



Action Against Age-Related Macular Degeneration

**Report and Accounts for year ended
31st March 2021**

Registered office: 12-14 Harcourt Street, London, W1H 4HD.

Registered Charity Numbers:

England and Wales: 1170224

Scotland: SC048549

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Trustees and Advisers

Trustees

- Dr Ian Campbell PhD – Elected on 8th October 2020
- Nick Caplin CB - Re-elected on 12th January 2021
- Professor Sir Colin Blakemore – Re-elected on 21st September 2020
- Rob Bryan (Chair) – Re-elected on 21st September 2020
- Mark O'Donnell - Re-elected on 12th January 2021
- Dr Ton Rijnders
- Cathy Yelf - Re-elected on 12th January 2021
- Sherine Krause - Resigned on 20th October 2020

Auditor

Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW

Legal Advisers

BPE Solicitors LLP, St James House, St James Square, Cheltenham, GL50 3PR

Bankers

Barclays Bank PLC, 1 Churchill Place, London, E14 5HP

Report of the Trustees for the period ended 31st March 2021

The Trustees present their report with the accounts of Action Against Age-Related Macular Degeneration ('AAAMD') for the period ended 31st March 2021. The Charity accounts comply with the Statement of Recommended Practice (SORP) issued in 2015, other current statutory requirements, and the requirements of the Trust Deed.

The information set out on page 3 also forms part of this report.

Structure, Governance and Management

The Charity was incorporated as a Foundation model constitution Charitable Incorporated Organisation on 16th November 2016. This was amended to an Association model constitution on 21st September 2018 and included provisions for the appointment of two additional Trustees bringing the maximum number of Trustees allowed to eight.

Sherine Krause, Chief Executive of Fight for Sight resigned as a Trustee on 20th October 2020. The Trustees thank Sherine, and her colleagues at Fight for Sight which in November 2020 completed its funding commitment to help establish the Charity and our mission to stop people from losing their sight to AMD. AAAMD and Fight for Sight continue to liaise and work together on sight loss related issues.

The Trustee board is now comprised of seven people.

There are three representatives of our 'Governing Charities'; sight loss charities that helped fund our start-up operations in 2016. These are Nick Caplin CB, CEO of Blind Veterans UK, Mark O'Donnell, CEO of Sight Scotland Veterans and Cathy Yelf, CEO of Macular Society.

AAAMD also has four Independent Trustees: Rob Bryan - the Chair of the Trustees and equity partner at BPE Solicitors LLP; Professor Sir Colin Blakemore - Yeung Kin Man Chair Professor of Neuroscience, Hong Kong Institute for Advanced Study, City University of Hong Kong; and Dr Ton Rijnders – an independent consultant in pharma and public private partnerships based in the Netherlands. During the year the Trustees, in accordance with the Constitution, unanimously approved the re-election of Rob Bryan and Colin Blakemore as Trustees on 21st September 2020. The Trustees also decided to seek an additional Trustee with particular skills, knowledge and experience that would also assist with AAAMD's trading subsidiary and development plans. In accordance with the Eligibility for Trusteeship rules in AAAMD's Constitution the Board unanimously approved the appointment of Dr Ian Campbell, Chief Business Officer of LifeArc on 8th October 2020.

On 31st March 2021 AAAMD employed one full time staff member: Dr Wen Hwa Lee as Chief Executive Officer and Chief Scientist. AAAMD also uses the services of part time consultants including Benedict Kelly (as Chief Operating Officer), Jesse Coker (as Science and Strategy Associate), Dr Juliana Bertazzo (as Strategy Co-ordinator) and Dr Ellie Williams (as Public and Patient Involvement and Engagement Co-ordinator). In addition, Nupur Patel (as an independent consulting accountant) is the Finance Manager. Nupur is also Head of Finance at Blind Veterans UK from which she leads the pro bono finance services kindly provided by Blind Veterans UK to AAAMD. Other specialist consultants are used as and when necessary.

The remuneration of key management personnel are benchmarked against market rates for similar sized organisations. Salaries and fees reflect the responsibilities and experience of the relevant team member and any increases are approved by the Board.

