

Charity Registration No. 1002973

Company Registration No. 2609219 (England and Wales)

Bliss – The National Charity for the Newborn
(A Company Limited by Guarantee and having no Share Capital)
Trustees' Report and Accounts
For the Year Ended 31 March 2018

Bliss – The National Charity for the Newborn
(A Company Limited by Guarantee)

Legal and Administrative Information

Company Number	2609219 (England and Wales)
Charity Number	1002973 (England and Wales) SC040878 (Scotland)
Legal Status	The organisation is a charitable company limited by guarantee and as such is governed by its Memorandum and Articles of Association.
Board of Trustees	Sarah Mullen (Chair) Verity Baldry (Vice Chair) Jason Parker (Treasurer) Martyn Boyd John Calder Alan Edwards Caroline Farrar Elizabeth Gray Helen Manley Amy Overend Philippa Sanderson Mala Shah-Coulon Sarah Woolnough
Chief Executive	Caroline Lee-Davey
Company Secretary	Leslie Dittrich
Registered Office	4 th Floor, Maya House 134-138 Borough High St London SE1 1LB
Auditors	Sayer Vincent LLP Invicta House 108-114 Golden Lane London EC1Y 0TL
Bankers	Lloyds Bank PLC 3 St George's Road London SW19 4DR
Solicitors	K&L Gates LLP 110 Cannon Street London EC4N 6AR

Bliss – The National Charity for the Newborn
(A Company Limited by Guarantee)

Contents

	Page
Trustees' Report	1 - 17
Statement of Trustees' Responsibilities	18
Independent Auditor's Report	19 - 22
Group Consolidated Statement of Financial Activities	23
Balance Sheet	24
Statement of Cash Flows	25
Notes to the Accounts	26 - 38

Trustees' Report for the Year Ended 31 March 2018

Introduction from the Chair and Chief Executive

We are pleased to introduce this report detailing our progress in the second year of our three-year strategy. This year we have built on the strong foundations laid in the first year of this strategy period, enabling us to significantly increase the delivery of our work across our four core priorities, all of which are underpinned by our overriding ambition to reach every single baby born premature or sick across the UK, and their family, with our work by the end of the strategy period.

There are now over 100,000 babies born each year needing neonatal care; a population that continues to grow each year. We know that the care they receive in their first few hours, days and weeks of life, and the time they spend on a neonatal unit, is vital to determining their chances of survival as well as their long-term development. We are tremendously proud that the Bliss Baby Charter, our flagship programme to deliver improved family-centred care in neonatal units, has this year been recognised as a core quality improvement framework in both the British Association of Perinatal Medicine's Quality Standards and in the NHS England Quality Surveillance Team set of Neonatal Critical Care Quality Indicators, a testament to how embedded this programme is at national level, in addition to the increasing number of units delivering it on the ground.

We have gratefully benefited this year from the first year of funding from a three-year Libor grant, to support the development of our volunteer-delivered emotional support for parents of babies in neonatal care. This has enabled us to develop an online training platform to complement our face-to-face training for volunteers, ensuring we can offer ongoing learning, development and support for those delivering frontline support to parents. We have also reached more parents than ever with our information, and have worked hard to increase our digital provision of information to reflect the way parents are increasingly accessing support.

At a national level we have completed the full UK set of Baby Reports with the publication of the Baby Report Northern Ireland, in partnership with the charity TinyLife. Our policy and campaigning work on core issues that will make a difference to babies and families has also continued across all four nations, with particularly positive progress in Scotland with the development of a Neonatal Expenses Fund to support parents to be with their babies as much as possible. We have also continued our partnership work with other baby charities on improving bereavement care and reducing infant mortality, where our combined efforts have allowed us to make significant progress during the year in influencing decision-makers at the highest levels of government.

Bliss has this year published our own framework for research funding, informed by the views of parents and health professionals, and closely focused on research relating to specific aspects of family-centred and developmental care. As this programme develops, we aim to use the findings of the research that we fund to inform other aspects of our work, facilitating a real complementarity across our programmes.

While we continue to work in a challenging fundraising and financial environment - within which our Libor grant and the spend-down of a designated fund have made a real difference - we continue to be truly humbled by the extraordinary generosity and enthusiasm of our supporters. This year we have again been amazed by the efforts of our supporters, both individuals and organisations, to raise funds to enable us to continue our work. As ever, none of what Bliss does could be achieved without the generous time, funds and dedication we receive from parents, professionals, volunteers and supporters across the country, and we would like to thank them all for their invaluable support.

Caroline Lee-Davey
Chief Executive

Sarah Mullen
Chair of Trustees

The Directors of the Charity (who are the Trustees of the Charity for charity law purposes) present their report and the audited financial statements for the year ended 31 March 2018.

The Trustees confirm that the annual report and financial statements have been prepared in accordance with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the *Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102*.

Structure, governance and management

Charity Governance Code

Bliss' Board of Trustees welcomed the launch of the Charity Governance Code in July 2017, having contributed to the consultation on its development earlier that year, and discussed the Code in full at their annual away day held in November 2017. Following a thorough review of the Code's seven principles, Trustees agreed that the Code's principles and recommended practice were in line with Bliss' existing governance framework, policies and requirements, as well as with the spirit of Trustees' engagement in their roles on the Board. Trustees therefore agreed that their aim is to apply the Code in full, and will continue to undertake an annual review against the Code's principles in order to ensure that they are doing so. One area identified for further development will be to apply even more closely the Code's recommended practice around diversity for the next round of Trustee recruitment, due in 2019.

Governing document

Bliss - the National Charity for the Newborn is a company limited by guarantee, incorporated on 9th May 1991 and governed by its Memorandum and Articles of Association, last updated on 26th January 2011. It is also registered as a charity with the Charity Commission.

Members of the charity are limited to the serving members of the Board of Trustees at any given time, who are limited to a guarantee of £1 each in the event of the charity being wound up.

Appointment of Trustees

As set out in the Articles of Association, the Chair of the Board of Trustees is elected by the members of the Board. When Trustee vacancies arise on the Board these are openly advertised, and the appointment of new Trustees is made following an application process including interview by members of the Nominations Committee, and approved by the whole Board. When considering appointments, the Board will make reference to the skills held by existing members and will look to fill any skills gaps identified.

Trustee induction, training and evaluation

New Trustees have a comprehensive induction coordinated by senior staff and fellow Trustees; this includes time spent with staff to find out about the work of the Charity, a visit to a neonatal unit, and ongoing mentoring by an experienced Trustee. All Trustees receive ongoing training as required, as well as regular opportunities to engage with the Charity's beneficiaries, stakeholders and supporters.

Trustees have an annual review conducted by the Chair, and access external input for overall Board evaluation at least once every three years. In addition, the Vice-Chair undertakes an annual review of the Chair, incorporating input from all Trustees and the Senior Management Team.

**Bliss – The National Charity for the Newborn
(A Company Limited by Guarantee)**

Trustees' Report for the Year Ended 31 March 2018

Organisation

The voluntary Board of Trustees is responsible for the overall governance and direction of the charity. The Senior Management Team (SMT) meets regularly and reports to the Board through the Chief Executive.

The Board currently has 13 Trustees, including a Chair, Vice Chair, and Treasurer. The Board meets five times a year, with a Finance and Fundraising Committee and a Risk and Evaluation Committee providing further support. Trustees are all members of the Board and one subcommittee. The SMT and Chief Executive attend meetings of the Board and its subcommittees. Bliss Scotland and Bliss Sales Ltd have separate Boards, their Trustees or Directors also being Trustees of Bliss. Trustee attendance at Board meetings was 85 per cent this year (2017: 87 per cent).

All Trustees are on fixed terms of office of four years and can serve up to two terms. The following served as Trustees during the period 1 April 2017 to 31 March 2018:

Sarah Mullen (Chair)
Verity Baldry (Vice Chair)
Martyn Boyd
John Calder (appointed 4 October 2017)
Alan Edwards
Caroline Farrar
Elizabeth Gray
Dr Jane Hawdon (resigned 4 October 2017)
Andrew Hobbs (resigned 4 October 2017)
Helen Manley
Amy Overend (appointed 4 October 2017)
Jason Parker (Treasurer)
Philippa Sanderson
Mala Shah-Coulon (appointed 4 October 2017)
Joanne Stewart (resigned 19 July 2017)
Sarah Woolnough

Related parties and co-operation with other organisations

None of the Trustees has any beneficial interest in the company beyond their individual liability of £1. There are no Trustees' interests to be disclosed.

Bliss has a wholly owned subsidiary, Bliss Sales Limited, the principal activity of which is trading operations that enhance the aims and objectives of Bliss, with available profits gift aided back to Bliss.

The Bliss group of charities also contains Bliss Scotland (Charity) Limited, which is a company limited by guarantee in Scotland and a registered charity in Scotland, the principal activity of which is to carry out Bliss' aims and activities in Scotland,

See notes 1.5 and 13 to the accounts for further information.

Risk management

The Trustees review the major risks facing the Charity on a regular basis, monitoring reserves and reviewing key financial systems to ensure sufficient resources are available to meet our obligations in the event of adverse

conditions. The Trustees have also examined other operational and business risks faced by the Charity and confirm that they have established systems to manage the significant ones. The systems of control include:

- Periodic review of progress against our three-year strategy
- An annual operational plan and budget approved by Trustees
- Monthly and quarterly reviews of financial results, for both income and expenditure, against budgets; as well as quarterly reviews of activity against plans - by managers, SMT and Trustees
- Review of a risk register on a quarterly basis by Trustees and regularly by SMT
- Delegated authorities to spend within defined limits
- Legal, HR and finance input from expert advisers.

The Trustees ensure that the management of risk and evaluation of outcomes are ongoing and embedded in management and operational procedures.

Key risks to the Charity include:

- In the context of broader NHS financial and staffing constraints, ensuring Bliss services continue to be promoted and available in neonatal services across the UK
- Ensuring Bliss volunteers are fully trained and supported
- The impact of adverse external factors on fundraising potential over the medium term, impacting on the Charity's sustainability and growth
- The impact of staff turnover, given our size, on continuity of programme management and knowledge of our internal systems and processes.

