

Company registration number: 03936652 (England & Wales)
Charity registration number: 1090320

**North West Lung Centre
Group Strategic Report,
Report of the Trustees and
Consolidated Financial Statements
For the year ended 31 March 2025**

**North West Lung Centre
Consolidated Financial Statements
For the year ended 31 March 2025**

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North West Lung Centre
Reference and Administrative details
For the year ended 31 March 2025

Company registration number	03936652
Charity registration number	1090320
Trustees	Professor J Vestbo Professor C S Murray Dr A M Jones Dr H Badri Dr L A Brown Professor A A Woodcock Mr R C Bailey Mr T G Heatley Mr A Clarke
Company secretary	Professor C S Murray
Registered office & principal address	F1, Kennedy House 32 Stamford Street Altrincham Cheshire WA14 1ES
Auditors	Mitchell Charlesworth (Audit) Limited Mynshull House 78 Churchgate Stockport SK1 1YJ
Bankers	Royal Bank of Scotland Plc 467 Wilmslow Road Withington Manchester M20 4AN Clydesdale Bank Plc Trading as Virgin Money Sunderland SR43 4JB
Investment managers	Quilter Cheviot 4 th Floor, Bauhaus 27 Quay Street Manchester M3 3GY

North West Lung Centre Trustees Annual Report For the year ended 31 March 2025

The trustees who are also directors of the charitable company for the purposes of the Companies Act 2006, present their report and the audited financial statements of the charity and the group for the year ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Trustees of the charity

The trustees who have served during the year and since the year end were as follows:

Professor J Vestbo
Professor C S Murray
Dr A M Jones
Dr H Badri
Dr L A Brown
Professor A A Woodcock (appointed 25.6.25)
Mr R C Bailey (appointed 8.12.25)
Mr T G Heatley (appointed 8.12.25)
Mr A Clarke (appointed 29.1.26)
Mr J H Alcock (resigned 8.11.25)
Mr A K Webb (resigned 18.12.25)

Objectives and activities

The objects of the charity are:

- To promote research into the causes and treatment of human diseases and disseminate the same to the public.
- To engage in research and development of respiratory medicines and general medicines for use in connection with the treatment referred to above.
- To promote the health and wellbeing of patients with respiratory or related diseases.

Through its close involvement with Manchester University NHS Foundation Trust (Wythenshawe) and in particular the North West Lung Research Centre, the Charity seeks to promote and assist in funding research into lung disease in the North West of England. It seeks to do this by identifying worthwhile and relevant research projects and supporting these financially using funds donated directly as well as those donated by its subsidiary companies.

Public benefit statement

The trustees have considered the Charity Commission guidance on public benefit and consider that the objectives and activities of the charity provide a public benefit in that they contribute to the advancement of public health with a specific focus on the North West of England.

Strategic Report

Achievements and performance

The Charity's principal subsidiary, Medicines Evaluation Unit Ltd (MEU), has had another excellent year and the activities continue to grow. The company's turnover for the year ended 31st March 2025 was £18,188,618 and it was planned to donate £1,200,000 to the Charity in the financial year 24-25. The company operates a thirty-six clinical trials facility and was approached by IQVIA to buy out the company. The sale was being negotiated (estimated £80,000,000) and was close to being completed at the year end, thus MEU elected not to donate just prior to the transaction. The sale went through on 13th June 2025. Thus, the Charity did not receive the planned donation for this financial year, and the accounts are reflected accordingly.

The Charity continues to provide infrastructure support for respiratory research at the North West Lung Research Centre, Manchester University NHS Foundation Trust, the University of Manchester, and from 2017 also the Respiratory Team of the NIHR Manchester Biomedical Centre, as well as support for projects and posts. Not least the latter has enabled several of the current University faculty to start and/or accelerate their research and has therefore often led to attraction of further substantial funding.

**North West Lung Centre
Trustees Annual Report
For the year ended 31 March 2025**

**Strategic Report
Achievements and performance- continued**

The funding awarded this year supports:

1. Pickering Fellowships.
The Charity has over the years part funded a senior post for a clinical academic as a bridge to securing an external fellowship. The Charity is very proud of the fellowships. We believe they are an important way of growing new respiratory academics and previous Pickering fellows have all gone on to do well in respiratory research, securing significant external funding and clinical academic posts within the NHS and University.
The Charity approved one new 1 year fellowship in personalised medicine for COPD sufferers. The opportunity to apply for new fellowships was advertised in the new year and there were several applications. Interviews and recommendations to the board will be made for the new financial year.
A previous recipient of a Pickering fellowship in proteomics in CF and non-CF bronchiectasis was provided with funding for 1 day a week for 6 months to allow completion of grant applications and an NIHR award.
Bridging funding was also provided for a previous Pickering fellow. Their current NIHR award was to end in March 2025 and an MRC fellowship would not start until September 2025, this provided 0.4FTE salary for the 6-month interim period.
2. Small project grants.
These were advertised in October 2024, applicants could apply for up to £60,000 to carry out a project over 12-24 months.
18 applications were submitted and reviewed and scored by the scientific committee. Seven were approved for funding, a total value of £356,787.
 1. Optimising the diagnosis of asthma
 2. A novel diagnostic test to differentiate chronic spontaneous urticaria from food allergy in patients with urticarial rashes
 3. Establishing an interstitial lung abnormality registry
 4. Stratification of COPD according to eosinophil phenotypes
 5. Anti-inflammatory and Anti-oxidative stress effects of PDE3/4 inhibitor ensifentrine in COPD models
 6. T-Clip:- T lymphocyte contribution to ILD pathogenesis and progression
 7. Shift work and risk for incident asthma -
3. A project grant of £87,947 to support an ongoing Manchester based cohort study – The Manchester Asthma and Allergy study (University of Manchester) enable the 25 year follow up of the valuable birth cohort investigating the risk factors for asthma and allergy.
4. The Charity was pleased to support and fund a three-year clinical fellow post to support the work of the PULSE-CF Innovation Hub.
This multi-million-pound Innovation Hub in Manchester will be part of a new £15 million Translational Innovation Hub Network, funded by medical research charity LifeArc and leading charity Cystic Fibrosis Trust. Research in Manchester will take place at Wythenshawe Hospital (MFT), focusing on understanding why people develop lung exacerbations (flare-ups) and how to personalise treatments for them. By sharing samples, recording results at home, and measuring their home air pollution levels, people with CF will play an important part in studying what triggers these flare-ups and who is most affected.
The charity will contribute up to £282,602, (depending on seniority of the appointee) to support a clinical fellow to be appointed, and will pay for all salary and University registration fees for a higher degree for this individual.

