

The Borne Foundation

Annual Report and Financial Statements

31 March 2020

Company Limited by Guarantee
Registration Number
09788534 (England and Wales)

Charity Registration Number
1167073 (England and Wales)

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Reference and administrative details

Trustees	N R Hurrell C L Moffat T T MacDonald J R H Mylchreest (Chairman) H M Pye F P Vanni d'Archirafi R Jafar
Registered office	Suite 3.01 Bridge House 181 Queen Victoria Street London EC4V 4EG
Telephone	0203 955 5150
Website	www.borne.org.uk
Company registration number	09788534 (England and Wales)
Charity registration number	1167073 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling ME19 4TA
Solicitors	Morgan Lewis & Bockius LLP Condor House 5-10 St Paul's Churchyard London EC4M 8AL
Investment Manager	LGT Vestra LLP 15 Queen Square Bristol BS1 4NT

The trustees present their report together with the audited financial statements of Borne Foundation ("the charitable company") for the year ended 31 March 2020.

This report has been prepared in accordance with Part 8 of the Charities Act 2011 and serves as a directors' report for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 20 to 23 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Public Benefit

The Board of Trustees have taken account of the Charity Commission's guidance on public benefit in reviewing Borne's aims and objectives and planning future activities.

ABOUT BORNE

Research to prevent premature birth

The Borne Foundation (Borne) was founded in 2013 by Professor Mark Johnson to fund research that advances our understanding of pregnancy and identifies solutions to prevent or delay the onset of premature labour. By reducing prematurity, we can make a vital difference, changing a child's expectation from long-term disability or even death to lifelong health.

In 2017, we became an accredited member of the Association of Medical Research Charities (AMRC) and a non-commercial Partner of the National Institute of Health Research's Clinical Research Network. This partnership enables our NHS partners to receive funding support for our clinical research at their hospitals.

Our promise to all who support us is to find answers, improve care and to nurture talent committed to this area of need. In the UK, we support translational research by academic clinicians and scientists investigating the process of parturition and pregnancy-induced adaptations to the maternal immune system on Imperial College facilities at the Chelsea and Westminster Hospital.

We also support independent research with other preterm birth centres of excellence through a joint grant-making partnership with Action Medical Research to catalyse the research effort in this field. We also fund clinical and scientific fellowships with the UKRI's Medical Research Council.

We engage and collaborate with other clinical and scientific centres around the world that share a similar philosophy and approach to the research, connecting discovery with improving the effectiveness of care at scale.

ACTIVITIES AND PERFORMANCE

Borne's research strategy

Borne funds research that enables a deeper and more profound understanding of pregnancy and parturition to answer the most fundamental questions around how a woman's body allows a pregnancy to thrive and grow; what are the biological processes that trigger the onset of labour; what are the very first signs that a pregnancy may not progress normally, and what can we do to improve the chances for that baby and its mother.

The work that we fund closely examines the biological processes of pregnancy and childbirth to better understand the significance of changes in the maternal environment throughout pregnancy and define the mechanisms involved in normal and abnormal labour. This understanding is fundamental to the development of diagnostic, treatment and prevention strategies for preterm birth. We do not directly participate in research associated with assisted conception or maternal health not having an impact on babies and children.

Our research in review

Borne's research is focused on understanding what controls the muscles of the womb from relaxation to contraction; defining the role of the maternal immune system in the outcome of pregnancy; and identifying novel methods to prevent and manage preterm labour.

1. Delaying the onset of preterm labour

In the last twelve months, the Borne funded Imperial College lab at Chelsea and Westminster Hospital continued to build on the previously reported studies which identified potentially important roles for choriodecidual inflammation and changes in the cyclic AMP effector pathway. The former is the interface between the mother and the baby, while the latter is a key molecule which controls muscle function in many organs including the myometrium. Together, they appear to control the expression of a cluster of pro-labour genes, including members of the oxytocin system.

The research that is continuing will answer the following questions:

- ◆ What role does choriodecidual inflammation play in the changes in the function of the muscle of the womb with the onset of labour?
- ◆ How do members of the cyclic AMP effector pathways change with labour?
- ◆ What controls the changes in the expression of members of the cAMP effector pathway?

Borne has started funding **Professor Rachel Tribe**, a leading reproductive physiologist from King's College through an education grant to provide academic support and scientific leadership in continuing the Borne-funded team's work on how cyclic AMP and progesterone influence smooth muscle physiology and myometrial contractility in the process of parturition.

ACTIVITIES AND PERFORMANCE (continued)

Our research in review (continued)

2. The maternal immune system

The maternal immune system is critical to the maintenance of pregnancy and its dysregulation is associated with pregnancy complications and long term adverse infant outcomes. We do not know how the immune system adapts to pregnancy and how it interacts with reproductive tissues to allow the pregnancy to develop.

Further, the role of the immune system in the processes that drive the onset of both preterm and term labour is equally poorly understood. If we are to control the timing of labour and reduce the perinatal mortality and morbidity associated with preterm labour, we have to understand the role of the immune system in pregnancy.

Reproductive immunologist, Dr Viki Male, joined the Imperial College research team at Chelsea and Westminster Hospital in 2019, leading a key programme of research working alongside Borne-funded clinical colleagues and supervising two PhD students and a Clinical Research Fellow.

The portfolio of Borne funded research projects linked with the adaptation of the maternal immune system in pregnancy, its interaction with reproductive tissues and its involvement with the onset of labour include studies to understand whether:

- ◆ The changes in the maternal immune system in early pregnancy are related to pregnancy outcome
- ◆ The maternal immune response to the placenta is affected by the carbohydrate coating placental cells
- ◆ The immune system behaves differently during pregnancy in response to vaccination and infection
- ◆ Activation of the immune cells at the interface between the mother and the baby is responsible for the onset of preterm labour
- ◆ Evidence of immune dysregulation is still apparent in women after preterm labour.

