ASTHMA ALLERGY AND INFLAMMATION RESEARCH TRUST LIMITED

England & Wales · Charity number 1129698

Details

Other names	AAIR, ASTHMA & ALLERGY RESEARCH
Status	Registered
Legal form	Charitable company
Company number	06767479
Registered	2009-05-18
Register	View on the Charity Commission register

Contact

Address	D C Employment Solicitors Ltd 21 Carlton Crescent Southampton SO15 2ET
Phone	01962714873
Email	aair@soton.ac.uk
Website	www.aaircharity.org

Activities

Objects: 3.1 THE RELIEF OF SICKNESS BY PROMOTION OF RESEARCHINTO ASTHMA ALLERGY AND AIRWAYS DISEASES AND ITSDIAGNOSIS AND TREATMENT PRINCIPALLY IN THE SCHOOL OFMEDICINE OF THE UNIVERSITY OF SOUTHAMPTON AND BY SUCHRESEARCH IMPROVE THE QUALITY AND RANGE OF DIAGNOSISAND TREATMENT TO BE OFFERED TO PATIENTS AND TOPUBLISH FOR GENERAL AS WELL AS MEDICAL CONSIDERATIONTHE RESULTS OF SUCH RESEARCH.3.2 TO PROVIDE EDUCATION AND TRAINING ON THE DIAGNOSISAND TREATMENT OF ASTHMA ALLERGY AND AIRWAYS DISEASES.

Activities: We support, principally but not exclusively, the work of researchers in the School of Medicine of the University of Southampton by providing grants for initial studies, supporting PhD students with consumable costs, and the provision of equipment for both the laboratories in the School of Medicine and the newly opened Biomedical Reseach Unit ay Southampton General Hospital

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** THE UNIVERSITY OF SOUTHAMPTON
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£320,328	£90,326	-	-
2024-08-31	£47,675	£96,550	-	-
2023-08-31	£46,916	£80,419	-	-
2022-08-31	£8,492	£67,739	-	-
2021-08-31	£36,028	£140,510	-	-
2020-08-31	£32,802	£141,594	-	-

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Trustees

Name	Role	Appointed
PROFESSOR DONNA E DAVIES	Chair	
DR Miroslav Synek		2016-01-01
Dr Cornelia Blume Dr		2024-04-16
Dr Emily Swindle Dr		2024-04-16
Dr JANE LUCAS		2011-06-02
Dr JOANNE SLATER-JEFFERIES		
Laurence Dunn		2013-01-14
Mark Jones Professor		2024-04-16
PROFESSOR STEPHEN TOWNLEY HOLGATE MD DSC		
Professor Graham Roberts		

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ASTHMA ALLERGY AND INFLAMMATION RESEARCH TRUST LIMITED

England & Wales - Charity number 1129698

Accounts

Asthma Allergy & Inflammation Research Trust Ltd

(Company Limited by Guarantee)

Registered Charity Number 1129698
Registered Company number 06767479

Annual Report & Financial Statements
For the Year Ended 31 August 2024

Asthma Allergy & Inflammation Research Trust Ltd

YEAR ENDED 31 AUGUST 2024

Charity Reference and Administrative Details

Charity registration number	1129698
Company registration number	06767479
Trustees	Professor D Davies Mr L A S Dunn Professor S T Holgate Professor J Lucas Professor G Roberts Dr J Slater-Jefferies Dr M Synek Dr E Swindle Dr C Blume Professor M Jones
Registered office	Mailpoint 810, Level F, Southampton General Hospital, Tremona Road, Southampton, SO16 6YD
Independent Examiner	Knight Goodhead Limited, 7 Bournemouth Road, Chandlers Ford, Eastleigh, SO53 3DA
Solicitors	Paris Smith LLP Number 1 London Road, Southampton, SO15 7AE
Investment managers	RBC Brewin Dolphin, 12 Smithfield Street, London, EC1A 9LA

Asthma Allergy & Inflammation Research Trust Ltd

Trustee' Annual Report (including Directors' Report)

YEAR ENDED 31 AUGUST 2024

The Trustees present their report and the financial statements of the charity for the year ended 31 August 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

Chair's report

The AAIR Charity is proud to raise funds for the world-renowned asthma, allergy and respiratory research department at University Hospital Southampton Faculty of Medicine. The Faculty has experts who have made many important breakthroughs, from understanding mechanisms of disease to pioneering new treatments and influencing guidelines.

Respiratory diseases continue to be of major concern. According to NHS England, respiratory diseases affect one in five people, and they are now the third largest cause of death in England after cancer and cardiovascular disease. Hospital admissions for lung disease have risen over the past seven years at three times the rate of all admissions generally, and they are a major factor in the winter pressures faced by the NHS when respiratory virus infections cause disease exacerbations and the need for hospital treatment. Climate change is also expected to contribute to increases in the prevalence of allergies and asthma due to the increases in greenhouse gases, global temperatures, and natural and anthropogenic pollutants. Children, pregnant women, the elderly, those with preexisting chronic diseases or those socio-economically disadvantaged are most vulnerable to climate change related health risks.

During 2023-2024, Southampton's respiratory doctors, nurses and researchers have continued to work towards better understanding and approaches for treatment of respiratory and allergic diseases. The AAIR Charity is committed to help achieve these goals especially through leveraging our funding by pump-prime studies for larger grant applications and supporting the next generation of respiratory research scientists. Awards typically ranged from £5K to £10K, with the expectation that the resulting preliminary data could be used to support larger applications to major funding bodies, such as MRC or NIHR. Additionally, we provide an annual prize for the best MSc Allergy student who has achieved a distinction.

Examples of the scientific impact of AAIR research funding in the include:

- Identifying people with severe asthma who may benefit from a group of therapies called ‘biologics’. These treatments are costly, and predicting which biologic will be effective for an individual is challenging. AAIR-funded research has identified several markers in the blood (called miRNAs) that might predict the outcome of treating an individual with a biologic. The results are being prepared for publication and have led to a patent application. The data are supporting a grant application for an NIHR-funded clinical trial.
- AAIR has funded several research projects in Southampton focused on rare lung diseases such as primary ciliary dyskinesia. Evidence of success in this research area has contributed to a £10 million award for a national LifeArc Centre for Translational Rare Lung Diseases, co-led by the University of Southampton.
- AAIR-funded research confirmed that asthma treatments, including inhaled steroids and biologics, do not influence the protective effect of COVID-19 immunizations in individuals with severe asthma.
- AAIR-funded research has provided new insights into how female sex hormones affect the ability of airway cells from women with or without asthma to clear viral infections. The information will be used to design further research to understand how and why female hormones contribute to virus-induced asthma exacerbations in women with severe asthma.

On behalf of all the Trustees, I would like to thank our generous donors and benefactors whose continued support is essential for funding new research into allergy, asthma and other lung diseases. During 2023-2024, this support has enabled the AAIR Charity to award almost £75,000 to fund a wide range of new projects, provide studentship support, bursaries for the MSc Allergy Course and equipment grants to support studies of asthma, allergy and other lung diseases. For more information, please see our website: (http://www.aaircharity.org/).

Professor D Davies, Chair

Asthma Allergy & Inflammation Research Trust Ltd

Trustee' Annual Report (including Directors' Report)

YEAR ENDED 31 AUGUST 2024

Directors and Trustees

The director of the charitable company are its trustees for the purposes of charity law. The trustees who served during the year and, unless otherwise noted, since the year end, are as follows:

Professor D Davies	
Mr L A S Dunn	
Professor S T Holgate	
Professor J Lucas	
Professor G Roberts	
Dr J Slater-Jefferies	
Dr M Synek	
Dr E Swindle	(Appointed April 2024)
Dr C Blume	(Appointed April 2024)
Professor M Jones	(Appointed April 2024)

Objectives and activities

Objectives

The objectives of the charity are:

- The relief of sickness by promotion of research into asthma and associate allergy and airways diseases, and its diagnosis and treatment, principally in the University of Southampton Faculty of Medicine and, by such research, to improve the quality and range of diagnosis and treatment to be offered to patients, and to publish for general as well as medical consideration the results of such research.
- To provide education and training on the diagnosis and treatment of asthma, allergy and airways diseases.

The strategies employed to achieve the charity's objectives are:

- To present to pharmaceutical producers a vehicle whereby they can contribute to research in to asthma, allergy and inflammation
- To facilitate the purchase of major items of equipment necessary for such research
- To enable researchers within the University of Southampton Faculty of Medicine to attend seminars and conferences throughout the world relating to asthma, allergy and inflammation
- To support the Faculty of Medicine by financing the research fees for holders of specialist skills as and when appropriate to the objectives of the charity.
- To provide a vehicle to hold and dispense funds allocated to investigators for work in asthma, allergy and inflammation within the Faculty of Medicine.
- To promote and develop the work and study of academics in asthma, allergy and inflammation within the Faculty of Medicine.

Activities

Information about how the above strategies are applied is given in *Achievements and Performance* (see below)

Policies

The principal policies of the charity are as follows:

Grant making

To ensure the charity's work delivers its aims and objectives, the Scientific Committee reviews all grant applications and makes recommendations for funding or rejection to the full Board of Trustees based on scientific quality and validity, fit to the Charity objectives and how the proposed work will lead to future external funds.

The charity is particularly keen to support early career researchers to help them to become more established investigators and this is also reflected in the recommendations made by the Scientific Committee. Each grant award is subject to provision of an annual review process, which is assessed by a member of the Scientific Committee, and a final report is required. It is a condition of the award that the applicants acknowledge the AAIR Charity in any publications or presentations to scientific or lay audiences.

Investment

The charity has appointed the professional investment advisors, RBC Brewin Dolphin, to manage its investment portfolio on a discretionary basis.

In October 2016, the charity adopted an Investment Policy that:

- Allows the portfolio to be invested widely
- Requires diversification by asset class and manager, so that one half of the total sum carries a very low investment risk profile (cash or near ash investments denominated in sterling) and one half of the sum carries a moderate investment risk profile. The asset classes can include cash, bonds, equities, property, hedge funds, structured products, private equity. commodities and any other asset that is deemed suitable and does not conflict with the charity's purpose.
- Restricts the proportion of investment in non-sterling assets
- Requires all investments to be realisable within three months
- Seeks a return on non-cash balances of inflation plus 4% per annum over the long term, after expenses.

The Investment Policy is reviewed annually.

Reserves

Of the total assets held by the charity, some represent funds that are committed to specific purposes, or to grants and awards, in the form of Restricted Funds and Designated Funds (referred to collectively as 'Committed Funds'), the balance being Uncommitted Funds.

As the charity is unable to predict the level of income, particularly donations and legacies, from year to year, the charity's policy is to retain at least £100,000 of Uncommitted Funds, this level being reviewed annually.

The Designated Funds solely represent the charity's committed expenditure on grants awarded to researchers. The awards are usually time-limited, although an extension will be given if there are good reasons for doing so and providing it results in the original purpose of the award being achieved. Any unused grants are retained by the charity and, in due course, removed from Designated Funds.

Some of the Restricted Funds date back many years and the fund holder may have retired or moved away from AAIR-related research. In such cases, the charity's policy is to encourage the fund-holder to release the monies to the charity to allow further Designated Fund awards to other AAIR researchers. The fund-holders are offered the incentive of having the award named after them. It is the charity's policy not to release unused Restricted Funds to the fund-holders for purposes other than those permitted by the charity's charitable objects.

Public benefit statement

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charity is committed to promoting research that contributes to the relief of sickness caused by asthma and associated allergy and airways diseases, and to provide education and training on the diagnosis and treatment of asthma. In carrying out their activities and making their decisions, the trustees are mindful of the need to comply with their duty to have regard to the guidance on public benefit.

Structure, governance and management

Governing document

The charity is a private company limited by guarantee and is governed by its Articles of Association, dated 29 November 2021. The company was incorporated on 8 December 2008 and registered as a charity on 18 May 2009. With effect from 1 September 2009, the company took over the activities, assets and liabilities of charity number 803715, which was constituted on 1 May 1990 and registered as a charity on 2 July 1990.

Appointment of Trustees

Trustees are recruited from amongst the senior members of the University of Southampton Faculty of Medicine, members of the medical profession, and members of the general public who are recommended by the trustees and the professional organisations with which the charity is associated.

Trustee induction and training

Potential trustees mut be recommended by an existing Director (Trustee) of the Charity. All trustees will be entitled to vote on the appointment of new trustees and they will be given at least seven clear days' notice of any resolution to be put to a meeting to appoint a new trustee. Once their appointment is approved by the trustees, the new trustee will be sent key documents regarding the Charity and its objectives. These will be as follows:

i. The Charity's Articles of Association (containing the Charity's policy on dealing with conflicts of interest);
ii. The Charity's latest annual report and accounts;
iii. Minutes of the most recent trustees' meeting;
iv. The Charity Commission's essential guidance on being a trustee;
v. Any other key documents required for the position.

New trustees will be invited to the next Trustees' meeting following their appointment. Their appointment will be formalised at Companies House and the Charity Commission.

Organisation

The board of trustees, which comprises not less than three members (with no maximum), oversees the charity, with delegated authority being given to two sub-committees:

Finance Committee

The Finance Committee has responsibility for operational and finance management. An administrator provides support and coordinates financial information for the Finance Committee and the board of trustees.

During the year, the committee comprised two trustees: Professor Davies (chair) and Mr Dunn.

Scientific Committee

The Scientific Committee scrutinises all scientific grant and scholarship applications, providing recommendations to the trustees on those suitable for funding.

During the year, the committee comprised the following trustees: Professor Lucas, Professor Davies, Dr Synek, Dr Swindle and Professor Jones (the latter two having been appointed as trustees during the year under review). The committee was also supported by Professor Tilman Sanchez-Elsner (Professor of Molecular Medicine).

Risk Management

The trustees evaluate and monitor risk at their meetings and also through the work of their sub committees. The principal risks are as follows:

- Safe-keeping and management of money

  The financial risk, including the approach to risk inherent in the charity's investment portfolio, is evaluated and monitored by the Financial Committee, which normally meets three times each year and reports to the next meeting of trustees. One member of the Finance Committee monitors the financial position at least monthly, liaising with the administrator and professional bookkeeper as required.
- Appropriate scrutiny of grant applications

  The Scientific Committee assesses all applications, ensuring that the provide appropriate use of the charity's resources and fulfil the charity's objectives, and reports to the trustees, normally at their next meeting.

Achievements and performance

Work has continued this year in refining the charity's working practices and record keeping as well as introducing others where necessary. Attendant with day-to-day running requirements, the trustees have been particularly careful not to neglect any of the charity's generous donors and volunteers, who have continued to support its work, and thank them all for their support.

Historically, legacies have proved to be a substantial part of the charity's donation income and for that the trustees are grateful to the estates and relatives of those legators who have been so generous in the thoughts and actions. In most of these cases the charity has had no previous contact with the legators and its thanks to the families of the deceased can only be channelled through a solicitor; it is the trustees' earnest hope that they reach the intended recipients.

The charity's income is such that it is able to continue its assistance in financing research in the University of Southampton Faculty of Medicine, of the Wellcome Trust Clinical Research Facility and NIHR Southampton Biomedical Research Centre.

Most importantly the trustees have been able to continue to support the all-important provision of grants for pump-priming research projects (recommended maximum £10,000 per award), equipment grants (often leveraging against fund from elsewhere) and PhD research Studentships.

During the financial year, the charity received £38,821 (2023: £38,132) in donations and legacies, and incurred expenditure totalling £96,550 (2023: £80,419) in pursuance of its objectives. Awards were made to researchers in the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and NIHR Southampton Biomedical Research Centre, to support new pump-priming project grants to deliver the objectives of the charity.

