

Charity Registration Number: 299679  
Scottish Charity Number: SC042789  
Company Registration Number: 2212082  
(England & Wales)



Stillbirth and Neonatal Death Society  
(A Company limited by Guarantee)  
Trustees' Report & Accounts  
Year Ending 31 March 2017



**Stillbirth & Neonatal Death Society**  
**(A Company limited by Guarantee)**  
**Legal and Administrative Information**



Trustees	Reg Bailey, CBE (Chair) Angela McCafferty (Vice Chair) Michael Smith (Treasurer) Sarah-Jane Evans Edward Ford Stephanie Frearson Dr. Alyson Hunter Derek Jenkins Joel Mitchell Zoe Renton Mary Catherine Roberts Susanna Speirs
Company Secretary	Dany Anne Quemper
Charity Number	299679
Scottish Charity Number	SC042789
Company Number	2212082
Registered office	Victoria Charity Centre 11 Belgrave Road, London SW1V 1RB
Statutory Auditors	HW Fisher & Company Acre House 11-15 William Road London NW1 3ER
Internal Auditors	Fish Partnership The Mill House, Boundary Road, Loudwater, High Wycombe, Bucks, HP10 9QN
Principal Bankers	Unity Trust Bank Nine Brindley Place Birmingham B1 2HB
Principal Solicitors	Foot Anstey Senate Court Southernhay Gardens, Exeter EX1 1NT

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## **Objects and values of the charity**

The Trustees, who are also Directors of the charity for the purposes of the Companies Act, submit their annual report and accounts of Sands (Stillbirth and Neonatal Death Society) for the year ended 31 March 2017.

The Trustees confirm that the annual report and accounts of the charity have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's constitution, applicable law and the requirements of the *"Accounting and Reporting by Charities: Statement of Recommended Practice"*, applicable in the UK and Republic of Ireland (FRS102), effective 1 January 2015.

*The objects of Sands are: -*

1. to promote the emotional, psychological and physical well-being of parents, their families and friends, when a baby dies in utero, at birth or soon after birth, by:
  - 1.1 the provision of support and information to those so bereaved and their carers; and
  - 1.2 by working collaboratively with health and social care professionals to improve and enhance professional practice with bereaved parents; and
2. to promote research and the implementation of best practice that will help identify the causes and reduce the incidence of the death of a baby in utero, at birth or soon after birth, and to publish the results of such research.

Sands' vision is for a world where fewer babies die and where anyone who is affected by the death of a baby receives the best care and support for as long as they need. During the period under review, Sands significantly increased its impact by working in collaboration and partnership with a wider number of other charities in sector; with professional and representative bodies and with government representatives across the devolved nations.

## **Stillbirth & Neonatal Death Society Lothians**

Stillbirth & Neonatal Death Society Lothians, a charity also registered in Scotland (No. SC024375), has similar objectives, but has separate management and legal status. There were no material transactions during the year or balances at the year-end between Sands and Stillbirth & Neonatal Death Society Lothians.

## **Structure, governance and management**

Sands was formally established in 1988 and is constituted in England and Wales as a company limited by guarantee, Company Number 2212082. The company's registered address is 11 Belgrave Road, London SW1V 1RB. Sands is also registered with the Charity Commission as a Charity in England and Wales (Charity Number 299679) and with the Office of the Scottish Charity Regulator (Charity Number SC042789). The charity also leases offices in Northern Ireland (Portadown) and Scotland (Glasgow) and contracts to provide additional meeting space to support its national remit and nationwide operations, including its network of over 100 Sands' Groups.

Sands is governed by a Board of Trustees who are elected by the members at AGM in accordance with the Articles of Association, which comprise the charity's governing document.

The Articles of Association provide that no more than 12 Directors may hold office at any one time, unless the office of Treasurer has not been filled. At least 50% of the total number of Trustees must be personally bereaved, as defined by the Articles. Under Article 18.9 of the Articles of Association, the Board may appoint an individual who is willing to act as a Director in the event that an insufficient number of Directors have been appointed or to fill casual vacancies as they arise. Trustees thus co-opted are eligible to be nominated for election at the next Annual General Meeting.

Susanna Speirs was co-opted to the Board of Trustees in September 2016 due to an unfilled vacancy on the Board and was duly elected by the members at AGM on 29 October 2016. The Board of Trustees adopted a *Trustee Recruitment, Selection and Induction* policy to support this recruitment in 2016.

Newly co-opted/elected Trustees are provided with an induction pack upon recruitment, the contents of which are set out in the policy document, which includes the latest guidance from the Charity Commission<sup>1</sup> as well as key information about charity governance<sup>2</sup>, together with the relevant consent forms to act as Trustee, as appropriate. The induction process also includes a one-to-one meeting with the Chair to hear about the board's ways of working and its priorities, and meetings with the Chief Executive and other key members of staff to find out more about the charity's strategy and current priorities.

Internal controls are subject to regular reviews and an internal audit is conducted annually by the current Internal Auditors to the charity - Fish Partnership.

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<sup>1</sup> *The essential trustee: what you need to know, what you need to do* (CC3, July 2015) at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/509664/cc3\\_lowink.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/509664/cc3_lowink.pdf)

<sup>2</sup> *The Charity Governance Code (3rd Ed.)* at <https://www.charitygovernancecode.org/en/pdf>

*The Trustees that served during the financial year under review and up to AGM 2017 are as follows:*

Reg Bailey, CBE	(Elected 18 October 2014, Re-elected 29 October 2016)
Angela McCafferty	(Elected 23 November 2013, Re-elected 29 October 2016)
Michael Smith	(Elected 23 November 2013, Re-elected 3 October 2015)
Derek Jenkins	(Elected 23 November 2013, Re-elected 3 October 2015)
Sarah-Jane Evans	(Elected 23 November 2013, Re-elected 18 October 2014)
Edward Ford	(Elected 23 November 2013, Re-elected 3 October 2015)
Stephanie Frearson	(Elected 23 November 2013, Re-elected 3 October 2015)
Dr. Alyson Hunter	(Elected 18 October 2014, Re-elected 29 October 2016)
Joel Mitchell	(Elected 18 October 2014)
Zoe Renton	(Elected 18 October 2014, Re-elected 29 October 2016)
Mary Catherine Roberts	(Elected 18 October 2014)
Susanna Speirs	(Co-opted 24 September 2016, Elected 29 October 2016)

Sands' current Articles limit Trustees to a maximum of seven years' service from the AGM at which they are first elected. None of the Trustees have any beneficial interest in the company and, like all other members of the company, guarantee to contribute £1 in the event of a winding up of the charity.

Short biographies of all Trustees are on the Sands website at the following link:

<https://www.sands.org.uk/about-sands/who-we-are/our-trustees>

The functions of the Board of are set out in Clause 22 of the Articles of Association and include setting the overall strategic development of the charity; reviewing and adopting the annual business plan and budget; monitoring the performance of the charity in relation to plans and budgets; ensuring that the charity's affairs are conducted in accordance with generally accepted standards of performance and propriety; overseeing the performance and activities of local Sands Groups and ensuring that appropriate advice is taken, particularly with regard to matters of legal compliance and financial viability.

The Board of Trustees meets at least four times a year to discharge its strategic functions and make decisions in furtherance of the charity's aims and objectives, in accordance with the provisions set out at Clause 25 of the Articles of Association. Decisions are made in accordance with Clause 24 of the Articles of Association, which provide that decisions may be taken by a simple majority of votes, with the Chair having a casting vote where there is an equality of votes for/against a particular proposal.

The quorum for Board meetings is one third of the total number of Directors, at least one half of whom must be personally bereaved.

During the year the Board continued to focus on development, and each of the four Sub-Committees of the Board, (i) Audit and Risk, (ii) Governance, (iii) Finance, and (iv) Research, each reviewed their programme of work during the year. The Board also convened in October 2016 and March 2017 to complete key development actions aligned to the Strategic Plan for 2017-2020.

### **Day-to-day operations of the charity and key management personnel**

Day-to-day management of the charity has been delegated by the Board of Trustees to the Chief Executive and Senior Leadership Group at Sands, in line with the *Reservation and Delegation of Powers* policy. The guidance in the *Framework of Authorities* is also reflected in the *Groups' Handbook* and other policies relating to volunteers and supporters.

The Chief Executive and Senior Leadership Group are responsible for, and provide oversight of the delivery of Sands' organisational strategy and annual business plan for the organisation; ensuring compliance with statutory requirements and best practice approaches at national level.

The period under review was marked by the appointment of Dr. Clea Harmer as Chief Executive of the charity in July 2016. Clea took over from Judith Abela, Acting Chief Executive, who stepped down from her role in the charity in the same month.

The Chief Executive is supported by a Senior Leadership Group comprising three *'Heads of'* Department, with responsibility for the following functional areas:

(i) Operations, (ii) Fundraising and Communications, and (iii) Finance and Resources.

- Kea Horvers was appointed as Interim Head of Operations in March 2016, to fill the vacancy left by Judith Abela's departure, and continued in role for the period under review.
- Chris Taylor was appointed as Interim Head of Fundraising & Communications in November 2016, following the departure of Jerry Doyle, and continued in role for the period under review.
- Danyanne Quemper continues in her role of Head of Finance & Resources, to which she was appointed in January 2015.

In March 2017, to support the new structure of the organisation, recruitment commenced for the following posts to which appointments were subsequently made:

- Director of Fundraising & Communications
- Director of Volunteering & Bereavement Support
- Director of Research, Education & Policy
- The Head of Finance & Resources role is now retitled Director of Finance & Resources

### *Staffing and staff profile*

The charity employed an average of 59 staff during the period under review; almost 55% of whom are based outside of London. In addition to the appointment of a new Chief Executive in 2016, the average number of employees increased during the year to 42 full time equivalent members of staff to support the resourcing of Sands' activities at regional and national level, from an average of 36 the previous year. This was represented by 8 new posts; Bereavement Support Services (4); National Bereavement Care Pathway (1); Improving Bereavement Care Team (1); Networks & Volunteers (1) and Fundraising (1). This increased activity resulted in an increase in staff salaries of 14% to £1,650,650; which was within approved budget for the year. Nearly 40% of staff worked directly with beneficiaries to achieve the objectives of the organisation and 25% worked to promote the charity's aims through Fundraising and Communications activities. A further 25% of staff were dedicated to supporting Groups Network and Volunteering activities at local and national level, with Support Staff accounting for just 10% of total staff.

Staff pay and remuneration at Sands for all grades has traditionally been set by historical benchmarks but also driven by market trends at the point of recruitment. In recognition of this anomaly, the Board of Trustees initiated a '*Job Evaluation and Pay Benchmarking Review*' exercise in 2015, which was revisited and re-benchmarked in the second half of 2016. The result of this exercise was the adoption of a clear and transparent pay structure for the organisation which supports recruitment and retention strategies.

### **Sands Groups network and volunteers**

Sands' national network of Groups and Volunteers enables the charity to achieve its strategic aims by offering support to bereaved parents and families in their local communities and through targeted projects to help improve the quality of bereavement care. By working closely with local hospitals, individual Sands Groups have funded critical resources such as bespoke bereavement suites in maternity units, support materials such as memory boxes, and they also pay for healthcare professionals to access training and the Sands/Bliss/RCM joint conference. Groups also play a vital part in the charity's work to prevent the loss of babies' lives by directly supporting our Research Fund.

Sands' Volunteers and Supporters are vital to the fundraising efforts of the charity; ensuring that it can achieve its ambitious aims and continue to grow and raise awareness of the issues surrounding stillbirth and neonatal death.

The organisation recognises and is very grateful for the wonderful programmes of work being delivered at a local level by Sands' volunteers, and continues to develop and strengthen its ongoing support for Groups across its ten regional networks.

In 2016, Sands began a programme of work to consolidate the resources of the charity and achieve better outcomes and impact by working together more effectively to achieve the strategic aims of reducing stillbirth and neonatal death.

### Sands' strategy 2014-2017

The financial year 2016-2017 marked the culmination of Sands' three-year strategy to take forward the vision and purpose of the organisation, which focused on five key priority areas:

- Better support
- Improving bereavement care
- Effective organisation and increased revenue
- Fewer baby deaths
- Bigger, better profile

To ensure that the organisation delivered on the strategic plan, a business plan and budget were drafted and approved by the Board of Trustees for each year of the plan.