**North West Lung Centre
Trustees Annual Report
For the year ended 31 March 2025**

**Strategic Report
Achievements and performance- continued**

5. The charity provided bridging funding for the salary of a former PhD student analysing findings from the Manchester Early Detection of Lung Cancer programme. The Manchester approach to lung cancer screening using mobile scanner facilities and combining with screening for other chronic lung diseases is set to be the model used by NHS England when lung cancer screening goes nationwide.
6. The Charity provided salary for 2 years for a post doctoral researcher in the Cough research team. This would allow sufficient time to complete the analysis of cough fMRI work and to support the publication of this. In addition analysis of cough challenge data studies and publication of these results. This work would then be utilised in the application of a Wellcome fellowship by the same researcher.
7. Top up funding was provided towards an ongoing research co-ordinator within the respiratory BRC to end January 2026 to enable researchers in the group to work more efficiently.
8. Funding was provided for salary for a lab assistant for 2 years who would work as part of a team of four technicians providing close to patient sample handling and downstream processing for most of the research projects undertaken in the NWLC including The Manchester Asthma and Allergy Study (MAAS), RADicA, Airprom, Manchester Allergy, Respiratory and Thoracic Surgery Biobank (ManARTS), studies conducted within the NIHR Manchester Clinical Research Facility in addition to studies in Idiopathic Pulmonary Fibrosis and COPD.
9. A small honorarium was provided to 2 notable respiratory academics from other institutions to attend Manchester for 2 days for the purpose of providing a constructive review and report on the Manchester Respiratory academic unit in order to benchmark, plan and progress research locally.
10. A small consumable grant was approved for the Manchester Allergy, Respiratory and Thoracic Surgery Biobank (ManARTS), up to £5,000/year for 3 years. The ManARTS biobank provides tissue samples and data to multiple researchers for pilot and larger projects across the Northwest and the UK. This grant facilitates the collection and storage of these precious samples and ensures high quality curation.
11. A grant of up to £10,000 has been made to the respiratory group of the Division of immunology, immunity to infection and respiratory medicine (DIIRM) to pay towards expenses for speakers at the monthly seminar series, to ensure high quality education to all respiratory staff. This grant was to be matched by the Division themselves.
12. The Charity provided the salary for a new post of project co-ordinator to support all respiratory researchers based in Manchester. The co-ordinator will assist with financial issues as well as governance, ethics, contracts and sponsorship to aid the smooth running of ongoing and new research projects within the group.
13. Two years funding for a part-time respiratory physiologist was provided for the Cough team to enable completion of their complex cough challenge studies.
14. Over the course of the year the Charity awarded several travel fellowships to early career researchers and allied health care professionals to attend national and international conferences to present their research. 15 were awarded to attend the European Respiratory Society annual Congress in Vienna in September 2024, 5 to attend the Annual British Thoracic Society Winter meeting in London in November 2024 and 3 awards were made to travel to other important Respiratory Conferences during the year. All provided the recipient with up to £750 to cover expenses.

**North West Lung Centre
Trustees Annual Report
For the year ended 31 March 2025**

**Strategic Report
Achievements and performance- continued**

15. The Charity have agreed to fund an equipment update for the Altounyan Seminar room in the NWLC at Wythenshawe Hospital. The Seminar room is used for a variety of educational events and regular departmental teaching sessions, and the audio-video equipment is in need of updating. The Charity set aside a budget of approximately £10,000 for renovation.
16. The Charity continues to fund a number of infrastructure posts including a data manager, research nurse, research practitioners, laboratory post-doc, AMR lab staff and Biobank Co-ordinator.

Financial review

The group accounts reflect a net increase in funds during the year of £93,703,966 (2024 - £5,907,494). At the year end, the group's reserves totalled £129,938,522 (2024 - £36,234,558).

There were unrealised losses on the Charity's investment portfolio of £111,206 (2024 – profit £33,203) and realised profits of £113,913 (2024 - £20,856) on investment disposals. The net profit on the Charity's investment portfolio amounted to £2,707 (2024 - £54,059). Investment income at £19,918 compares with £23,144 received in the previous accounting year.

Following the realisation of a gain on the disposal of the investment in the subsidiary undertakings after the year end, the fair value of the shares held at the year end have been revalued to £90,108,283 (2024 - £1,656).

Reserves policy

It is the trustee's policy to maintain sufficient reserves to enable the Charity to continue to support current research. The continuous success and profitability of the NWLCC's subsidiary companies allows the charity to maintain unrestricted reserves at a level that can be re-assessed annually. As a result of the recent acquisition by IQVIA, the North West Lung Centre's approach to reserve funds and future proofing the charities ability to support current and future research, will be tailored to the post-acquisition strategy.

Investment powers and policy

Under the Articles of Association the trustees have the power to make any investments on behalf of the Charity that they see fit. In considering investment decisions the trustees make due consideration of social, environmental and ethical matters. Furthermore, the trustees are seeking to make updates to the investment strategy, considering the charities new financial landscape.

Future plans

The Charity has plans to update its research strategy in 25-26 in light of its recent changes in circumstance. However, its objectives will remain unchanged.

The trustees anticipate that future Pickering Fellowships will be available for application in 2025-26, along with the likely availability of PhD studentships. Small travel grants will be made available in 2025-26 for early career researchers and allied health-care professionals to apply to attend National and International conferences to present their work.

