The Borne Foundation

Annual Report and Financial Statements

31 March 2021

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	3rd Floor, 315-317 New Kings Road London SW6 4RF
Telephone	07821 681 058
Website	www.borne.org.uk
Company registration number	09788534 (England and Wales)
Charity registration number	1167073 (England and Wales)
Auditor	Barnes Roffe LLP Charles Lake House, Claire Causeway Crossways Business Park Dartford DA2 6QA
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	Insignis Cash Solutions St John's Innovation Centre, Cowley Road Cambridge CB4 0WS

The trustees present their report together with the audited financial statements of Borne Foundation ("the charitable company") for the year ended 31 March 2021.

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 22 to 26 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 is a registered charity founded by obstetrician Professor Mark Johnson, a physician and obstetrician who has seen the devastating effects of prematurity first-hand.

Prematurity is the term used to describe all babies born before 37 weeks of pregnancy. In the UK, a baby is generally considered viable if it is born at 24 weeks, yet their chances of survival is only 50%.

Babies who are born too soon face many challenges. Their internal organs still need to grow and develop, so they need specialist care in a special or intensive neo-natal care unit. The earlier a baby is born, the more likely their organs will suffer damage or not develop as they should because they are less mature.

Each day in the womb is essential to a baby's healthy development and survival. For example, in the UK, babies born at 23 weeks and survive have a 92% chance of experiencing a disability. If that baby can stay in the womb an extra three weeks and be born at 26 weeks, the chance of having a disability reduces to 41%.

Borne believes scientific research is the key to bring about lasting change. Yet, funding for research into complications during pregnancy and childbirth lags far behind other medical conditions. We are working to change that. By investing in research, we will find answers, improve care and nurture talent in this pressing area of need.

ACTIVITIES AND PERFORMANCE

Borne's research strategy

The research that Borne funds is focused on the pregnancy period and the factors and conditions in pregnancy that may lead to preterm birth. We seek to deepen our knowledge of 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. Only by understanding the normal process can we begin to understand the abnormal and identify markers of risk in women that are likely to deliver their babies preterm. This understanding is fundamental to the development of diagnostic, treatment and prevention strategies to reduce the rate of preterm birth.

We are particularly interested in research that has translational potential for patient benefit. We do not directly participate in research associated with assisted conception, or areas of maternal health that are not directly linked to pregnancy or birth; service delivery research also falls outside our remit.

Our primary objectives are:

1. To strengthen the early-stage research base

We pump-prime promising new research ideas, giving scientists the impetus to develop their analysis and advance their breakthrough projects. We want to make sure that the best ideas, backed up by the strongest science, have the greatest chance to succeed. We invest in world-class early-stage research projects aimed at unravelling the science behind the complex biomedical conditions that lead to premature birth.

By offering a number of project-based awards to support the research programmes of tenured researchers, we enable scientists to take their novel ideas forward with preliminary data that enable them to apply for further funding from research councils and other grant-making bodies for larger scale studies, effectively leveraging the contribution of Borne's supporters several times over the initial investment.

2. To build capacity in our area of need

We are encouraging more promising scientists and clinicians to develop their research careers in our area of need.

By offering Clinical Research Training Fellowships, we provide a means for clinically qualified candidates to obtain the research track record and skills required through a PhD or other higher research degree.

We also support talented post-doctoral researchers with their transition to independent investigator with funding for an ambitious programme of research training that offers accelerated personal and career development to lead their own research plans and establish their own research team.

ACTIVITIES AND PERFORMANCE (continued)

Our research in review

The last year has been challenging for scientists and clinicians with the COVID19 pandemic causing the suspension of non-Covid research and restricting access to labs. Clinical research teams were redirected to NHS work, and scientists continued to be productive analysing experimental data and drafting research articles for publication. When the laboratories re-opened with new social distancing constraints, the teams were able to complete essential experiments utilising tissue and cells stored before the pandemic.

1. Timing of Birth – cellular signals that prepare the uterus for labour

Timing of birth is key to a successful pregnancy. When this goes wrong, babies can be born too soon due to preterm labour or too late because a mother fails to go into labour at the right time. Both conditions are risky for the health of the baby and can sadly result in pregnancy loss, still birth or disability.