The preservation of the integrity of the restricted funds remains high on the charity's priority list. These restricted funds are held for the exclusive use of researchers and, in the main, are directly funded by corporate donations and external research grants. The restricted funds are regularly reviewed by the trustees.

Trustee' Annual Report (including Directors' Report)

YEAR ENDED 31 AUGUST 2024

Financial review

The charity achieved an overall deficit for the year of £14,952, after net gains on investments of £33,923, (2023: net deficit of £38,812, after net losses on investments of £5,309). The principal source of funds during the year was legacies totalling £36,918 (2023: the principal source was legacies totalling £34,804).

During the year, the charity continued to designate funds, awarding grants of £64,502 (2023: Awarded grants of £69,875, which included an adjustment to a grant awarded in a prior year of £5,442).

At the end of the year, unrestricted funds totalled £365,700 (2023: £380,652). Total charity funds, including restricted reserves of £34,180 (2023: £34,180), amounted to £399,880 (2023: £414,832).

The trustees have been giving further consideration to those individual restricted funds, which have remained unused for several years, in an attempt to ensure that the funds are used for the purposes intended, or otherwise released to the charity for related, appropriate purposes. During the year, authority from the relevant fundholders, £nil (2023: £nil) was released from restricted funds to general funds to facilitate further grant awards.

Details of the charity's policy for holding reserves are included in 'Policies' (see page 5).

Asthma Allergy & Inflammation Research Trust Ltd

Trustees' Annual Report (including Directors' Report)

YEAR ENDED 31 AUGUST 2024

Trustees' responsibilities

The trustees (who are also directors of Asthma Allergy & Inflammation Research Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in acocrdance with applicable law and United Kingdom Acocunting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable acocunting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustes are responsible for keeping adequate 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the Unitied Kingodom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

One behalf of the board of trustees:

Professor D Davies, Trustee

Date: 05/23/2025

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF ASTHMA ALLERGY & IMFLAMMATION RESEARCH TRUST LTD

I report to the charity trustees on my examination of the accounts for the year ended 31 August 2024.

Responsibilities and basis of report

As the charity's trustees (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's report

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

(1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or

(2) the accounts do not accord with those accounting records; or

(3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

(4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

05/23/2025

C J Goodhead FCA
Knight Goodhead Limited
Chartered Accountants

7 Bournemouth Road
Chandler's Ford, Eastleigh
Hampshire SO53 3DA

Asthma Allergy & Inflammation Research Trust Ltd

(Company limited by guarantee and not having a share capital)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

(Including Income and Expenditure account)

	Notes	Unrestricted funds	Restricted funds	2024 Total	2023 Total
		£	£	£	£
Income					
Donations and legacies	2	38,821	-	38,821	38,132
Investments	3	8,854	-	8,854	8,784
Total Income		47,675	-	47,675	46,916
Expenditure					
Charitable activities	4	96,550	-	96,550	80,419
Total expenditure		96,550	-	96,550	80,419
Net gains/(losses) on investments	12	33,923	-	33,923	(5,309)
Net income for the year		(14,952)	-	(14,952)	(38,812)
Transfer between funds		-	-	-	-
Net movement in funds		(14,952)	-	(14,952)	(38,812)
Reconciliation of funds					
Total funds brought forward	15	380,652	34,180	414,832	453,644
Total funds carried forward	15	365,700	34,180	399,880	414,832

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

Asthma Allergy & Inflammation Research Trust Ltd

(Company limited by guarantee and not having a share capital)

BALANCE SHEET AS AT 31 AUGUST 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Fixed asset investments	12		366,313		371,812
Current assets					
Debtors	13	1,330		11,321	
Cash at bank and in hand		36,297		92,613	
		37,627		103,934	
Creditors					
Amounts falling due within one year	14	(4,060)		(60,914)	
Net current assets			33,567		43,020
Net assets			399,880		414,832
Funds					
Unrestricted funds	15		365,700		380,652
Restricted funds	15		34,180		34,180
Total funds			399,880		414,832

For the financial year ended 31 August 2024, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the Trustees on and signed on its behalf by

Professor D Davies, Trustee

Date 05/23/2025

Mr L A Dunn, Trustee

Date 05/23/2025

Company registration number: 06767479

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024

1 Summary of significant accounting policies

a) **General information and basis of preparation**

Asthma Allergy & Inflammation Research Trust Ltd is a private company limited by guarantee 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 2 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees' Annual Report

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

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.

b) **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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

c) **Income recognition**

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

Donations: if there are conditions attached to the donation and it requires a level of performance before entitlement can be obtained, income is deferred until those conditions are fully met, or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, they can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be will to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

1 Accounting policies (continued)

c) Income recognition (continued)

No amount is included in the financial statements for general volunteer time.

For legacies, entitlement is the earlier of the date on which either: the charity is aware that the probate has been granted, the estate has been finalised and the charity has been notified of an impending distribution, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. When legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed in the notes to the financial statements.

Investment income is earned through holding assets for investment purposes, such as shares, and includes dividends and interest. Income is included when the amount can be measured reliably and the charity's right to receive payment is established.

d) 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. It is categorised under the following activity headings:

- *Expenditure on charitable activities* : includes the costs of making grant awards in furtherance of the charity's key objectives and their associated support costs; and
- *Other expenditure* : represents those items not being 'expenditure on charitable activities' or the cost of raising funds

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

Grants payable to third parties are within the chartable objectives. Where unconditional grants are offered, they are accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, the grant is only accrued when any unfulfilled conditional are outside of the control of the charity. Conditional grants are treated as designated funds, details of which are shown in note 15.

e) Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities; they include office costs, governance costs and administrative costs that are incurred directly in support of expenditure on the object of the charity. The basis on which support costs have been allocated in set out in note 5.

f) Investments

Investments are recognised initially at fair value, which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

1 Accounting policies (continued)

g) Debtors and creditors receivable / payable within one year

Debtor and creditors receivable or payable within one year are recorded at transaction price.

h) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

i) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

j) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

k) Judgement and key sources of estimation uncertainty

Apart from those involving estimates, no key judgements have been made in applying the above accounting policies, which have a significant effect on amounts recognised in the financial statements.

No key assumptions have been made concerning the future, and other key sources of estimation uncertainty, at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Income from donations and legacies

	2024	2023
	£	£
Gifts	1,503	2,928
Legacies	36,918	34,804
Donated services	400	400
	38,821	38,132

All income from donations and legacies in both years was attributable to unrestricted funds.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

3 Income from investments

	2024	2023
	£	£
Interest on deposits	73	298
Income from listed investments	8,781	8,486
	8,854	8,784

All income from investments in both years was attributable to unrestricted funds.

4 Analysis of expenditure on charitable activities

Expenditure in 2024

	Grant funding of activities	Support costs	**Total**
	£	**£**	**£**
Research grants	36,451		
Equipment grants	19,997		
PhD studentships	16,879		
Total payable	73,327	23,223	**96,550**

Of the total expenditure of £96,550 all was attributable to unrestricted funds. Details of support costs are given in note 5. All the grant funding is regarded as a single activity for the purposes of allocating support costs.

Expenditure in 2023

	Grant funding of activities	Support costs	**Total**
	£	**£**	**£**
Research grants	48,637		
PhD studentships	5,401		
Total payable	54,038	26,381	**80,419**

Of the total expenditure of £80,419, £3,617 was attributable to restricted funds and £76,802 to unrestricted funds. Details of support costs are given in note 5. All the grant funding is regarded as a single activity for the purposes of allocating support costs.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

5 Allocation of support costs

All support costs are attributable to the charity's grant funding activities

Support costs 2024

	Total £
Governance (note 6)	2,400
Finance	297
Information technology	1,361
Office costs	13,728
Publicity and advertising	1,083
Investment management fees and charges (note 7)	3,821
Professional fees	-
Other	533
	23,223

Support costs 2023

	Total £
Governance (note 6)	2,970
Finance	385
Information technology	1,359
Office costs	14,688
Publicity and advertising	1,190
Investment management fees and charges (note 7)	4,694
Professional fees	807
Other	288
	26,381

6 Governance costs

	Note	2024 £	2023 £
independent examiner's remuneration	9	2,400	2,970
		2,400	2,970

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

7 Investment management costs

	2024	2023
	£	£
Investment manager's fees and charges	3,821	4,694
	3,821	4,694

All the above costs in both years were attributable to unrestricted funds

8 Analysis of grants

Grant awards are made by designating funds for drawing down by the recipient, subject to the ongoing approval of trustees, normally on a staged basis. Amounts drawn down are included in expenditure on charitable activities (note 4); movements on the designated funds are shown in note 15. Grant awards made during the year were as follows:

Grants 2024

	Grants to individuals	Total
	£	£
Research grants awarded	64,502	64,502
Adjustment to grant awarded in previous year	-	-
	64,502	64,502

Grants 2023

	Grants to individuals	Total
	£	£
Research grants awarded	64,433	64,433
Adjustment to grant awarded in previous year	5,442	5,442
	69,875	69,875

9 Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examination fee of £1,200 (2023 £1,485) and other services of £1,200 (2023 £1,485).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

10 Staff costs and employee benefits

There were no employees or staff costs in the current or prior year.

11 Trustee's and key management personnel remuneration and expenses

The charity is managed by its trustees and has no key management personnel.

The trustees neither received nor waived any remuneration during the year (2023: Nil).

The trustees were not reimbursed for any expenses during the year (2023: £Nil).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

12 Fixed asset investments

	Listed Investments
Costs or valuation	£
At 1 September 2023	371,812
Additions	112,867
Disposals	(152,288)
Revaluation	33,922
At 31 August 2024	366,313
Carrying amount	
At 31 August 2024	366,313
At 31 August 2023	371,812

Fixed asset investments are measured initially at fair vale and subsequently at fair value (their market value) at the reporting date.

Investments at fair value comprise:

	2024	2023
Equities	30,282	125,852
Bonds	122,492	99,212
Global investments	194,386	121,498
Absolute return	7,394	-
Commodities	11,759	9,485
Other investments	-	15,765
	366,313	371,812

The fair value of listed investments is provided by RBC Brewin Dolphin and, ordinarily, is determined by reference to middle market price at the close of business on the balance sheet date.

13 Debtors

	2024	2023
Amounts falling due within one year:	**£**	**£**
Prepayments	1,330	1,321
Other debtors	-	10,000
	1,330	11,321

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

14 Creditors

	2024	2023
Amounts falling due within one year:	**£**	**£**
Trade creditors	-	38,805
Accruals and deferred income	4,060	22,109
	4,060	60,914

15 Fund reconciliation

Unrestricted fund: summary of movements

Movements for year ended 31 August 2024

	Balance at 01.09.23	Net movement in funds	Balance at 31.08.24
Unrestricted	185,202	(6,127)	179,075
Designated fund:			
a) Research grants	127,826	28,051	155,877
b) Equipment grants	20,045	(19,997)	48
c) PhD studentships	47,579	(16,879)	30,700
	195,450	(8,825)	186,625
Total	380,652	(14,952)	365,700

Movements for year ended 31 August 2023

	Balance at 01.09.22	Net movement in funds	Balance at 31.08.23
Unrestricted	239,852	(54,650)	185,202
Designated fund:			
a) Research grants	128,457	(631)	127,826
b) Equipment grants	-	20,045	20,045
c) PhD studentships	47,538	41	47,579
	175,995	19,455	195,450
Total	415,847	(35,195)	380,652

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

Note 15 (continued)

Unrestricted funds: analysis of movements

Movements for year ended 31 August 2024

	Income £	Expenditure £	Transfers between funds £	Gains/(losses) £	Net movement for the year
Unrestricted	47,675	(23,223)	(64,502)	33,923	(6,127)
Designated funds					
a) Research grants	-	(36,451)	64,502	-	28,051
b) Equipment grants	-	(19,997)	-	-	(19,997)
c) PhD studentships	-	(16,879)	-	-	(16,879)
Total funds	47,675	(96,550)	-	33,923	(14,952)

Movements for year ended 31 August 2023

	Income £	Expenditure £	Transfers between funds £	Gains/(losses) £	Net movement for the year
Unrestricted	46,916	(26,381)	(69,875)	(5,309)	(54,650)
Designated funds					
a) Research grants	-	(45,019)	44,388	-	(631)
b) Equipment grants	-	-	20,045	-	20,045
c) PhD studentships	-	(5,401)	5,442	-	41
Total funds	46,916	(76,801)	-	(5,309)	(35,195)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

Note 15 (continued)

Restricted funds

	Balance at 31.08.22 £	Net movement in funds £	Transfers £	Balance at 31.08.23 £	Net movement in funds £	Balance at 31.08.24 £
Arden-Jones	6,977	-	-	6,977	-	6,977
Gadola	2,826	-	-	2,826	-	2,826
Haitchi	3,097	-	-	3,097	-	3,097
Healy	7,107	-	-	7,107	-	7,107
Vijayanand	6,189	-	-	6,189	-	6,189
Waller	7,984	-	-	7,984	-	7,984
Walls	3,617	(3,617)	-	-	-	-
	37,797	**(3,617)**	**-**	**34,180**	**-**	**34,180**

Restricted funds: analysis of movements

Movements for year ended 31 August 2024

	Income £	**Expenditure £**	**Transfers between funds £**	**Gains/(losses) £**	Net movement for the year
	-	-	-	-	-
Total funds	-	-	-	-	-

Movements for year ended 31 August 2023

	Income £	**Expenditure £**	**Transfers between funds £**	**Gains/(losses) £**	Net movement for the year
Walls	-	(3,617)	-	-	(3,617)
Total funds	-	(3,617)	-	-	(3,617)

As there had been no movement in most of the funds for several years, the Trustees have previously invited all the fundholders to submit a proposal outlining how the balance of the restricted funds would be used for research or educational projects in line with the Charity's objectives. Should the fundholders not intend to expend the funds imminently, of have a relevant project in mind, the Trustees invited them to consider releasing the balance of their funds to the Charity in order that they could be used to fund relevant projects by other researchers; in this case, two options were provided: identifying their contribution to a project by making an award in their name, or releasing their restricted funds to general funds to facilitate future awards.

Note 15 (continued)

Fund descriptions

a) **Unrestricted funds**

All unrestricted funds may be treated as designated

a) **Designated funds**

Research and equipment grants, and PhD studentships

The funds were established to support the work and study by students and others in asthma, allergy and inflammation within the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and NIHR Southampton Biomedical Research Centre.

a) **Restricted funds**

Restricted funds are for the purposes described below:

Ardern-Jones

To support the work of Dr Michael Arden-Jones in dermatology, particularly with the Wessex Dermatology Advisory Committee and the European Society for Dermatological Research.

Gadola and Gadola Ultrasound Initiative

To support the work of Professor Stephen Gadola in ultrasound studies in rheumatology.

Haitchi

To support the work of Professor Haitchi in asthma research.

Healy

To support the work of Professor Eugune Healy, in particularly with the British Society for Investigative Dermatology and the European Society of Dermatological Research.

Vijayanand

To support the work of Dr Vijayanand on viruses.