Objectives and Activities

The main objective of Action Against AMD is for the public benefit, the advancement of health by research into the nature, causes, diagnosis, prevention, treatment and cure of age-related macular degeneration, including but not limited to the development of research into practical application for the prevention, treatment and cure of Age-related Macular Degeneration (AMD).

AAAMD's mission is to create convenient, affordable and accessible solutions that stop Age-Related Macular Degeneration in its early stages before it causes sight loss.

AMD destroys central vision, leaving a person unable to read, drive, or recognise faces. It can lead to poorer general health and is often associated with falls, and has a significant impact on mental health, including social isolation, loneliness, and depression.

AMD is one of the leading causes of blindness in the world. Around 10 million people have late-stage AMD globally. It is the most common cause of sight loss in the developed world. With world populations ageing, AMD cases are expected to double by 2040.

To date, only patients with the wet form of AMD (around 1 in every 10 people diagnosed with AMD) can be treated with regular injections of a drug into the eyeball. There are currently no treatments for the remaining patients with the dry form of AMD, nor are there any approved medicines to stop early AMD from progressing into late stages.

With an increasing ageing patient population, the time to act is now to find a convenient, affordable and accessible solution that can be used by all so no patient is left behind.

Although the late forms of AMD are well-characterised, the underlying causes of AMD are still unknown. Recent discoveries from basic science suggest that there might be multiple causes or even sub-types of AMD, and the mechanisms in early and late stages of AMD may well be different.

Action Against AMD will be working with multiple stakeholders to increase investments and drive research to bring interventions for early AMD. This will include both traditional sectors such as academia, pharmaceuticals, clinicians, policy makers and regulators, as well as emerging sectors such as data industry.

In summary AAAMD acts as:

- A catalyst for effective collaboration between industry, academia, government, research councils and foundations
- A facilitator of research and development funding
- A driver in building a pipeline of therapeutic approaches which will be in early-stage clinical trials by 2028
- An expert thought-leader on AMD, from patient need to research and development.

Assessment of public benefit

The Trustees have complied with the duty in Part 1 Chapter 1 s4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. The main objective of AAAMD is for the public to benefit through the advancement of health by research.

AMD is one of the leading causes of blindness in the world. In the UK alone, there are more than 685,000 people with significant sight loss as a consequence of late-stage AMD. With an ageing population, it is anticipated that the number of people losing sight due to AMD and all the associated burden on healthcare, social care and economics will experience a very significant increase. Currently, there is only one known

treatment option, which is only suitable for a very small proportion of patients and only at the late stages of the wet form of the disease.

The public benefit derived from stopping this sight loss epidemic would be a major accomplishment.

The Trustees continue to focus the Charity's aims and objectives and plan future activities to further the possibility of achievement of this public benefit.

Achievements and Performance

During the period to 31 March 2021, AAAMD has continued driving initiatives started during previous periods as well as engaging in new initiatives – all aligned with our strategy set out in 2019, focused on data initiatives and repurposing.

In fact, during 2020, the COVID pandemic have validated how approaches similar to ours proved to be critical in quickly learning about the nature of the pandemics (through speedy and responsible sharing of data) and fast identification of existing drugs – e.g. dexamethasone - to dramatically lower the death rate among patients admitted to ICUs (through drug repurposing trials e.g. Oxford's RECOVERY trial).

1. Data initiatives

In contrast with late stages of AMD, earlier AMD is more difficult to classify, as there are conflicting views on features used for existing classification. Moreover, most of classification rely heavily on fundus photography, and presence and features of drusen (small yellow deposits of fatty proteins/ lipids that accumulate under the retina).

The existence of OCT scanners (Optical Coherence Tomography) and its fast-paced technological evolution has recently led to rapidly decreasing costs and higher data quality.

In addition to flat images from fundus photography (surface of retina), OCT scans generate 3D volumes, microscopically imaging many layers of cell underneath the surface of the retina.

Taken together, these digital datasets present an unprecedented opportunity to add completely new dimensions in the search for novel markers of early AMD.