Departmental, team and individual performance plans were aligned to reflect the agreed strategy, and to set out clear operational and individual targets. Performance was reviewed by the Chief Executive and Board of Trustees on a quarterly basis; with exceptions addressed in consultation with the wider staff team through regular team briefings and individual performance reviews.

A topline review of Sands' performance against the strategic objectives set within the 2014-2017 Strategy reveals that over 80% of the charity's objectives have been achieved or partially achieved within the three-year timeframe.

The results are particularly striking for the two aims of *improving bereavement care* and working towards *fewer baby deaths*, where all of the objectives were either achieved or partially achieved.

The expanded Networks & Volunteering team continued to roll out Network Days and greater availability of Befriender Training to enable facilitation and *better support* to bereaved parents at local level.

The charity came within 4% of its *increased revenue* target of £4M for the year ending 31 March 2017, with an overall income in 2016-2017 of £3.9M.

A review of the charity's overall organisation and structure and internal systems also took place in 2016 to make Sands a more *effective organisation* and this work will continue in 2017.

Finally, Sands continued to achieve a *bigger, better profile* by expanding the reach and profile of the charity through media, social media and targeted marketing strategies.

## **Public benefit**

The Trustees confirm that they have complied with their duty under Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. Sands has continued to provide public benefit in line with the objects of the charity, in particular through the following:

*(a) Providing support and information to those affected by the death of a baby:*

1. Continuing to provide and expand the range of support and services which are free of charge to the public.
2. Expanding bereavement support services with the appointment of additional staff and with the launch of a National Freephone Helpline in April 2017 to widen the reach of the charity.
3. Redeveloping Sands' website at <https://www.sands.org.uk/> to improve content and accessibility for all, including the launch of a mobile app and interactive space to engage with the charity and other service users.

*(b) Improving the quality of bereavement care*

4. Working with government, national representative organisations, universities and other charities to improve the quality of bereavement care.
5. Doubling the delivery of accredited training to health professionals.
6. Working closely with the *Institute of Health Visiting*, developed a new training workshop for health visitors.
7. Publishing the 4<sup>th</sup> Edition of the acclaimed Sands' publication, *Pregnancy, Loss and the Death of a Baby: Guidelines for Professionals* in 2016, in both hardcopy and digital formats.
8. Completing a *National Audit of Bereavement Care*.
9. Working with NHS England on the *Maternity Bereavement Experience Measure (MBEM)* Project.
10. Starting work on the *National Bereavement Care Pathway* to improve the quality of bereavement care received by parents.

*(c) Promoting research and best practice to reduce the number of babies dying:*

11. Continuing to honour research commitments made in prior years which support a wide range of studies targeted at the reduction of stillbirth and neo-natal death.
12. Officially launching the *Sands Research Fund* in June 2016 to further build research capacity and inform strategies to prevent stillbirth and neonatal death. Applications were received in early 2017 and 4 awards made in the financial year 2017-2018, which are outlined at *Section 3.1* of this report. The overall grant portfolio will continue to be monitored by the *Perinatal Expert Panel (PEP)* set up by Sands in 2015 comprised of 10 eminent experts in the field of perinatal research, to ensure that the focus remains within the charitable objectives and values of the organisation.

Total charitable expenditure at Sands increased from £2.7M in 2016 to over £3.2M in 2017.

### **Risk identification and management**

The Trustees are committed to an effective programme of risk management to ensure the continuity and sustainability of the organisation and its ability to achieve its strategic objectives.

The Audit & Risk Sub Committee of the Board of Trustees reviews the Risk Register on a regular basis to identify the potential impact of key risks and to ensure that appropriate measures are taken to mitigate and manage risk.

Having identified a number of areas of strategic concern in 2015, the focus in 2016 was to develop appropriate strategies to mitigate these risks; a key concern was the high levels of surplus cash being held across the Sands Group Networks as a result of the accumulation of surplus reserves over many years, which continued to pose a risk to the charity in terms of donor accountability and Sands' public benefit remit.

To mitigate these risks and to build a more effective organisation better able to meet future challenges, a *New Financial Model* (NFM) for the charity has been developed. The development was in consultation with Sands Groups, members and other key stakeholders, and has been adopted by the organisation to start implementation in 2017. To ensure that the charity had sufficient operating capital to achieve its 2014-2017 strategy, pending the implementation of the NFM, Sands transferred a total of £396,111 from Group reserves to central unrestricted fund in 2016-2017 (see Note 22) by way of an 'Interim Ask.'

Through the NFM, Sands' staff will work closely with local Groups and volunteers to ensure they are able to continue to offer the vital support that they provide and to agree new projects and other programmes of work to be delivered locally. The outputs and outcomes of this fantastic work will be captured, evaluated and measured to demonstrate impact in local communities for those affected by the death of a baby. The model will ensure that Sands makes best use of both its financial resources and also the efforts of volunteers and staff, to achieve its strategic aims.

In addition to identifying and mitigating the strategic risks to the charity, 2016 marked a renewed focus on mitigating and managing risk posed through day-to-day operations. This approach will form part of the charity's strategic aim to become a learning organisation through continual improvement, so that best practice approaches inform Sands' work at every level of operation.

The appointment of a *Director of Volunteering & Bereavement Support* in 2017 will provide the impetus to deliver and support these approaches at Group and Volunteering levels as part of Sands' 2017-2020 Strategy

## **Achievements and Performance**

### *(A) Introduction*

In 2015 in the UK a total of 5,486<sup>3</sup> babies died just before, during or soon after birth - this equates to 15 babies a day. These mortality rates remain stubbornly high when compared to the reduction rates in other European countries, with 46% of all stillbirths attributed to 'unknown causes'<sup>4</sup>.

In addition, the bereavement care offered to parents varies widely across the UK, with 38% of units not having a bereavement midwife, and 1 in 3 Health Boards and Trusts not providing a bereavement room in each unit that they cover.

All of this makes Sands' work even more relevant and vital in terms of:

- supporting anyone affected by the death of a baby
- working in partnership with health professionals to ensure that bereaved parents and their families receive the best possible care
- the promotion and funding of research to reduce the loss of babies' lives.

In recognition of the lack of progress in reducing stillbirth and neonatal death, a number of national strategies were launched which are of significance to Sands work and provide opportunities for collaboration and sharing of best practice to reduce baby death. These include:

- Political commitment to reducing mortality rates by 20% by 2020 and to make giving birth safer through promotion of public health messages, ongoing education and training and national bereavement services.
- Strategies across the 4 devolved nations to reduce the number of babies dying, such as the *Maternity Transformation Programme* (England); the *Stillbirth Working Group and Bereavement Sub-Group* (Scotland); the *National Stillbirth Working Group* (Wales) and the *Northern Ireland Maternal and Infant Loss programme* (N. Ireland).
- Significant public reports and NHS initiatives, such as *MBRRACE-UK Perinatal Mortality Surveillance Reports*; *Each Baby Counts* campaign; *Better Births – Maternity Transformation Programme* and *Saving Babies' Lives Care Bundle*.

These strategies evidence the determination, focus, commitment and agreement of all concerned parties to reducing stillbirth and neonatal death across the UK, with parents and families at the core of this commitment.

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<sup>3</sup> Source ONS, NRS, NISRA: April 2017

<sup>4</sup> Source MBRRACE, 2016

*(B) Review of Sands' achievements against core objectives*

Sands' 2014-2017 Strategy focused on 5 strategic-level objectives to realising the aims and objectives of the charity to 2017, summarised under the following headings:

- 1. Better Support** – to ensure the right care and support is available at the right time after the death of a baby.
- 2. Improving Bereavement Care** - to work in partnership with health professionals to ensure that bereaved parents receive the best possible care.
- 3. Fewer Baby Deaths** – to promote and fund research and other initiatives to reduce the loss of babies' lives.
- 4. Effective Organisation and Increased Revenue**– to enable the organisation to achieve its strategic objectives; ensuring the success, sustainability and growth of the charity
- 5. Bigger, better profile** – to increase the scope and influence of the charity through strategic collaborations and effective communications and marketing strategies

- 1. Better Support** – a renewed focus on how Sands supports anyone affected by the death of a baby

*1.1 Bereavement Support Services delivered centrally*

All of those providing bereavement support at Sands, whether from the staff team or volunteer perspective, recognise the unique factors of grief following the death of a baby. Sands offers a safe space to share these feelings and provides ongoing emotional support on this grief journey through a range of services and media. Sands conducted a review of the Support Services Team in 2016-2017 and appointed a Bereavement Support Services Manager to lead and develop the team

*1.2 Sands Helpline*

In early April 2017, the **National Freephone Helpline Number 0808 164 3332** was launched. The existing Helpline Team was joined by three new colleagues to support the rollout of the service. The team respond to an average of 6,000 requests per annum, by telephone and email; each caller being provided with support and information in a professional and empathic way as set out in best practice guidelines.

*1.3 Sands Forum*

Sands Forum offers a safe, anonymous, moderated online space for anyone affected by the death of a baby to share their experiences, or simply feel supported. It allows parents a private space where their baby's death can be acknowledged and understood.

The number of registered users on the Forum, which is available 24 hours a day, is growing each year and reached over 13,000 users by the end of 2016.

#### *1.4 Bereavement support materials and events*

A range of 14 support booklets are freely available via download from the website or available in hard copy. Almost 8,000 family support packs were issued in 2016 which contain all but two of these booklets and 110,000 support booklets were distributed to parents, hospitals and support Groups.

Sands held its two main support events in June and December; the annual Sands Garden Day was held at the National Memorial Arboretum in Staffordshire, and the Lights of Love services were held at a range of venues nationwide. These events provide opportunities for bereaved families to come together and publicly remember their babies.

Many of Sands Groups have also created a focus in their local community for such events by providing a range of commemorative facilities, in consultation with local authorities, such as the Ashford Baby Memorial Garden in Kent or the Forth Valley Memorial Garden which are lovingly tended by Sands volunteers; 4 new memorial gardens were established in 2016 and 7 existing gardens were refurbished.

#### *1.5 Awareness raising and information*

Sands' *Bereavement Support & Awareness Specialist* works closely with the Communications team at Sands to promote sensitive media coverage of baby death and bereavement, especially as part of significant 'storylines' in broadcast media. An additional part of the awareness raising includes workplace presentations which highlight the perspectives and challenges of bereaved parents returning to the work following the death of a baby.

#### *1.6 Bereavement support services delivered locally*

Underpinning much of the support provided at national level is the wonderful work carried out by Sands 106 nationwide Groups and volunteers who work tirelessly in their local communities within 10 regional networks to provide a range of support services to bereaved parents and their families including peer-to-peer support and befriending services.

In 2016, Sands trained 111 Befrienders to support this work and commenced the process of collating this data to identify the outcomes and impact of local level support being provided through the Groups networks, including via social media. In 2016, over 1,500 Group support meetings were held across the UK and nearly 100 Facebook pages and 44 Twitter accounts were managed by Sands volunteers.

**2. Improving Bereavement Care** – working in partnership with health professionals to ensure that bereaved parents and their families receive the best possible care

*2.1 Principles of high-quality bereavement care*

Sands recognises the impact and significance of providing high quality bereavement care in terms of supporting those affected by traumatic loss and bereavement and works in partnership with healthcare professionals to minimise the risks of stillbirth and to ensure that bereaved families receive the best possible care. Sands has established strategic partnerships with hospitals, healthcare professionals and universities to improve awareness, provide training and education; setting a national benchmark for high quality bereavement care.

Sands has set out its 10 principles for high quality bereavement care, which are informed by parents' perspectives and collaborative working with healthcare professionals, which can be found on Sands' website at the following link:

<https://www.sands.org.uk/professionals/principles-bereavement-care/sands-principles-bereavement-care>

*2.2 Bereavement Care Training and resources*

Sands offers *Bereavement Care Training for Professionals* comprising facilitator-led workshops using a variety of training methods to enable participants to develop the knowledge, insight and skills to provide high quality care to parents whose baby dies, either before, during or shortly after birth. The training is targeted at midwives, trainee midwives, doulas and multi-disciplinary groups and has been accredited by the Royal College of Midwives. During 2016-2017, Sands ran a total of 134 workshops providing training for over 2,500 health professionals during the year; almost doubling the input compared to prior year – an increase of over 50% on 2014-2015. 99.8% of all professionals said that they felt more confidence in their ability to communicate sensitively with bereaved parents as a result of this training.

