

THE BUBBLE FOUNDATION UK
UNAUDITED ANNUAL REPORT
FOR THE YEAR ENDED
31 MARCH 2019

Charity Number: 1024552

RSM UK Tax and Accounting Limited
Accountants and Business Advisers
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

THE BUBBLE FOUNDATION UK

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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THE BUBBLE FOUNDATION UK

CHARITY INFORMATION AS AT 31 MARCH 2019

President – Brian McFadden, Musician and TV Presenter

TRUSTEES – The Trustees during the year were:

Chairman – W Gaffney

Managing Director Seen and Heard

Vice Chairman - Prof A J Cant BSc, MD, FRCP, FRCPCH

Consultant Paediatrician in Immunology & Infectious Diseases, Great North Children's Hospital (GNCH), within The Newcastle upon Tyne Hospitals NHS Foundation Trust

Hon. Treasurer – N Statesbury RGN, RSCN

Charge Nurse, Children's Haematopoietic Stem Cell Transplant Unit, GNCH

Prof Sir Alan Craft MBBS, MRCP (UK), MD, FRCP, FRCPCH, FFPHM, FMed.Sci, FAAP, FRCP(I), FRCP(E), FIAP

Emeritus Professor of Child Health, Consultant Paediatrician, Royal Victoria Infirmary, Newcastle upon Tyne

Prof A R Gennery MB, ChB, MD.DCH, MRCP, MRCPCH

Clinical Reader in Paediatric Immunology & Haematopoietic Stem Cell Transplantation, GNCH; University of Newcastle upon Tyne

R Graham

Sports Centre Manager

A Lynch

Head of Asset Management, NEXUS

C Smith

Solicitor

D Pearson

Managing Director

P Simpson

Accounts Assistant, Durham University

I Brown

Sales Director

D Clark BA (Hons), Advertising and Design

Designer at Publicis Healthcare

M Slatter, MB ChB, FRCPCH, PG Cert Clinical Leadership

Consultant Paediatrician in Haematopoietic Stem Cell Transplantation, GNCH

A Hodgson BA (Hons), Media, Communication & Cultural Studies

PR Account Director, Gardiner Richardson

OFFICERS

Principal Employee – Mrs Gillian Wheeldon

ADDRESS

Ward 3, Level 4, Great North Children's Hospital, Newcastle upon Tyne, NE1 4LP

EMAIL bubblefoundation@nuth.nhs.uk

WEBSITE www.bubblefoundation.org.uk

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CHARITY INFORMATION AS AT 31 MARCH 2019

ADVISERS

INDEPENDENT EXAMINER

RSM UK Tax and Accounting Limited
Accountants and Business Advisers
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

SOLICITORS

Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

BANKERS

Barclays Bank plc
Wingrove Branch
446 Westgate Road
Newcastle upon Tyne
NE4 9BN

Scottish Widows Bank plc
PO Box 12757
67 Morrison Street
Edinburgh
EH3 8YJ

Yorkshire Bank
131-135 Northumberland Street
Newcastle upon Tyne
NE1 7AG

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The Trustees of The Bubble Foundation UK present their unaudited report for the year ended 31 March 2019.

The Trustees have had regard to the Charity Commission's guidance of public benefit when preparing the financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by 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 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

REFERENCE AND ADMINISTRATIVE INFORMATION

The charity was registered with the Charity Commissioners on 4 August 1993 and the registration number is 1024552. The trustees of the charity, the principal officer and the address of the charity are listed on page 2. Particulars of the charity's advisers are given on page 3.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is constituted by means of a Trust Deed dated 14 July 1993 and last amended in 2010.

Governing Body

The charity is governed by the trustees. The trustees have the power to appoint new trustees. New trustees are recruited on the basis of need and recommendation. The new trustees are trained by introductory meetings with the chairman, the consultants and staff of The Bone Marrow Transplant Unit which is the centre of our activities and the staff of the charity. They are also supplied with the relative booklets from the Charity Commission.

Organisational Management

The trustees are responsible for the management and control of the charity. Meetings are held bimonthly.

OBJECTIVES AND ACTIVITIES

Objectives

The principal objectives of the charity are to make lump sum or periodical payments from Unrestricted Funds to or for the purpose of:

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

- a) sponsoring research into improving the understanding of immunological and infectious diseases in childhood and the finding of better forms of treatment;
- b) supporting the care of children with immunological or infectious diseases by providing resources, facilities, equipment and personnel for use in both hospital and community settings;
- c) the raising of public awareness of immunological and infectious diseases in children;
- d) funding education and training for those fulfilling the objectives referred to above; and
- e) giving financial assistance to families of children suffering from immunological and infectious diseases.

