

BOWEL RESEARCH UK

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

BOWEL RESEARCH UK

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BOWEL RESEARCH UK

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Statement from the Chair

Welcome to our Annual Report for 2021.

In the past year, COVID-19 has continued to provide major challenges and disruption. Thankfully, the situation in the UK and for us as a charity seems to be improving. We have come through an extremely difficult period, demonstrated our resilience and have plenty to be proud of over the past year and much to look forward to in the years ahead.

We have been delighted by the progress we have made over the past year. Our relatively new charity is already making an impact; in 2021 we funded research grants of £877,382 in our Inaugural Grants programme.

We have come through an unprecedented period as a newly merged Charity, and we should be proud of our achievements so far. Throughout the year, we worked extremely hard continuing to integrate the two charities, you can read more about our activities in the Trustees Report.

We have a plan in place to take the Charity forward which requires us to evolve and adapt to a changed world. We can say with confidence that we are on a strong footing to take on the challenges ahead. Our focus continues on improving the outlook for those diagnosed and living with bowel cancer and other bowel diseases. We have announced key research priorities set out by our new Scientific sub-Committee and our commitment to change the outlook for current and future generations with a research investment of £1,000,000 over the next eighteen months.

Of course, none of this would have been possible without the hard work and commitment of our Board of Trustees, Committees, staff and supporters, clinical and scientific advisors and volunteers. It is thanks to their passion and support that we have been able to achieve so much in a year which has challenged so many. I would like to thank our outgoing Trustee Paul Reynolds for everything he has contributed over the past 12 years, and especially over the past year as my Co-Chair of the Bowel Research UK Charity.



Asha Senapati
Chair

BOWEL RESEARCH UK

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Welcome from the Chief Executive

I am pleased to be introducing the 2021 annual report of Bowel Research UK.

The charity launched on the 29 September 2020 with a commitment to end bowel cancer and bowel disease.

In launching the charity and our new identity we set out five core beliefs. We believe that:

- Far too many people are needlessly dying from bowel cancer and having to suffer painful and debilitating symptoms with other bowel diseases.
- Research offers our best chance of curing these conditions and developing better treatments that will help to limit the impact they have on people's lives.
- Research into bowel cancer and other bowel diseases is chronically underfunded.
- The unnecessary stigma and embarrassment around the bowel has to be overcome in order to make progress.
- We need to invest in the next generation of scientists and funding new ideas.

Bowel Research UK is at the start of an exciting and important journey. Our founding charities achieved so much and we are proud to bring with us their knowledge, expertise and commitment. This will stand us in good stead for the future.

Our close ties and special relationship with the ACPGBI and our Patients & Researchers Together (PaRT) network give Bowel Research UK unique perspective and reach within the bowel cancer and bowel disease community. Our world class surgeons and researchers ensure that all submitted research proposals are critically reviewed and scrutinised, ensuring the charity only funds the best proposals. The Bowel Research UK PaRT network works alongside to bring the benefits of lived experience with bowel cancer and disease to the research through PROMS (Patient Reported Outcome Measures). Combining these two vital components is our Unique Selling Point; certainty that the research supported by Bowel Research UK is of scientific merit whilst also ensuring the research has the potential to add life enhancing value to individuals living with bowel cancer and disease.

With the support of our Trustees, Committee members, staff, the research community, patients and their families, decision makers and influencers and of course our many wonderful supporters and friends we can and will keep moving one step closer to meeting our commitment to end bowel cancer and bowel disease.

Over the last year we have seen the importance of community and working together. I hope that you will join us in this exciting journey.



Lynn Dunne
Chief Executive

BOWEL RESEARCH UK

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

About Bowel Research UK

Bowel Research UK is funding life-changing research into bowel cancer and other bowel diseases. Every year over 16,000 people die from bowel cancer in the UK and over a million suffer from bowel disease. By researching cutting edge treatments and investing in the best science, we're saving and improving people's lives.

Since 2018, the concept of Bowel Research UK has been the ambition of the Trustees of the founding charities, Bowel & Cancer Research and Bowel Disease Research Foundation. Building the "go to" charity for researchers working in the area of bowel cancer and other bowel diseases, supporting early career researchers, combining the expertise of two Grants Committees and being able to invest funds in research by working together, will help us direct the research funding where it is needed most and where it will have the greatest impact.

Our launch in 2020 was the result of the considerable investment - in time, commitment and dedication. We are grateful to all those involved from our network of researchers and supporters to our staff, Trustees and Committee members. We are indebted to all those who supported us during this process and to a generous supporter who met the launch costs of the new charity.

Brand name and identity

Our Trustees, Committees and staff were actively involved in the new name, strapline and brand identity. Throughout the process we involved our stakeholders and their feedback throughout was integral to our final selection. We are pleased to report the new name and brand identity, design, colours and resources have been well received by our stakeholders.

Staff

Following a review of our staff structure and future plans, a new Leadership Team was established comprising the Director of Finance & Operations, the Director of Research & Patient & Public Involvement and the Director of Fundraising. In November we appointed a Research and Patient & Public Integration Assistant to support a unique pan-European study into faecal incontinence. The Fundraising Team includes staff from the legacy charities and a new fundraising and marketing strategy is being developed. Going forward the charity will look to develop its digital fundraising expertise and to appoint dedicated communications support.

Funding Life Changing Research

Our Grants Committee brings together a wide range of expertise and specialist knowledge from both charities. The Committee throughout 2021 met to short-list and award grants. In its meeting on 25th January it short-listed from 49 Inaugural Grant applications some 29 to go forward for peer review and awarding. At its meeting of 16th April 2021, it discussed and awarded four PhD's which it had been unable to award previously due to the pandemic. Finally, at its meeting of 15th July 2021, the Committee discussed and awarded eight Inaugural grants. One of Bowel Research UK's key research priorities is to work in partnership with other charity partners, and Bowel Research UK has always managed the grant awarding process for The Pseudo Obstruction Research Trust (PORT) which was formed, in 2006, with the aim to fund research into the rare and debilitating disease, Chronic Intestinal Pseudo Obstruction (CIPO). Bowel Research UK provides the support services for grant awarding and management purposes regarding PORT research. Therefore, at its meeting of 15th July 2021, the Grants Committee short listed four PORT research grants and at the 25th November 2021 meeting, it recommended 2 PORT awards.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

During 2021, we continued to bring together the founding charities' research programmes, established research priorities and ensured the relevant systems and protocols were in place to guarantee the quality of the research we consider, to advance understanding of bowel cancer and other bowel diseases and maximize the impact of our funding. This included:

- The appointment of a new Grants Committee Chair to consider grant applications and make recommendations for funding.
- A skills audit of current membership which resulted in 6 new members being invited onto the committee.
- Establishing research priorities to include diseases with significant impact, poorer outcomes and low awareness.
- Investing in a new Grants Management System to support our current and future grants.
- Communicating with all current grant holders and key stakeholders.
- Reaching out to those with an interest in bowel cancer and other bowel diseases and related areas such as stress, quality of life and emotional well-being.
- Funding eight Inaugural grants totalling £456,367 and four PhDs totalling £346,367. During 2021, our grants committee continuing to work, efficiently and effectively via remote channels.

Our Inaugural Grants Call

To mark the launch of Bowel Research UK, a new grant round opened in 2020 through which we invited high quality applications for consideration. Awards of up to £50,000 were available for time-limited (indicatively 12-24 months) proof-of-principle studies based on sound hypotheses. Successful applicants were expected to make a strong case for how the prospective funding would benefit patients and be used to lever further funding to continue the resulting work.