Waller

To support the work of Doctor Derek Waller in allergic disease.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

16 Analysis of net assets between funds

Year ended 31 August 2024

	Unrestricted funds £	Designated funds £	Restricted funds £	Total
Fixed assets	172,133	165,000	29,180	366,313
Cash and current investments	6,055	21,625	8,617	36,297
Other current assets/(liabilities)	887	-	(3,617)	(2,730)
Total funds	179,075	186,625	34,180	399,880

Year ended 31 August 2023

	Unrestricted funds £	Designated funds £	Restricted funds £	Total
Fixed assets	177,632	165,000	29,180	371,812
Cash and current investments	20,744	63,252	8,617	92,613
Other current assets/(liabilities)	(13,174)	(32,802)	(3,617)	(49,593)
Total funds	185,202	195,450	34,180	414,832

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

17 Related party transactions

Administrative services
During the year, £12,778 (2023: £13,614) was payable to a company in which the trustee, Mr L A Dunn, has an interest, for administrative services provided to the charity by one of that company's employees.

No benefit accrues to Mr Dunn, or the company in which he has an interest, the additional costs to the company (including salary and Employers' National Insurance) being matched by payments made by the charity. At 31 August 2024, £Nil (2023: £9,204) was unpaid and £1,660 (2023: £959) was accrued in respect of the services provided during the year.

Research grants
Applications to the charity for funding include those made, or supported, by Trustees for research into areas, relating to the charity's objectives, in which they have specific medical expertise. Such applications are scrutinised by the charity's Scientific Committee, using the same process that is applied to all other requests, with the exception that, if the project involves a member of that committee, the relevant Trustee recuse themselves when a decision is made about their application in order to avoid a conflict of interest. Trustees do not benefit directly from the grants awarded.

During the year, one grant was awarded, totalling £10,000, for research projects in which trustees had an interest (2023: none). The movements for the year are shown below.

Trustee's surname	*Balance undrawn at 1/9/23* £	*Awarded in year* £	*Expenditure in the year* £	*Balance undrawn at 31/08/24* £
Lucas	9,499	-	(6,169)	3,330
Blume	-	10,000	-	10,000
	9,499	10,000	(6,169)	13,330

Movements for year ended 31st August 2023

Trustee's surname	*Balance undrawn at 1/9/22* £	*Awarded in year* £	*Expenditure in the year* £	*Balance undrawn at 31/08/23* £
Lucas	9,499	-	-	9,499
	9,499	-	-	9,499

18 Contingent assets - legacy income

At 31 August 2024, the charity had been notified of one (2023: four) legacy, the value of which could not be measured reliably and/or where payments had not been agreed by the executors. At the balance sheet date, the estimated amount receivable was £150,000 (2023: £170,000).

Asthma Allergy & Inflammation Research Trust Ltd

(Company limited by guarantee and not having a share capital)

PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2024

(Including Income and Expenditure account)

	Unrestricted funds	Restricted funds	2023 Total
	£	£	£
Income			
Donations and legacies	38,132	-	38,132
Investments	8,784	-	8,784
Total Income	46,916	-	46,916
Expenditure			
Charitable activities	76,802	3,617	80,419
Total expenditure	76,802	3,617	80,419
Net gains/(losses) on investments	(5,309)	-	(5,309)
Net income for the year	(35,195)	(3,617)	(38,812)
Transfer between funds	-	-	-
Net movement between funds	(35,195)	(3,617)	(38,812)
Reconciliation of funds:			
Total funds brought forward	415,847	37,797	453,644
Total funds carried forward	380,652	34,180	414,832

ASTHMA ALLERGY AND INFLAMMATION RESEARCH TRUST LIMITED

England & Wales - Charity number 1129698

Accounts

Asthma Allergy & Inflammation Research Trust Ltd
Financial Statements
Year Ended 31 August 2023

Charity registration number: 1129698
Company registration number: 06767479

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Asthma Allergy & Inflammation Research Trust Ltd

Year Ended 31 August 2023

Charity Reference and Administrative Details

Charity registration number	1129698
Company registration number	06767479
Trustees	Professor D Davies Mr L A S Dunn Professor S T Holgate Professor J Lucas Professor G Roberts Dr J Slater-Jefferies Dr M Synek
Registered office	Mailpoint 810, Level F Southampton General Hospital Tremona Road, Southampton SO16 6YD
Independent Examiner	T C Bentall FCA Tim Bentall LLP Toyd Cottage Rockbourne Fordingbridge SP6 3PF
Solicitors	Paris Smith LLP Number 1 London Road Southampton SO15 7AE
Investment managers	RBC Brewin Dolphin 12 Smithfield Street London EC1A 9LA

Asthma Allergy & Inflammation Research Trust Ltd

Trustees' Annual Report (including Directors' Report)

Year Ended 31 August 2023

The Trustees present their report and the financial statements of the charity for the year ended 31 August 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

Chair's report

The AAIR Charity is proud to raise funds for the world-renowned asthma, allergy and respiratory research department at University Hospital Southampton Faculty of Medicine. The Faculty has experts who have made many important breakthroughs, from understanding mechanisms of disease to pioneering new treatments and influencing guidelines.

Thankfully, the COVID pandemic eased during 2022-2023 and we saw a gradual return to normal life in the UK. However, long COVID continues to be poorly understood, affecting people's lives through persistent fatigue or brain fog, as well as taking them out of the workforce. Furthermore, while the winter months at the end of 2022 saw fewer hospital admissions for COVID-19 than during the first two major outbreaks of the pandemic, there was a much steeper rise in admissions for 'flu and other respiratory viruses, bringing extra pressure on our NHS. Beyond COVID, the Health Effects of Climate Change in the UK 2023 Report highlighted that air pollution is one of the greatest environmental risks to public health in the UK and the effects of climate change on outdoor air pollution was highlighted as a major concern. Importantly, some people are more susceptible to the health effects of air pollution including those with pre-existing respiratory and cardiovascular diseases, young people, pregnant women, older people and low-income communities. Given the burden of lung disease, it is unsurprising that the UK Government's 2021 Life Sciences Vision, which focuses on helping the NHS to solve some of the biggest healthcare problems of our generation, identified reducing morbidity and mortality from respiratory disease as one of the seven healthcare mission priorities.

During 2022-2023, Southampton's respiratory doctors, nurses and researchers have continued to work towards better understanding and approaches for treatment of respiratory and allergic diseases. The AAIR Charity is committed to help achieve these goals especially through leveraging our funding by pump-prime studies for larger grant applications and supporting the next generation of respiratory research scientists. For example, AAIR funded a feasibility study in asthmatic children which was used to develop a protocol for a full randomised study which is now funded by the National Institute for Health and Research (NIHR). The Prescription Alerts for Reliever inhalers in Children (PARC) project will determine whether targeted, enhanced asthma reviews in high-risk children can prevent severe asthma attacks and are cost-effective. AAIR-funded researchers have also developed a complex model of lung alveoli (the air sacs of the lung where the blood exchanges oxygen and carbon dioxide during the process of breathing) which is now being used to analyse the effect of air pollution on alveoli. This type of work is important because not only can air pollutants damage the alveoli, but ultrafine particulates (nanoparticles that are less than 100nm diameter) in the air pollution can cross via the alveoli into the circulation to cause further damage to the heart and other organs. Other AAIR-funded projects have focussed on genetic mutations affecting motile cilia (finger-like projections that beat and move microbes and debris such as air pollution particles up and out of the airways). These mutations cause primary ciliary dyskinesia (PCD), an airway disease characterised by mucus build up which leads to inflammation and infection in the lungs. While mutations that affect non-motile cilia (known as primary cilia) can cause a broad spectrum of developmental syndromes affecting several organs, AAIR-funded research has identified a novel mutation in a gene which causes a primary ciliopathy affecting skeletal development, combined with defective motile cilia and PCD. This has expanded the genetic profile of PCD and developed the molecular understanding of motile and primary cilia. Researchers have also developed and characterised an immortalised model of airway epithelium with PCD caused by mutations in the *DNAH5* gene. A LifeArc programme grant will harness this success by developing further PCD-gene models for high throughput screening of novel therapeutics.

On behalf of all the Trustees, I would like to thank our generous donors and benefactors whose continued support is essential for funding new research into asthma and other lung diseases. During 2022-2023, this support has enabled the AAIR Charity to award almost £65,000 to fund a wide range of new projects, provide studentship support, bursaries for the MSc Allergy Course and equipment grants to support studies of asthma, allergy and other lung diseases. For more information, please see our website: (http://www.aaircharity.org/).

Donna E Davies

.....

Professor D Davies, Chair

Asthma Allergy & Inflammation Research Trust Ltd

Trustees' Annual Report (including Directors' Report)

Year Ended 31 August 2023

Directors and Trustees

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who served during the year and, unless otherwise noted, since the year end, are as follows:

Professor D Davies
Mr L A S Dunn
Professor S T Holgate
Professor J Lucas
Professor G Roberts
Dr J Slater-Jefferies
Dr M Synek

Objectives and activities

Objectives

The objectives of the charity are:

- The relief of sickness by promotion of research into asthma and associated allergy and airways diseases, and its diagnosis and treatment, principally in the University of Southampton Faculty of Medicine and, by such research, to improve the quality and range of diagnosis and treatment to be offered to patients, and to publish for general as well as medical consideration the results of such research
- To provide education and training on the diagnosis and treatment of asthma, allergy and airways diseases

The strategies employed to achieve the charity's objectives are:

- To present to pharmaceutical producers a vehicle whereby they can contribute to research in to asthma, allergy and inflammation
- To facilitate the purchase of major items of equipment necessary for such research
- To enable researchers within the University of Southampton Faculty of Medicine to attend seminars and conferences throughout the world relating to asthma, allergy and inflammation
- To support the Faculty of Medicine by financing the research fees for holders of specialist skills as and when appropriate to the objectives of the charity
- To provide a vehicle to hold and dispense funds allocated to investigators for work in asthma, allergy and inflammation within the Faculty of Medicine
- To promote and develop the work and study of academics in asthma, allergy and inflammation within the Faculty of Medicine

Activities

Information about how the above strategies are applied is given in *Achievements and Performance* (see below).

Policies

The principal policies of the charity are as follows:

Grant making
To ensure the charity's work delivers its aims and objectives, the Scientific Committee reviews all grant applications and makes recommendations for funding or rejection to the full Board of Trustees based on scientific quality and validity, fit to the Charity objectives and how the proposed work will lead to future external funds.

Objectives and activities (continued)

Grant making (continued)

The charity is particularly keen to support early career researchers to help them to become more established investigators and this is also reflected in the recommendations made by the Scientific Committee. Each grant award is subject to provision of an annual review of progress, which is assessed by a member of the Scientific Committee, and a final report is required. It is a condition of the award that the applicants acknowledge the AAIR Charity in any publications or presentations to scientific or lay audiences.

Investment

The charity has appointed the professional investment advisers, RBC Brewin Dolphin, to manage its investment portfolio on a discretionary basis.

In October 2016, the charity adopted an Investment Policy that:

- Allows the portfolio to be invested widely
- Requires diversification by asset class and manager, so that one half of the total sum invested carries a very low investment risk profile (cash or near cash investments denominated in sterling) and one half of the sum invested carries a moderate investment risk profile. The asset classes can include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable and does not conflict with the charity's purpose
- Restricts the proportion of investment in non-sterling assets
- Requires all investments to be realisable within three months
- Seeks a return on non-cash balances of inflation plus 4% per annum over the long term, after expenses

The Investment Policy is reviewed annually.

Reserves

Of the total assets held by the charity, some represent funds that are committed to specific purposes, or to grants and awards, in the form of Restricted Funds and Designated Funds (referred to collectively as 'Committed Funds'), the balance being Uncommitted Funds.

As the charity is unable to predict the level of income, particularly donations and legacies, from year to year, the charity's policy is to retain at least £100,000 of Uncommitted Funds, this level being reviewed annually.

The Designated Funds solely represent the charity's committed expenditure on grants awarded to researchers. The awards are usually time-limited, although an extension will be given if there are good reasons for doing so and providing it results in the original purpose of the award being achieved. Any unused grants are retained by the charity and, in due course, removed from Designated Funds.

Some of the Restricted Funds date back many years and the fund-holder may have retired or moved away from AAIR-related research. In such cases, the charity's policy is to encourage the fund-holder to release the monies to the charity to allow further Designated Fund awards to other AAIR researchers. The fund-holders are offered the incentive of having the award named after them. It is the charity's policy not to release unused Restricted Funds to the fund-holders for purposes other than those permitted by the charity's charitable objects.

Public benefit statement

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charity is committed to promoting research that contributes to the relief of sickness caused by asthma and associated allergy and airways diseases, and to provide education and training on the diagnosis and treatment of asthma, allergy and airways diseases. In carrying out their activities and making their decisions, the trustees are mindful of the need to comply with their duty to have regard to the guidance on public benefit.

Structure, governance and management

Governing document

The charity is a private company limited by guarantee and is governed by its Articles of Association, dated 29 November 2021. The company was incorporated on 8 December 2008 and registered as a charity on 18 May 2009. With effect from 1 September 2009, the company took over the activities, assets and liabilities of charity number 803715, which was constituted on 1 May 1990 and registered as a charity on 2 July 1990.

Appointment of Trustees

Trustees are recruited from amongst the senior members of the University of Southampton Faculty of Medicine, members of the medical profession, and members of the general public who are recommended by the trustees and the professional organisations with which the charity is associated.

Trustee induction and training

Potential trustees must be recommended by an existing Director (Trustee) of the Charity. All trustees will be entitled to vote on the appointment of new trustees and they will be given at least seven clear days' notice of any resolution to be put to a meeting to appoint a new trustee. Once their appointment is approved by the trustees, the new trustee will be sent key documents regarding the Charity and its objectives. These will be as follows:

i. The Charity's Articles of Association (containing the Charity's policy on dealing with conflicts of interest);
ii. The Charity's latest annual report and accounts;
iii. Minutes of the most recent trustees' meeting;
iv. The Charity Commission's essential guidance on being a trustee;
v. Any other key documents required for the position.

New trustees will be invited to the next Trustees' meeting following their appointment. Their appointment will be formalised at Companies House and the Charity Commission.

Organisation

The board of trustees, which comprises not less than three members (with no maximum), oversees the charity, with delegated authority being given to two sub-committees:

Finance Committee

The Finance Committee has responsibility for operational and financial management. An administrator provides support and coordinates financial information for the Finance Committee and the board of trustees.

During the year, the committee comprised two trustees: Professor Davies (chair) and Mr Dunn.

Scientific Committee

The Scientific Committee scrutinises all scientific grant and scholarship applications, providing recommendations to the trustees on those suitable for funding.

During the year, the committee comprised the following trustees: Professor Lucas, Professor Davies and Dr Synek. Others who supported the committee during the year were Dr Emily Swindle (Associate Professor in Pharmacology), Dr Mark Jones (Associate Professor in Respiratory Medicine) and Professor Tilman Sanchez-Elsner (Professor of Molecular Medicine).

Risk management

The trustees evaluate and monitor risk at their meetings and also through the work of their sub-committees. The principal risks are as follows:

- Safe-keeping and management of money
  The financial risk, including the approach to risk inherent in the charity's investment portfolio, is evaluated and monitored by the Finance Committee, which normally meets three times each year and reports to the next meeting of trustees. One member of the Finance Committee monitors the financial position at least monthly, liaising with the administrator and professional bookkeeper as required
- Appropriate scrutiny of grant applications
  The Scientific Committee assesses all applications, ensuring that they provide appropriate use of the charity's resources and fulfil the charity's objectives, and reports to the trustees, normally at their next meeting.

Achievements and performance

Work has continued this year in refining the charity's working practices and record keeping as well as introducing others where necessary. Attendant with the day-to-day running requirements, the trustees have been particularly careful not to neglect any of the charity's generous donors and volunteers, who have continued to support its work, and thank them all for their support.