3. Clinical studies

The clinical research team that Borne funds include academic obstetricians and research midwives who engage, recruit and support women through their pregnancies. The team are continuing to test novel therapeutic approaches to the management of pregnancy complications.

- **ProgrAm** – 54 of the 70 women at high risk of premature delivery have now been recruited to form part of an initial drug tolerance study to establish whether the combination of progesterone with cyclic AMP agonist, aminophylline, is more immunosuppressive than progesterone alone.

ACTIVITIES AND PERFORMANCE (continued)

Our research in review (continued)

3. Clinical studies (continued)

- **2000 Women** – over 600 women have now been recruited to this longitudinal study monitoring and collecting samples from women at week 12 of their pregnancy and following the development of their pregnancies until birth. This biobank of samples has enabled two PhD students to study the impact of the changing fatty acid profile on the maternal immune system through pregnancy. It will also enable a multi-disciplinary team of scientists to harness the power of discovery science to identify potential biomarkers to screen and detect those at risk.

4. Catalysing new research

Working in partnership with Action Medical Research, Borne and Action award up to £500,000 each year to support new research projects focused on the prevention of preterm birth.

The project led by **Professor Rachel Tribe** at King's seeks to characterise exosomes found in cervical-vaginal fluid at various stages of pregnancy to establish their predictive potential for spontaneous preterm birth. The postdoctoral fellow working on the project, Dr Holly Jenkins, honed her skills for the project working at a collaborator's laboratory at the University of Queensland, Australia. She has identified four novel proteins with good predictive potential based on pilot data, and this is now being validated and the test refined with a larger number of samples from pregnant women. If successful, a patent will be submitted and work can progress with commercial partners to develop a test for clinical use.

The project led by **Professor Donald Peebles** at UCL investigates the neurological outcomes of bacterial infection ascending from the vagina into the intrauterine cavity during pregnancy, and the efficacy of novel gene therapy to boost levels of different cervical antimicrobial proteins to prevent infection-related preterm birth and neonatal brain injury. The project is progressing on track with the novel gene therapy experiments set to commence in 2020.

In 2019, two additional projects received funding from the annual grant round. We are funding **Professor Michael Taggart** at Newcastle University who is working to characterise human, tissue-specific proteomes to inform the development of new treatments for pregnancy complications. We are also funding **Dr M Griffin** at Bristol University who is studying the risk of adverse pregnancy outcomes (specifically preterm birth) in women who conceive following bone marrow transplant.

ACTIVITIES AND PERFORMANCE (continued)

Our fundraising

We do not receive any government support and are deeply grateful to the many individuals, companies, trusts and foundations that contribute to Borne's research funding each year.

Our fundraising income was 23% lower than in the prior year when a record level of income was achieved with the Arctic Challenge. Fundraising was also impacted by the uncertainty created by Brexit and by the end of the first quarter of 2020, the COVID19 pandemic.

We wish to thank our major donors and benefactors, the Sackler Trust, the Dr Mortimer and Theresa Sackler Foundation, Razan Jafar and Adnan Said, the Sir Robert McAlpine Foundation, the Woolbeding Charity, the Vaseppi Trust, the Pasha Trust, Edward and Kimi Spencer-Churchill and our Foundation Donors Shamshad and Fehmina Ahmed, Kathleen Brooks and Barry Lane, Michael and Blake Daffey, Tracey and Nick Grace, Majid and Lynn Jafar, Mark and Meekai Johnson, Manal and Murtaza Lakhani, Julian and Fiona Mylchreest, Charlotte and Andrew Moffat, Hetty and Nick Pye, Natasha and Devand Singh, Francesco and Charlotte Vanni d'Archirafi. We are delighted to welcome Charles and Derica Noall and Marcel Van Poecke (AtlasInvest) as new Foundation Donors of Borne.

We are grateful for the generosity of our corporate sponsors and collaborators, ClearBlue/SPD, Cantor Fitzgerald and BGC Partners, and the continued support of our many Friends, whose regular gifts give us certainty and confidence to fund more clinicians and scientists.

We raised over £725,000 through our portfolio of fundraising events and challenges through the year. We are most appreciative of the support of so many who gave their time and talent so generously and who brought their friends, connections and that special touch of glamour to make these occasions so successful and uniquely Borne.

- ◆ Borne must thank our Art ambassador Shanyan Koder and the founders of UNIT London, Joe Kennedy and Jonny Birt for hosting a successful charity dinner at the UNIT gallery where guests were treated to a private view of Ryan Hewitt and fashion designer Peter Pilotto's latest collection.
- ◆ Borne hosted its inaugural charity shoot at the Royal Berkshire Shooting School with Borne supporter Rym El-Asmar; and Borne's annual Golf Day hosted by Borne Patron Will Greenwood and Borne Trustee Nick Hurreel at Sunningdale was once again at capacity.
- ◆ We must thank Fleur Alberti and the very passionate Wonderland Committee (Jeanne Callanan, Blake Daffey, Emanuela Ferrero de Gubernatis, Charlotte Gooch, Jessica Gooch, Caro Greenwood, Elvira Hurrell, Aga McDaniel, Charlotte Moffat, Lucia Palos, Magda Palos, Lucy Rusedski, Tania Samonas and Henriette van Marle) for organising the iconic Wonderland on the Orient Express gala, raising over £250,000 in support of Borne's work.
- ◆ We are delighted that celebrated Michelin star chef, Francesco Mazzei helped Borne reprise Borne to Dine, an Italian-themed fundraiser hosted by Borne trustee Francesco Vanni d'Archirafi at Refettorio Felix.