Proposals could relate to any aspect of bowel disease and could vary from basic science through to clinical trials, noting that all studies must have a tangible translational component. Areas of interest included, but were not limited, to:

- Colorectal cancer
- Inflammatory Bowel Disease (ulcerative colitis and Crohn's disease)
- Benign proctology
- Functional problems (constipation, incontinence)
- Stoma prevention/improvement in quality of life

Eight Inaugural grants were funded in 2021 and reflected our intent to fund rare diseases, those with poor public awareness, those with limited research investment, those with significant impact on quality of life and those which affect specific members of our community.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Grant Making Policy

The Board of Trustees bestows two types of grants through an annual competitive funding call: Small Grants and doctoral research grants. Grants are awarded entirely on scientific merit with reference to Bowel Research UK's research priorities and through a process of open competition. The quality of the application, research proposed and applicants' experience in their field are the key determinants of outcome. Each application is subject to a rigorous review process guided by the charity's Grants Committee. Both the small grants and the PhD rounds are a one stage application process. All applications are subject to rigorous peer review which involves a minimum of two independent expert reviewers who specialise in the area of the application, but who do not have a conflict of interest and are not a member of the Grants Committee. Reviewers provide a written assessment of the quality, novelty, importance and relevance of the proposal. All research grants are awarded according to the principles and standards set out by the Association of Medical Research Charities (AMRC) of which we are a member.

The Trustees were delighted to appoint Professor Sue Clark as the Chair of the Grants Committee and noted that the future of the Grants Committee was in excellent hands.

People and Research Together (PaRT) network

Bowel Research UK has a nationwide network of individuals from all walks of life who share an interest in bowel disease. Studies have shown that involving people in this way strengthens the success of research projects. Over 1,200 people are involved in the programme and have the opportunity to contribute their experience and knowledge to a wide range of studies supporting our research interests. Participants engage in various ways, from telling us what the priorities for research should be, to helping shape our research strategy, to guiding researchers in external projects through participation in focus groups.

"Medical researchers frequently come up with brilliant ideas that can transform people's lives, but sometimes they're so deeply involved that they don't see the everyday impracticalities of their proposals. As a patient, I have seen how asking the prospective 'end user' for their thoughts while a trial is at the planning stage can help steer research and enable investigators to see things from a different perspective. I feel privileged to be involved in such valuable work and honoured to have my opinion considered in such life changing projects." - Patient

Fundraising

Throughout 2020 the COVID-19 pandemic caused many severe restrictions to day to day life which led to a difficult first year for the charity. Our events income dropped significantly with mass participation challenge events and community fundraising unable to take place. additionally, many companies, trusts and grant making bodies diverted their funds to support the pandemic crisis.

We are grateful to all those who continued to support our work and to the many individuals who gave donations during this time through regular gifts, payroll giving and in memoriam gifts and legacies. Legacies play such an important part in the work of so many charities and we would like to thank everybody who bequeaths us a legacy. Each legacy helps us continue to fund important research through their generosity. Finally, we would also like to thank a generous donor who supported our launch campaign.

Thanks to the wonderful efforts of so many people, companies, trusts and foundations we raised £655,015 during the year.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Fundraising Note

We are registered with the Fundraising Regulator, and are committed to ensuring we are open and transparent about our fundraising and spending, and that all of our activities comply with the Fundraising Code of Practice.

Our membership of the Fundraising Regulator reflects the fact that:

- We are committed to high standards;
- We are honest and open;
- We are clear, we are respectful;
- We are fair and reasonable; and
- We are accountable.

When individuals or groups organise events on our behalf, we have a robust policy and procedure for undertaking risk assessments, including consideration for key risks around health and safety and safeguarding.

We know there may be times when we do not meet the high standards we aim for. If this happens, we are committed to listening to our supporters' feedback, so we can try to put it right and learn to continuously improve. We have a complaints policy and provide internal training for staff handling complaints. In the past year we did not receive any complaints.

We ask supporters and donors for their preferences as to how we should communicate with them. We give them the option to let us know if they would prefer to no longer wish to hear from us and always respect their wishes. We do not sell or exchange lists of data with any other charities or companies for marketing or fundraising purposes.

We are very aware of our obligations to the public in this area and we are vigilant in our fundraising activities to ensure that there is no intrusion on people's privacy or any undue pressure applied. All communications from the charity include details of how to be removed from any future mailing lists.

Fundraising activity and overall strategy are regularly considered by the Board of Trustees and the Fundraising Marketing and Communications Committee. Our leadership team has accountability and oversight of fundraising activities and monitors performance and quality to identify any significant challenges or changes that are required. We are committed to retaining and building the trust of our supporters, and we continue to look for ways to further strengthen and improve our fundraising programme.

Working with others

We value our membership of the Association of Medical Research Charities (AMRC). AMRC is a membership organisation dedicated to supporting medical research charities in saving and improving lives through research and innovation. AMRC bring together and support health and medical charities to produce high-quality research through influencing policy and research, and highlighting the sector's contribution to patient and public health.

The Association of Coloproctology of Great Britain and Ireland (ACPGBI) comprising over 1000 surgeons, nurses, and allied health professionals, has been a long standing partner and in this exceptional and most challenging of years their support and friendship has been paramount. We value our close relationship and look forward to working with them going forward.

Our staff engage with a range of organisations working in the area of bowel cancer and other diseases to explore potential future collaborations and partnerships.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Responding to COVID-19

The COVID-19 pandemic created great uncertainty for all charities at its height. Bowel Research UK quickly responded and adapted to these changing circumstances, closing our offices and moving to a home-based working model. Our leadership team met weekly throughout the stages of the pandemic to co-ordinate our organisational response; staff working arrangements, communications and media, fundraising impact and mitigation, and business continuity and planning. The Chief Executive has met weekly with the Co-chairs to report on progress. This has helped in our scenario planning and financial modelling of the COVID-19 pandemic.

The way our staff responded to the pandemic alongside our merger and launch is to be commended. We want to record our heartfelt thanks to every member of staff and to all those who supported us during this period.

Future plans

As with so many other charities, the COVID-19 pandemic has had a significant impact on every aspect of our work and changed the outlook and priorities of those affected by bowel cancer and other bowel diseases. These challenges also present opportunities to consider how we deliver our purpose and we are clear about what we want to achieve in 2022:

- **Invest in innovative research and the next generation of researchers:** Funding research and supporting early career researchers remains at the core of everything we do.
- **Launch our research strategy:** We will publish our new research strategy in 2022 which sets out how we use our funds to invest in research to have the maximum possible impact. This will include rare diseases, those with poor public awareness, those with limited research investment, those with significant impact on quality of life and those which affect specific members of our community.
- **Increase the reach of our Patient and Public Involvement (PPI) programme:** Providing more virtual opportunities to explore both general and specific issues will ensure our programme acts as an important resource for researchers and allied healthcare professionals as well as patients who benefit from the informal peer-to-peer support these meetings offer.
- **Supporting colleagues:** The pandemic has meant that many of our colleagues within the NHS have been deployed to COVID-19 duties and research has been put on hold for the foreseeable future. We are working with the research community to support them and ensure projects can resume as quickly as possible.
- **Our fundraising strategy:** Given the impact of the pandemic on fundraising we will ensure we maintain a diverse range of funding streams, look to develop opportunities to work with the business community and invest in our individual giving and marketing strategy.
- **Our communications strategy:** We will develop a new communications strategy; prioritising the impact of our research on people affected by bowel cancer and other bowel diseases. We will maximise our new brand and identify ways of increasing our reach across all communication channels.
- **Develop partnership opportunities:** We want to ensure we meet the needs of everyone affected by or interested in bowel cancer and other bowel diseases. Working together with other organisations, charities and campaigning groups we will continue to drive change, raise awareness and have a shared voice.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Financial Review 2021

Income

A total of £778,773 was raised during the year.