We continue to regularly evaluate the impact and effectiveness of our work through a formal process of measurement and evaluation led by SMT and managers. Detailed project evaluations are undertaken and reviewed by Trustees at meetings of the Risk and Evaluation Committee.

Public benefit

Section 17 of the Charities Act 2011 contains a legal requirement that all charities' aims are for public benefit. The Charity Commission in its "Charities and Public Benefit" guidance states that there are two key principles to be met in order to show that an organisation's aims are for public benefit:

1. There must be an identifiable benefit
2. Benefit must be to the public or a section of the public.

Regular evaluation of Bliss' work demonstrates the clear and positive benefit that we have on tens of thousands of babies, their families and the healthcare professionals who care for them. This is particularly through: the provision of free information and support to families of babies in neonatal care, which enables and empowers them to play a full role in their baby's hands-on care, which has proven health and developmental benefits for babies; the provision of training for neonatal professionals and support for audit and improvement of practice in neonatal units; highlighting the challenges for neonatal care and solutions to address these through our policy and campaigning work; and supporting public and patient involvement in research to maximise its patient benefit.

About Bliss

Bliss was founded in 1979 by a group of concerned parents who discovered that no hospital had all the equipment nor the trained staff it needed to safely care for premature and sick babies. Determined to do something, these volunteers formed a charity to give vulnerable babies the care they deserve. Almost 40 years later Bliss has grown into the UK's leading charity for babies born premature or sick.

Our vision:

That every baby born premature or sick in the UK has the best chance of survival and quality of life.

Our mission:

Bliss champions the right for every baby born premature or sick to receive the best care. We achieve this by empowering families, influencing policy and practice, and enabling life-changing research.

Our values:

Trusted

We are entrusted to give voice to all babies born premature or sick. We believe that trust is earned and our actions must always be based on what is best for babies.

Supportive

We believe that developing supportive relationships is at the heart of what we do, and only by supporting others are we able to achieve our goals.

Ambitious

We always go the extra mile to deliver excellence and seek improvement in all we do.

Our strategy

This year covers the second year in our current three-year strategy period, from 2016 to our 40th anniversary year in 2019. Over this period our ambition is simple: for every single baby born needing neonatal care, and every single one of their families, to be able to benefit from our work.

All of our programmes of work are focused on improving outcomes for babies, however long they live and however long their stay in neonatal care. In order to maximise our impact and to reach every baby born premature or sick, throughout the strategy period we are focusing particularly on delivering our core services consistently across the UK, as well as prioritising campaign and research activity that can tangibly improve the lives of babies born premature or sick.

Our four strategic objectives for the period 2016-2019 are:

- We will support parents of babies born premature or sick to be as involved as possible in care and decision-making for their babies
- We will support neonatal professionals to deliver high quality baby-centred care and to involve parents actively in their babies' care
- We will place premature and sick babies' voices at the heart of decision-making to ensure that their best interests are always put first
- We will support research that can tangibly improve outcomes for babies born premature or sick.

Review of 2017/18 activities

1. We will support parents of babies born premature or sick to be as involved as possible in care and decision-making for their babies

- We will reach parents with the right information as early as possible in their baby's neonatal journey
- We will offer parents access to emotional support.

At the heart of our work to support parents of babies in neonatal care is our knowledge that their role in their babies' care is paramount: the evidence is clear that parental involvement in their babies' care has proven health and developmental benefits for babies, and can also improve bonding and emotional wellbeing for the whole family. Our dual programmes for parents – providing clear, evidence-based and accessible information, and providing volunteer-delivered emotional support – help them to gain the knowledge and skills they need to provide the best possible care for their babies, as well as build their confidence to play as hands-on a role in care as possible.

This year we have continued to develop our suite of NHS Information Standard-accredited information, in particular focusing on our core information, as well as on delivering information in a range of formats to be as accessible as possible. Our highlights this year have included:

- Developing and launching a comprehensive new package of information on weaning for premature babies; this comprised online written information, an animation, poster, and printed 'quick look' cards. This was very positively received and is now our most popular information online
- In-depth redevelopment of our core information aimed at parents first arriving in the unit, called *About Neonatal Care*, which is due to launch early in 2018-19
- Collaboration with our partner charity Tamba (the Twins and Multiple Birth Association) to update our joint resource for parents of multiples in neonatal care, as well as contributing to a number of other external resources
- Development of a new website – to be launched early in 2018-19 – with additional functionality and improved navigation that will make our online resources for parents even easier to find and access. This has also included the development of a new online shop which will make a huge difference to our users and how easily they can order Bliss information.

We continue to embed evaluation of our information into our work, and the initial evaluation of our weaning information showed that:

- 96% of respondents said the information was either very helpful or helpful
- 91% of respondents felt confident, less alone, more informed, and/or empowered after reading the information.

"I didn't know where to start with weaning my prem baby. I now feel more informed and ready to look for signs that my baby may be ready."

"There are so many sources of info on weaning but very few that focus on premature babies and their needs. Especially from a trusted source. This info is comprehensive and reassuring"

Our volunteer Bliss Champions provide face-to-face emotional support to any parent who needs it in the neonatal units in which they operate across England and Wales. This year we have continued to build on the

development of our Learning Programme for volunteers undertaken last year, to ensure that Bliss Champions are as equipped as possible to provide person-centred and empathic emotional support to parents with a baby on the neonatal unit. The highlights of our work in this area have included:

- The development and launch of a new Virtual Learning Environment, the Bliss Learning Hub - this is an online space for applicants and existing volunteers to learn in a flexible and easily accessible way through videos, reading and quizzes, complementing our two-day face-to-face Learning Programme and enabling us to offer ongoing learning and development
- The development of a new Bereavement Masterclass for existing volunteers, with four held during the year
- 100% of Learning Programme attendees gave 4 out of 4 when asked "how useful was this workshop to you?" and "how would you rate this workshop overall?".

Our latest evaluation of Bliss' volunteer support for parents in units showed that:

- 83% of respondents were satisfied or very satisfied with the support and/or information provided by the Bliss Champions on their neonatal unit
- Nearly three quarters (72%) of respondents said they would recommend talking to a Bliss Champion to someone in a similar situation
- 60% of respondents said that speaking to a Bliss Champion reduced their feelings of isolation.

"I often worried about whether I was doing a good enough job as I felt a sense of guilt that my baby was born early. She made me feel so much more relaxed. Taking 5 minutes to talk to me and my partner really helped".

"Put me at ease when I felt my world was falling apart".

We have this year continued to deepen our partnership work with other baby charities, both to raise awareness of baby loss and to ensure that all parents who lose a baby are able to access comprehensive bereavement support. This partnership work has included:

- Joint delivery of Baby Loss Awareness Week in October 2017, including a parliamentary reception and memorial service in the Chapel of St Mary Undercroft in the Houses of Parliament, as well as far-reaching social media activity including the online Wave of Light
- Support of the All-Party Parliamentary Group on Baby Loss, led by our partners at the Lullaby Trust, to raise awareness of issues around baby loss and infant mortality in parliament
- The launch, in October 2017, of the first 11 hospital trusts piloting the National Bereavement Care Pathway for Pregnancy and Baby Loss, on which we are a core partner.

2017/18 in numbers

- Over 279,000 visits to our online information pages – an increase of just over 50 per cent compared to the previous year – as well as over 94,000 hard copy information resources distributed
- There were over 10,000 views of our weaning animation video in the first 24 hours after its launch
- 391,789 unique website users over the course of the year, almost 23 per cent more than the previous year
- Facebook engagement of over 605,000, and Twitter engagement of over 53,000, with more than 104,000 linking through to our website from our social media channels combined
- We delivered ten Volunteer Learning Programme workshops during the year, with 75 attendees in total
- At the end of the year we had 44 Bliss Champions offering support across 39 neonatal units.

Plans for 2018/19

Next year our work will focus on:

- Increasing the number of volunteers providing emotional support to parents, and the number of neonatal units in which we have volunteers
- Undertaking a full review of our non-face-to-face emotional support (telephone, email and online channels) to ensure we are providing this support when and where parents need us the most
- Launching a new and more accessible website
- Delivering more high quality information including the development of more multi-channel content, including the development of our first podcasts
- Continuing our partnership work on reducing infant mortality and improving bereavement support, including joint work on Baby Loss Awareness Week 2018 and the launch of the second wave of pilot hospital trusts delivering the National Bereavement Care Pathway.

2. We will support neonatal professionals to deliver high quality baby-centred care and to involve parents actively in their babies' care

- *We will work with neonatal units through Bliss Baby Charter audit and accreditation to improve standards of care*
- *We will deliver developmental care training courses*
- *We will build a Bliss Professionals Network to promote good practice, provide regular updates, and foster a peer community.*

This year we have made significant progress with the Bliss Baby Charter, our flagship audit and accreditation programme through which we work with neonatal units to improve their care and ensure that parents are at the heart of their baby's care. In particular, we are incredibly proud of the national recognition given to the Bliss Baby Charter this year, which has been cited in two different quality frameworks:

- The British Association of Perinatal Medicine's Neonatal Service Quality Indicators (Standards relating to structures and processes supporting quality and patient safety in neonatal services) states that *"It is recommended that units undertake accreditation with the Bliss Baby Charter"*
- The NHS England Quality Surveillance Team set of Neonatal Critical Care Quality Indicators states that every neonatal unit in England *"should undertake an audit of family centred care using the Bliss Baby Charter Audit Tool, develop a plan and implement actions for improvement"*.

Our own activity supporting neonatal units to improve family-centred care through using the Bliss Baby Charter framework has also increased; and over the last year we have supported 161 neonatal units with the Baby Charter. Other highlights have included:

- Delivery of four workshops to over 111 health professionals actively using the Baby Charter, to identify common challenges and solutions and to share examples of good practice; as well as a number of regional mini-workshops to support units on an individual basis
- Delivery of the Bliss Baby Charter Conference, with 141 delegates from across the UK attending
- Accrediting the third neonatal unit to receive full Bliss Baby Charter accreditation – the Frimley Park Hospital in Surrey.