ACTIVITIES AND PERFORMANCE (continued)

Our fundraising (continued)

Borne would also like to thank all of the fundraisers who organised family fun runs with their employees, competed in publicly organised marathons, half-marathons, cycling events and other great feats of fitness and endurance in aid of Borne.

Borne Patron Will Greenwood, Australian Borne Ambassador Dean Mumm and 14 other fundraisers were to cross Costa Rica from the Caribbean Sea to the Pacific Ocean on foot, by bicycle, kayak and raft in March to raise £250,000 for Borne. While the Challenge had to be postponed to March 2021, over £170,000 was raised and recognised as vital income on the eve of the COVID19 lockdown. We want to thank the many generous supporters who supported the challenge and refused a refund of their sizeable donations when the challenge was postponed.

Borne maintains robust fundraising practices that are in keeping with the Fundraising Regulator's revised Code of Fundraising Practice and does not solicit for donations through the use of professional fundraisers, telemarketing or house to house collections. Supporters of Borne are introduced to the charity by their friends, colleagues and business network, and as guests to Borne events. Borne has ensured its privacy notice complies with data protection laws, GDPR, and has a proactive complaint handling procedure that is published on our website. We have not received any complaints to date.

Looking ahead

Promising findings have been made with the research that Borne has been supporting at Chelsea and Westminster Hospital, and applications can now be made for competitive funding to scale the work. Many of the key building blocks that underpin Borne's raison d'être are now in place. We have been pump-priming promising early stage research projects with Action Medical Research over the last three years and we have now established an agreement to joint fund prestigious clinical and scientific fellowships in our area of specialised interest through the UKRI's Medical Research Council.

The next important step on Borne's roadmap is to access a broader universe of scientific experts to address the big questions about preterm birth that remain unsolved. Borne invited 20 of the world's eminent scientists from North America, Europe, Asia and Australia to our inaugural summit meeting in March to help us better understand what is now known, what continues to confound the scientific and medical community and how might Borne be most impactful in supporting the advancement of knowledge and interventions to prevent preterm birth.

ACTIVITIES AND PERFORMANCE (continued)

Looking ahead (continued)

While the world went into lockdown with the COVID19 pandemic, the meeting moved online with a series of real-time meetings held over the space of two weeks. This group, the Borne Collaborative, were overwhelmingly enthusiastic to be part of a purposeful collaboration, predicated on access to data from a unique bioresource of maternal samples collected to standard protocols with clarity on their clinical phenotype, to address a key gap in knowledge on how labour is initiated across different tissue types and biological systems.

The Borne funded clinical team at Chelsea and Westminster Hospital will endeavour to deliver a proof of concept for this tissue resource to this group in 2020, while Borne prepares to launch a fundraising appeal in the coming year - COVID19 notwithstanding - to support a competitive grant call to fund this bioresource in 2021.

COVID19 has impacted the charity's ability to fundraise and momentum with the research as the labs have been closed since the announcement of the lockdown in March 2020. With research paused, the clinical teams are diverted to NHS duties, and scientists and PhD students have been working from home. Borne and our funding partner for project grants, Action Medical Research, have offered no cost extensions for the project grants that have been awarded, and it is likely that any new research grant awards will be deferred to 2021. We are continuing to fund the salaries of the research teams pending confirmation from the respective universities on furlough arrangements as appropriate. The NHS will be reimbursing Borne for clinical researchers working NHS shifts during the lockdown.

Borne's fundraising events and challenges have been cancelled or postponed to 2021. To conserve cash, the charity's fundraising and events staff were furloughed in mid-April 2020. While Borne is unable to benefit from the government's charity support package as priority is given to frontline charities offering services to vulnerable groups, the charity has received a Small Business Support Grant from the City of London.

The new financial year started with strong cashflow momentum. There has been a steady flow of significant gifts from new and current supporters, and some vested stakeholders have made additional gifts in support. Some of our Patrons and Ambassadors have been proactive in their support with digital fundraising efforts and Borne will be launching a Friends of Borne appeal to grow our portfolio of regular givers.

Given the challenging circumstances, we expect income to be impacted to a significant extent in the coming year, and our fundraising model will change as we make efforts to strengthen reserves and resilience with more regular gifts, and engage more broadly with venture philanthropists, corporations, and trusts and foundations for support of our strategic objective to forge and sustain a global collaboration with the world's preterm birth experts in order to accelerate progress.

FINANCIAL REVIEW

Financial summary of the year

A summary of the year's results can be found on page 17 of this report and accounts.

During the year ended 31 March 2020, we raised income of £1,562,139 (2019 - £2,328,258). Of the income, a total of £150,000 (2019 - £10,000) were restricted funds. Expenditure totalled £1,528,706 (2019 - £1,898,799). Expenditure utilising restricted funds totalled £92,642 (2019 - £35,000).

Net income for the period was £33,433 (2019 – £429,459).

The balance sheet shows total reserves of £1,975,543 (2019 - £1,942,110). Of this, £114,025 (2019 - £56,667) is restricted and unrestricted funds are £1,861,518 (2019 - £1,885,443), including £2,994 (2019 - £3,809) relating to fixed assets leaving a balance of £1,858,524 (2019 - £1,881,634). Of this £1,323,400 (2019 - £1,580,991) has been designated by the trustees to specific funds, leaving free reserves at year end of £535,124 (2019 - £300,643).