Structure, governance and management

Governing Document

North West Lung Centre is a charitable company limited by guarantee, incorporated on 29 February 2000 and registered as a charity on 30 January 2002. The governing document is the company's Memorandum and Articles of Association.

Recruitment and appointment of Trustees

New trustees are appointed following recommendation from the existing trustees. Under the requirements of the Memorandum and Articles of Association, one third of the trustees shall retire by rotation at each Annual General Meeting. If the resulting vacancies are not filled, then the retiring trustees are, providing they are willing to act, deemed to be reappointed unless the meeting resolves not to fill the vacancies.

North West Lung Centre Trustees Annual Report For the year ended 31 March 2025

Trustee induction and training

All existing trustees are familiar with the work of the charity, new trustees are assisted and encouraged to make themselves aware of the operation of the Charity and the context within which it operates. In particular:

- The obligations of trustees and directors.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems of procedures have been established to mitigate the risks the charity face.

Organisation

The trustees are responsible for the strategic direction and policy of the charity, and the management of the day-to-day activities of the charity. The Articles dictate that there shall be a minimum of three trustees but there is no prescribed maximum. All services provided by the trustees are on a voluntary basis.

The liabilities of the members is limited. In winding up each member shall be required to contribute an amount not exceeding £10. Application for membership of the Charity must be approved by the trustees and the number of members shall not be less than two.

Related Parties

At 31 March 2025, the Charity owned 84.92% of the share capital of Medicines Evaluation Unit Limited and 69.87% of the share capital of CRO Solutions Limited. Medicines Evaluation Unit Limited is a company principally engaged in evaluating medicines for the pharmaceuticals industry. CRO Solutions Limited is a clinical research organisation. The subsidiaries ceased to be related parties after the balance sheet date.

Statement of trustees' responsibilities

The trustees (who are also the directors of North West Lung Centre for the purposes of company law) are responsible for preparing the Report of the trustees, including the group strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial period which show a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure of the group for that period. In preparing those accounts the trustees are required to:

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

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

**North West Lung Centre
Trustees Annual Report
For the year ended 31 March 2025**

Disclosure of information to the auditors

We, the trustees of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Mitchell Charlesworth, will be proposed for re-appointment at the forthcoming Annual General Meeting.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

Signed on behalf of the board:



Prof. C Murray
Trustee and Board Secretary

Date 03/27/2026

Independent Auditor's Report to the Members of North West Lung Centre

For the year ended 31 March 2025

Opinion

We have audited the financial statements of North West Lung Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, Company balance sheet, Consolidated statement of changes in equity, Consolidated cash flow statement 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 group's and of the parent charitable company affairs as at 31 March 2025 and of the group's surplus 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 group's and the parent 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 trustees are responsible for the other information. The other information comprises the information in the Report of the trustees, but does not include the financial statements and our Report of the auditors 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 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 Report of the trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the trustees has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of North West Lung Centre For the year ended 31 March 2025

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the directors.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page six, the trustees, who are also directors of the parent charitable company for the purpose 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 a Report of the auditors 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:

We worked closely with the trustees and senior management to identify the relevant laws and regulations and compliance therewith. Our procedures and sampling were designed to identify irregularities and remove the risk of material misstatements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the parent charitable company's internal control. Accordingly, no such opinion is expressed.

Independent Auditor's Report to the Members of North West Lung Centre For the year ended 31 March 2025

Auditors' responsibilities for the audit of the financial statements - continued

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the group's and the parent charitable company's ability to continue as a going concern for a reasonable period of time.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and internal control related matters that we identified during the audit.

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 Report of the auditors.

Use of our report

This report is made solely to the parent 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 company's members those matters we are required to state to them in a Report of the auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nicola Joyce ACA (Statutory Senior Auditor)
for and on behalf of Mitchell Charlesworth (Audit) Limited
Mynshull House
78 Churchgate
Stockport
SK1 1YJ

Date

North West Lung Centre
Consolidated Statement of Financial Activities
(Including an Income and Expenditure Account)
For the year ended 31 March 2025

	Note	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025	Total funds 2024 As restated
		£	£	£	£
INCOME					
Donations and legacies	4	11,239	-	11,239	410,685
Other trading activities:					
Trading income	5	19,664,293	-	19,664,293	18,685,723
Other income	5	25,197	-	25,197	27,134
Income from investments	6	1,169,520	-	1,169,520	449,647
TOTAL INCOME		20,870,249	-	20,870,249	19,573,189
EXPENDITURE					
Expenditure on raising funds:					
Trading expenses		14,340,550	-	14,340,550	12,067,647
Investment management fees		11,261	-	11,261	11,469
Expenditure on charitable activities:					
Promotion of research	7	1,218,253	423,990	1,642,243	878,648
Governance costs	7	26,721	-	26,721	22,739
TOTAL RESOURCES EXPENDED		15,596,785	423,990	16,020,775	12,980,503
Net incoming resources before gains/(losses) on investments		5,273,464	(423,990)	4,849,474	6,592,686
Net gains/(losses) on investments		90,185,535	-	90,185,535	698,541
Net income before taxation		95,458,999	(423,990)	95,035,009	7,291,227
Taxation	11	(233,371)	-	(233,371)	482,873
Net movement in funds		95,225,628	(423,990)	94,801,638	7,774,100
Prior year adjustment		-	-	-	(616,564)
Net movement in funds since last annual report		95,225,628	(423,990)	94,801,638	7,157,536

North West Lung Centre
Consolidated Statement of Financial Activities
(Including an Income and Expenditure Account)
For the year ended 31 March 2025

	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025	Total funds 2024 As restated
	£	£	£	£
Net movement in funds for the year is attributable to:				
- Parent charity	94,127,956	(423,990)	93,703,966	5,907,494
- Non-controlling interests	1,097,672	-	1,097,672	1,250,042
	<u>95,225,628</u>	<u>(423,990)</u>	<u>94,801,638</u>	<u>7,157,536</u>
 RECONCILIATION OF FUNDS				
Total funds brought forward at 1 April 2024	37,784,573	443,261	38,227,834	31,681,724
Net movement in funds for the year is attributable to:				
- Parent charity	94,127,956	(423,990)	93,703,966	5,907,494
- Non-controlling interests	1,097,672	-	1,097,672	1,250,042
- Dividends paid to non-controlling interests in subsidiary undertakings	(1,147,791)	-	(1,147,791)	(611,426)
Total funds carried forward at 31 March 2025	<u>131,862,410</u>	<u>19,271</u>	<u>131,881,681</u>	<u>38,227,834</u>

The consolidated statement of financial activities includes all gains and losses recognised during the year.

