15,421	5,508	89,167	-	110,096
Community and events	21,949	7,841	126,917	-	156,707
Trusts	13,732	4,905	79,404	-	98,041
Companies	2,026	724	11,715	-	14,465
	53,128	18,978	307,203	-	379,309
Scientific Research	6,303	2,252	-	6,459	15,014
Support and information	119,653	42,740	-	122,597	284,990
	179,084	63,970	307,203	129,056	679,313

Support costs apportioned	Management & Staff Costs (i) £	Facilities & Depreciation (i) £	Fundraising Costs (ii) £	Governance Costs (i) £	Total 2022 £
Costs of raising funds:					
Individuals	12,927	6,529	63,457	-	82,913
Community and events	15,909	8,036	78,101	-	102,046
Trusts	7,259	3,666	35,633	-	46,558
Companies	1,094	552	5,369	-	7,015
Special events	497	251	2,441	-	3,189
	37,686	19,034	185,001	-	241,721
Scientific Research	3,381	1,708	-	2,305	7,394
Support and information	108,682	54,894	-	74,113	237,689
	149,749	75,636	185,001	76,418	486,804

(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 2023

15. Net Movement of Funds	2023	2022
	£	£
Net Movement of Funds is stated after charging:		
Auditor's remuneration current year	13,000	13,835
Non audit services	995	945
Operating leases	31,272	31,235
Depreciation	7,054	7,076
Amortisation	214	1,719

16. Staff Costs and Trustees' Remuneration	2023	2022
	£	£
Staff costs arising during the year amounted to:		
Wages and salaries	756,184	639,882
Social security costs	68,150	57,896
Pension costs	77,438	67,770
Other staff benefits	6,194	7,256
	907,966	772,804

	Number	Number
The average monthly number of persons employed during the year was as follows:	27	25

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

Employers pension contribution in respect of higher paid employees in 2023 totalled £9,353 (2022: £7,452). Trustees receive no remuneration or benefits. During the year £437 was reimbursed to 2 trustees for travel expenses (2022: £133 to 2 trustees).

Key management personnel received remuneration including NI and pension contributions totalling £91,397 (2022: £77,714).

17. Related Party Transactions

As at 30 June 2023, Trustees' and key management personnel donations amounted to £1,144 (2022: £1,099).

Jennifer Ward administered the estate of an individual who named The Lullaby Trust as sole beneficiary in their will. The charity received a legacy of £5,644 in the prior year. This is included in donations and legacies income from individuals (note 6).

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

17. Related Party Transactions (continued)

In the prior year The Lullaby Trust received pro bono artwork from William Murray Hamm Ltd, of which Christopher Cleaver was a director. A total of £8,000 is included in donations from companies (note 6).

In the prior year The Lullaby Trust provided training to Home-Start UK, of which Peter Thomas was Chief Operating Officer. A total of £1,650 is included in other charitable activities income (note 9).

Transactions between The Lullaby Trust Sales Ltd and the parent charity are detailed in note 11.

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

18. Tangible Fixed Assets

<i>Group and Charity</i>	Office Equipment £	Fixtures & Fittings £	Total £
Cost			
At 1st July 2022	35,977	204	36,181
Additions	9,457	-	9,457
Disposals	(11,420)	(181)	(11,601)
At 30th June 2023	34,014	23	34,037
Depreciation			
At 1st July 2022	25,198	204	25,402
Disposals	(11,357)	(181)	(11,538)
Charge for year	7,054	-	7,054
At 30th June 2023	20,895	23	20,918
Net Book Value			
At 30th June 2023	13,119	-	13,119
At 30th June 2022	10,779	-	10,779

All assets are used for charitable purposes.

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

19. Intangible Assets

Group and Charity	Website	Software	Total
	Developments	Licences	
	£	£	£
Cost			
At 1st July 2022	68,543	39,572	108,115
Additions	1,444	-	1,444
Disposals	-	(33,899)	(33,899)
At 30th June 2023	69,987	5,673	75,660
Amortisation			
At 1st July 2022	68,543	39,572	108,115
Additions	-	(33,899)	(33,899)
Disposals	214	-	214
At 30th June 2023	68,757	5,673	74,430
Net Book Value			
At 30th June 2023	1,230	-	1,230
At 30th June 2022	-	-	-

All assets are used for charitable purposes.