Historically, legacies have proved to be a substantial part of the charity's donated income and for that the trustees are grateful to the estates and relatives of those legators who have been so generous in their thoughts and actions. In most of these cases the charity has had no previous contact with the legators and its thanks to the families of the deceased can only be channelled through a solicitor; it is the trustees' earnest hope that they reach the intended recipients.

The charity's income is such that it is able to continue its assistance in financing research in the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and NIHR Southampton Biomedical Research Centre.

Most importantly the trustees have been able to continue to support the all-important provision of grants for pump-priming research projects (recommended maximum £10,000 per award), equipment grants (often leveraging against funds from elsewhere) and PhD research Studentships.

During the financial year, the charity received £38,132 (2022: £3,355) in donations and legacies, and incurred expenditure totalling £80,419 (2022: £67,739) in pursuance of its objectives. Awards were made to researchers in the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and NIHR Southampton Biomedical Research Centre, to support new pump-priming project grants to deliver the objectives of the charity.

The preservation of the integrity of the restricted funds remains high on the charity's priority list. These restricted funds are held for the exclusive use of researchers and, in the main, are directly funded by corporate donations and external research grants. The restricted funds are regularly reviewed by the trustees.

Financial review

The charity achieved an overall deficit for the year of £38,812, after net losses on investments of £5,309, (2022: net deficit £138,387, after net losses on investments of £79,140). The principal source of funds during the year was legacies totalling £34,804 (2022: the principal source was investment income of £5,137).

During the year, the charity continued to designate funds, awarding grants of £69,875, which included an adjustment to a grant awarded in a prior year of £5,442 (2022: total awarded £55,829).

At the end of the year, unrestricted funds totalled £380,652 (2022: £415,847). Total charity funds, including restricted reserves of £34,180 (2022: £37,797), amounted to £414,832 (2022: £453,644).

The trustees have been giving further consideration to those individual restricted funds, which have remained unused for several years, in an attempt to ensure that the funds are used for the purposes intended, or otherwise released to the charity for related, appropriate purposes. During the year, with authority from the relevant fundholders, £nil (2022: £10,199) was released from restricted funds to general funds to facilitate further grant awards.

Details of the charity's policy for holding reserves are included in '*Objectives and activities*' (see page 5).

Trustees' responsibilities

The trustees (who are also directors of Asthma Allergy & Inflammation Research Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual 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 year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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 the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board of trustees:

Donna E Davies

Professor D Davies, Trustee

Date: 16 April 2024

Asthma Allergy & Inflammation Research Trust Ltd

Independent Examiner's Report

Year Ended 31 August 2023

Independent Examiner's Report to the Trustees of Asthma Allergy & Inflammation Research Trust Ltd

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2023 which are set out on pages 10 to 25.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Timothy C Bentall FCA
Tim Bentall LLP
Toyd Cottage
Rockbourne
Fordingbridge
SP6 3PF

Date: 23 April 2024

Asthma Allergy & Inflammation Research Trust Ltd

Statement of Financial Activities (including Income and Expenditure Account)

Year ended 31 August 2023

	Note	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Income from:					
Donations and legacies	2	38,132	-	**38,132**	**3,355**
Investments	3	8,784	-	**8,784**	**5,137**
Total income		46,916	-	**46,916**	**8,492**
Expenditure on:					
Charitable activities	4	76,802	3,617	**80,419**	**67,739**
Total expenditure		76,802	3,617	**80,419**	**67,739**
Net gains/(losses) on investments	12	(5,309)	-	**(5,309)**	**(79,140)**
Net income/(expenditure)		(35,195)	(3,617)	**(38,812)**	**(138,387)**
Transfers between funds		-	-	**-**	**-**
Net movement in funds		(35,195)	(3,617)	**(38,812)**	**(138,387)**
Reconciliation of funds:					
Total funds brought forward	15	415,847	37,797	**453,644**	**592,031**
Total funds carried forward	15	380,652	34,180	**414,832**	**453,644**

All income and expenditure derive from continuing activities.

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

Asthma Allergy & Inflammation Research Trust Ltd

Balance Sheet

As at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	12	**371,812**	**378,397**
Current assets			
Debtors	13	**11,321**	**10,972**
Cash at bank and in hand		**92,613**	**77,888**
		103,934	**88,860**
Creditors: amounts falling due within one year	14	**60,914**	**13,613**
Net current assets		**43,020**	**75,247**
Total assets less current liabilities		**414,832**	**453,644**
Net assets		**414,832**	**453,644**
Charity Funds			
Restricted funds	15	**34,180**	**37,797**
Unrestricted funds	15	**380,652**	**415,847**
Total charity funds		**414,832**	**453,644**

For the year ending 31 August 2023, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the Board on 16 April 2024.

Signed on behalf of the board of trustees:

Donna E Davies

Professor D Davies, Trustee

Date: 23/04/2024

Mr L A Dunn, Trustee

Date: 23 April 2024

The notes on pages 12 to 25 form part of these financial statements.

Company registration number: 06767479

1 Summary of significant accounting policies

(a) General information and basis of preparation

Asthma Allergy & Inflammation Research Trust Ltd is a private company limited by guarantee 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 2 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees' Annual Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

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.

(b) 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

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

Donations: if there are conditions attached to the donation and it requires a level of performance before entitlement can be obtained, income is deferred until those conditions are fully met, or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, they can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure,

No amount is included in the financial statements for general volunteer time.

(c) Income recognition (continued)

For legacies, entitlement is the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and the charity has been notified of an impending distribution, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. When legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed in the notes to the financial statements.

Investment income is earned through holding assets for investment purposes, such as shares, and includes dividends and interest. Income is included when the amount can be measured reliably and the charity's right to receive payment is established.

(d) 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. It is categorised under the following activity headings:

- *Expenditure on charitable activities*: includes the costs of making grant awards in furtherance of the charity's key objectives and their associated support costs; and
- *Other expenditure*: represents those items not being 'expenditure on charitable activities' or the cost of raising funds.

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

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, they are accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, the grant is only accrued when any unfulfilled conditions are outside of the control of the charity. Conditional grants are treated as designated funds, details of which are shown in note 15.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities; they include office costs, governance costs and administrative costs that are incurred directly in support of expenditure on the objects of the charity. The basis on which support costs have been allocated is set out in note 5.

(f) Investments

Investments are recognised initially at fair value, which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA.

(g) Debtors and creditors receivable / payable within one year

Debtors and creditors receivable or payable within one year are recorded at transaction price.

(h) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(i) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(j) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(k) Judgements and key sources of estimation uncertainty

Apart from those involving estimates, no key judgements have been made in applying the above accounting policies, which have a significant effect on amounts recognised in the financial statements.

No key assumptions have been made concerning the future, and other key sources of estimation uncertainty, at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Income from donations and legacies

	2023 £	2022 £
Gifts	2,928	2,907
Legacies	34,804	48
Donated services	400	400
	38,132	**3,355**

Income from donations and legacies was £38,132 (2022: £3,355) of which £Nil (2022: £Nil) was attributable to restricted and £38,132 (2022: £3,355) to unrestricted funds.

3 Income from investments

	2023 £	2022 £
Interest on deposits	298	3
Income from listed investments	8,486	5,134
	8,784	**5,137**

All income from investments in both years was attributable to unrestricted funds.

4 Analysis of expenditure on charitable activities

Expenditure in 2023

	Grant funding of activities £	Support costs £	Total £
Research grants	48,637		
PhD studentships	5,401		
Total payable	54,038	26,381	**80,419**

Of the total expenditure of £80,419, £3,617 was attributable to restricted funds and £76,802 to unrestricted funds. Details of support costs are given in note 5. All the grant funding is regarded as a single activity for the purposes of allocating support costs.

Expenditure in 2022

	Grant funding of activities £	Support costs £	Total £
Research grants	44,148		
PhD studentships	5,815		
Total payable	49,963	27,076	77,039
Unused expenditure returned	(9,300)	-	(9,300)
	40,663	27,076	**67,739**

Of the total expenditure of £67,739, £589 was attributable to restricted funds and £67,150 to unrestricted funds. Details of support costs are given in note 5. All the grant funding is regarded as a single activity for the purposes of allocating support costs.

5 Allocation of support costs

All support costs are attributable to the charity's grant funding activities.

Support costs 2023

	Total £
Governance (note 6)	2,970
Finance	385
Information technology	1,359
Office costs	14,688
Publicity and advertising	1,190
Investment management fees and charges (note 7)	4,694
Professional fees	807
Other	288
Total	**26,381**

Support costs 2022

	Total £
Governance (note 6)	2,850
Finance	417
Information technology	940
Office costs	15,115
Publicity and advertising	1,038
Investment management fees and charges (note 7)	6,468
Professional fees	168
Other	80
Total	**27,076**

6 Governance costs

	Note	2023 £	2022 £
Independent examiner's remuneration	9	**2,970**	**2,850**

7 Investment management costs

	2023 £	2022 £
Investment manager's fees and charges	4,694	6,468
	4,694	**6,468**

All the above costs in both years were attributable to unrestricted funds.

8 Analysis of grants

Grant awards are made by designating funds for drawing down by the recipient, subject to the ongoing approval of trustees, normally on a staged basis. Amounts drawn down are included in expenditure on charitable activities (note 4); movements on the designated funds are shown in note 15. Grant awards made during the year were as follows:

Grants 2023

	Grants to individuals £	Total £
Research grants awarded	64,433	64,433
Adjustment to grant awarded in previous year	5,442	5,442
	69,875	**69,875**

Grants 2022

	Grants to individuals £	Total £
Research grants awarded	55,829	**55,829**

9 Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examination fee of £1,485 (2022 - £1,425) and other services of £1,485 (2022 - £1,425).

10 Staff costs and employee benefits

There were no employees or staff costs in the current or prior year.

11 Trustees' and key management personnel remuneration and expenses

The charity is managed by its trustees and has no other key management personnel.

The trustees neither received nor waived any remuneration during the year (2022: £Nil).

The trustees were not reimbursed for any expenses during the year (2022: £Nil).

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 September 2022	378,397
Additions	167,822
Disposals	(169,098)
Revaluation	(5,309)
At 31 August 2023	371,812
Carrying amount:	
At 31 August 2023	**371,812**
At 31 August 2022	**378,397**

Fixed asset investments are measured initially at fair value and subsequently at fair value (their market value) at the reporting date.

Investments at fair value comprise:

	2023 £	2022 £
Equities	125,852	83,164
Bonds	99,212	101,421
Global investments	121,498	131,993
Absolute return	0	12,060
Commodities	9,485	25,796
Property	0	2,782
Other investments	15,765	21,181
	371,812	**378,397**

The fair value of listed investments is provided by RBC Brewin Dolphin and, ordinarily, is determined by reference to the middle market price at the close of business on the balance sheet date.

13 Debtors

	2023 £	2022 £
Prepayments and accrued income	1,321	1,672
Other debtors	10,000	9,300
	11,321	**10,972**

14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	38,805	589
Accruals and deferred income	22,109	13,024
	60,914	**13,613**

15 Fund reconciliation

Unrestricted funds: summary of movements

Movements for year ended 31 August 2023

	Balance at 1.9.2022	Net movement in funds	Balance at 31.8.2023
	£	£	£
Unrestricted	239,852	(54,650)	185,202
Designated funds:			
a) Research grants	128,457	(631)	127,826
b) Equipment grants	-	20,045	20,045
c) PhD studentships	47,538	41	47,579
	175,995	19,455	195,450
Total	**415,847**	(35,195)	**380,652**

Movements for year ended 31 August 2022

	Balance at 1.9.2021	Net movement in funds	Balance at 31.8.2022
	£	£	£
Unrestricted	335,166	(95,314)	239,852
Designated funds:			
a) Research grants	147,479	(19,022)	128,457
b) Equipment grants	3,443	(3,443)	-
c) PhD studentships	57,358	(9,820)	47,538
	208,280	(32,285)	175,995
Total	**543,446**	(127,599)	**415,847**

Note 15 (continued)

Unrestricted funds: analysis of movements

Movements for year ended 31 August 2023

	Income	Expenditure	Transfers between funds	Gains / (losses)	Net movement for the year
	£	£	£	£	£
Unrestricted	46,916	(26,381)	(69,875)	(5,309)	(54,650)
Designated:					
a) Research grants	-	(45,019)	44,388	-	(631)
b) Equipment grants	-	-	20,045	-	20,045
b) PhD studentships	-	(5,401)	5,442	-	41
	46,916	(76,801)	0	(5,309)	**35,195)**

Movements for year ended 31 August 2022

	Income	Expenditure	Transfers between funds	Gains / (losses)	Net movement for the year
	£	£	£	£	£
Unrestricted	8,492	(27,076)	(7,789)	(79,140)	(105,513)
Transfers from restricted funds (page 22)	-	-	10,199	-	10,199
			2,410		(95,314)
Designated:					
a) Research grants	-	(34,259)	15,237	-	(19,022)
b) Equipment grants	-	-	(3,443)	-	(3,443)
b) PhD studentships	-	(5,815)	(4,005)	-	(9,820)
	8,492	(67,150)	10,199	(79,140)	**(127,599)**

Note 15 (continued)

Restricted funds

	Balance at 31.8.2021 £	Net movement in funds £	Transfers £	Balance at 31.8.2022 £	Net movement in funds £	Balance at 31.8.2023 £
Ardern-Jones	6,977	-	-	6,977	-	6,977
European Asthma	2,830	-	(2,830)	-	-	-
Friedmann	6,869	-	(6,869)	-	-	-
Gadola	2,826	-	-	2,826	-	2,826
Haitchi	3,097	-	-	3,097	-	3,097
Healy	7,107	-	-	7,107	-	7,107
Holgate Prize Fund	500	-	(500)	-	-	-
Vijayanand	6,189	-	-	6,189	-	6,189
Waller	7,984	-	-	7,984	-	7,984
Walls	4,206	(589)	-	3,617	(3,617)	-
	48,585	**(589)**	**(10,199)**	**37,797**	**(3,617)**	**34,180**

Restricted funds: analysis of movements

Movements for year ended 31 August 2023

	Income £	Expenditure £	Net movement for the year £
Walls	-	(3,617)	(3,617)

Movements for year ended 31 August 2022

	Income £	Expenditure £	Net movement for the year £
Walls	-	(589)	(589)

As there had been no movement in most of the funds for several years, the Trustees have previously invited all the fundholders to submit a proposal outlining how the balance of the restricted funds would be used for research or educational projects in line with the Charity's objectives. Should the fundholders not intend to expend the funds imminently, or have a relevant project in mind, the Trustees invited them to consider releasing the balance of their funds to the Charity in order that they could be used to fund relevant projects by other researchers; in this case, two options were provided: identifying their contribution to a project by making an award in their name, or releasing their restricted funds to general funds to facilitate future awards.

During the prior year, Professors Holgate and Friedman authorised the balance of funds under their control, totalling £10,199, to be released to general funds to facilitate further grant awards.

Note 15 (continued)

Fund descriptions

a) **Unrestricted funds**

All unrestricted funds may be treated as designated.

b) **Designated funds**

Research and equipment grants, and PhD studentships
The funds were established to support the work and study by students and others in asthma, allergy and inflammation within the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and NIHR Southampton Biomedical Research Centre.

c) **Restricted funds**

Restricted funds are for the purposes described below:

Ardern-Jones
To support the work of Dr Michael Ardern-Jones in dermatology, particularly with the Wessex Dermatology Advisory Committee and the European Society for Dermatological Research.