To improve our ability to prevent preterm labour or dysfunctional labour, the research group at Imperial College's laboratory at Chelsea and Westminster Hospital is focused on gaining a deeper understanding of the cellular mechanisms controlling healthy birth. Using uterine muscle (myometrium) taken from term pregnancies at the time of caesarean section, they explore the contribution of a molecular messenger, cyclic AMP and how a switch in its function ensures the correct timing of labour.

Borne continues to fund a team of talented young scientists working together under the scientific guidance and support of **Professor Mark Johnson** (Imperial College) and **Professor Rachel Tribe** (King's College London) to answer some fundamental questions regarding the regulation of this molecular messenger. **Dr Pei Lai**, an experienced early career researcher provides day to day supervision of **Jonathan Li**, a final year PhD student sponsored by the Sir Robert McAlpine Foundation, and **Dr Alice Varley**, a clinician who works with both the team at Chelsea and Westminster and **Professor Manuela Zaccolo** at the University of Oxford.

Several publications in 2020 highlighted the key role cAMP and down-stream effectors play in modulating uterine muscle preparation for labour. Dr Varley is writing up her PhD thesis having generated some exciting data using cutting edge imaging techniques to demonstrate complex intra-cellular compartmentalisation of cAMP. Taken together, the work of the team has been leveraged to develop a new and exciting programme of work with the universities of Oxford, Glasgow and King's College London that is being considered for funding by the UKRI's Medical Research Council.

The progress made through this research has significantly refined our understanding of the importance of cAMP cellular signalling to the priming of the uterus for labour and birth. This essential knowledge is helping us identify better ways to reduce the occurrence of spontaneous preterm labour and other labour-related complications.

ACTIVITIES AND PERFORMANCE (continued)

Our research in review (continued)

2. The contribution of immune cells to the success of pregnancy

Principal Investigator **Dr Viki Male** leads the immunology research at Imperial College's laboratory at Chelsea and Westminster Hospital. Her work is focused on the role and development of cells in the lining of the uterus and their contribution to the physiological processes of pregnancy. Dr Male is a Sir Henry Dale Fellow. Borne funds the projects of three students in her group. These students are making important discoveries about how immune cells in the lining of the uterus contribute to the success of pregnancy.

PhD student **Emily Whettlock** is working on the ways in which immune cells in the lining of the uterus may trigger labour at term and preterm, using both multiparametric flow cytometry and single cell RNA sequencing approaches.

PhD student **Antonia Cuff** and Clinical Research Fellow **Ee Von Woon** are focusing on how these cells promote placentation in early pregnancy. This is important because many problems that manifest later in pregnancy, such as pre-eclampsia and some types of preterm birth, have their origins in poor early placentation.

These projects have been impacted by the pandemic in a number of ways. The students lost almost three months of laboratory time during the first national lockdown, and when they were allowed to return to the laboratory, capacity restrictions to prevent the spread of COVID meant that the pace of work has slowed. The team has had to find ways to address their research questions using alternative approaches, such as bioinformatics and in vitro models.

The coming year holds some exciting challenges for the group. As the labs return to full capacity and clinics open, the Borne-funded students will accelerate their data collection, aiming to make up for lost time as they reach the end of their projects. Each of these students represent a newly qualified researcher in human pregnancy, ready to continue pushing forward the frontiers of research.

3. Clinical studies

The clinical research team that Borne funds at the Chelsea and Westminster Hospital includes 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.

- **2000 Women** - This study monitors and collects samples from women at week 12 of their first pregnancy and follows their development through to birth, focusing particularly on how their fatty acid profile affects the likelihood of preterm delivery. The team's work so far has showed that an abnormal fatty acid profile could predict preterm delivery. Borne funded PhD student Noushin Masoudi is studying the best way to correct a fatty acid imbalance and the impact of changing the fatty acid profile on the maternal immune system. Difficult decisions were made to curtail the scope of the 2000 women study, reducing the time points from 12, 20 28 and 36 weeks to 12 and 28 weeks; and the number of women to be recruited from 2,000 to 1,000. However, recruitment to the study is now complete, and the last of the 28-week samples taken.

ACTIVITIES AND PERFORMANCE (continued)

Our research in review (continued)

- **2000 Women** (Continued)
  This means Noushin has begun sample analysis and is waiting for the outcomes of the pregnancies. The valuable bank of samples that has been collected is also enabling the development of other studies and scientific collaborations in related research fields.