Additionally, potential new markers might also offer ways to track progression towards the sight loss stages – which we can use and work together with in defining clinical endpoints for early AMD. This would ultimately help researchers to quickly and efficiently determine the effectiveness of any new treatment.

AAAMD has been working with various partners aiming at making anonymised, large-scale ophthalmic data available for patient-focussed research, under transparent and ethical governance on the use of such data.

Uniting health data for discoveries

Action Against AMD is a partner alongside University Hospitals Birmingham, Moorfields Eye Hospital, University of Birmingham, Roche and Google, in establishing INSIGHT - the Health Data Research Hub for Eye Health.

INSIGHT is using the latest digital tools to make existing datasets accessible, bringing scale and efficiency to the collection and curation of anonymised data, and accelerating the benefit to patients. It is part of the HDR UK – the national institute for health data science, uniting the UK's health data to enable discoveries that improve people's lives.

Building trust in data governance with patients and public

Involving the public, patients, and other stakeholders in deciding how ophthalmic data is shared and used is absolutely paramount. Action Against AMD has been working with the Open Data Institute (ODI) to explore the best ways to create a transparent, ethical, and inclusive framework.

This builds on ODI's experience and interest in empowering people to play a more active role in data stewardship – collecting, maintaining, and sharing data, and in particular, determining who has access to it, for what purpose and to whose benefit. INSIGHT's Data Trust Advisory Board (DataTAB) is one of the projects we have been developing with ODI to bring patients and public into governance and decision making on appropriate use of data.

2. Repurposing initiatives

Another aspect of AAAMD's research efforts includes drug repurposing research to determine whether any existing medicines for other conditions might also be effective in AMD – more specifically in either preventing or slowing progression of the disease.

Drug repurposing (also called drug repositioning, reprofiling or re tasking) is a strategy that identifies new uses for approved or investigational drugs outside the scope of the original medical indication. This is possible because human biology is built on a network of biological pathways, and rather frequently, a single pathway can be involved in more than one disease manifestation – thus if one drug can modulate a pathway for one disease, it can potentially have effects in other diseases.

Advantages of repurposing include the ability to fast-track the very costly earlier stages of drug discovery (financially and timewise), as well as tapping into drugs which are already proven to be safe and, in some cases, off-patent which might facilitate quicker and cheaper access.

AAAMD is working with the University of Birmingham using different strategies including validation of hypotheses generated by previous work and an exploratory protocol to identify additional repurposing drug candidates for AMD:

- On 15th January 2020 AAAMD started a pharmaco-epidemiology Collaborative Agreement with the University of Birmingham, aimed at validating outputs from AAAMD's previous collaboration with Benevolent AI to identify repurposable drugs for use in AMD. This was funded by a restricted grant totalling £91,000 from the Macular Society.
- On 10th February 2021 AAAMD and University of Birmingham initiated a new project, using historical anonymised primary health care data to explore whether the incidence of AMD is lower in groups which have taken certain medicines compared to those who have not (carefully adjusted for multiple influencing or confounding factors). This will be funded by a £46,900 grant award from the UK SPINE Knowledge Exchange Fund, a national network of research & clinical collaborators developing new medicines in healthy ageing.

3. Foresight Research Limited and Charitech®

A paradigm shift is needed to enable medical research charities with focused goals, like AAAMD, to quickly work towards its objectives, whilst establishing sustainable and stable revenue streams which are on-mission. AAAMD has designed a new hybrid framework, combining the ethos and direction of a Charity with the nimbleness of a Biotech start-up – to create the concept of a Charitech®. We define Charitech® as any trading subsidiary which is owned or controlled by a Holding Charity, which sets its

goals. A Charitech® will always undertake activities which are fully aligned with the Holding Charity's mission. Whilst trading, a Charitech® can generate profits, some which can then be reverted to the Holding Charity to be used to fund more on-mission activities – thus establishing a virtuous cycle. AAAMD is now developing its own Charitech®, Foresight Research Limited, into a sustainable endeavour and aligned with our mission and to complement our scientific strategy.

