

**The Borne Foundation**  
**Annual Report and Financial Statements**  
31 March 2023

Company Limited by Guarantee

Registration Number

09788534 (England and Wales)

Charity Registration Number

1167073 (England and Wales)

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## Reference and Administrative Details

<b>Trustees</b>	C L Moffat T T MacDonald J R H Mylchreest (Chairman) H M Pye F P Vanni d'Archirafi R Jafar
<b>Registered Office</b>	3 <sup>rd</sup> Floor, 315-317 New Kings Road London SW6 4RF
<b>Telephone</b>	07821 681 058
<b>Website</b>	<a href="http://www.borne.org.uk">www.borne.org.uk</a>
<b>Company registration number</b>	09788534 (England and Wales)
<b>Charity registration number</b>	1167073 (England and Wales)
<b>Auditor</b>	Barnes Roffe LLP Charles Lake House, Claire Causeway Crossways Business Park Dartford DA2 6QA
<b>Bankers</b>	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling ME19 4TA
<b>Solicitors</b>	Morgan Lewis & Bockius LLP Condor House 5-10 St Paul's Churchyard London EC4M 8AL
<b>Investment Managers</b>	Insignis Cash Solutions St John's Innovation Centre Crowley Road Cambridge CB4 0WS

## Trustees Report at 31 March 2023

The trustees present their report together with the audited financial statements of Borne Foundation ("the charitable company") for the year ended 31 March 2023.

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

The financial statements have been prepared in accordance with the accounting policies set out on pages 21 to 24 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

### Public Benefit

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

## ABOUT BORNE

### Research to prevent premature birth

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

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

Babies who are born too soon face many challenges. The earlier a baby is born, the more likely their organs will suffer damage or not develop as they should because they are less mature. Each day in the womb is essential to a baby's healthy development and survival. For example, in the UK, babies who are born at 23 weeks and survive have a 92% chance of experiencing a disability. If that baby can stay in the womb an extra three weeks and be born at 26 weeks, the chance of having a disability is reduced to 41%.

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

## ACTIVITIES AND PERFORMANCE

### Borne's research strategy

The research that Borne funds is focused on the pregnancy period and the factors and conditions in pregnancy that may lead to preterm birth. We seek to deepen our knowledge of the biological processes of pregnancy and childbirth to better understand the significance of changes in the maternal environment throughout pregnancy and define the mechanisms involved in normal and abnormal labour.

Only by understanding the normal process can we begin to understand the abnormal in order to delay the onset of preterm labour as well as to identify markers of risk in women that are likely to deliver their babies preterm. This understanding is fundamental to the development of diagnostic, treatment and prevention strategies to reduce the rate of preterm birth.

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

Our primary objectives are:

### **1. To encourage big science and foster scientific collaboration**

We want to invest in cutting edge techniques and expertise that bring scientists and clinicians together to advance collective knowledge and help make breakthroughs possible.

### **2. To strengthen the early-stage research base**

We pump-prime promising new research ideas, giving scientists the impetus to develop their analysis and advance their breakthrough projects. We want to make sure that the best ideas, backed up by the strongest science, have the greatest chance to succeed. We invest in world-class early-stage research projects vetted by an independent Scientific Advisory Board.

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

### **3. To build capacity in our area of need**

We must attract more of the best medical and scientific minds to develop their research interests in obstetrics research and conditions in pregnancy that may lead to preterm birth. By offering Clinical Research Training Fellowships, we provide a means for clinically qualified candidates to establish their research track record and the skills required to become academic clinicians through PhD or other higher research degree. We also support talented post-doctoral researchers with their transition to independent investigator with funding for an ambitious programme of research training that offers accelerated personal and career development to lead their own research plans and establish their own research team.

## **Our research in review**

### **Borne funded research at Chelsea and Westminster Hospital**

The research group led by Professor Mark Johnson at Chelsea and Westminster Hospital has focused on gaining a deeper understanding of the cellular mechanisms controlling normal birth. This research has significantly refined our understanding of the importance of cAMP cellular signalling in the priming of the uterus for labour and birth. Armed with the compelling new data developed with Borne's support, applications are now underway to take these discoveries forward in the clinic.

Dr Brendan Browne is a Borne funded trainee obstetrician doing a PhD with Prof Mark Johnson, mapping the human pregnant uterus - an integrated approach to determine the triggers for labour. By building on current knowledge of potential labour initiators relevant to term pregnancies, Brendan will further describe and characterise the transcriptomics of parturition in humans; particularly focusing on their spatial and temporal aspects that form the largest gaps in knowledge.

Dr Nish Shah, Consultant obstetrician at Chelsea and Westminster hospital, is investigating the utility of point-of-care testing guiding personalised treatment to delay preterm labour. This pilot open-labelled trial is recruiting from Chelsea and Westminster and University College Hospitals.

## Trustees Report at 31 March 2023

Lecturer Dr Victoria Male, funded by Borne and also based at Chelsea and Westminster hospital, won the President's Medal for Excellence in Societal Engagement at Imperial College London for her work on public engagement about COVID-19 vaccine safety in pregnancy.

Dr Male also leads the reproductive immunology research group at Chelsea and Westminster Hospital. Her work is focused on the role and development of immune cells in the lining of the uterus and their contribution to the physiological processes of pregnancy.

Borne funds three PhD students in Dr Male's group who have all recently published peer reviewed papers:

- ◆ Emily Whettlock is a Borne funded PhD student in Dr Male's group: Her project studies uterine NK cells which promote the implantation of the placenta in early pregnancy. Emily has published (as co-first author) protocols for isolating single cells from third trimester uterine tissues. This will be a resource for other scientists seeking to undertake single-cell analyses on these tissues, including the BUMP collaboration ([Cocker, Whettlock et al, 2022, Oxford Open Immunol](#));
- ◆ Ee Von Woon is a clinical fellow doing a PhD in Dr Male's group, and has now generated preliminary data suggesting that, as predicted, uterine NK cells from women who have difficulty becoming pregnant are less active than those collected from fertile donors. Her findings supported Dr Shreya Sheth's successful application to the MRC and Borne Clinical Research Fellowship, and have recently been published ([Woon et al, 2023, Front Immunol](#)). Ee Von's systematic review on uterine NK cells in early pregnancy failure ([Woon et al, 2022, Hum Reprod Update](#)) was published this year and is being used to inform [ESHRE's \(European Society of Human Reproduction and Embryology\) guidelines on add-ons in fertility treatment](#);
- ◆ Antonia Cuff is another Borne supported PhD student in Dr Male's group, and has spent the year exploring the hypothesis that a unique type of white blood cell (namely an innate lymphocyte 3 (ILC3)) may have a role allowing endometrium to persist at ectopic locations resulting in endometriosis. Antonia won two travel awards allowing her to travel to the American Society for Reproductive Immunology (ASRI) conference and The Society for Natural Immunity-NK2022 meetings in the USA. Her abstract was selected for oral presentation at NK2022.