- **ProgrAm** – the drug tolerance study set up in 2017 to assess whether women who have previously lost or had a premature baby (and considered high risk) are able to tolerate the combination of progesterone with aminophylline reached the study target of 70 women this year. The team found that the women were able to tolerate the combination therapy, and the next step is to seek funding for a multi-centre random controlled trial. This takes us one step closer to transforming clinical protocol with a new application for a readily available drug.

- **Post natal support** – During the pandemic, women continued to give birth preterm, and many families left hospital without answers or even the opportunity to ask questions. With funding support from Borne, obstetrician Miss Natasha Singh was able to set up a listening service for women who experienced preterm birth at Chelsea and Westminster Hospital. Over the past year, 23 women and their families attended the service and were given the opportunity to talk about their experience and receive advice and recommendations for future pregnancies. This service also gave Miss Singh the opportunity to study the impact of the emotional impact of preterm birth on women and their families.

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.

We are joint-funding a project led by **Professor Rachel Tribe** at King's that aims, through rigorous experimentation science, to move the field of extracellular vesicles in cervical-vaginal fluid significantly forward by identifying and characterising a new form of microparticle at various stages of pregnancy to establish their predictive potential for spontaneous preterm birth. The work so far has resulted in a successful application for a bioinformatics PhD studentship at the NIHR Biomedical Research Centre at Guy's and St Thomas' Trust and King's, and keynote presentations on the subject at national and international conferences.

We are also joint-funding a 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. In the last year, the gene therapy has been produced to investigate its effect under laboratory conditions. Ultimately, the work could lead to the first clinical study of this kind and the development of a much-needed new treatment to prevent preterm birth and infection-related brain injury in the womb.

ACTIVITIES AND PERFORMANCE (continued)

Our research in review (continued)

4. Catalysing new research (Continued)

We are also funding **Professor Michael Taggart** at Newcastle University who are using proteomics to advance our understanding of the molecular mechanisms that activate womb muscle contractions, and how these differ from similar processes in the blood vessels of the womb and the placenta. The team at Newcastle University are making steady progress and can now measure around 4,000 proteins per human tissue sample from the womb and make comparisons of biological and clinical relevance. The next steps are to obtain new knowledge of molecular mechanisms that control uterine contractions during labour and to be able to use this novel information to design better strategies for using drugs to treat and prevent early preterm labour.

Dr M Griffin at Bristol University is looking at the long-term impact of cancer treatment involving bone marrow transplantation on women's reproductive health. She hopes to identify new ways to improve care for these childhood cancer survivors before and during their pregnancy, reducing the chances of their babies being born too soon. The research team is accessing data from the British Society of Blood and Marrow Transplantation Data Registry and the British Childhood Cancer Survivor Study/Teenage and Young Adult Cancer Survivor Study and the funding is also enabling the team to conduct a survey of doctors to find out how these women are currently cared for. A prospective survey is in progress with the UK Obstetric Surveillance System (UKOSS). The plan in the coming year is to present findings and make suggestions for guidelines for improved care of these women and their unborn babies to stakeholders including the Royal College of Obstetricians and Gynaecologists.

In the 2020 grant round, funding was awarded **Professor Rachel Tribe** for a collaboration with researchers in Sweden to look more deeply into decidual stromal cells (DSCs) in the womb lining that are known to play an important role in early pregnancy suppressing a mother's natural immune defences so that her body can accept the baby in the womb. The aim of the study is to develop a new treatment involving the biological mechanisms in DSCs that can help prevent spontaneous preterm birth by regulating the mother's immune and inflammatory responses during pregnancy.

Our fundraising

Like most charities, our income in 2020/21 was significantly impacted by the COVID-19 pandemic. While Borne was unable to fundraise through events and publicly organised sports challenges were cancelled or postponed, we have strength of reserves and the continued support of many longstanding donors who are deeply committed to our cause. We have built strong foundations to not only weather the challenges COVID-19 has presented us but to continue with our plans to fund a ground-breaking research initiative as the need has never been greater.

ACTIVITIES AND PERFORMANCE (continued)

Our fundraising (continued)

We are indebted to our Foundation Donors Michael and Blake Daffey, Tracey and Nick Grace, Majid and Lynn Jafar, Razan Jafar and Adnan Said, Mark and Meekai Johnson, Manal and Murtaza Lakhani, Charlotte and Andrew Moffat, Julian and Fiona Mylchreest, Charles and Derica Noall, Hetty and Nick Pye, Natasha and Devand Singh, Marcel Van Poecke (AtlasInvest) and Francesco and Charlotte Vanni d'Archirafi who invest in the development of the charity as well as its charitable activities.

