



**THE DUCHENNE RESEARCH FUND**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

**Registered Charity No. 1119068**

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**WILKINS KENNEDY LLP**  
**Chartered Accountants**  
**Greytown House**  
**221/227 High Street**  
**Orpington**  
**Kent BR6 0NZ**



The time is now to cure **Duchenne muscular dystrophy**,  
the biggest genetic killer of children.

**Duchenne Research Fund** partners with **brilliant scientists**  
and **innovative biotech companies** to accelerate  
treatments for this devastating disease.

**Help us find a cure.**

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## REFERENCE AND ADMINISTRATIVE DETAILS

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Trustees	Daniel Baum Simon Kanter Jeremy Shebson Sarah Shelley
Charity Registration Number	1119068
Principal Office	Symal House 423 Edgware Road London NW9 0HU
Key Management	Daniel Buam Simon Kanter Jeremy Shebson Sarah Shelley Rachelle Rodney
Banker	Bank of Scotland Teviot House 41 South Gyle Crescent Edinburgh EH12 9DR
Statutory Auditor	Wilkins Kennedy LLP Statutory Auditor Chartered Accountants Greytown House 221 – 227 High Street Orpington Kent BR6 0NZ



## REPORT OF THE TRUSTEES

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The Trustees present their report and audited financial statements for the year ended 31 December 2015.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

### Objectives

The charity was founded to:

'Promote the relief of persons suffering from and to promote research into the treatment, cure, care and welfare of those persons suffering from Duchenne muscular dystrophy in England, Wales and Overseas.'

### ABOUT THE DUCHENNE RESEARCH FUND

The Duchenne Research Fund (DRF) was founded with a clear and ambitious goal: that, through our work and the research we are funding, a cure will be found for Duchenne muscular dystrophy (DMD).

Duchenne muscular dystrophy is a severe and progressive fatal muscle wasting disease that almost exclusively affects boys. Sufferers lose the ability to walk, and are confined to a wheelchair by their early teens. By their early 20s these boys are left fighting for their lives as the muscles of their lungs and heart deteriorate. This devastating condition is fatal for all sufferers, and there is currently no cure. It claims the lives of 100 young people every year in the UK alone.

The Duchenne Research Fund identifies and funds research into potential treatments and cures, with the aim of improving the condition of all boys living with Duchenne – now and in the future. We focus on creating powerful collaborations between some of the world's most brilliant scientists, proactive Duchenne charities, and innovative biotech companies to accelerate the development of therapies that are ripe for treating Duchenne. We aim to specifically focus our efforts on research related to the pathogenesis and treatment of Duchenne muscular dystrophy for all boys regardless of mutation.

**For more information about Duchenne muscular dystrophy and the Duchenne Research Fund, please visit our website at [www.duchenne.org.uk](http://www.duchenne.org.uk)**

### FUNDRAISING

The Duchenne Research Fund is reliant on fundraising to sustain its investment in research projects and to raise awareness of this life threatening disease and all donations are gratefully received.

There have been several fundraising initiatives throughout the year undertaken by many of our supporters, including sponsored sporting events, birthday gifts and significant general donations from existing and new supporters. We are extremely grateful for the efforts of many who have given so much of their time and organised the various events and initiatives. We would particularly like to mention and thank Albourne, who hosted a successful fundraising event at the Dominion Theatre in memory of Jacques Joubert, which raised more than £150,000. The funds were earmarked for the Solid GT project, and a post at Great Ormond Street Hospital (projects 1 and 6, below).

At the end of 2015, the DRF was also preparing to host its third gala fundraising dinner for more than 700 guests, scheduled for 5 May 2016. Significant sponsorship for the event was already under discussion at the end of 2015.

**To find out how you can get involved in supporting or raising money for the charity, please visit [www.duchenne.org.uk/get-involved](http://www.duchenne.org.uk/get-involved), or contact [info@duchenne.org.uk](mailto:info@duchenne.org.uk)**

## REPORT OF THE TRUSTEES (CONTINUED)

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### FUNDING STRATEGY IN 2015

The Duchenne Research Fund has its own Scientific Advisory Board, comprising three of the leading minds in the field of muscular dystrophy. This Scientific Advisory Board is spearheaded by Dr Ronald Cohn, MD (Professor in Paediatrics, University of Toronto; Chief, Clinical and Metabolic Genetics, and Co-director, Centre for Genetic Medicine, the Hospital for Sick Children, Toronto). The other Scientific Advisors to the charity are Professor Victor Dubowitz (Emeritus Professor of Paediatrics, Imperial College London; and President of World Muscle Society), and Dr Kevin Campbell (Professor of Physiology and Biophysics at the University of Iowa). The charity has devised a robust two-tiered review process for any projects that it chooses to consider supporting.