### **Borne co-funded research with Action Medical Research - a leading charity funding research on mothers and children**

Jointly funded in collaboration with Action Medical Research, Borne is supporting three joint projects:

- ◆ Professor Rachel Tribe at King's College London has been funded for a project entitled *Preterm birth – a new biomarker to identify women at risk*. The researchers want to gain a better understanding of how particles released from immune and non-immune cells function in the reproductive tract. The translational aim is to determine if there are differences between women who give birth prematurely and women whose pregnancies continue until full term;
- ◆ Dr Melanie Griffin is leading *Preterm birth – Risk of adverse pregnancy outcomes (specifically preterm birth) in women who conceive following bone marrow transplant*. The researchers for this grant are conducting research to better understand whether women who have a bone marrow transplant for the treatment of cancer as children or young adults are at increased risk of worse pregnancy outcomes, including preterm labour;

- ◆ Professor Mike Taggart at the University of Newcastle is leading *Preterm birth – Characterisation of human tissue-specific proteomes to inform the development of new treatments for pregnancy complications*: This project is concerned with identifying the molecular mechanisms unique to human uterine smooth muscle activation and relaxation and harnessing this information towards developing improved treatment strategies for reducing preterm birth.

### **Borne co-funded research with the Medical Research Council - the leading funder of medical research in the UK**

Borne jointly awarded its first Clinical Research Training Fellowship with the MRC within the last academic year, to Dr Shreya Sheth. Uterine NK cells (uNK) are thought to be important in promoting placental implantation, consisting of three subpopulations, and the overarching aim of Shreya's project is to identify the uNK subset that mediates placental implantation and the mechanisms by which it achieves this. Shreya started in the laboratory on 3 April 2023. Ethical approvals are in place and her first research clinic is scheduled for mid-2023.

### **BUMP (Borne's Uterine Mapping Project)**

Borne has established a scientific collaboration with preterm birth experts from around the world to advance understanding of term and dysfunctional labour. Its ambition is to accelerate the translation of discoveries into new treatments to delay preterm labour and improve outcomes for babies. The goal of BUMP is to support a global cross-disciplinary collaboration by funding the creation of an open source scientific 'map' that advances the global community's understanding of human parturition, facilitating the identification of novel interventions at scale.

We hope this systems biology approach will advance our collective understanding and potential regulation of the biological processes that lead to the initiation of labour. Ongoing funding will be raised to encourage more talent to this area of opportunity and support new projects that can lead to new treatments and clinical care guidelines to make childbirth safer for future generations.

At the heart of this collaboration is the recruitment of pregnant women to join the BUMP initiative and contribute samples throughout their pregnancy and a variety of maternal tissue when they deliver their babies. The initial phase of this project is to conduct a feasibility study to ensure that tissue and cells generously donated by patients can be collected and processed reliably so that cells and tissues stored with consent for future use may be analysed at later dates.

Based on the recommendation of Borne's Scientific Advisory Board, two cross-disciplinary research groups were selected to manage the feasibility phase of BUMP with a view to laying the groundwork for a purposeful and unprecedented global scientific collaboration. One is based at Imperial College with collaborators in Cambridge and UCL and another based at King's College London.

The first group is led by Prof Phil Bennett at Imperial. Sample collection is being taken from 3 NHS hospitals associated with Imperial and UCL. Bioinformatics are carried out by the Wellcome-Sanger and the EBI with preterm birth expertise from the research teams at Imperial and Cambridge. Dr Sarah Teichmann who heads cellular genetics at the Wellcome-Sanger Institute also collaborates with the global ground-breaking initiative – the Human Cell Atlas.

The second group is led by Prof Rachel Tribe at King's. The group is collecting samples from lower and upper segments of the uterus, refining sample processing protocols, and leveraging the bioinformatic expertise at King's to manage the consolidation of big data from clinical and multiple bioinformatic sources. Databases, processes and data sharing agreement templates will be in place in readiness to scale beyond Phase 1.

Progress from both groups is on track, and Borne aim to have results to define BUMP-2 in early 2024.

### **Starter awards for innovative approaches in pre-term birth**

Borne awarded funding to Miguel Branco for his study titled: *Do transposable element drive placental inflammation and pre-term birth?* Transposable elements are the DNA of viruses that have been incorporated into the DNA of humans during evolution. If expressed, these viruses may be recognised by the immune system and cause inflammation.

The preliminary data gathered led to the successful award of an MRC project grant valued at £888,000 over three years. This study, titled: *Epigenetic regulation of cell-autonomous type I interferon responses in trophoblast* will extend the work outlined in the initial study funded by Borne.

Borne are proud to have 'pump primed' this area of research, leading directly to further funding from the MRC of ten times the initial amount, for its continuation. Borne aims to seed-fund the most promising and innovative research ideas in this way, rapidly advancing research into the factors and conditions in pregnancy that may lead to preterm birth.

### **Our fundraising**

We are incredibly grateful to all our supporters who have donated to Borne over the last year, without whom we simply wouldn't be able to fund the lifesaving research we do to prevent premature birth.

Fundraising from our annual sporting events has continued to strengthen.

Now an established event within Borne's fundraising calendar, our Patron Will Greenwood MBE, led a sold-out Golf Day at Sunningdale, which was another wonderful day on the course.

The Royal Berkshire Shooting School hosted our annual Shoot Day, and we are so grateful to Rym El-Asmar for her continued patronage and the participants that contributed to its continued success.