ACTIVITIES

Our main activities continue to be centred around The Children's Bone Marrow Transplant Unit at The Great North Children's Hospital. The Unit treats children with immunodeficiencies from the northern half of England, Scotland, Northern Ireland and Southern Ireland, as well as an increasing number from Europe and further afield.

Staff

Mrs Gillian Wheeldon continues as part-time Fundraising Manager and is responsible for community fundraising and administration. Mrs Wheeldon is seconded from the NHS Trust with staff costs recharged to the Charity.

Charitable Activities

Our charitable activities are:

- 1 Research – we see the sponsoring of Research Programmes as an increasingly important part of our work.
- 2 Clinical and other equipment – our policy is to provide equipment over and above what the NHS deems essential to ensure that patients are given the best possible treatment.
- 3 Parents and Family support – patients have to stay in hospital for long periods during which time parents stay in flats near to the hospital. We provide equipment and furniture for these flats, pay for nursery care for siblings and provide assistance with travel.
- 4 Toys and Educational Equipment – patients have to be confined in very small areas during a long stay in hospital. In order to promote normal development, maintain morale and provide stimulation we supply toys and educational equipment and pay for satellite television.
- 5 Staff training – we assist medical staff who need to go on specialist courses and attend conferences with fees, travel and subsistence.

HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT

Research

We continue to support research programmes that are focused upon increasing knowledge about types of immune deficient conditions and improving individual treatment of patients and their survival rates.

We are looking at the effect of inflammation of blood vessels in lungs as a complication of bone marrow transplantation – and a possible treatment. A PhD fellow is investigating this with a laboratory-based project – the results may lead to a better understanding of the complication, and development of a new treatment and improved survival.

Recent clinical research conducted by the unit has led to:-

- Ground breaking results using stem cells with genetically modified T cells added to clear viral infection to treat patients, which has widened the application of transplant to patients previously without donors.

We are currently part of a multi-national clinical trial using stem cells harvested from parents with the addition of genetically modified T cells to clear viral infection. Results have not yet been published, but so far there is **95% survival** in immune deficient patients who otherwise would not have a donor.

- Investigating the mechanism of action of Extracorporeal Photopheresis (ECP) to treat acute graft-versus-host disease, a complication of bone marrow transplantation.

We are looking at how ECP treatment cures acute graft-versus-host disease, by examining cells and proteins in the blood. We have found biological markers in the blood that indicate how the treatment is progressing, and allows us to modify the treatment to the patient, rather than simply follow a protocol. This has led to a collaboration with researchers at Harvard University, Boston. We are part of a multi-national clinical trial to see if early use of ECP is more effective than later treatment.

- The largest study in the UK investigating the health of patients with X-linked agammaglobulinaemia. Results are still be analysed, but early results suggest that current treatment inevitably leads to permanent lung damage, and new treatments may need to be considered.

Previous Research

- The largest study in the UK of X-linked Carriers of CGD demonstrating for the first time the full extent of medical problems from which they suffer. This is now published and for the first time demonstrates that carriers may be patients themselves – this work is the first in the world to demonstrate the problem and may lead to new approaches to treating these women;
- Pioneering transplantation as a definitive cure for Chronic Granulomatous Disease within the UK, and demonstrating superior survival and normal life quality in the transplanted cohort compared to those treated conventionally;
- The first successful UK transplant for Juvenile Idiopathic Arthritis, with further success since then;
- Pioneering bone marrow transplantation to treat children with complex autoimmune diseases including IPEX syndrome;
- Ongoing discovery of new immunodeficiencies;
- Establishment of less toxic chemotherapy regimens to pre-treat transplant patients, with superior survival and better immune function;
- The establishment of a more effective treatment (ECP) for graft-versus host disease using equipment financed by the Bubble Foundation, enabling us to effectively treat smaller and

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younger children than previously possible, including patients referred from Great Ormond Street Hospital;

- Development of conditioning protocols for the treatment of children with defective DNA repair and immunodeficiency, who previously had a very poor outcome following transplantation;
- Better ways to monitor the development of the new immune system after transplantation;
- Internationally recognised research into the long-term outcome of patients treated by mismatched transplantation;
- The identification of possible mechanisms of autoimmune disease in children with partial DiGeorge Syndrome;
- The identification of best treatment for children with complete DiGeorge Syndrome;
- The development of bone marrow transplantation for the rare immunodeficiencies, cartilage hair hypoplasia and leukocyte adhesion deficiency;
- Identification of lung complications post transplantation leading to new strategies.

