

# Asthma UK

## Report and financial statements for the nine months ended 30 June 2020

Asthma UK is a wholly-owned subsidiary of the Asthma UK and British Lung Foundation Partnership. It is a company limited by guarantee and registered in England and Wales (registered charity number 802364 and registered company number 2422401).

Scottish registered charity number SC039322.



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## **Context and further information**

Asthma UK and the British Lung Foundation merged on 1 January 2020 to form the Asthma UK and British Lung Foundation Partnership. The charity known as Asthma UK donated its assets and liabilities to the newly-merged organisation at the point of the merger.

This report and set of accounts applies to the retained subsidiary charity and company of Asthma UK. From the point of the merger there was no further activity in this entity, and its story is the story of the merged charity. As such, the narrative sections of this report refer the reader to the annual report of Asthma UK and British Lung Foundation. To find a copy of this report, you can visit one of the following websites:

<https://www.asthma.org.uk/about/annual-report-accounts/>

Or

<https://www.blf.org.uk/what-we-do/audited-accounts>

## **Our mission**

Please refer to the Annual Report for the parent charity, Asthma UK and British Lung Foundation Partnership. Links are provided on page 3 of this document.

## **Review of the year and future plans**

### **Statement from the Chief Executive**

Please refer to the Annual Report for the parent charity, Asthma UK and British Lung Foundation Partnership. Links are provided on page 3 of this document.

### **Our Impact in 2019-20**

Please refer to the Annual Report for the parent charity, Asthma UK and British Lung Foundation Partnership. Links are provided on page 3 of this document.

### **Our aims for 20/21**

Please refer to the Annual Report for the parent charity, Asthma UK and British Lung Foundation Partnership. Links are provided on page 3 of this document.

### **Our approach to Fundraising**

We are enormously grateful for the continuing generosity of our supporters and work hard to test and flex our approach to fundraising to match the changing ways that people choose to engage and give. Without our passionate and dedicated supporter, we would not exist.

We continue to identify key areas that can be improved on and invest in these, enabling change to happen. This includes planning a substantial Customer Relationship Management (CRM) change programme to upgrade our technology platforms and streamline data management processes across the organisation. By streamlining manual processes, we will save time and money, make better use of current staff time and improving internal efficiency. We will also be able to provide better integration of messaging and achieve better segmentation of our audiences. This project will help us keep our supporters at the forefront of our focus; communicating with them at the right time, with the right compliance and providing them with tailored information and health advice. We are also looking to integrate all our digital activities onto one Content Management System (CMS) to help efficiency and make more use of the functionality available to better engage with our beneficiaries.

The executive team has oversight of all fundraising activities and monitors performance against key indicators to identify any significant challenges or changes we need to make.

#### Participation in fundraising regulation and our compliance with codes

We value the support of every one of our donors; and work hard to ensure that our fundraising activity is open, legal and fair. We work with the Fundraising Regulator and the Institute of Fundraising to make sure our fundraising activities operate to the highest standards. We proudly adhere to the Code of Fundraising Practice and our Fundraising Promise is posted on our website. We never sell contact data and our supporters can change their communication preferences at any time.

#### How we protect vulnerable people

Every donor is an individual with a unique background, experiences and circumstances – and every interaction between a fundraiser and donor is different. We require all staff to follow best-practice guidelines for dealing with vulnerable people and our Policy for Fundraising with Vulnerable

Supporters is available on our website. We constantly review best practice guidance on protecting individuals at risk and have updated our self-exclusion from gambling process to safeguard the wellbeing of individuals. We have recently reviewed our fundraising policies to ensure they remain up to date with the latest guidance and best practice. Every year we contribute to the Lotteries Council which provides help and support for individuals with a gambling problem. We continuously look to ensure we appropriately act to protect potentially vulnerable people whilst also protecting the reputation of the organisation and its employees.

We comply with the Institute of Fundraising guidance, set out in *Treating Donors Fairly: Responding to the Needs of People in Vulnerable Circumstances and Helping Donors Make Informed Decisions*. We also require our staff, and any agencies contacting members of the public on our behalf, to comply with guidelines provided by the Data and Marketing Association and the Public Fundraising Regulatory Association.

#### How we monitor our fundraising activities undertaken by third parties

We work with a variety of third parties to raise money, including commercial participators and professional fundraisers. We expect all third parties who work with us to meet the same high standards as our own fundraisers and have contracts in place to ensure this. This year we continued to employ a telephone agency to call people on our behalf. We provided training to their staff and monitored calls regularly to ensure they represented the organisation appropriately.

#### The number of complaints received

Asthma UK have received 73 fundraising complaints and British Lung Foundation has received 10. We have not received any complaints through the Fundraising Regulator. We take all complaints seriously. Simple complaints are generally dealt with immediately by our Supporter Care Team. In all cases we aim to resolve or acknowledge receipt within five working days and our Fundraising Complaints Procedure is easily found on both websites.

#### Fundraising Preference Service Requests

The Fundraising Preference Service (FPS), run by the Fundraising Regulator, is aimed at providing people with the means to stop direct marketing from specific charities without having to contact them directly. It was launched in July 2017 and Asthma UK has received 5 of these requests and British Lung Foundation has received 9 in the period from 1 July 2019 to 30 June 2020.

#### Volunteers

Please refer to the Annual Report for the parent charity, Asthma UK and British Lung Foundation Partnership. Links are provided on page 3 of this document.

#### Data protection

Data protection is an ongoing process –we will continue to build data protection into everything we do. We will ensure we only collect and use personal data in line with the Data Protection Act and General Data Protection Regulation and will constantly monitor our activity to ensure data is used appropriately and in line with expectation. We do not sell any data to third parties and ensure all of our contracts have the necessary data protection clauses.