**North West Lung Centre
Consolidated Balance Sheet
For the year ended 31 March 2025**

	Note	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025	Total funds 2024 As restated
		£	£	£	£
Fixed assets					
Tangible assets	16	3,527,983	-	3,527,983	3,644,360
Investments	17	91,021,748	-	91,021,748	7,826,681
		<u>94,549,731</u>	<u>-</u>	<u>94,549,731</u>	<u>11,471,041</u>
Current assets					
Debtors	18	7,643,916	-	7,643,916	8,963,327
Cash at bank and in hand		36,312,152	1,648,512	37,960,664	24,952,902
		<u>43,956,068</u>	<u>1,648,512</u>	<u>45,604,580</u>	<u>33,916,229</u>
Creditors					
Amounts falling due within one year	19	5,775,998	1,028,917	6,804,915	5,714,932
		<u>5,775,998</u>	<u>1,028,917</u>	<u>6,804,915</u>	<u>5,714,932</u>
Net current assets		<u>38,180,070</u>	<u>619,595</u>	<u>38,799,665</u>	<u>28,201,297</u>
Total assets less current liabilities		<u>132,729,801</u>	<u>619,595</u>	<u>133,349,396</u>	<u>39,672,338</u>
Creditors					
Amounts falling due after more than one year	20	554,489	600,324	1,154,813	1,131,602
Provisions for liabilities	21	48,221	-	48,221	48,221
Total assets		<u>132,127,091</u>	<u>19,271</u>	<u>132,146,362</u>	<u>38,492,515</u>
Funds attributable to:					
- Parent charity		129,919,251	19,271	129,938,522	36,234,558
- Non-controlling interests		<u>2,207,840</u>	<u>-</u>	<u>2,207,840</u>	<u>2,257,957</u>
		<u>132,127,091</u>	<u>19,271</u>	<u>132,146,362</u>	<u>38,492,515</u>

The financial statements were approved by the Board of Trustees and authorised for issue by the on 03/27/2026 and signed on its behalf by:

Prof. C Murray
Trustee



Dr A M Jones
Trustee

Company registration number 03936652

**North West Lung Centre
Company Balance Sheet
For the year ended 31 March 2025**

	<i>Note</i>	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Fixed assets					
Investments	17	91,023,370	-	91,023,370	902,951
		<u>91,023,370</u>	<u>-</u>	<u>91,023,370</u>	<u>902,951</u>
Current assets					
Debtors	18	33,543	-	33,543	-
Cash at bank and in hand		1,759,674	1,648,512	3,408,186	4,401,291
		<u>1,793,217</u>	<u>1,648,512</u>	<u>3,441,729</u>	<u>4,401,291</u>
Creditors					
Amounts falling due within one year	19	2,073,809	1,028,917	3,102,726	2,481,733
		<u>(280,592)</u>	<u>619,595</u>	<u>339,003</u>	<u>1,919,558</u>
Net current (liabilities)/assets					
		<u>90,742,778</u>	<u>619,595</u>	<u>91,362,373</u>	<u>2,822,509</u>
Total assets less current liabilities					
		<u>90,742,778</u>	<u>619,595</u>	<u>91,362,373</u>	<u>2,822,509</u>
Creditors					
Amounts falling due after more than one year	20	554,489	600,324	1,154,813	1,131,602
		<u>90,188,289</u>	<u>19,271</u>	<u>90,207,560</u>	<u>1,690,907</u>
Total assets					
		<u>90,188,289</u>	<u>19,271</u>	<u>90,207,560</u>	<u>1,690,907</u>
Funds					
Unrestricted funds				90,188,289	1,247,646
Restricted funds				<u>19,271</u>	<u>443,261</u>
				<u>90,207,560</u>	<u>1,690,907</u>

The financial statements were approved by the Board of Trustees and authorised for issue by the on 03/27/2026 and signed on its behalf by:



Prof. C Murray
Trustee



Dr A M Jones
Trustee

Company registration number 03936652

North West Lung Centre
Consolidated Statement of Changes in Equity
For the year ended 31 March 2025

	Unrestricted funds	Restricted funds	Share capital	Share premium	Total fund balances
	£	£	£	£	£
At 1 April 2023	31,049,642	632,082	504	264,177	31,946,405
Prior year adjustment	(616,564)	-	-	-	(616,564)
As restated	30,433,078	632,082	504	264,177	31,329,841
Changes in equity					
Net movement in funds	7,962,921	(188,821)	-	-	7,774,100
Dividends paid to Non-controlling interests	(611,426)	-	-	-	(611,426)
At 31 March 2024	37,784,573	443,261	504	264,177	38,492,515
Changes in equity					
Net movement in funds	95,225,628	(423,990)	-	-	94,801,638
Dividends paid to Non-controlling interests	(1,147,791)	-	-	-	(1,147,791)
At 31 March 2025	131,862,410	19,271	504	264,177	132,146,362
			Total controlling interest	Non-controlling interest	Total fund balances
			£	£	£
At 1 April 2023			30,327,064	1,619,341	31,946,405
Prior year adjustment			(523,605)	(92,959)	(616,564)
As restated			29,803,459	1,526,382	31,329,841
Changes in equity					
Net movement in funds			6,431,099	1,343,001	7,774,100
Dividends paid to Non-controlling interests			-	(611,426)	(611,426)
At 31 March 2024			36,234,558	2,257,957	38,492,515
Changes in equity					
Net movement in funds			93,703,965	1,097,673	94,801,638
Dividends paid to Non-controlling interests			-	(1,147,791)	(1,147,791)
At 31 March 2025			129,938,523	2,207,839	132,146,362