Grant Making Policy

Borne funds research programmes and projects in their entirety, and also contributes part-funding to projects in partnership with others.

We fund through a competitive process:

- ◆ the core salary costs of professorships, scientists and clinicians that lead the research originating from Borne's laboratory
- ◆ technical staff and research midwives involved with clinical work and sample collection
- ◆ postgraduate studentships, fellowships and lectureships
- ◆ laboratory consumables and equipment that are required to conduct the research studies

Research programmes proposed by the Chief Scientific Officer, Professor Mark Johnson, are critically evaluated for scientific merit by Borne's Scientific Advisory Board comprised of independent scientific experts chaired by Tom MacDonald, a Trustee of Borne. They provide comment to the Borne Board twice a year on the research team's ability to deliver its scientific mission and maintain scientific excellence. A quinquennial review (QQR) will be conducted when Borne reaches its fifth year of operation as a medical research charity.

Borne has committed to co-fund up to £500,000 of independent research projects on a 50:50 basis with Action Medical Research (AMR) each year into the causes and prevention of preterm birth. AMR's Scientific Advisory Panel will ensure an open, transparent, independent and impartial review of grant applications for funding. Borne has also entered into an agreement to co-fund a Clinical Research Training Fellowship and a Career Development Award for a postdoctoral scientist in our chosen area of interest through the Medical Research Council, who will ensure the fellowships are awarded in open competition to a high standard.

FINANCIAL REVIEW (continued)

Reserves policy

The Board is committed to ensuring a sound financial base for Borne's work and activities. Borne's reserves policy is set with reference to Charity Commission guidelines to ensure resilience in managing through reasonable levels of risk and fund unforeseen but necessary expenditure while maximising the flow of donated funds to research.

The Trustees have considered the impact of the COVID19 pandemic on income and reserves and are confident that the current reserve policies are appropriate and can be met by the charity.

Borne's funding is diversified across a portfolio of supporters, including Foundation Donors and Major Donors, augmented by a calendar of fundraising events and campaigns through the year. The Board has determined that as a matter of policy, free reserves to meet an unexpected call for funds will continue to be set at 6 months of operating expenditure for the charity.

Borne will continue to provision to meet grant commitments for 12 months. The provision for joint-funding with Action Medical Research will be taken when the beneficiaries for each grant round are approved.

After taking into account our reserves policy as summarised above, Borne is within the Board's target range for the year. Unrestricted funds, after fixed assets are £1,858,524, and the trustees have designated funds of £1,323,400 to meet committed grant expenditure from 2020 to 2024. This leaves free reserves of £535,124 which includes £240,000 set aside for contingencies (6 months of operating expenditure).

Risk Management

The charity's main areas of potential risk as identified have been assessed in light of the COVID19 pandemic. These are risks that we have in common with other organisations, both within and beyond the charity sector. They include:

- ◆ Cashflow sensitivity which is addressed through Borne's reserves policy and close management of financial flows, significant multi-year donor relationships, as well as the disciplined monitoring of grant commitments.
- ◆ Compliance with data protection regulation (GDPR) with regards to fundraising and donor communication by revising and documenting our policies and procedures as a data controller as well as implementing a GDPR-compliant CRM platform for the charity.
- ◆ Ensuring donor activities, business dealings and reputation do not adversely impact Borne's reputation by activating Know-Your-Donor (KYD) and anti-money laundering checks for prospective new donors while maintaining oversight of the activities of all related parties.
- ◆ Loss of business continuity due to an IT or cyber security breach, the risk of which is mitigated in consultation with our outsourced IT support provider, Chalkline, and an annual cyber security assessment by Apomatix.

FINANCIAL REVIEW (continued)

Risk Management (continued)

- ◆ Key man risk with Borne's heavy reliance on the uniquely valuable knowledge, connections and experience of its founder, Professor Mark Johnson, and the operational knowledge and experience of the charity's COO, Mei Li Powell. This will be mitigated with the appointment of more research seniors with complementary expertise to lead new programmes of research and as Borne funds a larger body of researchers; the charity is bringing on board a senior fundraiser and a finance manager in the new financial year.
- ◆ Reputational risk based on the scientific integrity of the research that is funded. This is addressed by the Scientific Advisory Board's independent and critical evaluation of the scientific team's ability to deliver its scientific mission and maintain scientific excellence, answerable to Borne's Board of Trustees.

Borne's risk management assessment and risk register is reviewed with the Board annually, and actions recorded accordingly.

Financial Controls Review

The Trustees report that the charity's internal financial controls conform to guidelines issued by the Charity Commission. The systems of financial control are designed to provide all reasonable but not absolute assurance against misstatement or loss.

They include an annual budget approved by the Trustees; regular consideration of actual financial results compared with the budget at quarterly Board meetings; the authority to spend within defined limits; the consideration of risks by Trustees and the Chief Operating Officer of the charity; and the segregation of duties to the extent possible across the different functions within the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Borne Foundation (Borne) is a charitable company limited by guarantee incorporated on 22 September 2015 and registered as a charity on 13 May 2016. The objects and powers of the charitable company are set out in, and governed by, its Articles of Association.

Borne is governed by a Board of Directors, the members of which are also the trustees of the charity for the purposes of charity law, which meets at least four times a year.

The Board sets the strategic goals of Borne, reviews the pursuit of charitable objectives, establishes policy and procedures, monitors financial status with fiscal oversight, ensures compliance with legal requirements and both enhances and protects the reputation of the organisation as ambassadors and advocates.