This new model has attracted significant attention from international organisations, such as the independent economic think tank The Milken Institute, based in Santa Monica, California. In April 2020, Milken Institute's FasterCures Centre has selected our CEO to join the inaugural cohort of five foundation CEOs in their LeadersLink Programme, from a pool of international candidates.

Financial Review

During the year end 31st March 2021 AAAMD received the final financial commitments totalling £150,000 from the four sight loss charities that helped fund AAAMD's start-up operations in 2016. In addition, the second tranche of £100,000 from the £250,000 Clothworkers' Foundation grant was received. The final £50,000 of this grant is due in January 2022. We are very grateful to our founder charities and to The Clothworkers' Foundation for these grants which have enabled AAAMD to have a continuing solid financial position so as to be able to continue with its mission.

The AAAMD team was also aided in its work with *pro bono* assistance from the four charities in areas including finance, fundraising, marketing, communications, office space and IT. The Trustees are grateful for this continued support and spirit of collaboration.

On 30th November 2020 AAAMD and the Macular Society entered into a formal fundraising collaboration agreement. This has assisted the AAAMD team with significant external fundraising resources and both parties are working well together. The financial benefit from this collaboration has already led to grant money being received by AAAMD in the current financial year 2021/22. Other fundraising initiatives and discussions with potential donors are actively pursued.

The commencement of fundraising activity for Foresight Research Limited and the Charitech® initiative is expected to benefit AAAMD's financial position once trading commences in the coming periods.

AAAMD had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Reserve Policy

At 31st March 2021 total reserves were £333,655. This comprises of £100,406 as restricted and £233,249 as unrestricted. This compares to total unrestricted reserves at 31st March 2020 of £435,111.

AAAMD's reserve policy is set at six months of expected core cost expenditure, for 2020/2021 this has been calculated at £190,000. Current free reserves are above the six months target for core cost expenditure in 2020/2021. This is due to the unused remaining funds received from the four founder charities as well as the benefit of The Clothworkers' Foundation grant and collaboration with the Macular Society mentioned above.

Cash reserves are invested in bank deposits and are currently with Barclays.

The AAAMD Board and its Audit & Risk Committee regularly reviews the AAAMD Budget and a sensitivity analysis on expected income. A Going Concern analysis, which included variations to both income and cost expectations, concluded that AAAMD was in a position to continue as a Going Concern. AAAMD has at least twelve months of resources to continue to operate in line with actual and budgeted income and costs.

Principle Risks and Uncertainties

The Trustees regularly review and discuss the AAAMD Risk Register. The main areas of risk and how the Trustees are managing them are as follows:

a) Failure to achieve key objective of at least a therapeutic drug entering clinical trials by June 2028

This is an ambitious objective with potentially a very high medical and social impact. Although the scientific uncertainties are not controllable, the Trustees have agreed target milestones and all projects pursued will be relevant and focussed. The Scientific Advisory Board and new appointment of a business development focussed Trustee, Dr Ian Campbell, will both help to understand and reduce some of the risks.

b) Reputational damage

AAAMD aims to strengthen unmet early AMD research needs, bottlenecks and gaps, including the use of artificial intelligence and anonymised health data. The mindset of the Trustees, employees and consultants includes focusing on processes to ensure transparent and effective governance. This will encompass AAAMD as well as any trading subsidiaries. The development of AAAMD's Charitech® model is expected to attract strong social impact investor attention. The Trustees are cognisant that the use of trading subsidiaries needs to be carefully managed so as not to adversely affect the integrity of AAAMD. There will be an increased use of external communications to protect and enhance AAAMD's good reputation.

c) The failure to secure long term financial sustainability to cover core costs, research project and trading subsidiary funding

AAAMD has developed good relations and secured funds from a variety of donors and public bodies. The Trustees and AAAMD's team are confident that they will be able to continue their strategy of pursuing and securing similar levels of funding. The amount of AAAMD team fundraising resources has been increased and there is a new focus on trading subsidiary fundraising which, once successfully established and solvent, can contribute towards AAAMD's costs.

The COVID-19 pandemic

The majority of AAAMD's expertise base and strategic efforts are not directly transferable to address COVID-19 research.