In October 2022, a group of long-standing supporters made their way across Costa Rica in a Coast2Coast Challenge to raise awareness and funds for research into premature birth. Starting from the Caribbean Sea they hiked, kayaked, and cycled east to west through jungle rarely used in tropical heat and humidity. These incredible fundraisers, Tom Cartwright, Dominic Lynch, Phil Sanger, Claire Shouksmith, Iain Hill-Trevor, Angus Hill-Trevor and our inspirational Patron, Will Greenwood MBE, truly excelled at this challenge for Borne raising a grand total of £222,797. We must also express our heartfelt thanks to Borne Ambassador Dean Mumm for also taking on this intrepid challenge and raising further funds for Borne HMRI. Many thanks to Extreme Leaders for providing the experience and leadership needed to achieve such extraordinary results.

Borne have launched two new corporate partnerships; one with retailer John Lewis & Partners and a second with purpose led fashion brand Scamp and Dude.

John Lewis Partnership have launched a premature baby clothing range and donate a percentage amount to Borne from full price sales. Producing a range of premature baby clothing helps parents of premature babies feel like they have control and choice over how to dress their baby. Borne Ambassador Erin O'Connor proudly supported the launch and Borne also delivered a training course to John Lewis Partnership colleagues on how best to support those buying the range who will have been touched by the devastation of premature birth.



Borne Ambassador Sophie Ellis Bextor collaborated with brand Scamp and Dude as part of their "We've Got Your Back" campaign. Sophie's unique sweatshirt design was inspired by sunsets and £10 of every sale is donated to Borne. We are incredibly grateful to both partners for their collaborations and the promotions of the partnership across their communication channels.

This year saw the return to the portfolio of Borne to Dine. An evening of fine dining hosted at Sartoria, the menu was carefully curated by Chef Patron and Borne Ambassador Francesco Mazzei. The event was a tremendous success, and we'd like to extend our heartfelt thanks to Caro Greenwood, those that attended, and the hardworking staff. We were grateful to receive corporate support from Chelsea Vintners, our wine partner, and wider support from donors who ensured our auction was a huge success. These include Francesco and Charlotte Vanni d'Archirafi; Irene Gemmo, Amjad & Suha Bseisu, Emanuela Ferrero, McKay Williamson, Tanner Krolle and Venture Studios.

We are incredibly grateful to Essenta Partners who voted us as their Charity of the Year. A group of over 20 colleagues took part in the Thames Bridges Trek and raised over £11,000 to help fund research to end premature birth. We are also grateful to our other corporate partner Vapour Cloud and would also like to acknowledge the continued generosity of small businesses and those who support us through gifts in kind.

Ellie Gibson, Borne Ambassador, and half of comedy duo The Scummy Mummies, trekked to Everest Base Camp to host the World's highest ever comedy gig whilst raising funds for Borne. They're now Guinness World Record holders.

Borne were the benefitting charity at the Mumble Forum and an exclusive Tanner Krolle shopping event this year. We would like to thank Borne Ambassador Shanyan Koder for introducing Borne and for sharing her inspiring personal story.

The charity successfully participated in the Big Give Christmas Challenge campaign for the third year running, exceeding the ambitious target by raising more than £100,000 through this matched funding campaign. We are hugely grateful to the EQ Foundation for once again choosing to Champion Borne during the Big Give. Also, a huge thank you to the Borne Ambassadors who promoted the campaign across their social media networks. These include Will Greenwood MBE, Ellis Gibson, Alistair Petrie, Hannah Barrett and Erin O'Connor.

As always, we are indebted to our Foundation Donors whose ongoing financial contributions this year have continued to support the core of the charity's work. These include Blake & Michael Daffey, Howden Insurance Brokers' Health & Care Division, Lynn & Majid Jafar, Razan Jafar & Adnan Said, Fiona & Julian Mylchreest and Derica & Charles Noall, Hetty and Nick Pye, Francesco and Charlotte Vanni d'Archirafi and Thames River Moorings.

We would like to extend our thanks to the following Trusts and Foundations and organisations who have supported our work this year: The CA Redfern Charitable Foundation, The Chandris Foundation, The Richard Devitt Fund, The EQ Foundation, The George Goodsir Charitable Foundation, The Orr Mackintosh Foundation, The Fondazione Giuliano e Maria Carmen Magno, The Edwina Mountbatten & Leonora Children's Foundation, The Sackler Trust, The Vandervell Foundation, The Vaseppi Trust, and The Sumner Wilson Charitable Trust.

We would also like to acknowledge the Friends of Borne, whose regular gifts are able to give us the confidence to fund the best research. Also, to the numerous events and community fundraisers who have completed marathons, half marathons, cycling events, baked cakes and biscuits and voted for us to benefit from school fayres and fetes across the UK. We could not continue our research efforts without your unwavering support.

Finally, we are indebted to all our Patrons and Ambassadors who have been proactive and passionate in their fundraising efforts and influence in supporting our work.

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

### Looking ahead

Borne has now returned to 'business as normal' operations following the considerable impact caused by the COVID-19 pandemic. Our traditional fundraising endeavours (e.g. large fundraising galas, dinners and signature challenges) are all planned to take place at the same level as pre-pandemic, in the coming period.

In particular, we are looking forward to hosting our signature events again this year: the Annual Shoot, the Sunningdale Golf Day and another Borne to Dine.

We also look forward to hosting a Borne to Dance event for the first time in several years, hosted by Dame Darcey Bussell and Michael Nunn, and scheduled to take place in November 2023 on the eve of World Prematurity Day.

Our aim of encouraging more scientists and their teams to meet and collaborate through a BUMP-focused symposium remains a key focus for the charity and we look forward to invigorating and expanding the scope and membership of the Borne Collaborative in the year ahead.

Given the progress being made by our two feasibility study groups at Imperial and King's, our focus is now on raising the £2-3 million that will be necessary to scale BUMP and move forward with BUMP Phase 2 – extending and expanding the scope and scale of our sample collection and data generation to include preterm birth samples and developing the map of the uterus that the Borne Collaborative set as the goal for BUMP.

In addition we look forward also to raising funds to support promising new research projects arising from the BUMP data analysis. And in time we also want to facilitate the establishment of a Programme Office that would administer tissue and data success as well as the sharing of scientific analysis and papers with participating researchers from across the globe.