## Financial overview

The accounts for the nine months to 30 June 2020 begin at page 14 of this document. They show three months of pre-merger activity, the transfer of assets to the parent charity, and the fact that there were no further transactions after the merger. The company retains share capital of £2 and a debtor of equal value being an amount due from the parent company.

To make full sense of the financial performance of the charity please refer to the accounts of the parent charity. In particular, readers may wish to consider notes 3 and 4 to the consolidated financial statements as these set out the key financial transactions relating to the merger. Links are provided on page 3 of this document.

## Trustees' report

For the full report, please refer to the Annual Report for the parent charity, Asthma UK and British Lung Foundation Partnership. Links are provided on page 3 of this document.

## Governance

### Strong governance is critical to our success

We recognise the importance of having effective governance arrangements to ensure our continued success and reputation. The organisation is governed by its Articles of Association which sets out the organisation's charitable objectives, these are:

- To promote research into asthma and its allied disorders, and to ensure the diffusion of the results of such research.;
- To provide an organisation for the benefit and service of those with asthma and others interested in asthma and associated diseases.
- To spread knowledge of the cause, alleviation and cure of asthma and its allied disorders, including practical knowledge relating to the application of any remedy among:
  - Those professionally concerned with the suffering caused by asthma and its allied disorders, and
  - The persons and the parents and guardians of those persons suffering from asthma and its allied disorders and the public at large.
- To provide, through appropriate medical channels, medical equipment for use by and for the treatment of persons suffering from asthma and its allied disorders.

These remain the objectives of Asthma UK as a subsidiary charity of Asthma UK and British Lung Foundation Partnership.

The Board of Trustees takes overall responsibility for the work of the charity. The Board achieves this by:

- Fulfilling the objectives of the charity, as set out in the governing documents, and ensuring the impact of the Charity's work is clearly communicated
- Ensuring the charity is effective, responsible and is conducted legally
- Safeguarding finances, resources and property to ensure they are used to the maximum advantage of the beneficiaries

- Being accountable to our stakeholders, including supporters, regulators and the public.
- Establishing clear boundaries for staff and volunteers who carry out our work between the governance role of the Council and the role of the executive.
- Ensuring the Board operates effectively.
- Implementing strong safeguarding processes to ensure staff, supporters and everyone who comes into contact with the charity is protected from harm.

## **Structure and management**

Asthma UK is a company limited by guarantee and registered in England and Wales (registered charity number 802364 and registered company number 2422401). It is registered as a charity in Scotland, number SC039322. It is a wholly-owned subsidiary of Asthma UK and British Lung Foundation Partnership.

Asthma UK and British Lung Foundation Partnership is a company limited by guarantee (registered company number 01863614 in England and Wales and 005851F in the Isle of Man) and is a charity registered in England and Wales (326730) regulated by the Charity Commission, and Scotland (SC038415) regulated by the Scottish Charity Regulator and the Isle of Man (1177).

Asthma UK has four trustees who are also directors under the Companies Act. These trustees are also trustees of the parent charity. The four trustees are:

- Isabel Divanna
- John Graham
- Professor Ian Hall
- Niren Patel

These trustees will remain appointed until the end of their term of office with the parent charity, at which point they will be replaced by another trustee from the parent charity's board.

The day-to-day running of the Charity is the responsibility of the Executive Team, led during the reporting period by the Chief Executive, Kay Boycott. The company secretary is the charities Chief Operating Officer, Ben Clarkson.

The Board of Trustees sets strategic direction, ensure the Charity achieves its objectives and is responsible for upholding its values.

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and

applicable law). Under Company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the Group 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.
- Make judgements and accounting 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 Asthma UK and British Lung Foundation Partnership will continue in operation.

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

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30 June 20 was 12(2019: 12). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

### **Board of Trustees – Parent Charity**

For full information on the board of trustees of the parent charity please refer to the Annual Report for the parent charity, Asthma UK and British Lung Foundation Partnership. Links are provided on page 3 of this document.

### **Going Concern**

At midnight on 31 December 2019 the Charity merged with the British Lung Foundation and all the business and assets were transferred to the merged entity, which was renamed the Asthma UK and British Lung Foundation Partnership (the Partnership). Given the transfer of the activities, the financial statements have been prepared on a non-going concern basis.

No material adjustments arose as a result of ceasing to apply the going-concern basis.



The parent charity remains a going concern. For full details of the trustees' consideration of whether the charity remains a going concern, please refer to the Annual Report for the parent charity, Asthma UK and British Lung Foundation Partnership. Links are provided on page 3 of this document.

### **Public Benefit**

Please refer to the Annual Report for the parent charity, Asthma UK and British Lung Foundation Partnership. Links are provided on page 3 of this document.

### **Risk and uncertainties**

Please refer to the Annual Report for the parent charity, Asthma UK and British Lung Foundation Partnership. Links are provided on page 3 of this document.

### **Auditors**

Sayer Vincent LLP have been appointed as the charitable company's auditors during the year. The auditors will be retendered in early 2021. The trustee's annual report has been approved by the trustees on 28 January 2021 and signed on their behalf by

John Graham

Trustee and Director of Asthma UK and Chair of the Finance and Audit Committee for the Asthma UK and British Lung Foundation Partnership.

# Financial Statements

## Independent Auditor's Report to the Members and Trustees of Asthma UK

### Opinion

We have audited the financial statements of Asthma UK (the 'charitable company') for the period ended 30 June 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 June 2020 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

### Basis for opinion

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

### Emphasis of Matter

Without qualifying our opinion, we draw attention to the disclosures in the Trustees' annual report and note 2 of the financial statements. Asthma UK ceased operations on 1 January 2020 when its assets and liabilities were transferred to the Asthma UK and British Lung Foundation Partnership, charity number 326730 and company number 01863614. As a consequence, the financial statements have been prepared on a basis other than as a going concern, although no adjustments were required as a result.

### Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

#### Responsibilities of trustees

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

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

### Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

11 February 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

**Group Statement of Financial Activities**  
for the nine months to 30 June 2020 (incorporating consolidated income and expenditure account)

	Notes				30 June	30 September
		UNRESTRICTED FUNDS	RESTRICTED FUNDS	ENDOWMENT FUNDS	2020 TOTAL FUNDS	2019 TOTAL FUNDS
		£'000	£'000	£'000	£'000	£'000
<b>Income from:</b>						
Donations and Legacies		1,507	16	-	1,523	7,951
Charitable activities		4	75	-	79	150
Other trading activities		1	-	-	1	46
Investments		64	9	-	73	294
<b>Total Income</b>	2 (b), 3	<b>1,576</b>	<b>100</b>	<b>-</b>	<b>1,676</b>	<b>8,441</b>
<b>Expenditure on:</b>						
Expenditure on raising donations and legacies		692	-	-	692	2,402
Investment management costs		20	-	-	20	74
Total expenditure on raising funds		712	-	-	712	2,476
<b>Net incoming resources available for charitable application</b>		<b>864</b>	<b>100</b>	<b>-</b>	<b>964</b>	<b>5,965</b>
<b>Charitable activities:</b>						
Research		119	23	-	142	3,706
Improving Care		228	-	-	228	990
Advice and Support		631	48	-	679	2,695
<b>Total expenditure on charitable activities</b>		<b>978</b>	<b>71</b>	<b>-</b>	<b>1,049</b>	<b>7,391</b>
<b>Total Expenditure</b>	7a	<b>1,690</b>	<b>71</b>	<b>-</b>	<b>1,761</b>	<b>9,867</b>
Net income/(expenditure) before investment gains		(114)	29	-	(85)	(1,426)
Gains on investments	12	86	-	12	98	599
<b>Net income/(expenditure)</b>		<b>(28)</b>	<b>29</b>	<b>12</b>	<b>13</b>	<b>(827)</b>
Transfers between funds		-	-	-	-	-
<b>Net Movement in funds</b>		<b>(28)</b>	<b>29</b>	<b>12</b>	<b>13</b>	<b>(827)</b>
<b>Reconciliation of Funds:</b>						
Fund balances brought forward at 1 October		7,354	108	1,056	8,518	9,835
Fund balances carried forward at 31 December	17	7,326	137	1,068	8,531	8,518
Funds transferred to holding company on 31 December 2019	17	(7,326)	(137)	(1,068)	(8,531)	
<b>Fund balances as at 30 June 2020</b>	17	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

Prior year split between unrestricted and restricted appears in Note 23.

There are no unrecognised gains or losses other than those disclosed above. All of the results derive from continuing activities in the period. The accompanying notes are an integral part of this statement of group financial activities. The deficit determined under the Companies Act 2006 is £85k (2019: Surplus £1,457k)

## Balance Sheets

as at 30 June 2020

Company Registered Number: 02422401

	Notes	CONSOLIDATED		CHARITY	
		30 June 2020 £'000	30 September 2019 £'000	30 June 2020 £'000	30 September 2019 £'000
<b>Fixed assets</b>					
Tangible assets	11	-	74	-	74
Investments	12	-	10,879	-	10,979
<b>Total Fixed Assets</b>		-	10,953	-	11,053
<b>Current assets</b>					
Debtors	13	-	455	-	489
Cash at bank and in hand		-	2,875	-	2,738
<b>Total Current Assets</b>		-	3,330	-	3,227
<b>Creditors</b>					
Amounts falling due within one year	14	-	3,104	-	3,101
<b>Net current liabilities</b>		-	226	-	126
<b>Total assets less current liabilities</b>		-	11,179	-	11,179
Creditors falling due after more than one year	15, 16	-	2,661	-	2,661
<b>Net assets</b>		-	<b>8,518</b>	-	<b>8,518</b>
Represented by:					
<b>Funds</b>					
Endowment funds to Support Research		-	1,056	-	1,056
Restricted income funds		-	108	-	108
Designated funds-Fixed Assets		-	74	-	74
Designated funds to support investment projects		-	570	-	570
Unrestricted funds	17	-	6,710	-	6,710
		-	<b>8,518</b>	-	<b>8,518</b>

The annual trustees' report and accounts including notes 1 to 23 were approved by the Trustees on 25 January 2021.

As at 30 June 2020 the balance sheet is presented to the nearest £1,000. The actual value of debtors is £2, representing an amount owed from the parent company in relation to retained capital. The balance of funds is also £2. As all assets were transferred to the parent company at the point of the merger, all other balances are nil.

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**John Graham**  
Trustee, Director, and Chair of the Finance and Audit Committee.

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**Professor Ian Hall**  
Trustee and Director

## Group Cash Flow Statement

for the nine month period ended 30 June 2020

	30 June	30 September
	2020	2019
Notes	£'000	£'000
Cash flow from operating activities:		
Net cash provided by operating activities	(540)	(267)
Cash flow from investing activities:		
Dividends and interest from investments	71	285
Purchase of tangible fixed assets	-	-
Proceeds from sale of investments	-	-
Purchase of investments	-	-
Decrease of cash held in investment portfolio	-	-
Net cash provided by/(used in) investing activities	71	285
Change in cash and cash equivalents in the reporting period	(469)	18
Cash and cash equivalents at the beginning of the reporting period	2,875	2,857
Cash and cash equivalents transferred out on merger	(2,406)	-
Cash and cash equivalents at the end of the reporting period	-	2,875
Notes:		
(a) Net income/(expenditure) for the reporting period (as per statement of financial activities)	13	(827)
Adjustments for:		
Depreciation charges	74	27
Gains on investments	(98)	(599)
Investment management fees	20	74
Dividends and interest from investments	(71)	(285)
Decrease/(Increase) in debtors	(190)	(35)
(Decrease)/Increase in creditors falling due within one year	(2)	27
(Decrease)/Increase in creditors falling due in more than one year	(286)	1,351
Net cash provided by/used in operating activities	(540)	(267)
(b) Analysis of cash and cash equivalents		
Cash in hand	-	2,875