During the last ten years, the number of patients from England, Wales, Scotland and Ireland transplanted in the unit annually has risen from 17 to an excess of 40, with survival rising from 59% to 90-95%, including patients undergoing the most difficult mismatched transplants. Increasingly we are taking referrals from around Europe including Iceland, Norway, Finland, Slovenia, Spain, Portugal, Malta, Greece, Bulgaria, Estonia and Russia and further afield with referrals from Kuwait, Saudi Arabia, Libya, Philippines and the USA.

Other funding has supported the position of the Academic Secretary, who has a number of critical roles including research project management, co-ordinating the research team and currently is providing administrative assistance to the Clinical Working Party of ESID, supporting Professor Andrew Gennery who currently is Chair of the group,

Research funding has also supported the role of Angela Grainger, Technical Assistant in Professor Sophie Hambleton's research laboratory, helping design and run experiments, and being involved in the discovery of novel immunodeficiencies. During the current financial year, Angela has continued to work in the laboratory of Professor Hambleton to support her research group, helping researchers and setting up new experiments. The group have made a number of significant new findings including identifying new genes which cause immune deficiency. This important work will improve diagnosis and facilitate treatment for more patients in the UK and throughout the world.

Research money has funded Alex Battersby over the last 3 years to study for her PhD, looking at the medical issues associated with female carriers of X-linked Chronic Granulomatous Disease, the results of which are now published. This work follows on from work published by Laura Jones and Theresa Cole, also supported by the Bubble. They demonstrated the natural history of Chronic Granulomatous Disease in the UK, and showed that bone marrow transplantation cures the disease and prevents further infection, and encourages normal growth. Dramatically, and for the first time ever, we demonstrated that quality of life in children with Chronic Granulomatous Disease was significantly worse than normal children, and children with cancer, but that bone marrow transplant restored quality of life to normal. This research has had a dramatic impact in the way Chronic Granulomatous Disease is treated in the UK, and Europe, and bone marrow transplantation has moved from being considered as a risky, experimental treatment, to the first treatment of choice. In the USA, physicians have been more reluctant to consider bone marrow transplantation for Chronic Granulomatous Disease but as a result of this work, funded by the Bubble, more patients worldwide are being offered bone marrow transplantation and the opportunity to live normal lives.

Alex Battersby focussed on the health of woman carriers of Chronic Granulomatous Disease. Hitherto, they had been considered normal, with no significant medical issues, and a normal quality of life. Alex has demonstrated that they have significant medical problems, albeit generally not as severe as their male relatives, and that quality of life is impaired. Furthermore, severe fatigue is a significant

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issue, likely related to inflammation due to the gene defect that they carry. Preliminary results from this study have been presented, and the work has been submitted for publication. It is likely that, in the same way that the previous work on Chronic Granulomatous Disease patients has had a significant impact on medical practice around the world, Alex's study will alter the way these women are cared for and treated. Because of the funding from the Bubble, doctors have developed their training in primary immunodeficiency, which they are able to use daily as they practice medicine, but also the research has had a significant impact on the lives of patients and families - the importance of this work was recognised by the University in the recent research assessment as work that has had an impact in the community.

Aisling Flinn performed a study to examine the mechanism of action of extracorporeal photopheresis (ECP). ECP is a new treatment for graft versus host disease, a significant complication of bone marrow transplantation. ECP makes a clinical difference to patients, for whom the majority show a response to treatment, and are able to reduce the amount of immunosuppression that they are taking, which reduces the side effects of immunosuppression, including the risk of infection, and developing normal immunity.

Patients who are treated with ECP have their white blood cells removed by a machine, purchased by funds from the Bubble Foundation, exposed to ultraviolet light, and then returned. This can be performed as an outpatient procedure, and the results can be dramatic. However, we do not understand the biological mechanism by which this treatment works. Dr Flinn demonstrated that ECP allows new T cells to form, which do not cause graft versus host disease. ECP helps this to happen by encouraging the formation of regulatory cells, and making a less 'angry' environment within the body. Furthermore, the ECP unit has been designated as one of only 2 in Europe to train doctors and nurses around Europe in the treatment of children using ECP.