Comments from attendees at some of our Baby Charter workshops included:

"Excellent day – very informative to see what other units are doing and best practice"

"Brilliant workshop – above expectations"

Alongside our Baby Charter activity we have also continued our programme of developmental care training through the Family Infant Neurodevelopmental Education (FINE) programme. This has included:

- Training 156 health professionals in FINE: 152 through level 1 (Foundation Toolkit) and a further four through level 2 (Practical Skills)
- Securing re-accreditation for the FINE training programme from the Royal College of Nursing
- Supporting delivery of a one-day FINE Masterclass.

Comments from attendees at FINE training included:

"I have been motivated to promote change and new developments onto our unit. I am looking forward to sharing my new knowledge with my colleagues, students and parents. Thank you!"

"Fabulous two days - should be compulsory for all who work within the NICU/SCBU!"

"Re-energises and refocuses you. Gives me ideas to inspire and promote. I have found parental involvement and feedback on this course invaluable. Their honesty has been refreshing and insightful."

In our evaluation of attendees who had attended FINE level 1 training, key highlights as a result of the course included:

- 93% of respondents said that their confidence in *Creating opportunities for closeness* had improved
- 91% of respondents said that their ability to *support infant wellbeing* had improved
- Over 84% said that their *job satisfaction* had improved and 95% said that their *confidence* had improved as a result of the course
- 86% of respondents said that their confidence to *engage with parents* and *communicate with parents* was better.
- 81% of healthcare professionals said their ability to *assess the infant's condition* was better.

"The FINE toolkit was amazing for me. Given I am very new to the work with neonates, my ratings are mostly due to my own confidence in practicing the skills learnt on the course. Without the course, I would be far behind on my skills on the unit, it has given me a structure and a narrative for communicating with the parents and the nurses. I just need to develop my own belief in my abilities to ensure the valuable lessons learned on FINE can be fully applied on the unit."

2017/18 in numbers

- 161 neonatal units actively participated in Bliss Baby Charter audit and action plans, with one unit awarded with Baby Charter accreditation
- We trained 156 health professionals through our FINE (Family and Infant Neurodevelopmental Education) programme
- We trained 379 health professionals through our study days and conferences.

Plans for 2018/19

Next year our work will focus on:

- Increasing the number of neonatal units going through the accreditation process for the Bliss Baby Charter, and actively supporting all of those undertaking the Charter to improve their care for babies
- Continuing our promotion and development of family-centred care excellence through an ongoing programme of FINE training.

3. *We will place premature and sick babies' voices at the heart of decision-making to ensure that their best interests are always put first*

- *We will focus our campaigns on ensuring that neonatal units and networks are resourced, staffed and supported effectively*
- *We will speak up on behalf of babies, and support parents to do the same.*

Undertaking policy and campaigning work to change the landscape of neonatal care for babies and their families, now and into the future, remains at the heart of our work as a charity. This year has been another very busy one in which we have made solid progress in raising the profile of neonatal issues across the UK and in delivering tangible change; highlights of this work have included:

- Our joint influencing with other baby charities after the 2017 general election was called led to commitments being included in both the Labour and Conservative manifestos to increase support for bereaved parents and to work towards the reduction of infant mortality.
- Joint influencing activities with other baby charity partners also led to a new commitment from the Secretary of State for Health to reduce rates of pre-term birth - from 8 per cent to 6 per cent by 2025 - as part of his national ambition to reduce rates of stillbirths, neonatal deaths, maternal deaths and babies born with severe brain injury.
- Having campaigned for its development, we helped to shape new ACAS guidance for employers whose staff have a premature or sick baby: we ensured the scope was expanded from the initial focus on mothers with premature babies only, to all parents with a baby in neonatal care; and we also facilitated parent feedback on the draft guidance.
- We have had extensive involvement in supporting the development of a Private Member's Bill on Parental Bereavement Leave and Pay; we have worked with the MP who tabled the Bill (Kevin Hollinrake MP), officials in the Department for Business, Energy and Industrial Strategy, and a number of MPs from all parties to influence and amend the Parental Bereavement (Pay and Leave) Bill as it passed through its legislative stages, and it should become law in 2018/19.
- The Welsh Assembly's Children, Young People and Education Committee conducted an inquiry into perinatal mental health, which Bliss fed into through a written submission and attendance at an oral evidence session. Not only did the Committee endorse the recommendations from our submission in their report, but the Welsh Government's response also accepted the Committee's key recommendations for neonatal care – to ensure units are meeting standards for psychological support and to publish the new neonatal standards as a matter of urgency.
- We launched the Bliss Baby Report for Northern Ireland in partnership with our partner charity TinyLife. The report was launched at Stormont with 26 MLAs in attendance, and secured extensive media coverage throughout the week of the launch.
- Bliss Scotland campaigning and influencing activity in 2017/18 was instrumental in the creation of the Neonatal Expenses Fund, launched on 1 April 2018; more detail on this activity can be found in the *Bliss Scotland Annual Report*.

2017/18 in numbers

- Over 1,200 campaigners actively participated in campaign e-actions.
- We produced a total of 17 consultation responses and policy submissions.

Plans for 2018/19

Next year our plans focus around delivering positive change in three priority areas:

- Action to address neonatal workforce shortages
- Improved delivery of family centred care
- Better support for parents: both to ensure parents can be actively involved in their baby's care; and also, working with partner charities, improving support for bereaved parents.

4. We will support research that can tangibly improve outcomes for babies born premature or sick

- *We will recruit and support parents to be actively involved in neonatal research projects*
- *We will contribute funding to specific research projects which are designed to deliver practical improvements in babies' care.*

Our 2017-2018 research activity has focused principally on two areas:

- Developing and launching our research funding strategy
- Providing non-financial support to research projects as resource allowed.

In order to develop our research funding strategy, we have been working collaboratively with an independent research panel - comprised of seven public members and six professional members - to identify gaps in neonatal research, evidence and practice, and using this to develop what Bliss' role should be within the wider research funding field. This resulted in the development of a detailed research funding strategy which identified three priority areas:

1. The most effective ways of judging whether a premature or sick baby is feeling pain
2. The impact of developmental care support on neurodevelopmental outcomes
3. Emotional and other practical support to improve attachment and bonding of premature or sick babies and their families.

This strategy was launched at an event hosted by the Wellcome Trust, and we were also delighted to be accepted as a member of the Association of Medical Research Charities (AMRC) in recognition of the robustness of our governance processes. Having launched our first research funding call using this new framework, we received 20 expression of interests to the grants scheme, invited 7 applicants to make a full application; and subsequently received 5 full applications. These will be going out for peer review in early 2018/19, and we will then be making our first funding award.

We have also continued to provide non-financial support to a range of research projects this year; this can include anything from providing a letter of support or recruiting parents to be involved in a study, through to being a co-applicant or joining a project steering group.

Comments from researchers we have worked with in 17/18 have included:

"I see Bliss as essential partners for any applied clinical research that my research group is involved in."

"Bliss has given us the opportunity to ask parents of infants with CLD [chronic lung disease] what primary outcome would be the most important to them (rather than the clinicians). This was a Facebook post, we received over 60 replies in under a week which gave us a really good insight into how parents felt about the work we were developing. This was amazing and we would really like to do this again if a similar situation arose."

"Having a Bliss representative present at trial design stage meetings helps ensure that proposals and processes are acceptable to women and families."

2017/18 in numbers

- We supported 48 research projects, of which 19 were co-applicant projects
- We are a co-applicant on 10 research projects which have received funding.

Plans for 2018/19

Next year our work will focus on:

- Awarding our first research grants following a thorough peer review process
- Delivering ongoing non-financial support for neonatal research projects.

Plans for the future

In 2018-19 we will continue to focus on our four key strategic objectives, in particular extending the reach of our services to both parents and health professionals in order to achieve maximum impact for as many babies born premature or sick as possible.

Across all four areas of our work, we will also seek to prioritise:

- Measuring and communicating our impact clearly and consistently
- Making best use of digital and technology to improve internal processes as well as our accessibility to our primary audiences
- Using all tools available to reach new audiences, in particular to ensure that we are reaching parents as early as possible in their neonatal journey.

To help fund the final year of this strategy, we will continue to develop our ability to raise funds from a variety of sources. The second year of our LIBOR grant gives us important investment into the growth of our volunteering programme, and we will seek to augment this with income from a variety of charitable trusts and foundations using updated impact statistics collect from our maturing programmes of work. To complement this revenue, we will continue to build relationships with new and existing corporate partners while investing in digital marketing and stewardship to increase income from our fantastic donors and fundraisers.

As 2018-19 is the final year of our current strategy, we have also undertaken a process of review and stakeholder consultation to inform the development of our next three-year strategy, which will cover the period 2019-2022. This will seek to build on the excellent progress made during our current strategy period, as well as respond to external developments to ensure we continue to deliver our charitable mission in the most effective way possible.

**Bliss – The National Charity for the Newborn
(A Company Limited by Guarantee)**

Trustees' Report for the Year Ended 31 March 2018

Alongside the development of our external-facing work, 2018-19 has also seen us move our London office headquarters as our existing lease came to an end, and also continue the development and improvement of our internal systems and processes, in particular those relating to data management and supporter engagement, in line with recent and upcoming changes to fundraising regulation and data legislation.