North West Lung Centre
Consolidated Cash Flow Statement
For the year ended 31 March 2025

		2025	2024
		£	As restated £
	<i>Note</i>		
Cash flows from operating activities			
Cash generated from operations	23	5,881,183	2,652,346
Interest paid		-	(165)
Tax paid		133,163	580,522
Net cash from operating activities		6,014,346	3,232,703
Cash flows from investing activities			
Purchase of tangible fixed assets		(129,697)	(13,708)
Purchase of fixed asset investments		(2,029,763)	(1,832,453)
Sale of fixed asset investments		9,020,231	1,630,208
Interest received		1,028,043	312,753
Dividends received		141,477	136,894
Net cash from investing activities		8,030,291	233,694
Cash flows from financing activities			
Amount withdrawn by directors		-	92,376
Called up share capital not paid		110,916	-
Dividends paid to non-controlling interests		(1,147,791)	(611,426)
Net cash from financing activities		(1,036,875)	(519,050)
Increase/(decrease) in cash and cash equivalents		13,007,762	2,947,347
Cash and cash equivalents at beginning of year	24	24,952,902	22,005,555
Cash and cash equivalents at end of year	24	37,960,664	24,952,902

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

1 Statutory Information

North West Lung Centre is a private charitable company, limited by guarantee and registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page one of these financial statements. The nature of the charity's operations and principal activities are detailed in the Trustees Report.

2 Accounting policies

Basis of preparing the financial statements

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006, the recommendations of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (FRS 102) (effective 1 January 2019) and UK Generally Accepted Accounting Practice. The financial statements have been prepared on a going concern basis under the historical cost convention modified to the extent that listed investments are included at fair value.

The financial statements are presented in sterling, which is the functional currency of the company. All amounts stated are rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Group financial statements

The group financial statements consolidate the financial statements of the charitable company and its subsidiaries, Medicines Evaluation Unit Limited and CRO Solutions Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006 and as permitted by FRS 102.

The surplus of the parent charity for the year to 31 March 2025 was £88,384,730 (2024 - £2,018,803).

All financial statements are made up to 31 March 2025. All inter-company transactions and balances between group companies are eliminated on consolidation.

Medicines Evaluation Unit Limited and CRO Solutions Limited have been included in the group financial statements using the purchase method of accounting. Accordingly, the group financial statements and statement of cash flows include the results and cash flows of both companies. The non-controlling interest of each company has been separately disclosed.

Going concern

The trustees when undertaking their assessment of the group's financial position, considering the proceeds received from the sale of the shares in the subsidiary companies after the year end, are confident that there is a reasonable expectation that the group will have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of the financial statements. Thus, the group company has prepared the financial statements on a going concern basis.

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Any capital gains or losses arising on the investments form part of the unrestricted fund. Investment management charges and legal advice relating to the investments are charged against the unrestricted fund.

Restricted funds represent funds received from Medicines Evaluation Unit Limited which are intended to fund specific research projects as requested by the directors.

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

2 Accounting policies - continued

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, the amount can be measured reliably and it is probable that the income will be received.

No amount is included in the financial statements for volunteer time in line with the SORP.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. The costs of each activity are made up of the total of direct costs and a share of other costs including support costs involved in undertaking each activity. Costs are categorised under the following headings:

- Costs of raising funds include costs incurred in attracting voluntary income, managing the charity's investment portfolio and those costs incurred in trading activities that raise funds.
- Expenditure on charitable activities comprises expenditure associated with the funding of research into lung disease and other activities of the Charity as detailed in the Trustees report; and
- Other expenditure represents those items not falling into the categories above and generally relates to Governance costs which include those costs primarily associated with constitutional and statutory requirements.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Short leasehold land and buildings	Over the term of the lease
Medical and office equipment	25% on cost
Fixtures and fittings	15% on cost
Motor vehicles	25% on cost
Computer equipment	33% on cost

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

2 Accounting policies – continued

Investments

Fixed asset Investments are recognised initially at transaction price excluding transaction costs. Subsequently, they are measured at fair value at each reporting date with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

For the purposes of the Charity's balance sheet, the investments in Medicines Evaluation Unit Limited and CRO Solutions Limited are shown at the fair value to the charity.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, and other short term liquid investments.

Financial instruments

The company has elected to apply the provisions of section 11 'Basic Financial Instruments' of FRS102 to all of its financial instruments.

Financial instruments are recognised in the group and company balance sheets when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Basic financial liabilities

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

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

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

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

2 Accounting policies – continued

Taxation

Taxation for the year comprises current and deferred tax in respect of the group companies. Tax is recognised in the Consolidated Statement of Financial Activities, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The parent company meets the definition of a charitable company and is potentially exempt from taxation in respect of its income and capital gains to the extent that such income or gains are applied exclusively to charitable purposes.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Turnover from trading activities

Turnover is recognised at the fair value of the consideration received or receivable for services provided in connection with the operation of clinical trials and related services.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of future receipts. The difference between the fair value of the consideration and the normal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged as an expense on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group's subsidiary undertakings contribute to a defined contribution pension scheme. Contributions payable are charged as an expense in the period to which they relate.

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

2 Accounting policies – continued

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. Costs relating to any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the trustees and directors are required to make judgements, estimates and assumptions about carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Management have used their expectation of the estimated useful lives of each category of assets in order to ensure the appropriate provision is made for depreciation. Details of the estimated useful lives are noted in the accounting policies and the depreciation provision is stated in note 15.

Amounts recoverable under contracts are measured by management who by reference to individual contracts assess the stage of completion by determining the proportion of work completed and costs incurred to ensure that revenue is recognised in the correct accounting period.