The pandemic caused many fundraising events such as the Virgin Money London Marathon to be postponed and this had a considerable effect on the ability of our supporters to take part in challenge events or to organise their own community based events. However, we applaud the efforts of those supporters who came up with innovative ways to raise funds and donated £9,780.

Individual income was also affected by the pandemic and we are extremely grateful to have received £62,499 from our supporters including those who continued to give via regular gifts and payroll giving. During the year our legacy income was £81,345 of which £10,685 will be received in the next financial year.

During the year we benefitted from a Google grant award to the value of £12,926. The Google Adwords funding allows for free marketing and positioning on the Google search engine and improves visibility for the charity.

Investment Income

Investment income was £29,198 and our investment manager is Quilter Cheviot.

Investment Gain

During the year investments gained £83,475.

Expenditure

Total expenditure for the year was £1,179,134.

Raising Funds

The costs of raising funds were £67,206 which includes salary payments and the Google grant funding related cost. Whilst events did not take place throughout the year, many of these had already been paid for prior to the pandemic.

Charitable Activity

The costs of £1,179,134 includes grants awarded, staff costs and support.

Governance

Total costs of £24,551 include audit fees, bank charges, IT support, insurance and depreciation.

Reserves

The Trustees have set a free reserves policy of holding at least twelve months operating costs whilst the COVID-19 pandemic is affecting fundraising income. This was agreed on the basis that the charity would continue to support research grants with a target of £1,000,000 in the first 2 years. Annual expenditure is currently £1,179,134 with free reserves being £955,132.

Our long term target is to move to a reserves policy of holding six months operating costs so that we can invest as much as possible into research year on year. At the 31st December 2021 the charity was holding restricted funds of £127,479 and unrestricted funds of £957,471.

Subsidiaries and Related Parties

Bowel Research UK consists of a group of charities, with Bowel & Cancer Research (registered charity 1119105) and Bowel Disease Research Foundation (registered charity 1120460) being wholly owned subsidiaries. The net assets of each charity were transferred to Bowel Research UK on 30 September 2020 by way of a hive-up agreement. The Trustees of Bowel Research UK believe that the new charity is in the public interest as this is an opportunity to share the expertise of the research community to achieve greater results for patients and their families. Details of related party transactions can be seen in note 21 of the Financial Statements.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Structure, Governance and Management

Constitution

Bowel Research UK is a Charitable Incorporated Organisation (charity commission number 1186061) registered in England and Wales, it was incorporated on 30th October 2019. The governing document is the constitution document as registered at the Charity Commission. The charity was previously registered as Bowel Cancer & Disease Research Charity CIO.

Objects and Public Benefit

The objects of the Charitable Incorporated Organisation (CIO) is conducted in respect to our vision to end bowel cancer and bowel disease for the benefit of the public.

Specifically, the provision of financial and other assistance for:

- the conduct of research into bowel cancer and other bowel diseases and the publication of the useful results of such research; and
- the advancement of education relating to bowel cancer and other bowel diseases

Charity Governance Code

The Trustees are aware of the Charity Governance code (last updated December 2020) and are adopting the core principles:

- Organisational purpose,
- Leadership,
- Integrity,
- Decision making, risk and control,
- Board effectiveness,
- Equality, diversity and inclusion
- Openness and accountability.

As a young charity we have drawn on the expertise of the legacy charities to bring together the principles of good governance.

Recruitment, Induction and Training of Trustees and Senior Management

Trustees are recruited through an executive search or on the recommendation of incumbent members of the Board commensurate with the Co-Chair's aim to maintain a balanced composition of skills and background. Applications from individuals seeking to become a Trustee will be considered as and when appropriate by the Board. The Board met four times during the year. During the COVID-19 pandemic Trustees met virtually.

Senior management are recruited through use of executive search with pay and benefits determined with reference to external benchmarking to similar sized charity organisations.

Trustee Training and Induction

On appointment, Trustees receive a comprehensive induction programme which includes a meeting with the leadership team, lead programme researchers and visit to the research programmes. In the absence of in-house provision, or an otherwise formalised programme of training, the Chief Executive advises Trustees of opportunities that will increase their general understanding of voluntary sector, healthcare and/or medical research issues. During the COVID-19 pandemic the induction programme was delivered remotely.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Decision Making

At the strategic level, the Board of Trustees regularly reviews the charity's direction in the wider context of medical research charities, requiring the Chief Executive to identify relevant key issues and present options for its consideration. Due governance remains a key requirement.

The Board of Trustees is supported by the following sub committees;

The **Finance & Investment Committee** is responsible for the financial oversight of the Charity including budgeting, financial planning and monitoring as well as financial reporting and the creation and monitoring of internal controls and accounting policies. It presents a report to the Board at each of its meetings.

The **Grants Committee** is responsible for overseeing the expert independent peer review process in validating applications for new research grants, monitoring existing grants and the verification of outcomes, it presents a report to the Board at each of its meetings and makes recommendations to the Board for new grant awards as appropriate. Membership of the Committee, which includes independent clinicians/researchers, is carefully selected to ensure a broad range of opinions and advice.

The Trustees express their sincere appreciation to members of the Grants Committee, all of whom generously donate their time and are invested in supporting and steering the charity's research activities.

The **Scientific Committee** is responsible for providing guidance and insights into the research strategy which guides the work of the Grants Committee.

The **Fundraising Marketing and Communications Committee** meets to provide expertise and guidance to the fundraising team. It presents to the Board at each of its meetings.

At the operational level, the Board delegates the day-to day running of the Charity to the Chief Executive, requiring her to deliver all aspects of governance, planning and performance in accordance with the agreed strategic direction.

Principal risks and uncertainties

The Board are responsible for ensuring that we have effective and adequate risk management, and that internal control systems are in place to understand our risk appetite and to manage the major risks the Charity is exposed to. It carries this out by monitoring the effectiveness of our risk management framework.

The risk management framework is designed to support informed decision-making regarding the risks that affect our ability to achieve our objectives. It also provides a consistent approach to identifying, assessing and dealing with the risks we face to ensure that they are aligned with the level of risk we are willing to accept. The framework is designed to manage, rather than eliminate the risks to our objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss.

The risk management framework meets the Charity Commission's requirements. This consists of five stages, from understanding the risk environment through key risk identification, risk analysis, evaluation and treatment. A 'top-down' risk review, by the CEO, alongside a 'bottom-up' review, by the Leadership Team, is undertaken annually and the risks identified through this process are documented in a risk register along with mitigation plans.

The Finance & Investment Committee reviews the results of risk reviews undertaken by management. The Fundraising and Marketing Committee and Grants Committee regularly review the key risks relevant to their remits.

Specific risks which, if materialised, would have had a significant impact on the Charity have been identified as:

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Governance and compliance: Ability to maintain a Board of Trustees with all the skills required to ensure that all aspects of governance are adhered to.