Thanks and acknowledgements

We would like to extend our thanks to the following organisations who have supported our work this year:

Abbvie Ltd	Lions Club of Braintree	The Boltini Trust
Adint Charitable Trust	M G Grimes Charitable Trust	The Brigadier & Mrs D V Phelps Charitable Trust
ADM Group	Mace	The Constance Paterson Charitable Trust
Angelcare Ltd	Manchester & Salford Medical Charities Fund	The Edgar E Lawley Foundation
Arthur David Food With Service Ltd	Marks & Spencer	The Elsie Lawrence Trust
Baby Led Food LTD	Marshall & Viggars Charitable Trust	The Eveson Charitable Trust
Barnack Confectionary Ltd	McGinley Group	The Fertility Partnership
Baron Davenport's Charity	Medela	The George Cadbury Trust
Baxter Healthcare Ltd	Mhor Sweets Ltd	The Gilbert & Eileen Edgar Foundation
BDW Trading	Mitsubishi Electric Europe B V	The Goldsmiths' Company Charity
Belvoir	Morgan McKinley	The Hugh Fraser Foundation
Benevity	Morrison Foerster	The Jane Tomlinson Appeal
BFBi	Mothercare Foundation	The Kiltwalk
Bradley Environmental Consultants Limited	Mothercare UK Limited	The Lawson Trust
BT Group Plc	MSL Group	The Light Fund
Buxted Construction Ltd	National Museums Scotland	The Linden Charitable Trust
Carless & Adams Partnership	Netdespatch Ltd	The Madeline Mabey Trust
Charitable Giving Control Account	Nike	The Martin Connell Charitable Trust
Charities Trust Control Account	Orbis Investment Advisory	The Maud Elkington Charitable Trust
Chiesi Ltd	Orbits It	The Oakdale Trust
CHK Charities Limited	Pegler Yorkshire	The Paul Bassham Charitable Trust
Christina Mary Hendrie Trust	Perkins & Will	The Pilkington Charities Fund
Compressor Services Limited Hayward	Plexus	The Robertson Trust
Dandia Charitable Trust	Print My Smile	The Ronald Cruickshanks Foundation
David M Lishman	Pryer Construction	The Ronald Miller Foundation
Deakin Charitable Trust	Q5 Partners	The Sir Jules Thorn Charitable Trust
Department of Health	Romo Fabrics	The Souter Charitable Trust
E F and M G Hall Charitable Trust	Royal Bank of Scotland	The Stafford Trust
East London Textiles	Royal Mail Carers Society Romford	The Stock Exchange Veterans Charity Association
Electus Recruitment Solutions	Sainsburys	The W E Dunn Trust
Eli Lilly & Co Ltd	Scotland Women In Technology (Swit)	The Weinstock Fund
Enterprise Rent-A-Car	ShareGift	The Worshipful Company Of Builders' Merchants
Equiniti Riskfactor	Solihull Barons	Thomas J Horne Memorial Trust
Ernest Kleinwort Charitable Trust	Solus Medical	Thomson Reuters
Frank Litchfield Charitable Trust	South East Builders and Decorators	TK Maxx Middlesbrough
Glasdon Group Ltd	South Hook Gas	Trend Machinery Ltd
Haus Marketing & Distribution Ltd	Starbucks	Trinity Events Solutions
Henhurst Charitable Trust	Steelcon	United Way Worldwide
HSBC Bank plc	Sweet Factory	Vestel UK
Hudson Charitable Trust	Taylor Wimpey	Vija Design (Kangaroo Care UK LTD)
ICAP Plc	TDK UK Limited	Vitabiotics
James Tudor Foundation	Tech-Ni-Fold Ltd	Wakefield Council
Kirton Charitable Trust	The Annie Tranmer Charitable Trust	Wellcome Trust
Lady Hind Trust	The Aylesford Family Charitable Trust	Xerox Ltd

A huge thanks to all of the amazing individuals and community groups who choose to support Bliss with donations or fundraising, without whom we would not be able to deliver our ambitious strategy of reaching every baby born premature or sick. Income from individual donations and community fundraising is key to our work, and it is only with the tireless efforts of these people that we are able to reach more families and strengthen our programmes. Our investment in digital developments and new ways to engage with our supporter base has led to more interactions and increased support, and we hope to build on this in the coming year to build even stronger relationships with our fantastic supporters.

We would also like to give a special mention to the hundreds of volunteers who strengthen our voice, deliver our services and improve our work. Harnessing the great knowledge and experiences of our volunteer champions, helpline volunteers, community ambassadors and involvement panels puts Bliss at the forefront of family centred neonatal care, giving even greater credibility to our projects. Alongside these volunteers, we also benefit from the diverse skills of our board of trustees, who have helped to guide and govern Bliss through the second year of our ambitious strategy.

We would like to offer our sincere thanks to the following organisations that have supported our work over the past year, as well as the many hundreds of families, doctors, nurses and other individuals who have made such a difference to our work:

British Association of Perinatal Medicine
Department of Health
March of Dimes
National Neonatal Audit Programme
National Perinatal Epidemiology Unit
Neonatal Data Analysis Unit
Neonatal Nurses Association
Netmums
NHS England
NIDCAP Training Centre
Partridges
Public Health England
Royal College of Midwives
Royal College of Nursing
Royal College of Obstetricians and Gynaecologists
Royal College of Paediatrics and Child Health
Sands
Scottish Neonatal Nurses Group
Smokefree Action Coalition
Tamba
The Helplines Partnership
The Lullaby Trust
TinyLife

Financial Review

2017/18 saw a steady increase in funding compared to 2016/17, as we stabilised our income levels; income increased by 14% to £2.437m (2017: £2.141m). Expenditure also increased slightly - by 5% - to £2.766m (2017: £2.627m), resulting in an overall deficit of £325k. £156k of this was planned spend-down of designated funds, as well as the spending down of £8k of restricted funds from a number of small grants. This left an unrestricted funds deficit of £165k, which equated to 7.5% of our unrestricted income, and was mainly the result of some community income expected late in the year being received in the following financial year.

During the year, Bliss was able to deliver the second year of its strategy in full. Our delivery of a core part of our work to support parents with a baby in neonatal care - training and supporting volunteers to provide face-to-face support on neonatal units - was significantly boosted by the receipt of the first year of a three-year restricted grant from the LIBOR fund held by HM Treasury, amounting to £152k in 2017/18. This substantial grant - together with the final year of a three-year restricted grant from the Robertson Trust in Scotland, and a number of other smaller grants from trusts and foundations - meant that our restricted income was £243k in total (2017: £64k). While this was a welcome and significant increase on the previous year, this is still far below what Bliss had received in a larger range of statutory grants in previous years (2016: £311k, 2015: £455k, 2014: £886k), and is a reflection that our income is now - and is likely to remain - much more heavily reliant on unrestricted and non-statutory fundraising.

Our unrestricted income saw a modest increase this year, with fundraising from trading activities, covering sporting events, community events and corporate trading activities, increasing to £1.270m (2017: £1.038m); although after a substantial legacy receipt in 2016/17 our overall income from donations and legacies decreased slightly to £919k (2017: £1.032m).

The combination of unrestricted and designated reserves fell to £465k (2017: £782k). Having built our reserves up considerably during 2014/15 and 2015/16, and now having spent these additional funds down, we are acutely aware of the need to re-balance our business model and to work towards a break-even or better financial position over the coming years. Given our current position, this may take more than a year, and the Trustees will be monitoring this closely in order to ensure our underlying going concern position remains sustainable.

Designated funds, set aside for investment in Bliss' infrastructure and to maintain its services and fundraising during a transition period of reduced statutory funding, were spent down £156k. After transfers between funds, £88k remained in our designated fixed assets fund.

This year, our fundraising ratio was 41.0p in every £1 raised (2017: 40.8p). This reflects our ongoing reliance on unrestricted income which costs more to raise, as well as additional fundraising investment to support fundraising in future years. Overall, Bliss' charitable spend was 63.9p in every £1 spent on charitable activities (2017: 66.8p).

Bliss Scotland (Charity)

Bliss Scotland offers a wide range of support and information to Scottish families and neonatal units. This year the cost of Bliss Scotland's charitable activities was £98k (2017: £114k), with total expenditure amounting to £102k (2017: £124k). This was financed through grant income of £33k (2017: £14k), £36k from trading activities (2017: £10k), and £30k from donations (2017: £87k). Donations includes £21k (2017: £72k) from Bliss to Bliss Scotland. As its parent company, Bliss continues to provide administrative, logistical and fundraising support to Bliss Scotland, which is fully charged.

Bliss Sales

Bliss Sales Limited is the trading arm of Bliss, selling goods, brand licensing and sponsorship opportunities to individuals and corporate entities. Bliss Sales Limited produced turnover of £142k (2017: £111k) and a profit on

ordinary activities before corporate gift aid of £131k (2017: £99k). £131k (2017: £87k) has been gifted to Bliss (Charity) through the corporate Gift Aid scheme.

Reserves policy and going concern

Reserves are needed to ensure that there remains enough liquidity to pay our staff and suppliers during times when cash flow fluctuates, to cover the value of our illiquid assets, as a set-aside to mitigate the financial risks we face such as unforeseen interruptions to our operations, as a set-aside to cover possible shortfalls in budgeted income, and to ensure that we can meet our planned spending commitments during the year ahead. Free reserves, being the sum total of unrestricted and designated reserves less the net book value of fixed assets, are at £377k (2017: £686k) - representing 8 weeks' (2017: 15 weeks) unrestricted expenditure.

The Trustees recognise that this is below the target level of between 13 and 21 weeks, and during 2018/19 we will re-balance our income and expenditure, including through the implementation of cost efficiencies, review of staff establishment against priority areas, and a sharpened focus on core activity. The Trustees are also particularly focused on effective cash flow management throughout the coming year. The Trustees however anticipate a deficit in the 2018/19 financial year which includes the impact of one-off costs relating to the London office move, so we will therefore only see our reserves improving in 2019/20 onwards. The Trustees recognise that it will take more than one financial year to fully replenish our reserves position back above the target minimum level, so this will be a focus for the next strategy period as well.

Considering the above, the Trustees have closely reviewed the going concern position at the date of signing this report and are comfortable: that Bliss remains a going concern for the next 12 months, from the date this report was signed; that there are no material uncertainties related to this; and that there is sufficient oversight and monitoring in place to manage this.

Investment powers and policy

The Trustees, having regard to the liquidity requirements of operating the charity, have generally kept available funds in cash with a small amount (£168k) invested in a collective investment scheme comprising of UK and overseas equities. This year a modest unrealised gain of £3k or 2% was achieved for the year.