Most of the work carried out by the team is desk-based and so there is little impact from working from home. Accordingly, one direct result of the pandemic has been that having a London based office is not absolutely necessary for AAAMD. Accordingly, in December 2020, an office space agreement was terminated with Fight for Sight who were kindly, on a pro bono basis, hosting us in a room in their London office.

The core AAAMD research activities have not been severely impacted by COVID-19 related disruptions. However, our fundraising efforts have been limited by the inability to be able to physically meet potential funders. Securing a video conference is usually much less productive than face to face human interaction. As lockdown restrictions continue to unwind the team expect the fundraising environment to become less restrictive and more productive.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial period in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity 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 Charity and of its net incoming/outgoing resources 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 of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor for the next financial year.

Approved by the Trustees and signed on their behalf by



Trustee

1st July 2021

Independent Auditor's Report to the Trustees of Action Against Age-Related Macular Degeneration

Opinion

We have audited the financial statements of Action Against Age-Related Macular Degeneration ('the Charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including 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 charity's affairs as at 31 March 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 charity 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 trustee's 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in

our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Employment and Taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to

enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within recognition of grant income and expenditure and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, testing the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

1 July 2021

[Crowe U.K. LLP is eligible for appointment as auditor of the charity under regulation 10(2) of the Charities Accounts (Scotland) Regulations by virtue of its eligibility under section 1212 of the Companies Act 2006.]

Statement of Financial Activities

Statement of Financial Activities for year ended 31 March 2021

| | Notes | Restricted Funds £ | Unrestricted Fund £ | 2021 Charity £ | 2020 Charity £ |
|------------------------------------|----------|-----------------------|------------------------|-------------------|-------------------|
| Income from: | | | | | |
| Donations and Grants | | | | | |
| Donations | 2 | - | 15,742 | 15,742 | 19,304 |
| Grants | 2 | 195,540 | - | 195,540 | 265,300 |
| Total income and endowments | | 195,540 | 15,742 | 211,282 | 284,604 |
| Expenditure on: | | | | | |
| Charitable Activities | 3 | 179,008 | 133,730 | 312,738 | 414,832 |
| Total expenditure | | 179,008 | 133,730 | 312,738 | 414,832 |
| Net income / (expenditure) | | 16,532 | (117,988) | (101,456) | (130,228) |
| Net movement in funds | | 16,532 | (117,988) | (101,456) | (130,228) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 83,874 | 351,237 | 435,111 | 565,339 |
| Total funds carried forward | 8 | 100,406 | 233,249 | 333,655 | 435,111 |

All the Charity's activities above arise from continuing operations.

The charity has no recognised gains or losses in the current or prior year other than those shown above.

Balance Sheet

Balance Sheet as at 31 March 2021

| | Note | 2021 £ | 2020 £ |
|------------------------------|------|----------------|----------------|
| Current Assets | | | |
| Debtors | 6 | 135,258 | 185,630 |
| Cash at Bank | | 296,471 | 390,378 |
| | | 431,729 | 576,008 |
| Current liabilities | | | |
| Creditors | 7 | 98,074 | 140,897 |
| | | 333,655 | 435,111 |
| Net Current Assets | | | |
| Provision for liabilities | | - | - |
| | | 333,655 | 435,111 |
| Net Assets | | | |
| Funds for the Charity | | | |
| Represented by: | | | |
| Restricted funds | | 100,406 | 83,874 |
| Unrestricted funds | 8 | 233,249 | 351,237 |
| Total Charity Funds | | 333,655 | 435,111 |

Approved by the Trustees and authorised for issue on and signed on their behalf by:

Trustee

1st July 2021

Statements of Cash Flow

Cash flow Statement for the year ended March 2021

| | Notes | 2021 £ | 2020 £ |
|--|------------------|-----------------------|-----------------------|
| Cash flow from operating activities: | | | |
| Net cash (used in) / provided by operating activities | (Table A) | <u>(93,907)</u> | <u>233,047</u> |
| Change in cash and cash equivalent in reporting period | | (93,907) | 233,047 |
| Cash and cash equivalent at the beginning of the reporting period | (Table B) | 390,378 | 157,331 |
| Cash and cash equivalent at the beginning of the reporting period | (Table B) | <u>296,471</u> | <u>390,378</u> |

| | 2021 £ | 2020 £ |
|--|-----------------|----------------|
| Table A | | |
| Reconciliation of net income/(expenditure) to net cash flow from operating activities | | |
| Net expenditure for the reporting period (as per the statement of financial activities) | (101,456) | (130,228) |
| Adjustment for: | | |
| Decrease / (increase) in debtors | 50,372 | 238,370 |
| (Decrease) / Increase in creditors < 1 year | (42,823) | 124,905 |
| Net cash (outflow) / inflow from charitable activities | <u>(93,907)</u> | <u>233,047</u> |

| | | |
|---|----------------|----------------|
| Table B | | |
| Analysis of cash and cash equivalent | | |
| Cash at bank at start of the reporting period | 390,378 | 157,331 |
| Net cash (outflow) / inflow | (93,907) | 233,047 |
| Cash at bank, at end of the reporting period | <u>296,471</u> | <u>390,378</u> |

Notes to the Accounts

1. ACCOUNTING POLICIES

a) **Company status**

AAAMD is a charitable incorporated organisation (CIO), registered charity 1170224 in England and Wales and SC048549 in Scotland. The members of the CIO are the Trustees as mentioned on page 3. In the event of the charity being wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities. AAAMD meets the definition of a public benefit entity under FRS102.

AAAMD has two dormant subsidiaries. Foresight Research Limited (Private limited company incorporated in the UK on 13 June 2019 Company registration number: 12048839) and Foresight Research Scotland Limited (Private limited company incorporated in Scotland on 14 June 2019 company registration number: 633501). They each have allocated shares of £100 which is unpaid as at 31 March 2021.

b) **Basis of Preparation**

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

c) **Income**

Donated Goods and Services

Donated services and facilities are included as income (with an equivalent amount in expenditure) at the estimated value to the charity where this is reasonably quantifiable, measurable and material. Donations are recognised when receivable.

Grants

Grant income is recognised in full when the charity becomes entitled to the income, it is probable that the income will be received and the amount can be measured reliably. Where the grant is not performance related this is on notification of the grant award. Where related to performance grants are accounted for as the charity earns the right to consideration by its performance. Where the grant is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before the grant is received, it is accrued in debtors.

d) **Expenditure**

All expenditures accounted for on an accrual basis and has been classified under heading that aggregate all costs related to that category.

Support and Governance costs

This comprises of all costs associated with the initial set up and general running of the organisation, including providing administrative, financial services and legal services. Irrecoverable VAT is included with the item of expenses to which it relates and is charged to the Statement of Financial Activities.

Charitable Activities

The expenditure relating to any research projects and raising awareness through marketing has been allocated here.

e) Financial Instruments

AAAMD holds only financial assets and liabilities of a kind that qualify as basic financial instruments. These financial instruments are recognised initially at their transaction values and measured subsequently at their settlement values.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdraft, trade and other creditors.

f) Going concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, having considered the risks as set out within the Trustee's annual report they continue to adopt the going concern basis in preparing the financial statements.

g) Critical accounting judgements and key sources of estimation uncertainty

In the view of the Trustees no assumption concerning the future or estimation of uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

2. INCOME

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Unrestricted | | |
| Donations | 15,742 | 19,304 |
| This includes gift in kind of £14,410 (2020: £17,775) | | |
| Restricted | | |
| <i>Grants:</i> | | |
| Clothworkers' Foundation | 100,000 | 100,000 |
| Macular Society | - | 91,000 |
| University Birmingham NHS Foundation trust (INSIGHT Award) | 78,168 | 74,300 |
| UK SPINE KE Award | 17,372 | - |
| | 211,282 | 284,604 |

Note:

Clothworkers' Foundation: The second tranche of a £250,000 grant was received as restricted income towards AAAMD's strategy involving validating existing data and creating a larger-scale data-driven project using participant's data and artificial intelligence for diagnosis of early AMD.

