



Stop asthma attacks. Cure asthma.

Asthma UK Annual Report & Accounts
for the year to 30 September 2015



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Strategic Report

Our Mission

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Our mission

Stop asthma attacks. Cure asthma.

People sometimes mistakenly believe asthma is 'sorted'. It's not.

In the UK today, every 10 seconds someone has a potentially fatal asthma attack. Every day the lives of three families are devastated by the death of a loved one to an asthma attack. Tragically, the majority of these could be prevented right now with the right basic care. Others still suffer with asthma so severe that current treatments don't work. This has to change. That's why Asthma UK exists.

We fight asthma in 3 ways:

Fund world-class research

We've invested over £50 million into asthma research to date. We fund new avenues of asthma research and asthma scientists to develop better treatments and, ultimately, a cure which would transform the lives of people with asthma. New technologies and collaborations will increase the chances of scientific breakthroughs and we are determined everyone with asthma should benefit.

Campaign for change on the issues that affect people with asthma

We constantly challenge complacency around asthma to ensure everyone knows how serious asthma is. We campaign and raise awareness of issues and solutions to ensure everyone gets the basic care that research has proved, time and time again, substantially reduces the risk of an asthma attack. We help people with asthma speak directly to politicians and decision makers on the issues that are important to them.

Provide expert advice and support

We help people to effectively manage their daily life with asthma by providing access to the best available information and advice to reduce their risk of an asthma attack, through our website and our expert nurse Helpline.



5.4m people
in the UK have asthma.

Why our work is so important

- ↳ Everyone knows someone with asthma, and yet not everyone knows **it can kill**.
- ↳ For around **250,000** people current treatments don't work so they struggle to breathe every day.
- ↳ Every **10 seconds** someone has a potentially life threatening asthma attack.
- ↳ **3 people** die from an asthma attack every day in the UK; tragically two thirds of these can be prevented.
- ↳ Only **30%** of people with asthma have an annual asthma review with inhaler check and an asthma action plan.
- ↳ **180 people**, on average, are admitted to hospital for their asthma every day. That's one every **8 minutes**.
- ↳ Only **35%** of people with asthma have a written asthma action plan, despite the fact that you are four times more likely to end up in hospital without one.
- ↳ On average, **two children** in every classroom, have asthma.
- ↳ The annual cost to the NHS of managing and treating asthma is more than **£1 billion**.

Currently it takes
17 years for innovation to
get from the laboratory to
help people with asthma –
we need to halve that.

We are making a difference

The ongoing help of our supporters has already helped us to achieve so much.

Highlights

New treatments are only a few years away

Scientists funded by Asthma UK made an exciting discovery which helps us for the first time tackle the underlying causes of asthma symptoms. Researchers at the MRC Asthma UK Centre found a potential treatment for asthma that could be developed in as little as five years. The drugs are called calcilytics and because these drugs already exist and have been tested in clinical trials for osteoporosis, this will mean that trials of the drugs for asthma will be much cheaper and faster. The researchers are now raising money to develop the drug further. For 5% of people with asthma current treatments don't work, so this breakthrough could be life changing for hundreds of thousands of people.

Hear more about how this ground-breaking work developed from the researchers:

www.youtube.com/watch?v=AzbfHW-UaO8

Increasing the number of people with asthma action plans

Having an asthma action plan means you are four times less likely to be hospitalised and yet at the

time of the National Review of Asthma Deaths (NRAD) less than 1 in 4 people with asthma had one. Since then we have delivered multiple awareness campaigns and projects to encourage people with asthma and professionals to adopt this life-saving tool. There is still more to do, but we are proud half a million more people have an asthma action plan and the trend is rising.

£2m of asthma funding secured to improve care in England and Wales

The Healthcare Quality Improvement Partnership announced that it would commission a National Clinical Audit into asthma. This is the first clinical audit for asthma, and previous experience in other conditions shows it will be transformational.

Keeping children with asthma safe in schools

After almost four years of campaigning, the law changed in October 2014 to help keep children with asthma safe. Schools are now allowed to hold spare emergency inhalers (usually blue). With 64% of children with asthma telling us they have forgotten, lost, broken or run out of their inhaler this change is vital to keep children with asthma safe at school.



Every 10 seconds,
someone in the UK suffers a
terrifying and potentially life
threatening asthma attack.

Governance overview

Strong governance is critical to our success

Asthma UK is a company limited by guarantee and a registered charity.

Strong governance and management are critical to our success and reputation, and accordingly we have a governing council that takes overall responsibility for our work. The council is responsible for ensuring we are effectively and properly run and meet our goals as a charity.

Our council consists of trustees who work together and take overall responsibility for the charity. They are responsible for:

- Furthering our overall purpose, as set out in our governing document, and setting our **direction and strategy**.
- Ensuring our work is **effective, responsible and legal**.
- **Safeguarding our finances, resources and property** and ensuring they are used to further our purpose.
- **Being 'accountable'** to those with an interest or stake in Asthma UK or those who regulate us agreed.
- **Establishing clear boundaries** with the staff and volunteers who carry out our work between the governance role of the council and operational or day to day matters.
- Ensuring **the council operates effectively**.

The charity sector, its governance and its responsibilities to its supporters is under increasing scrutiny. At Asthma UK, we keep our information governance policies and

practice under regular review to ensure our supporters can have confidence that we are using their data properly, fairly and responsibly. We have never sold our supporters' details nor shared these for commercial purposes, and will not do so in future. We aim to only contact people who have given permission for us to do so and to make it easy for people to tell us when they no longer want to hear from us.

By establishing good governance at Asthma UK we ensure:

- Compliance with law and regulation.
- That our organisation is well run and efficient.
- That problems are identified early and dealt with appropriately.
- That we make a difference and the objects of the charity are advanced.

Our Council of Trustees is chaired by Professor Robert Wilson and is supported by committees and advisory groups. Additionally the charity's governance complies with the code for the Voluntary and Community Sector, endorsed by the Charity Commission, and other best practice guidelines. Asthma UK is a member of the Fundraising Standards Board. Membership of the scheme represents a commitment to the highest standards of practice and ensures that all fundraising activity is open, legal and fair, as well as committing to abide by the Fundraising Promise. We actively reviewed the skill sets across our Board during the year and used the opportunity of the rotation of Trustees to refresh these.



Statement from Chief Executive

There is nothing as frightening as not being able to breathe, or watching helplessly as a loved one struggles, yet that is the reality for someone in the UK every ten seconds as they have a potentially life threatening asthma attack.

Three people still die as a result of an asthma attack every day, and for some current treatments simply don't work. The National Review of Asthma Deaths, which we campaigned for, highlighted that almost half of those who died were being treated for mild or moderate asthma, a stark reminder of how essential it is that everyone knows how to manage their condition, and how to spot the signs that it is getting worse.

This is why it is vital we continue to raise awareness of how serious asthma is, provide the best advice for those affected by it and continue to fund research into new treatments and ultimately a cure.

We are committed to ensuring that all of our fundraising meets best fundraising practice and we are respectful of donors' wishes in the way that we communicate with them.

In a tough environment our small team strives very hard to make the most of every penny we are so generously given to stop asthma attacks and cure asthma. I'm proud of what we've achieved this year and we are determined to make an even bigger impact in the coming year. Thank you to everyone who has supported us in so many different ways.



Kay Boycott
Chief Executive



Every year, asthma costs more than £1bn in drugs, GP visits and hospital admissions



180 people, on average, are admitted to hospital for their asthma every day



7 out of 10 people with asthma aren't receiving care that meets the most basic clinical standards proven to work



This year we helped over 900,000 people with asthma through doubling the calls answered by our expert nurse helpline and completely rewriting the advice on our website, with much more to come as part of a long term transformation of our services.



Our impact in 2014-15

In 2014-15 we outlined our aims to change the lives of people in three ways:

1. Research into asthma
2. Influencing policy and practice on how asthma is managed across the UK
3. Helping those affected by asthma

Research into asthma

All our research is rooted in what people with asthma have told us is important to them. We are incredibly proud that trained Asthma UK research volunteers advise policy makers and research funders across the UK and Europe to make sure asthma research is rooted in their reality. Asthma UK supports world-class research in a variety of ways. We identify and directly fund the young scientists of the future and enable today's stellar scientists to grow and expand their research programmes in-line with our 2011-16 Research Strategy. Additionally, we partner with other funders to make the most of any of their potential asthma investments; promote the need for further investment in asthma research; directly publish research ourselves; and actively disseminate the findings of asthma research to speed up time taken from discovery to adoption in practice, to drive better outcomes for people with asthma.

What we achieved in 2014-15

This year was the fourth year of our 5-year research strategy and saw many of our planned activities begin to bear fruit. The Asthma UK Centre for Applied Research, a unique collaboration between 13 universities across the UK, began its second year of funding and held our first, very successful, Annual Scientific Meeting in Oxford where researchers debated key asthma issues and planned their research projects alongside people with asthma.

In October, in an exciting new strategic partnership with the Medical Research Foundation, we launched a substantial £1.5m funding scheme (the biggest single project grant round in the current strategy). This saw aspiring career researchers from across the UK applying for project grants for up to £300,000 each, with the aim of identifying and supporting the professors of the future so that research into asthma continues to grow and flourish in the UK. Following an extremely competitive application and review process, the five top-ranked applications were recommended for funding, and the two

charities agreed a combined total commitment of £1.5 million (contribution of £1 million from MRF and £0.5 million from Asthma UK). The projects will begin from 1 October 2015 and we will work with the successful applicants to showcase their work and publicise their findings to ensure that any benefits reach people with asthma quickly.