Fundraising regulations

Bliss is registered with the Fundraising Regulator, and all fundraising activities are aligned with the Code of Fundraising Practice to ensure that they are legal, open, honest and respectful. The *Bliss Values* state that in all of our work we aim to be trusted, supportive and ambitious, and these values are enshrined in all fundraising activities and campaigns that the charity undertakes. To reinforce this commitment, Bliss has a number of policies and procedures that underpin its fundraising activities:

- The Bliss Supporter Promise
- Ethical Policy
- Privacy Policy
- Safeguarding Policy
- Complaints Policy
- Equality & Diversity Policy
- Whistleblowing Policy.

On occasion Bliss works with professional fundraisers or commercial participators to raise funds. When doing so, Bliss undertakes a thorough vetting and compliance process to ensure that all relationships and activities align with the relevant laws and regulations, and with the Bliss policies described above. Contracts and data sharing agreements are signed by all parties in line with current data protection legislation, and strict account management and monitoring processes are in place for all such relationships.

Any individual undertaking to fundraise on behalf of Bliss is given clear guidance on how to adhere to the Code

of Fundraising Practice, and fundraising activities carried out on behalf of Bliss by third parties are regularly reviewed through dedicated account management, regular communications with supporters and monitoring of social media activity.

Bliss takes all complaints into its fundraising activities very seriously. A clear process for submitting complaints is displayed on our website, and all complaints are centrally stored and reviewed regularly by the management team. A summary of all complaints received is also discussed and reviewed annually at the Risk & Evaluation Committee (a sub-committee of the Board). In the 2017-18 financial year, Bliss received 8 complaints in relation to its fundraising activities, all of which were responded to and resolved to the satisfaction of the complainants.

Many donors and supporters of Bliss have a strong personal connection to neonatal care that may have come from a difficult personal experience, and as such all employees and third-party fundraisers are trained in how to deal with potentially vulnerable supporters. The Bliss safeguarding policy outlines the steps needed to report any safeguarding concerns should they arise.

Pay policy for senior staff

The directors consider the Board of Directors, who are the charity's Trustees, and the senior management team, to comprise the key management personnel of the charity. They are charged with directing, controlling, running and operating the charity on a day to day basis.

The Trustees are not remunerated. The pay of the senior management team is benchmarked against the mid-point of pay of similar positions in charities of a similar size, is reviewed annually, and normally increases with reference to a combination of the rise in average earnings, the rate of inflation and affordability. This policy is in line with the pay policy applied to Bliss' staff, and for the Chief Executive is administered by the Nominations Committee of the Board (comprising the Chair, Vice-Chair and one other Trustee, and with input from the Treasurer).

Related parties

There are no related party transactions.

Disclosure of information to auditors

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

In accordance with section 485 of the Companies Act 2006, Sayer Vincent LLP were appointed as auditors of the company in 2017.

On behalf of the Board of Trustees.

Sarah Mullen

Sarah Mullen
Chair of Trustees

Date 21 January 2019

**Bliss – The National Charity for the Newborn
(A Company Limited by Guarantee)**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the directors of Bliss for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that year.

In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts 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 Charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

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.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2018 was 16 (2017: 14). The Trustees are members of the charitable company but this entitles them only to voting rights. The Trustees have no beneficial interest in the charitable company.

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Bliss – The National Charity for the Newborn (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2018 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2018 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 financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

INDEPENDENT AUDITOR'S REPORT

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, including the strategic 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 its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters 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 trustees 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

INDEPENDENT AUDITOR'S REPORT

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

INDEPENDENT AUDITOR'S REPORT

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

Use of 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.

Judith Miller (Senior statutory auditor)

Date: 30 January 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

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

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Group Consolidated Statement of Financial Activities, including Income and Expenditure Account
For the year ended 31 March 2018

	Notes	Unrestricted funds £	Designated funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Income						
Donations and legacies	2	918,676	-	-	918,676	1,032,180
Charitable activities	3					
Supporting parents of babies born premature or sick		-	-	218,300	218,300	64,421
Supporting neonatal professionals to deliver baby-centred care		55,155	-	25,000	80,155	30,770
Placing premature and sick babies' voices at the heart of decision making		-	-	-	-	-
Supporting research to improve outcomes for babies born premature or sick		8,717	-	-	8,717	-
Other trading activities	4	1,205,717	-	-	1,205,717	1,007,696
Investment income		5,874	-	-	5,874	5,886
Total income		2,194,139	-	243,300	2,437,439	2,140,953
Expenditure						
Costs of raising funds	6	918,743	80,714	-	999,457	873,440
Charitable activities	7					
Supporting parents of babies born premature or sick		549,991	33,241	226,100	809,332	830,596
Supporting neonatal professionals to deliver baby-centred care		524,934	42,000	25,000	591,934	572,028
Placing premature and sick babies' voices at the heart of decision making		274,386	-	-	274,386	291,287
Supporting research to improve outcomes for babies born premature or sick		91,289	-	-	91,289	60,087
Total expenditure		2,359,343	155,955	251,100	2,766,398	2,627,438
Net expenditure before transfers		(165,204)	(155,955)	(7,800)	(328,959)	(486,485)
Unrealised gains on investments	15	3,451	-	-	3,451	21,720
Transfers between funds		(68,112)	68,112	-	-	-
Net expenditure for the year and net movement in funds		(229,865)	(87,843)	(7,800)	(325,508)	(464,765)
Fund balances brought forward		606,691	175,876	7,800	790,367	1,255,132
Fund balances carried forward	18	376,826	88,033	-	464,859	790,367

The statement of financial activities includes all gains and losses recognised during the year. All income and expenditure derive from continuing activities.

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Balance Sheets
As at 31 March 2018

Company no. 02609219

		Group 2018 £	2017 £	Charity 2018 £	2017 £
	Notes				
Fixed Assets					
Tangible assets	12	88,033	96,459	88,033	96,459
Investments	13	-	-	1	1
		88,033	96,459	88,034	96,460
Current Assets					
Debtors	14	330,823	428,184	377,642	472,325
Current asset investment	15	168,352	164,901	168,352	164,901
Cash at bank and in hand		126,405	282,434	27,445	216,067
		625,580	875,519	573,439	853,293
Creditors; amounts falling due within one year	16	(248,754)	(181,611)	(237,568)	(162,797)
Net current assets		376,826	693,908	335,871	690,496
Total assets less current liabilities		464,859	790,367	423,905	786,956
Funds					
Restricted funds	18	-	7,800	-	4,500
Unrestricted funds					
Designated funds		88,033	175,876	88,033	175,876
General Funds		376,826	571,999	375,872	571,888
General Funds - fair value reserve		-	34,692	-	34,692
Total funds		464,859	790,367	463,905	786,956

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The accounts were approved by the Board of Trustees on:

Sarah Mullen

Trustee

Date: 21 January 2019

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Statement of Cash Flows
For the year ended 31 March 2018

	Notes	2018 £	2017 £
Cash used in operating activities	21	<u>(132,317)</u>	<u>(610,589)</u>
Cash flows from investment activities			
Dividends and interest income		5,874	5,886
Purchase of tangible fixed assets		<u>(29,586)</u>	<u>(57,466)</u>
Cash used in investing activities		<u>(23,712)</u>	<u>(51,580)</u>
Cash used in financing activities		-	-
Decrease in cash and cash equivalents during the year		<u>(156,029)</u>	<u>(662,169)</u>
Cash and cash equivalents at the beginning of the year		282,434	944,603
Cash and cash equivalents at the end of the year		<u><u>126,405</u></u>	<u><u>282,434</u></u>

Bliss - The National Charity for the Newborn (A Company Limited by Guarantee)

Notes to the Accounts For the year ended 31 March 2018

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

1.1 Statutory information

Bliss - the National Charity for the Newborn is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is Maya House, 134-138 Borough High Street, London, SE1 1LB.

1.2 Basis of preparation

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

1.3 Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

1.4 Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees are maintaining tight oversight of the charity's cash flow position in the short-term, and are seeking to re-build the charity's reserves over the next couple of years. This is explained further in the Financial Review of the Trustees' Report.

1.5 Group financial statements

The financial statements consolidate the results of the Charity, its wholly owned subsidiary Bliss Sales Limited and with Bliss Scotland (Charity) Limited on a line-by-line basis. Bliss Scotland (Charity) limited has been consolidated given that its Board members are also members of the Board of Bliss. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1.6 Income

Income is recognised when the charity has entitlement to the funds, when any performance conditions attached to the items of income have been met and where it is probable that income will be received and quantified with reasonable accuracy.

Grants receivable in respect of expenditure charged to the Statement of Financial Activities during the year have been included in the Statement of Financial Activities. Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds. Where conditions to receiving the grant need to be met, income is recognised where it is probable that it will be received and measured with reasonable accuracy.

For legacies, entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors that a distribution will be made, or when distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.

1.7 Donated services

Donated professional services are recognised when the service is given and is valued as either the economic benefit of the service to the charity or the cost to the donor.

1.8 Investments

Fixed asset investments represent the investment held in the subsidiary company Bliss Sales Limited by the Charity. As these shares are unlisted, the trustees consider the appropriate market value of the investment to be the equivalent to the original cost.

Current asset investments are stated at market value. Unrealised gains and losses on the revaluation at the balance sheet date are included in the Statement of Financial Activities.

1.9 Cash and cash equivalents

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

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

1.10 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period it arises.

1.12 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life, as follows:

Office and computer equipment	over 3-5 years
Leasehold property	length of lease

1.13 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity.

Designated funds are unrestricted funds, which are reserved for a specific purpose and available for use at the discretion of the trustees in the furtherance of the general objectives of the charity.

The purpose and use of restricted funds are imposed by donors or by specific terms of charity appeals.