4 Income from donations and legacies

	2025	2024
	£	£
General donations	<u>11,239</u>	<u>410,685</u>

5 Income from other trading activities

	2025	2024
	£	As restated £
Trading activities		
Turnover - clinical trials	19,664,293	18,685,723
Other income	<u>25,197</u>	<u>27,134</u>
	<u>19,689,490</u>	<u>18,712,857</u>

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

6 Income from investments

	2025	2024
	£	As restated £
Bank interest	1,028,043	312,753
Income from listed investments	141,477	136,894
	<u>1,169,520</u>	<u>449,647</u>

7 Expenditure on charitable activities

	2025	2024
	£	£
Promotion of research		
Research grants to institutions	1,614,952	850,766
Grants to individuals	21,995	22,291
Donations	5,296	5,591
	<u>1,642,243</u>	<u>878,648</u>

	2025	2024
	£	£
Governance costs		
Legal and professional fees	216	7,452
Auditors remuneration	18,300	14,180
Honorariums	7,700	-
Sundries	46	660
Bank charges	459	447
	<u>26,721</u>	<u>22,739</u>

8 Analysis of grants

The majority of grants are made to institutions, with a small number made to individuals, in furtherance of the charitable objectives as detailed in the Trustees Report. Grants awarded to institutions by the company during the year were to the Manchester University NHS Foundation Trust, The University of Manchester and to the University of Hull. The total cost of grants awarded includes support costs and is disclosed on the face of the SoFA as Promotion of Research, a breakdown of the costs is included in note 7 to the accounts.

Where awards have been granted and not claimed within the award period, any remaining funds are credited back to the company following expiry of the award period and deducted from the value of new awards during the year as detailed in note 9.

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

8 Analysis of grants - continued

The following institutions received grant support from the charity during the year:

	2025	2024
	£	£
Manchester University NHS Foundation Trust	1,266,367	674,591
The University of Manchester	303,536	176,175
Research & Innovation, University of Hull	45,049	-
	<u>1,614,952</u>	<u>850,766</u>

The nature of the projects supported during the year from grants to institutions are as follows:

	2025	2024
	£	£
Research projects	1,141,586	278,353
Salary awards	372,762	103,770
Fellowship awards	98,124	123,000
Purchase of equipment and consumables	2,480	345,643
	<u>1,614,952</u>	<u>850,766</u>

The nature of the activities supported during the year from grants to individuals are as follows:

	2025	2024
	£	£
Travel and conference costs	21,995	22,291
	<u>21,995</u>	<u>22,291</u>

9 Movements in funding commitments

The Charity awards a number of grants, some are awarded and paid out in the same financial year. However, some grants especially those relating to research or funding specific posts are multi-year grants paid over a longer period.

The movement in funding commitments during the year is as follows:

	Current liabilities	Non-current liabilities	Total
	£	£	£
Opening balance at 1 April 2024	2,467,780	1,131,602	3,599,382
New funding awards approved during the year	1,043,013	703,747	1,746,760
Unused amounts reversed during the year	(109,792)	-	(109,792)
Movement from non-current to current	680,536	(680,536)	-
Amounts paid during the year	(1,053,068)	-	(1,053,068)
Closing balance at 31 March 2025	<u>3,028,469</u>	<u>1,154,813</u>	<u>4,183,282</u>

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

10 Auditors remuneration

	2025	2024
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>11,880</u>	<u>8,780</u>
Fees payable to the Charity's auditor in respect of non-audit services not included in the above	<u>6,420</u>	<u>5,400</u>

11 Taxation

	2025	2024
	£	As restated £
Current tax:		
UK corporation tax	233,371	(460,655)
Deferred tax	-	(22,218)
Tax on net income	<u>233,371</u>	<u>(482,873)</u>
UK Corporation tax has been charged at 25% (2024 - 25%)		

Reconciliation of tax credit included in the Consolidated Statement of Financial Activities

	2025	2024
	£	As restated £
Net income before taxation	6,544,352	5,246,429
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2024 - 25%)	1,636,088	1,311,607
Effects of:		
Expenses not deductible for tax purposes	165,392	-
Income not taxable for tax purposes	(17,089)	(164,448)
Capital allowances in excess of depreciation	(3,172)	-
Depreciation in excess of capital allowances	31,414	32,600
Adjustments to tax charge in respect of previous periods	-	(79,165)
Research and development tax claim	(1,579,262)	(1,561,249)
Deferred tax adjustment	-	(22,218)
Other tax adjustment	-	-
Total tax credit	<u>233,371</u>	<u>(482,873)</u>

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

12 Net income

Net income is stated after charging/(crediting):

	2025	2024
		As restated
	£	£
Operating lease rentals	92,966	83,051
Depreciation - owned assets	246,074	248,328
(Profit)/loss on disposal of fixed assets	(874,259)	(100,064)
Foreign exchange differences	(3,422)	-

13 Trustees remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2024 - £Nil).

Conference expenses amounting to £213 (2024 - £456) were reimbursed to one of the trustees during the year.

An honorarium of £6,000 was payable to trustee J Alcock in the year (2024 £Nil).

14 Staff costs and employee benefits

The average number of employees during the year was as follows:

	2025	2024
Admin	68	61
Clinical	107	101
	175	162

The total staff costs and employee benefits were as follows:

	2025	2024
		As restated
	£	£
Wages and salaries	7,664,220	6,700,399
Social security	814,609	680,137
Other pension costs	333,914	280,428
	8,812,743	7,660,964

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

14 Staff costs and employee benefits - continued

The number of group employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2025	2024
£60,001 - £70,000	9	2
£70,001 - £80,000	3	2
£80,001 - £90,000	1	1
£100,001 - £110,000	1	2
£110,001 - £120,000	1	-
£140,001 - £150,000	-	1
£160,001 - £170,000	1	-
£180,001 - £190,000	-	1
£210,001 - £220,000	-	1
£230,001 - £240,000	1	1
£240,001 - £250,000	1	-

The key management personnel of the group comprise the directors of the subsidiary undertakings Medicines Evaluation Unit Limited and CRO Solutions Limited whose employee benefits totalled £636,962 (2024: £483,116).