We wish to thank our major donors and benefactors, the EQ Foundation, the Nice To Meet You Foundation, the Sir Robert McAlpine Foundation, the Sackler Trust, the Dr Mortimer and Theresa Sackler Foundation, the Shramore Trust, Edward and Kimi Spencer-Churchill, the Vaseppi Trust and the many supporters wo do not wish to be named.

We are grateful for the generosity of our corporate sponsors Afiniti, BGC Partners, Bullion Vault, ClearBlue/SPD, Howden Specialty, ICAP and the continued support of small businesses like Blaiz and Philippa Herbert, and our many Friends, whose regular gifts give us certainty and confidence to fund more research.

We must thank our Patron, Will Greenwood MBE, and our Ambassadors who have been proactive and passionate in their fundraising efforts and influence in supporting our work. With their support, we launched a highly successful matched funding campaign through the Big Give Christmas Challenge. The funds raised were immediately pledged in a research grant call for Borne's Uterine Mapping Project in January 2021.

Borne would also like to thank all of the fundraisers who organised family fun runs with their employees, competed in marathons, half-marathons, cycling events and other great feats of fitness and endurance around the world in aid of Borne. We would not be as confident and successful in making the research commitments that we have without their support.

While the income raised in 2020/21 was 30% lower than the prior year, we are pleased that 83p to every £1 raised was directed towards our charitable activities.

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.

ACTIVITIES AND PERFORMANCE (continued)

Looking ahead

Borne has assured all Borne-funded research teams that we remain steadfast in our commitment to fund their projects and can grant no-cost extensions if requested to accommodate any delays caused by the pandemic. We also assured the UKRI's Medical Research Council that we will continue to participate in the joint funding of clinical research training fellowships and career development awards.

Having consulted broadly with clinical and scientific experts around the world on what is holding back the advancement of preterm birth research, Borne designated free reserves in excess of £500,000 and announced the intention to award funding in open competition to support a feasibility study for Borne's Uterine Mapping Project (BUMP). BUMP involves the establishment of a unique human tissue and data resource that will foster cross-disciplinary collaboration by preterm birth researchers and data scientists to address a key gap in our knowledge on how labour is initiated across different tissue types and biological systems.

The announcement of this award to deliver a proof-of-concept study for this strategic undertaking will also signal the launch of a new fundraising appeal to support the development of infrastructure to scale up the sample collection, analysis and research efforts.

The constraints imposed by the COVID-19 pandemic continues to impact our ability to fundraise through traditional means, ie. through signature events, galas and challenges. We have adapted our fundraising model in the last year to engage more broadly with venture philanthropists, family offices, corporations, and trusts and foundations, and will continue to focus on securing regular gifts and multi-year donations from an increasingly diversified base of supporters.

FINANCIAL REVIEW

Financial summary of the year

A summary of the year's results can be found on page 19 of this report and accounts.

During the year ended 31 March 2021, we raised income of £1,093,103 (2020 - £1,562,139). £120,000 (2020 - £150,000) of income is restricted. Expenditure totalled £826,955 (2020 - £1,528,706). Expenditure utilising restricted funds totalled £1,525 (2020 - £92,642).

When the world went into lockdown with the COVID19 pandemic at the start of the financial year, the research paused and the charity's fundraising and events staff were furloughed from mid-April 2020 for five months to conserve cash. The charity reduced its operating overheads by over 20% assisted in part by a small City of London support grant and a significant reduction in rent by our landlord, Beaumont UK. Key functions such as book-keeping and management accounting were brought back in-house to reduce costs.

Research grant expenditure was also lower this financial year as existing grants were drawing to a close and funds designated for new research will not be awarded until the new year.

FINANCIAL REVIEW (continued)

Financial summary of the year (Continued)

Net income carried forward as reserves was £266,149 (2020 – £33,433).

The balance sheet shows total reserves of £2,241,691 (2020 - £1,975,543). Of this, £120,000 (2020 - £114,025) is restricted and unrestricted funds are £2,121,691 (2020 - £1,861,518), including £1,215 (2020 - £2,994) relating to fixed assets leaving a balance of £2,120,476 (2020 - £1,858,524). Of this £1,462,830 (2020 - £1,323,400) has been designated by the trustees to specific projects and activities, leaving free reserves at year end of £657,646 (2020 - £535,124), of which a further £500,000 is likely to be awarded in support of BUMP.