Our 3-year, EU-funded European Asthma and Research Innovation Partnership (EARIP) continued apace, with project leads successfully submitting comprehensive state-of-the-art reports on asthma diagnostics and asthma self-management to the European Commission.

Our EARIP-related activities also included the development of a 'State of Play' in asthma research document, which identifies the current research priorities and gaps across five areas: asthma services; diagnosis; monitoring; treatment; prevention and policy. These and other documents will be published in the coming year to create a compelling case for greater investment in these areas, in the UK and Europe, to drive innovation and improvement in health outcomes for people with asthma.

We are very proud to be part of the multi-million euro MyAirCoach project (funded by the European Commission, worth €4.6m). This exciting collaboration brings together computer engineers, informatics experts, physicians and people with asthma and is developing a personalised asthma monitoring system (a 'smart' inhaler). This will help people with asthma to manage their asthma themselves more effectively by increasing their understanding of the relationship between their current symptoms and their environment. We are bringing in people with asthma to every step of the research process to ensure that the end product is both useful and usable for them and others like them.

Finally, the results of a study based on research part-funded by Asthma UK, was widely reported in the media as a significant breakthrough. Researchers think they have found a potential cause of asthma, as well as having identified an already existing drug class (calcilytics) that could be used to treat it. The researchers are now seeking funding to test this in an inhaled form in a clinical human trial, and this has potential to reach people with asthma in as little as five years.

Influencing policy and practice on how asthma is managed across the UK

There are 5.4 million people living with asthma in the UK and around 5% have asthma which does not respond to current treatments. We know that, for the majority of people, symptoms, risk of hospitalisation or even death could be prevented with the right basic care. That's why we are raising the awareness of failures in routine care, and offer practical solutions for improvement.

What we achieved in 2014-15

In November, we launched the findings of a UK-wide survey. This showed that 7 out of 10 people with asthma are still not receiving care that meets basic clinical standards, as defined by the National Institute for Health and Care Excellence (NICE) or country-specific equivalent, including having a written asthma action plan, which we know keeps people out of hospital. The campaign was successful in encouraging a higher number of people with asthma and healthcare professionals to download action plans. We are seeing the number of people with an action plan has begun to increase: in 2013, 24% had an action plan; in 2014, 30% had one; and in 2015, 35% had a written asthma action plan. Whilst encouraging,





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there is still a huge way to go to protect even more people against hospital admissions for asthma.

In June, we launched our report 'Patient Safety Failures in Asthma Care' to mark one year since the publication of the National Review of Asthma Deaths report. The report highlighted the fact that the prescribing errors identified in NRAD are not isolated to the cases investigated in that report, but are in fact occurring in the care of the general population of people with asthma, and putting many thousands of people at risk of a potentially life-threatening asthma attack. This resulted in MPs and Peers raising this issue with the Secretary of State for Health in Parliament and thousands of people with asthma consulting our website and downloading life-saving action plans.

We influenced the revised Service Framework for Respiratory Health and Wellbeing and the Research Strategy consultation in Northern Ireland; in Wales we continued our membership of the Respiratory Health Implementation Group that oversees the Respiratory Delivery Plan; and we are continuing to work with the Scottish Government to fully implement emergency spare asthma inhalers into schools in Scotland. We also helped strengthen and ensure relevance to people with asthma through responding to multiple guideline consultations on asthma issued by the National Institute for Health and Care Excellence (NICE). We are committed to maintaining our support for people with asthma across the UK and to ensuring each government is held to account to provide basic standards of care to prevent asthma attacks and avoidable asthma deaths.

Asthma UK campaigned hard to ensure a national clinical audit into asthma, one of the recommendations of the National Review of Asthma Deaths, and so we were delighted when NHS England announced in May 2015 that an audit would be commissioned to cover England and Wales in the first instance. This is the first national clinical audit for asthma, which will audit NHS asthma care across the UK on a rolling, annual basis, generate data that can be used to identify areas of poor practice and reduce geographical variations in care and drive service improvement. We will continue to work closely with NHS England to developing what we feel is the best specification based on our understanding of the needs of people with asthma, and continue to put pressure on policy makers to adopt this approach UK-wide.

Working in partnership with Action on Smoking and Health (ASH) and other health organisations, Asthma UK supported action to reduce smoking. MPs in Westminster and Welsh Assembly Members passed new laws to ban smoking in cars where children are present, and in Northern Ireland, we supported a ban on advertising any tobacco products which went into effect in early 2015. We are also proud of our Clean Air Campaign and Asthma UK-funded scientists produced ground-breaking work in 2015 showing the negative impact of pollution on children in London, as part of making the case for reduced vehicle emissions.

Helping those affected by asthma

Every year thousands of people start being newly treated for asthma. The lack of a definitive diagnosis makes this a worrying time, especially with the confusing number of treatments, inhaler technique to master, and different symptoms and readings to take and record. Even those who have lived with

their asthma for some years can face challenges in managing their symptoms and keeping on top of their asthma, particularly if it starts to worsen and asthma attacks become more frequent. Sometimes people are unaware of the risk of an asthma attack and we raise awareness of risk factors, including at times of high triggers such as high pollution or pollen. Our expert advice team and asthma nurse specialists are on hand to provide free information and support through our Helpline, website and publications to directly support people with asthma, especially those at higher risk of an attack.

What we achieved in 2014-15

During the year we launched an enhanced programme of seasonal health awareness campaigns. We focused campaigns around triggers and known peaks in asthma attacks - including pollen and pollution that are triggers for large number of people with asthma - and linked with advice to encourage self-management. This attracted good media and social media interest, helped by eye-catching infographics and stories of people sharing their own experiences. In one campaign, we partnered with the pharmaceutical company Astra Zeneca successfully to deliver an asthma control poster campaign in GP surgeries and hospitals, and drive those with high rescue inhaler usage to seek an asthma review. This and other awareness raising work increased the number of people with asthma who know that asthma attacks can be fatal; an important first step in taking their asthma seriously.

Increasing numbers of people, more than 900,000 this year, visit the Asthma UK website for information about asthma and advice on how to manage their condition. We saw big increases in downloads of important resources, like the Asthma UK action plan, partly as a result of all the awareness



3 people die

from an asthma attack
every day in the UK.

Tragically, two thirds of these
can be prevented.

campaigns we ran. During the year we completed a major programme of work to update all our online health advice content. The text has been revised to ensure it aligns with the latest clinical guidelines, and has been rewritten to make it more accessible, motivational and engaging. Every piece of information is read and commented on by people with asthma to ensure it meets their needs. We also streamlined the way information is presented on the website, simplifying the navigation to make information easier to find. Asthma UK maintained its Information Standard accreditation for another year, following a rigorous self-assessment process. The Information Standard 'kite mark' is operated by NHS England, and is an important way for Asthma UK to demonstrate the quality of our advice offer, as well as our commitment to providing accurate, evidenced and accessible information.

We doubled the number of enquiries handled by the Helpline team over the year, with our expert Helpline nurses responding to 7,000 calls. Thanks to greater utilisation of a new Helpline call-handling system, our nurses were also able to answer more calls in person, meaning fewer enquirers had to leave a message or abandon their call.

In work with healthcare professionals, we completed a project to identify ways of improving the effectiveness of asthma reviews conducted by GPs and asthma nurses. The annual review of symptoms, medication and inhaler technique is the bedrock of basic asthma care, yet over 1 million people missed their annual review appointment last year. We produced and disseminated a set of top tips for busy doctors and nurses, highlighting practical changes they can make which have been shown to improve effectiveness of reviews. This was enhanced by our successful joint work with the market leading GP software provider to make Asthma UK action plans available on their

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systems, and to implement prescribing alerts to prevent people being given unsafe levels of asthma medication. Our Healthcare Professional Network, made up of doctors and nurses with an interest in respiratory care, continues to grow and we now have over 3,000 members.

This year we also set up the UK's Council of Healthcare Professionals, which is a cross-disciplinary advisory group of leading clinicians from across the UK, to provide advice to the charity on clinical matters. They, and our Lay Advisory Group and Readers Panel, help to ensure our work is rooted in the reality of people with asthma and the lives of those who provide care to them.



Our aims for 2015-16

We have 5 key strategies to deliver the 2014-17 goal of reducing the risk of asthma attacks.

Drive World class asthma research

- Continue to fund the highest quality research that supports Asthma UK's ambitions to prevent asthma attacks and cure asthma through the Asthma UK Centre for Applied Research, and review the impact of the MRC-Asthma UK-funded Centre for Allergic Mechanisms in Asthma, with a view to funding for a further 5 years.
- Increase investment in asthma research in the UK and the European Union by securing funding commitments from the UK Government(s), the European Commission, industry and funding bodies in the UK, using economic and health opportunities for the development of new diagnostic tools, self-management tools and the most promising research into innovative treatment for severe asthma.
- Enhance the applicability and relevance of asthma research to reduce research waste, through increasing the involvement of people with asthma in our research activities.

Campaign for Good Asthma Care

- Ensure that NHS primary and secondary care has the right technologies, data, infrastructure and architecture to deliver basic standards of asthma care.
- Hold authorities (NHS England, NHS Wales, NHS Scotland, and Northern Ireland) to account for implementing national asthma frameworks and standards, including the National Institute for Health and Care Excellence (NICE) Guidelines in order to achieve consistently basic standards of care across all four countries.
- Highlight asthma care awareness through the National Clinical Asthma Audit, Asthma UK's new Data Portal and the annual Asthma Care survey.
- Work in partnership on smoking, prescription charges and air quality.