In order to expand the research portfolio of the Duchenne Research Fund and ensure we are exploring every avenue that could help Duchenne sufferers survive, we are continuously seeking to expand our research portfolio, as and when recommended by the Scientific Advisory Board, and we are anxious for scientists to submit relevant research proposals for our Scientific Advisory Board to consider.

At the Duchenne Research Fund we aim to fund research related to the pathogenesis and treatment of Duchenne that includes minority mutations. We are highly committed to supporting the most promising research proposals that aim to find therapies and a cure. In particular, and in light of numerous recent developments within global Duchenne research efforts, we have maintained our recent focus on gene therapy research, which has been shown to be an exciting candidate for tackling Duchenne for all boys.

This year the DRF allocated a second tranche of funding to the Solid GT gene therapy project through the special purpose vehicle Duchenne Research (UK) Investment Limited (DRIL). This completed the DRF's participation in a \$5 million investment in Solid GT with two other UK Duchenne muscular dystrophy charities. For more information on the project being funded, see Project 1, below.

In addition, the DRF has allocated a number of grants for clinical and administrative posts to help accelerate the clinical trial pipeline for Duchenne muscular dystrophy. The wealth of research in recent years has created a bottleneck in getting new Duchenne treatments out of the laboratory and into clinical trial. With this in mind, the DRF is now also a participant in the Newcastle Plan, a collaboration between patient organisations, clinicians, the NHS and the pharmaceutical industry, to evaluate clinical and administrative needs for Duchenne at UK hospitals. Under this initiative the DRF has so far committed to funding one post at Great Ormond Street, and hopes to fund future posts, dependent on funds being available.

The DRF also continues to nurture and sponsor emerging talent in the Duchenne research field to ensure the pipeline of science and treatments continues to evolve.

Please see our website [www.duchenne.org.uk](http://www.duchenne.org.uk) for further details on how to apply for a grant or contact [research@duchenne.org.uk](mailto:research@duchenne.org.uk)

## REPORT OF THE TRUSTEES (CONTINUED)

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Some of the research projects that the Duchenne Research Fund has funded in 2015 include:

### **PROJECT 1: Solid GT – The first fully funded gene therapy platform for Duchenne**

Following the first tranche of investment into Solid Biosciences' Solid GT in 2014, in 2015 the DRF invested more than \$800,000 into the US-based research project, which aims to advance gene therapy as a treatment for all boys with Duchenne muscular dystrophy. The investment was made as part of a collaboration between the DRF, Duchenne Children's Trust and Joining Jack, formed as a limited company under the name of DRIL (Duchenne Research (UK) Investment Ltd), which has now invested a total of \$5 million into Solid GT.



In a resounding endorsement of the work the DRF instigated, in November 2015 the Solid GT project received an additional \$42.5 million of funding from leading industry investors. "The three charities' critical early support set us up to go down this path," said Andrey Zarur, Founder and Chairman of Solid Biosciences. "Their investment in Solid GT created the platform that has now enabled us to raise one of the most successful rounds of financing ever in private biotech."

### **PROJECT 2: Clinical trial of Vamorolone – a steroid alternative for Duchenne**

The DRF completed its commitment to help fund the Phase 1 clinical trial of the first in-human studies of Vamorolone (previously called VBP15), the lead compound of ReveraGen BioPharma. The Muscular Dystrophy Association (US), Joining Jack (UK), Duchenne Children's Trust (UK) and the DRF jointly contributed a total of \$2.1 million under a co-ordinated venture philanthropy model, providing return on investment based on future drug sales.



Vamorolone is an oral drug that has been shown to be effective in animal models of Duchenne muscular dystrophy. In studies, the drug reduced inflammation and stabilised cell membranes, both of which are believed to be relevant to treating Duchenne muscular dystrophy, a disease in which muscle fibre membranes are unstable. The drug also showed fewer significant side effects than the steroid Prednisone which is currently one of the two prescribed steroid treatments (the other being Deflazacort) to Duchenne patients. Following the success of Phase 1, ReveraGen BioPharma were preparing to move into Phase 2 in 2016.

### **PROJECT 3: Newcastle University Clinical Research Fellow**

The DRF joined a consortium of seven UK Duchenne charities that awarded a Fellowship to Dr Michela Guglieri in partnership with Newcastle University and Newcastle University Teaching Hospital, to develop and advance the clinical trial agenda for Duchenne muscular dystrophy. The award of £250,000 over five years is being matched by Newcastle University to enable Dr Guglieri to develop the clinical trial capacity for Duchenne at the John Walton Muscular Dystrophy Research Centre and nationally.