1.14 Expenditure

Expenditure is recognised once there is legal or constructive obligations to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified as either the costs of raising funds, charitable expenditure or other expenditure that does not fall into the first two categories.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.15 Support and governance costs

Support costs are costs that assist the work of the charity but do not directly undertake its activities. Governance costs are costs directly attributable to the running of the Board. Both these costs have been allocated between the cost of raising funds and charitable activities on the basis of the staff time spent on each activity.

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

1.16 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities as incurred.

1.17 Tax status

The company is a registered charity and is not subject to corporation tax.

1.18 Value Added Tax

The charity is registered under a partial exemption scheme for VAT and as with many other charities, is unable to recover most of the VAT charged on its expenditure.

1.19 Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

1.20 Grant giving policy

The charity provides grants for small, cost effective projects that have the potential to improve outcomes for premature and sick babies. Grants are recognised as the full amount granted and where partial payments are made, the full value of the grants made are accrued. No one grant is material.

1.21 Volunteers

The assistance received from volunteers has not been financially recognised.

2 Donations and legacies	2018 £	2017 £
Unrestricted		
Trust funding	39,342	48,501
Corporate funding	293,081	292,509
Donated professional services	11,790	34,632
Individual giving	314,526	301,300
Branch donations	1,775	1,020
Payroll giving	217,682	227,374
Legacies	40,480	126,844
	<u>918,676</u>	<u>1,032,180</u>

Donated professional services of £11,790 (2017: £34,632) relates to pro-bono legal work carried out on behalf of Bliss by K&L Gates LLP which are recognised when the service is given and is valued as either the economic benefit of the service to the charity or the cost to the donor.

3 Income from charitable activities	2018 £	2017 £
Restricted		
Supporting parents of babies born premature or sick		
Government grants	152,000	-
Other grants	<u>66,300</u>	<u>64,421</u>
	<u>218,300</u>	<u>64,421</u>
Supporting neonatal professionals to deliver baby-centred care		
Other grants	<u>25,000</u>	<u>-</u>
	<u>25,000</u>	<u>-</u>
Unrestricted		
Supporting neonatal professionals to deliver baby-centred care		
Fees and reimbursements	55,155	30,770
	<u>55,155</u>	<u>30,770</u>
Supporting research to improve outcomes for babies born premature or sick		
Researching innovation	8,717	-
	<u>8,717</u>	<u>-</u>
Total	<u>307,172</u>	<u>95,190</u>

Restricted income from charitable activities represents grants received from government and trusts to further Bliss' charitable objectives. Unrestricted income from charitable activities represents fees charged to recipients of the Family Infant Neurodevelopmental Education training courses and other training events for health professionals.

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

4	Income from other trading activities	2018	2017		
		£	£		
	Unrestricted				
	Money raised through corporate events	28,007	1,600		
	Money raised through sporting and community activities	1,035,274	894,872		
	Income from trading activities - Bliss Sales Limited	142,436	111,224		
		<u>1,205,717</u>	<u>1,007,696</u>		
5	Net expenditure for the year	2018	2017		
		£	£		
	Net expenditure for the year is stated after charging:				
	Operating lease - land and buildings	114,813	109,732		
	Auditors' remuneration - audit	13,020	10,500		
	Depreciation of fixed assets	<u>37,852</u>	<u>35,289</u>		
6	Costs of raising funds	2018	2017		
		£	£		
	Unrestricted				
	Seeking donations, grants and legacies	477,872	399,231		
	Staging sporting and community activities	301,974	237,753		
	Costs of trading activities - Bliss Sales limited	11,712	14,137		
	Support costs (note 8)	127,185	172,319		
		<u>918,743</u>	<u>823,440</u>		
	Designated				
	Seeking donations, grants and legacies	23,386	20,000		
	Staging sporting and community activities	1,316	30,000		
	Support costs (note 8)	56,012	-		
		<u>80,714</u>	<u>50,000</u>		
	Total	<u>999,457</u>	<u>873,440</u>		
7	Charitable activities				
	Analysis of expenditure on charitable activities by fund	Unrestricted 2018 £	Designated 2018 £	Restricted 2018 £	Total 2018 £
	Supporting parents of babies born premature or sick	549,991	33,241	226,100	809,332
	Supporting neonatal professionals to deliver baby-centred care	524,934	42,000	25,000	591,934
	Placing premature and sick babies' voices at the heart of decision making	274,386	-	-	274,386
	Supporting research to improve outcomes for babies born premature or sick	91,289	-	-	91,289
	Total	<u>1,440,600</u>	<u>75,241</u>	<u>251,100</u>	<u>1,766,941</u>
	Analysis of expenditure on charitable activities by fund 2017	Unrestricted 2017 £	Designated 2017 £	Restricted 2017 £	Total 2017 £
	Supporting parents of babies born premature or sick	726,130	38,000	66,466	830,596
	Supporting neonatal professionals to deliver baby-centred care	458,752	42,000	71,276	572,028
	Placing premature and sick babies' voices at the heart of decision making	291,287	-	-	291,287
	Supporting research to improve outcomes for babies born premature or sick	48,720	11,367	-	60,087
	Total	<u>1,524,889</u>	<u>91,367</u>	<u>137,742</u>	<u>1,753,998</u>

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

Analysis of expenditure on charitable activities

	Activities undertaken directly £	Grant funding of activities £	Support Costs (note 8) £	Total 2018 £	Total 2017 £
Supporting parents of babies born premature or sick					
Staff costs	465,890	-	-	465,890	473,290
Bliss publications	31,000	-	-	31,000	49,953
Helpline and volunteer costs	42,517	-	-	42,517	66,028
Irrecoverable VAT	-	-	-	-	6,177
Support costs	-	-	260,264	260,264	222,256
Governance costs	-	-	9,661	9,661	12,892
	539,407	-	269,925	809,332	830,596
Supporting neonatal professionals to deliver baby-centred care					
Staff costs	302,291	-	-	302,291	254,207
Media, print and online costs	-	-	-	-	10,523
Bliss Nurses	10,307	-	-	10,307	46,776
Bliss Baby Charter Scheme	24,776	-	-	24,776	3,833
Family Centred Care	17,064	-	-	17,064	14,486
Training professionals	110,358	-	-	110,358	54,240
Small Grants Programme (i)	-	-	-	-	71,276
Volunteer support and expenses	1,854	-	-	1,854	1,926
Irrecoverable VAT	-	-	-	-	4,678
Support costs	-	-	120,817	120,817	103,556
Governance costs	-	-	4,467	4,467	6,527
	466,650	-	125,284	591,934	572,028
Placing premature and sick babies' voices at the heart of decision making					
Staff costs	152,048	-	-	152,048	179,428
Media, print and online costs	-	-	-	-	8,864
Online campaigning	9,417	-	-	9,417	7,600
Baby report	8,455	-	-	8,455	2,439
Devolved nations campaigning	-	-	-	-	13,486
Local campaigning	-	-	-	-	237
National campaigning	3,600	-	-	3,600	3,029
Other campaigning costs	2,244	-	-	2,244	4,016
Irrecoverable VAT	-	-	-	-	1,131
Support costs	-	-	95,103	95,103	66,497
Governance costs	-	-	3,519	3,519	4,560
	175,764	-	98,622	274,386	291,287
Supporting research to improve outcomes for babies born premature or sick					
Staff costs	52,274	-	-	52,274	36,482
Research costs	2,698	-	-	2,698	5,889
Support costs	-	-	35,012	35,012	16,793
Governance costs	-	-	1,305	1,305	923
	54,972	-	36,317	91,289	60,087
Total	1,236,793	-	530,148	1,766,941	1,753,998

(i) The Small Grants Programme comprised of 22 grants made to various NHS Trusts in order to improve their facilities.

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

8 Support costs

	Costs of raising funds	Supporting parents of babies born premature or sick	Supporting neonatal professionals to deliver high quality baby-centred care	Placing premature and sick babies' voices at the heart of decision making	Supporting research that can tangibly improve outcomes for babies born premature or sick	Total 2018	Total 2017
	£	£	£	£	£	£	£
Staff costs	46,663	68,541	31,692	24,966	9,253	181,115	155,049
Human resources	9,999	14,686	6,791	5,349	1,983	38,808	51,072
Office rent, rates and service charge	36,660	53,848	24,898	19,614	7,270	142,290	131,050
Office move	12,088	17,756	8,210	6,467	2,397	46,918	-
Other office costs	31,658	46,502	21,501	16,938	6,278	122,877	46,211
Telephone and IT costs	25,435	37,360	17,275	13,608	5,044	98,722	45,056
Postage and carriage	4,626	6,794	3,142	2,475	917	17,954	9,069
Legal and professional	4,049	5,947	2,750	2,166	803	15,715	39,390
Bank and finance charges	2,625	3,855	1,783	1,404	520	10,187	11,027
Depreciation	9,752	14,325	6,623	5,218	1,934	37,852	35,290
Other support costs	160	238	110	87	32	627	4,312
Support costs - Bliss Scotland (Charity) Limited	60	922	901	639	-	2,522	7,855
Recovered overheads	(7,059)	(10,369)	(4,794)	(3,777)	(1,400)	(27,399)	(25,000)
Non-recoverable VAT	(96)	(141)	(65)	(51)	(19)	(372)	61,801
Governance costs (note 9)	6,577	9,661	4,467	3,519	1,305	25,529	34,141
	183,197	269,925	125,284	98,622	36,317	713,345	606,323

Support costs are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Costs of raising funds	26%
Supporting parents of babies born premature or sick	38%
Supporting neonatal professionals to deliver high quality baby-centred care	17%
Placing premature and sick babies' voices at the heart of decision making	14%
Supporting research that can tangibly improve outcomes for babies born	5%

9 Governance costs

	2018	2017
	£	£
Governance costs comprise of the following		
Staff costs	11,122	22,392
Trustee expenses	1,676	1,858
Audit fees	12,731	9,430
Non-recoverable VAT	-	461
	25,529	34,141

Governance costs have been allocated on the basis of staff time spent on each activity, using the same percentages as above.

10 Trustees

No trustees or any persons connected with them received any remuneration during the year (2017: Nil).
2 trustees received reimbursements of travelling expenses totalling £397 (2017: 2 trustees received £677).