Directly support more people at high risk of an asthma attack

- Provide gold standard asthma advice based on best available global evidence and increase personalisation through technology.
- Increase the reach, quality and impact of our digital support and Helpline service.
- Drive use of risk assessment tools and self-management resources to reduce the risk of asthma attacks.

End complacency about asthma

- Raise awareness of the seriousness of asthma.
- Raise awareness of triggers and risk factors, especially amongst those at highest risk of an asthma attack at the point they can take preventative action.
- Directly address negative attitudes and beliefs about asthma.
- Work with people with asthma to ensure the organisation represents their needs and concerns.

Attract more funding for asthma

- Continuously improve the support of those who fundraise for us so that they are inspired to raise more money for Asthma UK.
- Actively build partnerships, financial or otherwise with organisations who share our vision.
- Challenge our internal effectiveness to make the most of every penny for people with asthma.



Financial review

Our total consolidated reserves have increased slightly by £0.3 million from £5.6 million to £5.9 million.

Overview

	2015	2014
	£'000	£'000
Gross income	7,973	9,315
Gross expenditure	(7,496)	(7,847)
Loss in value of investments	(229)	(93)
Net income for the year	248	1,335

The UK economic environment remains tough and the charitable fundraising environment increasingly so, and these factors have impacted on our ability to raise voluntary income. Fundraising from individuals fell by £0.2 million to £2.4 million and overall total incoming resources fell by £1.3 million to £8.0 million. High legacy income in the prior year wasn't matched in 2014-15. Prior year income also included income from fundraising in respect of the appeal for the Asthma UK Centre for Applied Research, which did not recur in 2014-15. Costs were tightly controlled and activity re-focused to give best value for money, and as a result net resources expended fell by £0.4 million to £7.5 million. Net incoming resources of £0.5 million are reasonable as a result.

Before accounting for a loss on investments of £0.2 million, our operating surplus was £0.5 million,

higher than our target of £0.2 million for the year. Unrestricted reserves at the year-end have fallen by £0.4 million to £3.5 million, after designating a further £0.2 million for the purposes of research grants. This is within the range agreed by Trustees.

Income

Total incoming resources for the year were £8.0 million (2013-14 - £9.3 million). This decrease reflects a challenging fundraising environment particularly from individual supporters, and also the unpredictable nature of legacy receipts. Income from legacies fell by £0.8 million to £3.1 million following relatively high value legacies in the prior year. Income from Companies and Trusts also fell, by £0.5 million to £0.9 million, following donations in the prior year in respect of the Asthma UK Centre for Applied Research.

The level of legacies notified to us but not certain at the end of September, amounted to £1.7 million. This provides some level of assurance for this income stream in 2015-16. We are extremely grateful to those who leave bequests to the charity; their generosity enables us to achieve our goals. In particular, we are very grateful this year for a discretionary legacy of £0.6 million to be awarded for research grants. Donations from supporters through Community

and Events activities raised £1.3 million, in line with the prior year.

In this environment we are grateful to the many thousands of supporters who have continued to support us during the last year.

Expenditure

Net resources expended fell by £0.4 million to £7.5 million in the year.

We spent £518,000 on research grants in the year, lower than spend of £641,000 in the prior year. Grants were awarded jointly with the Medical Research Foundation who contributed funding of £962,000, making a total of £1.5 million for the round. Five grants were awarded, targeted towards bringing young researchers to independence to become future breakthrough scientists. Further details on the grants awarded are given in Note 19 to the accounts. These grants will be paid out over a number of years and an analysis of the timing of grant commitments outstanding at 30 September 2015 is given in note 2.

Expenditure this year on Improving Care declined from £1.7 million to £1.3 million, reflecting a shift in the type of activity we believe will best deliver this objective, and also activity in the prior year in respect of the National Review of Asthma Deaths.

Our expenditure on Advice and Support for people with asthma and their carers has remained at £2.3 million.

Support Costs

Support costs are broadly in line with the prior year at £1.8 million. In line with SORP 2005, we allocated support costs across Asthma UK's charitable and

fundraising activities to reflect usage by activity. Allocation is based on overall staff head count as we believe this gives the fairest reflection of how resources have been utilised. Details are shown in note 5.

Balance sheet

Our balance sheet has strengthened over the past year with total consolidated reserves increasing by £0.3 million, from £5.6 million to £5.9 million. Restricted funds have increased by £0.5 million to £0.7 million, mainly through receipt of a discretionary legacy for research grants, and a further £0.2 million was designated for research grants. There was a fall in general reserves of £0.4 million to £3.5 million.

Subsidiaries' performance

Asthma Enterprises Limited (AEL) is a wholly owned subsidiary of Asthma UK. It conducts trading activities, largely associated with fundraising, that are not covered by the charity's main objectives. All profits are transferred to Asthma UK via gift aid. This year's turnover was £149,000 (2013-14: £155,000), while the operating profit (before the gift aid transfer to Asthma UK) was £75,000 (2013-14: £67,000). An appropriate share of group costs is attributed to AEL. Details of income and expenditure can be seen in note 18 of the accounts.

In 2013-14, Asthma UK was involved in a joint venture, The Respiratory Alliance, with three other participants the British Thoracic Society, British Lung Foundation and the Primary Care Respiratory Society. Each subscriber held a 25% interest in the company. Due to lack of sustainable funding, the



joint venture was closed during that year and the company has been wound up.

Financial Key Performance Indicators

The Trustees monitor the financial performance of the organisation through full regular financial reporting to the Finance and Audit Committee and Council including income and expenditure, balance sheet and cash flow forecast reporting. At a top level, the Trustees pay close attention to the various indicators, which are drawn from the internal management accounts and 3 of which are shown below:

Indicator	Actual	Target	Variance
Gross Income – growth from prior year	-14%	-8%	-6%
Net Income – growth from prior year	-18%	-20%	+2%
Legacy pipeline – value at year end	£1.7m	£1.8m	-£0.1m

The indicators show the declines over prior year as described in earlier sections. They also show that declines in gross and net income were anticipated in the budget and that the decline in net income was not as much as expected, despite gross income falling short. Our target was to maintain the level of our legacy pipeline and our actual pipeline fell slightly below that at £1.7 million. We believe our budget for income from legacies next year is prudent at £2.8 million and that the pipeline at the end of 2014-15 supports this.

Financial position at the end of the year and financial outlook

The financial environment remains difficult and the charity fundraising environment increasingly so. Our plans for 2015-16 include provision for investing in new digital channels. Through these we aim to deliver increasingly personalised health advice to many more people with asthma by leveraging technology, and providing new channels and opportunities for people to support us in line with social trends. Recent staff recruitment provides us with many of the skills to develop these new activities but this is also a tough recruitment market, for a charity of our size, with a shortage of specific digital skills.

The Trustees have set an operating deficit budget for next year of £1.9 million, after providing £2m in respect of the anticipated renewal of the MRC and Asthma UK Centre in Allergic Mechanisms of Asthma. The renewal is expected to be for 5 years and would be accounted for in full, in the year the commitment is made. The underlying operating surplus, before making this commitment, is therefore budgeted to be £110,000. The assumptions made in the budget reflect the challenging fundraising climate and the need to develop new income streams to fund our work. The Trustees recognise the risks inherent in the financial plans but are confident there are sufficient mitigations for the budget to be achievable.

Reserves policy

The Trustees recognise the need to hold sufficient free reserves to ensure the protection of our core activities in the event of income shortfall and economic downturns, and to allow balanced long-term strategic planning. Free reserves available

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Donations from supporters through Community and Events activities raised £1.3 million, in line with the prior year.

In this environment we are grateful to the many thousands of supporters who have continued to support us during the last year.

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for use by Asthma UK are those that are readily realisable, less funds whose use is restricted, endowed or has been designated for particular purposes. The definitions of these funds can be found in note 1(h) of the accounts, details of individual funds at note 14.

The Trustees have set a target range for free unrestricted reserves on a risk basis to provide some protection against any unforeseen decrease in our investment portfolio, or failure to achieve our fundraising plans, and to provide sufficient working capital for the organisation. The range of general reserves considered appropriate to cover working capital and unforeseen events is the equivalent of between two to four months of budgeted expenditure for the coming year, excluding research and expenditure from restricted funds. This approach recognises the fact that most of the charity's income comes from voluntary donations, which are uncertain. During the year the Finance and Audit Committee reviewed the methodology for the calculation of target reserves, and recommended a target reserves range for approval by Council. The target range at 30 September 2015 stands at £3.4 million to £4.1 million, with the actual level at 30 September 2015 at £3.5 million within this range.

Endowment and restricted funds

Endowment and restricted funds at the end of the year amounted to £1.3 million (2013-14: £0.8 million). Income from our endowed funds is restricted to support our research expenditure, while other restricted funds are applied towards specific activities agreed with the donors.



Our expenditure on Advice and Support for people with asthma and their carers has remained at **£2.3 million**.

Designated funds

The current policy is to designate an amount each year towards possible future multi-year grants, as the full cost of the grant is charged in the year the formal commitment is made. This year, this was £236,000. Without some designation of funds in advance of such awards, reserves are likely to drop below the acceptable minimum amount set by Trustees in the year any multi-year grant is made, reducing the likelihood of Trustees approving multi-year grants and restricting the breadth of research funding offered by Asthma UK.

The other designation is for £0.2 million (2013-14: £0.3 million), which is equivalent to the book value of the charity's tangible fixed assets and has been established in recognition that these assets are not readily convertible into cash, and are therefore not available to cover contingencies. Explanation of re-allocation between funds is shown in note 14.