Gadola and Gadola Ultrasound Initiative
To support the work of Professor Stephen Gadola in ultrasound studies in rheumatology.

Haitchi
To support the work of Professor Haitchi in asthma research.

Healy
To support the work of Professor Eugene Healy, particularly with the British Society for Investigative Dermatology and the European Society of Dermatological Research.

Vijayanand
To support the work of Dr Vijayanand on viruses.

Waller
To support the work of Dr Derek Waller in allergic disease.

16 Analysis of net assets between funds

As at 31 August 2023

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fixed assets	177,632	165,000	29,180	371,812
Cash and current investments	20,744	63,252	8,617	92,613
Other current assets / (liabilities)	(13,174)	(32,802)	(3,617)	(49,593)
Total	185,202	195,450	34,180	**414,832**

As at 31 August 2022

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fixed assets	210,011	150,000	18,386	378,397
Cash and current investments	32,171	25,717	20,000	77,888
Other current assets / (liabilities)	(2,330)	278	(589)	(2,641)
Total	239,852	175,995	37,797	**453,644**

17 Related party transactions

Administrative services
During the year, £13,614 (2022: £13,718) was payable to a company in which the trustee, Mr L A Dunn, has an interest, for administrative services provided to the charity by one of that company's employees.

No benefit accrues to Mr Dunn, or the company in which he has an interest, the additional costs to the company (including salary and Employers' National Insurance) being matched by payments made by the charity. At 31 August 2023, £9,204 (2022 £Nil) was unpaid and £959 (2022: £1,151) was accrued in respect of the services provided during the year.

Research grants
Applications to the charity for funding include those made, or supported, by Trustees for research into areas, relating to the charity's objectives, in which they have specific medical expertise. Such applications are scrutinised by the charity's Scientific Committee, using the same process that is applied to all other requests, with the exception that, if the project involves a member of that committee, the relevant Trustees recuse themselves when a decision is made about their application in order to avoid a conflict of interest. Trustees do not benefit directly from the grants awarded.

During the year, no grants were awarded for research projects in which trustees had an interest (2022: none). The movements for the year are shown below.

Trustee's surname	*Balance undrawn at 1/9/22*	*Expenditure in the year*	*Balance undrawn at 31/8/23*
	£	£	£
Lucas	9,499	-	9,499
	9,499	-	**9,499**

Movements for year ended 31 August 2022

Trustee's surname	*Balance undrawn at 1/9/21*	*Returned to general funds*	*Balance undrawn at 31/8/22*
	£	£	£
Davies	17	(17)	-
Roberts	4,924	(4,924)	-
Lucas	10,602	(1,103)	9,499
	15,543	(6,044)	9,499

18 Contingent assets – legacy income

At 31 August 2023, the charity had been notified of four (2022: four) legacies, the values of which could not be measured reliably and/or where payments had not been agreed by the executors. At the balance sheet date, the estimated amount receivable was £170,000 (2022: £168,300).

ASTHMA ALLERGY AND INFLAMMATION RESEARCH TRUST LIMITED

England & Wales - Charity number 1129698

Accounts

Asthma Allergy & Inflammation Research Trust Ltd
Financial Statements
Year Ended 31 August 2021

Charity registration number: 1129698
Company registration number: 06767479

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Asthma Allergy & Inflammation Research Trust Ltd

Year Ended 31 August 2021

Charity Reference and Administrative Details

Charity registration number	1129698
Company registration number	06767479
Trustees	Mr F E Anderson Professor D Davies Mr L A S Dunn Professor S T Holgate Professor J Lucas Professor G Roberts Dr J Slater-Jefferies Dr M Synek
Registered office	Mailpoint 810, Level F Southampton General Hospital Tremona Road, Southampton SO16 6YD
Independent Examiner	T C Bentall FCA Tim Bentall LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL
Solicitors	Paris Smith LLP Number 1 London Road Southampton SO15 7AE
Investment managers	Brewin Dolphin 12 Smithfield Street London EC1A 9LA

Asthma Allergy & Inflammation Research Trust Ltd

Trustees' Annual Report (including Directors' Report)

Year Ended 31 August 2021

The Trustees present their report and the financial statements of the charity for the year ended 31 August 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (FRS 102)" in preparing the annual report and financial statements of the charity.

Chair's report

The AAIR Charity is proud to raise funds for the world-renowned asthma, allergy and respiratory research department at University Hospital Southampton Faculty of Medicine. The Faculty has experts who have made many important breakthroughs, from understanding mechanisms of disease to pioneering new treatments and influencing guidelines. During this year, the COVID-19 pandemic has continued to have a global impact, affecting all of our lives and we offer our sincere condolences to everyone who has lost loved ones to COVID-19. Thankfully, development of effective COVID-19 vaccines and their roll-out in the UK from December 2020 has helped limit COVID severity, hospitalisations and deaths. However, around the same time as the vaccine rollout, we saw emergence in the UK of the Alpha variant of SARS-CoV-2 (the coronavirus that causes COVID-19) which was estimated to be 40–80% more transmissible than the wild-type SARS-CoV-2 with a consequent surge in COVID-19 infections. As we continue to see emergence of new SARS-CoV-2 variants and to grasp the impact of long COVID on the lives of many people, the pandemic has reinforced the importance of research into respiratory diseases.

During 2020-2021, Southampton's respiratory doctors, nurses and researchers have continued to work, caring for COVID-19 patients and/or making substantial contributions to global initiatives to help test new treatments and vaccines, and to understand how SARS-CoV-2 causes mild disease in some people while others are much more severely affected. Within this activity, the AAIR Charity has played a vital role in providing rapid support to pump-prime projects for COVID-related research. For example, while vaccination opens a "light at the end of the tunnel" by protecting against COVID-19, we still need to understand what are the expectations/attitudes of severe asthma patients towards vaccination, will there will be side-effects and do vaccines induce good immune responses? The first two questions are being addressed by SHARP, a European Clinical Research Collaboration on severe asthma in which Southampton researchers are fully engaged. To complement this, the Charity has funded a pilot project that will help understand if the body's immune response to the COVID-19 vaccine is different in people with severe asthma and if this is affected by the different treatments used to manage their symptoms.

In addition to supporting COVID-related projects, the Charity has also provided essential support for studies into other aspects of lung diseases. For example, in patients with idiopathic pulmonary fibrosis (IPF), a condition in which the lungs become scarred and breathing becomes increasingly difficult, reduced exercise capacity is a key symptom. While exercise training is recommended for patients with IPF, we do not know the optimum exercise programme or what causes reduced exercise capacity in IPF. AAIR is funding a personalised study of IPF patients to assess whether the amount of 'oxidative stress' (an imbalance between damaging pro-oxidant factors and antioxidants) could explain why individual patients respond differently to structured exercise training. Ultimately, we hope this understanding could help to design exercise programmes for patients that will maximise their activity levels and improve quality of life. AAIR is also funding a study aiming to develop and validate a Quality of Life and Parental Burden Questionnaire for parents of young children with Primary Ciliary Dyskinesia, an inherited disease that causes frequent chest, ear and sinus infections from birth, and eventually permanent lung damage. AAIR also continues to fund the Holgate PhD studentship and the "Jack Howell Prize" which is awarded annually to the best Medical Student project focussed on allergic and respiratory diseases.

On behalf of all the Trustees, I would like to thank our generous donors and benefactors whose continued support is essential for supporting new research into COVID-19, asthma and other diseases. During 2020-2021, this support has enabled the AAIR Charity to award almost £38,000 to fund a wide range of new projects, provide studentship support, bursaries for the MSc Allergy Course and equipment grants to support studies of asthma, allergy and other lung diseases. For more information please see our website: (http://www.aaircharity.org/).

Professor D Davies
Chair

Directors and Trustees

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who served during the year and, unless otherwise noted, since the year end, are as follows:

Mr F E Anderson
Professor D Davies
Mr L A S Dunn
Professor S T Holgate
Professor J Lucas
Professor G Roberts
Dr J Slater-Jefferies
Dr M Synek

Objectives and activities

Objectives

The objectives of the charity are:

- The relief of sickness by promotion of research into asthma and associated allergy and airways diseases, and its diagnosis and treatment, principally in the University of Southampton Faculty of Medicine and, by such research, to improve the quality and range of diagnosis and treatment to be offered to patients, and to publish for general as well as medical consideration the results of such research
- To provide education and training on the diagnosis and treatment of asthma, allergy and airways diseases

The strategies employed to achieve the charity's objectives are:

- To present to pharmaceutical producers a vehicle whereby they can contribute to research in to asthma, allergy and inflammation
- To facilitate the purchase of major items of equipment necessary for such research
- To enable researchers within the University of Southampton Faculty of Medicine to attend seminars and conferences throughout the world relating to asthma, allergy and inflammation
- To support the Faculty of Medicine by financing the research fees for holders of specialist skills as and when appropriate to the objectives of the charity
- To provide a vehicle to hold and dispense funds allocated to investigators for work in asthma, allergy and inflammation within the Faculty of Medicine
- To promote and develop the work and study of academics in asthma, allergy and inflammation within the Faculty of Medicine

Activities

Information about how the above strategies are applied is given in Achievements and Performance (see below).

Policies

The principal policies of the charity are as follows:

Grant making
To ensure the charity's work delivers its aims and objectives, the Scientific Committee reviews all grant applications and makes recommendations for funding or rejection to the full Board of Trustees based on scientific quality and validity, fit to the Charity objectives and how the proposed work will lead to future external funds.

Objectives and activities (continued)

Grant making (continued)

The charity is particularly keen to support early career researchers to help them to become more established investigators and this is also reflected in the recommendations made by the Scientific Committee. Each grant award is subject to provision of an annual review of progress, which is assessed by a member of the Scientific Committee, and a final report is required. It is a condition of the award that the applicants acknowledge the AAIR Charity in any publications or presentations to scientific or lay audiences.

Investment

The charity has appointed the professional investment advisers, Brewin Dolphin, to manage its investment portfolio on a discretionary basis.

In October 2016, the charity adopted an Investment Policy that:

- Allows the portfolio to be invested widely
- Requires diversification by asset class and manager, so that one half of the total sum invested carries a very low investment risk profile (cash or near cash investments denominated in sterling) and one half of the sum invested carries a moderate investment risk profile. The asset classes can include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable and does not conflict with the charity's purpose
- Restricts the proportion of investment in non-sterling assets
- Requires all investments to be realisable within three months
- Seeks a return on non-cash balances of inflation plus 4% per annum over the long term, after expenses

The Investment Policy is reviewed annually.

Reserves

Of the total assets held by the charity, some represent funds that are committed to specific purposes, or to grants and awards, in the form of Restricted Funds and Designated Funds (referred to collectively as 'Committed Funds'), the balance being Uncommitted Funds.

As the charity is unable to predict the level of income, particularly donations and legacies, from year to year, the charity's policy is to retain at least £100,000 of Uncommitted Funds, this level being reviewed annually.

The Designated Funds solely represent the charity's committed expenditure on grants awarded to researchers. The awards are usually time-limited, although an extension will be given if there are good reasons for doing so and providing it results in the original purpose of the award being achieved. Any unused grants are retained by the charity and, in due course, removed from Designated Funds.

Some of the Restricted Funds date back many years and the fund-holder may have retired or moved away from AAIR-related research. In such cases, the charity's policy is to encourage the fund-holder to release the monies to the charity to allow further Designated Fund awards to other AAIR researchers. The fund-holders are offered the incentive of having the award named after them. It is the charity's policy not to release unused Restricted Funds to the fund-holders for purposes other than those permitted by the charity's charitable objects.

Public benefit statement

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charity is committed to promoting research that contributes to the relief of sickness caused by asthma and associated allergy and airways diseases, and to provide education and training on the diagnosis and treatment of asthma, allergy and airways diseases. In carrying out their activities and making their decisions, the trustees are mindful of the need to comply with their duty to have regard to the guidance on public benefit.

Structure, governance and management

Governing document

The charity is a private company limited by guarantee and, during the year, was governed by its Articles of Association, dated 3 December 2008. On 29 November 2021, the company adopted new Articles. The company was incorporated on 8 December 2008 and registered as a charity on 18 May 2009. With effect from 1 September 2009, the company took over the activities, assets and liabilities of charity number 803715, which was constituted on 1 May 1990 and registered as a charity on 2 July 1990.

Appointment of Trustees

Trustees are recruited from amongst the senior members of the University of Southampton Faculty of Medicine, members of the medical profession, and members of the general public who are recommended by the trustees and the professional organisations with which the charity is associated.

Trustee induction and training

Potential trustees are required to complete an application form and declaration. Subsequently, they are interviewed by a selection of existing trustees and guided through the workings of the sub-division of the medical faculty known as Asthma, Allergy and Inflammation Research within which the charity mainly operates.

The induction process includes an introduction to the day to day operation and administration of the charity, and being provided with copies of its annual report and accounts, minutes of recent trustees' meetings and references for Charity Commission guidance and information. Prospective trustees are also invited to attend trustees' meetings to observe proceedings before being elected to the board of trustees.

Organisation

The board of trustees, which comprises not less than three members (with no maximum), oversees the charity, with delegated authority being given to two sub-committees:

Finance Committee

The Finance Committee has responsibility for operational and financial management. An administrator provides support and coordinates financial information for the Finance Committee and the board of trustees.

During the year, the committee comprised three trustees: Professor Davies (chair), Mr Anderson and Mr Dunn.

Scientific Committee

The Scientific Committee scrutinises all scientific grant and scholarship applications, providing recommendations to the trustees on those suitable for funding.

During the year, the committee comprised the following trustees: Professor Lucas, Professor Davies and Dr Synek. Others who supported the committee during the year were Dr Emily Swindle (Associate Professor in Pharmacology), Dr Mark Jones (Associate Professor in Respiratory Medicine) and Dr Tilman Sanchez-Elsner (Associate Professor in Biomedicine).

Risk management

The trustees evaluate and monitor risk at their meetings and also through the work of their sub-committees. The principal risks are as follows:

- Safe-keeping and management of money
  The financial risk, including the approach to risk inherent in the charity's investment portfolio, is evaluated and monitored by the Finance Committee, which meets three times each year and reports to the next meeting of trustees. One member of the Finance Committee monitors the financial position at least monthly, liaising with the administrator and professional bookkeeper as required
- Appropriate scrutiny of grant applications
  The Scientific Committee assesses all applications, ensuring that they provide appropriate use of the charity's resources and fulfil the charity's objectives, and reports to the trustees at their next meeting

Achievements and performance

Work has continued this year in refining the charity's working practices and record keeping as well as introducing others where necessary. Attendant with the day to day running requirements, the trustees have been particularly careful not to neglect any of the charity's generous donors and volunteers, who have continued to support its work, and thank them all for their support.

Legacies have again proved to be a substantial part of the charity's donated income and for that the trustees are grateful to the estates and relatives of those legators who have been so generous in their thoughts and actions. In most of these cases the charity has had no previous contact with the legators and its thanks to the families of the deceased can only be channelled through a solicitor; it is the trustees' earnest hope that they reach the intended recipients.

The charity's income is such that it is able to continue its assistance in financing research in the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and NIHR Biomedical Research Centre.

Most importantly the trustees have been able to continue to support the all-important provision of grants for pump-priming research projects (recommended maximum £10,000 per award), equipment grants (often leveraging against funds from elsewhere) and PhD research Studentships.

During the financial year, the charity received £29,451 (2020: £25,588) in donations and legacies, and incurred expenditure totalling £140,510 (2020: £141,594) in pursuance of its objectives. Awards were made to researchers in the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and NIHR Biomedical Research Centre, to support new pump-priming project grants, provide studentship support and/or equipment grants to deliver the objectives of the charity.