### **PROJECT 4: TREAT-NMD Programme Coordinator**

The DRF also committed to jointly fund a programme coordinator post at the John Walton Muscular Dystrophy Research Centre at Newcastle University. The post was initially taken up by Kim Down, who has worked with funders and key stakeholders to ensure the needs and input of the Duchenne community are addressed during the research and clinical process. The two-year role is being funded by DRF together with Duchenne Children's Trust and Joining Jack.



## REPORT OF THE TRUSTEES (CONTINUED)

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### PROJECT 5: International World Muscle Society Congress – Duchenne Research Prize

The DRF once again sponsored the Duchenne Research Prize at the World Muscle Society's annual symposium. At the 20th anniversary congress in September, held in Brighton, Caroline Le Guiner was awarded the prize for her research project, which showed that gene therapy benefited dogs with Duchenne muscular dystrophy – increasing their life expectancy and restoring vital muscle function. The project was entitled: 'Adeno-associated virus vector (AAV) microdystrophin gene therapy prolongs survival and restores muscle function in the canine model of Duchenne muscular dystrophy.'



### PROJECT 6: Great Ormond Street Clinical Trial Co-ordinator

Due to the volume of promising new Duchenne treatments, there is a staffing bottleneck which is delaying treatments getting out of the labs and into clinical trials – to be trialled on boys who so desperately need them. Clinical trials are the best chance for treatment for this generation of boys. Utilising funds raised by Albourne at its theatre night in memory of Jacques Joubert, the DRF has so far committed to fund a clinical trial co-ordinator at Great Ormond Street Hospital (together with Duchenne Children's Trust, Harrison's Fund and Great Ormond Street Hospital Children's Charity), and hopes to be able to fund further posts nationally in the future, dependent on availability of funds in the coming months and years. This is all part of the Newcastle Plan, a collaboration between several UK Duchenne charities, clinicians, researchers and regulators to try to increase staffing for Duchenne clinical trials to help more boys get access to treatments, which has so far funded £1.2 million of posts.

### PROJECT 7: The Duchenne Forum

The DRF continued to fund research projects as part of the Duchenne Forum, a collaboration between UK Duchenne charities to accelerate progress in the search for effective treatments and eventually cures. The partnership is now supporting nine pioneering Duchenne muscular dystrophy research projects, to which it hopes to contribute £840,000 over four years from 2013 to 2017. Some of our unspent funds are earmarked for this project, and the ultimate amount contributed will be contingent on sufficient funds being available.

[Read more about our projects at www.duchenne.org.uk/our-projects](http://www.duchenne.org.uk/our-projects)

### PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Fund's aim and objectives and in planning future activities and setting the grant making policy for the year.

### FINANCIAL REVIEW

Total income for the year was £274,278 (2014: £109,644). Total expenditure for the year was £764,090 (2014: £669,256). Of this, £700,924 (2014: £641,526) was provided as grants payable towards research into Duchenne muscular dystrophy.

The funds at 31 December 2015 were a deficit of £4,066 (2014 surplus: £485,746) of which £nil (2014: £469,500) has been designated for future Research projects. The Trustees allowed the charity to run a small deficit at the year end, in the full knowledge that it had sufficient cash resources to meet any immediate obligations and the forthcoming fundraising dinner would put the charity back into significant, surplus funds, which proved to be the case.

### RISK MANAGEMENT

The trustees examine the major risks that the charity faces and have established systems so that the necessary steps can be taken to manage those risks. The trustees consider the following to be the principal risks that the charity faces:

- Major loss of income from donors – risk mitigated by maintaining good donor stewardship procedures, developing and building an effective fundraising plan and monitoring of finances.
- Reputational damage – risk mitigated by a comprehensive communications plan both internally and externally, plus a regular review of all programmes.

## REPORT OF THE TRUSTEES (CONTINUED)

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### RESERVES POLICY

On an ongoing basis the Trustees aim to hold minimal reserves as the general cost base is low and before commencing any project the Trustees aim to raise the majority of the required income pertaining to each project. The reserve policy will be reviewed on an annual basis.

### INVESTMENT PERFORMANCE

The Trust Deed authorises the Trustees to make and hold investments, using the general funds of the charity. Any surplus funds are placed in a high interest account.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Constitution

The Charity is an unincorporated entity, governed by a Declaration of Trust dated 25 March 2007. It is a registered charity, number 1119068. The charity received charitable status on 3 May 2007 and started operating on 17 May 2007.