Research grants policy

Asthma UK has agreements to fund research projects, senior research fellowships and professorial chairs for periods of up to five years. The Charity Commission's Statement of Recommended Practice (SORP) requires the charity to make provision for forward commitments (i.e. recognise them as liabilities), at the time when grants are awarded or when a forward commitment becomes a constructive obligation.

Each year there is a rigorous technical review process to ensure research undertaken on behalf of Asthma UK meets the conditions under which it was granted, our code of ethics and other standards. It is the charity's intention to meet the grants obligations unless there is an exceptional reason. The selection of

research projects for funding is through an established peer review system which includes lay reviewers, in accordance with the guidelines of the Association of Medical Research Charities. Experts in relevant fields of research are asked to give a commentary and score the grant applications according to their relevance to asthma, our research aims, the quality of the proposed methodology and its value for money.

Investments

The Finance and Audit Committee, which reports to the Council of Trustees, monitors the activities and performance of the investment managers on a regular basis.

The charity's aims in investing its funds continue to be:

- to meet future defined longer-term liabilities.
- to provide reserves "to protect core activities in the event of income shortfalls until such time as alterations to planned expenditure can be made".
- to support long-term identifiable projects.

Throughout the year under review, the charity's investment portfolio was managed by Rathbone Brothers Plc, within clear guidelines set by the trustees. Following a thorough review and tender process by the Trustees, the portfolio was transferred from Rathbone Brothers Plc to Newton Investment Management Limited in November 2015, with investment to be made in the Newton Growth and Income Fund for Charities. The Fund aims to maximise total returns through capital growth and income by investing in a global portfolio of equities and fixed-interest securities and has a target income yield of 3% per annum.

Trustees also reviewed the charity's investment policy and strengthened the commitment not to invest in tobacco or smoking-related products.



“

Five grants were awarded, targeted towards bringing young researchers to independence to become future breakthrough scientists.

”

Investment performance

Over the year, the investment portfolio fell by 0.31% against its benchmark of CPI+4% (+3.87%). After a strong start to the period, the portfolio suffered from asset volatility at the end of the summer, giving up its gains against the non-market related benchmark. Over the same period, the FTSE All-Share Index fell 1.34%.

Throughout this period and since 2010, the portfolio has been invested to provide long-term capital growth, with lower volatility than the equity markets within the parameters set by the

Finance and Audit Committee. To do this, equity risk has been necessary in a minimal interest rate environment, and this has resulted in some periods of underperformance.

Interest and dividend income in the year from investments and bank deposits amounted to £220,000 (2013/14: £202,000). This represents an income return of 2% (2013/14: 2%). Unrealised losses on the portfolio total £229,000 (2013/14: £93,000).

Principal risks and uncertainties

The Finance and Audit Committee oversees Asthma UK's risk management strategy and monitors the risk management process. Council receives reports on overall risks and 'in depth analysis' into specific risks.

There is a formal risk management process in place to allow Trustees and management to assess business risks and implement strategies to manage them where appropriate. The register is reviewed quarterly by the senior leadership team and annually by the finance and audit committee with an ongoing analysis of key risks.

The types of risk facing the charity are identified, and the potential impact and likelihood of occurrence assessed to produce a gross risk score. Once current mitigation has been reviewed, each risk is rescored with the impact and likelihood of occurrence to provide a net risk score. Each risk has an identified Director with lead responsibility for oversight of it, and there is a quarterly review process built into our operational performance management framework. The four key risks identified through this process are set out on page 27, together with the mitigation and future actions in place against each one.

The Strategic report was approved and signed on behalf of the Trustees on 8 March 2016.



Professor Robert Wilson
 Chairman, Asthma UK

Risk	Asthma UK-funded research fails to have a positive impact for people with asthma.
Mitigation	Research review panel, containing expert clinicians and trained lay reviewers with asthma, monitor impact of research through Researchfish system (an on-line monitoring tool co-ordinated by the Medical Research Council) and reports from grant holders.
Future actions	Future development of new research strategy incorporating findings from European Asthma Research Innovation Partnership.

Risk	Complacency about asthma leads to lack of investment in healthcare system improvements and lack of engagement by people with asthma in self-management
Mitigation	Focus on achieving communication reach to make the case for asthma. New communication messages in line with views of people with asthma. Commissioned research to demonstrate the impact of asthma.
Future actions	Continued investment to make the case for asthma through multiple channels of communication

Risk	Failure to recruit, retain and get best impact from people
Mitigation	Council and Remuneration Committee maintain oversight of employee statistics to aid identification of any key trends and sector comparisons. Long-term people strategy
Future actions	Prioritised capability development plan. Changes to recruitment and onboarding approach

Risk	Failure to make the most of new technology to drive better outcomes for people with asthma
Mitigation	Investment in technology underpinning digital advice to give more personalisation, policy programme to influence adoption of new technology to improve asthma management
Future actions	Continued investment in technology partnering with thought leaders in e-health and m-health



Trustees' report

Our structure, governance and management

Council sets strategic direction, ensures the Charity achieves its objectives and is responsible for upholding its values.

The Trustees' Report should be read in conjunction with the Strategic Report on pages 3-27. As required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 details of the charity's objectives, performance against plans, future plans, financial review and risk management previously contained in the Trustees' Report are included in the Strategic Report.

Structure and Management

Asthma UK (the Charity) is a company limited by guarantee (registered company number 02422401) and is a registered charity registered in England and Wales (802364) regulated by the Charity Commission and Scotland (SC039322) regulated by the Office of the Scottish Charity Regulator. It is governed by a Council of Trustees (Council), chaired by Professor Robert Wilson, under powers defined in the Memorandum and Articles of Association. Asthma UK is a membership-based charity with a current membership of around 6,100. The day-to-day running of the Charity is the responsibility of the Senior Leadership team.

Council

Council sets strategic direction and ensures the Charity achieves its objectives. It oversees governance and is responsible for upholding the Charity's values. The Charity's governance complies with the Code for the Voluntary and Community Sector, endorsed by the Charity Commission and other best practice guidelines published by the Charity Commission. It has agreed a schedule of matters reserved to Council which includes approval of annual budgets. It delegates operational responsibility for the Charity's activities to the Chief Executive and the Senior Leadership Team and provides advice, guidance and support on an ongoing basis. Council comprised 15 Trustees as of 30 September 2015 and met 6 times during the year, including an 'away-day'. It is supported by a number of committees to which it delegates certain authorities.

Trustees (for more information see page 31)

The Council comprises up to 16 trustees, 10 of whom are directly elected by members and up

to a further 6 who may be co-opted by Council. Elected trustees serve for a 3-year term and are eligible to stand for a second 3-year term, after which their term must end - unless they are serving as honorary officers of the charity. In that case, they may serve for up to a further term as officers. Honorary officers are defined as Chair, Vice-Chair, or Chair of the Finance and Audit Committee. Co-opted trustees serve a term of three years, or a shorter period if Council so decides. After three years co-opted Trustees must stand down, although they remain eligible to stand for election. Council also has the power, in exceptional circumstances and subject to a formal Council resolution, to extend the term of office of any trustee that would otherwise come to an end.

All Trustees must be members of Asthma UK and receive no remuneration other than for expenses incurred as Trustees. Trustee indemnity insurance is in place for the protection of the trustees.

New Trustees have a full induction to provide them with the background to Asthma UK and their duties as Trustees and Directors. They are encouraged to become involved in the charity's activities and sub-committees, using their skills and experience, and attend other events held by the charity so that they become informed and fully involved in all aspects of its work. See pages 21 to 24 for full details of our Trustees.

Committees and advisory groups

All sub-committees operate under terms of reference set by Council and report on their meetings to the subsequent Council meeting. There are also advisory groups which provide specialist advice and support to the organisation.

Committees and Advisory groups



Finance and Audit Committee

The Finance and Audit Committee oversees in detail the financial plans and performance of the organisation, reviews the results of the risk management processes and monitors the performance of the charity's investment portfolio. The Committee consists of four Council members and two non-Trustee members. Council has the power to co-opt up to four non-Trustee members, chosen for their relevant skills and experience.

Nominations Committee

The process for the election and co-optation of Trustees is also overseen by the Committee consisting of 5 members of Council. A skills and experience audit of current Council members, compared with those skills required to perform Council's duties, guides the process. Vacancies for elected positions are advertised to all Asthma UK members with additional wider targeted advertising used where necessary to attract candidates with



specific skills. On completion of the election process, the Nominations Committee reviews remaining skills gaps and recommends suitable co-options to Council for formal decision. The Nominations Committee has responsibility for periodic review of the Articles and overall governance structure and operation, in line with good practice and latest regulation.

Remuneration Committee

The third sub-committee is the Remuneration Committee, consisting of four members from Council, and is responsible for considering and setting the charity's remuneration policy and terms and conditions of employment for all staff.

In addition, Council and the Senior Leadership Team receive additional expert advice from three sources:

Research Review Panel

Members of the panel are invited independent experts who meet to review grant applications and make recommendations to Council, and inform and review progress against the research strategy. In 2014-15 panel members were: Professor James Brewer, Professor Anoop Chauhan, Dr Stephen Fowler, Rod Greenhalgh, Professor William Harnett, Professor John Holloway, Professor Robert Horne, Val Hudson, Heidi Hurdle, Dr Gisli Jenkins, Surayya Khan, Professor Monica Lakhanpaul, Dr Lorcan McGarvey, Dr Clare Murray, Dr Michael Perkin, Jenny Negus, Dr Robert Niven, Amanda Roberts, Dr Dominick Shaw, Professor Brian Sutton, Professor Martin Tobin, Dr Mark Travis, Dr Sarah Walmsley, Professor Jonathan Van-Tam (Chair), Dr Mark Wilson.