Mitigation

- An ongoing review of the composition of the Board of Trustees to ensure that all key functions are covered by suitably qualified professionals
- Training and support for Board of Trustees and Committees
- Dedicated specialist resource applied in key areas
- Ensuring that key management personnel and advisers are of a calibre to ensure that the Charity is aware of and compliant with regulatory and similar requirements

Operational: Attracting, developing and retaining talented staff in a competitive employment market

Mitigation

- Annual salary review to include benchmarking of compensation and benefits
- Staff development, training and succession planning programmes
- Communication programme to ensure staff are involved in the development of and progress towards mission and vision

Financial: Economic pressures, competition, fundraising regulatory environment and consumer behaviour changes leading to a significant fall in income

Mitigation

- Annual budgeting and ongoing management, reporting and monitoring of financial performance
- Diversification of income streams
- Ongoing consideration of market and consumer trends and regulations

Environmental / External: Changes in government policy or budgets, Charity sector regulations, or reform of the NHS or changes to the research environment that negatively impact on the charity's work

Mitigation

- Key personnel monitor the regulatory environment on an ongoing basis to ensure potential risks can be proactively managed
- Chief Executive, Director of Research and PPI and relevant Committees scrutinise alignment with, and progress of, activities in meeting Bowel Research UK's mission and vision

Research: Research Programme fails to deliver results

Mitigation

- Scrutiny and approval of research funding applications by the Grants Committee and key personnel
- Annual review of progress

In addition to identifying and mitigating risks, events around the global pandemic and economic uncertainty have highlighted the importance of being prepared for a range of eventualities. Whilst it is not possible to anticipate specific issues we seek to have a well-trained, experienced team of staff and advisors, to have regular lines of communications and to maintain a strong financial position.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Our approach as an employer

Bowel Research UK is committed to recruiting and retaining talented staff. Staff are kept fully informed of the organisation's strategy and objectives, and individual performance is reviewed throughout the year. Learning and personal development is a priority. Temporary and volunteer personnel are engaged for specific tasks to ensure a balanced approach to managing administration, awareness and fundraising.

The key management personnel comprise the Chief Executive, Director of Finance & Operations, the Director of Research & PPI and the Director of Fundraising. The salary of the Chief Executive is set by the Co-Chairs of the Board of Trustees in consultation with the Finance Committee and Board of Trustees following an annual review of performance.

The Charity uses Sector Salary Surveys for benchmarking salaries of all other members of staff. Annual salary increases for staff are discussed and where applicable approved by the Finance Committee and Board of Trustees.

Trustees do not receive remuneration.

Pensions

We contribute a defined amount to either our workplace scheme NEST or to an individual employee's personal pension schemes. Details of pension contributions can be found in note 20 to the Financial Statements.

Diversity

Bowel Research UK is committed to diversity in terms of equality, gender, race, sexual orientation, religious beliefs and socioeconomic status. We recognise our responsibility to ensure our programmes and activities are open and inclusive and meet the needs of a diverse society. We are committed to developing our staff, Trustee and Committee recruitment and retention policies and processes to ensure we reflect the communities we serve, and to support staff and volunteers to uphold equity in all of our work. The charity interacts with a diverse cross-section of society and has mechanisms in place to ensure that respect and dignity are maintained.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate 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 and have considered the ongoing impact of the coronavirus pandemic and challenging operating environment on the charity's operations with a focus on forecasts and projections in light of the pressures on income. The Trustees have concluded there is a degree of uncertainty around specific income streams for 2022; however, there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and cost savings measures have been introduced.

The Charity has a diverse range of funding streams and is developing specific areas such as individual giving. A portfolio of events both face to face and virtual is in place and new activities have been added throughout the year.

Based on these reviews, the Trustees consider that despite the challenging operating environment, the charity has adequate resources to continue in operational existence for at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Investment Policy

The charity uses the services of an investment manager to maximize the return on investment with a level of risk that is commensurate with our financial position. This is achieved through an actively managed diversified portfolio. The performance is overseen by the Finance Committee. The Investment Policy statement sets clear guidelines for the investment manager and these are reviewed annually.

2020 was a turbulent year for investments. However, having an Investment Policy setting out clear parameters between short and long-term reserves provided the charity with financial resilience. The merits of being invested in a well-diversified portfolio and the decision to invest with Quilter Cheviot and into their specialist charity fund has proven a good decision. The investment in the Global Income and Growth Fund for Charities delivered a total return of 10.6% over the year against the Funds composite benchmark of 3.2%. It is also worth noting that this is well ahead of inflation (CPI at 0.9%).

At the end of December 2021 investments were valued at £938,890 which represented an overall gain of £83,475 during the year.

BOWEL RESEARCH UK

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Legal and Administrative Details

Registered charity name: Bowel Research UK
Registered charity number: 1186061
Incorporated and registered in England and Wales
Registered office: Bowel Research UK,
c/o The Royal College of Surgeons
35-43 Lincoln's Inn Fields
London WC2A 3PE

Trustees

The Trustees who served during the period were as follows:

Miss Asha Senapati Co-Chair
Mr Paul Reynolds Co-Chair (resigned 2nd May 2022)
Miss Nicola Fearnhead (appointed 26th May 2021)
Professor Charles Knowles
Professor Marilena Lozidou (appointed 26th May 2021)
Professor John Northover (resigned 1st July 2021)
Mr Charles Mesquita
Professor Dion Morton (appointed 26th May 2021)
Mr Richard Pertwee
Ms Kathryn Pretzel-Shiels (appointed 26th May 2021)
Mr Jim Tiernan (appointed 26th May 2021)
Ms Taryn McHarg (appointed 19 April 2021)

Grants Committee Members

Mr Austin Acheson
Miss Catherine Boereboom
Professor Simon Carding
Professor Susan Clark
Ms Diana Cripps
Miss Nicola Fearnhead
Professor Charlie Knowles (Chair)
Professor Mohammad Ilyas
Professor Simon Leedham
Professor Marilena Lozidou
Professor John Northover
Azmina Rose
Dr Andrew Stagg
Dr Gabrielle Thorpe
Mr Jim Tiernan
Peter Vaughan-Shaw
Mr Dale Vimalachandran
Dr Philip Woodland

Finance Committee

The Trustees who served during the period were as follows:

Ms Taryn McHarg (Chair, appointed 19 April 2021)
Mr Jeremy Hitchins (resigned November 2020)
Mr Charles Mesquita
Mr Richard Pertwee
Mr Chris Sheppard

BOWEL RESEARCH UK

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Fundraising, Marketing and Communications Committee

The members who served during the period were as follows:

Ms Kathryn Pretzel-Shiels (Chair)

Mr Clive Booth

Ms Lara Leigh-Wood

Mr Jon May

Professor Dion Morton

Mr Richard Pleeth

Ms Azmina Verjee

Company Secretary

Miss Martine Gabbitass (resigned 31 March 2022)

Chief Executive

Ms Lynn Dunne (appointed 31 December 2021)

Miss Rebecca Porta (resigned 31 December 2021)

Leadership Team

Mrs Lesley Booth (Director of Research and PPI)

Miss Martine Gabbitass (Director of Finance and Operations, left 31 March 2022)

Mr Peter Rowbottom (Director of Fundraising, left 7th April 2021)

Auditors

Crowe U.K. LLP

Statutory Auditor

4th Floor

St James House

St James' Square

Cheltenham

Gloucestershire GL50 3PR

Bankers

Unity Trust Bank

Four Brindley Place

Birmingham

B1 2JB

Flagstone Investment Managers

17th Floor

New Zealand House

80 Haymarket

London SW1Y 4TE

Fund Managers

Quilter Cheviot

1 Kingsway

London WC2B 6AN

Website

www.bowelresearchuk.org

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 & 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 Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that each Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee each has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Asha Senapati

Chair

Date: 28/11/22

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOWEL RESEARCH UK

Opinion

We have audited the financial statements of Bowel Research UK (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2021 and of the Group's 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 Charities Act 2011.

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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOWEL RESEARCH UK (CONTINUED)

Other information

The other information comprises the information included in the 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity 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, the Trustees are responsible for the preparation of the financial statements which 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 Group's and 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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOWEL RESEARCH UK (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 152 of the Charities Act 2011 and report in accordance with the Act 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.

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

We obtained an understanding of the legal and regulatory frameworks within which the Group 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 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 Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Group for fraud.