## **Asthma UK**

### **Notes to the Group Financial Statements for the nine month period ended 30 June 2020**

#### **1. Charity Information**

Asthma UK is a company limited by guarantee (registered number 2422401), which is a public benefit entity and registered as a charity in England and Wales (Charity number 802364) and Scotland (SC039322), and domiciled in the UK. At midnight on 31 December 2019 it became a wholly owned subsidiary of Asthma UK and British Lung Foundation Partnership (Charity number: 326730, Company number: 01863614).

#### **2. Accounting policies**

##### **(a) Basis of preparation**

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The accounts are prepared under the historical cost convention, with the exception of quoted investments which are stated at market value.

##### **Basis of consolidation**

The financial statements have been consolidated to include the results of the charity's subsidiaries using the equity line by line method. Transactions and balances between the charitable company and its subsidiary have been eliminated through the consolidated financial statements. No separate statement of financial activities for the charity has been prepared for the Charity alone as permitted under Section 408 of the Companies Act 2006. Included in the group results are income of £1,673k (2019: £8,408k) expenditure of £1,764k (2019: £9,870k) and a net decrease in funds of £91k (£2019: net decrease £1,462k) resulting from activities of the Charity.

The particular accounting policies adopted by the Board of Directors have been applied consistently and are described below

##### **Going Concern**

Given the transfer of the activities to The Asthma UK and British Lung Foundation Partnership, the financial statements have been prepared on a non-going concern basis. No material adjustments arose as a result of ceasing to apply the going concern basis.

##### **Public Benefit**

The Trustees confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing Asthma UK's aims and objectives and in planning activities and setting policies and priorities for the year ahead

##### **(b) Income**

All incoming resources are included in the statement of financial activities when the group is legally entitled to the income, the amount can be measured with reasonable accuracy and its receipt is probable. When income is received in advance of providing goods or services, it is deferred until the group becomes entitled to the income.

Legacies are recognised when all the three criteria below are met:

- a. Establish entitlement - entitlement to Legacies is taken as the earlier of the final estate accounts being approved or cash received.
- b. Where receipt is probable - the charity is aware that probate has been granted.

c. The amount is measurable - in practice this could come from final estate accounts, cash received or correspondence from executors/solicitors confirming an amount to be distributed.

For relevant grants, income is accounted for as the charity earns the right to consideration by its performance. Where the grant is received in advance of performance its recognition is deferred and included in creditors. Where entitlement occurs before the grant is received, it is accrued in debtors.

Gifts in kind are recognised at reasonable estimates of their gross value to the charity or the amount actually realised. Gift in Kind in Note 3 relates to free ad words provided by Google which has been predominantly used to promote health messaging around Asthma management.

Investment income includes dividends and interest but excludes realised and unrealised investment gains and losses.

#### **(c) Expenditure**

Expenditure is classified by reference to specific activity categories, so that all direct costs relating to a specific activity have been aggregated. Expenditure on raising funds comprise the costs associated with attracting voluntary income, the costs of trading for fundraising purposes and the costs directly attributable to managing Asthma UK's investments. The costs of these activities also include expenditure of an indirect nature necessary to support them.

Expenditure on Charitable activities are costs incurred to meet the objectives of Asthma UK. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Liabilities in respect of research grants, senior research fellowships and professorial chairs are recognised at the point at which the grant is awarded which is when the future commitment represents a constructive obligation. Where a grant may run for more than one year the entire obligation is recognised at the time of the initial award, although disbursement of the funds may be made in subsequent accounting periods.

#### **(d) Allocation of Support Costs**

Support costs, which include general functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and finance are separately analysed and then allocated across the categories of charitable expenditure, governance costs and the costs of generating funds.

Governance costs relate to general running of the charity and include audit fees, legal advice for trustees, costs associated with constitutional and statutory requirements and costs associated with the strategic management of the charity.

The basis of allocation of support costs are reviewed regularly and are explained in detail in note 7(b). The basis of the cost allocation has been explained in the notes to the accounts.

## Asthma UK

for the nine month period ended 30 June 2020

Accounting policies continued

### (e) Pension costs

Asthma UK operates a defined contribution pension scheme for its employees and contributes up to 7.5% of gross salary (rising to 10% for employees with

### (f) Depreciation

Depreciation is provided to write off the cost of fixed assets over their estimated useful lives on a straight-line basis at the following rates :

Leasehold improvements	over the duration of the lease
General office equipment	25 per cent of cost
General office furniture	25 per cent of cost
Fixtures, fitting and furniture specific to buildings	over the duration of the lease

Tangible fixed assets are stated at cost less accumulated depreciation or any provision for impairment.

Items under £2,000 are not capitalised.

### (g) Fund accounting

The company maintains four types of funds. General unrestricted funds are funds available for use at the discretion of the trustees in furtherance of the general charitable objectives. Designated unrestricted funds are monies set aside trustees from unrestricted funding for specific purposes. Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the designated and restricted funds are set out in the notes to the financial statements. At the year-end any fund deficits are maintained only when the Directors are of the opinion that such deficits will be eliminated by future committed giving. Income and expenditure on these funds are shown as restricted in the SOFA and analysed into the main components in Note 17.

Endowed funds are funds to be held permanently, where a donor specifies only income arising from a donation can be used and the income may also be restricted towards a particular purpose although their constituent assets may change from time to time.