The preservation of the integrity of the restricted funds remains high on the charity's priority list. These restricted funds are held for the exclusive use of researchers and, in the main, are directly funded by corporate donations and external research grants. The restricted funds are regularly reviewed by the trustees.

Financial review

The charity achieved an overall deficit for the year (after net gains on investments of £76,142 (2020: £53,722) of £28,340 (2020: deficit £55,070). The principal source of funds during the year was legacies, totalling £20,020 (2020: £21,125).

During the year, the charity continued to designate funds, awarding grants of £37,692 (2020: £139,837).

At the end of the year, unrestricted funds totalled £543,446 (2020: £571,786). Total charity funds, including restricted reserves of £48,585 (2020: £48,585), amounted to £592,031 (2020: £620,371).

The trustees have been giving further consideration to those individual restricted funds that have remained unused for several years, in an attempt to ensure that the funds are used for the purposes intended, or otherwise released to the charity for alternative appropriate purposes.

Details of the charity's policy for holding reserves are included in 'Objectives and activities' (see page 5).

Trustees' responsibilities

The trustees (who are also directors of Asthma Allergy & Inflammation Research Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual 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 year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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 the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board of trustees:

Donna E Davies

Professor D Davies, Trustee

Date: 11 May 2022

Asthma Allergy & Inflammation Research Trust Ltd

Independent Examiner's Report

Year Ended 31 August 2021

Independent Examiner's Report to the Trustees of Asthma Allergy & Inflammation Research Trust Ltd

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2021 which are set out on pages 10 to 25.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Timothy C Bentall FCA
Tim Bentall LLP
Arcadia House
Maritime Walk
Ocean Village
Southampton
SO14 3TL

Date: 11 May 2022

Asthma Allergy & Inflammation Research Trust Ltd

Statement of Financial Activities (including Income and Expenditure Account)

Year ended 31 August 2021

	Note	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Income from:					
Donations and legacies	2	29,451	-	**29,451**	**25,588**
Investments	3	6,577	-	**6,577**	**7,214**
Total income		36,028	-	**36,028**	**32,802**
Expenditure on:					
Charitable activities	4	140,510	-	**140,510**	141,594
Total expenditure		140,510	-	**140,510**	141,594
Net gains on investments	12	76,142	-	**76,142**	**53,722**
Net income / (expenditure)		(28,340)	-	**(28,340)**	**(55,070)**
Net movement in funds	15	(28,340)	-	**(28,340)**	**(55,070)**
Reconciliation of funds:					
Total funds brought forward	15	571,786	48,585	**620,371**	**675,441**
Total funds carried forward	15	543,446	48,585	**592,031**	**620,371**

All income and expenditure derive from continuing activities.

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

Asthma Allergy & Inflammation Research Trust Ltd

Balance Sheet

As at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	12	**580,875**	**517,954**
Current assets			
Debtors	13	**9,399**	**453**
Cash at bank and in hand		**37,180**	**121,200**
		46,579	**121,653**
Creditors: amounts falling due within one year	14	**35,423**	**19,236**
Net current assets		**11,156**	**102,417**
Total assets less current liabilities		**592,031**	**620,371**
Net assets		**592,031**	**620,371**
Charity Funds			
Restricted funds	15	**48,585**	**48,585**
Unrestricted funds	15	**543,446**	**571,786**
Total charity funds		**592,031**	**620,371**

For the year ending 31 August 2021, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees and directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the Board on 11 May 2022.

Signed on behalf of the board of trustees:

Professor D Davies, Trustee

Date: 11 May 2022

Mr L A Dunn, Trustee

Date: 11 May 2022

The notes on pages 12 to 25 form part of these financial statements.

Company registration number: 06767479

1 Summary of significant accounting policies

(a) General information and basis of preparation

Asthma Allergy & Inflammation Research Trust Ltd is a private company limited by guarantee 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 2 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees' Annual Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

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.

(b) 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

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

Donations: if there are conditions attached to the donation and it requires a level of performance before entitlement can be obtained, income is deferred until those conditions are fully met, or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, they can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure,

No amount is included in the financial statements for general volunteer time.

(c) Income recognition (continued)

For legacies, entitlement is the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and the charity has been notified of an impending distribution, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. When legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed in the notes to the financial statements.

Investment income is earned through holding assets for investment purposes, such as shares, and includes dividends and interest. Income is included when the amount can be measured reliably and the charity's right to receive payment is established.

(d) 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. It is categorised under the following activity headings:

- *Expenditure on charitable activities*: includes the costs of making grant awards in furtherance of the charity's key objectives and their associated support costs; and
- *Other expenditure*: represents those items not being 'expenditure on charitable activities' or the cost of raising funds.

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

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, they are accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, the grant is only accrued when any unfulfilled conditions are outside of the control of the charity. Conditional grants are treated as designated funds, details of which are shown in note 15.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities; they include office costs, governance costs and administrative costs that are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they are allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. The basis on which support costs have been allocated are set out in note 5.

(f) Investments

Listed investments are recognised initially at cost, which is normally the transaction price including transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(g) Debtors

Debtors receivable within one year are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

(h) Cash at bank and in hand

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

(i) Creditors and provisions

Creditors and provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated. Creditors and provisions are normally recognised at their settlement amount.

(j) Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(k) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(l) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(m) Judgements and key sources of estimation uncertainty

Apart from those involving estimates, no key judgements have been made in applying the above accounting policies, which have a significant effect on amounts recognised in the financial statements.

No key assumptions have been made concerning the future, and other key sources of estimation uncertainty, at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Income from donations and legacies

	2021 £	2020 £
Gifts	9,031	4,113
Legacies	20,020	21,125
Donated services	400	350
	29,451	**25,588**

Income from donations and legacies was £29,451 (2020: £25,588) of which £Nil (2020: £1,416) was attributable to restricted and £29,451 (2020: £24,172) to unrestricted funds.

3 Income from investments

	2021 £	2020 £
Interest on deposits	2	81
Income from listed investments	6,575	7,133
	6,577	**7,214**

All income from investments in both years was attributable to unrestricted funds.

4 Analysis of expenditure on charitable activities

Expenditure in 2021

	Grant funding of activities £	Support costs £	Total £
Research grants	88,551		
Equipment grants	6,557		
PhD studentships	26,428		
Total payable	121,536	26,718	148,254
Unused expenditure returned	(7,744)	-	(7,744)
	113,792	26,718	**140,510**

All the expenditure of £140,510 was attributable to unrestricted funds. Details of support costs are given in note 5. All the grant funding is regarded as a single activity for the purposes of allocating support costs.

Expenditure in 2020

	Grant funding of activities £	Support costs £	Total £
Research grants	78,749		
Equipment grants	-		
PhD studentships	31,336		
Total payable	110,085	33,857	143,942
Unused expenditure returned	(2,348)	-	(2,348)
	107,737	33,857	**141,594**

Of the total expenditure of £141,594, £132 was attributable to restricted funds and £141,462 to unrestricted funds. Details of support costs are given in note 5. All the grant funding is regarded as a single activity for the purposes of allocating support costs.

5 Allocation of support costs

All support costs are attributable to the charity's grant funding activities.

Support costs 2021

	Total £
Governance (note 6)	2,700
Finance	406
Information technology	1,484
Office costs	14,550
Publicity and advertising	1,108
Investment management fees (note 7)	6,142
Professional fees	144
Other	184
Total	**26,718**

Support costs 2020

	Total £
Governance (note 6)	2,580
Finance	382
Information technology	7,211
Office costs	14,358
Publicity and advertising	1,555
Investment management fees (note 7)	6,108
Professional fees	1,092
Travel	108
Other	463
Total	**33,857**

6 Governance costs

	Note	2021 £	2020 £
Independent examiner's remuneration	9	2,700	2,580

7 Investment management costs

	2021 £	2020 £
Investment manager's fees and charges	6,142	6,108
	6,142	**6,108**

All the above costs in both years were attributable to unrestricted funds.

8 Analysis of grants

Grants awards are made by designating funds for drawing down by the recipient, subject to the ongoing approval of trustees, normally on a staged basis. Amounts drawn down are included in expenditure on charitable activities (note 4); movements on the designated funds are shown in note 15. Grant awards made during the year were as follows:

Grants 2021

	Grants to individuals £	Total £
Research and equipment grants awarded	37,692	37,692
Adjustment to grant awarded in previous year	(7,648)	(7,648)
	30,444	**30,444**

Grants 2020

	Grants to individuals £	Total £
Research and equipment grants awarded	139,837	139,837
Return of unused grants awarded in prior years	(2,348)	(2,348)
	137,489	**137,489**

9 Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examination fee of £1,350 (2020 - £1,290) and other services of £1,350 (2020 - £1,290).

10 Staff costs and employee benefits

There were no employees or staff costs in the current or prior year.

11 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2020: £Nil).

The charity is managed by its trustees and has no other key management personnel.

The reimbursement of trustees' expenses was as follows:

	2021 Number of Trustees	2020 Number of Trustees	2021 £	2020 £
Travel	0	1	-	108
Administrative expenses	0	1	-	24
	0	**2**	**-**	**132**

The administrative expenses in 2020 relate to reimbursement of the cost of brass plaques incurred by a trustee on behalf of the charity.

No payments were made directly to third parties in either year.

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 September 2020	517,954
Additions	154,674
Disposals	(167,895)
Revaluation	76,142
At 31 August 2021	580,875
Carrying amount:	
At 31 August 2021	**580,875**
At 31 August 2020	**517,954**

Fixed asset investments are measured initially at cost and subsequently at fair value (their market value) at the reporting date.

Investments at fair value comprise:

	2021 £	2020 £
Equities	150,212	154,485
Bonds	130,614	122,736
Global investments	227,671	159,753
Absolute return	47,467	38,004
Commodities	16,397	30,509
Property	0	5,284
Other	8,514	7,183
	580,875	**517,954**

The fair value of listed investments is provided by Brewin Dolphin and, ordinarily, is determined by reference to the middle market price at the close of business on the balance sheet date.

13 Debtors

	2021 £	2020 £
Prepayments and accrued income	1,655	453
Other debtors	7,744	-
	9,399	**453**

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	16,074	10,966
Accruals and deferred income	19,349	8,270
	35,423	**19,236**

15 Fund reconciliation

Unrestricted funds

Movements for year ended 31 August 2021

	Balance at 1.9.2020 £	Net movement in funds £	Balance at 31.8.2021 £
Unrestricted	279,662	55,504	335,166
Designated funds:			
a) Research grants	198,338	(50,859)	147,479
b) Equipment grants	10,000	(6,557)	3,443
c) PhD studentships	83,786	(26,428)	57,358
	292,124	(83,844)	208,280
	571,786	(28,340)	**543,446**

£10,000 of the opening balance of £208,338 for Research and equipment grants has been reallocated to Equipment grants.

Movements for year ended 31 August 2020

	Balance at 1.9.2019 £	Net movement in funds £	Balance at 31.8.2020 £
Unrestricted	365,900	(86,238)	279,662
Designated funds:			
a) Research and equipment grants	147,118	61,220	208,338
b) PhD studentships	115,122	(31,336)	83,786
	262,240	29,884	292,124
	628,140	(56,354)	**571,786**

Note 15 (continued)

Unrestricted funds: analysis of movements

Movements for year ended 31 August 2021

	Income	Expenditure	Transfers between funds	Gains / (losses)	Net movement for the year
	£	£	£	£	£
Unrestricted	36,028	(26,718)	(29,948)	76,142	55,504
Designated:	-				
a) Research grants	-	(88,551)	37,692	-	(50,859)
b) Equipment grants	-	(6,557)	-	-	(6,557)
b) PhD studentships		(18,684)	(7,744)	-	(26,428)
	36,028	(140,510)	-	76,142	**(28,340)**

Movements for year ended 31 August 2020

	Income	Expenditure	Transfers between funds	Gains / (losses)	Net movement for the year
	£	£	£	£	£
Unrestricted	31,386	(33,857)	(137,489)	53,722	(86,238)
Designated:					
a) Research grants	-	(76,269)	137,489	-	61,220
b) Equipment grants	-	-	-	-	-
c) PhD studentships	-	(31,336)	-	-	(31,336)
	31,386	(141,462)	-	53,722	**(56,354)**

Note 15 (continued)

Restricted funds

	Balance at 31.8.2019 £	Net movement in funds £	Balance at 31.8.2020 £	Net movement in funds £	Balance at 31.8.2021 £
Ardern-Jones	6,977	-	6,977	-	6,977
European Asthma	2,830	-	2,830	-	2,830
Friedmann	6,869	-	6,869	-	6,869
Gadola	2,826	-	2,826	-	2,826
Haitchi	1,813	1,284	3,097	-	3,097
Healy	7,107	-	7,107	-	7,107
Holgate Prize Fund	500	-	500	-	500
Vijayanand	6,189	-	6,189	-	6,189
Waller	7,984	-	7,984	-	7,984
Walls	4,206	-	4,206	-	4,206
	47,301	1,284	**48,585**	-	**48,585**

Restricted funds: analysis of movements

Movements for year ended 31 August 2021

There were no movements in either income or expenditure during the year.

Movements for year ended 31 August 2020

	Income £	Expenditure £	Net movement for the year £
Haitchi	1,416	(132)	1,284
	1,416	(132)	**1,284**

Note 15 (continued)

Fund descriptions

a) **Unrestricted funds**

All unrestricted funds may be treated as designated.

b) **Designated funds**

Research and equipment grants and PhD studentships
The funds were established to support the work and study by students and others in asthma, allergy and inflammation within the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and NIHR Biomedical Research Centre.

c) **Restricted funds**

Restricted funds are for the purposes described below:

Ardern-Jones
To support the work of Dr Michael Ardern-Jones in dermatology, particularly with the Wessex Dermatology Advisory Committee and the European Society for Dermatological Research.

European Asthma
To promote the European Initiative on Asthma agreed at a European Union meeting in Brussels and overseen by Professor Stephen Holgate.

Friedmann
To support the research and teaching of Professor Peter Friedmann in dermatology and especially his training work in Ethiopia under the auspices of the European Academy of Dermatovenereology.

Gadola and Gadola Ultrasound Initiative
To support the work of Professor Stephen Gadola in ultrasound studies in rheumatology.

Haitchi
To support the work of Professor Haitchi in asthma research.

Healy
To support the work of Professor Eugene Healy, particularly with the British Society for Investigative Dermatology and the European Society of Dermatological Research.

Holgate Prize Fund
To fund a prize for the best medical study project in the MSc Allergy course at University Hospital Southampton.

Vijayanand
To support the work of Dr Vijayanand on viruses.

Waller
To support the work of Dr Derek Waller in allergic disease.

Walls
To fund the International Mast Cell and Basophil Research meetings, held in Southampton.

16 Analysis of net assets between funds

As at 31 August 2021

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fixed assets	327,290	225,000	28,585	580,875
Cash and current investments	12,334	4,846	20,000	37,180
Other current assets / (liabilities)	(4,458)	(21,566)	-	(26,024)
Total	335,166	208,280	48,585	**592,031**

As at 31 August 2020

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fixed assets	252,479	236,890	28,585	517,954
Cash and current investments	35,000	66,200	20,000	121,200
Other current assets / (liabilities)	(7,817)	(10,966)	-	(18,783)
Total	279,662	292,124	48,585	**620,371**

17 Related party transactions

Administrative services
During the year, £13,652 (2020: £12,912) was payable to a company in which the trustee, Mr L A Dunn, has an interest, for administrative services provided to the charity by one of that company's employees.