15 Prior year adjustment

A prior year adjustment has been recorded to recognise the contribution made by Manchester University Foundation Trust in respect of the construction of the bronchoscopy unit in Medicines Evaluation Unit Limited. The adjustment also recognises the provision of a loan by the company, the subsequent loan repayments and other costs recharged in respect of this project.

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

16 Tangible fixed assets

Group	Short Leasehold	Plant and Machinery	Fixtures and fittings	Motor Vehicles	Computer equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	5,416,015	944,065	572,454	6,959	247,288	7,186,781
Additions	-	76,121	18,472	-	35,104	129,697
At 31 March 2025	5,416,015	1,020,186	590,926	6,959	282,392	7,316,478
Depreciation						
At 1 April 2024	1,985,030	832,373	470,771	6,959	247,288	3,542,421
Charge for the year	146,172	58,953	33,602	-	7,347	246,074
At 31 March 2025	2,131,202	891,326	504,373	6,959	254,635	3,788,495
Net book value						
At 31 March 2025	3,284,813	128,860	86,553	-	27,757	3,527,983
At 31 March 2024	3,430,985	111,692	101,683	-	-	3,644,360

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

17 Fixed asset investments

Group	Listed investments	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 April 2024	7,826,880	1	7,826,681
Additions	1,994,097	33	2,029,763
Disposals	(8,145,972)	-	(8,145,972)
Movement in valuation	(759,718)	90,106,627	89,311,276
At 31 March 2025	915,087	90,106,661	91,021,748
Market value			
At 31 March 2025	915,087	90,106,661	91,021,748
At 31 March 2024	7,826,680	1	7,826,681

The movement in the valuation of the unlisted investments reflects the post year end disposal value as disclosed in note 27.

Company	Shares in group undertakings	Listed investments	Total
	£	£	£
Cost or valuation			
At 1 April 2024	1,656	901,295	902,951
Additions	-	915,805	915,805
Disposals	-	(790,807)	(790,807)
Movement in valuation	90,106,627	(111,206)	89,995,421
At 31 March 2025	90,108,283	915,087	91,023,370
Market value			
At 31 March 2025	90,108,283	915,087	91,023,370
Market value			
At 31 March 2024	1,656	901,295	902,951

Subsidiary undertakings

The following were subsidiary undertakings of the charity at 31 March 2025.

Name	Registered Office Address	Class of share	Holding
Medicines Evaluation Unit Limited (Company number 0379957)	3 Forbury Place, 23 Forbury Road, Reading RG1 3JH	Ordinary 'A'	84.92%
CRO Solutions Limited (Company number 09157193)	3 Forbury Place, 23 Forbury Road, Reading RG1 3JH	Ordinary 'A'	69.87%

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

18 Debtors

	Group		Company	
	2025	2024	2025	2024
		As restated		
	£	£	£	£
Trade debtors	1,507,923	4,444,862	-	-
Amounts recoverable on contracts	3,339,770	2,523,572	-	-
Other debtors	113,005	135,629	33,543	-
Tax	1,465,221	1,138,821	-	-
Called up share capital not paid	-	110,916	-	-
Prepayments and accrued income	1,217,997	609,527	-	-
	<u>7,643,916</u>	<u>8,963,327</u>	<u>33,543</u>	<u>-</u>

19 Creditors – Amounts falling due within one year

	Group		Company	
	2025	2024	2025	2024
		As restated		
	£	£	£	£
Trade creditors	96,344	36,551	15,034	-
Corporation tax	692,934	-	-	-
Social security and other taxes	243,398	195,447	-	-
Other creditors	3,062,012	2,464,639	3,062,012	2,464,639
Accruals and deferred income	2,710,227	3,018,295	25,680	17,094
	<u>6,804,915</u>	<u>5,714,932</u>	<u>3,102,726</u>	<u>2,481,733</u>

20 Creditors – Amounts falling due after more than one year

	Group		Company	
	2025	2024	2025	2024
		As restated		
	£	£	£	£
Other creditors	<u>1,154,813</u>	<u>1,131,602</u>	<u>1,154,813</u>	<u>1,131,602</u>

There were no liabilities falling due after more than five years.

North West Lung Centre
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For the year ended 31 March 2025

21 Provisions for liabilities and charges

	2025	2024
		As restated
	£	£
Deferred tax		
Accelerated capital allowances	<u>48,221</u>	<u>48,221</u>
		Deferred Tax
Group		£
Balance as at 1 April 2024		48,221
Transfer to Statement of Financial Activities		-
Balance as at 31 March 2025		<u>48,221</u>

22 Leasing commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2025	2024
		As restated
	£	£
Not later than one year	165,355	154,716
Later than one year and not later than five years	371,682	437,515
In more than five years	681,536	2,118,462
	<u>1,218,573</u>	<u>2,710,693</u>

23 Reconciliation of cash generated from operations

	2025	2024
		As restated
	£	£
Net incoming resources before taxation	95,035,010	7,291,226
Depreciation charges	246,075	248,327
(Profit)/loss on disposal of fixed assets	(874,259)	(120,920)
(Gain)/loss on valuation of investments	(89,311,276)	(577,621)
Finance costs	-	165
Finance income	(1,169,520)	(449,647)
	<u>3,926,030</u>	<u>6,391,530</u>
Decrease/(increase) in trade and other debtors	2,148,965	(269,418)
Increase /(decrease) in trade and other creditors	(193,812)	(3,469,766)
Cash generated from operations	<u>5,881,183</u>	<u>2,652,346</u>

North West Lung Centre
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24 Cash and cash equivalents

	2025	2024 As restated
Year ended 31 March 2025	£	£
Cash and cash equivalents	<u>37,960,664</u>	<u>24,952,902</u>
	2024	2023 As restated
Year ended 31 March 2024	£	£
Cash and cash equivalents	<u>24,952,902</u>	<u>22,005,555</u>