Grant Making Policy

As a member of the Association of Medical Research Charities (AMRC), Borne follows their guidelines for best practice in peer review. Grants are awarded on scientific merit in relation to Borne's research strategy and on the basis of open competition. The quality of the application and applicants is the key determinant of outcome.

Borne funds research 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 scientists and clinicians that lead the research originating from a UK research institution.
- technical staff and research midwives involved with clinical work and sample collection and processing
- postgraduate studentships, fellowships and lectureships
- laboratory consumables and equipment that are required to conduct the research studies

Applications for funding are reviewed by Borne's Scientific Advisory Board (SAB) who also consult external expert peer reviewers. The SAB provide comment to the Borne Board twice a year on funding recommendations and Borne-funded researchers' ability to deliver its scientific mission and maintain scientific excellence.

Borne co-funds up to £500,000 of independent research projects on a 50:50 basis with Action Medical Research (AMR) 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 also has an agreement to co-fund a Clinicial Research Training Fellowship and a Career Development Award for a postdoctoral scientist in our chosen area of interest through the UKRI's 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, from individuals to companies and trusts and foundations. 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 £2,120,476, and the trustees have designated funds of £1,462,830 to meet committed grant expenditure from 2021 to 2024. This leaves free reserves of £657,646 which includes £200,000 set aside for contingencies (6 months of operating expenditure), of which a further £500,000 is likely to be awarded to a second consortium of institutions for BUMP.

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.

FINANCIAL REVIEW (continued)

Risk Management (continued)

- Key man risk with Borne's heavy reliance on the 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 and impact of the research that is funded. This is addressed by the Scientific Advisory Board's independent and critical evaluation of the researchers' 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 Finance and Risk Committee twice a year, 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. 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 2021 and signed on their behalf by

Chairman of the Board of Trustees

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

We have audited the financial statements of The Borne Foundation (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, 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 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

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the 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. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial

statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' 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 (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The engagement partner ensures that the engagement team collectively have the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identify the laws and regulations applicable to the charitable company through discussion with trustees and other management, and from our commercial knowledge and experience of the sector that the charitable company operates in;
- We focus on specific laws and regulations which we consider may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006 and charity focused accreditations such as ARMC, National Institute for Health Research and Pregnancy & Babies Charity Network;
- We assess the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing board minutes, relevant correspondence and certificates held; and
- Laws and regulations are communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation are identified. The audit team remain alert to instances of non compliance throughout the audit.

We assess the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquires of management and the board as to where they consider there was susceptibility to fraud along with their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Our review of financial statements and testing the disclosures against supporting documentation.

To address the risk of fraud through management bias and override of controls we:

- Perform analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspect and tested journal entries to identify unusual or unexpected transactions;
- Assess whether judgement and assumptions made in determining significant accounting estimates, including the useful economic life of tangible and intangible fixed assets and the carrying value of work in progress, are indicative of management bias; and
- Investigate the rationale behind significant transactions, or transactions that are unusual or outside the charitable company's usual course of business.

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

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 trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mario Cientanni (Senior Statutory Auditor)
for and on behalf of Barnes Roffe LLP
Chartered Accountants and Statutory Auditors
Charles Lake House
Claire Causeway
Crossways Business Park
Dartford, Kent
DA2 6QA

Date: 23. July. 2021

Statement of financial activities (incorporating an Income and Expenditure Account) 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Year ended 31 March 2021 £	Unrestricted funds £	Restricted funds £	Year ended 31 March 2020 £
Income and expenditure							
Income from							
Donations	1	842,909	120,000	**962,909**	672,641	150,000	822,641
Other trading activities	2	71,656	—	**71,656**	725,059	—	725,059
Investment income	3	8,923	—	**8,923**	14,439	—	14,439
Other Income	4	49,615	—	**49,615**	—	—	—
Total income		973,103	120,000	**1,093,103**	1,412,139	150,000	1,562,139
Expenditure on							
Raising funds	5	173,897	—	**173,897**	432,817	—	432,817
Charitable activities	6	651,533	1,525	**653,058**	1,003,247	92,642	1,095,889
Total expenditure		825,430	1,525	**826,955**	1,436,064	92,642	1,528,706
Net income (expenditure) and net movement in funds	8	147,673	118,475	**266,148**	(23,925)	57,358	33,433
Transfer between Funds	16	112,500	(112,500)	—	—	—	—
Reconciliation of funds:							
Balances brought forward at 1 April 2020		**1,861,518**	**114,025**	**1,975,543**	1,885,443	56,667	1,942,110
Fund balances carried forward at 31 March 2021	16	**2,121,691**	**120,000**	**2,241,691**	1,861,518	114,025	1,975,543