No benefit accrues to Mr Dunn, or the company in which he has an interest, the additional costs to the company (including salary and Employers' National Insurance) being matched by payments made by the charity. At 31 August 2021, £3,413 (2020: £5,690) was accrued in respect of the services provided during the year.

Research grants
Applications to the charity for funding include those made, or supported, by Trustees for research into areas, relating to the charity's objectives, in which they have specific medical expertise. Such applications are scrutinised by the charity's Scientific Committee, using the same process that is applied to all other requests, with the exception that, if the project involves a member of that committee, the relevant Trustees recuse themselves when a decision is made about their application in order to avoid a conflict of interest. Trustees do not benefit directly from the grants awarded.

During the year, no grants were awarded for research projects in which trustees had an interest (2020: none). The movements for the year are shown below.

Trustee's surname	*Balance undrawn at 1/9/20*	*Expenditure in the year*	*Balance undrawn at 31/8/21*
	£	£	£
Davies	17	-	17
Roberts	4,924	-	4,924
Lucas	11,904	1,302	10,602
	16,845	1,302	**15,543**

Movements in the year ended 31 August 2020

Trustee's surname	*Balance undrawn at 1/9/19*	*Expenditure in the year*	*Balance undrawn at 31/8/20*
	£	£	£
Davies	17	-	17
Roberts	4,924	-	4,924
Lucas	19,542	7,638	11,904
	24,483	7,638	**16,845**

18 Contingent assets – legacy income

At 31 August 2021, the charity had been notified of three (2020: two) residuary legacies (and, at 31 August 2020, one pecuniary legacy), the values of which could not be measured reliably and/or where payments had not been agreed by the executors. At the balance sheet date, the estimated amount receivable was £160,500 (2020: £174,000).

ASTHMA ALLERGY AND INFLAMMATION RESEARCH TRUST LIMITED

England & Wales - Charity number 1129698

Accounts

Asthma Allergy & Inflammation Research Trust Ltd
Financial Statements
Year Ended 31 August 2020

Charity registration number: 1129698
Company registration number: 06767479

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Asthma Allergy & Inflammation Research Trust Ltd

Year Ended 31 August 2020

Charity Reference and Administrative Details

Charity registration number	1129698
Company registration number	06767479
Trustees	Mr F E Anderson Professor D Davies Mr L A S Dunn Professor S T Holgate Professor P H Howarth (resigned 25 September 2019) Professor J Lucas Professor G Roberts Dr J Slater-Jefferies Dr M Synek
Registered office	Mailpoint 810, Level F Southampton General Hospital Tremona Road, Southampton SO16 6YD
Independent Examiner	T C Bentall FCA Tim Bentall LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL
Solicitors	Paris Smith LLP Number 1 London Road Southampton SO15 7AE
Investment managers	Brewin Dolphin 12 Smithfield Street London EC1A 9LA

Asthma Allergy & Inflammation Research Trust Ltd

Trustees' Annual Report (including Directors' Report)

Year Ended 31 August 2020

The Trustees present their report and the financial statements of the charity for the year ended 31 August 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (FRS 102)" in preparing the annual report and financial statements of the charity.

Chair's report

The AAIR Charity is proud to raise funds for the world-renowned asthma, allergy and respiratory research department at the University of Southampton Faculty of Medicine. The Faculty has experts who have made many important breakthroughs, from understanding mechanisms of disease to pioneering new treatments and influencing guidelines. During this year, the COVID-19 pandemic has brought unprecedented challenges for society and has highlighted the importance of research into respiratory diseases.

Thus, the end of 2019 saw the emergence of a new global health crisis which has influenced the lives and well-being of people worldwide. The severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) that causes COVID-19 was first identified in December 2019 in Wuhan, China and a global pandemic was announced by the World Health Organisation in March 2020. In the UK, this led to a national lockdown with the Prime Minister ordering people to stay at home from March 23rd unless their work was essential. Like many groups around the world, Southampton's respiratory doctors, nurses and researchers all continued to work, caring for COVID-19 patients and/or making substantial contributions to global initiatives to help find new treatments, vaccines, tests, protective equipment and mechanistic understanding of SARS-CoV-2 and its ability to cause COVID-19. Within this activity, the AAIR Charity has played a vital role in providing rapid support to pump-prime projects for COVID-related research. For example, it pump-primed a project that focused on the host factors that facilitate SARS-CoV-2 infection, in particular ACE2 which has been shown to facilitate the entry of SARS-CoV-2 into cells. There had been previous reports that production of ACE2 in cells can be switched on by antiviral proteins known as 'interferons', raising concerns about the safety and efficacy of interferon therapies for COVID-19. The work identified a novel variant of ACE2, called short ACE2, that lacks most of the SARS-CoV-2 binding sites, making it unlikely to facilitate virus entry. Importantly, the researchers showed that only short ACE2, but not the SARS-CoV2 binding form of ACE2, is inducible by interferons, helping increase confidence in the safety of interferon as a COVID-19 treatment. The published work was covered in many news feeds and also led to external funding from UK Research and Innovation to investigate the function of short ACE2. In addition to this project, the Charity has funded several other projects including one investigating the effects of asthma treatments on antibody responses of people with severe asthma to the SARS-CoV2 vaccines. This is important because patients with severe asthma have reported considerable worsening of mental health and many are anxious about social interactions for fear of infection with SARSCoV-2. Vaccination programmes are being rapidly rolled out but as yet it is not known what patients' expectations/attitudes are towards vaccination and if vaccines will induce good immune responses in this patient group. We hope that the AAIR-funded project will provide vital information to help patients with severe asthma engage confidently in the vaccination programme.

On behalf of all the Trustees, I would like to thank our generous donors and benefactors whose continued support is essential for supporting new research into COVID-19, asthma and other diseases. During 2019-20, this support has enabled the AAIR Charity to award grants of almost £140,000 to fund a wide range of new projects, provide studentship support, bursaries for the MSc Allergy Course and equipment grants to support studies of asthma, allergy and other lung diseases. For more information please see our website: (http://www.aaircharity.org/).

Professor D Davies
Chair

Directors and Trustees

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who served during the year and, unless otherwise noted, since the year end, are as follows:

Mr F E Anderson
Professor D Davies
Mr L A S Dunn
Professor S T Holgate
Professor P H Howarth (resigned 25 September 2019)
Professor J Lucas
Professor G Roberts
Dr J Slater-Jefferies
Dr M Synek

Objectives and activities

Objectives

The objectives of the charity are:

- The relief of sickness by promotion of research into asthma and associated allergy and airways diseases, and its diagnosis and treatment, principally in the University of Southampton Faculty of Medicine and, by such research, to improve the quality and range of diagnosis and treatment to be offered to patients, and to publish for general as well as medical consideration the results of such research
- To provide education and training on the diagnosis and treatment of asthma, allergy and airways diseases

The strategies employed to achieve the charity's objectives are:

- To present to pharmaceutical producers a vehicle whereby they can contribute to research in to asthma, allergy and inflammation
- To facilitate the purchase of major items of equipment necessary for such research
- To enable researchers within the University of Southampton Faculty of Medicine to attend seminars and conferences throughout the world relating to asthma, allergy and inflammation
- To support the Faculty of Medicine by financing the research fees for holders of specialist skills as and when appropriate to the objectives of the charity
- To provide a vehicle to hold and dispense funds allocated to investigators for work in asthma, allergy and inflammation within the Faculty of Medicine
- To promote and develop the work and study of academics in asthma, allergy and inflammation within the Faculty of Medicine

Activities

Information about how the above strategies are applied is given in Achievements and Performance (see below).

Policies

The principal policies of the charity are as follows:

Grant making
To ensure the charity's work delivers its aims and objectives, the Scientific Committee reviews all grant applications and makes recommendations for funding or rejection to the full Board of Trustees based on scientific quality and validity, fit to the Charity objectives and how the proposed work will lead to future external funds.

Objectives and activities (continued)

Grant making (continued)

The charity is particularly keen to support early career researchers to help them to become more established investigators and this is also reflected in the recommendations made by the Scientific Committee. Each grant award is subject to provision of an annual review of progress, which is assessed by a member of the Scientific Committee, and a final report is required. It is a condition of the award that the applicants acknowledge the AAIR Charity in any publications or presentations to scientific or lay audiences.

Investment

The charity has appointed the professional investment advisers, Brewin Dolphin, to manage its investment portfolio on a discretionary basis.

In October 2016, the charity adopted an Investment Policy that:

- Allows the portfolio to be invested widely
- Requires diversification by asset class and manager, so that one half of the total sum invested carries a very low investment risk profile (cash or near cash investments denominated in sterling) and one half of the sum invested carries a moderate investment risk profile. The asset classes can include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable and does not conflict with the charity's purpose
- Restricts the proportion of investment in non-sterling assets
- Requires all investments to be realisable within three months
- Seeks a return on non-cash balances of inflation plus 4% per annum over the long term, after expenses

The Investment Policy is reviewed annually.

Reserves

Of the total assets held by the charity, some represent funds that are committed to specific purposes, or to grants and awards, in the form of Restricted Funds and Designated Funds (referred to collectively as 'Committed Funds'), the balance being Uncommitted Funds.

As the charity is unable to predict the level of income, particularly donations and legacies, from year to year, the charity's policy is to retain at least £100,000 of Uncommitted Funds, this level being reviewed annually.

The Designated Funds solely represent the charity's committed expenditure on grants awarded to researchers. The awards are usually time-limited, although an extension will be given if there are good reasons for doing so and providing it results in the original purpose of the award being achieved. Any unused grants are retained by the charity and, in due course, removed from Designated Funds.

Some of the Restricted Funds date back many years and the fund-holder may have retired or moved away from AAIR-related research. In such cases, the charity's policy is to encourage the fund-holder to release the monies to the charity to allow further Designated Fund awards to other AAIR researchers. The fund-holders are offered the incentive of having the award named after them. It is the charity's policy not to release unused Restricted Funds to the fund-holders for purposes other than those permitted by the charity's charitable objects.

Public benefit statement

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charity is committed to promoting research that contributes to the relief of sickness caused by asthma and associated allergy and airways diseases, and to provide education and training on the diagnosis and treatment of asthma, allergy and airways diseases. In carrying out their activities and making their decisions, the trustees are mindful of the need to comply with their duty to have regard to the guidance on public benefit.

Structure, governance and management

Governing document

The charity is a private company limited by guarantee and is governed by its Memorandum and Articles of Association, dated 3 December 2008. The company was incorporated on 8 December 2008 and registered as a charity on 18 May 2009. With effect from 1 September 2009, the company took over the activities, assets and liabilities of charity number 803715, which was constituted on 1 May 1990 and registered as a charity on 2 July 1990.

Appointment of Trustees

Trustees are recruited from amongst the senior members of the University of Southampton Faculty of Medicine, members of the medical profession, and members of the general public who are recommended by the trustees and the professional organisations with which the charity is associated.

Trustee induction and training

Potential trustees are required to complete an application form and declaration. Subsequently, they are interviewed by a selection of existing trustees and guided through the workings of the sub-division of the medical faculty known as Asthma, Allergy and Inflammation Research within which the charity mainly operates.

The induction process includes an introduction to the day to day operation and administration of the charity, and being provided with copies of its annual report and accounts, minutes of recent trustees' meetings and references for Charity Commission guidance and information. Prospective trustees are also invited to attend trustees' meetings to observe proceedings before being elected to the board of trustees.

Organisation

The board of trustees, which comprises not less than three members (with no maximum), oversees the charity, with delegated authority being given to two sub-committees:

Finance Committee

The Finance Committee has responsibility for operational and financial management. An administrator provides support and coordinates financial information for the Finance Committee and the board of trustees.

During the year, the committee comprised three trustees: Professor Davies (chair), Mr Anderson and Mr Dunn.

Scientific Committee

The Scientific Committee scrutinises all scientific grant and scholarship applications, providing recommendations to the trustees on those suitable for funding.

During the year, the committee comprised the following trustees: Professor Lucas, Professor Davies and Dr Synek. Others who supported the committee during the year were Dr Emily Swindle (Associate Professor in Pharmacology), Dr Mark Jones (Associate Professor in Respiratory Medicine) and Dr Tilman Sanchez-Elsner (Associate Professor in Biomedicine).

Risk management

The trustees evaluate and monitor risk at their meetings and also through the work of their sub-committees. The principal risks are as follows:

- Safe-keeping and management of money
  The financial risk, including the approach to risk inherent in the charity's investment portfolio, is evaluated and monitored by the Finance Committee, which meets three times each year and reports to the next meeting of trustees. One member of the Finance Committee monitors the financial position at least monthly, liaising with the administrator and professional bookkeeper as required
- Appropriate scrutiny of grant applications
  The Scientific Committee assesses all applications, ensuring that they provide appropriate use of the charity's resources and fulfil the charity's objectives, and reports to the trustees at their next meeting

Achievements and performance

Work has continued this year in refining the charity's working practices and record keeping as well as introducing others where necessary. Attendant with the day to day running requirements, the trustees have been particularly careful not to neglect any of the charity's generous donors and volunteers, who have continued to support its work, and thank them all for their support.

Legacies have again proved to be a substantial part of the charity's donated income and for that the trustees are grateful to the estates and relatives of those legators who have been so generous in their thoughts and actions. In most of these cases the charity has had no previous contact with the legators and its thanks to the families of the deceased can only be channelled through a solicitor; it is the trustees' earnest hope that they reach the intended recipients.

The charity's income is such that it is able to continue its assistance in financing research in the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and Biomedical Research Centre.

Most importantly the trustees have been able to continue to support the all-important provision of grants for pump-priming research projects (recommended maximum £10,000 per award), equipment grants (often leveraging against funds from elsewhere) and PhD research Studentships.

During the financial year, the charity received £25,588 (2019: £53,590) in donations and legacies, and incurred expenditure totalling £141,594 (2019: £97,877) in pursuance of its objectives. Awards were made to researchers in the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and Biomedical Research Centre, to support new pump-priming project grants, provide studentship support and/or equipment grants to deliver the objectives of the charity.

The preservation of the integrity of the restricted funds remains high on the charity's priority list. These restricted funds are held for the exclusive use of researchers and, in the main, are directly funded by corporate donations and external research grants. The restricted funds are regularly reviewed by the trustees.

Financial review

The charity achieved an overall deficit for the year (after net gains on investments of £53,722 (2019: £24,708)) of £55,070 (2019 deficit £10,562). The principal source of funds during the year was legacies, totalling £21,125 (2019: £42,429).

During the year, the charity continued to designate funds, awarding grants of £139,837 (2019: £253,064).

At the end of the year, unrestricted funds totalled £571,786 (2019: £628,140). Total charity funds, including restricted reserves of £48,585 (2019: £47,301), amounted to £620,371 (2019: £675,441).

The trustees have been giving further consideration to those individual restricted funds that have remained unused for several years, in an attempt to ensure that the funds are used for the purposes intended, or otherwise released to the charity for alternative appropriate purposes.

Details of the charity's policy for holding reserves are included in 'Objectives and activities' (see page 5).