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 the override of controls by management and recognition of AMELIE grant income and legacy income. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence including that with the Charity Commission, reading minutes of meetings of those charged with governance, and designing audit procedures for the recognition and classification of income.

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.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.

BOWEL RESEARCH UK

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOWEL RESEARCH UK (CONTINUED)

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. 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 its 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
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Date: 29 November 2022

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

BOWEL RESEARCH UK

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Note | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies | 4 | 50,918 | 698,657 | 749,575 | 655,015 |
| Investments | 5 | - | 29,198 | 29,198 | 23,136 |
| Total income | | 50,918 | 727,855 | 778,773 | 678,151 |
| Expenditure on: | | | | | |
| Charitable activities | 6 | 66,169 | 1,112,965 | 1,179,134 | 593,094 |
| Total expenditure | | 66,169 | 1,112,965 | 1,179,134 | 593,094 |
| Net (expenditure)/income | | (15,251) | (385,110) | (400,361) | 85,057 |
| Transfers between funds | 19 | (40,600) | 40,600 | - | - |
| Net movement in funds before other recognised gains | | (55,851) | (344,510) | (400,361) | 85,057 |
| Other recognised gains: | | | | | |
| Gains on revaluation of investments | | - | 83,475 | 83,475 | 60,222 |
| Net movement in funds | | (55,851) | (261,035) | (316,886) | 145,279 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 183,330 | 1,218,506 | 1,401,836 | 1,256,557 |
| Net movement in funds | | (55,851) | (261,035) | (316,886) | 145,279 |
| Total funds carried forward | | 127,479 | 957,471 | 1,084,950 | 1,401,836 |

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 45 form part of these financial statements.

BOWEL RESEARCH UK

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021**

| | Note | 2021 £ | 2020 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 2,339 | 4,218 |
| Investments | 14 | 938,890 | 855,415 |
| | | <u>941,229</u> | <u>859,633</u> |
| Current assets | | | |
| Debtors | 15 | 748,360 | 827,300 |
| Cash at bank and in hand | | 1,286,651 | 1,458,733 |
| | | <u>2,035,011</u> | <u>2,286,033</u> |
| Creditors: amounts falling due within one year | 16 | (1,403,211) | (1,258,310) |
| Net current assets | | <u>631,800</u> | <u>1,027,723</u> |
| Total assets less current liabilities | | <u>1,573,029</u> | <u>1,887,356</u> |
| Creditors: amounts falling due after more than one year | 17 | (488,079) | (485,520) |
| Total net assets | | <u><u>1,084,950</u></u> | <u><u>1,401,836</u></u> |
| Charity funds | | | |
| Restricted funds | 19 | 127,479 | 183,330 |
| Unrestricted funds | 19 | 957,471 | 1,218,506 |
| Total funds | | <u><u>1,084,950</u></u> | <u><u>1,401,836</u></u> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Asha Senapati
Chair
Date: 28/11/22

The notes on pages 25 to 45 form part of these financial statements.

BOWEL RESEARCH UK

**CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2021**

| | Note | 2021 £ | 2020 £ |
|---|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 2,339 | 4,218 |
| Investments | 14 | 938,890 | 855,415 |
| | | <u>941,229</u> | <u>859,633</u> |
| Current assets | | | |
| Debtors | 15 | 139,359 | 131,799 |
| Cash at bank and in hand | | 1,286,651 | 1,458,733 |
| | | <u>1,426,010</u> | <u>1,590,532</u> |
| Creditors: amounts falling due within one year | 16 | (1,403,211) | (1,258,310) |
| Net current assets | | <u>22,799</u> | <u>332,222</u> |
| Total assets less current liabilities | | <u>964,028</u> | <u>1,191,855</u> |
| Creditors: amounts falling due after more than one year | 17 | (488,079) | (485,520) |
| Total net assets | | <u><u>475,949</u></u> | <u><u>706,335</u></u> |
| Charity funds | | | |
| Restricted funds | 19 | 127,479 | 183,330 |
| Unrestricted funds | 19 | 348,470 | 523,005 |
| Total funds | | <u><u>475,949</u></u> | <u><u>706,335</u></u> |

The Charity's net movement in funds for the year was £(230,386) (2020 - £706,335).

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Asha Senapati

Chair

Date: 28/11/22

The notes on pages 25 to 45 form part of these financial statements.

BOWEL RESEARCH UK

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Note | 2021 £ | 2020 £ |
|---|-------------|-------------------|-------------------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | 21 | (201,280) | 1,438,337 |
| Cash flows from investing activities | | | |
| Dividends and interest from investments | | 29,198 | 23,136 |
| Purchase of tangible fixed assets | | - | (2,740) |
| Net cash provided by investing activities | | 29,198 | 20,396 |
| Change in cash and cash equivalents in the year | | (172,082) | 1,458,733 |
| Cash and cash equivalents at the beginning of the year | | 1,458,733 | - |
| Cash and cash equivalents at the end of the year | 22 | 1,286,651 | 1,458,733 |

The notes on pages 25 to 45 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Bowel Research UK is registered in England as a charitable incorporated organisation (registered no. CE019377) and also with the Charity Commission (registered no. 1186061). The address of its registered office is Royal College of Surgeons, 35-43 Lincoln's Inn Fields, London, WC2A 3PE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. This is the first set of financial statements Bowel Research UK has prepared in accordance with FRS 102.

Bowel Research UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiary are consolidated on a line by line basis. Bowel Research UK became the sole member of Bowel & Cancer Research on 27 May 2020, and of Bowel Disease Research Foundation on 8 June 2020. The results have been consolidated from the respective dates Bowel Research UK became the sole member. Bowel Research UK began trading on 1 October 2020, when the trade and assets of its subsidiaries were donated.

2.2 Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate 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 and have considered the impact of the COVID-19 pandemic on the charity's operations with a focus on forecasts and projections in light of the pressures on income. The Trustees have concluded there is a degree of uncertainty around specific income streams for 2020/21; however, there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and cost savings measures have been introduced.

The Charity has a diverse range of funding streams and is developing specific areas such as individual giving. A portfolio of events both face to face and virtual is in place and new activities have been added throughout the year. Consideration has been made of future local and regional lockdowns and extended ban on face-to-face interactions.

Based on these reviews, the Trustees consider that despite the challenges of the COVID-19 pandemic, the charity has adequate resources to continue in operational existence for at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Income

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Donations are recognised on a cash basis.

Income from investments is included in the year in which it is receivable.

Donated services have been included and expensed at full cost where the Group feels that this best shows the benefit to the charity that has been received without payment.

Legacy income is recognised when there is a grant of probate, the executors have established there are sufficient funds to distribute income from the estate, the legacy can be valued with reasonable accuracy and any conditions attached to the legacy have been met or are within the control of the Group.

Grants receivable, including government grants, are credited to income as these become receivable, except in situations where they are related to performance, in which case these are accrued as the charity earns the right through performance.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Support costs include central functions and have been apportioned across activities on a basis consistent with the use of resources.

Governance costs are those incurred in connection with constitutional and statutory requirements of the Group and are included within support costs.

Support and governance costs are allocated to activities based on the number of staff involved in each activity.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Expenditure (continued)

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|------------------|---|-------------------|
| Office equipment | - | 33% straight line |
|------------------|---|-------------------|

2.6 Investments

Investments are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

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

2.9 Liabilities

Liabilities 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.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.10 Financial instruments

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

Financial assets held at amortised cost comprise cash at bank in hand, together with trade debtors, other debtors and accrued income.

Financial liabilities held at amortised cost comprise trade creditors, other creditors and accruals.