Sands expanded the range of bereavement care training available to healthcare professionals by developing and piloting training for health visitors. Working closely with the Institute of Health Visiting, a one-day bereavement care workshop was developed to provide health visitors with the knowledge, insight and skills to provide high quality, sensitive care to parents who experience the death of a baby, before, during or shortly after birth.

The workshop was piloted at two sessions in Edinburgh and Glasgow, and following positive feedback from practitioners, was launched in Aberdeen in March 2016; providing bereavement care training to 47 health visitors.

The training will be extended in 2017 to improve bereavement care in the UK and ongoing training workshops will be available to all health visitors.

### 2.3 *Supporting the delivery of high-quality bereavement care locally*

Sands' volunteers also work closely with local hospitals to promote Sands' bereavement care training and other literature and resources developed for those directly affected by the death of a baby. Volunteers are key to developing relationships with local hospitals and promoting quality improvements in bereavement care. In 2016-2017, over 230 maternity units across the UK were supported by a Sands Group or Network.

With the help of its Group Networks, Sands has contributed to the improvement of bereavement care at local level by providing funding for designated bereavement suites, cold cots and memory boxes.

### 2.4 *Sands Guidelines: Pregnancy, Loss and the Death of a Baby: Guidelines for Professionals*

Sands *Guidelines*, which were first published in 2007, have been widely recognised as an essential benchmark for good practice when caring for parents whose baby dies during pregnancy, at birth, or shortly afterwards. Sands published the 4th edition of the *Guidelines* in September 2016 which is based on research findings and on widespread consultation across a broad range of healthcare professionals, bereaved parents and relevant voluntary organisations. The Guidelines deal with losses at every stage of pregnancy and, as well as describing what constitutes good care, they offer practical guidance on how to meet parents' needs as set out in the 10 Bereavement Care principles.

The 4<sup>th</sup> Edition met with widespread acclaim from organisations including ARC, Bliss, BPAS, Cruse, CBUK, The Ectopic Pregnancy Trust, the Lullaby Trust, the Miscarriage Association, the Multiple Births Foundation, NHS Wales, the Neonatal Nurses Association, the Perinatal Institute, the RCGP, RCM, RCN, RCOG, the Scottish Government, Tamba and Tommy's. Over 1,000 copies of the Guidelines have been distributed since the launch and Sands is exploring other ways to promote uptake through licensing arrangements with colleges and universities.

### 2.5 *Bereavement Care awards*

- *Scottish Bereavement Care Awards*
- Following the positive experiences of the *Scottish Bereavement Care Awards* which were devised by the Scottish Government's Bereavement Care subgroup and launched in 2015, Sands offered an additional 3 awards for the improvement of bereavement care in 2016.

Supported by the Scottish Government, the overall aim of the Awards is to improve the bereavement care provided to families who experience loss during pregnancy, birth or the postnatal period. The awards are open to applications from health boards in Scotland and applicants are asked to identify local projects relating to bereavement care.

The purpose of the awards is to provide health boards with incentive and grant assistance to develop their bereavement care programmes.

Following a shortlisting process, Sands awarded each of the following three hospitals with a £5,000 grant:

- NHS Ayrshire and Arran (Crosshouse Hospital)
- NHS Lanarkshire (Wishaw General Hospital)
- NHS Western Isles (Western Isles Hospital, Stornoway)

➤ *RCM Awards*

Sands presented the Sands Award for Bereavement Care at the 2017 Royal College of Midwives (RCM) Annual Awards in March. This was the inaugural Sands RCM Award and was awarded to Clare Beesley, from Heart of England NHS Trust Bereavement Team. This award recognised excellence in bereavement care. Clare Beesley and the Heart of England NHS Trust are now one of the 11 wave 1 pilot sites for the National Bereavement Care Pathway launching in October 2017.

➤ *Elaine Thorp Bereavement Care Award*

At Sands 2016 AGM in Bristol, Michelle Powell, of Shrewsbury & Telford Hospitals NHS Trust was awarded the inaugural Elaine Thorp Award. Elaine was a member of staff at Sands an advocate of bereavement care training. The Award honours her memory and her work by giving midwives and student midwives an opportunity through dedicated time to develop their knowledge, insight and understanding of good bereavement care following a pregnancy loss or when a baby dies.

## 2.6 *National Audit of Bereavement Care*

Sands completed an in-depth audit of bereavement care provision in maternity units across the UK, which was published in January 2017. The aim of the audit was to benchmark current bereavement care provision across the UK. Survey responses were obtained from 79 Trusts and Health Boards across the UK, covering at least 364,216 deliveries, 1453 stillbirths and 543 neonatal deaths in 2015.

The findings of this audit highlighted that (i) bereavement care training is mandatory in only 46% of Trusts and Health Boards, and (ii) 38% of maternity units do not have a dedicated bereavement midwife, with the suggestion that many Trusts and Health Boards across the UK continue to lack resources to provide the level of care that bereaved families need. This information will feed directly into Sands' future campaigns to improve bereavement care for parents.

## 2.7 *Strategic Partnerships and collaborations to promote high-quality bereavement care*

Sands continues to work strategically with a number of key organisations in its field to raise awareness, improve standards and support professionals.

➤ *Development of the National Bereavement Care Pathway*

Since 2016 Sands have been leading on a cross-organisational project including ARC (Antenatal Results & Choices); Bliss; Lullaby Trust; Miscarriage Association, the Institute of Health Visiting; NHS England; Neonatal Nurses Association; Royal College of Midwives; Royal College of Nurses and the Royal College of Obstetricians & Gynaecologists to produce a National Bereavement Care Pathway to ensure that all bereaved parents are offered equal, high quality, individualised, safe and sensitive care.

The research phase which commenced in 2016, examined the existing approaches being used by health professionals, in consultation with parent stakeholder events held in London and Manchester. The 11 pilot sites will be reviewed in 2017-2018 and the learning will be incorporated to a 'best practice' model to be delivered nationally.

➤ *Involved in development and launch in June of Maternity Bereavement Experience Measure (MBEM)*

Sands is a key partner alongside NHS England and the London Maternity Clinical Network in the Maternity Bereavement Experience Measure (MBEM) Project (Formerly the Women's Recorded Experience Measure Project). The MBEM aims to create an appropriate mechanism to enable parents whose baby has died the opportunity to feedback about the bereavement care they received. In December 2016 Sands ran a detailed survey which gathered high quality data from 450 respondents as to what this mechanism should include. This information will help to shape the MBEM and ensure the parent voice is paramount throughout the project.

➤ *Midwifery Teacher Materials*

Sands collaborated with the University of Middlesex to produce high quality, up to date, teaching materials on issues related to bereavement. The materials have been specially designed for teachers working with Student Midwives, to be delivered alongside Sands' IBC student midwife modules and have been distributed to 31, or 55%, of UK universities.

➤ *Joint Conference*

The 8<sup>th</sup> Annual Conference presented by Sands, Bliss and the Royal College of Midwives, "*Uncertainty and Loss in Maternity and Neonatal Care Conference*", was held in London in September 2016 and was a sell-out event. The joint partners continue to promote engagement with the Bereavement Care Network website <https://bereavement-network.rcm.org.uk/> which was launched at the conference in 2015 to promote high standards of bereavement care and provide information to support the work of healthcare professionals.

### **3. Fewer Baby Deaths** – promoting and funding research to reduce the loss of babies' lives

Up to date (2015) data now available from the Office for National Statistics shows that although the UK's stillbirth rate has fallen slightly in recent years, it remains unacceptably high at 1 in every 141 births or **15 babies a day**.

Although the causes of neonatal death are more fully understood,<sup>5</sup> this is not the case for most stillbirths, with 46% of stillbirths still classed as '*cause unknown*'. Sands supports research strategies which

- help understand 'unexplained' deaths and which provide new ways to predict and prevent deaths
- understand the contribution that bereavement care has to make in making maternity, antenatal and neonatal care safer

Sands does this by working at national level to reduce mortality rates through the National Stillbirth Working Groups (Scotland, Wales); the Maternity Transformation Programme; Saving Babies' Lives Bundle (England) and the Northern Ireland Maternal and Infant Steering Group (N. Ireland) and by promoting and directly funding research programmes.

#### *3.1 Sands Research Fund*

To better understand the causes of stillbirth and neonatal death, Sands funds invaluable and innovative research into why babies die and how bereavement care for families can be improved. In 2016, Sands raised over £200k for a new Research Fund to add to its existing reserve, to take the total to £356,980 as at 31 March 2017 (*see Note 20*).

18 full applications were received in 2016 of which 4 were selected, having first been externally peer reviewed and rated by Sands' Perinatal Expert Panel, to receive awards in 2017-2018:

- *Parents and Neonatal Decisions Study: Improving communication during conversations about limiting life-sustaining treatment in neonatal intensive care:* Prof. Neil Marlow (UCL Elizabeth Garrett Anderson Institute for Women's Health)
- *Inequalities in stillbirth: a meta-narrative review:* Dr. Carol Kingdon (University of Central Lancashire)
- *Prediction and prevention of perinatal death:* Dr. Asma Khalil (St. Georges Hospital, London)
- *Outcome of resuscitated term babies with no heart rate detected at 10 minutes of age:* Dr. Gemma Sullivan (Edinburgh Infirmary)

Details of the application process and work of the Perinatal Expert Panel can be found here: <https://www.sands.org.uk/our-work/research/apply-research-funding>

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<sup>5</sup> Source MBRRACE, 2016

### 3.2 Ongoing Research Projects

In 2016/17 Sands continued to support its existing research commitments which, during the period included the following:

➤ *The POP (Pregnancy Outcome Prediction) Study*

The aim of this study was to examine the benefit of additional ultrasound scans or Doppler measurements in late pregnancy and whether these would help identify babies at risk of stillbirth or neonatal death, due to fetal growth restriction. The study at the University of Cambridge, led by Professor Gordon Smith, was extended in 2016 to improve the predictive outcomes and a further report is to be published in 2017. Total funding by Sands now stands at £139k.

➤ *The AFFIRM Trial (does promoting Awareness of Fetal movements and Focussing Interventions Reduce fetal Mortality?)*

The aim of the international study, led by Professor Jane Norman at the University of Edinburgh's maternal and fetal research centre, is to trial the introduction of new parent information and an agreed health professional response to changes in fetal movements reported by parents in Scotland, Wales, Northern Ireland, Republic of Ireland and North England. This study, which commenced in 2014 and to which Sands has contributed £50k, is expected to conclude in 2017.

➤ *DESIGN trial: Detection of small for gestational age fetus (SGA)*

The aim of this trial is to inform policy makers and further decisions on screening, such as third trimester ultrasound in the detection of SGA by assessing the diagnostic performance of a *Growth Assessment Protocol (GAP)* compared to routine practice in relation to ultrasound detection of SGA; investigate the effectiveness of the GAP on improved clinical detection of SGA at birth; on short-term maternal and neonatal outcomes and to estimate the impact of GAP on clinical service provision and health economics. Sands agreed funding of £40k in 2015-2016 to co-fund the trial which commenced in 2016.

➤ *MiNESS (Midlands and North East England Stillbirth Study)*

This study, which commenced in 2013, is led by Dr Alex Heazell, who as Clinical Director of the Maternal and Fetal Health Research Centre at the University of Manchester and Co-Chair of the International Stillbirth Alliance's Scientific Committee, has a long track record in stillbirth research. The study aims to test a range of mothers' activities, symptoms and problems in pregnancies and assess which really have an effect on stillbirth risk. Sands has contributed £50k towards the study which expects to publish on the importance of sleeping position in 2017.

Full details of all research projects currently funded by Sands can be found at the following link:  
<https://www.sands.org.uk/our-work/research/studies-we-fund>

### 3.3 *Development of the Perinatal Mortality Review Tool*

In Sands' 2012 publication *Preventing Baby's Deaths Report* the charity called for maternity and neonatal units to use a standardised review process to understand events leading up to the death of a baby. Evidence from national enquiries tells us that around 60% of babies' deaths at the end of pregnancy might be avoided if care were different, yet the quality of local hospital reviews of care is highly variable with many units failing to learn essential lessons and repeating avoidable mistakes. Since then Sands has worked with the Department of Health to lead an expert group which agreed what should be included in good-quality hospital reviews.

These recommendations will form the basis for the new web-based tool currently being developed by a collaboration led by MBRRACE-UK (Mothers and Babies: Reducing Risk through Audit and Confidential Enquiries across the UK), which includes representatives from Sands, the PARENTS1 and 2 studies, the British Association of Perinatal Medicine, the Royal College of Obstetricians and Gynaecologists and the Royal College of Midwives.