Beyond BUMP, we will also continue to progress all of our wider research objectives in earnest. To do this, we will develop and nurture our links with major academic institutes, funding the best scientists and researchers to build the evidence, so we can understand and prevent the causes of preterm birth.

We will continue to build upon our hugely added value partnerships with Action Medical Research (AMR) and the Medical Research Council (MRC), with guidance from the Association of Medical Research Charities (AMRC).

And lastly, we will continue to develop talent and build capacity by funding Clinical Research Training Fellowships (supporting clinicians to undertake a PhD or other higher research degree), and through our Career Development Award (supporting talented post-doctoral researchers to transition from post-doctoral researcher to independent investigator).

## FINANCIAL REVIEW

### Financial summary of the year

A summary of the year's results can be found on page 18 of this report and accounts.

During the year ended 31 March 2023, we raised total income of £1,189,013 (2022 – £845,869). We received £325,000 restricted income (2022 – £Nil).

Expenditure totalled £1,132,316 (2022 – £1,287,863), of which £836,786 (2022 – £1,098,935) was spent on Charitable Activities. Expenditure utilising restricted funds totalled £325,000 (2022 – £120,000). The charity kept its operating overheads in line with 2020 levels. See notes 6 and 7 of the accounts.

Net income increased reserves by £56,697 (2022 – net expenditure £441,994).

The balance sheet shows total reserves of £1,856,394 (2022 – £1,799,697). £1,326 (2022 – £1,827) relate to fixed assets leaving a balance of £1,855,068 (2022 – £1,797,870).

Of this £1,470,426 (2022 – £1,228,054) has been designated by the trustees, reflecting the fact that these funds are already spoken for and committed to specific multi-year projects and activities. This leaves free reserves at year end of £385,968 (2022 – £571,643), which gives us coverage of just under 1 year of running costs, enabling the charity to invest in confidence in the future.

### Grant making policy

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

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

We fund through a competitive process:

- ◆ The core salary costs of scientists and clinicians that lead the research originating from a UK research institution.
- ◆ Technical staff and research midwives involved with clinical work and sample collection and processing
- ◆ Postgraduate studentships, fellowships and lectureships
- ◆ Laboratory consumables and equipment that are required to conduct the research studies

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

Borne co-funds up to £500,000 of independent research projects on a 50:50 basis with Action Medical Research (AMR) into the causes and prevention of preterm birth. AMR's Scientific Advisory Panel will ensure an open, transparent, independent and impartial review of grant applications for funding.

Borne also has an agreement to co-fund Clinical Research Training Fellowships and a Career Development Award for a postdoctoral scientist in our chosen area of interest through the UKRI's Medical Research Council, who will ensure the fellowships are awarded in open competition to a high standard.

### Reserves policy

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

Borne's funding is diversified across a portfolio of supporters, from individuals to companies and trusts and foundations. The Board has determined that as a matter of policy, free reserves to meet an unexpected call for funds will continue to be set at 6 months of operating expenditure for the charity.

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

After taking into account our reserves policy as summarised above, Borne is within the Board's target range for the year. Unrestricted funds, after fixed assets are £1,855,827 (2022 – £1,797,870), and the trustees have designated funds of £1,470,426 (2022 – £1,228,054) to meet committed grant expenditure from 2024 to 2026. This leaves free reserves of £386,795 (2022 – £571,643), which include £200,000 set aside for contingencies (6 months of operating expenditure).

### Risk management

The charity's main areas of potential risk as identified have been assessed in light of the COVID-19 pandemic and its longer-term repercussions. These are risks that we have in common with other organisations, both within and beyond the charity sector. They include:

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

- ◆ Key man risk with Borne's heavy reliance on the knowledge, connections and experience of its Founder and Chief Scientific Officer, Professor Mark Johnson, and the operational knowledge and experience of the charity's COO, Mei Li Powell. This is being mitigated and diluted as Borne expands significantly the number of institutions and researchers it is funding and reduce the concentration of its research spending and investment on the Imperial College Chelsea and Westminster site. It is also being addressed by the expansion of the role of the Scientific Advisory Board, the expansion of the Borne Collaborative, three new fundraising and finance hires and, post year end, the successful hire of a new CEO, David Badcock.
- ◆ Reputational risk based on the scientific integrity and impact of the research that is funded. This is addressed by the Scientific Advisory Board's independent and critical evaluation of the researchers' ability to deliver its scientific mission and maintain scientific excellence, answerable to Borne's Board of Trustees.

Borne's risk management assessment and risk register is reviewed with the Finance and Risk Committee twice a year, and actions recorded accordingly.

### **Financial controls review**

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

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

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

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

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

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

Borne's Chief Operating Officer and Chief Scientific Officer are jointly responsible for the research priorities, financial health and resource management of Borne accountable to the Chair of the Board. The COO ensures operational and project delivery to the highest standards in line with the charity's values and mission. She is also responsible for coordinating a proactive programme of income generation, managing fundraising, donor relationships and overseeing associated donor stewardship programmes as Borne charts a course for growth.

## Trustees Report at 31 March 2023

Sadly, Mei Li Powell, Borne's long-serving and valued Chief Operating Officer, informed Borne of her intent to leave Borne to take up a role at a fintech in January 2023. The Board wishes to thank Mei Li for her immense contribution to the charity over the last six years and is also grateful for her availability during the first half of 2023 to effect a smooth handover to her successor, David Badcock, who has stepped into a newly created CEO role for Borne.

The appointment of David Badcock as Chief Executive Officer by the trustees in May 2023, followed a successful process of hiring from a deep bench of quality applicants. David has worked in the charity sector for over 20 years and previous roles include CEO of medical research charity Drug Science, and CEO of the harm reduction charity Mainliners. David specialises in creating unique partnerships with organisations and companies who share a joint vision to help the most marginalised and vulnerable members of our communities, and we welcome his breadth of experience to our organisation.

### Directors/Trustees

The directors/trustees who serves during the period were as follows:

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

### Appointment of trustees

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

### Induction of new trustees

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

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

### Remuneration of key management personnel

All trustees and the founder / Chief Scientific Officer give their time freely and no remuneration was paid in the year.