Ben Shillitoe performed a national survey looking at the outcome of antibody replacement treatment in patients with antibody deficiency to consider whether this treatment is as effective as we believe it is. He gathered information on outcomes from patients around the UK. The outcomes of this study are still being analysed but may inform the decision to introduce screening of infants at birth for antibody deficiency, and the introduction of gene therapy to cure the disease.

CAREER DEVELOPMENT

The Bubble Foundation has funded numerous research projects over the years, which has not only resulted in new discoveries, but also the development of doctors in training.

- Professor Andrew Gennery

Part funded as Senior Lecturer in Paediatric Immunology and Bone Marrow Transplantation 2002-2007.

Present Post: Professor in Paediatric Immunology + HSCT, Newcastle University and Great North Children's Hospital, Newcastle upon Tyne

- Dr Theresa Cole

Part funded as Research Associate 2009-2012

PhD: **Chronic Granulomatous Disease: Clinical course, quality of life, cognitive outcome and cost benefit with conventional treatment or Haematopoietic Stem Cell Transplant.**

Present Post: Consultant and Head of Paediatric Stem Cell Transplantation, Melbourne Children's Hospital, Australia

- Dr Alexandra Battersby

Part funded as Research Associate 2011-2014

PhD: **An Investigation into the Health of Carriers of X-linked Chronic Granulomatous Disease.**

Present Post: Consultant in General Paediatrics, Great North Children's Hospital, Newcastle upon Tyne

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- Dr Aisling Flinn

Part funded as Research Associate 2015-2018

PhD: **Investigation into the mechanism of action, development of thymopoiesis and assessment of quality of life in a cohort of paediatric patients with acute GvHD treated with ECP.**

Present Post: Academic Clinical Lecturer in Paediatric Immunology, Newcastle University and Great North Children's Hospital, Newcastle upon Tyne

- Dr Benjamin Shillitoe

Part funded as Research Associate 2015-2018

PhD: **A multi-centre cross-sectional, cohort study investigating the health and health-related quality of life of the UK X-linked agammaglobulinaemia population.**

Present Post: National Grid Trainee in Paediatric Immunology, Great North Children's Hospital, Newcastle upon Tyne

PLANS FOR FUTURE PERIODS

The Bone Marrow Transplant Unit, situated at the Great North Children's Hospital, will continue to be the centre of all our activities. This supra regional unit treats children from England, Scotland and Northern Ireland and Southern Ireland as well as an increasing number of referrals from Europe, and beyond, as well as training doctors from around the world to help their patients after training.

We wish to continue with all our charitable activities but the emphasis is increasingly on research, which to date has produced significant results enabling the unit to treat successfully a wide range of serious and potentially fatal conditions with outstanding success.

Whilst income levels remain strong, requests for funds especially in the area of research continue to grow. Our uncommitted funds are still comparatively low and we will need to continue to increase income wherever possible if we are to meet our objectives in the future.

Upcoming research projects that we are funding:-

1. We are working towards a new project to bring gene therapy to Newcastle. Current methods of gene therapy are successful for some, but not all diseases for which they are available. At present, the corrected gene is 'fired' into the DNA of cells, rather like a shotgun. Whilst this is effective in putting the corrected gene into cells, the gene is not regulated as normal, because it does not have the normal control elements, and this has led to severe side effects in some cases. Furthermore, the technique is not suitable for patients with diseases due to over-active genes. A new approach is to cut out the old faulty gene and replace it with a new corrected gene, thus preserving the other control elements and reducing side effects. We are looking to start a project to support this.
2. The germs found in the gut are important in regulating how the immune system works. Certain germs may be responsible for causing graft versus host disease in patients. We are looking to start a project to investigate this in more detail and potentially introduce 'friendly' germs that may prevent graft versus host disease.
3. The transplant process can injure the lining of blood vessels in the liver, lungs and kidney which can lead to severe, sometimes fatal complications. We have committed funds to finance a project to look in more detail at the lung damage and consider ways of treating this transplant complication.

Clinical and other equipment

We continue to supply equipment requested by medical staff and which cannot be supplied by the NHS to ensure the best possible care for the babies and children being treated in The Bone Marrow Transplant Unit.

Family Support

We continue to provide items for both the parents' flats and for the halfway houses as required and have provided financial assistance for families in emergencies.