Borne's **Chief Operating Officer** works alongside Borne's Founder and Chief Scientific Officer with responsibility for the financial health and resource management of Borne, ensuring operational and project delivery to the highest standards in line with its values and mission. She is also responsible for coordinating a proactive programme of income generation, managing fundraising, donor relationships and overseeing associated donor stewardship programmes as Borne charts a course for growth.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The **Chief Scientific Officer** is responsible for framing and delivering the scientific strategy for the respective programmes of research funded by Borne. As the Research Director, he has responsibility for bringing all research proposals and updates to the Scientific Advisory Board for independent appraisal and is accountable to the Board for the measurement and transparent reporting of progress and impact on a regular basis. He will maintain an active role in raising funds and liaising with high profile donors as a key 'face of the charity'.

Directors/Trustees

The Directors/Trustees who served during the period were as follows:

Trustees	Appointed/Resigned
T T MacDonald	
H M Pye	
F P V d'Archirafi	
R Jafar	
N R Hurrell	
C L Moffat	
J R H Mylchreest	

Appointment of Trustees

New Trustees are identified and nominated by existing Trustees. They are selected by majority vote. To be considered for nomination, prospective Trustees must confirm that they will accept the expectations of the role which, in addition to statutory criteria, include actively participating in at least one fundraising event a year and serving on at least one committee or working group.

Induction of new Trustees

All new Trustees are inducted through a meeting with the Chairman and familiarisation with the role of a Trustee including a copy of the articles of association. Borne's goals, strategy and main activities will be shared with the new Trustee along with a current set of management accounts and risk assessment.

New Trustees will be required to complete Companies House documentation, a Declaration of Interests to identify potential conflicts of interest and confirm they are eligible to act per the qualifications under the Charities Act.

The Directors consider that the Board of Trustees, the Chief Operating Officer and the Chief Scientific Officer comprise the key management personnel in charge of directing and controlling, running and operating the Charity on a day-to-day basis.

Remuneration of key management personnel

All Trustees and the Founder/Chief scientific officer give their time freely and no remuneration was paid in the year.

The Chief Operating Officer's remuneration is reviewed annually and adjusted in accordance with performance and earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other charities with a similar profile. The remuneration benchmark is in the range paid for similar roles.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Directors on 7 July 2020 and signed on their behalf by

J R H Mylchreest

Chairman of the Board of Trustees

Independent auditor's report to the members of The Borne Foundation

Opinion

We have audited the financial statements of The Borne Foundation (the 'charitable company') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which 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 financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

14 July 2020

Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Statement of financial activities (incorporating an Income and Expenditure Account) 31 March 2020

	Notes	Unrestricted funds £	Restricted funds £	Year ended 31 March 2020 £	Unrestricted funds £	Restricted funds £	Year ended 31 March 2019 £
Income and expenditure							
Income from							
Donations	1	672,641	150,000	822,641	1,008,284	—	1,008,284
Other trading activities	2	725,059	—	725,059	1,309,752	10,000	1,319,752
Investment income	3	14,439	—	14,439	222	—	222
Total income		1,412,139	150,000	1,562,139	2,318,258	10,000	2,328,258
Expenditure on							
Raising funds	4	432,817	—	432,817	761,928	—	761,928
Charitable activities	5	1,003,247	92,642	1,095,889	1,101,871	35,000	1,136,871
Total expenditure		1,436,064	92,642	1,528,706	1,863,799	35,000	1,898,799
Net income (expenditure) and net movement in funds	6	(23,925)	57,358	33,433	454,459	(25,000)	429,459
Reconciliation of funds:							
Balances brought forward at 1 April 2019		1,885,443	56,667	1,942,110	1,430,984	81,667	1,512,651
Fund balances carried forward at 31 March 2020	15	1,861,518	114,025	1,975,543	1,885,443	56,667	1,942,110

All of the above results are derived from continuing activities.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 March 2020

	Notes	2020 £	2019 £
Fixed assets	10	2,994	3,809
Current assets			
Debtors	11	987,145	1,128,971
Investments	12	812,669	600,000
Cash at bank and in hand		1,288,704	1,104,391
		3,088,518	2,833,362
Liabilities			
Creditors: amounts falling due within one year	13	(1,115,969)	(895,061)
Net current assets		1,972,549	1,938,301
Total net assets		1,975,543	1,942,110
The funds of the charity: Funds and reserves			
Restricted funds	15	114,025	56,667
Unrestricted funds			
- Designated funds	16	1,323,400	1,580,991
- General funds		538,118	304,452
		1,975,543	1,942,110

Approved by the Trustees on 7 July 2020 and signed on their behalf by:

J R H Mylchreest

Chairman of the Board of Trustees

Company Registration Number: 09788534 (England and Wales)

Statement of Cash Flows 31 March 2020

	Notes	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	383,497	557,175
Net cash (used in) investing activities	B	(199,184)	(600,156)
Change in cash and cash equivalents in the year		184,313	(42,981)
Cash and cash equivalents at beginning of the year		1,104,391	1,147,372
Cash and cash equivalents at 31 March 2020	C	1,288,704	1,104,391

Notes to the statement of cash flows for the year to 31 March 2020.