20. Investments

Group and Charity

	£
Fair value at 1st July 2022	-
Additions	719,381
Disposal proceeds	-
Fair value at 30th June 2023	719,381

Charity shares in group undertaking

Cost

At 30th June 2023	10,000
At 30th June 2022	10,000

The Lullaby Trust Limited owns 100% of the issued share capital of The Lullaby Trust Sales Limited

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

21. Debtors due within one year	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
Amounts owed by group undertaking	-	-	124,518	89,673
Trade debtors	37,666	62,748	27,996	26,522
Other debtors	6,350	11,540	6,350	11,540
Prepayments and accrued income	80,006	90,996	76,281	70,799
	<u>124,022</u>	<u>165,284</u>	<u>235,145</u>	<u>198,534</u>

All Debtors are financial instruments measured at present value except prepayments of £38,677 (2022: £59,475).

22. Creditors: Amounts falling due within one year

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	11,565	19,808	10,097	18,381
Amounts owed to group undertakings	-	-	26,645	20,114
Taxation and social security	24,000	59,144	16,060	52,956
Accruals	114,503	91,932	113,501	86,746
	<u>150,068</u>	<u>170,884</u>	<u>166,303</u>	<u>178,197</u>

All Creditors are financial instruments measured at present value except the social security creditor, £16,060 (2022: £17,556).
Accruals include £nil in respect of pension commitments.

23. Creditors: Amounts falling due after more than one year

	Group	Group	Charity	Charity
	2023	2022	2023	2022
	£	£	£	£
Grants payable - research grants	<u>-</u>	<u>34,096</u>	<u>-</u>	<u>34,096</u>

All Creditors are financial instruments measured at present value.

24. Operating Leases

At 30th June 2023 there were total commitments in respect of operating leases for office equipment, land and buildings as follows:

	Buildings	Total	Buildings	Total
	2023	2023	2022	2022
	£	£	£	£
Lease payments due within 1 year	<u>4,003</u>	<u>4,003</u>	<u>9,680</u>	<u>9,680</u>
Total commitments	<u>4,003</u>	<u>4,003</u>	<u>9,680</u>	<u>9,680</u>

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

25. Analysis of Group Net Assets between Funds

	General Funds	Designated Funds	Restricted Funds	Total Funds
	2023	2023	2023	2023
	£	£	£	£
Fixed assets	14,349	-	-	14,349
Investments	719,381	-	-	719,381
Net current assets	235,766	172,583	307,085	715,434
	969,496	172,583	307,085	1,449,164

	General Funds	Designated Funds	Restricted Funds	Total Funds
	2022	2022	2022	2022
	£	£	£	£
Fixed assets	10,779	-	-	10,779
Net current assets	856,597	202,228	450,038	1,508,863
Creditors: amounts falling due after more than one year	(34,096)	-	-	(34,096)
	833,280	202,228	450,038	1,485,546

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

26. Statement of Funds

	At 30th June 2022	Income and Gains	Expendi- ture and Losses	Fund Transfers	At 30th June 2023
	£	£	£	£	£
Restricted Funds:					
Antenatal Safer Sleep	249,136	-	(163,187)	-	85,949
Baby Check	105,125	-	(25,810)	-	79,315
Bereavement Services	-	1,652	-	-	1,652
Helpline	-	10,000	(8,000)	-	2,000
Family Days	800	24,863	(22,403)	-	3,260
Little Lullaby	696	71,063	(38,206)	-	33,553
Safer Sleep Activities	35,278	26,497	(30,732)	-	31,043
Kit Tarka Activities	-	18,000	(6,006)	-	11,994
Delilah's Fund	-	3,641	(2,411)	-	1,230
Scientific Research Projects	32,429	2,649	-	-	35,078
Hearing Research	5,499	-	-	-	5,499
CONI	21,075	56,945	(61,508)	-	16,512
Total Restricted Funds	450,038	215,310	(358,263)	-	307,085
Unrestricted Designated Funds:					
Strategic Delivery Fund	200,000	-	(29,645)	-	170,355
Strategy and Systems	2,228	-	-	-	2,228
Total Designated Funds	202,228	-	(29,645)	-	172,583
Unrestricted General Funds:					
The Lullaby Trust	833,280	1,059,716	(1,048,018)	124,518	969,496
The Lullaby Trust Sales Ltd	-	193,921	(69,403)	(124,518)	-
Total General Funds	833,280	1,253,637	(1,117,421)	-	969,496
Total Unrestricted Funds	1,035,508	1,253,637	(1,147,066)	-	1,142,079
Total Funds	1,485,546	1,468,947	(1,505,329)	-	1,449,164