### (h) Operating leases

Rentals under operating leases are charged on a straight-line basis over the term of the lease or until the next review date if earlier.

### (i) Taxation

The charity is a registered charity and is exempt from taxation on its income and gains to the extent that they are applied to its charitable purposes.

The charity's subsidiary, Asthma Enterprises Limited, has not incurred a tax charge in the period due to its policy of paying its taxable profits to the charity under Gift Aid. Asthma UK is registered for VAT and has partial exemption in respect of its trading activities.

### (j) Judgements and estimates

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods. In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. The principal accounting policies, as set out above, have all been applied consistently throughout the year and the preceding year

### (k) Financial instruments

Financial assets and financial liabilities are recognised when Asthma UK becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Asthma UK 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.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where Asthma UK has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Investments, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertaking is held at cost less impairment.

Financial assets comprise cash at bank and debtors, excluding prepayments, as set out in Note 13. Financial liabilities comprise all creditors as set out in Notes 14 and 15. At the balance sheet date the Group held financial assets at amortised cost of £nil (2019: £3,169k). Financial assets at fair value through income or expenditure of £nil (2019: £10,879k) and Financial liabilities at amortised cost of £nil (2019: £5,766k)

## Asthma UK

for the nine month period ended 30 June 2020

3	Income From:	9 months to			Year to
		Group	Group	Group	30 September
		UNRESTRICTED	RESTRICTED	ENDOWMENT	2019
		FUNDS	FUNDS	FUNDS	Group
		£'000	£'000	£'000	FUNDS
					£'000
	<b>Income From:</b>				
	Income from Donations and legacies				
	Legacies	663	-	-	3,989
	Donations & Membership	477	2	-	1,990
	Donations from Trusts	47	14	-	532
	Donations from Community and Events Fundraising	229	-	-	1,113
	Gifts in kind	91	-	-	327
		1,507	16	-	7,951
	<b>Income from charitable activities</b>				
	Grants	4	75	-	150
	<b>Income from trading activities</b>				
	Corporate Income	-	-	-	34
	Health advice resources	1	-	-	12
		1	-	-	46
	Income from Investments				
	Income from Investment portfolio	62	9	-	285
	Interest from Bank	2	-	-	9
		64	9	-	294
	<b>Total</b>	<b>1,572</b>	<b>100</b>	<b>-</b>	<b>8,441</b>

Further details on grants received is provided in Note 22.

## Asthma UK

for the nine month period ended 30 June 2020

### 4 Trading Activities of subsidiary

Asthma Enterprises Limited, is registered in England and Wales (Company number 02355314). It was a wholly owned subsidiary of Asthma UK up until midnight on 31 December 2019 and its results to that date are consolidated in these accounts. Asthma Enterprises Limited was responsible for the generation of income through various commercial activities for the financial benefit of the charity.

At midnight on 31 December 2019, Asthma UK merged with Asthma UK and British Lung Foundatoin Partnership and all its assets were transferred to this entity, including its subsidiary Asthma Enterprises Limited. Both Asthma UK and Asthma Enterprises Limited became wholly owned subsidiaries of Asthma UK and British Lung Foundadtion Partnership, leaving Asthma UK with no subsidiaries. Asthma Enterprises Limited post merger continued to generate income through various commercial activities for its new parent company.

Summarised financial results for the three months ended 31 December 2019 and the financial position as at 31 December 2019 of Asthma Enterprises Limited, prior to consolidation were:

Operating results:	3 months to	Year to
	31 December	30 September
	2019	2019
	£'000	£'000
Turnover	3	39
Cost of sales	-	-
Gross profit	3	39
Administrative expenses	3	(4)
Net profit for the year before Gift Aid donation to the charity	6	35
Gift Aid donation to the charity	(6)	(35)
<b>Net profit for the period</b>	<b>-</b>	<b>-</b>

The positive Administration expenses for the three months to 31 December 2019, relate to the reversal of provisions no longer required.

### Balance sheet

Current Assets	143	170
Creditors: amounts falling due within one year	(43)	(70)
<b>Net assets</b>	<b>100</b>	<b>100</b>
Share capital	100	100
Shareholders' funds	100	100

Any profits made by Asthma Enterprises Limited are paid by gift aid to its parent company.

## Asthma UK

for the nine month period ended 30 June 2020

	9 months to 30 June 2020 £'000	Year to 30 September 2019 £'000
5 Research		
Awarded during the period	0	432
Grants written back	(19)	(2)
<b>Total research grants charged in the year</b>	<b>(19)</b>	<b>430</b>

A full list of research grants made during the year is detailed on note 16. A full list of research grants made during the year is detailed in Note 21.

	9 months to 30 June 2020 £'000	Year to 30 September 2019 £'000
6 Expenditure		
This is stated after charging:		
Depreciation	74	36
Auditors remuneration - audit work	-	27
Auditors remuneration - other work	10	2
Operating lease - land and buildings	80	194
Operating lease - other	2	15

## Asthma UK

for the nine month period ended 30 June 2020

### 7a. Analysis of total resources expended

				9 months to 30 June 2020	Year to 30 September 2019
	GRANTS TO INSTITUTIONS	ACTIVITIES UNDERTAKEN DIRECTLY	SUPPORT COSTS	TOTAL	TOTAL
	£'000	£'000	£'000	£'000	£'000
<b>Cost of generating funds:</b>					
Fundraising costs	-	612	80	692	2,402
Investment management fees	-	20	-	20	74
		<b>632</b>	<b>80</b>	<b>712</b>	<b>2,476</b>
<b>Charitable expenditure:</b>					
Costs of activities in furtherance of the charity's objects:					
Research	(19)	142	19	142	3,706
Improving Care	-	202	26	228	990
Advice and Support	-	601	78	679	2,695
	<b>(19)</b>	<b>945</b>	<b>123</b>	<b>1,049</b>	<b>7,391</b>
<b>Total</b>	<b>(19)</b>	<b>1,577</b>	<b>203</b>	<b>1,761</b>	<b>9,867</b>