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

11 Employees and employment costs

Number of employees

The average number of employees during the year was 51 (2017: 46).

The average number of full-time equivalent employees during the year was:

	2018	2017
Supporting parents of babies born premature or sick	9.2	8.9
Supporting neonatal professionals to deliver baby-centred care	5.1	5.1
Placing premature and sick babies' voices at the heart of decision making	3.3	2.7
Supporting research to improve outcomes for babies born premature or sick	1.0	0.6
Communications	6.3	5.0
Fundraising	13.4	13.4
Administration	5.7	4.9
Scotland	2.0	1.0
	<u>46.0</u>	<u>41.6</u>

Employment costs

	2018 £	2017 £
Staff costs consist of:		
Wages and salaries	1,404,298	1,279,413
Redundancy and termination	-	11,555
Social Security Costs	137,066	110,658
Pension contributions	65,607	58,183
	<u>1,606,971</u>	<u>1,459,809</u>

The highest paid employee was the Chief Executive, who earned £78,627 in pay and £4,723 in pension contributions. £9,774 was paid in employer national insurance contributions. Last year, the Chief Executive earned £78,548 in total and £9,720 was paid in employer's national insurance contributions. No other employee earned in excess of £60,000.

The Charity's trustees are not paid or received any other benefits from employment with the Charity or its subsidiaries during the year (2017: Nil).

The key management personnel of the Group and Charity comprises of the Trustees, the Chief Executive, Head of Services, Head of Finance and Operations and Head of Fundraising and Communications. The total employee benefits of the key management personnel amounted to £241,053 in pay and pension contributions (2017: £232,415) and £27,453 was paid in employer's national insurance contributions (2017: £25,982).

Redundancy and termination payments are recognised in full upon the termination of employment. No employees received payments of this kind during the year (2017: £11,555).

A staff untaken leave accrual has been calculated however has been excluded as being immaterial.

12 Tangible fixed assets
Group and Charity

	Leasehold property £	Office Equipment £	Computer Equipment £	Total £
Cost				
At 1 April 2017	87,688	18,524	173,352	279,564
Additions	-	-	29,586	29,586
Disposals	-	(224)	-	(224)
At 31 March 2018	87,688	18,300	202,938	308,926
Depreciation				
At 1 April 2017	63,163	12,446	107,496	183,105
Charge for the year	18,041	2,115	17,696	37,852
On disposals	-	(64)	-	(64)
At 31 March 2018	81,204	14,497	125,192	220,893
Net Book Value at 31 March 2018	6,484	3,803	77,746	88,033
<i>Net Book Value at 31 March 2017</i>	<i>24,525</i>	<i>6,078</i>	<i>65,856</i>	<i>96,459</i>

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

13 Fixed Asset Investments

Investment in
subsidiary

Charity

Cost at 1 April 2017 and 31 March 2018

1

Historical cost

As at 31 March 2018

1

Holdings of more than 20%

The charitable company controls more than 20% of the following entities:

Company subsidiary undertakings	Country of registration or Incorporation	Class	Shares held	Control
Bliss Sales Limited	England and Wales	Ordinary £1	1	100%
Bliss Scotland (Charity) Limited	Scotland	N/A	N/A	100%

The principal activity of Bliss Sales Limited is trading operations that enhance the aims and objectives of Bliss. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company.

Bliss Scotland (Charity) Limited is a company limited by guarantee in Scotland and a registered charity in Scotland. Its principal activity is to carry out Bliss' aims and objectives in Scotland. Control is exercised through the trustees of Bliss Scotland (Charity) Limited also being trustees of Bliss. All activities have been consolidated on a line by line basis in the statement of financial activities.

The results of Bliss Sales Limited (a company registered in England and Wales, company number 03602721) for the year ended 31 March 2018 were as follows:

	2018 £	2017 £
Turnover	142,436	111,224
Cost of Sales	-	-
Gross profit	142,436	111,224
Administration expenses	(11,712)	(11,694)
Operating profit	130,724	99,530
Gift aid payable to Bliss and Bliss Scotland	(130,724)	(87,319)
Corporation tax	-	(2,442)
Profit (loss) for the year	-	9,769

The aggregate of the assets, liabilities and funds was:

Assets	169,095	115,098
Liabilities	(169,094)	(115,097)
Funds	1	1

At the balance sheet date, £28,163 was owed by Bliss Sales Ltd to Bliss which included a gift aided donation of £130,724 (2017: £97,480, including gift aid £87,319).

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
As at 31 March 2018

13 Fixed Asset Investments (continued)

The results of Bliss Scotland (Charity) Limited (a company limited by guarantee, registered in Scotland, company number SC365557 and a registered charity in Scotland, registration number SC040878) for the year ended 31 March 2018 were as follows:

	Unrestricted funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Income				
Donations	30,016	-	30,016	87,377
Charitable activities:				
Supporting parents of babies born premature or sick	-	33,000	33,000	14,000
Other trading income	36,121	-	36,121	10,174
Total income	66,137	33,000	99,137	111,551
Expenditure				
Costs of raising funds	3,497	-	3,497	9,680
Charitable activities:				
Supporting parents of babies born premature or sick	719	36,300	37,019	42,091
Supporting neonatal professionals to deliver baby-centred care	36,601	-	36,601	29,958
Placing premature and sick babies' voices at the heart of decision making	24,476	-	24,476	41,931
Total expenditure	65,293	36,300	101,593	123,660
Net movement in funds	844	(3,300)	(2,456)	(12,109)
The aggregate of the assets, liabilities and funds was:				
Assets	41,565	-	41,565	53,810
Liabilities	(40,614)	-	(40,614)	(50,403)
Funds	951	-	951	3,407

A management charge of £37,747 (2017: £104,567) was made by Bliss to Bliss Scotland (Charity) Ltd.

A further donation of £21,000 (2017: £72,550) was made by Bliss to Bliss Scotland (Charity) Ltd.

At the balance sheet date, £17,495 (2017: £27,066) was owed by Bliss Scotland (Charity) Ltd to Bliss.

14 Debtors

	Group 2018 £	2017 £	Charity 2018 £	2017 £
Trade debtors	87,461	84,660	15,174	21,705
Other debtors	30,991	37,744	30,991	37,744
Amounts owed by group undertakings	-	-	136,382	124,546
Prepayments and accrued income	212,371	305,780	195,095	288,330
	330,823	428,184	377,642	472,325

15 Current Asset Investments

Current asset investments relates to funds invested by the Charity in a common investment fund which is independently managed by CCLA Investment Management Limited

	2018 £	2017 £
Fair value as at 1 April 2017	164,901	143,181
Additions	-	-
Disposals	-	-
Unrealised gains to 31 March 2018	3,451	21,720
Fair value as at 31 March 2018	168,352	164,901
Historic cost as at 31 March 2018	130,209	130,209

As at 31 March 2018, the fund comprised of £92,611 of UK investments and £75,741 of overseas investments.

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

16	Creditors	Group 2018 £	2017 £	Charity 2018 £	2017 £
	Trade creditors	65,098	14,115	64,716	14,115
	Grants payable	40,853	51,271	40,853	51,271
	Employment taxes and social security costs	36,744	34,074	36,744	34,074
	VAT	9,598	8,969	-	-
	Corporation tax	-	2,442	2	-
	Other creditors	6,499	18,725	6,499	18,725
	Accruals and deferred income	89,962	52,016	88,754	44,612
		248,754	181,611	237,568	162,797

17 Commitments under operating leases

As at 31 March 2018, the Charity had commitments under non-cancellable operating leases. The total future minimum lease payments were as follows:

	Land and Buildings 2018 £	2017 £	Plant and Machinery 2018 £	2017 £
Operating leases payable				
Less than one year	32,005	109,732	4,092	1,199
Between one and five years	-	32,769	5,781	-
	32,005	142,501	9,873	1,199

The charity signed a new property lease in May 2018. The lease has a minimum term of 54 months, with an annual commitment of £107,712.

18 Analysis of charitable funds

Current year	Balance 1 April 2017 £	Income £	Expenditure £	Transfers £	Funds 31 March 2018 £
Analysis of movements in unrestricted funds					
Designated fixed asset fund	96,459	-	(38,012)	29,586	88,033
Designated fundraising, infrastructure and services fund	79,417	-	(117,943)	38,526	-
	175,876	-	(155,955)	68,112	88,033
General fund	571,999	2,194,139	(2,359,343)	(29,969)	376,826
General fund - fair value reserve	34,692	3,451	-	(38,143)	-
Total Group and Charity	782,567	2,197,590	(2,515,298)	-	464,859

The designated fixed asset fund represents the net book value of fixed assets.

The designated fundraising, infrastructure and services fund set aside £300,000 in 2015-16 towards maintaining Bliss' services during a period of reduced restricted income, to invest in supporter care and fundraising initiatives to increase unrestricted income and to invest in its infrastructure.

The fair value reserve within the general fund represents the unrealised gain on current asset investments (note 15). This has been released to general funds in 2017-18.