A Reconciliation of net movement in funds to net cash provided by operating activities

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Net movement in funds (as per the statement of financial activities)	33,433	429,459
Adjustments for:		
Decrease in debtors	141,826	302,054
Increase (decrease) in creditors	220,908	(175,657)
Depreciation	1,769	1,541
Investment income	(14,439)	(222)
Net cash provided by operating activities	383,497	557,175

B Cash flows from investing activities

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Purchase of fixed assets	(954)	(378)
Purchase of current asset investments	(212,669)	(600,000)
Bank interest received	14,439	222
Total cash flows from investing activities	(199,184)	(600,156)

C Analysis of cash and cash equivalents

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Cash at bank and in hand	1,288,704	1,104,391
Total cash and cash equivalents	1,288,704	1,104,391

Principal accounting policies 31 March 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These financial statements have been prepared for the year ended 31 March 2020. Comparative information is provided for the year ended 31 March 2019.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ assessing the probability of receipt of income from fund raising events and donations pledged but not received;
- ◆ allocation of support and governance costs;
- ◆ grant commitments payable in the next financial year;
- ◆ estimation of the value of donated gifts and services in kind; and
- ◆ assessing depreciation rates.

Assessment of going concern

The trustees have assessed the appropriate use of the going concern assumptions in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Assessment of going concern (continued)

Since the March 2020 Balance Sheet date, Borne has been dealing with the COVID19 pandemic and the associated measures that governments, businesses, medical research institutions and the general public are putting in place to deal with it.

The Trustees have reviewed the charity's cashflow and reserves position in relation to research commitments and operating overheads. Assuming a worst case scenario of the charity not being in any position to fundraise, there are sufficient reserves to meet all outstanding research commitments and the charity's operating overheads for at least 6 months as at July 2021.

The Trustees' view is the charity has a strong, purposeful case for support, ambitious plans to engage more broadly with the scientific community in this field, and the intention to build in more resilience to the fundraising model. They are confident that Borne are in a good position to weather this period of fundraising uncertainty in the short and medium term. On this basis, the accounts have been prepared on a going concern basis.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income received by way of donations and gifts to the charity is included in full in the statement of financial activities when receivable. Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. Donations from Founder Donors are recognised once the donor has signed an agreement to fund the charity (usually over a period of three years) and it is probable that economic benefit will pass to the charity.

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Income from fundraising events is accounted for when entitlement has been satisfied, usually once an event has taken place.

Donated services and facilities provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided. An equivalent amount is included as expenditure. Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefits on the open market.

Principal accounting policies 31 March 2020

Income recognition (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

In line with SORP 2015 volunteer time is not recognised and accounted for.

Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

All expenditure is stated inclusive of irrecoverable VAT.

Expenditure comprises direct and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes the costs of fundraising events, staff costs associated with fundraising and an allocation of support costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants, research expenditure and an allocation of support costs.

Grants payable are charged to the statement of financial activities in the year in which they are approved for payment and provision is made for grants agreed and approved but unpaid at the year end.

Support costs include governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated on the basis of time spent on the activities.

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £250 including irrecoverable VAT.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- ◆ Computer equipment 4 years

Principal accounting policies 31 March 2020

Tangible fixed assets (continued)

- ◆ Fixtures and fittings 4 years

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value or value in use.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Current asset investments

Current asset investments represent bank deposit accounts and instruments that are not available on demand and have a maturity of more than three months from the date of acquisition.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities over the life of the lease using the straight line basis.

Pension scheme

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme.

Fund accounting

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

Unrestricted funds are donations and other income received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Income from donations

	Unrestricted £	Restricted £	2020 Total £
Trusts and Foundations	57,598	—	57,598
Corporate donations	37,950	150,000	187,950
Individual donations	572,793	—	572,793
Gifts and services in kind	4,300	—	4,300
2020 Total funds	672,641	150,000	822,641

	Unrestricted £	Restricted £	2019 Total £
<i>Trusts and Foundations</i>	480,236	—	480,236
<i>Corporate donations</i>	100,000	—	100,000
<i>Other donations</i>	46,555	—	46,555
<i>Individual donations</i>	341,613	—	341,613
<i>Gifts and services in kind</i>	39,880	—	39,880
<i>2019 Total funds</i>	<i>1,008,284</i>	<i>—</i>	<i>1,008,284</i>

2 Income from other trading activities

	Unrestricted £	Restricted £	2020 Total £
Fundraising events	725,059	—	725,059
2020 Total funds	725,059	—	725,059

	Unrestricted £	Restricted £	2019 Total £
<i>Fundraising events</i>	<i>1,309,752</i>	<i>10,000</i>	<i>1,319,752</i>
<i>2019 Total funds</i>	<i>1,309,752</i>	<i>10,000</i>	<i>1,319,752</i>

3 Income from investment activities

	Unrestricted £	Restricted £	2020 Total £
Bank interest received	14,439	—	14,439
2020 Total funds	14,439	—	14,439

	Unrestricted £	Restricted £	2019 Total £
<i>Bank interest received</i>	<i>222</i>	<i>—</i>	<i>222</i>
<i>2019 Total funds</i>	<i>222</i>	<i>—</i>	<i>222</i>

4 Expenditure on raising funds

	Unrestricted £	Restricted £	2020 Total £
Cost of fundraising events	234,662	—	234,662
Support costs (note 6)	55,855	—	55,855
Staff costs (note 8)	142,300	—	142,300
2020 Total funds	432,817	—	432,817

	Unrestricted £	Restricted £	2019 Total £
Cost of fundraising events	567,789	—	567,789
Support costs (note 6)	63,893	—	63,893
Staff costs (note 8)	130,246	—	130,246
2019 Total funds	761,928	—	761,928

5 Expenditure on charitable activities

	Unrestricted £	Restricted £	2020 Total £
Staff costs (note 8)	205,210	—	205,210
Research expenditure:			
. Imperial College grants	393,955	—	393,955
. The Robert McAlpine Studentship Award	—	37,875	37,875
. Chelsea and Westminster Healthcare Charity	142,633	54,767	197,400
. AMR Research Grants	124,819	—	124,819
. Other grants	30,865	—	30,865
Support costs (note 6)	105,765	—	105,765
2020 Total funds	1,003,247	92,642	1,095,889