All other key management personnel, including the outgoing COO and incoming CEO, have their remuneration reviewed annually and adjusted in accordance with performance and earnings. In view of the nature of the charity, the trustees benchmark against pay levels in other charities with a similar profile. The remuneration benchmark in the range paid for similar roles.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

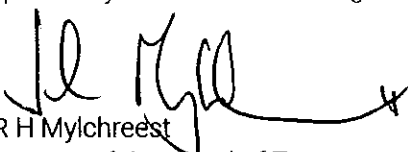
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

Each of the trustees confirm that:

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

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

Approved by the Directors and signed in their behalf by

  
J R H Mylchreest  
Chairman of the Board of Trustees

6/7/23

## **Independent Auditor's report to the members of the Borne Foundation**

We have audited the financial statements of The Borne Foundation (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we



identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

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

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

## **Auditors' responsibilities for the audit of the financial statements**

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

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

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

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

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

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

- Perform analytical procedures to identify any unusual or unexpected trends or anomalies;

## Independent Auditor's at Report 31 March 2023

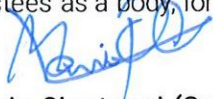
- Inspect and test journal entries to identify unusual or unexpected transactions;
- Assess whether judgement and assumptions made in determining significant accounting estimates, including the useful economic life of tangible and intangible fixed assets and the carrying value of work in progress, are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

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

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

### Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Mario Ciantanni (Senior Statutory Auditor)**

### For and on behalf of Barnes Roffe LLP

Chartered Accountants and Statutory Auditors

Charles Lake House  
Claire Causeway  
Crossways Business Park  
Dartford, Kent  
DA2 6QA

Date: 28. July. 2023

Statement of Financial Activities (Incorporating an Income and Expenditure Account)  
for the year ending 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	Year ended 31 March 2023 £	Unrestricted funds £	Restricted funds £	Year ended 31 March 2022 £
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations	1	570,145	325,000	895,145	714,037	—	714,037
Other trading activities	2	259,766	—	259,766	123,240	—	123,240
Investment income	3	30,986	—	30,986	8,592	—	8,592
Other income	4	3,116	—	3,116	—	—	—
<b>Total income</b>		<b>864,013</b>	<b>325,000</b>	<b>1,189,013</b>	<b>845,869</b>	<b>—</b>	<b>845,869</b>
<b>Expenditure on:</b>							
Raising funds	5	295,530	—	295,530	188,928	—	188,928
Charitable activities	6	511,786	325,000	836,786	978,935	120,000	1,098,935
<b>Total expenditure</b>		<b>807,316</b>	<b>325,000</b>	<b>1,132,316</b>	<b>1,167,863</b>	<b>120,000</b>	<b>1,287,863</b>
<b>Net income (expenditure) and net movement in funds</b>	8	<b>56,697</b>	<b>—</b>	<b>56,697</b>	<b>(321,994)</b>	<b>(120,000)</b>	<b>(441,994)</b>
<b>Transfer between funds</b>	19	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Reconciliation of funds:</b>							
Balances brought forward at 1 April 2022		<b>1,799,697</b>	<b>—</b>	<b>1,799,697</b>	<b>2,121,691</b>	<b>120,000</b>	<b>2,241,691</b>
<b>Funds balances carried forward at 31 March 2023</b>	16	<b>1,856,394</b>	<b>—</b>	<b>1,856,394</b>	<b>1,799,697</b>	<b>—</b>	<b>1,799,697</b>

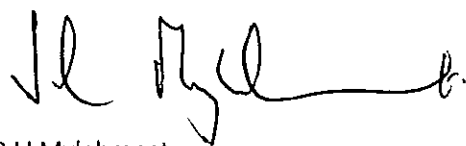
All of the above results are derived from continuing activities.

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

# Balance Sheet at 31 March 2023

	Notes	2023 £	2022 £
Fixed Assets	11	1,326	1,827
Current assets			
Debtors: amounts falling due after one year	12	263,300	170,000
Debtors: amounts falling due within one year	12	498,923	368,883
Investments	13	425,604	1,065,000
Cash at bank and in hand		2,030,468	1,281,128
		<u>3,218,295</u>	<u>2,885,011</u>
Liabilities			
Creditors: amounts falling due within one year	14	(1,363,227)	(1,087,141)
Net current assets		<u>1,855,068</u>	<u>1,797,870</u>
Total net assets		<u>1,856,394</u>	<u>1,799,697</u>
The funds of the charity:			
Restricted funds	16	—	—
Unrestricted funds:	17		
Designated funds		1,470,426	1,228,054
General funds		385,967	571,643
		<u>1,856,394</u>	<u>1,799,697</u>

Approved by the trustees and signed on their behalf:



6/7/23

J R H Mylchreest  
Chairman of the Board of Trustees

Company Registration Number: 09788534 (England and Wales)

## Statement of Cash Flows for the year ending 31 March 2023

	Notes	Year ended 31 March 2023 £	Year ended 31 March 2022 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	A	79,253	166
Net cash provided by/(used in) investing activities	B	670,087	(544,420)
<b>Change in cash and cash equivalents in the year</b>		<b>749,340</b>	<b>(544,254)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>1,281,128</b>	<b>1,825,382</b>
<b>Cash and cash equivalents at 31 March 2023</b>	C	<b>2,030,468</b>	<b>1,281,128</b>

Notes to the statement of cash flows for the year to 31 March 2023.

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

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>56,697</b>	<b>(441,994)</b>
<b>Adjustments for:</b>		
(Increase)/decrease in debtors	(223,340)	174,300
Increase in creditors	276,086	275,103
Depreciation	796	1,349
Investment income	(30,986)	(8,592)
<b>Net cash provided by operating activities</b>	<b>79,253</b>	<b>166</b>

### B. Cash flows from investing activities

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Purchase of fixed assets	295	(1,961)
Sale/(Purchase of) current asset investments	638,806	(551,051)
Bank interest received	30,986	8,592
<b>Total cash flows from investing activities</b>	<b>670,087</b>	<b>(544,420)</b>

### C. Analysis of cash and cash equivalents

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Cash at bank and in hand	2,030,468	1,281,128
<b>Total cash and cash equivalents</b>	<b>2,030,468</b>	<b>1,281,128</b>

## Principal Accounting Policies at 31 March 2023

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

### Basis of preparation

These financial statements have been prepared for the year ended 31 March 2023. Comparative information is provided for the year ended 31 March 2022.

