

**BRIGHTWATER RESEARCH**  
**AMENDED ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**Company No. 12440181 (England and Wales)**  
**Registered Charity No. 1191048**

## **BRIGHTWATER RESEARCH**

### **COMPANY INFORMATION**

<b>Directors and Trustees</b>	Mr D Crane Mrs S Crane Mr D Garnett Mr E Youngman
<b>Company Number</b>	12440181 (England and Wales)
<b>Charity Number</b>	1191048
<b>Registered Office</b>	Acuity Law Limited 3 Assembly Square Britannia Quarry Cardiff CF10 4PL
<b>Accountants</b>	James, Holyoak & Parker Limited 1 Knights Court Archers Way Battlefield Enterprise Park Shrewsbury Shropshire SY1 3GA

## **BRIGHTWATER RESEARCH**

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**BRIGHTWATER RESEARCH**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

The trustees, who are also directors of the charity, present their report with the financial statements of the charity for the year ended 28 February 2023. The trustees have adopted the provisions of the Charities SORP 2015 (FRS102).

**Charity information**

Brightwater Research is a registered charity and private company limited by guarantee with no issued share capital, incorporated in England and Wales. The registered office is Acuity Law, 3 Assembly Square, Britannia Quay, Cardiff, CF10 4PL. The registered company number is 12440181 (England & Wales), and the registered charity number is 1191048.

**Trustees/Directors**

The directors/trustees, who held office during the year and up to the date of signature of the financial statements was as follows:

Mr D Crane	
Mrs S Crane	
Mr D Garnett	(Chair)
Mr E Youngman	

**Objects of the Charity, Principal Activities and Organisation of Charity's work**

Brightwater is a medical research charity spun off from privately funded research in 2020. Our primary objective is to develop new beneficial treatments for Ewing Sarcoma. Ewing is a rare and particularly brutal form of cancer typically occurring during late childhood or early adolescence.

**Achievement and performance**

Brightwater Research is in the pre-clinical stage of developing a new drug to stop the spread of the cancer clone cells using our new drug 'Valoxydin'. The experimental nature of the work that we do means that the outcomes of the research may have a beneficial impact on other forms of cancer.

**The nature of our research**

The Valoxydin drug under development does not reduce the primary tumour size, but we believe it will shut down the cascade of genetic and biochemical events that make metastasis possible. Metastasis is the main cause of death in Ewing and the reason why so much surgery is employed. Without the cancer metastasizing, life expectancy should dramatically increase. We are hopeful this should extend life expectancy. Research is primarily carried out at our laboratory in Shropshire, but we continue to be supported by various specialist partners. In vivo tests will be carried out by a specialist service provider elsewhere in the UK.

**Funding sources and future aims**

The charity continues to be funded by its trustees. We continue to invest significantly in key technologies that make our work more effective and predictable. Within the next financial year, we expect to be able to demonstrate clear evidence of the efficacy of Valoxydin, at which point we will need to seek significant external funding/partnership to carry out full clinical trials.

**Structure, Governance and Management**

Brightwater has four trustees, each bringing their own unique skillsets. They are:

Dr David Garnett – Chair, trustee and director  
Edward Youngman – Trustee and Director  
David Crane – Trustee and Director  
Sonja Crane - Trustee and Director

## BRIGHTWATER RESEARCH

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

The board meets on an ad-hoc basis to set direction of the company. As the complexity and speed of our work scales up and we move beyond the research stage, there will be a need for routine monthly meetings to discuss opportunities, challenges and agree strategy. Operationally the company is managed by David Crane, with Dr David Garnett acting as chief researcher.

Please contact: David.crane@brightwater-research.com for any further information.

#### Trustees' liability

As a company limited by guarantee, Brightwater Research trustees will exercise reasonable skill and care in the governance of the charity, taking responsibility for any liabilities incurred. Their personal liability is limited to £1 under the conditions of Companies House requirements providing they govern prudently and lawfully within the company's governing document. Any breach of trust will render the trustees jointly liable for that breach.