25 Analysis of changes in net funds

	At 01.04.2024 As restated	Cash flow	At 31.03.2025
Net cash	£	£	£
Cash at bank and in hand	<u>24,952,902</u>	<u>13,007,762</u>	<u>37,960,664</u>

26 Movements in funds

Group

	At 01.04.2024 As restated	Net movement in funds	At 31.03.2025
	£	£	£
Unrestricted funds			
General funds	<u>37,784,573</u>	<u>94,077,837</u>	<u>131,862,410</u>
Restricted funds	<u>443,261</u>	<u>(423,990)</u>	<u>19,271</u>
Total funds	<u>38,227,834</u>	<u>93,653,847</u>	<u>131,881,681</u>

North West Lung Centre
Notes to the Consolidated Financial Statements
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26 Movements in funds – continued

Net movement in funds included in the above are as follows:

	Income	Expenditure	Transfers	Gains and losses	Movement in funds
	£	£	£	£	£
Unrestricted funds					
General funds	<u>20,870,249</u>	<u>(16,977,947)</u>	<u>-</u>	<u>90,185,535</u>	<u>94,077,837</u>
Restricted funds	<u>-</u>	<u>(423,990)</u>	<u>-</u>	<u>-</u>	<u>(423,990)</u>
Total funds	<u>20,870,249</u>	<u>(17,401,937)</u>	<u>-</u>	<u>90,185,535</u>	<u>93,653,847</u>

General unrestricted funds are available to be utilised in furtherance of the objectives of the charity as determined by the trustees.

Restricted funds held are in respect of furtherance of projects requested by the directors of the group's subsidiary companies and include awards as detailed in the trustees report.

Comparatives for movements in funds

Group

	At 01.04.2023	Prior year adjustment	Restated balance at 01.04.2023	Net movement in funds	At 31.03.2024
	£	£	£	£	£
Unrestricted funds					
General funds	<u>31,049,642</u>	<u>(616,564)</u>	<u>30,433,078</u>	<u>7,351,495</u>	<u>37,784,573</u>
Restricted funds	<u>632,082</u>	<u>-</u>	<u>632,082</u>	<u>(188,821)</u>	<u>443,261</u>
Total funds	<u>31,681,724</u>	<u>(616,564)</u>	<u>31,065,160</u>	<u>7,162,674</u>	<u>38,227,834</u>

North West Lung Centre
Notes to the Consolidated Financial Statements
For the year ended 31 March 2025

26 Movements in funds – continued

Net movement in funds included in the above are as follows:

	Income	Expenditure	Transfers	Gains and losses	Movement in funds
	£	£	£	£	£
Unrestricted funds					
General funds	<u>19,573,189</u>	<u>(12,965,401)</u>	<u>45,166</u>	<u>698,541</u>	<u>7,351,495</u>
Restricted funds	<u>-</u>	<u>(143,655)</u>	<u>(45,166)</u>	<u>-</u>	<u>(188,821)</u>
Total funds	<u>19,573,189</u>	<u>(13,109,056)</u>	<u>-</u>	<u>698,541</u>	<u>7,162,674</u>

Company

	At 01.04.2024 £	Net movement in funds £	At 31.03.2025 £
Unrestricted funds			
General funds	<u>1,247,646</u>	<u>88,940,643</u>	<u>90,188,289</u>
Restricted funds	<u>443,261</u>	<u>(423,990)</u>	<u>19,271</u>
Total funds	<u>1,690,907</u>	<u>88,516,653</u>	<u>90,207,560</u>

Net movement in funds included in the above are as follows:

	Income	Expenditure	Transfers	Gains and losses	Movement in funds
	£	£	£	£	£
Unrestricted funds					
General funds	<u>87,544</u>	<u>(1,256,235)</u>	<u>-</u>	<u>90,109,334</u>	<u>88,940,643</u>
Restricted funds	<u>-</u>	<u>(423,990)</u>	<u>-</u>	<u>-</u>	<u>(423,990)</u>
Total funds	<u>87,544</u>	<u>(1,680,225)</u>	<u>-</u>	<u>90,109,334</u>	<u>88,516,653</u>

North West Lung Centre
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26 Movements in funds – continued

Comparatives for movements in funds

	At 01.04.2023 £	Net movement in funds £	At 31.03.2024 £
Unrestricted funds			
General funds	<u>(959,978)</u>	<u>2,207,624</u>	<u>1,247,646</u>
Restricted funds	<u>632,082</u>	<u>(188,821)</u>	<u>443,261</u>
Total funds	<u>(327,896)</u>	<u>2,018,803</u>	<u>1,690,907</u>

Net movement in funds included in the above are as follows:

	Income £	Expenditure £	Transfers £	Gains and losses £	Movement in funds £
Unrestricted funds					
General funds	<u>1,702,081</u>	<u>(769,201)</u>	<u>1,220,685</u>	<u>54,059</u>	<u>2,207,624</u>
Restricted funds	<u>1,175,519</u>	<u>(143,655)</u>	<u>(1,220,685)</u>	<u>-</u>	<u>(188,821)</u>
Total funds	<u>2,877,600</u>	<u>(912,856)</u>	<u>-</u>	<u>54,059</u>	<u>2,018,803</u>

27 Related Party Transactions

During the year, total dividends of £1,147,791 (2024 - £495,788) were paid to the directors of Medicines Evaluation Unit Limited and CRO Solutions Limited.

A Pickering Fellowship award was granted to the Manchester University NHS Foundation Trust in 2024 in respect of funding salary support for Trustee Dr H Badri. The initial grant amounted to £63,000, with an additional amount of £3,891 awarded during the year. A total of £33,543 was paid during the current year.

Professional fees of £nil (2024 - £7,236) were paid to Eversley Resolutions, a business operated by Mr J Alcock, a trustee of the charitable company. There are no amounts outstanding at the balance sheet date.

28 Post Balance Sheet Events

On 13th June 2025, North West Lung Centre disposed of its entire shareholdings in its subsidiary undertakings Medicines Evaluation Unit Limited and CRO Solutions Limited to IQVIA Limited.