Toys and Educational Equipment

Children are confined in a sterile room during treatment for up to six months. Empirical evidence indicates that the more positive the attitude of the patient, the better the recovery. We continue to provide Sky Television to each bed in the unit. We also provide each child entering the unit with toys which cannot be transferred from one child to another due to the risk of infection. We also provide books required for the educational needs of older patients.

The Play Team

The Foundation supports the work of the Play Team by providing toys, educational equipment and access to Sky television. The Play Team on the unit comprises of a Hospital Play Specialist Team Leader, and two Nursery Nurses. The team work 7 days per week. This ensures that the children and young people in our care have access to all essential play opportunities during their long stay in hospital.

They aim to visit the children and young people every day during their admission, devise structured Play Plans to meet the individual needs of the children in isolation and ultimately deter the negative effects of the hospital stay, isolation and ill health through positive play opportunities, encouraging fun, laughter and enjoyment within the most unusual of environments.

They also aim to support the children and young people before their admission, preparing them for the events ahead and after discharge in the Day Unit facility. A hospital stay or visit will induce stress, fears and anxieties, and play is the tool we can offer to aid the ability to cope with the experience. Play and recreation for children and young people in hospital is now seen as an essential requirement and should be provided in all paediatric areas and departments. Play in the hospital environment has therapeutic values and functions to prevent the ill effects of a hospital experience, as well as encouraging growth and development.

Play in hospital as a way to...

- Provide the pleasure and comfort of normal experiences within abnormal environments.
- Allow adjustment and gain control and mastery over self and potentially frightening environments.
- Allowing a child to regain a sense of skill and achievement, combating feelings of helplessness, loss of control and dependence of carers.
- Socialise, make friends with peers, gaining support through sharing experiences.
- Keep alive thoughts and ideas of home and family life by encouraging memories and contact with home.

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- Provide a mechanism to deal with fears, fantasies and emotions in the safety and security of familiar play.
- Reduce anxiety and increase coping abilities.
- Speed recovery and rehabilitation.
- Facilitate and encourage communication pathways and relationships.
- Prepare for hospitalisation and procedures.
- Allow clinical judgements through observation.
- Offer diversion techniques during the admission and during procedures.
- Prevent developmental regression or delay.
- Aid understanding of information, to facilitate the child's choice and participation in their care and treatments.
- Provide fun entertainment and activity, deterring boredom.
- Support families and siblings.

It is the healthcare professionals and management team's responsibility to ensure every child and young person in their care are offered appropriate play opportunities to limit the ill effects of a hospital stay, encouraging the child's ability to cope and enforcing a positive hospital experience.

Staff Training

We provide assistance to doctors and nurses to enable them to attend international conferences.

Fundraising

The Foundation's main source of income is from community fundraising which mainly comes from patients and their families who organise events in their own communities around the UK and Ireland. The President Brian McFadden continues to be involved engaging in various events on our behalf. In Newcastle we continue to hold a monthly gig with the Smokin Spitfires at the Cluny, which started in September 2013 and as a result there have been a number of other events organised by the attendees.

FINANCIAL REVIEW

Net Income/Expenditure

This year has seen net incoming resources of £86,158 (2018: net outgoing resources of £55,992).

Income

Income for the year of £145,212 was up on last year's total of £85,030. Community fundraising which continues to be our main source of income increased to £138,821 (2018: £80,587), thanks in part to the generosity of the executors of the estate of D Costello. Income from corporate donations remains at nil (2018: £ nil) is still disappointing but reflects the difficult trading conditions experienced by many companies. Income from Charitable Trusts increased to £5,982 (2018: £4,000).

Expenditure

Costs of generating voluntary income showed a decrease from £1,262 in 2018 to £791 this year. Expenditure on charitable activities has also decreased from £139,704 in 2018 to £58,264 this year.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Reserves

Whilst the charity has no contingent liabilities we have thought it prudent to establish a reserve of approximately two months overheads and commitments in case of an unexpected drop in income. The required reserve based on this is £21,040. The charity currently has free reserves of £206,223 (2018: £135,122), this is sufficient to meet the required two months overheads and commitments.

Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 charity will continue in business.

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

Signed on behalf of the Trustees.

.....