Sands aim is to ensure that parents' perspective of their care forms a key part of the review process, and that parents have honest and timely answers about the circumstances that may have contributed to their baby's death. The new national Standardised Perinatal Review Tool (PMRT) will be available by the end of 2017 and will be free for maternity and neonatal units to use.

### 3.4 *Supporting quality improvement*

Sands was a key contributor to a number of initiatives including MBRRACE, the *UK National Confidential Enquiry* into babies who died after 37 weeks of pregnancy, which found that in 60% of cases, a stillbirth might have been prevented if health professionals had followed national guidelines. Although professional groups recommend that hospitals review what happened when a baby dies unexpectedly, the confidential enquiry found that only one in ten hospital carried out a review and many of these were not to the standard expected.

The most recent report represents a significant commitment to understanding and addressing stillbirth in the UK. The report 'ranks' Trusts and Health Board through surveillance of mortality rates and highlights critical gaps in care for half of the babies, with missed opportunities to detect gestational diabetes, poor growth or to act on mothers' reports of reduced fetal movements. The report has attracted significant attention from clinicians, UK governments and the media.

### 3.5 *Maternity Transformation Programme*

'Better Births', the report of the National Maternity Review, was published in February 2016 and sets out a clear vision for maternity services across England. Sands supported the creation of this report by organising engagement days and running a survey specifically to gather feedback from bereaved parents about their experiences of care. The Maternity Transformation Programme seeks to achieve this vision by bringing together a range of organisations to lead and deliver on nine work streams, one of which is 'Promoting good practice for safer care and transforming the workforce'. Dr. Clea Harmer, Sands Chief Executive, is a member of the new Stakeholder Council.

3.6 *Safer pregnancy messaging*

In the wake of the Preventing Babies' Deaths report, Sands led DH-supported work to raise public awareness of stillbirth. Building on evidence from focus-group work with women and health professionals on their knowledge of and preferences for information about stillbirth risk, Sands convened an expert writing group to identify the most important modifiable risk factors for stillbirth and the associated health messages (2014-16). This resulted in the development of a consensus statement, held by the DH, identifying information that should be included in all pregnancy health information. Sands took the longer version of the material developed by the writing group, and used it as the basis of its Safer Pregnancy website, [www.saferpregnancy.org.uk](http://www.saferpregnancy.org.uk) (March-May 2017).

The website went live in June 2017, and includes links to guidance from reliable sources, such as NICE and the Royal College of Obstetricians and Gynaecologists, and resources for mums-to-be, such as the Our Chance videos developed by Sands and the charity Best Beginnings. It also provides a vehicle for translating findings from Sands-funded research to advice for women – for example, when the results from the Midlands and North of England Stillbirth Study are released (MiNESS, results due shortly), the associated messaging and campaign film can be added to the site.

The purpose of this website is to inform and empower parents about what they can do to reduce their risk of stillbirth and pregnancy complications through positive messages. The website also provides a reliable resource for health professionals to signpost; describe good-quality maternity care to inform expectant parents and health professionals and provide a national platform to develop pre-conception advice for couples planning a pregnancy.

**4. Effective Organisation and Increased Revenue**– to enable the organisation to achieve its strategic objectives; ensuring the success, sustainability and growth of the charity.

Sands delivered a number of programmes and initiatives to deliver on its 2014-2017 Strategy commitments. The Board of Trustees also took action to reduce the significant risks and uncertainties posed by the prevailing financial model; developed an appropriate strategy for 2017-2020 and supported internal reorganisation to reposition the charity for future success and sustainability.

**4.1 Increased Revenue**

Sands 2014-2017 strategy set an income target of £4M by 31 March 2017 by which date the charity had reached this ambitious target by within a 4% margin with total income at £3.874M.

Year-on-year growth remains broadly as reported in 2015-2016, with income growing at an average rate of 12% per annum across the charity.

Sands continues to diversify its funding streams and, as it increases the breadth and scope of its external collaborations and partnerships, showed particularly strong growth in grant and statutory income in 2016-2017 (see Notes 3, 6).

**4.2 New Financial Model (NFM)**

As part of the year-end review of 2015-2017, Sands Board of Trustees recognised a number of *Principal Risks and Uncertainties*<sup>6</sup> which the organisation was faced with, despite initiatives taken in previous years. Key among these risks were (i) the level of excess reserves held by Sands Groups, and (ii) the ability of the charity to maintain control over sufficient 'free cash' to support its day to day operations.

The incoming Chief Executive, Dr. Clea Harmer embarked on a nationwide '*Listening, Learning, Sharing*' tour to meet with Groups to discuss the implications of the existing model and to explain the benefits of working as one organisation. The aim of the consultation was to allay fears regarding the capacity of the charity to continue to deliver local projects under a *New Financial Model* (NFM) and to take on board suggestions for how the NFM would address the principal risks facing the organisation, while continuing to deliver for Groups and Volunteers locally.

Within the model, Groups will have designated resources to meet planned project expenditure; allowing surplus funds to meet the greatest need, while retaining sufficient cash to support the day-to-day work of the Group. The NFM will be implemented as part of the 2017-2020 Strategy.

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<sup>6</sup> See page 23 of *Sands' Trustees' Report & Accounts for Year Ending 31 March 2016* (2016)

#### 4.3 Sands Strategy for 2017-2020

Sands' vision is for a world where fewer babies die and where anyone who is affected by the death of a baby receives the best care and support for as long as they need. To deliver on its core aims, Sands has set out **4 Strategic Objectives** within the Strategy:

1. To reduce the number of babies dying before, during and shortly after birth; *by at least 20% by 2020.*
2. To ensure the right care and support is available at the right time after the death of a baby: *to have a bereavement lead in every Trust or Health Board and at least one Bereavement Suite in every hospital. To make sure that every parent received equally excellent bereavement care.*
3. To grow as one strong, sustainable and effective organisation: *to be an effective, learning organisation that is positioned for success by working as one organisation.*
4. To raise awareness of the issues relating to stillbirth and neonatal death; *to reduce the taboo associated with stillbirth and neonatal death.*

Underpinning these objectives are **Sands Values**, whereby the charity commits to:

- Being compassionate, collaborative and evidence-based
- Working as one organisation; learning from experience and striving for continual improvement through innovation
- Being open and honest; working with respect and integrity; showing empathy and being inclusive in everything the charity does

To support the Strategy, Sands carried out several internal reviews in 2016, including (i) the model of organisation required to underpin the sustainability and financial success of the charity, culminating in a *New Financial Model*; (ii) the resources required in terms of effective leadership and enabling structures, resulting in human resource restructuring with an increased focus on supporting the work of *Groups and Volunteers* and the creation of a new post with responsibility for *Research Education and Policy* to take forward Sands' important work in this area, and (iii) a review of the effectiveness of its *Information Systems* to inform a request for proposals in 2017 which will integrate the work of charity across central and local levels.

During the period under review, Sands significantly increased its impact by working in collaboration and partnership with a wider number of other charities in sector; with professional and representative bodies and with government representatives across the devolved nations.

Sands will continue to focus on the benefits of strategic external alliances and collaborations to ensure that it meets the targets set out in the 2017-2020 Strategy.

Full details of the strategy are available at the following link:

<https://www.sands.org.uk/our-work/our-strategy-and-impact/our-strategy>

**5. Bigger, better profile** – to increase the scope and influence of the charity through strategic collaborations and effective communications and marketing strategies

*5.1 Sands online resources and media*

Sands undertook several new initiatives in 2016 to raise awareness of the issues surrounding baby death, promote the work of the charity and encourage sensitive media coverage of baby death and bereavement.

A large focus in raising awareness has been the development of Sands online resources, including a redevelopment of Sands main website and the development of 3 other important online initiatives.

➤ *Sands redeveloped website and online presence:*

In 2016 Sands purchased the domain name [www.sands.org.uk](http://www.sands.org.uk) to consolidate its online presence and search engine optimisation (SEO). All online resources are now linked to the new domain, whilst ownership of the [www.uk-sands.org](http://www.uk-sands.org) name is still retained.

Significant work took place throughout 2017 to prepare for the launch of Sands redeveloped website in early 2017. The aim of the new website is to:

- Increase the scope, reach and influence of Sands' work
- Ensure existing and potential users can quickly locate the site in online searches
- Enhance the quality of user experience through clear navigation pathways
- Promote and develop the work of the charity across all strands of activity
- Optimise the use of the website for mobile apps and other integrative features
- Support user engagement through an interactive blog

Traffic to the new site, since its launch in March 2017 has increased by 10%, with new users representing 72% of all website visits

➤ *Safer pregnancy website*

Sands worked in 2015/2016 to catalogue a series of messages for dissemination on a dedicated website [www.saferpregnancy.org.uk](http://www.saferpregnancy.org.uk). The website was developed in 2016 in collaboration with a number of other organisations, including Kicks Count, NCT, the Royal College of Midwives and Tamba, and went live in Spring 2017 with links to professional guidance and resources for mums-to-be (see item 3.6 of this report).

➤ *Babyloss Awareness website*

A new website <https://babyloss-awareness.org/> was developed in 2016 to support Baby Loss Awareness Week and will be used by the partnership of 25 charities to promote awareness-raising on this issue (see item 5.2 of this report).

➤ *Groups website template*

In response to the need to develop a safe, resilient, cost-effective online solution for Sands Groups, a website template to support and promote this invaluable work was developed in 2016. The website template will provide an online option for Groups which comprises:

- Cost-effective online solution which is centrally-supported
- Safe and resilient to online attacks and cybercrime
- Regular backups and disaster recovery options
- Consolidates the branding strategy for the organisation

Key features include a higher resilience to online attacks as this centrally-supported resource will avail of all real-time software upgrades to ensure that all information is held safely and securely. This will be particularly critical with the implementation of the *General Data Protection Regulations* are implemented in Spring 2018 and its implications for storage of personal data.

## 5.2 *Baby Loss Awareness Week*

Baby Loss Awareness Week takes place annually from 9-15 October. The Week marks an opportunity for bereaved parents and their families and friends, across the world to unite and commemorate their babies' lives; to raise awareness about the issues surrounding pregnancy and baby loss in the UK; to let the public and key stakeholders know what baby charities are doing to reduce the number of families affected and raise awareness about the help and support available.

Increased activity in 2016 added 10 new charity partners to the initiative since 2015; bringing the total to 25, including organisations such as ARC; CBUK; Kicks Count; the Lullaby Trust; the Miscarriage Association; Sands Lothians; SIMBA; Teddy's Wish; Tommy's and TAMBA.

Engagement by the partner charities with the All Party Parliamentary Group at the House of Commons resulted in increased awareness and visibility of cross-party parliamentary support by wearing of the BBLAW ribbon pin during PMQ Questions. Sales of Baby Loss Awareness ribbon badges saw a 44% increase overall from 2015 and website traffic increased by 20%. The #waveoflight trended all night on the 15 October when the Wave of Light was celebrated internationally.

A new website <https://babyloss-awareness.org/> was developed in 2016 to support the initiative and will be used by the 25-charity partnership to promote awareness-raising on this issue.

### 5.3 *Major media storylines*

Specialist staff from the Bereavement Support Services team worked with scriptwriters in 2016 to ensure that a storyline in a major TV production was portrayed appropriately and with sensitivity. The Communications and Media team at Sands worked to ensure that media with local and national distribution networks were made aware of the story which helped to raise awareness of the devastating impact on parents and families when a baby dies in subsequent news items.

Sands received high-profile attention and interest, including exposure in hardcopy and online media, across daily national newspapers, TV, radio and national print magazines including OK! and Closer. Our Bereavement Support Specialist also appeared live on the ITV lunchtime news and on popular daily TV programmes like The Victoria Derbyshire Show. The Freephone Helpline hours were extended throughout the storyline so that our bereavement experts were available out of hours to answer calls and emails from viewers affected by the storyline before, during and for several hours after each episode was broadcast. Contact details for the Sands website and Helpline were posted on ITV's website.

Due to the huge media interest in the story, the charity reached millions of people who ordinarily and otherwise wouldn't have known of the availability of Sands' service and the scope of the charity's work.