	Unrestricted £	Restricted £	2019 Total £
Staff costs (note 8)	154,953	—	154,953
Research expenditure:			
. Imperial College grants	737,653	—	737,653
. The Robert McAlpine Studentship Award	—	35,000	35,000
. Chelsea and Westminster Healthcare Charity	70,929	—	70,929
. Warwick University Post-Graduate	15,000	—	15,000
. Other grants	22,291	—	22,291
Support costs (note 6)	101,045	—	101,045
2019 Total funds	1,101,871	35,000	1,136,871

6 Support costs

	Expenditure on raising funds £	Charitable activities £	2020 Total £
Recruitment costs and staff welfare	1,626	5,994	7,620
General administrative expenses	8,477	12,224	20,701
Marketing and publicity expenses	19,358	—	19,358
Professional fees	—	39,603	39,603
Office rental	13,046	18,814	31,860
Consultancy	13,270	19,263	32,533
Pension fees	78	114	192
Governance costs:			
. Auditor's remuneration	—	9,753	9,753
2020 Total funds	55,855	105,765	161,620

	<i>Expenditure on raising funds £</i>	<i>Charitable activities £</i>	<i>2019 Total £</i>
<i>Recruitment costs and staff welfare</i>	<i>16,893</i>	<i>5,722</i>	<i>22,615</i>
<i>General administrative expenses</i>	<i>9,872</i>	<i>11,745</i>	<i>21,617</i>
<i>Marketing and publicity expenses</i>	<i>19,045</i>	<i>—</i>	<i>19,045</i>
<i>Professional fees</i>	<i>8,640</i>	<i>71,333</i>	<i>79,973</i>
<i>Training costs</i>	<i>25</i>	<i>29</i>	<i>54</i>
<i>Consultancy</i>	<i>9,331</i>	<i>3,111</i>	<i>12,442</i>
<i>Pension fees</i>	<i>87</i>	<i>105</i>	<i>192</i>
<i>Governance costs:</i>			
<i>. Auditor's remuneration</i>	<i>—</i>	<i>9,000</i>	<i>9,000</i>
<i>2019 Total funds</i>	<i>63,893</i>	<i>101,045</i>	<i>164,938</i>

Support costs have been apportioned on a basis consistent with the use of resources.

7 Net income before transfers

This is stated after charging:

	2020 £	2019 £
Auditor's remuneration		
- Audit for current year	8,400	9,000
- Audit for prior year	1,353	—

8 Staff costs and numbers and remuneration of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	301,043	250,135
Staff benefits	4,793	4,626
Social security costs	33,527	28,122
Pension contributions	8,147	2,316
	347,510	285,199

During the year, one employee earned between £110,000 and £120,000 (2019 - one employee).

The average number of employees was as follows:

	Average 2020	Average 2019
Raising funds	2.5	2.0
Charitable activities	2.0	1.5
Central support	1.0	1.0
	5.5	4.5

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees, the Chief Scientific Officer and the Chief Operating Officer. The total remuneration (including taxable benefits and employer's national insurance) of the key management personnel for the year was £129,400 (2019 - £129,879).

No trustees received any remuneration for their services as a trustee. Expenses of £Nil (2019 - £nil) were reimbursed to the trustees.

9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Office equipment £	Total £
Cost		
At 1 April 2019	6,162	6,162
Additions	954	954
At 31 March 2020	7,116	7,116
Depreciation		
At 1 April 2019	2,353	2,353
Charge for the year	1,769	1,769
At 31 March 2020	4,122	4,122
Net book value		
At 31 March 2020	2,994	2,994
At 31 March 2019	3,809	3,809

11 Debtors

	2020 £	2019 £
Other debtors	7,444	—
Prepayments	10,018	32,845
Accrued income	969,683	1,096,126
	987,145	1,128,971
Due within one year	817,145	826,471
Due after one year	170,000	302,500

12 Current Asset Investments

	2020 £	2019 £
Bank deposit accounts	812,669	600,000
	812,669	600,000

13 Creditors: amounts due within one year

	2020 £	2019 £
Trade creditors	117,510	117,158
Grants payable	814,973	724,100
Taxation and social security	5,606	11,722
Other creditors	1,587	589
Accrued costs	176,293	41,492
	1,115,969	895,061

13 Creditors: amounts due within one year (continued)

Included in creditors for grants payable are amounts broken down by individual grants as set out below:

<u>Name of institution</u>	<u>Purpose</u>	Accrual as at 1 April 2019 £	New grant expenditure / awards £	Costs paid £	Total accrual 2020 £
Imperial College	Core Grant	551,382*	153,026	(409,525)	294,883
Imperial College	PhD studentships	113,673*	150,210	(119,251)	144,632
Imperial College	The Robert McAlpine Studentship Award	34,945*	37,875	(36,955)	35,865
Imperial College	Lecturer and PhD studentship	24,100*	90,718	(14,110)	100,708
Chelsea & Westminster	Research Midwives	—	146,024	(9,003)	137,021
Action Medical Research	Research Grants	—	124,819	(22,955)	101,864
		724,100*	702,672	(611,799)	814,973

* During the year there was a re-organisation of the various grants with Imperial College and certain grant costs were re-allocated, but the total accrual with Imperial College as at 1 April 2019 is the same as the accrual as at 31 March 2019 (see below).