Date:

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019

INCOME AND EXPENDITURE

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Incoming resources					
Donations and legacies	2	144,335	469	144,804	84,587
Income from other trading activities	3	-	-	-	219
Investment income	4	409	-	409	224
Total incoming resources		<u>144,744</u>	<u>469</u>	<u>145,213</u>	<u>85,030</u>
Resources expended					
<i>Cost of raising funds:</i>					
Costs of generating voluntary income	5	791	-	791	1,262
Costs of generating funds	6	-	-	-	56
Expenditure on Charitable Activities:					
Research and support of children with immunodeficiencies	7	57,852	412	58,264	139,704
Total resources expended		<u>58,643</u>	<u>412</u>	<u>59,055</u>	<u>141,022</u>
Net movement in funds		86,101	57	86,158	(55,992)
Fund balances at 31 March 2018		<u>135,122</u>	<u>35,975</u>	<u>171,097</u>	<u>227,089</u>
Fund balances at 31 March 2019		<u>221,223</u>	<u>36,032</u>	<u>257,255</u>	<u>171,097</u>

Continuing Operations

None of the charity's activities were acquired or discontinued during the above two financial years.

The notes on pages 16 to 23 form part of these financial statements.

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BALANCE SHEET AS AT 31 MARCH 2019

	Note	2019	2018
		£	£
CURRENT ASSETS			
Trading Stock		412	412
Debtors	14	1,619	704
Bank Accounts		128,160	51,531
Deposit Accounts		164,512	174,102
		<u>294,703</u>	<u>226,749</u>
CREDITORS:			
Amounts falling due within one year	15	(37,448)	(55,652)
NET CURRENT ASSETS		<u>257,255</u>	<u>171,097</u>
FUNDS			
Unrestricted Funds			
General	19	206,223	117,581
Designated	18	15,000	17,541
Restricted Funds	17	36,032	35,975
		<u>257,255</u>	<u>171,097</u>

These financial statements were approved by the trustees on the behalf by:

and are signed on their

Wilf Gaffney
Trustee

The notes on pages 16 to 23 form part of these financial statements.

THE BUBBLE FOUNDATION UK**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019**

	Note	2019 £	2018 £
Net cash flows from operating activities	19	66,630	(37,481)
Cash flows from investing activities			
Interest received		409	224
Net cash provided by investing activities		<u>409</u>	<u>224</u>
Increase/(Decrease) in cash and cash equivalents in the year		67,039	(37,257)
Cash and cash equivalents at the beginning of the year		<u>225,633</u>	<u>262,890</u>
Total cash and cash equivalents at the end of the year		<u>292,672</u>	<u>225,633</u>

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies

a) Basis of Preparation

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 (FRS102) (effective 1 January 2015) – Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK (FRS102).

The Bubble Foundation UK is an unincorporated Charity. The address of the Charity's registered office and principle place of business is Ward 3, Level 4, Great North Children's Hospital, Newcastle upon Tyne, NE1 4LP. The charity meets the definition of public benefit entity under FRS102.

Going concern

Financial Reporting Standard 102 requires, if appropriate, the charity's financial statements are prepared on the going concern basis, which means that the charity is able to operate for the foreseeable future on the basis of known and reasonable projected resources. There are no material uncertainties in respect of the charity's ability to continue as a going concern. The charity holds sufficient free reserves to meet medium term core costs as detailed within its' reserves policy. As a consequence, the Trustees believe that the charity is well placed to manage its business risks successfully and thus they have adopted the going concern basis of accounting in preparing the financial statements.

b) Fund Accounting

The charity's general funds consist of funds which the charity may use for its purposes at its discretion. The charity has designated certain funds for specific purposes. The trustees have decided that setting aside funds in this way is a useful financial discipline which will help the charity make the best use of its resources. The funds held in each of these designates are disclosed in note 17.

c) Incoming Resources

Voluntary income, including donations and sponsorship income, of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Donated services and facilities are included at the value to the charity where this can be quantified.

Income from fundraising events and sale of goods is recognised once earned.

Legacy income is recognised when received.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

d) Resources Expended

Expenditure is recognised when a liability is incurred.

Costs of generating voluntary income are those costs incurred in attracting voluntary income. Costs of generating funds are those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with research into immunodeficiencies and the support of children and families suffering from immune deficient conditions. Costs include both direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity costs, costs of generating funds and governance costs on the basis of management estimates of the amount attributable to that cost category in the year.

e) Funds

i) Restricted funds are to be used for specific purposes as laid down by the donor.

Expenditure which meets these criteria is identified to the fund.

ii) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes

f) Stock

Stock is valued at the lower of the cost and net realisable value.

g) Financial Instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS102, in full to all of its financial instruments. All of the charities financial assets and financial liabilities qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and cash in hand includes cash held at bank and cash in hand.