### 5.4 *Sands Awareness Month – Walk A Mile In My Shoes*

Several hundred walkers of all ages from across the UK joined their friends, family and colleagues and took part in the popular *Walk a Mile in My Shoes* event in June 2016 to raise awareness and promote fundraising for Sands.

The initiative received widespread national and local press attention and reached over 16.2 million followers on social media platforms such as Facebook and Twitter.

## Financial Review

### ➤ *Income growth*

Income at the charity grew by 32% over the period from 1 April 2014 to 31 March 2017 and by a notable 55% over the 5-year period from 1 April 2012. Year-on-year growth continues the growth trend of previous years, with an average annual growth rate of just under 12% per annum.

Sands continues to diversify its funding streams and, as it increases the breadth and scope of its external collaborations and partnerships, showed particularly strong growth in *Grant* and *Statutory* income in 2016-2017 (see Notes 3, 6).

	<b>2016-2017</b>	<b>2015-2016</b>	<b>2014-2015</b>	<b>2013-2014</b>	<b>2012-2013</b>
Income over 5-year period	3,873,534	3,483,850	2,934,193	2,739,791	2,463,457

By 31 March 2017, the charity came within 4% of its *increased revenue* target of £4M for the year ending 31 March 2017, with an overall income in 2016-2017 of just under £3.9M.

### ➤ *Principal funding sources of the charity and how these resources support the key objectives of the charity*

*Donations and legacies* comprised over half of Sands' total income in 2016-2017 at £1,869,675 (see Note 3), showing steady growth at 13% when compared to prior year. Sands continued to diversify its income streams, with *Grant income* showing particularly strong growth, increasing by almost 40% to £115,043, when compared to prior year, due to increased number of strategic collaborations and partnership working. *Membership income* sustained modest growth of 10%; this will be the focus of renewed activity in 2017-2018.

*Other trading activities* (Fundraising) accounted for just over 49% of all Sands income in 2016-2017 at £1,819,217. Sands met and exceeded its Fundraising targets in 2016-2017, with Running Events proving extremely popular, showing growth of over 12% when compared to prior year (see Note 4), with income from these events totalling £610,719. Challenge and other fundraising events showed steady growth of just under 4% totalling £1,170,406 for the year. *Merchandise sales* showed a decline on last year at £31,084, which was due to the elimination of inter-company sales to Groups; merchandise transfers to Groups accounted for an additional £95,848 worth of 'sales' within the year but are disaggregated from these accounts.

*Income from Charitable Activities* (see Note 6) increased by over 160% to £166,905 in 2016-2017. This included Statutory Income, increased by over 170% to £142,000 and revenue from Training doubled to £24,905. A further £68,055 of training was delivered via Groups, which has been disaggregated from these accounts, due to the nature of these inter-company transactions.

➤ *Expenditure*

Total Expenditure for the charity in 2016-2017 was £4,003,791; compared to £3,267,736 in 2015-2016. However, the year marked a 'spend down' year for Groups who spent £355,230 from their reserves in the form of accelerated project spend; bringing to fruition many local projects that had been 'pending' in prior years, in readiness for the adoption of the *New Financial Model*. Taking 'Group reserves' expenditure into account, overall expenditure increased by just over 10%, when compared to prior year expenditure.

The *Cost of Charitable Activities* increased by 20% to £3,237,578; spending on *Bereavement Support* increased by 16% to £2,422,144 and spending on *Improving Bereavement Care* increased by almost 90% to £608,314 as the Sands doubled its outputs in this area, supported by an additional staff member.

Sands increased its research activity in 2016-2017 and associated spend increased by 28% to £207,120; this increased activity largely associated with the review of submissions for applications to Sands Research Fund.

While Sands did not award any new Research Grants in 2016-2017, it continued to honour research commitments made in prior years and made final payments totalling £70,000 in 2016-2017 in respect of the POP (*Pregnancy Outcome Prediction*) Study – (£20,000 payment made to the University of Cambridge in respect of the study led by Prof. Gordon Smith); and the AFFIRM Trial (*does promoting Awareness of Fetal movements and Focussing Interventions Reduce fetal Mortality?*) – (£50,000 to the University of Edinburgh in respect of the study led by Prof. Jane Norman).

In addition to the appointment of a new Chief Executive in 2016, the average number of employees increased during the year to 42 members of staff (full time equivalents) to support the resourcing of Sands' activities at regional and national level, from an average of 36 the previous year. This was represented by 8 new posts; Bereavement Support Services (4); National Bereavement Care Pathway (1); Improving Bereavement Care Team (1); Networks & Volunteers (1) and Fundraising (1). This increased activity resulted in an increase in staff salaries of 14% to £1,650,650; which was within approved budget for the year.

While the charity added £91,467 to its Asset Register in 2016-2017 (due mainly through the development and acquisition of 4 new websites), additional provision totalling £44,458 was required, compared to £19,164 in prior year, to cover depreciation in year, including leasehold improvements acquired in early 2016.

➤ *Reserves and Cashflow*

Total Reserves held by the charity as at 31 March 2017 were £2,481,262, as shown in Table 1:

**Table 1:**

	Restricted £	Unrestricted		Total 2017 £	Total 2016 £
		Designated £	Unrestricted £		
Groups	489,518	246,262	837,841	1,573,621	2,015,199
Central funds	517,619	170,520	219,502	907,641	597,070
	<u>1,007,137</u>	<u>416,782</u>	<u>1,057,343</u>	<u>2,481,262</u>	<u>2,612,269</u>

Of the total Reserves figure of £2,481,262, further analysis shows that:

- *Restricted Reserves* are those funds that have been received for specific purposes and projects, and are shown in detail in *Note 20*.
  - The Total of Restricted Reserves held were £1,007,137, which represents an overall net increase of £144,118. This was largely accounted for by the increase in the Centrally-held Restricted Research Fund of £161,067, during the year (excluding Group Transfers – see Note 21), with a further £16,500 received for the development/promotion of the Safer Pregnancy website within the year.
  - Groups, in aggregate, spent down £92,371 of their Restricted Reserves which represents a reduction of 16%, or £92,371, based on last year's comparative figure of £581,889.
- *Designated Reserves* are funds designated by Sands for a particular purpose and show the split of funds held Centrally and by Groups, net of transfers. .
  - Designated Reserves held were £416,782, of which £246,262 (60%) are set aside for accrued Group disbursements in 2016-2017 and £170,520 (40%) held Centrally.
- *Unrestricted Reserves* represent the cash/cash items which are freely available to the charity..
  - Unrestricted Reserves held were £1,057,343, of which £837,841 (80%; down from 99.5% in prior year) were held by Sands Groups as at year-end *see Balance Sheet on p38*.
  - Groups, in aggregate, spent down £355,230, or 30% of their Unrestricted Reserves during the year, based on combined opening balance of £1,193,072 (*see Balance Sheet on p38*).

## **Reserves Policy**

Sands recognises the need to hold sufficient reserves to allow protection of core activities in the event of any income shortfall to implement its strategic programmes and enable the charity to continue to carry out vital services to the public. The Board of Trustees adopted a Reserves Policy in October 2015, which aims to have sufficient free reserves to enable Sands to cope with fluctuations and to hold at least the equivalent of three months' operating cost expenditure.

The Reserve Fund cannot be funded from income which is subject to other commitments, planned expenditure, or other restrictions and should therefore never include any funds which are restricted or designated for other purposes.

The policy was reviewed, revised and approved by the Board of Trustees in March 2017. It is estimated that the reserves provision required has increased to £800,000 from its 2015 figure of £730,000. The 3-month estimates are based on the indicative budget for 2017-2018 and continue to assume a 'worst case' scenario of a sudden cessation of all income streams.

Any level of reserves held in excess of the level outlined in the Reserves Policy, which is not subject to other commitments or restrictions, is considered to be surplus (or excess) reserve and should be spent down, in line with Charity Commission guidance, so that the charity can comply with its public benefit requirement. Currently £219,502 is being held as free reserves (centrally) to make up part of the Reserves Fund, which is significantly below the target figure of £800,000; which means that in essence, the remainder of the required target fund - £580,498 - is being held as free reserves by Groups. As the Group free reserves figure is £837,841, this means that Groups are holding £257,343 of reserves which are in excess of the charity's policy.

The introduction of a *New Financial Model* (NFM) at Sands will address this critical issue and ensure that:

- An appropriate level of funds are set aside to fund the Reserves Policy
- These funds are held in a way that the charity can access
- Surplus funds are identified, including any excess funds being held by Groups
- Planned programmes of expenditure are approved by the Board of Trustees to ensure that *all* available funds are spent in line with the charity's core aims and objectives as set out in the 2017-2020 Strategy.

The Finance Sub Committee of the Board of Trustees will continue to closely monitor the Reserves position in the forthcoming year; to ensure that the level of free cash reserves is appropriate to the operating costs at the charity.

## **Principal Risks and Uncertainties**

In the Trustees' Annual Report and Accounts for the year ending 31 March 2016, the principal risks and uncertainties facing the charity were identified as (i) the level of excess reserves held by Groups and (ii) the ability of the charity to maintain control over sufficient 'free cash' to support its day to day operations. Despite initiatives introduced in prior years, the percentage of funds held by Groups had increased year on year, which was reflected in excess level of reserves being held by Groups as at year end. Correspondingly, a depletion of free cash held centrally was identified as a corresponding risk and cause of uncertainty regarding the charity's ability to fund day to day operations.

To meet this key challenge, a *New Financial Model (NFM)* was devised in 2016 in consultation with Sands Groups, members and other key stakeholders, which has been adopted by the Board of Trustees for implementation in 2017, with all Groups to transition to the model by March 2019. This will help to underpin the sustainability of the charity through the pooling of resources whilst reducing the level of unspent reserves at Group level. The model will ensure that:

- Groups and fundraisers can see how money raised locally is used for local projects
- An appropriate level of reserves is maintained to underpin the Reserves Policy
- Surplus cash is used to support Groups that are struggling to meet the greatest need in their local communities
- Sands works as 'one' organisation with greater strategic impact and public awareness
- The charity can report effectively in terms of the outcomes and impact of the charity as a whole

So far, 21 Groups have been identified for transition in the first 'wave' commencing from 1 October 2017. These Groups will reap additional benefits by adopting the model, such as better resourcing, easier funds management and year-end reporting and the ability to see how they can impact both in their local communities and on the national picture in terms of reducing the number of babies dying and to ensure that the right care and support is available following the death of a baby.

The principal risks and uncertainties in 2017-2018 relate to the smooth transitioning of this first 'wave' and subsequent 'waves' through to March 2019 through adequate resourcing, whilst ensuring that the charity has access to the necessary level of free cash reserves. This will be particularly challenging whilst the current 'disbursements' model continues to March 2018, when all disbursements will cease. Designated resources have been put in place by the Board of Trustees to support the transition and implementation of the model.

The position will continue to be closely monitored by the Audit & Risk and Finance Sub Committees of the Board of Trustees who may identify the need to fund any temporary shortfall, pending full implementation of the NFM, through alternative means.

### **Plans for the future**

As well as the approval of the *New Financial Model*, 2017 saw the launch of Sands 2017-2020 Strategy. The strategy sets out Sands' bold vision and objectives to 2020, under 4 key objectives:

- To reduce the number of babies dying before, during and shortly after birth
- To ensure the right care and support is available at the right time after the death of a baby
- To grow as one strong, sustainable and effective organisation
- To raise awareness of the issues relating to stillbirth and neonatal death

The Strategy, which can be found on Sands' website at:

<https://www.sands.org.uk/our-work/our-strategy-and-impact/our-strategy>

sets out Sands' key commitments to achieve these objectives.

The Strategy places a strong emphasis on collaborative working with governments, all-parliamentary groups, representative bodies, health professionals, universities and other key influencers in the media and public domain, as well as working across the charity itself, to build 'critical mass' to promote change and quality improvements in the field of maternity and neonatal care.

Like many other charities, Sands will be actively seeking out further opportunities to collaborate and consolidate with other charities in the sector, up to and including potential mergers. Where the nature of such arrangements has an impact on future governance arrangements, the members will be properly consulted and will have the opportunity to voice any concerns via multiple channels, up to and including an Extraordinary General Meeting (EGM).

The Strategy also places an emphasis on the continual development of Sands as a learning organisation and will look at ways to offer quality improvements to all services provided by the charity, including the adoption of quality standards such as the *Helplines Partnership Standard* and the *Mentoring & Befriending Standard*. Sands will also continue to support other organisations to improve their standards through the implementation of initiatives such as the *Perinatal Mortality Review Tool* and the *National Bereavement Care Pathway* and will provide direct support to the public through expanding the scope and accessibility of its service offer by involving parents and potential parents and capturing their views to ensure that Sands is relevant to a new generation of beneficiaries, supporters and volunteers.