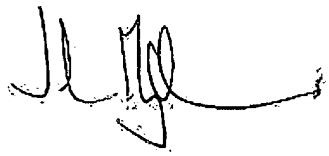
All of the above results are derived from continuing activities.

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

Balance sheet 31 March 2021

	Notes	2021 £	2020 £
Fixed assets	11	**1,215**	2,994
Current assets			
Debtors	12	**713,183**	987,145
Investments	13	**513,949**	812,669
Cash at bank and in hand		**1,825,382**	1,288,704
		3,052,514	3,088,518
Liabilities			
Creditors: amounts falling due within one year	14	**(812,038)**	(1,115,969)
Net current assets		**2,240,476**	1,972,549
Total net assets		**2,241,691**	1,975,543
The funds of the charity:			
Funds and reserves			
Restricted funds	16	**120,000**	114,025
Unrestricted funds			
- Designated funds	17	**1,462,830**	1,323,400
- General funds		**658,861**	538,118
		2,241,691	1,975,543

Approved by the Trustees on 7 July 2021 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 2021

	Notes	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	**229,036**	383,497
Net cash provided by/(used in) investing activities	B	**307,642**	(199,184)
Change in cash and cash equivalents in the year		**536,678**	184,313
Cash and cash equivalents at beginning of the year		**1,288,704**	1,104,391
Cash and cash equivalents at 31 March 2021	C	**1,825,382**	1,288,704

Notes to the statement of cash flows for the year to 31 March 2021.

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

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Net movement in funds (as per the statement of financial activities)	**266,148**	33,433
Adjustments for:		
Decrease in debtors	**273,963**	141,826
Decrease/(increase) in creditors	**(303,931)**	220,908
Depreciation	**1,779**	1,769
Investment income	**(8,923)**	(14,439)
Net cash provided by operating activities	**229,036**	383,497

B Cash flows from investing activities

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Purchase of fixed assets	—	(954)
Sale/(purchase) of current asset investments	**298,719**	(212,669)
Bank interest received	**8,923**	14,439
Total cash flows from investing activities	**307,642**	(199,184)

C Analysis of cash and cash equivalents

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Cash at bank and in hand	**1,825,382**	1,288,704
Total cash and cash equivalents	**1,825,382**	1,288,704

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 2021. Comparative information is provided for the year ended 31 March 2020.

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)
Borne has been dealing with the COVID19 pandemic and the associated measures that governments, businesses, medical research institutions and the general public have put 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 still being restricted on certain fundraising activities, there are sufficient reserves to meet all outstanding research commitments and the charity's operating overheads for at least 6 months as at July 2022.

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 continue to build in more resilience to the fundraising model. They are confident that Borne are in a good position to continue to weather this period of fundraising and economic 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.

The charity receives government grants in respect of the Coronavirus Job Retention Scheme. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income recognition (continued)

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.

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 accrual 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
- 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 £	**2021 Total £**
Trusts and Foundations	150,487	—	**150,487**
Corporate donations	(35,014)	120,000	**84,986**
Individual donations	726,956	—	**726,956**
Gifts and services in kind	480	—	**480**
2021 Total funds	842,909	120,000	**962,909**

	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*

2 Income from other trading activities

	Unrestricted £	Restricted £	**2021 Total £**
Fundraising events	71,656	—	**71,656**
2021 Total funds	71,656	—	**71,656**

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

3 Income from investment activities

	Unrestricted £	Restricted £	**2021 Total £**
Bank interest received	8,923	—	**8,923**
2021 Total funds	8,923	—	**8,923**

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

4 Other income

	2021 £	2020 £
Government Grants		
- Coronavirus Job Retention Scheme	39,615	—
- Small Business Scheme	10,000	—
	49,615	—