2.11 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

- Legacies

Legacy income is recognised when there is a grant of probate, the executors have established there are sufficient funds to distribute income from the estate, the legacy can be valued with reasonable accuracy and any conditions attached to the legacy have been met or are within the control of the Group.

BOWEL RESEARCH UK

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Income from donations and legacies

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-------------------|--|--|---------------------------------------|
| Donations | - | 507,175 | 507,175 |
| Legacies | - | 81,345 | 81,345 |
| Grants | 50,918 | 110,137 | 161,055 |
| Government grants | - | - | - |
| | <u>50,918</u> | <u>698,657</u> | <u>749,575</u> |

| | <i>Restricted funds 2020 £</i> | <i>Unrestricted funds 2020 £</i> | <i>Total funds 2020 £</i> |
|-------------------|--|--|---------------------------------------|
| Donations | 78,000 | 392,332 | 470,332 |
| Legacies | - | 158,824 | 158,824 |
| Grants | 15,619 | - | 15,619 |
| Government grants | - | 10,240 | 10,240 |
| | <u>93,619</u> | <u>561,396</u> | <u>655,015</u> |

Government grant income relates to amounts received from the Coronavirus Job Retention Scheme.

5. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-----------|--|---------------------------------------|
| Dividends | 29,198 | 29,198 |

BOWEL RESEARCH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Investment income (continued)

| | <i>Unrestricted funds 2020 £</i> | <i>Total funds 2020 £</i> |
|--------------------------------------|--|---------------------------------------|
| Income from local listed investments | 15,693 | 15,693 |
| Investment income | 7,443 | 7,443 |
| | <u>23,136</u> | <u>23,136</u> |

6. Analysis of expenditure on charitable activities

Summary by fund type

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|------------------------|--|--|---------------------------------------|
| Charitable Expenditure | <u>66,169</u> | <u>1,112,965</u> | <u>1,179,134</u> |

| | <i>Restricted funds 2020 £</i> | <i>Unrestricted funds 2020 £</i> | <i>Total funds 2020 £</i> |
|------------------------|--|--|---------------------------------------|
| Charitable Expenditure | <u>30,619</u> | <u>562,475</u> | <u>593,094</u> |

7. Analysis of expenditure by activities

| | Activities undertaken directly 2021 £ | Grant funding of activities 2021 £ | Support costs 2021 £ | Total funds 2021 £ |
|------------------------|--|---|---|---------------------------------------|
| Charitable Expenditure | <u>67,206</u> | <u>633,654</u> | <u>478,274</u> | <u>1,179,134</u> |

BOWEL RESEARCH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Analysis of expenditure by activities (continued)

| | <i>Activities undertaken directly 2020 £</i> | <i>Grant funding of activities 2020 £</i> | <i>Support costs 2020 £</i> | <i>Total funds 2020 £</i> |
|--------------|--|---|---|---------------------------------------|
| Direct costs | 121,605 | 139,830 | 331,659 | 593,094 |
| | <u>121,605</u> | <u>139,830</u> | <u>331,659</u> | <u>593,094</u> |

Analysis of direct costs

| | Direct costs 2021 £ | Total funds 2021 £ |
|-------------------|------------------------------------|---------------------------------------|
| Fundraising costs | 67,206 | 67,206 |
| | <u>67,206</u> | <u>67,206</u> |

| | <i>Direct costs 2020 £</i> | <i>Total funds 2020 £</i> |
|-------------------|------------------------------------|---------------------------------------|
| Fundraising costs | 121,605 | 121,605 |
| | <u>121,605</u> | <u>121,605</u> |

BOWEL RESEARCH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Charitable expenditure 2021 £ | Total funds 2021 £ |
|--------------------------------|--|---------------------------------------|
| Staff costs | 348,899 | 348,899 |
| IT Costs | 8,775 | 8,775 |
| Postage, Printing & Stationery | 4,336 | 4,336 |
| Telephone | 804 | 804 |
| Rent | 7,266 | 7,266 |
| Legal and Professional | 3,703 | 3,703 |
| Membership | 3,907 | 3,907 |
| Advertising | 12,926 | 12,926 |
| General expenses | 489 | 489 |
| Conference costs | 2,802 | 2,802 |
| HR Consultancy | 15,547 | 15,547 |
| AMELIE costs | 35,514 | 35,514 |
| Governance costs | 33,306 | 33,306 |
| | <hr/> | <hr/> |
| | 478,274 | 478,274 |
| | <hr/> | <hr/> |

BOWEL RESEARCH UK

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | <i>Direct costs</i> 2020 £ | <i>Total funds</i> 2020 £ |
|--------------------------------|---|--|
| Staff costs | 147,953 | 147,953 |
| IT Costs | 17,320 | 17,320 |
| Postage, Printing & Stationery | 2,326 | 2,326 |
| Telephone | 521 | 521 |
| Rent | 1,625 | 1,625 |
| Insurance | 4,956 | 4,956 |
| Membership | 2,844 | 2,844 |
| Merger costs | 105,791 | 105,791 |
| General expenses | 3,092 | 3,092 |
| Bowel Buddies | 15,000 | 15,000 |
| RCS Surgical Speciality | 15,000 | 15,000 |
| Governance costs | 15,231 | 15,231 |
| | <hr/> 331,659 <hr/> | <hr/> 331,659 <hr/> |

Analysis of Governance costs

| | 2021 £ | 2020 £ |
|--------------|---------------------------|---------------------------|
| IT Support | 1,081 | 4,119 |
| Bank charges | 1,149 | 352 |
| Audit fees | 26,670 | 8,073 |
| Depreciation | 1,879 | 2,480 |
| Insurance | 2,527 | 207 |
| | <hr/> 33,306 <hr/> | <hr/> 15,231 <hr/> |

BOWEL RESEARCH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Grant commitments in the year

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Limiting chromosomal instability in colorectal cancer | - | 50,000 |
| Development of Bile acid diarrhoea in post-cholecystectomy patients | - | 37,596 |
| Self-management intervention to improve health and wellbeing and quality of life of people with a parastomal hernia | - | 49,214 |
| Emergency Laparotomy and Frailty Study | - | 23,300 |
| Percutaneous infracoccygeal Botulinum toxin injection for treatment of dyssynergic defaecation | 4,103 | 22,500 |
| ReCaP Project | - | 5,249 |
| Development of a blood test to find early signs of colorectal cancer in people with inflammatory bowel disease | 75,000 | - |
| New strategies for improving radiotherapy response in bowel cancer | 74,919 | - |
| Investigating variations in two genes that increase the risk of bowel cancer | 74,574 | - |
| Utility of Motility-MRI in the assessment of Feorgut Neuromuscular Function in children with Paediatric Intestinal Pseudo-Obstruction | 50,000 | - |
| Identify new strategies to prevent immune cells supporting liver metastasis in colorectal cancer | 50,000 | - |
| Treatment pathway to improve bowel control after bowel resection for colorectal cancer | 50,000 | - |
| Effectiveness of an Acceptance and Commitment Therapy based psychological intervention on reducing psychological distress in those diagnosed with Gastro-intestinal Dysmotility | 49,994 | - |
| Understanding how immune dysfunction impacts ulcerative colitis using human mini colons | 49,708 | - |
| Causes of rare and severe complications of Paediatric Inflammatory Bowel Disease | 49,013 | - |
| Investigating the role of bacteria-infecting viruses in inflammatory bowel disease | 48,950 | - |
| IBD Self management | 46,186 | - |
| Decision-making in complex pelvic exenteration surgery for patients with locally advanced or recurrent rectal cancer | 39,923 | - |
| International collaboartion to improve management of patients with rare retrorectal tumours | 18,007 | - |
| Laparoscopy or Antibiotics for Managing Appendicitis | 16,205 | - |
| Grants withdrawn | (62,928) | (48,029) |
| | 633,654 | 139,830 |