Sands will continue to develop its national scope and remit through the introduction of its *2017-2020 Strategy*, underpinned by the *New Financial Model* and by recognising the unique contribution of every individual in every part of the organisation. This focus will support the continued growth and success of the organisation as it continues to deliver upon its charitable aims and objectives and ensure best use of all available resources to achieving those aims.

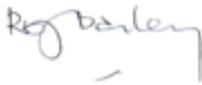
### **Disclosure of information to auditors**

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, H.W. Fisher & Company were re-appointed as Auditors to the company at the Annual General Meeting of the members held on 29 October 2016.

A resolution proposing that they be reappointed will be put to the Annual General Meeting to be held on 4 November 2017.



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Reg Bailey, CBE  
Chair – Board of Trustees

## **Statement of Trustees' Responsibilities**

The Trustees, who are also directors of the Stillbirth & Neonatal Death Society for the purpose of company law, are responsible for preparing the Trustee's Report and accounts in accordance with applicable laws and United Kingdom Accounting Standards (UK GAAP), including FRS102 *"The Financial Reporting Standard applicable in the UK and Republic of Ireland"*.

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and use them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the accounts on a going concern basis, unless it is inappropriate to presume that the charity will continue its operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Companies Act 2006 and Regulation 8 of the Charities Accounts (Scotland) Regulations 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.

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.

## **Independent Auditors' Report**

We have audited the accounts of the Stillbirth and Neonatal Death Society for the year ended 31 March 2017 set out on pages 37 to 56. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and Auditors**

As explained more fully in the Trustees' Responsibilities Statement on page 34, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

We have been appointed as auditor under Chapter 2 of Part 16 of the Companies Act 2006 and section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under these acts. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the accounts**

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

**Independent Auditors' Report  
To the Members of the  
Stillbirth & Neonatal Death Society**



**Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Opinion on other matter prescribed by the Companies Act 2006**

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

- o the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the financial statements; and.
- o The Trustees' Annual Report has been prepared in accordance with the applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Annual Report.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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

*H W Fisher + Company*  
**Andrew Rich (Senior Statutory Auditor)**

for and on behalf of H W Fisher & Company  
Chartered Accountants.

Statutory Auditor

Acre House, 11-15 William Road

London NW1 3ER

Dated: 3/10/17

**Stillbirth & Neonatal Death Society  
(A Company limited by Guarantee)  
Statement of Financial Activities  
Including Income & Expenditure Account  
As at 31 March 2017**



	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
<b>Income</b>						
Donations and legacies	3	1,466,172	116,724	286,779	1,869,675	1,655,192
Other trading activities	4	1,272,965	546,252	-	1,819,217	1,747,481
Income from investments	5	1,069	-	-	1,069	4,283
		<u>2,740,206</u>	<u>662,976</u>	<u>286,779</u>	<u>3,689,961</u>	<u>3,406,956</u>
Income from Charitable activities	6	<u>24,865</u>	<u>40</u>	<u>142,000</u>	<u>166,905</u>	<u>63,427</u>
Other Income		16,668	-	-	16,668	13,467
<b>Total income and endowments</b>		<u>2,781,739</u>	<u>663,016</u>	<u>428,779</u>	<u>3,873,534</u>	<u>3,483,850</u>
<b>Expenditure</b>						
7						
<b>Expenditure on raising funds</b>						
Fundraising Costs		<u>766,213</u>	<u>-</u>	<u>-</u>	<u>766,213</u>	<u>562,082</u>
<b>Expenditure on Charitable activities</b>						
Bereavement Support		2,162,504	-	259,640	2,422,144	2,083,246
Improving Bereavement Care		549,169	-	59,145	608,314	320,689
Research		178,154	-	28,966	207,120	161,719
Research Grants		-	-	-	-	140,000
<b>Total charitable expenditure</b>		<u>2,889,827</u>	<u>-</u>	<u>347,751</u>	<u>3,237,578</u>	<u>2,705,654</u>
<b>Total expenditure</b>		<u>3,656,040</u>	<u>-</u>	<u>347,751</u>	<u>4,003,791</u>	<u>3,267,736</u>
<b>Net gains / (losses) on investments</b>		<u>(750)</u>	<u>-</u>	<u>-</u>	<u>(750)</u>	<u>(250)</u>
<b>Net income / (expenditure)</b>		<u>(875,051)</u>	<u>663,016</u>	<u>81,028</u>	<u>(131,007)</u>	<u>215,864</u>
Transfers between funds		<u>732,880</u>	<u>(795,971)</u>	<u>63,091</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>(142,171)</u>	<u>(132,955)</u>	<u>144,119</u>	<u>(131,007)</u>	<u>215,864</u>
<b>Fund balance at 1 April 2016</b>		<u>1,199,514</u>	<u>549,737</u>	<u>863,018</u>	<u>2,612,269</u>	<u>2,396,405</u>
<b>Funds balance at 31 March 2017</b>		<u>1,057,343</u>	<u>416,782</u>	<u>1,007,137</u>	<u>2,481,262</u>	<u>2,612,269</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**Stillbirth & Neonatal Death Society**  
**(A Company limited by Guarantee)**  
**Balance Sheet**  
**As at 31 March 2017**



	Notes	2017 £	£	2016 £	£
<b>Fixed Assets</b>					
Intangible Assets	13	67,951		18,307	
Tangible Assets	14	96,569		118,059	
Investments	15	<u>6,000</u>		<u>6,750</u>	
		170,520		143,116	
<b>Current Assets</b>					
Stock	16	8,072		25,566	
Debtors	17	320,207		217,791	
Cash In Bank - Sands Groups		1,573,622		1,824,625	
Cash in Bank - Held Centrally		<u>606,923</u>		<u>913,321</u>	
		2,508,824		2,981,303	
<b>Creditors falling due within one year</b>					
	18	<u>198,082</u>		<u>512,150</u>	
<b>Net Current Assets</b>			<u>2,310,742</u>		<u>2,469,153</u>
<b>Total Assets less current Liabilities</b>			<u>2,481,262</u>		<u>2,612,269</u>
<b>Income Funds</b>					
Restricted Funds					
	20				
Central Funds		517,619		281,129	
Sands Groups		<u>489,518</u>		<u>581,889</u>	
			1,007,137		863,018
Unrestricted Funds					
Designated Funds					
	21				
Central Funds		170,520		309,499	
Sands Groups		<u>246,262</u>		<u>240,238</u>	
			416,782		549,737
Other Charitable Funds					
	22				
Central Funds		219,502		6,442	
Sands Groups		<u>837,841</u>		<u>1,193,072</u>	
			<u>1,057,343</u>		<u>1,199,514</u>
			<u>2,481,262</u>		<u>2,612,269</u>

The accounts were approved by the Board on 30 September 2017

Reg Bailey, CBE  
Chair - Board of Trustees

**Stillbirth & Neonatal Death Society**  
**(A Company limited by Guarantee)**  
**Statement of Cashflows**  
**As at 31 March 2017**



	Notes	Total 2017 £	Total 2016 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	24	<u>(465,934)</u>	<u>373,885</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(91,467)</u>	<u>(97,426)</u>
Net cash provided by (used in) investing activities		<u>(91,467)</u>	<u>(97,426)</u>
Change in cash and cash equivalents in the reporting period		<u>(557,401)</u>	<u>276,459</u>
Cash and cash equivalents at the beginning of the reporting period		<u>2,737,946</u>	<u>2,461,487</u>
Cash and cash equivalents at the end of the reporting period		<u>2,180,545</u>	<u>2,737,946</u>

## **1. Accounting Policies**

### **1.1 Basis of Preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2006. The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

### **1.2 Preparation of the accounts on a going concern basis**

We have set out in the Trustees' report a review of financial performance and the charity's Reserves position (notes 20-22) and we have a reasonable expectation that we have the resources to continue in operational existence for the foreseeable future. We believe there are no material uncertainties that call into doubt the charity's ability to continue as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

### **1.3 Incoming Resources**

Income is recognised when the Charity has entitlement to the funds, any conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Grants income is credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred. Voluntary Income and donations are accounted for as they are received.

Income received as investments is recognised at the market value on the day the donation is received. Earned income is accounted for as it is receivable. Donations in kind are recognised at their fair value, with an equivalent charge made to the resources expended.

### **1.4 Fund accounting**

Restricted funds are donations where the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity. Designated funds are funds which have been designated by Sands for a particular purpose and show the split of funds held Centrally and by Groups, net of transfers. Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

#### **1.5 Critical accounting estimates**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no critical accounting estimates for the period under review.

#### **1.6 Resources expended**

Fundraising and publicity costs comprise the costs incurred in producing materials for promotional purposes and in raising funds. Governance costs are those which do not directly relate to charitable activities, and include the costs of audit and statutory compliance. Where costs cannot be directly attributed, they are reallocated amongst charitable activities on a utilisation basis, assessed by percentage of cost. Income and expenditure are stated net of VAT. The charity has a partial exemption for VAT and is not able to reclaim VAT on all its indirect charitable costs. Irrecoverable VAT is written off against charitable activities.

Research Grants are recognised and recorded in the accounts at full cost, at the time the funds are committed by the Board of Trustees. In exceptional circumstances, where the grant funding schedule is contingent upon specific targets or deliverables being achieved, Sands may recognise only those commitments which are guaranteed in year under the terms of the grant agreement.

#### **1.7 Intangible and tangible fixed assets and depreciation**

Intangible and tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual values of each asset over its expected useful life as follows;

Website (Intangible)	33% reducing balance
Leasehold improvements (Tangible)	25% straight-line
All other assets (Tangible)	25% reducing balance

Assets purchased, individually, under £1,000 are not capitalised, but expensed in the year of purchase.

#### **1.8 Stock**

Stock is valued at the lower of cost and net realisable value.

#### **1.9 Leasing & hire purchase**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### **1.10 Pensions**

The charity makes payments on behalf of its employees to the Sands stakeholder pension scheme. The pension costs charged in the accounts represent the contributions payable by the charity during the year. Pension Auto Enrolment commenced on 1 January 2016.

#### **1.11 Termination payments**

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Debtors**

Debtors are recognised at the settlement amount due after any trade discount offered and provision for bad and doubtful debts.

Prepayments are valued at the amount prepaid net of any trade discounts due.

#### **1.13 Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### **1.14 Creditors and provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### **1.15 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## **2. Legal status of the Charity**

The Charity is constituted as a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**Stillbirth & Neonatal Death Society  
(A Company limited by Guarantee)  
Notes to the Accounts  
For the year ending 31 March 2017**



**3. Donations & Legacies**

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2017 £	Total 2016 £
Donations & Gifts	1,121,835	116,224	189,096	1,427,155	1,269,417
Gift Aid	314,790	-	-	314,790	291,307
Grants Received	16,860	500	97,683	115,043	82,930
Membership	12,687	-	-	12,687	11,539
	<u>1,466,172</u>	<u>116,724</u>	<u>286,779</u>	<u>1,869,675</u>	<u>1,655,193</u>

For the year ended 31 March 2017, Unrestricted income totalled £1,466.1k (2016: £1,343.4k); Designated income £116.7k (2016: £12k) and Restricted income £286.8k (2016: £299.7k).

**4. Other trading activities**

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2017 £	Total 2016 £
Affinity Fundraising	6,893	115	-	7,008	5,068
Running Events	428,425	182,294	-	610,719	544,431
Challenge Events	349,553	178,038	-	527,591	508,125
Other Fundraising Events	457,010	185,805	-	642,815	619,889
Merchandise Sales (External)	31,084	-	-	31,084	69,968
	<u>1,272,965</u>	<u>546,252</u>	<u>-</u>	<u>1,819,217</u>	<u>1,747,481</u>

For the year ended 31 March 2017, Unrestricted income totalled £1,273k (2016: £1,642.7k); Designated income £546.2k (2016: £87.8k) and Restricted income £0k (2016: £17k).

Merchandise Sales' income is shown net of transactions between the Charity and its component Groups under FRS102 SORP. Additional merchandise transactions made internally to the value of £95,848 were recorded as inter-company transactions and are not shown in the note above.