#### Statement of trustees' responsibilities

The trustees (who are also directors of Brightwater Research for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant accounting information of which the charitable company's independent examiner is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant accounting information and to establish that the independent examiner is aware of that information.

Approved by order of the board of trustees on 13 September 2023, and signed on its behalf by:



.....  
Mr D Crane  
Trustee and Director

## **BRIGHTWATER RESEARCH**

### **ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF BRIGHTWATER RESEARCH FOR THE YEAR ENDED 28 FEBRUARY 2023**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Brightwater Research for the Year ended 28 February 2023 which comprise the profit and loss account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Brightwater Research, as a body, in accordance with the terms of our engagement letter dated 24 February 2021. Our work has been undertaken solely to prepare for your approval the financial statements of Brightwater Research and state those matters that we have agreed to state to the Board of Directors of Brightwater Research, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Brightwater Research and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Brightwater Research has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Brightwater Research. You consider that Brightwater Research is exempt from the statutory audit requirement for the Period.

We have not been instructed to carry out an audit or a review of the financial statements of Brightwater Research. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



**Mr Robert Humphreys BEng FCA**

**Chartered Accountants**

Dated: 13 September 2023

1 Knights Court  
Archers Way  
Battlefield Enterprise Park  
Shrewsbury  
Shropshire  
SY1 3GA

**BRIGHTWATER RESEARCH**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 28 FEBRUARY 2023**

**Summary Income and Expenditure Account**

	Notes	Restricted £	Unrestricted £	Total 2023 £	Total 2022 £
<b>Income from:</b>					
Donations & legacies	2	-	50,356	50,356	-
<b>Total incoming resources</b>		-	50,356	50,356	-
<b>Expenditure on:</b>					
Charitable activities	3	-	77,284	77,284	44,092
Other expenditure	4	-	930	930	900
Transfers between funds		-	-	-	-
<b>Net income/(expenditure) and net movement in funds</b>		-	(27,858)	(27,858)	(44,992)
<b>Reconciliation of funds:</b>					
Total funds brought forward	12	-	179,427	179,427	224,419
Total funds carried forward	12	-	<b>151,569</b>	<b>151,569</b>	<b>179,427</b>

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

All income and expenditure derives from continuing activities.

**BRIGHTWATER RESEARCH**

**BALANCE SHEET**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	8	138,109	128,262
<b>Current assets</b>			
Debtors	9	6,979	4,565
Cash at bank and in hand		<u>7,321</u>	<u>47,350</u>
		14,300	51,915
<b>Creditors: amounts falling due within one year</b>	10	<u>(840)</u>	<u>(750)</u>
<b>Net current assets</b>		<u>13,460</u>	<u>51,165</u>
<b>Net assets</b>		<u>151,569</u>	<u>179,427</u>
<b>Charity funds</b>			
Unrestricted funds	12	<u>151,569</u>	<u>179,427</u>
		<u>151,569</u>	<u>179,427</u>

For the year ending 28 February 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the Board of Trustees on 13 September 2023 and signed on its behalf by:

.....  
**Mr D Crane**  
**Director and Trustee**

The notes on pages 9 to 13 form part of these financial statements.

Company Registration Number: 12440181 (England & Wales)



## **BRIGHTWATER RESEARCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023**

#### **1. Summary of significant accounting policies**

##### **1.1 General information and basis of preparation**

Brightwater Research is a private company limited by guarantee, and a registered charity in England / Wales . The company number is 12440181 (England & Wales), and the registered charity number is 1191048. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is Acuity Law, 3 Assembly Square, Britannia Quay, Caerdydd, CF10 4PL. The nature of the charity's operations and principal activities is to develop a drug which will stop the metastasis of Ewing's sarcoma.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016) , the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

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

##### **1.2 Funds**

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

##### **1.3 Income recognition**

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

Voluntary income is received by way of grants, donations and gifts, and is included in full in the Statement of Financial Affairs when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

##### **1.4 Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

##### **1.5 Allocation and apportionment of costs**

Allocation of wages and salaries is based on the cost for each staff member and the fund for which they work.

Allocation of support costs is based on the share of the income for each fund as the trustees believe this best represents the consumption of resources.