### 7b (ii) Allocation of Support Costs

							9 months to 30 June 2020	Year to 30 September 2019
	FINANCE	CEO	CO SEC	IT	HR	FACILITIES	TOTAL	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost of generating funds	20	13	1	15	15	16	80	279
Research	5	3	-	3	4	4	19	121
Improving Care	7	4	-	5	5	5	26	94
Advice and Support	20	13	-	14	15	16	78	290
	<b>52</b>	<b>33</b>	<b>1</b>	<b>37</b>	<b>39</b>	<b>41</b>	<b>203</b>	<b>784</b>

Basis of apportionment: total support costs are allocated on the basis of total departmental costs excluding research grants awarded. Governance costs incurred in 2019 were £10k (2019: £136k). Governance costs include staff time spent on this activity, internal and external audit fees, the charity's AGM and direct costs incurred by the board and its sub-committees which are allocated per distinct budgetary activity.

### 8 Employees

	9 months to 30 June 2020	Year to 30 September 2019
	£'000	£'000
Salaries	751	3,303
National Insurance contributions	78	344
Employer's pension contributions	36	168
Redundancy costs	31	94
Temporary staff	88	321
	<b>983</b>	<b>4,230</b>

Number of staff (head count based on the average number of staff employed over the nine month period):

Charitable services	14	41
Fundraising	7	24
Central services	6	17
Chief Executive Office		2
	<b>28</b>	<b>84</b>

## Asthma UK

for the nine month period ended 30 June 2020

### 9 REMUNERATION OF THE CHARITY'S KEY MANAGEMENT PERSONNEL

The key management personnel of the charity include the Trustees, Chief Executive, Deputy Chief Executive & Director of Research & Policy, Director of Income Generation, Director of Digital Health and the Chief Operating Officer.

	9 months to 30 June £'000	Year to 30 September £'000
Total Remuneration of Key Management Personnel	167	613

The number of employees receiving remuneration of over £60,000 for the year was as follows:

£60,001 - £70,000	-	-
£70,001 - £80,000	-	2
£80,001 - £90,000	-	2
£90,001 - £100,000	-	1
£100,001 - £110,000	-	1

The pension costs in respect of these employees amounted to £10,125 (2019: £35,635)

### 10 Trustees Expenses

None of the trustees received any remuneration during the year. Trustees' expenses represent the payment or reimbursement of travel and subsistence costs to attend trustee meetings totaling £263 (2019: £2,464), incurred by one trustees (2019: three trustees).



## Asthma UK

for the nine month period ended 30 June 2020

### 11 Fixed assets

	CONSOLIDATED			CHARITY		
	LEASEHOLD IMPROVEMENTS	OFFICE EQUIPMENT & FURNITURE	TOTAL	LEASEHOLD IMPROVEMENTS	OFFICE EQUIPMENT & FURNITURE	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 October 2019	297	269	566	297	269	566
Additions	-	-	-	-	-	-
Disposals	(297)	(269)	(566)	(297)	(269)	(566)
<b>At 30 June 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation</b>						
At 1 October 2019	223	269	492	223	269	492
Charge for the period	74	-	74	74	-	74
Disposals	(297)	(269)	(566)	(297)	(269)	(566)
<b>At 30 June 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>						
At 30 June 2020	-	-	-	-	-	-
At 30 September 2019	74	-	74	74	-	74

## Asthma UK

for the nine month period ended 30 June 2020

12 Investments : Consolidated	30 June 2020 TOTAL INVESTMENTS £'000	30 September 2019 TOTAL INVESTMENTS £'000
Market Value as at 1 October 2019	10,879	10,354
Acquisitions	-	-
Sales Proceeds	-	-
Investment Management fees	(20)	(74)
Investment gains/(loss)	98	599
Market Value as at 31 December 2019	<u>10,957</u>	<u>10,879</u>
Investments transferred on merger	(10,957)	
Market Value as at 30 June 2020	<u>-</u>	
Represented by :		
Newton Income and Growth Fund for Charities	-	10,879
	<u>-</u>	<u>10,879</u>

The value of investments is deemed to comprise the market value of investments and cash managed by the fund managers. The investments are wholly owned by the charity. The historic cost of listed investments at 30 September 2019 was £7,670k.

Investments: Charity only	30 June 2020 TOTAL £'000	30 September 2019 TOTAL £'000
Newton Income and Growth Fund for Charities	-	10,879
Investments : Share capital of AEL	-	100
Total Parent Charity Investments	<u>-</u>	<u>10,979</u>

Prior to the merger the charity owned the whole of the issued share capital of Asthma Enterprises Ltd, a company which supports the charity by carrying out ancillary trading activities. At midnight on 31 December 2019 the ownership of the subsidiary was transferred to Asthma UK and British Lung Foundation Partnership. The issued share capital of this company is £100,002. The trading results are set out in Note 4.

## Asthma UK

for the nine month period ended 30 June 2020

### 13 Debtors

	CONSOLIDATED		CHARITY	
	30 June 2020 £'000	30 September 2019 £'000	30 June 2020 £'000	30 September 2020 £'000
Trade debtors	-	111	-	110
Amounts due from Asthma Enterprises Limited	-	-	-	-
Income tax recoverable - Gift Aid	-	21	-	21
Other debtors	-	37	-	37
Prepayments	-	235	-	235
Legacy income accrued	-	51	-	51
Gift aid from Subsidiary undertaking	-	-	-	35
	-	455	-	489

At 30 September 2019, Legacies which had been notified but not recognised as incoming resources in the statement of financial activities had an estimated value of £2.2m (2018: £2.6m), which had not been accrued.