Council of Healthcare Professionals

Asthma UK established a new advisory body in April 2015, the Council of Healthcare Professionals, to provide a source of expert clinical advice to guide the charity's operational activity and inform our strategy. Drawn from the wider clinical community and representing all sectors (primary, secondary, tertiary and community across the UK), Council members volunteer their time and are able to inform and shape our understanding of emerging clinical issues, opportunities and guidance. Members also work alongside Asthma UK at national level to add their weight to policy. In 2015 the Council members were: Hesham Abdalla, Noel Baxter, Toby Capstick, Grainne d'Ancona, Louise Fleming (Chair), Claire Hallas, Sally Harris, Natalie Harper, James Hull, Lianne Jongepier, Anne-Marie Marley, Adel Mansur, Viv Marsh, Kris McLaughlin, Keith McCollum, Dan Menzies, Anna Murphy, Amy Olley, Ian Pavord, Deborah Waddell, Andy Whittamore.

Lay Advisory Panel

The Lay Advisory Panel is a group of 15 volunteers made up of people with asthma and carers of people with asthma. The Panel acts as a strategy sounding board for Asthma UK's Senior Leadership Team to ensure that our plans and key messages are informed by the insight of people directly affected by asthma. In 2015 the Panel members were: Angus Bateson, Elaine Bateson, David Bourne, Serena Farrow, Yasmin Hamounda, Julia Kerr, Max Meltzer, Peter Naylor, Malcom Pilcher, Tena Roberts, Suzanne Robinson, Beverley Rose, Philip Seagrave (Chair) Chandravadan Shah, Caroline Smith and Tressey Thompspon.

Trustees

(as of 30 September 2015)

Professor Robert Wilson – Chair

Professor Rob Wilson was appointed as Chair in July 2009. He is a Consultant Physician, Director of Lung Division and Associate Medical Director at the Royal Brompton and Harefield Hospital. He is also adjunct Professor of Medicine at Imperial College London.

George Anson

George became a Trustee on 9 June 2015 and brings 30 years of entrepreneurial expertise. He is Managing Director of HarbourVest Partners LLC, a private equity fund and investment manager, having founded the London office in 1990. He is also Director of the European Private Equity and Venture Capital Association. George brings 30 years of entrepreneurial experience of investment management to the role of Trustee at Asthma UK, and sits on the Finance and Audit Committee.

Kate Clarke

Kate is the Chair of our Remuneration Committee, and became a trustee in 2013. She has a background in marketing, having worked at Mars Confectionery and Kraft Foods. She is keen to use her commercial experience to support and grow Asthma UK's fundraising.

June Coppel

June Coppel is Chair of the Nominations Committee. She spent 19 years at the Bank of England working in the areas of Overseas Intelligence, Banking Supervision, and Equal Opportunities. She sits on the Council of her university graduates' association in London and has undertaken voluntary work as a

school governor, a fundraiser for Save the Children Fund and a children's hospice, and has also chaired a Victim Support Charity in Surrey. June also sits on the Remuneration Committee.

John Garbutt

John was elected as a co-opted Trustee on 3 March 2015. He has spent his entire executive career working in financial services in a number of different management posts for a variety of primarily City institutions, including Rowe and Pitman, ICI, Touche Remnant, Schroders and Kleinwort Benson. For the last 23 years he was a Director at HSBC, holding a broad range of senior positions in the investment businesses, including being head of real estate and eCommerce. He retired from the bank in 2013 as Global Head of Corporate Governance. Last year he became a Non-Executive Director of the Stobart Group and Chairman of their Remuneration Committee. Outside work, John is an Alderman in the City, a Justice of the Peace, and member of numerous charity and finance boards. He is also a Visiting Professor of two universities and Lay Chairman of a church. He is a Fellow of the Royal Society of Arts, the Royal Geographical Society and of the Chartered Institute for Securities and Investment.

Paulette Graham

Paulette is an HR/Office Manager in an architectural company and has worked in the profession for about 15 years. Prior to this, she worked in travel. In her spare time, Paulette runs a successful cake baking business and takes part in many road races. Paulette resigned as a Trustee in March 2015.

Barbara Herts

Barbara is Director of Integrated Commissioning and Vulnerable People at Essex County Council. With a background in children's services and education, schools and social care, Barbara has worked in both central and local government, for the Department of Health and the Department of Education. Her



key areas of interest are asthma in children and young people, and supporting work for children in schools, social care and in the NHS. She is a member of the Nominations Committee.

Dr Paul Hodgkin

After working as a GP for 25 years, Paul founded www.PatientOpinion.org.uk in 2005, the not-for-profit website where patients, carers and staff can share stories of care. Paul brings experience and knowledge of the impact of the digital world in the healthcare arena to the role of Trustee at Asthma UK, and joined on 9 June 2015. He is a member of the Finance and Audit Committee.

Mary Leadbeater

Mary is a Chartered Accountant. After working in finance roles for the Royal Dutch Shell Group for 15 years she joined the NHS in 1994 as a hospital Finance Director. She has been a Trustee and member of the Finance and Audit Committee since 2012, and was co-opted as a Trustee from June 2015. She provides advice on financial management based on her experience gained as a board member of several healthcare and charitable organisations.

John Lelliott – Vice Chair

John Lelliott is a Chartered Certified Accountant and Finance Director and a member of the senior management team at The Crown Estate where he has responsibility for finance, information systems and internal audit. He is a member of H.R.H Prince of Wales Accounting for Sustainability Chief Financial Offices Network. John is a member of both the Asthma UK Finance and Audit Committee and Nominations Committee and contributes to providing advice, scrutiny and governance to the charity.

Professor Jürgen Schwarze

Jürgen has contributed significantly to the understanding of the role that viruses have in the

development of asthma, and in acute asthma attacks. As a pediatric allergist and chest physician and clinical researcher, he has longstanding experience in basic and clinical research in asthma and allergy related fields. As a former member of the Asthma UK Research Committee, he has helped to identify important and scientifically outstanding research projects, and as a Trustee he has helped to shape Asthma UK's current research strategy. Jürgen's term as a Trustee finished on 9 June 2015.

Martin Sinclair

Martin Sinclair was an Assistant Auditor General and member of the Leadership Team at the National Audit Office, the external auditors of central government until September 2015. He is a member of the Chartered Institute of Public Finance and Accountancy. He has been a member of the Asthma UK Finance and Audit Committee since 2010 and contributes to charity providing advice on accounting, audit, risk and performance management issues.

Dr Iain Small

Iain has been actively involved in respiratory medicine in primary care for 20 years, and is a General Practitioner and Chair of the Primary Care Respiratory Society UK. Iain finished his term as a Trustee on 9 June 2015.

Matthew Smith

Matthew is a Partner at Capsticks LLP, and has more than 20 years' experience of advising on public law. He specialises in advising a wide range of public bodies on their governance, powers and duties; the integration of health and social care, and on associated programmes for the integration of services. He is also an experienced judicial review litigator and is a member of the Nominations Committee. He has been a trustee since 2013.

David Steeds

David Steeds is a Chartered Accountant currently

working as a non-executive director of a number of public and private companies. He was previously Corporate Development Director of Serco Group plc and QinetiQ Group plc, and Chief Executive of the Private Finance Panel. David has been Chairman of Asthma UK's Council and Finance and Audit Committee since 2009. He has experience of corporate governance, commercial business and general finance.

Dr Mark Taylor

Mark is currently an adviser for the National Institute for Health Research, a strategic role looking at issues surrounding intellectual property created with the annual 1.3 billion investment, and whether the research will create tangible patient benefit. Mark has previously been a managing director of a biomedical research centre in Oxford, and a trustee of the Multiple Sclerosis Society, and has been a trustee of Asthma UK since 9 June 2015.

Dr Anne Thompson

Anne recently retired after 24 years as a Consultant in Paediatric Respiratory Medicine in Oxford. She has extensive clinical experience of asthma in children and in helping children and families cope with the condition. Anne finished her term as a Trustee on 9 June 2015.

Simon Tilley

Simon is a Managing Director at DC Advisory Partners, an investment bank based in the City of London. Simon has spent his career advising companies and private equity firms on raising finance and making acquisitions and disposals. Simon resigned as a Trustee in March 2015.

Jane Tozer

Jane E Tozer MBE OBE started work with IBM, and later became CEO of an innovative software house, taking it from start-up to trade sale. Jane has since held a portfolio of non-executive directorships with large and small companies, both quoted and unquoted.

She has also acted as advisor to various public sector bodies and investment banks. She is a currently a non-executive director of two investment trusts, StatPro plc, her local Citizen's Advice Bureau, and the Information Technologists' Charity. Jane is a member of the Remuneration Committee.

John Tucker

John is a partner at Linklaters, where he has served for 25 years with various board and management responsibilities in London and New York. He is also a Director and Finance Committee member of London First, and a member of the development committee of Shakespeares Globe. John joined as a trustee of Asthma UK on 9 June 2015 and is a member of the Remuneration Committee.

Employment policy

It is the Charity's policy to provide equal opportunities to job applicants and employees of any race, nationality, ethnic origin, marital status, religion or belief, gender, disability, sexual orientation, age or employment status. The Charity does not condone or tolerate any form of discrimination in its recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities, and are accountable for the impact of their own behavior and actions.

All the Charity's policies follow these principles. During the year, regular communications to employees have been provided on matters affecting them, including factors affecting the Charity's progress, and they have been consulted on decisions affecting them. We are pleased to have retained the Investors in People Bronze accreditation.



Trustees' responsibilities statement

We take our responsibilities seriously

The Trustees (who are also directors of Asthma UK for the purposes of company law) 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 judgments 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 charitable group will continue in business.