#### Trustees

The following Trustees have served during the year to date:

Daniel Baum  
Simon Kanter  
Sarah Shelley  
Jeremy Shebson

At all times there shall be at least three Trustees holding office. Under the provisions of the Trust Deed, new Trustees are appointed by a resolution of the Trustees passed at a special meeting. The Board of Trustees is authorised to appoint new Trustees to fill vacancies arising because of resignation or the demise of an existing Trustee.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law requires the Trustees to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its financial activities for that year. In preparing those financial statements the Trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the Charities SORP, the Regulations made under s.151-155 of the Charities Act and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue to operate.

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

Approved by the Trustees and signed on their behalf:



## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES

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We have audited the financial statements of The Duchenne Research Fund for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied to their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Trustees, as a body, in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that act. 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:-

- give a true and fair view of the state of the charity's affairs as at 31 December 2015 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:-

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

Michelle Wilkes (Senior Statutory Auditor)  
For and on behalf of Wilkins Kennedy LLP  
Statutory Auditor  
Chartered Accountants  
Greytown House  
221-227 High Street  
Orpington BR6 0NZ

5 October 2016

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b>INCOME FROM:</b>					
Donations	<b>2</b>	81,195	186,981	268,176	100,165
Investment income		5,962	-	5,962	9,479
Other		140	-	140	-
<b>Total income</b>		<b>87,297</b>	<b>186,981</b>	<b>274,278</b>	<b>109,644</b>
<b>EXPENDITURE ON:</b>					
Raising funds	<b>4</b>	9,052	-	9,052	2,558
Charitable activities	<b>5</b>	598,057	156,981	755,038	666,698
<b>Total resources expended</b>		<b>607,109</b>	<b>156,981</b>	<b>764,090</b>	<b>669,256</b>
<b>Net movements in funds</b>		<b>(519,812)</b>	<b>30,000</b>	<b>(489,812)</b>	<b>(559,612)</b>
<b>Fund balances brought forward 1 January 2015</b>		<b>485,746</b>	<b>-</b>	<b>485,746</b>	<b>1,045,358</b>
<b>Fund balance carried forward 31 December 2015</b>		<b>(34,066)</b>	<b>30,000</b>	<b>(4,066)</b>	<b>485,746</b>

► All transactions are derived from continuing activities.

## BALANCE SHEET AS AT 31 DECEMBER 2015

	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Tangible fixed assets	9	1,174	2,061
Investments	10	-	50,000
<b>Current assets</b>			
Debtors	11	24,273	14,974
Cash at bank and in hand		352,237	447,844
		376,510	462,818
<b>Creditors:</b> Amounts falling due within one year	12	(381,750)	(29,133)
<b>Net current assets</b>		(5,240)	433,685
<b>Net assets</b>		<b>(4,066)</b>	<b>485,746</b>
<b>FUNDS</b>			
Restricted funds		30,000	-
Unrestricted general funds		(34,066)	16,246
Designated funds	14	-	469,500
		<b>(4,066)</b>	<b>485,746</b>

The financial statements were approved on 22 September 2016 and signed on behalf of the Board by:

Simon Kanter - Chairman  
Trustee

Daniel Baum - Treasurer  
Trustee

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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## 1. ACCOUNTING POLICIES

### 1.1 Basis of preparation

The Duchenne Research Fund is a company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 2.

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

The trustees have early adopted the Charity SORP (FRS105) Update Bulletin 1.

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

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

### 1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

### 1.3 Incoming resources

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

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

### 1.4 Resources expended

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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- Costs of raising funds includes those costs incurred by the charity when marketing and fundraising to raise fund for the charity; and
- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

### **1.5 Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads have been allocated on an insert detail basis and other overheads have been allocated on an insert detail basis.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 3.

### **1.6 Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds – these are funds that can only be used for specific restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

### **1.7 Investments**

Investments are recognised initially at their transaction value which is normally the transaction price less transaction costs. Subsequently, they are measured at fair value with changes recognised in ‘net gains / (losses) on investments’ in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

### **1.8 Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

### **1.9 Loans**

Loans are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

### **1.10 Foreign currencies**

Assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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### 1.11 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Assets costing less than £500 are written off in the period of acquisition. All other assets are capitalised.

### 1.12 Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Assets are depreciated over 4 years but this commences the year after acquisition.