<u>Name of institution</u>	<u>Purpose</u>	Accrual as at 1 April 2018 £	New grant expenditure / awards £	Costs paid £	Total accrual 2019 £
Imperial College	Core Grant	308,462	512,041	(370,503)	450,000
Imperial College	PhD studentships	109,584	203,622	(105,979)	207,227
Imperial College	The Robert McAlpine Studentship Award	40,833	35,000	(33,060)	42,773
Imperial College	Pre-Eclampsia research	2,101	(2,101)	—	—
Imperial College	Lecturer and PhD studentship	—	24,100	—	24,100
		460,980	772,662	(509,542)	724,100

Included in deferred income are amounts received in advance for events and sponsorship as set out below:

	2020 £	2019 £
Deferred income brought forward	—	392,833
Additional income deferred in year	—	—
Brought forward funds released in year	—	(392,833)
Deferred income carried forward	—	—

14 Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds 2020 £
Fixed assets	—	—	2,994	2,994
Net current assets	114,025	1,323,400	535,124	1,972,549
Net assets at the end of the year	114,025	1,323,400	538,118	1,975,543

	Restricted funds £	Designated funds £	General funds £	Total funds 2019 £
Fixed assets	—	—	3,809	3,809
Net current assets	56,667	1,580,991	300,643	1,938,301
Net assets at the end of the year	56,667	1,580,991	304,452	1,942,110

15 Restricted funds

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
The Robert McAlpine Studentship Award	46,667	—	(37,875)	8,792
The Woolbeding Charity	10,000	—	(10,000)	—
ClearBlue/SPD	—	150,000	(44,767)	105,233
Total restricted funds	56,667	150,000	(92,642)	114,025

	At 1 April 2018 £	Income £	Expenditure £	At 31 March 2019 £
The Robert McAlpine Studentship Award	81,667	—	(35,000)	46,667
The Woolbeding Charity	—	10,000	—	10,000
Total restricted funds	81,667	10,000	(35,000)	56,667

The Robert McAlpine Studentship Award is specifically to fund a PhD studentship working on the study of the role of cAMP in myometrial function.

The donation from the Woolbeding Charity was used to fund the research midwife working to recruit, engage and support women who join Borne-funded clinical studies.

The multi-year gift from ClearBlue/SPD is specifically to fund two research midwives involved with sample collection for the project PREDICT and the on-call rota for the lab to process the samples collected.

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 April 2019 £	Designated during the year £	Utilised £	At 31 March 2020 £
Imperial College fund	1,330,991	(152,779)	(431,830)	746,382
Action Medical Research fund	250,000	32,072	(124,819)	157,253
Chelsea & Westminster fund	—	150,789	(146,024)	4,765
King's College education grant	—	40,000	—	40,000
MRC Fellowship fund	—	375,000	—	375,000
Total designated funds	1,580,991	445,082	(702,673)	1,323,400

	At 1 April 2018 £	Designated during the year £	Utilised £	At 31 March 2019 £
<i>Imperial College fund</i>	—	1,330,991	—	1,330,991
<i>Capacity building fund</i>	—	250,000	—	250,000
Total designated funds	—	1,580,991	—	1,580,991

The Imperial College designated fund is for grants that have been committed to Imperial College between 2021 and 2024. Imperial College grant expenditure for 2020 has already been recognised in the accounts, see note 13.

The Action Medical Research designated fund is for the anticipated funding of two projects in the 2020/21 project grant round. In 2019 this was referred to as the 'Capacity building fund'.

The Chelsea & Westminster designated fund is for the salaries of the research midwives that have been awarded for 2021/22.

The King's College education grant is to fund Professor Rachel Tribe's time as a scientific collaborator and mentor between 2021 and 2023.

The UKRI Medical Research Council (MRC) Fellowship fund is to fund Borne's portion for the award of a Clinical Research Training Fellowship and a Career Development Award for a postdoctoral scientist transitioning to independence in our area of scientific interest.

17 Related party transactions

During the year trustees made donations to the charity and contributions to fund raising events totalling £253,461 (2019 - £214,250). At the year end, there were £255,813 (2019 - £309,845) in the debtor ledger for multi-year gift commitments, of which £160,813 (2019 - £249,845) is due within one year and £95,000 (2019 - £60,000) is due after one year. Also, Mei Li Powell, a member of key management personnel donated £313 (2019 - nil).

18 Donated services and facilities

During the year the charity has received donated office facilities from Imperial College up to May 2019. These donated facilities have not been recognised as income as their value cannot be measured. All other donated services have been valued and recognised in accordance with the charity's accounting policies.

19 Commitments

The charity has grant commitments to Imperial College that extend to 2024. At the year end, the charity agreed the grants payable to Imperial College within the next year (note 13) but has committed to fund a further £746,382 of grants between 2021 and 2024.

The charity has also agreed to support capacity building through the annual joint funding of project grants with Action Medical Research. In the 2019 grant round, up to £157,253 may be awarded for two projects pending the recommendation of Action's Scientific Advisory Panel.

Borne also awarded Chelsea and Westminster Hospital with multi-year research midwife funding that extend beyond the next financial year by £4,765.

The King's College education grant is to continue funding Professor Rachel Tribe's time as a scientific collaborator and mentor through an education grant of £20,000 p.a. that is extendable beyond 2020/21 for a further two years.

Borne has also entered into a joint funding agreement with UKRI's Medical Research Council (MRC) to award a Clinical Research Training Fellowship and a Career Development Award for a postdoctoral scientist transitioning to independence in our area of scientific interest. Borne's share of the commitment is £375,000 for both awards.

These grants will be funded from designated funds and restricted funds.