Analysis of movements in restricted funds	Balance 1 April 2017 £	Income £	Expenditure £	Transfers £	Funds 31 March 2018 £
Supporting parents of babies born premature or sick					
Welsh Materials	4,500	-	(4,500)	-	-
Volunteering	-	33,300	(33,300)	-	-
LIBOR Fund	-	152,000	(152,000)	-	-
Supporting neonatal professionals to deliver baby-centred care					
Bliss Baby Charter	-	25,000	(25,000)	-	-
Small Grants Programme	-	-	-	-	-
Total Charity	4,500	210,300	(214,800)	-	-
Supporting families and their babies in Scotland					
Infant Resuscitation DVD	1,100	-	(1,100)	-	-
Spifox	2,200	-	(2,200)	-	-
Supporting families and their babies in Scotland	-	33,000	(33,000)	-	-
Total Bliss Scotland (Charity) Limited	3,300	33,000	(36,300)	-	-
Total Group and Charity	7,800	243,300	(251,100)	-	-

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

18 Analysis of charitable funds (continued)

Supporting parents of babies born premature or sick

Volunteering: this fund received grants to support Bliss' volunteering during the year. Total grant income amounted to £33,300 and were received from the following trusts:

Annie Tranmer Charitable Trust	£1,000	Oakdale Trust	£1,000
Baron Davenport's Charity	£800	The Eveson Charitable Trust	£3,000
Brigadier D V And Mrs H R Phelps Charitable Settlement	£1,000	The Lawson Trust	£4,000
CHK Charities Limited	£5,000	The Light Fund	£5,000
Jane Tomlinson Appeal	£3,000	The W E Dunn Trust	£1,000
Manchester And Salford Medical Charities Fund	£1,000	The Weinstock Fund	£5,000
Marjorie Viggars Charitable Trust	£500	Xerox UK	£2,000
			<u>£33,300</u>

LIBOR Fund: this fund received from the Treasury Department was to support the growth of Bliss Champions. Total grant income amounted to £691,423 over three years, with 2 more years still to be paid

UK Government - LIBOR Fund £152,000

Welsh Materials: This fund was received to support the translation of parent materials in to the Welsh language.. This fund has now been spent and closed

Supporting neonatal professionals to deliver babycentred care

Bliss Baby Charter - this fund received grants to support our Bliss Baby Charter

Ernst Kleinwort Charitable Trust	£5,000
Goldsmiths	£3,000
The Paul Bassham Charitable Trust	£1,000
The Pilkington Charities Fund	£5,000
The Stafford Trust	£3,000
The James Tudor Foundation	£8,000
	<u>£25,000</u>

Small Grants Programme: This programme provides grants to help neonatal units improve their facilities and was funded during 2015/16 with £100,000 from the

Supporting families and their babies in Scotland

Supporting parents of babies born premature or sick: These funds were received to support the expansion of our work across Scotland.

Christina Mary Hendrie Trust	£2,000
Martin Connell Charitable Trust	£2,000
Souter Charitable Trust	£5,000
The Mickel Fund	£2,000
Robertson Trust	£14,000
The Hugh Fraser Foundation	£8,000
	<u>£33,000</u>

Infant Resuscitation DVD: The Royal Bank of Scotland Community Fund donated £10,667 for the reprint and distribution in Scotland of the "Basic Life Support for Babies - A Guide for Parents' DVD. The remaining £1,100 was spent in 2017-18.

Spifox Project: The Scottish Property Industry Festival of Christmas (Spifox) donated £6,480 towards neonatal equipment in Scotland. This fund has now been spent and closed

Analysis of charitable funds (prior year)

	Balance 1 April 2016 £	Income £	Expenditure £	Transfers £	Funds 31 March 2017 £
<i>Analysis of movements in unrestricted funds</i>					
Designated fixed asset fund	74,283	-	-	22,176	96,459
Designated fundraising, infrastructure and services fund	275,593	-	(130,000)	(66,176)	79,417
Designated research fund	11,367	-	(11,367)	-	-
	<u>361,243</u>	-	<u>(141,367)</u>	<u>(44,000)</u>	<u>175,876</u>
General fund	799,796	2,076,532	(2,348,329)	44,000	571,999
General fund - fair value reserve	12,972	21,720	-	-	34,692
Total Group and Charity	<u><u>1,174,011</u></u>	<u><u>2,098,252</u></u>	<u><u>(2,489,696)</u></u>	<u><u>-</u></u>	<u><u>782,567</u></u>

The designated fixed asset fund represents the net book value of fixed assets.

The designated fundraising, infrastructure and services fund set aside £300,000 in 2015-16 towards maintaining Bliss' services during a period of reduced restricted income, to invest in supporter care and fundraising initiatives to increase unrestricted income and to invest in its infrastructure. This fund is budgeted to be spent over a period of three years.

The designated research fund was spent on research projects during 2016/17.

The fair value reserve within the general fund represents the unrealised gain on current asset investments.

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

18 Analysis of charitable funds (continued)

<i>Analysis of movements in restricted funds (prior year)</i>	<i>Balance 1 April 2016</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Funds 31 March 2017</i>
	£	£	£	£	£
<i>Supporting parents of babies born premature or sick</i>					
Welsh Materials	4,500	-	-	-	4,500
Volunteering	-	50,421	(50,421)	-	-
<i>Supporting neonatal professionals to deliver baby-centred care</i>					
Small Grants Programme	71,276	-	(71,276)	-	-
Total Charity	75,776	50,421	(121,697)	-	4,500
<i>Supporting families an their babies</i>					
Infant Resuscitation DVD	1,100	-	-	-	1,100
Spifox	2,200	-	-	-	2,200
The Robertson Trust	2,045	14,000	(16,045)	-	-
Total Bliss Scotland (Charity) Limited	5,345	14,000	(16,045)	-	3,300
Total Group and Charity	81,121	64,421	(137,742)	-	7,800

Supporting parents of babies born premature or sick

Welsh Materials: This project will provide Bliss' online and printed materials in the Welsh language and is funded by a grant of £3,000 from the Hospital Saturday Fund Charitable Trust and £1,500 from the Oakdale Charitable Trust.

Volunteering: this fund received grants to support Bliss' volunteering during the year. Total grant income amounted to £50,421 and were received from the following trusts:

<i>Baron Davenport's Charity</i>	<i>£</i>	<i>800</i>	<i>The Elsie Lawrence Trust</i>	<i>£</i>	<i>700</i>
<i>Children in Need Fund</i>	<i>£</i>	<i>10,072</i>	<i>The Eveson Charitable Trust</i>	<i>£</i>	<i>3,000</i>
<i>Florence Turner Trust</i>	<i>£</i>	<i>500</i>	<i>The G J W Turner Trust</i>	<i>£</i>	<i>2,000</i>
<i>Hudson Charitable Trust</i>	<i>£</i>	<i>500</i>	<i>The Kathleen Laurence Trust</i>	<i>£</i>	<i>2,000</i>
<i>Mazars LLP</i>	<i>£</i>	<i>750</i>	<i>The Norman Family Charitable Trust</i>	<i>£</i>	<i>500</i>
<i>R S Brownless Charitable Trust</i>	<i>£</i>	<i>200</i>	<i>The Ronald Cruickshanks Foundation</i>	<i>£</i>	<i>500</i>
<i>The Annett Charitable Trust</i>	<i>£</i>	<i>500</i>	<i>The Shanly Foundation</i>	<i>£</i>	<i>3,000</i>
<i>The Anton Jurgens Charitable Trust</i>	<i>£</i>	<i>5,399</i>	<i>The Sir Jules Thorn Charitable Trust</i>	<i>£</i>	<i>1,000</i>
<i>The Charles S French Charitable trust</i>	<i>£</i>	<i>1,000</i>	<i>The Sovereign Health Care Charitable Trust</i>	<i>£</i>	<i>1,000</i>
<i>The Christopher Laing Foundation</i>	<i>£</i>	<i>500</i>	<i>The Stock Exchange Veterans Charity Assoc</i>	<i>£</i>	<i>500</i>
<i>The Clark Foundation</i>	<i>£</i>	<i>1,000</i>	<i>The Wixamtree Trust</i>	<i>£</i>	<i>2,500</i>
<i>The D'Oyly Carte Charitable Trust</i>	<i>£</i>	<i>3,500</i>	<i>Thomas J Horne Memorial Trust</i>	<i>£</i>	<i>8,000</i>
<i>The Edward & Dorothy Cadbury Trust</i>	<i>£</i>	<i>1,000</i>			

Supporting neonatal professionals to deliver baby-centred care

Small Grants Programme: This programme provides grants to help neonatal units improve their facilities and was funded during 2015/16 with £100,000 from the True Colours Trust and £30,000 from the Sam and Bella Sebba Trust. This programme is now fully spent and has closed.

Total Bliss Scotland (Charity) Limited

Supporting parents of babies born premature or sick

Infant Resuscitation DVD: The Royal Bank of Scotland Community Fund has donated £10,667 for the reprint and distribution in Scotland of the 'Basic Life Support for Babies - A Guide for Parents' DVD. The remaining £1,100 will be spent in 2017-18.

Spifox Project: The Scottish Property Industry Festival of Christmas (Spifox) donated £6,480 towards neonatal equipment in Scotland. The sum of £2,200 remaining will be spent in 2017-18.

Robertson Trust: A donation of £14,000 towards Bliss Scotland's work in supporting the families of premature and sick babies in Scotland.

Bliss - The National Charity for the Newborn
(A Company Limited by Guarantee)

Notes to the Accounts (Continued)
For the year ended 31 March 2018

19 Analysis of net assets between funds
Current year

	Unrestricted funds £	Designated funds £	Restricted Funds £	Total 2018 £
Tangible fixed assets	-	88,033	-	88,033
Current assets	625,580	-	-	625,580
Creditors, amounts falling due within one year	(248,754)	-	-	(248,754)
	<u>376,826</u>	<u>88,033</u>	<u>-</u>	<u>464,859</u>

Prior year

	Unrestricted funds £	Designated funds £	Restricted Funds £	Total 2017 £
Tangible fixed assets	-	96,459	-	96,459
Current assets	788,302	79,417	7,800	875,519
Creditors, amounts falling due within one year	(181,611)	-	-	(181,611)
	<u>606,691</u>	<u>175,876</u>	<u>7,800</u>	<u>790,367</u>

20 Related parties

The aggregate donations from related parties amounted to £1,813 (2017:1,253).

21 Reconciliation of the net movement in funds to the
net cash flow from operating activities

	2018 £	2017 £
Net movement in funds	(325,508)	(464,765)
Depreciation charge	37,852	35,289
Loss on disposal of fixed assets	160	-
Dividend and interest income shown in investing activities	(5,874)	(5,886)
Unrealised gains on investments	(3,451)	(21,720)
Decrease / (increase) in debtors	97,361	(88,710)
Increase / (decrease) in creditors	67,143	(64,797)
Net cash used in operating activities	<u>(132,317)</u>	<u>(610,589)</u>