### 1.13 Going concern

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

### 1.14 Judgements and key sources of estimation uncertainty

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

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

#### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## 2. DONATIONS

	2015 £	2014 £
<b>Restricted funds:</b>		
Donations	186,981	2,567
<b>Unrestricted funds:</b>		
Donations	25,136	15,875
Other events	44,559	18,499
Dinner income 2013 - donations	11,500	63,224
	<b>268,176</b>	<b>100,165</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 3. ANALYSIS OF EXPENDITURE

	Staff costs £	Direct costs £	Support costs £	Total 2015 £	Total 2014 £
Raising funds		9,052	-	9,052	2,558
Charitable activities	25,530	700,924	28,584	755,038	666,698
<b>Total resources expended</b>	<b>25,530</b>	<b>709,976</b>	<b>28,584</b>	<b>764,090</b>	<b>669,256</b>

Support costs have all been allocated against charitable activities.

### 4. RAISING FUNDS

	2015 £	2014 £
Website marketing	4,655	180
Other	4,397	1,413
	<b>9,052</b>	<b>1,593</b>

### 5. DIRECT CHARITABLE EXPENDITURE

	2015 £	2014 £
<b>Restricted expenditure:</b>		
Solid GT	156,981	-
Other	-	2,567
<b>Unrestricted expenditure:</b>		
Solid GT	388,116	543,915
ReveraGen BioPharma, Inc	82,747	74,767
Muscular Dystrophy Campaign	20,937	20,277
Royal Veterinary College	45,000	-
Newcastle University Clinical Research Fellowship (administered by Action Duchenne)	7,143	-
Staff costs	25,530	1,543
Support costs	28,584	23,629
	<b>755,038</b>	<b>666,698</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 6. SUPPORT COSTS

	2015 £	2014 £
Legal costs	82	355
Bank charges	564	584
Postage, stationery and telephone	1,988	278
Administration	3,888	5,710
Rent and service costs	8,236	8,899
Travel costs	1,400	2,699
Insurance	1,344	-
Depreciation	887	887
Consultancy	5,000	-
Other	501	-
Governance	4,694	4,217
	<b>28,584</b>	<b>23,629</b>

### 7. GOVERNANCE COSTS

	2015 £	2014 £
Auditors' remuneration - for audit	4,034	3,167
Accountancy fees	660	1,050
	<b>4,694</b>	<b>4,217</b>

### 8. STAFF COSTS AND TRUSTEE REMUNERATION

	2015 £	2014 £
Wages and salaries	25,141	-
Social Security costs	389	-
	<b>25,530</b>	<b>-</b>

One members of staff (head count) was employed during 2015 (2014: nil). No employees earned over £60,000 per annum.

The total amount of employee benefits received by key management personnel is £25,290 (2014: £nil). The Trust considers its key management personnel to comprise those individuals listed on page 1.

None of the Trustees received any remuneration or reimbursed expenses during the year. During the year £773 (2014: £nil) was paid for Trustee Indemnity Insurance.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 9. TANGIBLE FIXED ASSETS

Furniture and  
equipment  
£

**Cost:**

At 1 January 2015

3,547

Additions

-

At 31 December 2015

3,547

**Depreciation:**

At 1 January 2015

1,486

Charge for the year

887

At 31 December 2015

2,373

**Net book value:**

At 31 December 2015

1,174

At 31 December 2014

2,061

### 10. FIXED ASSET INVESTMENTS

2015  
£

2014  
£

Cost at 1 January 2015

50,000

50,000

Disposals

(50,000)

-

Cost at 31 December 2015

-

**50,000**

The investment was made up of 500 Blue Coast Property Preference shares.

### 11. DEBTORS

2015  
£

2014  
£

Prepayments

21,737

-

Other debtors

2,536

14,973

**24,273**

**14,973**

### 12. CREDITORS Amounts falling due within one year

2015  
£

2014  
£

Accruals

29,327

29,133

Loan

350,000

-

Other taxes and social security

2,423

-

**381,750**

**29,133**

The loan is unsecured and repayable on or before 31 July 2016, and there is no interest payable on the principal amount.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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### 13. RESTRICTED FUNDS

	Balance at 1.01.15 £	Incoming resources £	Resources expended £	Balance at 31.12.15 £
Research grants	-	186,046	(156,046)	30,000
	<b>-</b>	<b>186,046</b>	<b>(156,046)</b>	<b>30,000</b>

### 14. DESIGNATED FUNDS

	Balance at 1.01.15 £	New designations £	Designations released £	Balance at 31.12.15 £
Research projects	469,500	-	(469,500)	-
	<b>469,500</b>	<b>-</b>	<b>(469,500)</b>	<b>-</b>

The Trustees had designated funds for payment towards ongoing Research Projects which are dependent on certain conditions being met. These funds have now all been released.

### 15. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.