At at 30 June 2020 the note above is presented to the nearest £1,000. The actual value of debtors is £2, representing an amount owed from the parent company in relation to retained capital.

### 14 Creditors amounts falling due within one year

	CONSOLIDATED		CHARITY	
	30 June 2020 £'000	30 September 2019 £'000	30 June 2020 £'000	30 September 2020 £'000
Trade creditors	-	395	-	395
Amounts due to Asthma Enterprises Limited	-	-	-	2
Tax & Social Security	-	110	-	108
Research Grants Accrual	-	2,327	-	2,327
Other Creditors	-	70	-	70
Other Accruals	-	202	-	199
	-	3,104	-	3,101

### 15 Creditors amounts falling after one year

	CONSOLIDATED		CHARITY	
	30 June 2020 £'000	30 September 2019 £'000	30 June 2020 £'000	30 September 2020 £'000
Research Grants	-	2,543	-	2,543
Other Creditors	-	118	-	118
	-	2,661	-	2,661

### 16 Grants

	30 June 2020 TOTAL £'000	30 September 2020 TOTAL £'000
	Balance as at 1 October	4,870
Grants awarded during the year	(1)	2,749
Grants written back	(19)	(20)
Payments during the year	(158)	(1,263)
Invoices received but not settled at year end	(167)	(167)
Balance as at 31 December 2019	4,525	4,870
Grant commitments transferred on merger	(4,525)	
Balance as at 30 June 2020	-	
Research Commitments		
Awards falling due within one year	-	2,327
Awards falling due after more than one year	-	2,543
	-	4,870

## Asthma UK

for the nine month period ended 30 June 2020

### 17. Statement of Funds - 2020

	NOTES	Fund Balance B/F £'000	Income £'000	Expenditure £'000	Investment Gains £'000	Reallocation between funds £'000	Transferred out on merger with AUK & BLF Partnership	Fund Balance C/F £'000
<b>Endowment Funds</b>								
Wells		91	-	-	1	-	(92)	-
Evetts	(a)	804	-	-	9	-	(813)	-
Mitchell		161	-	-	2	-	(163)	-
<b>Total endowment</b>		<b>1,056</b>	-	-	<b>12</b>	-	<b>(1,068)</b>	-
<b>Restricted Funds</b>								
<b>Research</b>								
Peggy Wells Memorial		-	1	(1)	-	-	0	-
Beryl Evetts		-	7	(7)	-	-	0	-
Margaret Mitchell Memorial		-	1	(1)	-	-	0	-
Research into Asthma		15	14	(14)	-	-	(15)	-
	(b)	<b>15</b>	<b>23</b>	<b>(23)</b>	-	-	<b>(15)</b>	-
<b>Community</b>								
Information and Community Education projects		-	-	-	-	-	-	-
<b>Total</b>		-	-	-	-	-	-	-
<b>Education</b>								
Adviceline including the Sarah Leonard & Polly Cambell Funds		58	3	(3)	-	-	(58)	-
BUPA - Whatsapp for Young adults		5	74	(38)	-	-	(41)	-
Sport England		9	-	(7)	-	-	(2)	-
<b>Total</b>		<b>72</b>	<b>77</b>	<b>(48)</b>	-	-	<b>(101)</b>	-
<b>Statutory</b>								
Dept of Health Asthma Attack Reduction Programme	(c)	5	-	0	-	-	(5)	-
<b>European Funding</b>								
RF European funding: myAirCoach		16	-	-	-	-	(16)	-
<b>Total</b>		<b>16</b>	-	-	-	-	<b>(16)</b>	-
<b>Total restricted</b>		<b>108</b>	<b>100</b>	<b>(71)</b>	-	-	<b>(137)</b>	-
<b>Designated Funds</b>								
Fixed assets		74	-	(74)	-	-	-	-
Investment Cases	(d)	570	-	-	-	(570)	-	-
<b>General fund</b>								
General fund		6,710	1,576	(1,616)	86	570	(7,326)	-
<b>Total unrestricted</b>		<b>7,354</b>	<b>1,576</b>	<b>(1,690)</b>	<b>86</b>	-	<b>(7,326)</b>	-
<b>Total Funds</b>		<b>8,518</b>	<b>1,676</b>	<b>(1,761)</b>	<b>98</b>	-	<b>8,531</b>	-

(a) Beryl Evetts Fund capital is invested in perpetuity and income restricted for use for research purposes.

(b) Research projects funds are used to meet the direct costs of the Charity's medical research projects.

(c) The Asthma Attack Reduction Programme is funded by the Department of Health to develop, pilot and deliver behaviour change programmes for adults of working age at a higher risk of an asthma attack to improve self-management and adhere to medication.

(d) Designated fund for investing in the future was set up in 2017 to fund investment in innovative ways to support our programme work. During the year some of these projects were fulfilled, some fell by the wayside and the remainder were retained.

#### Fund balances as at 30 June 2020 are represented by:

	Group UNRESTRICTED FUNDS £'000	Group RESTRICTED FUNDS £'000	Group ENDOWMENT FUNDS £'000	2020 TOTAL FUNDS £'000
Tangible Fixed Assets	-	-	-	-
Investments	-	-	-	-
Current Assets	-	-	-	-
Current Liabilities	-	-	-	-
Non-Current Liabilities	-	-	-	-
<b>Total Funds</b>	-	-	-	-

As at 30 June 2020 the note above is presented to the nearest £1,000. The actual value of funds is £2, being retained capital held by Asthma UK's parent company. As all assets were transferred to the parent company at the point of the merger, all other balances are nil.