University Birmingham NHS Foundation trust (INSIGHT Award): £78,186 was receivable (£17,630 accrued at 31 March 2021) as restricted income. This is part of the total award of £296,236 for generation of project deliverables by AAAMD as a partner in INSIGHT – Health Data Research Hub for Eye Health.

UK SPINE KE: AAAMD has accrued the first tranche of the research grant award of £46,900 from the UK SPINE Knowledge Exchange Fund, a national network of research & clinical collaborators developing new medicines in healthy ageing.

3. EXPENDITURE AND COST ALLOCATION

Costs are allocated based on time spent on charitable activities or support and governance. For the period to 31 March 2021 costs allocated to each activity were as follows:

| | Staff costs £ | Other costs £ | *Support costs £ | Total 2021 £ | Total 2020 £ |
|----------------------------------|------------------|------------------|---------------------|-----------------|-----------------|
| Charitable Activities | | | | | |
| Programme costs | 157,252 | 80,133 | 67,431 | 304,816 | 401,001 |
| Conference and research projects | - | 7,922 | - | 7,922 | 13,831 |
| Total | 157,252 | 88,055 | 67,431 | 312,738 | 414,832 |

Note: Other costs includes grants paid/payable of £62,761 for INSIGHT and Birmingham University Repurposing projects.

| *Support and Governance | Staff costs £ | Other costs £ | Total 2021 £ | Total 2020 £ |
|-------------------------------------|------------------|------------------|-----------------|-----------------|
| Staff, consultants and expenses | 55,025 | - | 55,025 | 74,799 |
| Insurance | - | 3,046 | 3,046 | 3,172 |
| Legal & Professional | - | 1,623 | 1,623 | - |
| Audit, Tax and Accountancy services | - | 7,055 | 7,055 | 7,378 |
| Other administrative expenses | - | 682 | 682 | 821 |
| | 55,025 | 12,406 | 67,431 | 86,170 |

BASIS OF ALLOCATION

| | Support & Governance Costs | Charitable Activities |
|--|----------------------------|-----------------------|
| | % | % |
| Staff Costs (excluding consultants) | 5 | 95 |
| Chief Operating Officer (COO) | 90 | 10 |
| Consultants (excluding COO) | 75 | 25 |
| Insurance | 100 | - |
| Legal & professional | 35 | 65 |
| Launch, marketing, annual conference and research projects | - | 100 |
| Audit, tax and accountancy services | 100 | - |

4. EMPLOYEE INFORMATION AND STAFF COSTS

a) The average headcount

The average number of staff employed by AAAMD is 1.8 (2020: 1.5). The services of a part time COO and other advisory roles were also provided by externally contracted consultants or recruited through the founder charities and recharged accordingly.

b) Expenditure included the following staff and related costs:

| | 2021 £ | 2020 £ |
|--------------------------|----------------|----------------|
| Wages and salaries | 127,198 | 119,600 |
| Social security | 16,021 | 14,907 |
| Employer's pension costs | 6,244 | 5,438 |
| Consultants costs | 47,435 | 56,930 |
| | 196,898 | 196,875 |

c) Trustee remuneration and expenses

No trustee employed on a consultancy basis received emoluments for any additional services in the year (2020: £13,810). No Trustee received any reimbursement of expenses in the year (2020: £961).

The following number of individuals received emoluments in excess of £60,000 during the year.

| | 2021 No. | 2020 No. |
|--|-------------|-------------|
| Employee(s) received emoluments within the band £120,001 to £130,000 | 1 | |
| Employee(s) received emoluments within the band £110,001 to £120,000 | | 1 |

d) Donations of services

As at 31 March 2021 AAAMD received accountancy services and the use of office space *pro bono* estimated at £14,410 (2020 £17,775) from Blind Veterans UK (£7,680) and Fight For Sight (£6,730). This has been reflected in the Statement of Financial Activities.

e) Key Management personnel

AAAMD considers its key management personnel to be the three Governing Charity Trustees, four Independent Trustees, Chief Executive & Science Officer and the Chief Operating Officer. The total costs incurred in relation to key management personnel during the year were £169,948 (2020 £182,573)