Trustees' responsibilities

The trustees (who are also directors of Asthma Allergy & Inflammation Research Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual 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 year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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 the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board of trustees:

Donna E Davies

Professor D Davies, Trustee

Date: 20 May 2021

Asthma Allergy & Inflammation Research Trust Ltd

Independent Examiner's Report

Year Ended 31 August 2020

Independent Examiner's Report to the Trustees of Asthma Allergy & Inflammation Research Trust Ltd

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2020 which are set out on pages 10 to 25.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Timothy C Bentall FCA
Tim Bentall LLP
Arcadia House
Maritime Walk
Ocean Village
Southampton
SO14 3TL

Date: 20 May 2021

Asthma Allergy & Inflammation Research Trust Ltd

Statement of Financial Activities (including Income and Expenditure Account)

Year ended 31 August 2020

	Note	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
Income from:					
Donations and legacies	2	24,172	1,416	**25,588**	**53,590**
Investments	3	7,214	-	**7,214**	**9,017**
Total income		31,386	1,416	**32,802**	**62,607**
Expenditure on:					
Charitable activities	4	141,462	132	141,594	**97,877**
Total expenditure		141,462	132	141,594	**97,877**
Net gains on investments	12	53,722	-	**53,722**	**24,708**
Net income / (expenditure)		(56,354)	1,284	**(55,070)**	**(10,562)**
Net movement in funds	15	(56,354)	1,284	**(55,070)**	**(10,562)**
Reconciliation of funds:					
Total funds brought forward	15	628,140	47,301	**675,441**	**686,003**
Total funds carried forward	15	571,786	48,585	**620,371**	**675,441**

All income and expenditure derive from continuing activities.

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

Asthma Allergy & Inflammation Research Trust Ltd

Balance Sheet

As at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	12	517,954	628,206
Current assets			
Debtors	13	453	156
Cash at bank and in hand		121,200	71,545
		121,653	71,701
Creditors: amounts falling due within one year	14	19,236	24,466
Net current assets		102,417	47,235
Total assets less current liabilities		620,371	675,441
Net assets		620,371	675,441
Charity Funds			
Restricted funds	15	48,585	47,301
Unrestricted funds	15	571,786	628,140
Total charity funds		620,371	675,441

For the year ending 31 August 2020, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees and directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the Board on 20 May 2021.

Signed on behalf of the board of trustees:

Professor D Davies, Trustee

Date: 20 May 2021

Mr L A Dunn, Trustee

Date: 20 May 2021

The notes on pages 12 to 25 form part of these financial statements.

Company registration number: 06767479

1 Summary of significant accounting policies

(a) General information and basis of preparation

Asthma Allergy & Inflammation Research Trust Ltd is a private company limited by guarantee 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 2 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees' Annual Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

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.

(b) 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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

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

Donations: if there are conditions attached to the donation and it requires a level of performance before entitlement can be obtained, income is deferred until those conditions are fully met, or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, they can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure

No amount is included in the financial statements for general volunteer time.

(c) Income recognition (continued)

For legacies, entitlement is the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and the charity has been notified of an impending distribution, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. When legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed in the notes to the financial statements.

Investment income is earned through holding assets for investment purposes, such as shares, and includes dividends and interest. Income is included when the amount can be measured reliably and the charity's right to receive payment is established.

(d) 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. It is categorised under the following activity headings:

- *Expenditure on charitable activities*: includes the costs of making grant awards in furtherance of the charity's key objectives and their associated support costs; and
- *Other expenditure*: represents those items not being 'expenditure on charitable activities' or the cost of raising funds.

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

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, they are accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, the grant is only accrued when any unfulfilled conditions are outside of the control of the charity. Conditional grants are treated as designated funds, details of which are shown in note 15.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities; they include office costs, governance costs and administrative costs that are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they are allocated to the cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. The basis on which support costs have been allocated are set out in note 5.

(f) Investments

Listed investments are recognised initially at cost, which is normally the transaction price including transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(g) Debtors

Debtors receivable within one year are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

(h) Cash at bank and in hand

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

(i) Creditors and provisions

Creditors and provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated. Creditors and provisions are normally recognised at their settlement amount.

(j) Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(k) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(l) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(m) Judgements and key sources of estimation uncertainty

Apart from those involving estimates, no key judgements have been made in applying the above accounting policies, which have a significant effect on amounts recognised in the financial statements.

No key assumptions have been made concerning the future, and other key sources of estimation uncertainty, at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Income from donations and legacies

	2020 £	2019 £
Gifts	4,113	10,511
Legacies	21,125	42,429
Donated services	350	650
	25,588	53,590

Income from donations and legacies was £25,588 (2019: £53,590) of which £1,416 (2019: £985) was attributable to restricted and £24,172 (2019: £52,605) to unrestricted funds.

3 Income from investments

	2020	2019
	£	£
Interest on deposits	81	124
Income from listed investments	7,133	8,893
	7,214	9,017

All income from investments in both years was attributable to unrestricted funds.

4 Analysis of expenditure on charitable activities

Expenditure in 2020

	Grant funding of activities	Support costs	Total
	£	£	£
Research and equipment grants payable for the year	110,085	33,857	143,942
Unused grants returned	(2,348)	-	(2,348)
	107,737	33,857	**141,594**

Of the total expenditure of £143,942, £132 was attributable to restricted funds and £143,810 to unrestricted funds. Details of support costs are given in note 5.

Expenditure in 2019

	Grant funding of activities	Support costs	Total
	£	£	£
Research and equipment grants payable for the year	79,910	17,967	97,877
	79,910	17,967	97,877

All the above costs were attributable to unrestricted funds. Details of support costs are given in note 5.

5 Allocation of support costs

All support costs are attributable to the charity's research and equipment grant funding activities.

Support costs 2020

	Total £
Governance (note 6)	2,580
Finance	382
Information technology	7,211
Office costs	14,358
Publicity and advertising	1,555
Investment management fees (note 7)	6,108
Professional fees	1,092
Travel	108
Other	463
Total	**33,857**

Support costs 2019

	Total £
Governance (note 6)	2,472
Finance	124
Information technology	804
Office costs	6,693
Publicity and advertising	999
Investment management fees (note 7)	6,077
Professional fees	600
Other	198
Total	17,967

6 Governance costs

	Note	2020 £	2019 £
Independent examiner's remuneration	9	2,580	2,472
		2,580	2,472

7 Investment management costs

	2020 £	2019 £
Investment manager's fees and charges	6,108	6,077
	6,108	6,077

All the above costs in both years were attributable to unrestricted funds.

8 Analysis of grants

Grants awards are made by designating funds for drawing down by the recipient, subject to the ongoing approval of trustees, normally on a staged basis. Amounts drawn down are included in expenditure on charitable activities (note 4); movements on the designated funds are shown in note 15. Grant awards made during the year were as follows:

Grants 2020

	Grants to individuals £	Total £
Research and equipment grants awarded	139,837	139,837
Return of unused grants awarded in prior years	(2,348)	(2,348)
	137,489	**137,489**

Grants 2019

	Grants to individuals £	Total £
Research and equipment grants awarded	253,064	253,064
	253,064	253,064

9 Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examination fee of £1,290 (2019 - £1,236) and other services of £1,290 (2019 - £1,236).

10 Staff costs and employee benefits

There were no employees or staff costs in the current or prior year.

11 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2019: £nil).

The charity is managed by its trustees and has no other key management personnel.

The reimbursement of trustees' expenses was as follows:

	2020 Number of Trustees	2019 Number of Trustees	2020 £	2019 £
Travel	1	0	108	-
Administrative expenses	1	0	24	-
	2	0	**132**	-

The administrative expenses in 2020 relate to reimbursement of the cost of brass plaques incurred by a trustee on behalf of the charity.

No payments were made directly to third parties in either year.

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 September 2019	628,206
Additions	141,652
Disposals	(305,626)
Revaluation	53,722
At 31 August 2020	517,954
Carrying amount:	
At 31 August 2020	**517,954**
At 31 August 2019	628,206

Fixed asset investments are measured initially at cost and subsequently at fair value (their market value) at the reporting date.

Investments at fair value comprise:

	2020 £	2019 £
Equities	154,485	129,185
Bonds	122,736	263,686
Global investments	159,753	134,033
Absolute return	38,004	71,501
Commodities	30,509	16,148
Property	5,284	5,899
Other	7,183	7,754
	517,954	628,206

The fair value of listed investments is provided by Brewin Dolphin and, ordinarily, is determined by reference to the middle market price at the close of business on the balance sheet date.

13 Debtors

	2020 £	2019 £
Prepayments and accrued income	453	156
	453	156

14 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	10,966	21,194
Accruals and deferred income	8,270	3,272
	19,236	24,466

Accruals and deferred income of £24,466 in 2019 have been reclassified as above.

15 Fund reconciliation

Unrestricted funds

Movements for year ended 31 August 2020

	Balance at 1.9.2019	Net movement in funds	Balance at 31.8.2020
	£	£	£
Unrestricted	365,900	(86,238)	279,662
Designated funds:			
a) Research and equipment grants	147,118	61,220	208,338
b) PhD studentships	115,122	(31,336)	83,786
	262,240	29,884	292,124
	628,140	(56,354)	**571,786**

:

Movements for year ended 31 August 2019

	Balance at 1.9.2018	Net movement in funds	Balance at 31.8.2019
	£	£	£
Unrestricted	550,601	(184,701)	365,900
Designated funds:			
a) Research and equipment grants	61,081	86,037	147,118
b) PhD studentships	28,005	87,117	115,122
	89,086	173,154	262,240
	639,687	(11,547)	628,140

Note 15 (continued)

Unrestricted funds: analysis of movements

Movements for year ended 31 August 2020

	Income	Expenditure	Transfers between funds	Gains / (losses)	Net movement for the year
	£	£	£	£	£
Unrestricted	31,386	(33,857)	(137,489)	53,722	(86,238)
Designated:					
a) Research and equipment grants	2,348	(78,617)	137,489	-	61,220
b) PhD studentships	-	(31,336)	-	-	(31,336)
	33,734	(143,810)	-	53,722	**(56,354)**

Movements for year ended 31 August 2019

	Income	Expenditure	Transfers between funds	Gains / (losses)	Net movement for the year
	£	£	£	£	£
Unrestricted	61,622	(17,967)	(253,064)	24,708	(184,701)
Designated:					
a) Research and equipment grants	-	(67,910)	153,947	-	86,037
b) PhD studentships	-	(12,000)	99,117	-	87,117
	61,622	(97,877)	-	24,708	(11,547)

Note 15 (continued)

Restricted funds

	Balance at 31.8.2018 £	Net movement in funds £	Balance at 31.8.2019 £	Net movement in funds £	Balance at 31.8.2020 £
Ardern-Jones	6,977	-	6,977	-	6,977
European Asthma	2,830	-	2,830	-	2,830
Friedmann	6,869	-	6,869	-	6,869
Gadola	2,826	-	2,826	-	2,826
Haitchi	828	985	1,813	1,284	3,097
Healy	7,107	-	7,107	-	7,107
Holgate Prize Fund	500	-	500	-	500
Vijayanand	6,189	-	6,189	-	6,189
Waller	7,984	-	7,984	-	7,984
Walls	4,206	-	4,206	-	4,206
	46,316	985	**47,301**	1,284	**48,585**

Restricted funds: analysis of movements

Movements for year ended 31 August 2020

	Income £	Expenditure £	Net movement for the year £
Haitchi	1,416	(132)	1,284
	1,416	(132)	**1,284**

Movements for year ended 31 August 2019

	Income £	Expenditure £	Net movement for the year £
Haitchi	985	-	985
	985	-	**985**

Note 15 (continued)

Fund descriptions

a) **Unrestricted funds**

All unrestricted funds may be treated as designated.

b) **Designated funds**

Research and equipment grants and PhD Studentships
The funds were established to support the work and study by students and others in asthma, allergy and inflammation within the University of Southampton Faculty of Medicine, or the allied Wellcome Trust Clinical Research Facility and Biomedical Research Centre.

c) **Restricted funds**

Restricted funds are for the purposes described below:

Ardern-Jones
To support the work of Dr Michael Ardern-Jones in dermatology, particularly with the Wessex Dermatology Advisory Committee and the European Society for Dermatological Research.

European Asthma
To promote the European Initiative on Asthma agreed at a European Union meeting in Brussels and overseen by Professor Stephen Holgate.

Friedmann
To support the research and teaching of Professor Peter Friedmann in dermatology and especially his training work in Ethiopia under the auspices of the European Academy of Dermatovenereology.

Gadola and Gadola Ultrasound Initiative
To support the work of Professor Stephen Gadola in ultrasound studies in rheumatology.

Haitchi
To support the work of Professor Haitchi in asthma research.

Healy
To support the work of Professor Eugene Healy, particularly with the British Society for Investigative Dermatology and the European Society of Dermatological Research.

Holgate Prize Fund
To fund a prize for the best medical study project in the MSc Allergy course at University Hospital Southampton.

Vijayanand
To support the work of Dr Vijayanand on viruses.

Waller
To support the work of Dr Derek Waller in allergic disease.

Walls
To fund the International Mast Cell and Basophil Research meetings, held in Southampton.

16 Analysis of net assets between funds

As at 31 August 2020

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fixed assets	252,479	236,890	28,585	517,954
Cash and current investments	35,000	66,200	20,000	121,200
Other current assets / (liabilities)	(7,817)	(10,966)	-	(18,783)
Total	279,662	292,124	48,585	**620,371**

As at 31 August 2019

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fixed assets	347,905	235,000	45,301	628,206
Cash and current investments	21,111	48,434	2,000	71,545
Other current assets / (liabilities)	(3,116)	(21,194)	-	(24,310)
Total	365,900	262,240	47,301	675,441

17 Related party transactions

Administrative services
During the year, £12,912 (2019: £4,780) was payable to a company in which the trustee, Mr L A Dunn, has an interest, for administrative services provided to the charity by one of that company's employees.

No benefit accrues to Mr Dunn, or the company in which he has an interest, the additional costs to the company (including salary and Employers' National Insurance) being matched by payments made by the charity. At 31 August 2020, £5,690 (2019: £800) was accrued in respect of the services provided during the year.

Research grants
Applications to the charity for funding include those made, or supported, by Trustees for research into areas, relating to the charity's objectives, in which they have specific medical expertise. Such applications are scrutinised by the charity's Scientific Committee, using the same process that is applied to all other requests, with the exception that, if the project involves a member of that committee, the relevant Trustees recuse themselves when a decision is made about their application in order to avoid a conflict of interest. Trustees do not benefit directly from the grants awarded.

During the year, no grants were awarded for research projects in which trustees had an interest (2019: three grants were awarded, totalling £24,466, in which two trustees had an interest). The movements for the year are shown below.

Trustee's surname	*Balance undrawn at 1/9/19*	*Expenditure in the year*	*Balance undrawn at 31/8/20*
	£	£	£
Davies	17	-	17
Roberts	4,924	-	4,924
Lucas	19,542	7,638	11,904
	24,483	7,638	**16,845**

Professor Arshad resigned as a Trustee on 31 December 2018 and has not, therefore, been included in the table above.

Movements in the year ended 31 August 2019

Trustee's surname	*Balance undrawn at 1/9/18*	*Grants awarded in the year*	*Expenditure in the year*	*Balance undrawn at 31/8/19*
	£	£	£	£
Davies	6,222	-	6,205	17
Arshad	2,000	-	-	2,000
Roberts	-	4,924	-	4,924
Lucas	-	19,542	-	19,542
	8,222	24,466	6,205	**26,483**

18 Contingent assets – legacy income

At 31 August 2020, the charity had been notified of two (2019: three) residuary legacies and one pecuniary legacy (2019: none), the values of which could not be measured reliably and/or where payments had not been agreed by the executors. At the balance sheet date, the estimated amount receivable was £174,000 (2019: £174,000).