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

### Critical accounting estimates and areas of judgement

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

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

- ◆ Assessing the probability of receipt of income from fundraising events and donations pledged but not received;
- ◆ Allocation of support and governance costs;
- ◆ Grant commitments payable in the financial year;
- ◆ Estimation of the value of donated gifts and services in kind; and
- ◆ Assessing depreciation rates.

### Assessment of going concern

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

The trustees have reviewed the charity's cashflow and reserves position in relation to research commitments and operating overheads. Assuming a worst case scenario of the charity still being restricted on certain fundraising activities, there are sufficient reserves to meet all outstanding research commitments and the charity's operating overheads for at least 6 months as at July 2023.

## Principal Accounting Policies at 31 March 2023

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

### Income recognition

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

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

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

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

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

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

In line with Charities SORP FRS 102 volunteer time is not recognised and accounted for.

### Resources expended

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

All expenditure is accounted for on an accrual basis.

All expenditure is stated inclusive of VAT.



## Principal Accounting Policies at 31 March 2023

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

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

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

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

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

### **Tangible fixed assets**

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

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

- ◆ Computer equipment      4 years
- ◆ Fixtures and fittings      4 years

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

### **Debtors**

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

### **Current asset investments**

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

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

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

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **Leases**

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

### **Pension scheme**

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

### **Fund accounting**

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund. Unrestricted funds are donations and other income received or generated for the charitable purposes. Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1. Income from donations

	Unrestricted £	Restricted £	2023 Total £
Trusts and Foundations	58,489	325,000	383,489
Corporate donations	26,624	—	26,624
Individual donations	484,682	—	484,682
Gifts and services in kind	350	—	350
<b>2023 total funds</b>	<b>570,145</b>	<b>325,000</b>	<b>895,145</b>

	Unrestricted £	Restricted £	2022 Total £
Trusts and Foundations	47,000	—	47,000
Corporate donations	480	—	480
Individual donations	606,712	—	606,712
Gifts and services in kind	59,845	—	59,845
<b>2022 total funds</b>	<b>714,037</b>	<b>—</b>	<b>714,037</b>

2. Income from other trading activities

	Unrestricted £	Restricted £	2023 Total £
Fundraising events	259,766	—	259,766
<b>2023 total funds</b>	<b>259,766</b>	<b>—</b>	<b>259,766</b>

	Unrestricted £	Restricted £	2022 Total £
Fundraising events	123,240	—	123,240
<b>2022 total funds</b>	<b>123,240</b>	<b>—</b>	<b>123,240</b>

### 3. Income from Investment activities

	Unrestricted £	Restricted £	2023 Total £
Bank interest received	30,986	—	30,986
<b>2023 total funds</b>	<b>30,986</b>	<b>—</b>	<b>30,986</b>

	Unrestricted £	Restricted £	2022 Total £
<i>Bank interest received</i>	<i>8,592</i>	<i>—</i>	<i>8,592</i>
<i>2022 total funds</i>	<i>8,592</i>	<i>—</i>	<i>8,592</i>

### 4. Other Income

	2023 £	2022 £
Business Rates Refund	3,096	—
General Operations	20	—
	<b>3,116</b>	<b>—</b>

### 5. Expenditure on raising funds

	Unrestricted £	Restricted £	2023 Total £
Cost of fundraising events	74,019	—	74,019
Support costs (note 7)	72,905	—	72,905
Staff costs (note 9)	148,606	—	148,606
<b>2023 total funds</b>	<b>295,530</b>	<b>—</b>	<b>295,530</b>

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2022</i> <i>Total</i> £
<i>Cost of fundraising events</i>	44,816	—	44,816
<i>Support costs (note 7)</i>	21,434	—	21,434
<i>Staff costs (note 9)</i>	122,678	—	122,678
<b><i>2022 total funds</i></b>	<b><i>188,928</i></b>	<b><i>—</i></b>	<b><i>188,928</i></b>

## 6. Expenditure on charitable activities

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2023</i> <i>Total</i> £
<i>Staff costs (note 9)</i>	150,187	—	150,187
<i>Research expenditure:</i>			
<i>Imperial College grants</i>	175,533	175,000	350,533
<i>King's College grants</i>	18,284	150,000	168,284
<i>Queen Mary University London grant</i>	25,000	—	25,000
<i>Medical Research Council grants</i>	45,254	—	45,254
<i>Action Medical Research grants</i>	34,163	—	34,163
<i>Support costs (note 7)</i>	63,365	—	63,365
<b><i>2023 total funds</i></b>	<b><i>511,786</i></b>	<b><i>325,000</i></b>	<b><i>836,786</i></b>

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2022</i> <i>Total</i> £
<i>Staff costs (note 9)</i>	169,871	—	169,871
<i>Research expenditure:</i>			
<i>Imperial College grants</i>	386,749	60,000	446,749
<i>Chelsea &amp; Westminster Healthcare Charity grants</i>	15,979	—	15,979
<i>King's College grants</i>	292,738	60,000	352,738
<i>Queen Mary University London grant</i>	14,583	—	14,583
<i>Support costs (note 7)</i>	99,015	—	99,015
<b><i>2022 total funds</i></b>	<b><i>978,935</i></b>	<b><i>120,000</i></b>	<b><i>1,098,935</i></b>

## 7. Support costs

	Expenditure on Raising Funds £	Charitable Activities £	2023 Total £
Recruitment costs and staff welfare	12,378	27,959	40,337
General administrative expenses	8,049	8,201	16,250
Marketing and publicity expenses	672	—	672
Fundraising expenses	24,174	—	24,174
Professional fees	—	4,698	4,698
Office rental	5,968	6,032	12,000
Consultancy	21,568	7,751	29,319
Pension fees	96	96	192
Legal advice	—	350	350
Governance costs: Auditor's remuneration	—	8,278	8,278
<b>2023 total funds</b>	<b>72,905</b>	<b>63,365</b>	<b>136,270</b>