## BRIGHTWATER RESEARCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

#### 1.6 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

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

Plant & Machinery	20% Reducing Balance
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#### 1.7 Tax

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

#### 1.8 Going Concern

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

#### 1.9 Significant judgements and estimates

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

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. In the opinion of the trustees there are no estimates nor assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### 1.10 Donated Assets

Goods donated for on-going use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations within the SOFA.

Donated assets are valued at fair value, and subject to depreciation, and assessed for impairment at the reporting date.

# BRIGHTWATER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

2. Donations and legacies	Restricted	Unrestricted	Total 2023	Total 2022
Donations	-	50,356	50,356	-
	-	50,356	50,356	-

3. Analysis of expenditure on charitable activities	Restricted £	Unrestricted £	Total 2023 £	Total 2022 £
<b>Costs directly allocated to activities</b>				
Purchases	-	9,692	9,692	4,408
Equipment repairs	-	-	-	779
Professional fees	-	752	752	1,363
Advertising costs	-	320	320	380
General expenses	-	35,588	35,588	32,322
Office expenses	-	5,682	5,682	4,840
Reasearch course fees	-	25,250	25,250	-
	-	77,284	77,284	44,092

4. Analysis of other expenditure	Restricted £	Unrestricted £	Total 2023 £	Total 2022 £
<b>Support costs</b>				
Accountancy fee	-	930	930	900
	-	930	930	900

5. Net income/(deficit) for the year	2023 £	2022 £
Net income/(deficit) is stated after charging:		
Depreciation of tangible fixed assets owned by the charity	34,527	32,065

### 6. Trustees' and key management personnel remuneration and expenses

No remuneration was paid to trustees during the year, or in the prior year.

No remuneration was paid to key management personnel during the year or prior period, as key management functions are undertaken by the trustees.

There were no trustees' expenses paid for the period ended 28th February 2023.

### 7. Staff costs and employee benefits

There were no employees during the year.

	Number	FTE	Number	FTE
Direct charitable work	-	-	-	-
Administration and support	-	-	-	-
	-	-	-	-

No employee received total remuneration and employee benefits of more than £60,000.

**BRIGHTWATER RESEARCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2023**

**8. Tangible fixed assets**

	<b>Plant &amp; Machinery £</b>
<b>Cost or valuation:</b>	
At 1 March 2022	198,422
Additions	44,375
Disposals	-
	<hr/>
At 28 February 2022	242,796
	<hr/>
<b>Depreciation:</b>	
At 1 March 2022	70,160
Charge for year	34,527
Eliminated on disposal	-
	<hr/>
At 28 February 2023	104,687
	<hr/>
<b>Net book value:</b>	
At 1 March 2022	128,262
	<hr/>
At 28 February 2023	138,109
	<hr/>

All fixed assets disclosed are used for charitable purposes.

**9. Debtors**

	<b>2022 £</b>	<b>2021 £</b>
Prepayments	6,979	4,673
	<hr/>	<hr/>
	6,979	4,673
	<hr/>	<hr/>

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

	<b>2023 £</b>	<b>2022 £</b>
Accrued expenses	840	750
	<hr/>	<hr/>
	840	750
	<hr/>	<hr/>

**11. Analysis of net assets between the funds**

	<b>Unrestricted funds £</b>	<b>Restricted fund £</b>	<b>Total £</b>
Fixed assets	138,109	-	138,109
Net current assets	13,460	-	13,460
	<hr/>	<hr/>	<hr/>
	151,569	-	151,569
	<hr/>	<hr/>	<hr/>

# BRIGHTWATER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

### 12. Fund reconciliation

	As at 1 March 2022 £	Income £	Expenditure & gains/(losses) £	Transfers £	As at 28 February 2023 £
<b>Unrestricted:</b>					
General reserve	179,427	50,356	(78,214)	-	151,569
Ecumenical Mission reserve	-	-	-	-	-
Olomouc	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds</b>	<b>179,427</b>	<b>50,356</b>	<b>(78,214)</b>	<b>-</b>	<b>151,569</b>

### 13. Related party transactions

No material transactions with related parties occurred during the year.