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 the Trustees 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.

Going concern

The review outlined above of our financial position, reserves and future plans gives Trustees confidence that Asthma UK is, and will continue to be for the foreseeable future, a going concern.

Public benefit

The Trustees refer to the Charity Commission's general guidance on public benefit and are satisfied that our objectives, strategy, work plans and activities fall within the charitable purpose "the advancement of health and the saving of lives" as required by the Charities Act 2011.

Auditors

Grant Thornton UK LLP was reappointed as the charity's auditors at the Annual General Meeting on 9 June 2015 under Section 487(2) of the Companies Act 2006 and have expressed their willingness to continue in that capacity. The auditor is subject to annual re-election and resolutions on its appointment will be included in the Notice of AGM.

Approved and signed on behalf of the Trustees on 8 March 2016



Professor Robert Wilson
Chairman, Asthma UK

Independent auditor's report to the members and Trustees of Asthma UK

We have audited the financial statements of Asthma UK for the year ended 30 September 2015, which comprise the group statement of financial activities, the balance sheets, the group cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees and members, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 and trustees those matters we are required to state to them in an auditor's report, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 34 and 35, 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.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006, and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 30 September 2015, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records, 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 or 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.

Grant Thornton UK LLP

Jennifer Brown

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

9 March 2016

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



Group statement of financial activities

For the year ended 30 September 2015 (incorporating consolidated income and expenditure account)

	Notes	UNRESTRICTED	RESTRICTED	ENDOWMENT	2015	2014
		FUNDS	FUNDS	FUNDS	TOTAL	TOTAL
		£'000	£'000	£'000	£'000	£'000
Incoming resources	1(c)					
Voluntary Income:						
Donations and Subscriptions from Individuals		2,379	25	-	2,404	2,625
Donations from Companies and Trusts		473	359	40	872	1,358
Community and Events Fundraising		1,320	13	-	1,333	1,269
Legacies		2,315	744	-	3,059	3,828
Total Voluntary Income		6,487	1,141	40	7,668	9,080
Investment income		207	12	-	219	202
Incoming resources from Charitable Activities:						
Other statutory grants		-	71	-	71	-
Income from Charitable Activities		15	-	-	15	33
Total incoming resources		6,709	1,224	40	7,973	9,315
Resources expended	1(d)					
Cost of generating funds:						
Fundraising costs		2,264	-	-	2,264	2,321
Investment management fees		36	-	8	44	42
Cost of generating funds		2,300	-	8	2,308	2,363

Group statement of financial activities (continued)

	Notes	UNRESTRICTED FUNDS £'000	RESTRICTED FUNDS £'000	ENDOWMENT FUNDS £'000	2015 TOTAL FUNDS £'000	2014 TOTAL FUNDS £'000
Charitable activities:						
Research		913	626	-	1,539	1,414
Improving Care		1,248	50	-	1,298	1,652
Advice and Support		2,202	60	-	2,262	2,350
Total charitable activities		4,363	736	-	5,099	5,416
Governance Costs		89	-	-	89	68
Total resources expended	4	6,752	736	8	7,496	7,847
Net (outgoing)/ incoming resources before joint venture (operating result)	3	(43)	488	32	477	1,468
Share of deficit of joint venture	18b	-	-	-	-	(40)
		(43)	488	32	477	1,428
Loss in value of investments	10	(189)	-	(40)	(229)	(93)
Net movement in funds for the year		(232)	488	(8)	248	1,335
Total funds brought forward		4,841	200	581	5,622	4,287
Balance at 30 September 2015	14	4,609	688	573	5,870	5,622

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.

Summary Income and Expenditure Account

The summary income and expenditure account is presented in order to comply with the Companies Act 2006. The major difference in the figures presented from those in the consolidated statement of financial activities is the exclusion of endowment income and expenditure.

	2015 £'000	2014 £'000
Gross income	7,933	9,290
Gross expenditure	7,488	7,839
Realised gains from investments	52	18
Net income for the year	497	1,469

Balance Sheets

As at 30 September 2015. Company Registered Number: 02422401

	Notes	CONSOLIDATED		CHARITY	
		2015 £'000	2014 £'000	2015 £'000	2014 £'000
Fixed assets					
Tangible assets	9	214	288	214	288
Investments	10	9,316	9,370	9,416	9,470
		9,530	9,658	9,630	9,758
Current assets					
Debtors	11	486	494	615	581
Cash at bank and in hand		596	722	358	515
		1,082	1,216	973	1,096
Creditors					
Amounts falling due within one year	12	3,211	2,919	3,202	2,899
		(2,129)	(1,703)	(2,229)	(1,803)
Net current liabilities					
		7,401	7,955	7,401	7,955
Total assets less current liabilities					
Creditors falling due after more than one year	2, 13a	1,491	2,303	1,491	2,303
Provisions for lease dilapidations	13b	40	30	40	30
Net assets		5,870	5,622	5,870	5,622
Represented by:					
Funds					
Endowment funds to Support Research		573	581	573	581
Restricted income funds		688	200	688	200
Designated funds-Fixed Assets		214	288	214	288
Designated fund - Research Grants		903	667	903	667
Unrestricted Income funds (including revaluation reserve of £984k for 2015 and £1,958k for 2014)		3,492	3,886	3,492	3,886
	14	5,870	5,622	5,870	5,622

The accompanying notes are an integral part of this balance sheet.

The annual trustees' report and accounts including notes 1 to 19 were approved by the Trustees on 8 March 2016



Professor Robert Wilson
Chairman



David Steeds
Chair of Finance and Audit Committee

Group cash flow statement

For year ended 30 September 2015

	Notes	2015 £'000	2014 £'000
Reconciliation for the year of net outgoing resources to net cash outflows		£'000	£'000
Net incoming resources for the year		477	1,468
Net investment income received		(219)	(202)
Exchange revaluation movements		2	(8)
Depreciation		86	124
Decrease in debtors		8	321
Increase in creditors falling due within one year		292	1,049
Decrease in creditors falling due in more than one year		(802)	(915)
Net cash (outflow)/inflow from operating activities		(156)	1,837
Returns on investments			
Investment income		158	127
Interest received		61	75
		63	2,039
Capital expenditure and financial investments			
Purchase of tangible fixed assets		(12)	(256)
Purchase of investments		(2,939)	(3,013)
Receipts from sale of investments		2,032	2,241
		(919)	(1,028)
Net (decrease) / increase in cash for the year	(a)	(856)	1,011

Notes to the group cash flow statement

(a) Analysis of net funds

	01 Oct 2014 £'000	Cash Flow £'000	30 Sept 2015 £'000
Cash and short-term bank deposits	722	(126)	596
Cash held as part of investment portfolio	1,189	(730)	459
Total	1,911	(856)	1,055

Notes to the Group financial statements

For the year ended 30 September 2015

1. Accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of listed investments stated at market value, and in accordance with applicable accounting standards. They comply with the Statement of Recommended Practice on Accounting and Reporting by Charities ('SORP 2005') issued in March 2005 and the Companies Act 2006.

After making inquiries, the Trustees have reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Financial Review on page 35.

(b) Group financial statements

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 as permitted under Section 477 of the Companies Act 2006. The Charity's surplus for the year was £248,000 (2013-14: £1,311,000 Surplus) and turnover was £7,826,000 (2013-14: £9,179,000).

(c) Income

All income is accounted for on a receivable basis and is accounted for gross of any charges and associated costs. Donations and grants given for specific purposes are treated as restricted income and any amounts which are unspent at the year end are carried forward in restricted funds. Legacy income is recognised when the charity has entitlement, measurement and certainty of receipt, which may not be until notification of an impending distribution or when the legacy is received. Gifts in kind are recognised at reasonable estimates of their gross value to the charity or the amount actually realised. Investment income includes dividends and interest but excludes realised and unrealised investment gains and losses.

(d) Expenditure

Expenditure is accounted for on an accruals basis. Liabilities are recognised as resources to be expended as soon as there is a legal or constructive obligation that commits the charity. Expenditure is classified under the principal categories of charitable and cost of generating funds rather than the types of expense in order to provide more useful information to users of the financial statements. Charitable expenditure and fundraising costs include direct, indirect and support costs. Direct costs are those clearly attributable to activities, indirect costs are those that can be allocated directly to an activity, principally staff costs. Support costs are separately analysed and then allocated to activities on a head count basis to give a reasonable approximation to their use by activity.

(e) Grants

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.

(f) Allocation of Support Costs

Support costs, which include general functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and

Notes to the Group financial statements

For the year ended 30 September 2015

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 the cost allocation has been explained in the notes to the accounts.

(g) 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 £1,000 are not capitalised.

(h) Fund accounting

Restricted funds are funds subject to specific restricted conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Endowed funds are funds to be held permanently, although their constituent assets may change from time to time, and they are also subject to specific restrictions imposed by the donor on their use. Designated funds are defined as funds which have been set aside at the discretion of the trustees for specific purposes. The purpose of each designated fund is set out in the notes to the financial statements. The general fund comprises the accumulated surplus on the statement of group financial activities less any funds designated by the trustees for specific purposes.

(i) Branches

In order to correctly reflect the stewardship responsibilities of the charity with regards to the activities of its branches, income received during the year from branches are included in the accounts and branch cash balances at the year-end are included in the balance sheet. The amounts have been incorporated on the basis of returns received at head office.

(j) 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.