	Expenditure on Raising Funds £	Charitable Activities £	2022 Total £
Recruitment costs and staff welfare	537	243	780
General administrative expenses	6,819	9,442	16,261
Marketing and publicity expenses	1,473	—	1,473
Professional fees	—	6,918	6,918
Office rental	5,703	7,897	13,600
Consultancy	6,821	6,821	13,642
Pension fees	81	111	192
Legal advice	—	59,845	59,845
Governance costs: Auditor's remuneration	—	7,738	7,738
<b>2022 total funds</b>	<b>21,434</b>	<b>99,015</b>	<b>120,449</b>

## 8. Net income before transfers

This is stated after charging:

	2023 £	2022 £
Auditor's remuneration:		
Audit for current year	8,265	7,725
Audit for prior year	13	13
	<b>8,278</b>	<b>7,738</b>

## 9. Staff costs and numbers and remuneration of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	254,183	250,568
Staff benefits	8,041	7,081
Social security costs	25,891	25,205
Pension contributions	10,678	9,695
	<b>298,793</b>	<b>292,549</b>

During the year, one employee earned between £100,000 and £110,000 (2022 – one employee).

The average number of employees was as follows:

	Average 2023	Average 2022
Raising funds	3.0	3.0
Charitable activities	1.0	1.0
Central support	1.0	1.0
	<b>5.0</b>	<b>5.0</b>

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees, the Chief Operating Officer and Director of Fundraising.

The total remuneration (including taxable benefits and employer's national insurance) of the key management personnel for the year was £190,301 (2022 – £186,102). No trustees received any remuneration for their services as a trustee. Expenses of £42 (2022 – £179) were reimbursed to the trustees.

## 10. Taxation

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

# 11. Tangible fixed assets

	Office Equipment £	Total £
<b>Cost</b>		
At 1 April 2022	9,077	9,077
Additions	295	295
<b>At 31 March 2023</b>	<b>9,372</b>	<b>9,372</b>
<b>Depreciation</b>		
At 1 April 2022	7,250	7,250
Charge for the year	796	796
Disposals	—	—
<b>At 31 March 2022</b>	<b>8,046</b>	<b>8,046</b>
<b>Net book value</b>		
At 31 March 2022	1,827	1,827
<b>At 31 March 2023</b>	<b>1,326</b>	<b>1,326</b>

# 12. Debtors

	2023 £	2022 £
Other debtors	2,000	2,000
Prepayments	29,030	27,887
Accrued income	731,193	508,996
	<b>762,223</b>	<b>538,883</b>
	2023 £	2022 £
Due within one year	498,923	368,883
Due after one year	263,300	170,000
	<b>762,223</b>	<b>538,883</b>



**13. Current asset investments**

	2023 £	2022 £
Bank deposit accounts	425,604	1,065,000
	<b>425,604</b>	<b>1,065,000</b>

**14. Creditors: amounts falling due within one year**

	2023 £	2022 £
Trade creditors	24,553	1,419
Grants payable	1,317,663	1,040,847
Taxation and social security	4,626	—
Other creditors	1,581	1,533
Accrued costs	14,804	25,342
Deferred income	—	18,000
	<b>1,363,227</b>	<b>1,087,141</b>

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

Name of Institution	Purpose	Accrual as at 1 April 2022 £	New Grant Expenditure /Awards £	Costs Paid £	Total Accrual 2023 £
Imperial College	PhD studentships	92,560	(1,055)	(91,505)	—
Imperial College	Lecturer and PhD studentship	130,430	94,519	(121,464)	103,485
Imperial College	Studentship	30,722	16,454	(21,022)	26,154
Imperial College	BUMP feasibility study	333,333	166,593	(13,357)	486,569
Imperial College	PROMPT project grant	—	73,286	—	73,286
Action Medical Research	Research grants	67,076	34,163	(28,516)	72,723
King's College	Project grant	38,810	1,617	(16,171)	24,256
King's College	BUMP feasibility study	333,333	166,667	(53,647)	446,353
Queen Mary University	Pilot grant	14,583	25,000	—	39,583
Medical Research Council	CRTF grant	—	45,254	—	45,254
		<b>1,040,847</b>	<b>622,498</b>	<b>(345,682)</b>	<b>1,317,663</b>

# Notes to the Financial Statements at 31 March 2023

<i>Name of Institution</i>	<i>Purpose</i>	<i>Accrual as at 1 April 2021 £</i>	<i>New Grant Expenditure /Awards £</i>	<i>Costs Paid £</i>	<i>Total Accrual 2022 £</i>
<i>Imperial College</i>	<i>Core grant</i>	128,426	(20,159)	(108,267)	—
<i>Imperial College</i>	<i>PhD studentship</i>	202,945	26,881	(137,266)	92,560
<i>Imperial College</i>	<i>The Robert McAlpine studentship award</i>	27,478	—	(27,478)	—
<i>Imperial College</i>	<i>Lecturer and PhD studentship</i>	152,024	65,339	(86,933)	130,430
<i>Imperial College</i>	<i>Studentship</i>	—	30,722	—	30,722
<i>Imperial College</i>	<i>BUMP feasibility study</i>	—	333,333	—	333,333
<i>Chelsea &amp; Westminster</i>	<i>Research midwives</i>	83,399	15,979	(99,378)	—
<i>Action Medical Research</i>	<i>Research grants</i>	122,134	—	(55,058)	67,076
<i>King's College</i>	<i>Project grants</i>	19,405	19,405	—	38,810
<i>King's College</i>	<i>BUMP feasibility study</i>	—	333,333	—	333,333
<i>Queen Mary University</i>	<i>Pilot grant</i>	—	14,583	—	14,583
		<u>735,811</u>	<u>819,416</u>	<u>(514,381)</u>	<u>1,040,847</u>

## 15. Analysis of net assets between funds

	<i>Restricted Funds £</i>	<i>Designated Funds £</i>	<i>General Funds £</i>	<i>Total Funds 2023 £</i>
<i>Fixed assets</i>	—	—	1,326	1,326
<i>Net current assets</i>	—	1,470,426	384,642	1,855,068
<b><i>Net assets at the end of the year</i></b>	<u>—</u>	<u>1,470,426</u>	<u>385,968</u>	<u>1,856,394</u>