5 Expenditure on raising funds

	Unrestricted £	Restricted £	2021 Total £
Cost of fundraising events	23,380	—	**23,380**
Support costs (note 6)	30,233	—	**30,233**
Staff costs (note 8)	120,284	—	**120,284**
2021 Total funds	173,897	—	**173,897**

	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*

6 Expenditure on charitable activities

	Unrestricted £	Restricted £	2021 Total £
Staff costs (note 8)	167,564	—	**167,564**
Research expenditure:			
. Imperial College grants	202,589	—	**202,589**
. The Robert McAlpine Studentship Award	—	8,792	**8,792**
. Chelsea and Westminster Healthcare Charity	106,959	(7,267)	**99,692**
. AMR Research Grants	66,180	—	**66,180**
. Kings College Grants	38,810		**38,810**
. Other grants	189	—	**189**
Support costs (note 6)	69,242	—	**69,242**
2021 Total funds	651,533	1,525	**653,058**

6 Expenditure on charitable activities (continued)

	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	*70,929*	*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*

7 Support costs

	Expenditure on raising funds £	Charitable activities £	**2021 Total £**
Recruitment costs and staff welfare	368	6,136	**6,504**
General administrative expenses	6,137	10,571	**16,708**
Marketing and publicity expenses	473	—	**473**
Professional fees	480	15,804	**16,284**
Office rental	9,218	15,877	**25,095**
Consultancy	13,486	13,220	**26,706**
Pension fees	71	121	**192**
Governance costs:			
. Auditor's remuneration	—	7,513	**7,513**
2021 Total funds	30,233	69,242	**99,475**

	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	*8,640*	*71,333*	*79,973*
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*

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

8 Net income before transfers

This is stated after charging:

	2021 £	2020 £
Auditor's remuneration		
- Audit for current year	**7,500**	8,400
- Audit for prior year	**13**	*1,353*

9 Staff costs and numbers and remuneration of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	**246,433**	301,043
Staff benefits	**6,581**	4,793
Social security costs	**24,301**	33,527
Pension contributions	**10,533**	8,147
	287,848	347,510

During the year, one employee earned between £110,000 and £120,000 (2020 - one employee).

The average number of employees was as follows:

	Average 2021	Average 2020
Raising funds	**2.0**	2.5
Charitable activities	**2.0**	2.0
Central support	**1.0**	1.0
	5.0	5.5

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 £116,792 (2020 - £129,400).

No trustees received any remuneration for their services as a trustee. Expenses of £Nil (2020 - £Nil) were reimbursed to the trustees.

10 Taxation

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

11 Tangible fixed assets

	Office equipment £	Total £
Cost		
At 1 April 2020	7,116	**7,116**
Additions	—	—
At 31 March 2021	7,116	**7,116**
Depreciation		
At 1 April 2020	4,122	**4,122**
Charge for the year	1,779	**1,779**
At 31 March 2021	5,901	**5,901**
Net book value		
At 31 March 2021	1,215	**1,215**
At 31 March 2020	2,994	**2,994**

12 Debtors

	2021 £	2020 £
Other debtors	**4,425**	7,444
Prepayments	**21,182**	10,018
Accrued income	**687,576**	969,683
	713,183	987,145
Due within one year	**548,183**	817,145
Due after one year	**165,000**	170,000

13 Current Asset Investments

	2021 £	2020 £
Bank deposit accounts	**513,950**	812,669
	513,950	812,669

14 Creditors: amounts due within one year

	2021 £	2020 £
Trade creditors	**43,250**	117,510
Grants payable	**735,811**	814,973
Taxation and social security	**9,245**	5,606
Other creditors	**1,169**	1,587
Accrued costs	**22,563**	176,293
	812,038	1,115,969

14 Creditors: amounts due within one year (continued)

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

Name of institution	Purpose	Accrual as at 1 April 2020 £	New grant expenditure / awards £	Costs paid £	**Total accrual 2021 £**
Imperial College	Core Grant	294,883	(18,204)	(148,253)	**128,426**
Imperial College	PhD studentships	144,632	143,619	(85,306)	**202,945**
Imperial College	The Robert McAlpine Studentship Award	35,865	15,060	(23,447)	**27,478**
Imperial College	Lecturer and PhD Studentship	100,708	70,907	(19,591)	**152,024**
Chelsea & Westminster	Research Midwives	137,021	82,720	(136,342)	**83,399**
Action Medical Research	Research Grants	101,864	66,180	(45,910)	**122,134**
Kings College	Project Grants	—	19,405	—	**19,405**
		814,973	379,687	(458,849)	**735,811**