**5. Income from investments**

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2017 £	Total 2016 £
Interest Received	1,069	-	-	1,069	4,283
	<u>1,069</u>	<u>-</u>	<u>-</u>	<u>1,069</u>	<u>4,283</u>

Unrestricted income from investments totalled £1,069 (2016: £4,283).

**Stillbirth & Neonatal Death Society  
(A Company limited by Guarantee)  
Notes to the Accounts  
For the year ending 31 March 2017**



**6. Income from Charitable Activities**

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2017 £	Total 2016 £
Training and Other related services	24,865	40	-	24,905	12,427
Statutory Funding	-	-	142,000	142,000	51,000
	<u>24,865</u>	<u>40</u>	<u>142,000</u>	<u>166,905</u>	<u>63,427</u>

Training and other services' income is shown net of transactions between the Charity and its component Groups under FRS102 SORP. Additional training transactions made internally to the value of £68,055 were recorded as inter-company transactions and are not shown in Note 6.

For the year ended 31 March 2017, Unrestricted income from Charitable Activities totalled £24,865 (2016: £58,427); Designated income £40 (2016: £nil) and Restricted income (Statutory Funding) £142,000 (2016: £5,000).

**7. Total resources expended**

	Staff Costs £	Depreciation £	Other Costs £	Total 2017 £	Total 2016 £
<b>Cost of Generating Funds</b>					
Fundraising Costs	<u>320,072</u>	<u>-</u>	<u>446,141</u>	<u>766,213</u>	<u>562,082</u>
<b>Charitable Activities</b>					
Bereavement Support	940,445	33,261	1,448,438	2,422,144	2,083,246
Improving Bereavement Care	251,879	8,353	348,082	608,314	320,689
Research	138,255	2,844	66,021	207,120	161,719
Research Grants	-	-	-	-	140,000
Total charitable expenditure	<u>1,330,579</u>	<u>44,458</u>	<u>1,862,541</u>	<u>3,237,578</u>	<u>2,705,654</u>
	<u>1,650,651</u>	<u>44,458</u>	<u>2,308,682</u>	<u>4,003,791</u>	<u>3,267,736</u>

Included in *Other Fundraising Costs* are Fundraising & Merchandise costs £168,859 (2016: £79,536); Fundraising Platform charges £110,624 (2016: £92,368); Postage, printing, stationery and bank charges £63,701 (2016: £32,614); Consultancy fees £50,887 (2016: £32,301) and software, subscriptions and travel costs £52,070 (2016: £28,136).

Included in *Bereavement Support* costs £2,422,145 (2016: £2,083,246) are Group donations to hospitals £240,085 (2016: £179,283) and memorial expenses £172,357 (2016: £95,915).

*Research* and *Research Grants* have been shown separately to clarify the departmental costs and the costs directly attributable to Research Grants. In 2016-2017 a total of £70,000 cash payments was issued (University of Cambridge: £20,000 and University of Edinburgh: £50,000) which were accrued in prior year accounts on the basis of funding commitments made.

**Stillbirth & Neonatal Death Society  
(A Company limited by Guarantee)  
Notes to the Accounts  
For the year ending 31 March 2017**



For the year ended 31 March 2017, Unrestricted expenditure for *Generating Funds* totalled £760,298 (2016: £557,005); Designated expenditure £nil (2016: £nil) and Restricted expenditure £5,915 (2016: £5,077).

Unrestricted expenditure for *Charitable Activities* totalled £3,661,955 (2016: £3,042,206); Designated expenditure £nil (2016: £nil) and Restricted expenditure £341,836 (2016: £225,530).

## 8. Reallocation of Support Costs

	Bereavement Support £	Improving Bereavement £	Research £	Research Grants £	Total 2017 £	Total 2016
Charitable Activities						
Staff Costs	458,364	130,806	97,032	-	686,202	620,699
Depreciation	-	-	-	-	-	-
Other Costs	1,010,291	238,042	28,554	-	1,276,887	1,017,643
	<u>1,468,655</u>	<u>368,848</u>	<u>125,586</u>	<u>-</u>	<u>1,963,089</u>	<u>1,638,342</u>
Allocation of support costs						
Staff Costs	482,081	121,073	41,223	-	644,377	531,019
Depreciation	33,261	8,353	2,844	-	44,458	19,163
Other Costs	401,325	100,792	34,318	-	536,435	462,889
Governance (note 9)	36,822	9,248	3,149	-	49,219	54,240
	<u>953,489</u>	<u>239,466</u>	<u>81,534</u>	<u>-</u>	<u>1,274,489</u>	<u>1,067,311</u>
	<u>2,422,144</u>	<u>608,314</u>	<u>207,120</u>	<u>-</u>	<u>3,237,578</u>	<u>2,705,654</u>

## 9. Governance Costs

	2017 £	2016 £
Governance costs comprise:		
Legal & Professional	3,809	5,294
Audit & Accountancy	17,324	20,557
Expenses reimbursed to or paid on behalf of Trustees	7,565	11,528
AGM	8,628	6,516
Meeting Costs	2,831	3,535
Trustee Training	460	2,135
Other	8,602	4,675
	<u>49,219</u>	<u>54,240</u>

Audit & Accountancy include costs of £7,474 (2016: £8,957), expended on the charity's internal audit function; £8,900 expended on the Statutory Audit function (2016: £9,500) and an additional £950 (2016: £2,100) was spent on advice sought regarding the implementation of FRS102 SORP. The comparative figure expended in 2016 relates to the provision of VAT advice.

## 10. Trustees

None of the Trustees received any remuneration for their services as Trustees of the charity during the year, but all (12) Trustees were reimbursed travel, subsistence & training expenses totalling £8,025 (2016 (11): £13,663).

## 11. Employees

Sands is committed to providing equality of opportunity in employment and to developing working practices and policies that support work-life balance and encourages flexible working. Table 11.a sets out the average employee headcount per year which comprised 27 full-time and 32 part-time staff. Table 11.b equates the total headcount (59) to the number of full-time equivalent posts (42) at Sands during the year under review.

### 11.a Average employee headcount during the year

	2017 Number	2016 Number
Helpline	7	6
Groups	13	12
Improving Bereavement Care	13	11
Research	3	3
Fundraising	10	9
Media & PR	4	3
Management & Admin	9	9
	59	53

### 11.b Average number of UK employees (full-time equivalents) during the year:

	2017 Number	2016 Number
Helpline	4	3
Groups	9	8
Improving Bereavement Care	5	3
Research	2	2
Fundraising	9	8
Media & PR	4	3
Management & Admin	9	9
	42	36

**11. Employees (continued)**

	2017	2016
	£	£
Wages & Salary	1,457,164	1,280,122
Social Security Costs	135,853	118,731
Cessation costs	6,350	16,363
Other Pension Costs	51,284	33,629
	<u>1,650,651</u>	<u>1,448,845</u>

Pension costs for employees whose annual emoluments were £60,000 or over was £1,510 (2016: £503).

The key management personnel of the Charity for the period under review, comprised of the CEO, Interim CEO & Senior Leadership Group. Remuneration of key management personnel was £234,333 (2016: £227,054).

Cessation costs relate to termination payments associated with employees who left the organisation. At the balance sheet date, all payments had been made and there were no outstanding liabilities (2016: £nil).

**12. Pension Scheme**

	2017	2016
	£	£
Contributions payable by the company for the year	<u>51,284</u>	<u>33,629</u>
	<u>51,284</u>	<u>33,629</u>

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**13. Fixed Assets (Intangible)**

	Websites £	Total £
<b>Cost</b>		
At 1 April 2016	51,412	51,412
Additions	77,681	77,681
Disposals	<u>(51,412)</u>	<u>(51,412)</u>
At 31 March 2017	<u>77,681</u>	<u>77,681</u>
 <b>Depreciation</b>		
at 1 April 2016	33,105	33,105
Disposals	(38,439)	(38,439)
Charge for the year	<u>15,064</u>	<u>15,064</u>
at 31 March 2017	<u>9,730</u>	<u>9,730</u>
 <b>Net book value</b>		
At 31 March 2017	<u>67,951</u>	<u>67,951</u>
at 31 March 2016	<u>18,307</u>	<u>18,307</u>

**14. Fixed Assets (Tangible)**

	Fixtures, Fittings & Equipment £	IT Equipment £	Software & IP £	Leasehold Prop & Imp £	Total £
<b>Cost</b>					
At 1 April 2016	61,574	54,850	15,900	-	132,324
Additions	-	13,786			13,786
Disposals/Transfer	<u>(49,380)</u>	<u>(19,001)</u>	<u>(850)</u>	<u>60,911</u>	<u>(8,320)</u>
At 31 March 2017	<u>12,194</u>	<u>49,635</u>	<u>15,050</u>	<u>60,911</u>	<u>137,790</u>
 <b>Depreciation</b>					
at 1 April 2016	1,125	8,384	4,756	-	14,265
Disposals/Transfer	(652)	(1,375)	(411)	-	(2,438)
Charge for the year	<u>2,864</u>	<u>8,762</u>	<u>2,540</u>	<u>15,228</u>	<u>29,394</u>
at 31 March 2017	<u>3,337</u>	<u>15,771</u>	<u>6,885</u>	<u>15,228</u>	<u>41,221</u>
 <b>Net book value</b>					
At 31 March 2017	<u>8,857</u>	<u>33,864</u>	<u>8,165</u>	<u>45,683</u>	<u>96,569</u>
at 31 March 2016	<u>60,449</u>	<u>46,466</u>	<u>11,144</u>	<u>-</u>	<u>118,059</u>

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**15. Investments**

	Unrestricted Income £	Designated Funds £	Restricted Funds £	Total £
Market Value at 1 April 2016	6,750	-	-	6,750
Additions	-	-	-	-
Gains / (Losses)	(750)	-	-	(750)
Market Value at 31 March 2017	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>6,000</u>

Sands received a donation of 100,000 shares in Eurovestech PLC, previously a UK AIM listed company, during the financial year ending 31 March 2013. The shares are currently available through the London Matched Markets Exchange (LMMX) share matching facility and were valued at £6,000 as at 31 March 2017. Any dividends due will be allocated to unrestricted income as Investment income.

**16. Stock**

	2017 £	2016 £
Fundraising Merchandise	<u>8,072</u>	<u>25,566</u>
	<u>8,072</u>	<u>25,566</u>

**17. Debtors**

	2017 £	2016 £
Trade Debtors	4,201	32,014
Prepayments and accrued Income	243,254	79,725
Other Debtors	<u>72,752</u>	<u>106,052</u>
	<u>320,207</u>	<u>217,791</u>

*Accrued Income* comprises £193,295 (2016: £0) of which £140,614 relates to Legacy Income accrued as at 31 March 2017. The balance of £52,681 (2016: £0) relates to Fundraising Income payable of £38,086 (2016: £0) and other sales income accrued of £14,595 (2016: £0).

*Amounts owed by Groups* totalling £79,391 (2016: £20,892) have been disaggregated from the consolidated accounts. The increase in 2016-2017 represents funds accrued in respect of the 'Interim Ask' from Groups totalling £396,111 (2016: £nil), of which £327,287 was received by 31 March 2017.

## 18. Creditors

	2017	2016
	£	£
Trade Creditors	45,059	104,178
Taxes & Social Security Costs	41,077	59,021
Other Creditors	1,810	591
Accruals	110,136	159,360
Deferred Income	-	189,000
	<u>198,082</u>	<u>512,150</u>

Included in *Accruals* is a Research Accrual of £40,000 in respect of the DESiGN project, which is being run in association with St. Thomas' Hospital. The work is due to commence in 2017

Deferred Income of £189,000 has all been released to 2016-2017 expenditure and any unspent balances accrued to Restricted Funds (*see Note 20*).

## 19. Research Grants Analysed

Name of Institution/Individual (Name of Project)	2017	2016
	£	£
University of Cambridge (POPs)	-	50,000
University of Edinburgh (AFFIRM)	-	50,000
University College London (DESiGN)	-	40,000
	<u>-</u>	<u>140,000</u>

**POPs** - Sands agreed additional funding of £50k for this study in 2015-2016, to improve the predictive outcomes of the study; Total funding by Sands now stands at £139k. £30k was accrued to 2015-2016 and the *balance of £20k paid in 2016-2017*.

**AFFIRM** - Sands committed £50k to trial the introduction of new parent information and an agreed health professional response to changes in fetal movements reported by parents. This was *paid in 2016-2017*.