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2023

23. Statement of Funds (continued)

	At 30th June 2021	Income and Gains	Expendi- ture and Losses	Fund Transfers	At 30th June 2022
	£	£	£	£	£
Restricted Funds:					
Antenatal Safer Sleep	-	297,475	(48,339)	-	249,136
Baby Check	-	202,525	(97,400)	-	105,125
Bereavement Services	21,827	10,517	(32,344)	-	-
Helpline	13,463	5,000	(18,463)	-	-
Family Days	8,537	1,000	(8,737)	-	800
Little Lullaby (Other)	-	25,000	(24,304)	-	696
Safer Sleep Activities	30,027	73,572	(68,321)	-	35,278
Scientific Research Projects	17,371	1,960	13,098	-	32,429
Hearing Research	7,899	-	(2,400)	-	5,499
CONI	16,397	83,228	(78,550)	-	21,075
Total Restricted Funds	115,521	700,277	(365,760)	-	450,038
Unrestricted Designated Funds:					
Safer Sleep Activities	100,000	-	(100,000)	-	-
Little Lullaby	30,000	-	(30,000)	-	-
Strategic Delivery Fund	-	-	-	200,000	200,000
Strategy and Systems	30,000	-	(27,772)	-	2,228
Total Designated Funds	160,000	-	(157,772)	200,000	202,228
Unrestricted General Funds:					
The Lullaby Trust	799,091	968,200	(823,684)	(110,327)	833,280
The Lullaby Trust Sales Ltd	-	133,421	(43,748)	(89,673)	-
Total General Funds	799,091	1,101,621	(867,432)	(200,000)	833,280
Total Unrestricted Funds	959,091	1,101,621	(1,025,204)	-	1,035,508
Total Funds	1,074,612	1,801,898	(1,390,964)	-	1,485,546

The Lullaby Trust Limited

Notes to the Financial Statements for the year ended 30 June 2022

26. Statement of Funds (continued)

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

Restricted Funds

Antenatal Safer Sleep - A two-year grant awarded in October 2021 from an anonymous trust to widen the reach of our safer sleep information and advice targeting expectant families in the antenatal stage

Baby Check - A two-year grant awarded in October 2021 from an anonymous trust for further research to validate and make technical improvements to the BabyCheck app, which guides parents through symptom checks if a baby is showing signs of illness and indicates whether the baby needs to see a doctor or health professional

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

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

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

Little Lullaby - Grant funding for our work with young parents. Our online support community helps young parents to feel better informed, more confident and less isolated through pregnancy, birth and parenthood

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

Kit Tarka Activities - A grant from the Kit Tarka Foundation to take forward its work in infection prevention for babies

Delilah's Fund - An in memory fund, raising money for our helpline, CONI and research

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

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

Designated Funds

Strategic Delivery Fund - to invest in short- to medium-term transformational projects aligned with our 4-year strategy, aiming to transform service delivery, deliver research priorities and invest in business effectiveness and income generation

Strategy and Systems - for the development of a new organisational strategy and investment in our finance systems to better support our hybrid working model. Remaining funds are for the completion of our finance system integration

The Lullaby Trust Limited

www.lullabytrust.org.uk

Registered charity number: 262191

Company registration number: 01000824