Name of institution	*Purpose*	*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 ended 31 March 2020 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).*

15 Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	**Total funds 2021 £**
Fixed assets	—	—	1,215	**1,215**
Net current assets	120,000	1,462,830	657,646	**2,240,476**
Net assets at the end of the year	120,000	1,462,830	658,861	**2,241,691**

	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*

16 Restricted funds

	At 1 April 2020 £	Income £	Expenditure £	Transfer to Unrestricted Funds £	**At 31 March 2021 £**
The Robert McAlpine Studentship Award	8,792	—	(8,792)	—	—
ClearBlue/SPD	105,233	—	7,267	(112,500)	—
ICAP	—	120,000	—		**120,000**
Total restricted funds	114,025	120,000	(1,525)	(112,500)	**120,000**

	At 1 April 2019 £	*Income £*	*Expenditure £*	*Transfer to Unrestricted Funds £*	*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*

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 and clinician responsible for establishing the PREVENT-1 post preterm birth clinic at the Chelsea and Westminster Hospital.

16 Restricted funds (continued)

The ICAP fund contains the proceeds from ICAP's Charity Day in December 2020. The funds are intended to fund a project agreed with ICAP that has yet to commence.

The gift from ClearBlue/SPD was to fund two research midwives involved with sample collection for a scientific collaboration - PREDICT. ClearBlue/SPD cancelled the project in March 2021 with the departure of their researcher leading the project. The funding received has been transferred to unrestricted funds as a charitable donation.

17 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 2020 £	Designated during the year £	Utilised £	**At 31 March 2021 £**
Imperial College fund	746,382	(234,172)	(211,381)	**300,829**
Action Medical Research fund	157,253	(91,073)	(66,180)	**—**
Chelsea & Westminster fund	4,765	93,934	(82,720)	**15,979**
King's College education grant	40,000	427	(19,405)	**21,022**
MRC Fellowship fund	375,000	—	—	**375,000**
Project grants	—	250,000	—	**250,000**
BUMP award	—	500,000	—	**500,000**
Total designated funds	1,323,400	519,116	(379,686)	**1,462,830**

	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*

The Imperial College designated fund is for grants that have been committed to Imperial College between 2022 and 2025. 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 £300,829 of grants between 2021 and 2025.

The Chelsea & Westminster designated fund is for the salaries of the research midwives that extend beyond the next financial year by £15,979

17 Designated funds (continued)

The King's College education grant is to fund Professor Rachel Tribe's time as a scientific collaborator 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.

A further £750,000 of project grants including for BUMP will be awarded in 2021.

18 Analysis of movement between Funds

	At 1 Apr 2020 £	Income £	Expenditure £	Transfers £	**Total funds 2021 £**
Restricted funds	114,025	120,000	(1,525)	(112,500)	**120,000**
Unrestricted funds	1,861,518	973,103	(825,430)	112,500	**2,121,691**
Total funds	1,975,543	1,093,103	(826,955)	—	**2,241,691**

	At 1 Apr 2019 £	Income £	Expenditure £	Transfers £	**Total funds 2020 £**
Restricted funds	56,667	150,000	(92,642)	—	**114,025**
Unrestricted funds	1,885,443	1,412,139	(1,436,064)	—	**1,861,518**
Total funds	1,942,110	1,094,453	(842,337)	—	**1,975,543**

19 Related party transactions

During the year trustees made donations to the charity and contributions to fund raising events totalling £171,160 (2020 - £253,461). At the year end, there were £270,000 (2020 - £255,813) in the debtor ledger for multi-year gift commitments, of which £165,000 (2020 - £160,813) is due within one year and £105,000 (2020 - £95,000) is due after one year.

20 Commitments

The charity has grant commitments as at 31 March 2021, in addition to the grant creditors disclosed in note 14, as follows:

	2021 £	2020 £
Imperial College fund	**300,829**	746,382
Action Medical Research fund	**-**	157,253
Chelsea & Westminster fund	**15,979**	4,765
King's College education grant	**21,022**	40,000
MRC Fellowship fund	**375,000**	375,000
	712,830	1,323,400

Further details of these grant commitments are included in note 17.