BOWEL RESEARCH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Reconciliation of grants payable

| | 2021 £ | 2020 £ |
|---|-------------------------|------------------|
| Grant commitments on transfer from subsidiaries | 1,543,574 | 1,792,341 |
| Commitments made in the period | 696,582 | 187,859 |
| Grants paid during the period | (479,691) | (388,597) |
| Grant commitments withdrawn | (62,928) | (48,029) |
| | <u>1,697,537</u> | <u>1,543,574</u> |

10. Auditor's remuneration

| | 2021 £ | 2020 £ |
|--|---------------------|------------------|
| Fees payable to the Group's auditor for the audit of the Group's annual accounts | 7,350 | 7,000 |
| Fees payable to the Group's auditor in respect of: | | |
| Independent Examinations for the Group's subsidiaries | - | 3,000 |
| Preparation of the financial statements | 1,825 | 1,750 |
| | <u>1,825</u> | <u>1,750</u> |

11. Staff costs

| | Group 2021 £ | <i>Group</i> 2020 £ | Charity 2021 £ | <i>Charity</i> 2020 £ |
|--|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| Wages and salaries | 301,969 | 192,433 | 301,969 | 89,277 |
| Social security costs | 33,094 | 15,476 | 33,094 | 4,948 |
| Contribution to defined contribution pension schemes | 13,836 | 6,352 | 13,836 | 4,346 |
| | <u>348,899</u> | <u>214,261</u> | <u>348,899</u> | <u>98,571</u> |

During the year there were termination payments made which amounted to £26,585 (2020 - £Nil). There was £Nil (2020 - £Nil) outstanding at year end.

BOWEL RESEARCH UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. Staff costs (continued)

The average number of persons employed by the Group during the year was as follows:

| | Group 2021 No. | <i>Group 2020 No.</i> |
|-----------|-------------------------------|-------------------------------|
| Employees | 8 | <i>9</i> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | Group 2021 No. | <i>Group 2020 No.</i> |
|-------------------------------|-------------------------------|-------------------------------|
| In the band £80,001 - £90,000 | 1 | <i>-</i> |

Remuneration paid to key management personnel of the Group amounted to £234,007 (2020 - £159,347) for the year. Key management personnel consisted of the Chief Executive Officer, Director of Finance and Operations, Director of Fundraising and Director of Research.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Tangible fixed assets

Group and Charity

| | Office equipment £ |
|----------------------------|--------------------------|
| Cost | |
| At 1 January 2021 | 13,313 |
| Disposals | (6,642) |
| At 31 December 2021 | <u>6,671</u> |
| Depreciation | |
| At 1 January 2021 | 9,095 |
| Charge for the year | 1,879 |
| On disposals | (6,642) |
| At 31 December 2021 | <u>4,332</u> |
| Net book value | |
| At 31 December 2021 | <u><u>2,339</u></u> |
| <i>At 31 December 2020</i> | <u><u>4,218</u></u> |

14. Fixed asset investments

| | Listed investments £ |
|--------------------------|----------------------------|
| Group and Charity | |
| Valuation | |
| At 1 January 2021 | 855,415 |
| Gains | 83,475 |
| At 31 December 2021 | <u><u>938,890</u></u> |

BOWEL RESEARCH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Debtors

| | Group 2021 £ | <i>Group 2020 £</i> | Charity 2021 £ | <i>Charity 2020 £</i> |
|--------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Due within one year | | | | |
| Trade debtors | 13,226 | - | 13,226 | - |
| Other debtors | 427 | 8,442 | 427 | 8,442 |
| Prepayments and accrued income | 734,707 | 818,858 | 125,706 | 123,357 |
| | <u>748,360</u> | <u>827,300</u> | <u>139,359</u> | <u>131,799</u> |

16. Creditors: Amounts falling due within one year

| | Group 2021 £ | <i>Group 2020 £</i> | Charity 2021 £ | <i>Charity 2020 £</i> |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade creditors | 143,906 | 83,903 | 143,906 | 83,903 |
| Other taxation and social security | - | 1,979 | - | 1,979 |
| Accruals and deferred income | 49,847 | 114,374 | 49,847 | 114,374 |
| Grants payable | 1,209,458 | 1,058,054 | 1,209,458 | 1,058,054 |
| | <u>1,403,211</u> | <u>1,258,310</u> | <u>1,403,211</u> | <u>1,258,310</u> |

The balance of deferred income is recognised based on the following:

| | Group 2021 £ | Group 2020 £ | Charity 2021 £ | <i>Company 2020 £</i> |
|----------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Income received during the year | 88,694 | 104,313 | 88,694 | 104,313 |
| Amounts released during the year | (70,429) | (15,619) | (70,429) | (15,619) |
| Closing deferred income | <u>18,265</u> | <u>88,694</u> | <u>18,265</u> | <u>88,694</u> |

Deferred income relates to grant income received in advance of the work being performed.

17. Creditors: Amounts falling due after more than one year

| | Group 2021 £ | <i>Group 2020 £</i> | Charity 2021 £ | <i>Charity 2020 £</i> |
|----------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Grants payable | 488,079 | 485,520 | 488,079 | 485,520 |

BOWEL RESEARCH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

18. Financial instruments

| | Group 2021 £ | <i>Group 2020 £</i> | Charity 2021 £ | <i>Charity 2020 £</i> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Financial assets | | | | |
| Financial assets measured at fair value through income and expenditure | 938,890 | <i>855,415</i> | 938,890 | <i>855,415</i> |

Financial assets measured at fair value through income and expenditure comprise listed investments.

19. Statement of funds

Statement of funds

| | At 1 January 2021 £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 December 2021 £ |
|---------------------------|------------------------------------|---------------------|--------------------------|-------------------------------------|----------------------------------|--|
| Unrestricted funds | | | | | | |
| General Funds | 1,218,506 | 727,855 | (1,112,965) | 40,600 | 83,475 | 957,471 |

BOWEL RESEARCH UK

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

19. Statement of funds (continued)

| | At 1 January 2021 £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 December 2021 £ |
|---|---------------------------|----------------|--------------------|----------------------------|-------------------------|--|
| Restricted funds | | | | | | |
| PhD fund | 65,169 | - | (65,169) | - | - | - |
| PhD fund - Ulcerative Colitis | 49,726 | - | - | - | - | 49,726 |
| Role of Adam 17 in the gut | 3,813 | - | - | - | - | 3,813 |
| Lucy Thomas Fund | 11,742 | 8,818 | - | - | - | 20,560 |
| Graham Kirkham Foundation | 5,000 | - | - | (5,000) | - | - |
| K McDonald General Charitable Trust | 5,000 | - | - | (5,000) | - | - |
| Robin Charitable Trust | 11,000 | - | - | - | - | 11,000 |
| Nasbo Project Funding | 1,880 | - | - | - | - | 1,880 |
| David and Ruth Lewis Charitable Trust | 3,000 | - | - | - | - | 3,000 |
| ELF Study | 7,000 | - | - | - | - | 7,000 |
| David & Ruth Lewis | - | 26,600 | - | (26,600) | - | - |
| Hospital Saturday Fund | - | 2,000 | - | (2,000) | - | - |
| G W Turner Trust | - | 2,000 | - | (2,000) | - | - |
| M Jackson | - | 1,000 | (1,000) | - | - | - |
| Catherine Cookson | - | 10,000 | - | - | - | 10,000 |
| Sylvia and Colin Shepherd CT | - | 500 | - | - | - | 500 |
| NSW Davidson | 20,000 | - | - | - | - | 20,000 |
| Total Restricted funds | 183,330 | 50,918 | (66,169) | (40,600) | - | 127,479 |
| Total of funds | 1,401,836 | 778,773 | (1,179,134) | - | 83,475 | 1,084,950 |