5. GOVERNANCE (INCLUDED WITHIN SUPPORT COSTS)

| | 2021 £ | 2020 £ |
|---|--------------|--------------|
| Auditor's remuneration (including VAT): | | |
| Statutory audit | 6,600 | 6,600 |
| VAT /tax advice | 420 | 563 |
| | 7,020 | 7,163 |

6. DEBTORS

| | 2021 £ | 2020 £ |
|-------------------------|----------------|----------------|
| Other debtors | - | 32,330 |
| Accrued income (Grants) | 135,258 | 150,000 |
| Prepayments | - | 3,300 |
| | 135,258 | 185,630 |

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|------------------|---------------|----------------|
| Accrued expenses | 98,074 | 140,897 |

8. MOVEMENT IN FUNDS AS AT 31 MARCH 2021

| | At 31 March 2020 | Income | Expenditure | At 31 March 2021 |
|---------------------------|---------------------|----------------|------------------|---------------------|
| Restricted funds | | | | |
| Grants | 83,874 | 195,540 | (179,008) | 100,406 |
| Unrestricted funds | 351,237 | 15,742 | (133,730) | 233,249 |
| Total funds | 435,111 | 211,282 | (312,738) | 333,655 |

9. MOVEMENT IN FUNDS AS AT 31 MARCH 2020

| | At 31 March 2019 | Income | Expenditure | At 31 March 2020 |
|---------------------------|---------------------|----------------|------------------|---------------------|
| Restricted funds | | | | |
| Grants | - | 265,300 | (181,426) | 83,874 |
| Unrestricted funds | 565,339 | 19,304 | (233,406) | 351,237 |
| Total funds | 565,339 | 284,604 | (414,832) | 435,111 |

10. RELATED PARTY TRANSACTIONS

During the year the following transactions took place between AAAMD and its founding charities which are related by virtue of the CEO of each founding charity sitting on the board.

| | Balance owed by/ (to) related parties at 31 March 2020 | Recharges from Related parties | Payments made | Payments received | Balance owed by/ (to) related parties at 31 March 2021 |
|-------------------|---|---|------------------|----------------------|---|
| | £ | | £ | £ | £ |
| Fight for Sight | 50,000 | | - | 50,000 | - |
| Blind Veterans UK | 52,550 | (3,350) | 1,550 | 52,550 | (1,800) |
| Sight Scotland | 53,600 | - | - | 53,600 | - |
| | 156,150 | | | | (1,800) |

Other related party transactions:

During the year, the charity paid BPE Solicitors £4,639 (2020: £11,512) for legal & professional services rendered. Trustee and Chairman Rob Bryan is an equity partner of BPE Solicitors and also a non-executive director and Company Secretary of Open Data Institute (ODI). Payment of £59,280 was made to ODI which included fees and expenses payable to BPE Solicitors of £Nil (2020: £29,902). A further £15,094 payable to ODI has been accrued at year end.

11. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

| <i>Statement of Financial Activities for year ended 31 March 2020</i> | | | | | |
|---|----------|-----------------------|-------------------------|-------------------|-------------------|
| | Notes | Restricted Funds £ | Unrestricted Funds £ | 2020 Charity £ | 2019 Charity £ |
| Income from: | | | | | |
| Donations and Grants | | | | | |
| Donations | 1 | - | 19,304 | 19,304 | 10,650 |
| Grants | 1 | 265,300 | - | 265,300 | 30,000 |
| Total income and endowments | | 265,300 | 19,304 | 284,604 | 40,650 |
| Expenditure on: | | | | | |
| Charitable Activities | 3 | 181,426 | 233,406 | 414,832 | 399,961 |
| Total expenditure | | 181,426 | 233,406 | 414,832 | 399,961 |
| Net income / (expenditure) | | 83,874 | (214,102) | (130,228) | (359,311) |
| Net movement in funds | | 83,874 | (214,102) | (130,228) | (359,311) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | - | 565,339 | 565,339 | 924,650 |
| Total funds carried forward | 8 | 83,874 | 351,237 | 435,111 | 565,339 |