	<i>Restricted Funds £</i>	<i>Designated Funds £</i>	<i>General Funds £</i>	<i>Total Funds 2022 £</i>
<i>Fixed assets</i>	—	—	1,827	1,827
<i>Net current assets</i>	—	1,228,054	569,816	1,797,870
<b><i>Net assets at the end of the year</i></b>	<u>—</u>	<u>1,228,054</u>	<u>571,643</u>	<u>1,799,697</u>

## 16. Restricted funds

## Notes to the Financial Statements at 31 March 2023

	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
The Sackler Trust	—	300,000	(300,000)	—
The George Goodsir Charitable Trust	—	25,000	(25,000)	—
<b>Total restricted funds</b>	<b>—</b>	<b>325,000</b>	<b>(325,000)</b>	<b>—</b>

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
ICAP	120,000	—	(120,000)	—
<b>Total restricted funds</b>	<b>120,000</b>	<b>—</b>	<b>(120,000)</b>	<b>—</b>

The Sackler Trust donation was committed to fund the BUMP feasibility studies awarded to Imperial College London and King's College London, which commenced in 2022.

The George Goodsir Charitable Trust donation was committed to fund Dr Brendan Browne's research project: The origins of labour, which commenced in late 2020.

### 17. Designated funds

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

	At 1 April 2022 £	Designated in the year £	Utilised £	At 31 March 2023 £
Imperial College London	399,353	135,631	(350,852)	184,132
Action Medical Research	250,000	94,532	(34,163)	310,369
King's College London	168,284	—	(168,284)	—
Medical Research Council	375,000	135,762	(45,254)	465,508
Queen Mary University	35,417	—	(25,000)	10,417
BUMP Project – 2 <sup>nd</sup> Phase	—	500,000	—	500,000
<b>Total designated funds</b>	<b>1,228,054</b>	<b>865,925</b>	<b>(623,553)</b>	<b>1,470,426</b>

	At 1 April 2021 £	Designated in the year £	Utilised £	At 31 March 2022 £
<i>Imperial College London</i>	800,829	34,639	(436,115)	399,353
<i>Action Medical Research</i>	250,000	250,000	—	250,000
<i>King's College London</i>	168,284	250,000	(352,738)	168,284
<i>Medical Research Council</i>	375,000	—	—	375,000
<i>Queen Mary University</i>	35,417	50,000	(14,5383)	35,417
<i>Total designated funds</i>	<u>1,462,830</u>	<u>584,639</u>	<u>(819,415)</u>	<u>1,228,054</u>

To allocate research grants to the relevant bodies, Borne must demonstrate that the full research costs could be covered by the organisation. Our practice is to hold in designated funds the amount needed to cover the research grants for the year ahead. The intention is to fundraise for the full amount with the designated reserves rolling over to the subsequent year to provide a foundation for continued neonatal research.

The Imperial College designated fund is for grants that have been committed to Imperial College between 2024 and 2026. At the year end, the charity agreed the grants payable to Imperial College within the next year (note 14) but has committed to fund a further £184,132 of grants (£121,787 for the lecturer & PhD studentship award, and £62,345 for the project grant 'PROMPT') between 2024 and 2026.

The Action Medical Research designated fund is for joint awards (50:50) that have been committed to organisations between 2024 and 2027. At the year end, the charity agreed the grants payable to Action Medical Research within the next year (note 14) but has committed to fund a further £310,369 of grants (£68,324 – Dr Male's study, £123,716 – Professor Shennan's study and £118,329 – Professor Waddington's study) between 2024 and 2027.

The UKRI Medical Research Council (MRC) designated fund (£375,000) is for Borne's portion (50:50) of a Clinical Research Training Fellowship (CRTF) award and a Career Development Award (CDA) for a post-doctoral scientist transitioning to independence in our area of scientific interest. During the year, Borne and the MRC also jointly awarded a Clinical Training Research Fellowship to Dr Shreya Sheth. At the year end, the charity agreed the grant payable to the MRC within the next year (note 14) but has committed to fund a further £90,508 between 2024 and 2026.

The Queen Mary University award funds a pilot study looking to test the components that drive placental inflammation response. At the year end, the charity agreed the grant payable to Queen Mary University within the next year (note 14) but has committed to fund a further £10,417 between 2024 and 2025.

In the year, the charity designated £500,000 to fund the next phase of the Borne Uterine Mapping Project (BUMP), following the expected completion of the feasibility study phases towards the end of 2024. The £500,000 is the first designation of funds towards the £3m or more needed to be raised before the charity can fully commit to the next phase of the project.

**18. Designated commitments**

In addition to the grant creditors disclosed in note 13, the charity has the following grant commitments as at 31 March 2023:

	2023 £	2022 £
Imperial College London	184,132	399,353
King's College London	—	168,284
Queen Mary University London	10,417	35,417
Action Medical Research	310,369	—
Medical Research Council	90,508	—
<b>Total commitments</b>	<b>595,426</b>	<b>603,054</b>
	2022 £	2021 £
Imperial College London	399,353	300,829
Chelsea & Westminster	—	15,979
King's College London	168,284	21,022
Queen Mary University London	35,417	—
Medical Research Council	—	—
<b>Total commitments</b>	<b>603,054</b>	<b>337,830</b>

Further details of these grant commitments are included in note 16.

**19. Analysis of movement between funds**

	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
Restricted funds	—	325,000	(325,000)	—
Unrestricted funds	1,799,697	864,013	(807,316)	1,856,394
<b>Total funds</b>	<b>1,799,697</b>	<b>1,189,013</b>	<b>(1,132,316)</b>	<b>1,856,394</b>
	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
Restricted funds	120,000	—	(120,000)	—
Unrestricted funds	2,121,691	788,470	(1,110,464)	1,799,697
<b>Total funds</b>	<b>2,241,691</b>	<b>788,470</b>	<b>(1,230,464)</b>	<b>1,799,697</b>

**20. Related party transactions**

During the year, trustees made donations under the terms of Foundation donor and other long-term agreements of £50,000 (2022 – £50,000), plus other donations and contributions to fundraising events totalling £19,658 (2022 – £19,867).

At the year end, there were £295,000 (2022 – £195,000) in the debtor ledger for multi-year gift commitments by trustees, of which £195,000 (2022 – £155,000) is due within one year and £100,000 (2022 – £40,000) is due after one year.