BOWEL RESEARCH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 January 2020 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Gains/ (Losses) £</i> | <i>Balance at 31 December 2020 £</i> |
|---|--|---------------------|--------------------------|-----------------------------------|----------------------------------|--|
| Unrestricted funds | | | | | | |
| General Funds | 1,038,185 | 584,532 | (562,475) | 98,042 | 60,222 | 1,218,506 |
| Restricted funds | | | | | | |
| PhD fund | 65,169 | - | - | - | - | 65,169 |
| PhD fund - Ulcerative Colitis | 49,726 | - | - | - | - | 49,726 |
| Role of Adam 17 in the gut | 3,813 | - | - | - | - | 3,813 |
| Lucy Thomas Fund | 11,742 | - | - | - | - | 11,742 |
| Graham Kirkham Foundation | 12,500 | - | (7,500) | - | - | 5,000 |
| K McDonald General Charitable Trust | 12,500 | - | (7,500) | - | - | 5,000 |
| Robin Charitable Trust | 11,000 | - | - | - | - | 11,000 |
| Nasbo Project Funding | 1,880 | - | - | - | - | 1,880 |
| David and Ruth Lewis Charitable Trust | 3,000 | - | - | - | - | 3,000 |
| ELF Study | 7,000 | - | - | - | - | 7,000 |
| David & Ruth Lewis | 1,000 | - | - | (1,000) | - | - |
| Hospital Saturday Fund | 1,800 | - | - | (1,800) | - | - |
| G W Turner Trust | - | 75,000 | - | (75,000) | - | - |
| M Jackson | 17,363 | - | - | (17,363) | - | - |
| Catherine Cookson | 19,679 | - | - | (19,679) | - | - |

BOWEL RESEARCH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. Statement of funds (continued)

Statement of funds - prior year (continued)

| | <i>Balance at 1 January 2020 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Gains/ (Losses) £</i> | <i>Balance at 31 December 2020 £</i> |
|---------------------------------|--|-----------------------|--------------------------|-----------------------------------|----------------------------------|--|
| Sylvia and Colin Shepherd CT | 200 | 3,000 | - | (3,200) | - | - |
| NSW Davidson | - | - | - | 20,000 | - | 20,000 |
| PORT | - | 15,619 | (15,619) | - | - | - |
| | <u>218,372</u> | <u>93,619</u> | <u>(30,619)</u> | <u>(98,042)</u> | <u>-</u> | <u>183,330</u> |
| Total of funds | <u><u>1,256,557</u></u> | <u><u>678,151</u></u> | <u><u>(593,094)</u></u> | <u><u>-</u></u> | <u><u>60,222</u></u> | <u><u>1,401,836</u></u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. Statement of funds (continued)

Donors of the funds identified above specified that income should be used for the activities as outlined below. The funds will continue to be carried forward until spent in accordance with the specific requests set out.

The PhD fund was originally formed to support the infrastructure and research work within the National Bowel Research Centre. This has now been committed to funding the PhD programme.

The PhD fund - Ulcerative Colitis was given by the Davidson Family Trust. This covers the cost of a PhD student and associated costs for 3 years for a project dedicated to Ulcerative Colitis.

The Role of Adam 17 in the gut project took place in prior years. The remainder is due to be transferred to a project that covers similar work.

The Lucy Thomas Fund is to provide research into the BRAF gene and its role in bowel cancer in memory of Lucy Thomas who sadly died in 2017. The fund has been raised by family and friends who have carried out various events and challenges.

The funds from Graham Kirkham Foundation and K McDonald General Charitable Trust are to support a trial of the Bowel Buddies project, aimed at connecting patients who have recently been through surgery to be befriended by someone who has also been through a similar procedure.

Robin Charitable Trust- This fund relates to a grant previously approved to Prof Frank Carey. This grant has subsequently been cancelled and the funds will be transferred to similar research on agreement from the funder.

Nasbo Project Funding- This fund relates to an underspend on a grant previously approved by BDRF. The funds will be matched to a similar project on agreement from the funder.

David and Ruth Lewis Charitable Trust- This fund supports Dr Helen Jones in her work at Oxford University.

ELF study- This fund relates to stage 2 of the ELF research grant which will start in 2021 and at this point be transferred to the new grant.

The income from G S Plaut and G.M Morrison Charitable Trust has been received against projects that were agreed in previous years with expenditure being met from general reserves.

The Masonic Charitable Foundation is a 3 year grant totalling £225,000 which has supported the work of 3 PhDs.

Catto Charitable Trust- This fund represents support for research at St Mark's Hospital.

Ileostomy Association and Kingston Trust- This fund represents a joint funding agreement which supported various projects within BDRF.

NSW Davidson- This fund represents a donation made to Bowel & Cancer Research on Professor Norman Williams' retirement to put to research of his choice. The original donation was for £100,000 and this represents the residual balance of this donation which will be given as a grant in 2022.

AMELIE- This is a Horizon 2020 grant working across the EU delivering a project looking into incontinence. Bowel Research UK are part of a consortium, with the main aim of our project to deliver dissemination of the grant findings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

19. Statement of funds (continued)

The transfer of funds relates to income towards grants that have already been awarded. Once funding for a grant is agreed by our Grants committee we follow accounting rules which states that we must show the full cost immediately even if the grant spans multiple years. We may then, as above, receive specific income against these grants which we have to show as received.

20. Analysis of net assets between funds

Analysis of net assets between funds

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | - | 2,339 | 2,339 |
| Fixed asset investments | - | 938,890 | 938,890 |
| Current assets | 127,479 | 1,907,532 | 2,035,011 |
| Creditors due within one year | - | (1,403,211) | (1,403,211) |
| Creditors due in more than one year | - | (488,079) | (488,079) |
| Total | 127,479 | 957,471 | 1,084,950 |

21. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2021 £ | Group 2020 £ |
|--|--------------------|--------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | (400,361) | 85,057 |
| Adjustments for: | | |
| Depreciation charges | 1,879 | 2,480 |
| Dividends and interest from investments | (29,198) | (23,136) |
| Decrease/(Increase) in debtors | 78,940 | (827,300) |
| Increase in creditors | 147,460 | 1,743,830 |
| Introduction of Investments from BCR | - | (795,193) |
| NBV of fixed assets introduced | - | (3,958) |
| Funds brought forward introduced | - | 1,256,557 |
| Net cash (used in)/provided by operating activities | (201,280) | 1,438,337 |

BOWEL RESEARCH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

22. Analysis of cash and cash equivalents

| | Group 2021 £ | <i>Group 2020 £</i> |
|--|-----------------------------|-----------------------------|
| Cash at bank and in hand | 1,286,651 | 1,458,733 |
| Total cash and cash equivalents | 1,286,651 | 1,458,733 |

23. Analysis of changes in net debt

| | At 1 January 2021 £ | Cash flows £ | At 31 December 2021 £ |
|--------------------------|--|-------------------------|--|
| Cash at bank and in hand | 1,458,733 | (172,082) | 1,286,651 |

24. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge in the year represents contributions payable by the group to the fund and amounted to £6,352. At the year end there was a total of £3,091 owed to the pension scheme, and this is included within accruals.

25. Related party transactions

There have been no related party transactions during the year.

The results of the subsidiaries included within the consolidation are as follows:

| | Income £ | (Deficit) £ |
|-----------------------------------|---------------------|------------------------|
| Bowel & Cancer Research | - | (86,500) |
| Bowel Disease Research Foundation | - | - |