(k) Joint venture accounting policy

Joint ventures are accounted for using the gross equity method. The gross incoming resources from joint ventures is included in the Consolidated Statement of Financial Activities on a line-by-line basis with an additional row showing the total share of gross incoming resources from joint ventures as a reduction of total incoming resources. This has been clearly distinguished as it does not form part of the group incoming resources. The group's share of the results of the joint ventures is included in the Consolidated Statement of Financial Activities as a separate line. In the Consolidated Balance Sheet, the share of the gross assets and the gross liabilities have been shown as a linked presentation within fixed assets investments. Asthma UK was involved in a joint venture called Respiratory Alliance Limited. This joint venture was closed during 2013-14 and the company has since been wound up.

Notes to the Group financial statements

For the year ended 30 September 2015

2. Research

	2015 £'000	2014 £'000
Awarded during the year	518	641
Grants written back	-	(12)
Total research grants charged in the year	518	629
Research commitments		
Awards falling due within one year	2,335	1,992
Awards falling due after more than one year	1,491	2,303
Total commitments recognised in the balance sheet	3,826	4,295

In accordance with Charity Commission Statement of Recommended Practice 2005, Asthma UK recognises the full commitment to a project at the time when the project grant is awarded. A full list of research grants made during the year is detailed on note 19.

3. Net incoming resources for the year is stated after charging

	2015 £'000	2014 £'000
Depreciation	86	124
Auditors' remuneration - audit work	33	33
Auditors' remuneration - other work	6	6
Operating lease - other	193	213

Notes to the Group financial statements

For the year ended 30 September 2015

4. Analysis of total resources expended

	GRANTS TO INSTITUTIONS	ACTIVITIES UNDERTAKEN DIRECTLY	SUPPORT COSTS	2015 TOTAL	2014 TOTAL
	£'000	£'000	£'000	£'000	£'000
Cost of generating funds:					
Fundraising costs	-	1,738	526	2,264	2,321
Investment management fees-		44	-	44	42
	-	1,782	526	2,308	2,363
Charitable expenditure:					
Costs of activities in furtherance of the charity's objects:					
Research	518	722	299	1,539	1,414
Improving Care	-	936	362	1,298	1,652
Advice and Support	-	1,670	592	2,262	2,350
	518	3,328	1,253	5,099	5,416
Governance	-	89	-	89	68
Total	518	5,199	1,779	7,496	7,847

5. Allocation of support costs

	FINANCE	CEO	CO SEC	IT	HR	FACILITIES	2015 TOTAL	2014 TOTAL
Fundraising Costs	101	49	4	43	163	166	526	428
Research	57	28	2	23	92	94	296	227
Improving Care	70	34	3	29	112	114	362	490
Advice and Support	114	56	6	49	183	187	595	569
	342	167	15	144	550	561	1,779	1,714

This note shows the breakdown of support costs by activity and their allocation against charitable and fundraising activities. The basis of allocation is pro rata to staff salaries.

Notes to the Group financial statements

For the year ended 30 September 2015

6. Employees

	2015 £'000	2014 £'000
Salaries	3,332	3,267
National Insurance contributions	322	296
Employer's pension contributions	189	186
	3,843	3,749

	2015	2014
Number of staff (average full-time equivalents during year):		
Charitable services	30	38
Fundraising	26	20
Marketing	10	9
Central services	12	13
Chief Executive Office	2	2
	80	82

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

	2015	2014
£60,001 - £70,000	2	-
£70,001 - £80,000	1	2
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-

None of the trustees received any remuneration during the year. Disclosure of payments to trustees can be found in note 17.

7. Pension Costs

The charity does not operate a pension scheme but contributes up to 7.5% of gross salary (rising to 10% for employees with more than 5 years' service) to employees' personal pension schemes. The pension costs charged amounted to £189,000 (2013-14: £186,000). Contributions to the pensions of higher paid staff (those paid over £60,000 pa) totaling £20,800 are also on the same basis outlined above.

8. Branches

During 2013-14, Asthma UK closed the Branch operations and accordingly no returns were incorporated in the consolidated financial statements. (2013-14: NIL) As disclosed in note 1(i), income received from branches as well as their year-end bank balances have been included in the financial statements.

	2015 £'000	2014 £'000
Amounts remitted by branches in the year	-	7

Notes to the Group financial statements

For the year ended 30 September 2015

9. Fixed assets

	CONSOLIDATED			CHARITY		
	LEASEHOLD IMPROVEMENTS	OFFICE EQUIPMENT & FURNITURE	TOTAL	LEASEHOLD IMPROVEMENTS	OFFICE EQUIPMENT & FURNITURE	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 October 2014	333	686	1,019	333	686	1,019
Additions	12	-	12	12	-	12
Disposals	(79)	(269)	(348)	(79)	(269)	(348)
At 30 September 2015	266	417	683	266	417	683
Depreciation						
At 1 October 2014	103	628	731	103	628	731
Charge for the year	43	43	86	43	43	86
Disposals	(79)	(269)	(348)	(79)	(269)	(348)
At 30 September 2015	67	402	469	67	402	469
Net book value						
At 30 September 2015	199	15	214	199	15	214
At 30 September 2014	230	58	288	230	58	288

Notes to the Group financial statements

For the year ended 30 September 2015

10. Investments: consolidated

	CASH	LISTED	2015	2014
		INVESTMENTS	TOTAL	TOTAL
	INVESTMENTS	INVESTMENTS	INVESTMENTS	INVESTMENTS
	£'000	£'000	£'000	£'000
Market Value as at 1 October 2014	1,189	8,181	9,370	7,804
Purchase of listed equities	(2,939)	2,939	-	-
Disposal proceeds of listed equities	2,032	(2,032)	-	-
Transfer to Current account	-	-	-	1,500
Net exchange gains/(loss) on US cash holdings	2	-	2	(8)
Net investment gains/(loss)	-	(231)	(231)	(85)
Investment income	219	-	219	201
Investment Management fee	(44)	-	(44)	(42)
Market Value as 30 September 2015	459	8,857	9,316	9,370

Represented by :

UK listed investments	4,353	2,764
Overseas listed investments	2,314	4,650
UK listed fixed interest securities	2,190	767
Cash awaiting investment	459	1,189
	9,316	9,370

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 2015 was £8,268,482 (2014: £7,283,478). The increase in value of investments is after deducting management charges of £43,827 (2014: £42,404) and realised gains of £52,914 (2014: gains £17,638).

Notes to the Group financial statements

For the year ended 30 September 2015

The investment portfolio included the following investments which individually accounted for more than 5% of the total value at the balance sheet date.

	2015
	£'000
Fixed Interest - Jupiter Strategic Bond Fund Account	610
Fixed Interest - GLG Partners Investment Funds	551
Equity - Findlay Park American Funds USD	584
Equity - First State Asia PAC Leaders B Fund	522

Investments: Charity only	2015
	£'000
Investments Portfolio	9,316
Investments : Share capital of AEL	100
Total Parent Charity Investments	<u>9,416</u>

The charity owns the whole of the issued share capital of Asthma Enterprises Ltd, a trading subsidiary. The issued share capital of this company is £100,002.

11. Debtors

	CONSOLIDATED		CHARITY	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trade debtors	28	54	11	16
Amounts due from Asthma Enterprises Limited	-	-	70	78
Income tax recoverable - Gift Aid	23	33	23	33
Other debtors	92	57	92	57
Prepayments	163	119	163	119
Legacy income accrued	180	231	180	231
Gift aid from Subsidiary undertaking	-	-	76	47
	<u>486</u>	<u>494</u>	<u>615</u>	<u>581</u>

Legacies notified including amount accrued at 30 September 2015 amounted to £1.7m (2013/14: £1.8m).

Notes to the Group financial statements

For the year ended 30 September 2015

12. Creditors amounts falling due within one year

	CONSOLIDATED		CHARITY	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trade creditors	95	239	95	238
Tax & Social Security	133	115	133	115
Research Grant Creditors	59	-	59	-
Research Grants Accrual	2,335	1,992	2,335	1,992
Other Creditors	217	271	211	255
Other Accruals	372	302	369	299
	3,211	2,919	3,202	2,899

13a. Creditors amounts falling due after one year

	CONSOLIDATED		CHARITY	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Research Grants	1,491	2,303	1,491	2,303
	1,491	2,303	1,491	2,303

13b. Provisions

	Balance at start of the year	Charged to inc/(exp) during year	Released during year	Balance at end of the year
	£'000	£'000	£'000	£'000
Provisions for Lease dilapidations	30	20	(10)	40

Notes to the Group financial statements

For the year ended 30 September 2015

14. Statement of funds (Group and Charity)

	FUND BALANCE b/f	INCOME	EXPENDITURE	INV FEES	(DECREASE) / INCREASE IN INVESTMENTS	RE- ALLOCATION BETWEEN FUNDS	FUND BALANCE c/f
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Endowed funds to support research							
Peggy Wells Memorial	61	-	-	(1)	(4)	-	56
Beryl Evetts	411	40	-	(5)	(28)	-	418
Margaret Mitchell Memorial	109	-	-	(2)	(8)	-	99
Restricted funds	581	40	-	(8)	(40)	-	573
Research							
Peggy Wells Memorial	-	1	(1)	-	-	-	-
Beryl Evetts	-	9	(9)	-	-	-	-
Margaret Mitchell Memorial	-	2	(2)	-	-	-	-
Research into Asthma	50	1,009	(568)	-	-	-	491
Community							
Information and Community Education projects	-	60	(60)	-	-	-	-
Education							
Adviceline including the Sarah Leonard & Polly Campbell Funds	58	18	(18)	-	-	-	58
Compare your Care Campaign and Severe Asthma Roundtables	66	54	(7)	-	-	-	113
Education Projects - (Statutory Income)	11	14	(25)	-	-	-	-
European Funding							
European Asthma Research and Innovation Partnership (EARIP)	15	57	(46)	-	-	-	26
Total restricted	200	1,224	(736)	-	-	-	688

Notes to the Group financial statements

For the year ended 30 September 2015

14. Statement of funds contd.

	FUND BALANCE b/f	INCOME	EXPENDITURE	INV FEES	(DECREASE) / INCREASE IN INVESTMENTS	RE- ALLOCATION BETWEEN FUNDS	FUND BALANCE c/f
Unrestricted Funds							
Designated funds							
Fixed assets fund	288	-	-	-	-	(74)	214
Designated Funds - Research Grants	667	-	-	-	-	236	903
Non Designated funds							
General fund	3,886	6,709	(6,716)	(36)	(189)	(162)	3,492
Total unrestricted	4,841	6,709	(6,716)	(36)	(189)	-	4,609
Total funds	5,622	7,973	(7,452)	(44)	(229)	-	5,870

The Charity excluding subsidiaries generated £7,607,000 income and expended £7,422,000 excluding unrealised investment losses of £229,000 in 2015.