## Asthma UK

for the nine month period ended 30 June 2020

### 18 Taxation

Asthma UK is a charity within the meaning of Part 1 of the Charities Act 2011 and as such is a charity within the meaning of Paragraph 1 Schedule 6 to the Finance Act 2010. Accordingly, the Charity is exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 (CTA 2010) (formerly enacted in Section 505 of the Income and Corporation Taxes Act 1988 (ICTA)) or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

### 19 Lease commitments

At 30 June 2020 Asthma UK had annual commitments under non cancellable operating leases as set out below:

	30 June 2020	30 June 2020	30 September 2019	30 September 2019
	LAND AND BUILDINGS	Other	LAND AND BUILDINGS	Other
	£000	£000	£000	£000
Operating Leases which expire :				
Within one year	-	-	328	7
In the second to fifth years inclusive	-	-	1,099	-
Over five years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,427</u>	<u>7</u>

As a result of the merger, all leases were transferred to the new merged organisation.

### 20 Related party transactions

The trustees in office during the year are listed on page 3.

Asthma UK is a registered charity and company limited by guarantee and does not have share capital. The trustees have no financial interest in the charity's results or assets and received no remuneration for acting in that capacity.

There are no disclosable related party transactions other than those disclosed in Note 10.

Asthma UK has a trading subsidiary, Asthma Enterprises Limited - transactions in the year are as follows:

	2020 £	2019 £
Balance brought forward - owed by AEL to the charity	33,030	60,227
Gift aided profit remitted to the charity	(35,144)	(31,702)
Monies relating to AEL received/paid by the charity (net)	-	(33,139)
Monies relating to the charity received/paid by AEL (net)	2,114	-
Recharge of staff time for activities of AEL	-	2,500
Profits of AEL Limited	5,903	35,144
Balance transferred on merger	(5,903)	-
Amount owing from Astma Enterprises Limited to the charity	<u>-</u>	<u>33,030</u>

### 21 There were no grants were awarded during the period.

### 22 Grants received

During the period the charity received a restricted grant of £75k from the BUPA UK Foundation to fund the upscaling of the current WhatsApp service to an enhanced platform enabling service delivery by multiple nurses and thus increasing capacity during office hours. The charity also received several small unrestricted grants totalling £4k in the period.

23. SOFA split for prior year (2019) between unrestricted, restricted and endowment

	Notes	Group UNRESTRICTED FUNDS £'000	Group RESTRICTED FUNDS £'000	Group ENDOWMENT FUNDS £'000	2019 TOTAL FUNDS £'000
<b>Income from:</b>					
Donations and Legacies	2(b), 3	7,407	514	30	7,951
Charitable activities		-	150	-	150
Other trading activities		46	-	-	46
Investments		252	42	-	294
<b>Total Income</b>		<b>7,705</b>	<b>706</b>	<b>30</b>	<b>8,441</b>
<b>Expenditure on:</b>					
Expenditure on raising donations and legacies		2,402	-	-	2,402
Investment management costs		74	-	-	74
<b>Total expenditure on raising funds</b>		<b>2,476</b>	<b>-</b>	<b>-</b>	<b>2,476</b>
<b>Net incoming resources available for charitable application</b>		<b>5,229</b>	<b>706</b>	<b>30</b>	<b>5,965</b>
<b>Charitable activities:</b>					
Research		3,187	519	-	3,706
Improving Care		990	-	-	990
Advice and Support		2,539	156	-	2,695
<b>Total expenditure on charitable activities</b>		<b>6,716</b>	<b>675</b>	<b>-</b>	<b>7,391</b>
<b>Total Expenditure</b>	7a	<b>9,192</b>	<b>675</b>	<b>-</b>	<b>9,867</b>
<b>Net income/(expenditure) before investment gains</b>		<b>(1,487)</b>	<b>31</b>	<b>30</b>	<b>(1,426)</b>
Net gains on investments	12	511	-	88	599
<b>Net income/(expenditure)</b>		<b>(976)</b>	<b>31</b>	<b>118</b>	<b>(827)</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Movement in funds</b>		<b>(976)</b>	<b>31</b>	<b>118</b>	<b>(827)</b>
<b>Reconciliation of Funds:</b>					
Fund balances brought forward at 1 October 2018		8,330	77	938	9,345
<b>Fund balances carried forward at 30 September 2019</b>	17	<b>7,354</b>	<b>108</b>	<b>1,056</b>	<b>8,518</b>

24. Post Balance Sheet Events

There are no post balance sheet events.

## Asthma UK

### DIRECTORS AND ADVISORS

For the nine months ended 30 June 2020

<b>Directors:</b>	John Tucker	Resigned 31 December 2019
	Professor Ian Hall	
	George Anson	Resigned 31 December 2019
	Jean-Francois Bessiron	Resigned 31 December 2019
	Jim Bowes	Resigned 31 December 2019
	Dr Yvonne Braun	Resigned 31 December 2019
	Dr Paul Hodgkin	Resigned 31 December 2019
	Katherine Morgan	Resigned 31 December 2019
	Niren Patel	
	Professor Sir Lewis Ritchie OBE FRSE	Resigned 31 December 2019
	Professor Ian Sabroe	Resigned 31 December 2019
	Martin Sinclair	Resigned 31 December 2019
	John Graham	Appointed 1 January 2020
	Dr Isabel DiVanna	Appointed 1 January 2020

**Company Secretary** Benjamin Clarkson

#### Bankers

National Westminster Bank plc  
Tavistock House  
Tavistock Square  
London  
WC1H 9JA

#### Investment Managers

Newton Investment Management Limited  
BNY Mellon Centre  
160 Queen Victoria Street  
London  
EC4V 4LA

#### Auditors

Sayer Vincent LLP  
Chartered Accountants and Statutory Auditors  
Invicta House  
108-114 Golden Lane  
London  
EC1Y 0TL

#### Registered Office

18 Mansell Street  
London  
E1 8AA