THE BUBBLE FOUNDATION UK

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

Creditors and provisions

Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Critical Accounting Estimates and Areas of Judgement

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

2. Income from donations and legacies	Unrestricted	Restricted	2019	2018
	£	£	£	£
Community donations and sponsorships	138,353	469	138,822	80,587
Charitable Trusts	5,982	-	5,982	4,000
	<u>144,335</u>	<u>469</u>	<u>144,804</u>	<u>84,587</u>
2018 total	<u>84,587</u>	<u>-</u>	<u>84,587</u>	

3. Income from other trading activities	2019	2018
	£	£
Sale of CD's	-	219
	<u>-</u>	<u>219</u>

The income from 2019 and 2018 is unrestricted.

4. Investment Income	2019	2018
	£	£
Bank interest receivable	409	224
	<u>409</u>	<u>224</u>

The investment income in 2019 and 2018 is unrestricted.

THE BUBBLE FOUNDATION UK

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

5. Cost of raising funds: Costs of Generating Voluntary Income	2019	2018
	£	£
Office costs	581	581
Institute of Fundraising subscription	92	86
Equipment/brochures	-	392
Printing, Stationery and Postage	49	185
Website	69	18
	<u>791</u>	<u>1,262</u>

The costs of generating voluntary income in 2019 and 2018 all related to unrestricted funds.

6. Costs of Generating Funds	2019	2018
	£	£
Opening stock of DVD's, CD's, Christmas cards & soft toys	412	468
Purchases	-	-
Less closing stock of DVD's, CD's, Christmas cards & soft toys	(412)	(412)
	<u>-</u>	<u>56</u>

The costs of generating funds in 2018 all related to unrestricted funds.

7. Expenditure on Charitable Activities	Unrestricted	Restricted	2019	2018
	£	£	£	£
<i>Research and support of children with immunodeficiencies</i>				
Research	48,052	-	48,052	126,101
Parent and families support and welfare	302	212	514	-
Toys and educational equipment	8,058	200	8,258	6,445
Clinical Equipment	-	-	-	6,198
Governance costs	1,440	-	1,440	960
	<u>57,852</u>	<u>412</u>	<u>58,264</u>	<u>139,704</u>
2018 total	<u>132,188</u>	<u>7,516</u>	<u>139,704</u>	

8. Governance Costs	2019	2018
	£	£
Audit and accountancy	<u>1,440</u>	<u>960</u>

THE BUBBLE FOUNDATION UK

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

9. Allocation of Support Costs	Fundraising Costs	Charitable Activity	Governance Costs	Total 2019	Total 2018
	£	£	£	£	£
Insurance	-	343	-	343	339
Equipment/Brochures	-	-	-	-	392
Website Development	69	-	-	69	78
Personnel costs	-	19,109	-	19,109	19,056
Telephone	-	594	-	594	571
Printing/Postage/Stationery	49	-	-	49	263
Office expenses	581	340	-	921	1,169
Professional	92	-	1,440	1,532	1,046
	<u>791</u>	<u>20,386</u>	<u>1,440</u>	<u>22,617</u>	<u>22,914</u>

10. Analysis of grants

	Grants to institutions	Grants to individuals
	£	£
Research posts	25,833	-
PhD awards	4,850	-
	<u>30,683</u>	<u>-</u>

Of support costs included in note 9, £17,369 (2018: £19,885) relates to grant making activities.

Recipients of institutional grants:

	Total
	£
To fund higher education research posts: University of Newcastle	30,683
	<u>30,683</u>

11. Staff Numbers and Emoluments

	2019	2018
	£	£
Wages and salaries	-	-

The charity paid £19,110 (2018: £19,056) during the year to a third party for the provision of the fundraising manager, these costs are included in support costs.

No employees earned more than £60,000 during the year.

Key management personnel - none

Volunteer time - none

THE BUBBLE FOUNDATION UK

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Particulars of Employees:

The average number of staff employed by the Charity during the financial year amounted to:

	2019	2018
Number of staff	1	1

12. Trustees' Remuneration

Trustees received no remuneration and were not reimbursed for any of their expenses in the year (2018: £nil).