European Asthma Research and Innovation Partnership (EARIP)

EARIP is a consortium of 12 members for which Asthma UK is the co-ordinating partner. As such, Asthma UK receives the total consortium funding from the European Commission and forwards the relevant proportion to consortium members. In line with SORP paragraph 112, only Asthma UK's share of the consortium funding and expenditure is recognised in the Statement of Financial Activities.

At the end of September, the value of funds belonging to other members but held in our bank accounts is £69,292. This amount has been excluded from the balance sheet in line with SORP regulations.

The Charities assets are represented by:

	Tangible Assets £'000	Investments £'000	Current Assets £'000	Current Liabilities £'000	Non-Current Liabilities £'000	Total Net Assets £'000
Endowment funds to support Research		573				573
Restricted income funds			688			688
Designated Funds - Fixed Assets	214					214
Designated fund - Research Grants		903				903
Unrestricted Income funds		7940	285	(3,202)	(1,531)	3,492
	214	9,416	973	(3,202)	(1,531)	5,870

Notes to the Group financial statements

For the year ended 30 September 2015

14. Statement of funds contd.

	TANGIBLE ASSETS	INVESTMENTS	CURRENT ASSETS	CURRENT LIABILITIES	NON-CURRENT LIABILITIES	TOTAL NET ASSETS
	£'000	£'000	£'000	£'000	£'000	£'000
The Group's funds are represented by:						
Endowment funds to support restricted research						
Peggy Wells Memorial	-	56	-	-	-	56
Beryl Evetts	-	418	-	-	-	418
Margaret Mitchell Memorial	-	99	-	-	-	99
Restricted income funds						
Research into Asthma	-	-	491	-	-	491
Holidays for children with asthma including the Sarah Leonard & Polly Campbell Funds	-	-	58	-	-	58
Education projects	-	-	113	-	-	113
Education Projects- (Statutory Income)	-	-	-	-	-	-
European Funding						
European Asthma Research and Innovation Partnership (EARIP)	-	-	26	-	-	26
Unrestricted income funds						
Designated funds						
Fixed asset fund	214	-	-	-	-	214
Designated funds - Research Grants	-	903	-	-	-	903
General fund	-	7,840	394	(3,211)	(1,531)	3,492
	214	9,316	1,082	(3,211)	(1,531)	5,870

An explanation of the classes of fund is at note 1(h).

15. 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.

Notes to the Group financial statements

For the year ended 30 September 2015

16. Lease Commitments

	2015	2014
	LAND AND BUILDINGS	LAND AND BUILDINGS
	£000	£000
Operating Leases which expire :		
Within one year	5	5
In the second to fifth years inclusive	-	208
Over five years	188	-
	193	213

17. Related party transactions

The Trustees in office during the year are listed on pages 31 - 33

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. The charity maintains a liability insurance policy that includes indemnity cover for trustees at a cost to the charity of £1,067. The indemnity is limited to £5,000,000 in aggregate.

In accordance with Financial Reporting Standard 8 (Related Party Disclosures) the charity has disclosed the following related party transactions.

During the year, grants were made to organisations associated with people who were trustees during the year. Those individuals have no involvement with the making of the grant to their organisation.

Trustee	2015	2014
	£'000	£'000
Professor Jurgen Schwarze (University of Edinburgh)	87	50
Professor Rob Wilson (Imperial College London)	90	-
	90	-

At 30 September 2015, the full amount of the grant is outstanding and has been included in the Research Grants Accrual in note 12 and Creditors falling due after one year in note 13.

Three trustees were reimbursed £2,900 (2013-14: £1,200 for 2 trustees) in respect of travel and other expenses.

18a. Subsidiaries and joint ventures

Asthma Enterprises Limited, a subsidiary, is registered in England and Wales and its share capital is wholly owned by the charity and is consolidated in these accounts.

Operating results:

	2015	2014
	£'000	£'000
Sales - to third parties	136	136
- to parent company	13	19
	149	155
Cost of sales	(74)	(88)
Operating profit	75	67
Taxation	-	(2)
Prior year loss brought forward	-	(10)
Net profit	75	55

Notes to the Group financial statements

For the year ended 30 September 2015

18a. Subsidiaries and joint ventures (continued)

Total assets of Asthma Enterprises Ltd (AEL) total £ 255k (2013-14: £245k)

Total liabilities of Asthma Enterprises Ltd (AEL) total £155k (2013-14: £145k)

Any profits made by Asthma Enterprises Limited are paid by gift aid to Asthma UK.

Asthma Trading Limited, a subsidiary, is registered in England and Wales and its share capital is wholly owned by the charity and is consolidated in these accounts. There were no significant transactions in the year and Trustees resolved to close the company during this financial year.

18b. Respiratory Alliance Limited

Asthma UK was involved in a joint venture called the Respiratory Alliance Limited with three other participants: the British Thoracic Society, British Lung Foundation and Primary Care Respiratory Society. Each subscriber held a 25% interest in the company. Respiratory Alliance Limited is a company incorporated under the Companies Act 2006, registered in England and Wales and limited by guarantee. Due to lack of sustainable funding the joint venture was closed during the year 2013-14 and the company has been wound up.

19. Grants awarded during the year

During the year the Trustees awarded the following grants

Grant Amount £000's	Awarded to	Grant Duration	Grant Description
167	Dr Amanda Tatler University of Nottingham	3 years	Development of a Novel Ex Vivo "Breathing" Lung Slice Model to Investigate the Dynamic Relationship between Tidal Ventilation, Deep Inspiration and the Development of Airway Remodelling
87	Dr Tara Sutherland University of Edinburgh	3 years	Chitinase-like proteins: the missing link in allergen-induced neutrophilic inflammation
85	Dr Hans Michael Haitchi University of Southampton	3 years	The impact of pre- and perinatal ADAM33 induced airway remodelling on sensitivity to environmental challenges and the early life development of asthma
89	Dr Rachel Clifford University of Nottingham	3 years	Airway Smooth Muscle (ASM) DNA methylation: A novel target for asthma therapy
90	Dr Aurelie Mousnier Imperial College London	3 years	Analysis of rhinoviruses replication complexes to identify host cell targets for the Development of antiviral drugs for the treatment of asthma exacerbations
518	Total Grants Awarded		

Company information

Bankers

National Westminster Bank plc
Tavistock House, Tavistock Square
London, WC1H PXA

Auditors

Grant Thornton LLP
Grant Thornton House, Melton Street,
Euston Square, London, NW1 2EP

Solicitors

Bates, Wells & Braithwaite
2-6 Cannon Street, London, EC4M 6YH

Trowers & Hamlins
3 Bunhill Row
London
EC1Y 8YZ

Investment managers

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

Rathbone Brothers Plc
1 Curzon Street
London
W1J 5FB

Property advisers

Kinney Green
27-32 Old Jewry
London, EC2R 8DQ

Registered office

18 Mansell Street,
London, E1 8AA
T 020 7786 4900
F 020 7256 6075
Website: asthma.org.uk

Asthma UK is a company limited by guarantee.
Registered in England number 2422401.
Registered charity number 802364.
Scottish registered charity number SCO39322.

Supporters

Thank you to all our generous supporters.

Our supporters have helped us make a real difference to the lives of people with asthma over the past year. Although it is not possible to list all those who have made a vital contribution to the charity's work, we would like to make a special mention to some of our key corporate, trust and individual supporters. We would also like to thank those who left us a gift in their will.

Corporate supporters

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Trusts and Foundations

Charles Wolfson Charitable Trust
Garfield Weston Foundation
Mabel Harper Charitable Trust
Marc Hutchinson Charitable Trust
Medical Research Foundation
Robert Luff Foundation

Statutory Founders

European Commission
Medical Research Council
Scottish Government

Volunteer Fundraisers

Asthma Gift Fair Committee

Carol Service Committee

Dana Power for completing the Great North Run 2015 dressed as Puff

Jeff Thomas and the Ruck and Rollers for completing Race Across America

Each and every one of our supporters who have spent their spare time raising funds for Asthma UK in the past year

Patron, President and Vice President

Patron: HRH The Duchess of Gloucester, GCVO

President: Sir John Major, KG, CH

Vice-President: Sir Stuart Burgess CBE

Lady Fiona Fowler

Dr AW Frankland MBE DM FRCP

Andrew Gairdner

Professor Tak Lee MD FRCPATH FRCP ScD

Professor John Price MD FRCP FRCPH

Julian Schild MA ACA

Selina Thistleton-Smith

Professor Dame Margaret Turner-Warwick DBE MA DM PhD FRCP