**DESiGN**- Sands has committed £40k to co-fund the trial, which aims to evaluate the diagnostic performance of the Growth Assessment Protocol (GAP) programme. *This work is due to start in the financial year 2017-2018*.

Sands launched its own **Research Fund** in 2016-2017 and reviewed a total of 18 applications, of which 4 have been selected to receive awards in 2017-2018 (*see p18; Section 3.1*).

## 20. Analysis of movements of Restricted Funds

	Movement in Funds				Balance 31st March 2017 £
	Balance at 1st April 2016 £	Transfers £	Incoming Resources £	Outgoing Resources £	
Sands Groups	581,889	-	84,654	(177,025)	489,518
Research	152,131	43,781	161,068	-	356,980
Memory boxes	41,467	-	100	-	41,567
Website	36,219	-	-	(4,895)	31,324
Safer Pregnancy Website	-	-	16,500	(1,341)	15,159
Taunton Soroptimist	8,892	-	-	(2,850)	6,042
Teddy's Wish: London NC (salary contribu	-	-	15,000	(15,000)	-
Scottish Govt: Bereavement care Audit	-	-	5,000	(5,000)	-
Scottish Govt: Parent Toolkit	-	-	12,000	-	12,000
Scottish Govt: Bereavement care conferer	-	-	18,800	(18,800)	-
Scottish Govt: Bereavement care Joint tra	15,000	-	-	(12,600)	2,400
Scottish Govt: Salary contribution	-	-	66,200	(66,200)	-
Scottish Govt: Bereavement Care Awards	-	-	15,000	(15,000)	-
NHS England: Non religious pastoral supp	-	-	2,000	(452)	1,548
NHS England: (IBC) RCGP	-	19,310	-	-	19,310
NHS England: Review of impact BSS	-	-	5,000	-	5,000
Stillbirth awareness focus group	9,420	-	-	-	9,420
Capco App	-	-	3,749	(963)	2,786
Forum	-	-	350	-	350
WREM	-	-	8,733	-	8,733
Bereavement Room Refurbishment	5,000	-	-	-	5,000
Our Chance Project	13,000	-	14,625	(27,625)	-
	<u>863,018</u>	<u>63,091</u>	<u>428,779</u>	<u>(347,751)</u>	<u>1,007,137</u>

**Sands Groups** - To fund a range of support services that Sands groups offer in their local community; including bereaved parents and their families and healthcare providers. Groups have actively commenced spending down these reserves in 2016-2017 in preparation for the adoption of the New Financial Model, which will place a renewed emphasis on project planning to deliver local projects.

**Research Fund** – The fund took in almost £205k in 2016-2017, including £43.8k in Group transfers. £271k will be used in 2017-2018 to fund a total of 4 projects to support the work of the charity.

**Memory Boxes** - To fund the free dissemination of memory boxes throughout the UK. The Business Plan for 2016-2017 includes a strategy for spending this Reserve in year.

**Website** - Sands invested a total of £36.8k to develop and re-launch its main website in 2017. The investment has been capitalised and this fund will be used to fund the amortisation of the asset.

**Safer Pregnancy Website** - Sands invested a total of £16.3k to develop and launch its *Safer Pregnancy* website in 2017. The investment has been capitalised and this fund will be used to fund the amortisation of the asset.

**Taunton Soroptomists** - to fund work undertaken on behalf of Sands in the Taunton, or immediate area. Sands' South West Network is liaising with the hospitals in the Taunton area with a view to spending down the fund in 2017-2018.

**Bereavement Care: Parent Toolkit** - Sands will be working with its partners in 2017-2018 to develop better ways for parents to have a voice regarding the quality of care that they receive.

**Bereavement Care: Joint Training** - to develop a model of joint bereavement training with other bereavement charities in Scotland.

**NHS England: Pastoral Support** – Sands will be developing a collaborative approach to developing an accessible and inclusive model of support for bereaved parents.

**NHS England: MBEM** – work on the *Maternity Bereavement Experience Measure* will be carried out in the financial year 2017-2018.

**NHS England: Review of Bereavement Support Services** – this work will be carried out in the financial year 2017-2018.

**Stillbirth Awareness Focus Group** - The fund was created to facilitate a project that aimed to raise awareness of stillbirth, through public health messaging, throughout the UK. The project has now come to an end. Sands will contact the donor of the residual funds, with a view to reallocating the funds, which will contribute to the costs of the safer pregnancy website in 2017-18.

**CAPCO App** – development near completion and really to trial in 2017-2018.

**Sands Forum** – provides invaluable online and interactive support. Fund will be used to redevelop the forum in 2017-2018.

**RCGP e-learning project** – this fund has been established, with support from Sands Groups, to develop an e-learning platform for general practitioners. Work is expected to complete in the financial year 2017-2018.

**Bereavement Room Refurbishment** - To fund the refurbishment of bereavement suite at a local hospital. The fund is scheduled to be disbursed in 2017-2018.

## 21. Analysis of movements of Designated Funds

The income funds of the Charity include the following designated funds which have been set aside from unrestricted funds by the Trustees.

### *Centrally held funds (Designated)*

#### 21.a

	Movement in Funds				Unadjusted Balance 31st March 2017 £
	Balance at 1st April 2016 £	Transfers £	Incoming Resources £	Outgoing Resources £	
Research	309,499	(309,499)		-	-
Net Funds due to Groups	240,238	(346,108)	663,016	-	557,146
	<u>549,737</u>	<u>(655,607)</u>	<u>663,016</u>	<u>-</u>	<u>557,146</u>

**Research** - funds were set aside by the Board of Trustees in 2015-2017 to supplement any potential shortfall in Sands' Research Fund commitments for 2017-2018. As Sands' Restricted Research Fund achieved its target of £350,000 by 31 March 2017, the designated fund was released to *Other Charitable Funds* (general fund) by the Trustees in 2016-2017.

**Net Funds due to groups** – A total of £663,016 was received via fundraising platforms in 2016-2017 for disbursements to Groups, of which £346,108 was disbursed within the year. This would have left a balance due to Groups of £557,146, which has been adjusted per Note 21.b below.

### *Centrally held funds (Designated)*

#### 21.b

	Movement in Funds				Adjusted Balance 31st March 2017 £
	Unadjusted Balance 31st March 2017 £	Adjustments £	Incoming Resources £	Outgoing Resources £	
Designated Fixed Asset Fund	-	170,520	-	-	170,520
Net Funds due to Groups	557,146	(310,884)	-	-	246,262
	<u>557,146</u>	<u>(140,364)</u>	<u>-</u>	<u>-</u>	<u>416,782</u>

**Adjustment of Net Funds due to groups** – Designated funds set aside to cover disbursements accrued to 31 March 2017 of £557,146 have been adjusted by (£310,884) to take account of the implementation of the New Financial Model in 2017-2018. This figure comprises:

- £140,364 relating to historic disbursements accrued prior to 1 April 2015, which are being released to *Other Charitable Funds* (general fund).
- A further £170,520 has been designated as a Fixed Asset Fund, being the value of assets held centrally as at 31 March 2017.

The balance of £242,262 has been accrued for the period 1 April 2015 until 31 March 2018. The current system of disbursements to Groups will cease with effect from 1 April 2018.

## 22. Analysis of movements of Other Charitable Funds

	Balance at		Movement in Funds		Balance 31st March 2017 £
	1st April 2016 £	Transfers £	Incoming Resources £	Outgoing Resources £	
<i>Centrally held funds</i>					
Transfers from Designated funds	-	456,614	-	-	456,614
Transfers from Groups (incl Accruals)	6,442	192,473	2,245,837	(3,077,975)	(633,223)
Transfers from Groups ( <i>Interim Ask</i> )	-	396,111	-	-	396,111
	<u>6,442</u>	<u>1,045,198</u>	<u>2,245,837</u>	<u>(3,077,975)</u>	<u>219,502</u>
<i>Funds held by Groups</i>					
Transfers from Designated funds	1,242,736	339,357	535,152	(578,065)	1,539,180
Transfers to central funds (general fund)	(49,664)	(255,564)	-	-	(305,228)
Transfers to <i>Interim Ask</i>	-	(396,111)	-	-	(396,111)
	<u>1,193,072</u>	<u>(312,318)</u>	<u>535,152</u>	<u>(578,065)</u>	<u>837,841</u>
Consolidated <i>Other Charitable Funds</i>	<u>1,199,514</u>	<u>732,880</u>	<u>2,780,989</u>	<u>(3,656,040)</u>	<u>1,057,343</u>

### *Centrally held funds*

A total of £456,614 has been transferred from Designated funds to centrally-held general funds during 2016-2017. This comprises of £6,751 from Restricted Funds (website depreciation); £309,499 from Designated funds and a further £140,364 from historical disbursement accruals (prior to 1 April 2015).

£192,473 has been received from Groups to centrally-held general fund: £95,848 relates to Merchandise transfers; £68,055 relates to Training and £28,570 relates to salary reimbursements.

A further £396,111 was received from Groups in respect of the '*Interim Ask*' – an interim contribution towards central cashflow, pending the introduction of the *New Financial Model*.

### *Funds held by Groups*

Groups received £339,357 from Designated funds by way of disbursements from central funds. A total of £255,564 was transferred to centrally-held funds, of which £192,473 was transferred to the general fund and a further £63,091 transferred to Restricted funds (see Note 20).

## 23. Analysis of net assets between Funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Fund balances to 31st March 2017				
Intangible Assets		67,951	-	67,951
Tangible Assets		96,569	-	96,569
Investments		6,000	-	6,000
Current Assets	1,044,905	416,782	1,047,137	2,508,824
Creditors falling due in 1 year	(158,082)	-	(40,000)	(198,082)
	<u>886,823</u>	<u>587,302</u>	<u>1,007,137</u>	<u>2,481,262</u>

#### 24. Reconciliation of net movement in funds to net cash flow from operating activities

	2017	2016
	£	£
Net movement in funds	(131,007)	215,864
Add back intangible asset depreciation charge	15,064	7,528
Add back tangible asset depreciation charge	29,394	11,636
Decrease / (increase) in stock	17,494	8,531
Loss/(profit) on disposals	18,855	2,669
Decrease (increase) in debtors	(102,416)	(83,760)
(Decrease) increase in creditors	(314,068)	211,167
Loss/(profit) on investment valuation	750	250
	<u>(465,934)</u>	<u>373,885</u>

#### 25. Operating Leases

	Land & Buildings		Other	
	2017	2016	2017	2016
	£	£	£	£
Expiry Date				
Within 1 year	81,000	114,331	4,408	4,604
Between 2 & 5 years	<u>261,225</u>	<u>303,750</u>	<u>6,612</u>	<u>11,510</u>
	<u>342,225</u>	<u>418,081</u>	<u>11,020</u>	<u>16,114</u>

#### 26. Related Party Transactions

Stillbirth & Neonatal Death Society Lothians, also a charity registered in Scotland (No SC024375), has similar objectives, but has separate management and legal status. There were no material transactions during the last, or current year nor were there any balances at the year-end between Sands and Stillbirth & Neonatal Death Society Lothians.

Alyson Hunter has made the Board aware that she is a co-investigator on the AFFIRM study which is co-funded by Sands and continued to be a member of the Perinatal Expert Panel (renamed the Scientific Advisory Group), as part of her role in the Royal College of Obstetricians and Gynaecologists Clinical Studies Group for Stillbirth. Alyson also made the Board aware that she was a co-applicant on an application for funding from Sands Research Fund in 2016 and that, as Acting Chair of the Research Sub Committee, did not receive any papers that discussed the application of which she was a co-applicant; nor did she participate in any discussion regarding the evaluation and selection of projects to benefit from the fund.

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Derek Jenkins (Vice Chair) has made the Board aware that his spouse, Claire Stoneman, is a Partner at Foot Anstey LLP. Payments totalling £4,585 (2016: £14,893) were made to Foot Anstey LLP, for non-governance (trademark) related services, during the year. There were no outstanding balances at the year-end (2016: £nil).

Michael Smith (Treasurer), has made the Board aware that his spouse, Roopal Shah, was paid Befriender trainer fees of £1,550 (2016: £2,120) and also claimed expenses to the value of £1,050 (2016: £1,132) during the year. Sands uses a core group of Befriender trainers, who are appropriately trained. The method of selecting trainers for each session is based on location and the availability of the trainers. There were no outstanding balances at the year-end (2016: £nil).