13. Movement in Total Funds for the Year	2019	2018
	£	£
This is stated after charging:		
Fees payable for independent examination	<u>1,440</u>	<u>960</u>

14. Debtors	2019	2018
	£	£
	1,619	704

15. Creditors: Amount falling due within one year	2019	2018
	£	£
Trade Creditors	31,544	50,832
Other creditors	<u>5,904</u>	<u>4,820</u>
	<u>37,448</u>	<u>55,652</u>

16. Financial Instruments	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>1,619</u>	<u>704</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>37,448</u>	<u>55,652</u>

THE BUBBLE FOUNDATION UK

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

17. Restricted Funds

The income funds of the charity include the following restricted funds which have been donated for specific purposes:

	Balance at 31 Mar 2018	Income	Expenditure	Balance at 31 Mar 2019
	£	£	£	£
Medical research	11,550	-	-	11,550
Family Support	6,735	469	212	6,992
Toys and Educational Support	5,688	-	200	5,488
Clinical Equipment	12,002	-	-	12,002
	<u>35,975</u>	<u>469</u>	<u>412</u>	<u>36,032</u>

	Balance at 31 Mar 2017	Income	Expenditure	Balance at 31 Mar 2018
	£	£	£	£
Medical research	11,550	-	-	11,550
Family Support	6,735	-	-	6,735
Toys and Educational Support	7,006	-	1,318	5,688
Clinical Equipment	18,200	-	6,198	12,002
	<u>43,491</u>	<u>-</u>	<u>7,516</u>	<u>35,975</u>

The Medical Research Fund helps support a Medical Research Team at Newcastle Medical School.

The Family Support Fund provides financial assistance, if required, for the families of patients.

The Toys and Education Support Fund provides toys and equipment for patients who spend long periods of time on the ward. The toys and equipment are not transferable due to the risk of infection.

The Clinical Equipment Fund can be used for specific items of clinical equipment e.g. syringe pumps.

18. Designated Funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 31 Mar 2018	New Designations	Utilised	Balance at 31 Mar 2019
	£	£	£	£
Medical research	2,541	-	2,541	-
Overheads fund	15,000	-	-	15,000
	<u>17,541</u>	<u>-</u>	<u>2,541</u>	<u>15,000</u>

	Balance at 31 Mar 2017	New Designations	Utilised	Balance at 31 Mar 2018
	£	£	£	£
Medical research	25,256	30,000	52,715	2,541
Jennifer Cole Research Fund	12,816	-	12,816	-
Overheads fund	15,000	-	-	15,000
	<u>53,072</u>	<u>30,000</u>	<u>65,531</u>	<u>17,541</u>

THE BUBBLE FOUNDATION UK

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

The Medical Research Fund helps support a medical research team at Newcastle Medical School.

The Jennifer Cole Research is a donation in memory of Jennifer Cole with the request that 'the discretion and authority to spend these funds rests entirely with Professor Andrew Cant and fund research that would not normally be supported by our base research monies'.

The Overheads Fund has been set up by the trustees to cover overheads should there be a fall in income.

19. Analysis of Net Assets

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2019 as represented by:			
Current assets	258,671	36,032	294,703
Current liabilities	(37,448)	-	(37,448)
	<u>221,223</u>	<u>36,032</u>	<u>257,255</u>
	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2018 as represented by:			
Current assets	190,774	35,975	226,749
Current liabilities	(55,652)	-	(55,652)
	<u>135,122</u>	<u>35,975</u>	<u>171,097</u>

20. Reconciliation of net movements in funds to net cash flow from operating activities

	2019 £	2018 £
Net incoming movement in funds	86,158	(55,992)
Interest receivable	(409)	(224)
Decrease/(Increase) in stocks	-	56
Increase/(Decrease) in debtors	(915)	262
(Decrease)/Increase in creditors	(18,204)	18,417
	<u>66,630</u>	<u>(37,481)</u>
Net cash outflow from operating activities	<u>66,630</u>	<u>(37,481)</u>

21. Related party transactions

There have been no related party transactions in the reporting period which require disclosure.

22. Ultimate Controlling Party

The charity is governed by the Board of Trustees and is not under the control of any one individual.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE BUBBLE FOUNDATION UK

I report to the trustees on my examination of the financial statements of The Bubble Foundation UK ('the charity') for the year ended 31 March 2019, which are set out on pages 13 to 23

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Signed:

Name: Lucy Robson

Name of applicable listed body: The Institute of Chartered Accountants in England and Wales

Relevant professional qualification or membership of professional body: Chartered Accountant

ON BEHALF OF RSM UK TAX AND ACCOUNTING LIMITED

Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Date: