



REPORT AND FINANCIAL STATEMENTS

Year-ended 31 December 2023

Charity Number: 1158672

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Year ended 31 December 2023

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Legal and Administrative Information

Year ended 31 December 2023

1. The structural and administrative details for the Charity are as follows:
 - 1.1. Name: Cure EB (formerly known as Sohana Research Fund)
 - 1.2. Type of entity: Charitable Incorporated Organisation
 - 1.3. Date of incorporation: 25 September 2014
 - 1.4. Registered Charity Number: 1158672
 - 1.5. Governing document: Constitution
 - 1.6. Registered and principal office: 10 Huntingdon Street, London, N1 1BU
2. The Trustees as at the date of this report (the "Trustees") are:
 - 2.1. Ms Sharmila Nikapota
 - 2.2. Mr James Collins
 - 2.3. Mr Michael de Lathauwer
 - 2.4. Ms Tazim Hall
 - 2.5. Prof. David Kelsell
 - 2.6. Mr Duncan Wales
 - 2.7. Rachel Lesiter
3. The bankers are: Barclays Bank PLC
14 Upper Street
Islington
London
N1 0PQ
4. The auditors are: Mitchell Charlesworth (Audit) Limited
3rd Floor
44 Peter Street
Manchester
M2 5GP

Summary

Year ended 31 December 2023

Our Mission Statement

Our mission is to find effective treatments and ultimately a cure for Epidermolysis Bullosa (“EB”).

Our Commitments

To fund translational research and clinical trials for the benefit of people with EB.

To maximise research spend.

To raise awareness of EB.



2023 Highlights

Year ended 31 December 2023

Fundraising highlights

- Radio 4 appeal
- Butterfly Brunch Speaker event
- Dodington Opera
- BGC Charity Day
- Big Give Christmas Challenge
- London Marathon
- Goldman Sachs donation
- Butterfly Run

Project highlights

- Regulatory paperwork submission for gene editing trial
- Gene therapy for airway disease project finished
- Nanocol final report and publication
- Mission EB trial at Great Ormond Street in data analysis phase
- EB graft trial work ongoing
- New multiyear commitment to iPSC project leading up to trial in US
- New cancer immunotherapy project started in Minnesota

Founder's Statement

Year ended 31 December 2023

Epidermolysis Bullosa ("EB") is a group of genetic skin blistering conditions that vary in severity depending on the subtype. Some forms are fatal in infancy and others lead to progressive deformity and are severely life limiting. Recessive Dystrophic Epidermolysis Bullosa ("RDEB") is a very severe form that leads to scarring, contractures, oesophageal restriction, corneal abrasions, malignant skin cancer and many more painful and life-altering symptoms.

Cure EB exists to find treatments and a cure for EB. To this end, we fund predominantly translational medical research aiming to deliver quality-of-life changing relief and eventually a cure to those afflicted by EB.

2023 started with our first in person research update evening since the pandemic. We had a very successful Radio 4 appeal in May, bringing EB to a new radio audience. We were very lucky to be chosen for BGC charity day again with Patron Damian Lewis attending. Our butterfly run and family day at the Olympic Park were well attended and great fun with excellent presentations by some of our researchers.

We are buoyed by progress across the gene therapy space and particularly with results coming out of our projects in these areas. The world has seen two approved topical treatments for EB come on the market and we continue to look for systemic treatments to follow.

As ever we are incredibly grateful to our many wonderful long-term donors, supporters, friends and EB patients who have faith and have stayed with us for many years.



Sharmila Nikapota
Founder Trustee

Report of the Trustees Year ended 31 December 2023

The Trustees present their report along with the financial statements of the Charity for the year ended 31 December 2023.

Introduction

1. Cure EB - then known as the Sohana Research Fund C.I.O. ("SRF") - was established on 25 September 2014 with Registered Charity Number 1158672.
2. Cure EB's principal purpose is to fund medical research and clinical trials aimed at discovering, developing and delivering treatments for Epidermolysis Bullosa ("EB").

Objectives and activities

3. As set out in Cure EB's Constitution, Cure EB's objects are *"For the public benefit, (a) the advancement of health and (b) the relief and assistance of people in need who are suffering from Epidermolysis Bullosa, in particular but not exclusively by making grants:*
 - 3.1. *to fund medical research and/or clinical trials anywhere in the world for the purpose of discovering, developing and delivering treatments for Epidermolysis Bullosa; and*
 - 3.2. *to fund the treatment of patients who are suffering from Epidermolysis Bullosa"*
4. Cure EB's objectives during 2023 were limited to:
 - 4.1. Raising funds;
 - 4.2. Raising awareness;
 - 4.3. Identifying and developing projects for funding; and
 - 4.4. Funding of projects.
5. The Trustees confirm that in determining what activities Cure EB carries out, they have had regard to the Charity Commission's guidance on public benefit.

Fundraising and awareness

6. As a rare genetic skin condition public knowledge of the condition is limited. This impacts Cure EB's ability to raise money for research and support. Consequently, we see increased awareness of the condition as something that has a direct influence on our ability to raised funds. Our Radio 4 appeal, read by Sharmila in May, raised £85,000 and was one of the top five appeals in 2023. A new radio public were made aware of the horrors of EB and research towards a trial to replace the missing protein.
7. We did not have a fundraising dinner in May as it is a biennial event but had a very successful Butterfly Brunch Speaker event in London with Hadley Freeman in Conversation with Amelia Gentleman. This introduced the charity to new supporters as well as being a successful fundraising event
8. In print media we were referenced in a Bloomberg article 'Sky diving for Butterfly Children' and quoted in a Times article 'Birch Bark treatment for 'butterfly syndrome' given NHS approval'. We have an active social media presence with over 30,000 followers on Facebook, approximately 2500 on X (formerly known as twitter) and over 2000 on Instagram. We are working on building our Linkedin profile. Our website continues to be a very important tool when fundraising and educating the public as to our aims and ambitions. It holds all information regarding projects and press as well as event information. We strive to keep it up to date and continue to improve its features.

Report of the Trustees [Continued] Year ended 31 December 2023

Fundraising and awareness [Continued]

9. We launched a new online campaign called #CoffeeetoCure EB which Damian Lewis helped kick off in October, encouraging people to donate the cost of a coffee by text number. We hope to build that over the next year in an effort to raise awareness but also small value donations from as many people as possible.
10. Our main community outreach and awareness event, the Butterfly Run and Family Day, took place in September 2023. We had increased participation in the run, which we need to build on. Four of our researchers gave excellent presentations and we had good participation from the EB families and supporters who attended, with a lively discussion at the end. We were chosen for BGC charity day which was attended by Damian Lewis and beneficiaries and we also had a very good Big Give Christmas challenge raising £80,000. Fundraisers included three very successful marathon runners, a wonderful evening at Dodington Opera, a sky dive, golf days, boogie evening, Facebook fundraisers and birthday and anniversary celebrations and Ride London.
11. Much work went towards building a Development Fund which will become visible and important over the next few years. We have also established two new restricted funds within Cure EB, the JT fund and the Abe fund which are to be used for particular avenues of research.
12. We had substantial donations from the James and Deirdre Dyson Trust, The Brothers Trust, The Reed Foundation, The Tides Foundation, The Maria Marina Foundation, The MDL Trust², The Maurice Hatter Foundation, The William Howarth Trust, The Ward Family Trust, The Lily Foundation, The Michael and Anna Wix Charitable Trust, Amazon Smile, The fellows Hyde Trust. We also had sponsorship from Krystal Bio, Constant Therapeutics and Flenn Health for our run and family Day and a grant from Amryt Pharma for family day
13. We are building our regular giving through the Kaleidoscope friends scheme and online platforms but this is still an area that we have to work on.

Achievements and performance

14. Cure EB funds a range of projects. However, Cure EB's principal focus is on translational research – i.e. the preclinical research and clinical trials that will (we hope) translate fundamental (laboratory based) research into effective treatments for RDEB. We are assisted by an experienced independent expert panel who evaluate projects and advise on research strategies and priorities.
15. We currently evaluate projects on a rolling basis (rather than in formal funding rounds at fixed intervals) and invite applications that meet our priority areas of research. An initial outline of the project is evaluated and if deemed to be within an area of interest a full grant application is asked for. The project is then externally reviewed and scored by a scientific advisory panel (SAP), whose members are world leading scientific experts in medical related research. That external review process is coordinated by one of our Trustees, Professor David Kelsell, who is himself an expert in human skin genetics and part of the SAP. If the scores are sufficiently high the project is presented to the Trustees for approval. If approved, Cure EB negotiates and concludes formal funding agreements with the body that is to carry out the research
16. To highlight our research we hosted our first research update meeting since the pandemic at the Shard, which was donated to us for the evening. Professor Alain Hovnanian from Inserm, Paris, Professor John McGrath from Kings College London and Dr Joanna Jackow from Kings College, London all gave excellent and exciting presentations highlighting the progress in the EB gene therapy space.
17. During 2023, published research included the Rigosertib pilot study in the Journal of clinical Oncology, Cytosine base editing in JID innovations, and a paper on Restoring airway adhesion in JEB in Molecular Therapy.

Report of the Trustees [Continued] Year ended 31 December 2023

Achievements and performance [Continued]

18. Projects progressed and funded included EB graft (France), Nanocol (US and UK), Editing of RDEB fibroblasts (UK), Paste mediated super exon replacement (UK). We also committed to new projects including 'Spray on skin', a large project on the path to clinical trial in the US in which we and other EB charities are match-funding a federal grant. Other projects included base and prime editing of RDEB fibroblasts in France, Gene and cell therapy in RDEB at the University of Minnesota and an extension of the editing of RDEB fibroblasts at Kings College in London.
19. Looking ahead, our aim is to continue our focus on translational research. We will also continue looking at emerging technologies to determine translational benefit.
20. To this end we aim to continue to carry on building our relationships with other potential funders (we have a good track record of collaborating) and investors and with the RDEB research community.

Financial review

21. The accounts show the financial affairs of Cure EB and its wholly owned subsidiary, EB Therapeutics Ltd, for 2023. The key figures, together with commentary, are as follows:
 - 21.1. Gross Income: £730,965. This was (as expected) lower than 2023 due to the fact that it is not a Butterfly Dinner year. Fundraising continued to be challenging in 2023 and income was further depressed by the timing of some donations (which is unpredictable) meaning that whilst 2023 was slightly disappointing, 2024 got off to a very good start.
 - 21.2. Expenditure on charitable activities (including support costs) was higher than the previous year at £1,481,770. This was in line with our aim to increase research funding but distorted upwards by two matters that had a major impact on recognised expenditure but much smaller impact on cash-flow. These were:
 - (1) Cure EB committed to support a major project at the University of Colorado. Funding for this will be provided over up to 5 years. Whilst the total amount of support to be provided is not yet certain, and much of it will not fall due for 2, 3 or 4 years, we considered it prudent to recognise the likely maximum support to be provided over the entire duration of the project.
 - (2) We previously structured support for two projects (Fibrx Derm and RNA Derm) as social investments (with Cure EB receiving financial instruments in return for that support). Those social investments were held at cost until 2023. In 2023 we determined that it was prudent to impair those investments by £310,464 (100%). As payment for those projects was made several years ago, this has no impact on Cure EB's cash flow.
 - 21.3. Costs of Fundraising: £70,896. Expenditure was lower than the prior period largely due to the absence of the cost of the biennial Butterfly Dinner. As a rule of thumb, Cure EB aims to raise £10 for every £1 spent on fundraising activities. 2023 Cure achieved this in 2023.
 - 21.4. Reserves at year end were £1,685,743. This is down from £2,507,444 largely for the reasons identified at 21.2 above.
 - 21.5. Cash at year end was £1,342,509. In addition, Cure EB purchased and held Treasury Bonds of £1,500,000 in order to generate (modest) income from the cash reserves. The cash and bonds total of £2,842,509 was slightly higher than the 2022 year-end figure for cash at bank: £2,800,640.

Report of the Trustees [Continued] Year ended 31 December 2023

Financial review [Continued]

22. Looking ahead to 2024:
- 22.1. Gross income is likely to be very much higher than 2023 due to a number of factors, including:
- (1) Major progress with fundraising for Cure EB's Development Fund. This is fund that is intended to take a promising treatment through the remaining safety testing and regulatory steps and into human trials. One requirement for regulatory approval is proof of funding.
 - (2) A very successful Butterfly Dinner.
 - (3) Increased corporate support.
 - (4) Substantial fundraising by the Abe Fund (a restricted fund within Cure EB).
- 22.2. Cost of fundraising is likely to be marginally higher, due to the cost of the Butterfly Dinner.
- 22.3. Expenditure on projects is likely to be within the range established over the past few years. A number of projects have been approved or reviewed, but it is not yet clear how many of those will be contracted before year-end.
23. The trustees as at the date of this report (the "Trustees") were:
- 23.1. Ms. Sharmilla Nikapota
 - 23.2. Mr James Collins
 - 23.3. Mr Michael le Lathauwer
 - 23.4. Ms. Tazim Hall
 - 23.5. Prof. David Kelsell
 - 23.6. Mr Duncan Wales
 - 23.7. Ms. Rachel Lesiter
24. There were no other Trustees during 2023. These Trustees may be reappointed at the expiry of their current terms and/or further trustees may be appointed by resolution passed at a properly convened meeting of the trustees. Pursuant to the terms of the Constitution, the minimum number of trustees is 3 and the maximum is 9. The Trustees are selected for their experience and expertise.
25. The Trustees are not and were not compensated for performing their roles as trustees.
26. Management and Administration:
- 26.1. Management of Cure EB's fundraising and awareness activities has been delegated (subject to a financial cap) to Sharmila Nikapota and James Collins. They in turn report to the other Trustees. In particular:
- (1) Sharmila Nikapota has primary responsibility for conceiving, developing and performing all fundraising and awareness activities. This includes the identification of suitable contractors to provide goods or services and negotiation with those contractors.

Report of the Trustees [Continued] Year ended 31 December 2023

Financial review [Continued]

- (2) Costs of goods and services are approved by, and payment is arranged by, James Collins or Rachel Lesiter.
 - (3) Sharmila Nikapota and James Collins are authorised to jointly incur costs of up to £10,000 per month in relation to fundraising and awareness activities without further authorisation from the Trustees. For major events, Sharmila Nikapota and James Collins must seek the prior approval of the Trustees.
- 26.2. Management of the administration of Cure EB has been delegated (subject to a financial cap) to Sharmila Nikapota, Rachel Lesiter and James Collins. They in turn report to the other Trustees. In particular:
 - (1) Sharmila Nikapota, Rachel Lesiter and James Collins are primarily responsible for identifying the services that need to be performed and finding suitable contractors to assist with the provision of those services.
 - (2) Sharmila Nikapota and James Collins are authorised to jointly incur costs of up to £2,500 per month in relation to the administration of Cure EB without further authorisation from the Trustees. Financial oversight and record keeping is performed by Rachel Lesiter.
- 26.3. In relation to projects and funding:
 - (1) Sharmila Nikapota is in regular direct communication with leading researchers and clinicians and with other potential funding bodies. She has primary responsibility for the initial identification of projects that may merit funding on grounds that they (i) further the objects of Cure EB; and (ii) are (weighing the work that is to be performed and the potential benefits of the research against the cost) cost-effective.
 - (2) The process for the evaluation of potential projects depends on the nature and size of the project. Prof. David Kellsell provides guidance in relation to both the process and the evaluation. He is also responsible for coordinating the reviews by Cure EB's scientific advisory panel (SAP) whose members are world leading scientific experts in medical related research. They evaluate, comment on and score the projects for Cure EB.
 - (3) All funding decisions (including identification of the project to be funded and the amount of funding to be provided) are made by the Trustees (as a whole).
 - (4) Funds in two restricted funds (the Abe Fund, year-end balance £26,818; and the JT Fund, year-end balance £0) can only be spent on projects approved by the founders of those restricted funds, but the funding decision must still be made by the Trustees.
 - (5) Having decided "in principle" to fund a project, negotiation of documentation is led by James Collins.
 - (6) Project invoices that conform with the funding agreements are approved by, and payment is arranged by, James Collins and Rachel Lesiter.

Report of the Trustees [Continued] Year ended 31 December 2023

Financial review [Continued]

27. Professional services:

- 27.1 James Collins is a commercial barrister and Tazim Hall was a solicitor and partner at a substantial international law firm. Cure EB buys in additional legal services as and when required.
- 27.2 Cure EB has not retained any investment advisor. However, Michael de Lathauwer comes from an investment banking background and is currently a fund manager.

28. Remuneration:

- 28.1 The Trustees are not and were not compensated for their management roles (described above) nor for any other role that they perform.
- 28.2 Cure EB has a part-time Administrator and a part-time Research Officer. Both are self-employed, but the time they provide adds up to about 1 FTE (full time equivalent). In addition, Cure EB has established relationships with a number of individuals and organisations that provide services on a contractor or self-employed basis.
- 28.3 Cure EB has benefited from, and relies on, substantial support from a team of volunteers. In particular:
- (1) The fundraising and awareness events are supported by a substantial team of engaged and dedicated volunteers. They provide assistance with the development of the event, attracting supporters to the event, graphic design, logistics and in many other ways. Without their support, many of these services would have to be bought in at considerable cost to Cure EB.
 - (2) The administration of Cure EB has been greatly assisted by volunteers, again saving Cure EB substantial cost.



Investment policy

Funds are held as short-term bank balances and (if and when rates justify it) longer term treasury deposits. The only other investments made by Cure EB are Social Investments (rather than financial investments).

Social Investments

These investments are payments made to further the aims of the charity – i.e. to advance research – rather than to secure a financial return. However, because they are structured as investments there is potential for return. In 2023 Cure EB made no further Social Investments, but impaired the value of two previous Social Investments.

EB Therapeutics

At the end of 2018, Cure EB established a subsidiary: EB Therapeutics Ltd (“EBT”). The purpose of this subsidiary is to further develop some of the technologies supported by Cure EB with the aim of assisting with the transition from research to market, so that effective treatments become as widely available as possible. EBT was dormant until 2020. During 2020 it (1) took a license of IP related to one of the projects that Cure EB is supporting; and (2) concluded a research service agreement for a new project. During 2021 this new project generated encouraging laboratory results. This continued through 2022 with the focus shifting (1) to the identification of the best compounds to progress towards an in-human trials; and (2) (for some compounds) from in-vitro to early in-vivo testing. In 2023, work to identify the best compounds continued, and in-vivo testing of those compounds was substantially progressed.

Reserves policy

Policy: Because the charity has a low-cost operating base it does not require a significant unrestricted reserve fund to meet its operating costs. However, Cure EB aims to maintain and build a substantial restricted reserve fund to meet the cost of future projects. This is for two reasons. First, Cure EB wants to be able to fund the best projects irrespective of its income in any particular year (which will fluctuate for reasons beyond its control). Second, Cure EB is building a Development Fund to progress one project through the final steps towards, and then into, human trials.

Forward looking statement: The Trustees are confident that there are adequate reserves to fund the research that Cure EB had committed to fund and to cover the anticipated future costs.

Risk management

The principal risk to the charity is the ability to continue to raise funds sufficient to meet the commitments made to fund projects and operating costs.

The Trustees have (above) highlighted the facts relevant to this risk. During 2023 this risk was entirely mitigated by ensuring that reserves substantially exceeded commitments.

Whilst the Trustees expenditure will exceed income in certain years, the Trustees intend (1) to retain substantial reserves (for the reasons given above); and (2) only commit to projects where Cure EB (i) already has sufficient funding for the project; or (ii) is confident that funds will be raised well in advance of any payment dates falling due.

Public benefit

The Trustees are conscious of the Charity Commission guidelines on public benefit and these guidelines are applied when grants are considered.

Report of the Trustees [Continued]

Year ended 31 December 2023

Trustees' responsibilities in relation to the financial statements

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).

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 Charity's financial activities during the year and of its financial position at the end of the 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;
- Observe the methods and principles in the Charity SORP;
- State whether applicable accounting standards and statement of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping accounting records which 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. 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.

Approved by the Trustees and signed on their behalf by:



Sharmila Nikapota



James Collins

Date:



Report of the Auditors to the Trustees of Cure EB Year ended 31 December 2023

Opinion

We have audited the financial statements of Cure EB (the 'Charity') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2023 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.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Auditors to the Trustees of Cure EB [Continued] Year ended 31 December 2023

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the industry in which it operates, and considered the risk of acts by the Charity that were contrary to applicable laws and regulations, including fraud. We discussed with the Trustees the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focused on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

Report of the Auditors to the Trustees of Cure EB [Continued]
Year ended 31 December 2023

Our responsibilities for the audit of the financial statements [Continued]

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Eligibility for appointment as auditor

Mitchell Charlesworth (Audit) Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditors' 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.



Alison Buckley (Senior Statutory Auditor)
Mitchell Charlesworth (Audit) Limited
Statutory Auditor

3rd Floor
44 Peter Street
Manchester
M3 5GP

Dated:

Mitchell Charlesworth (Audit) Limited is eligible to act as auditors in terms of Section 1212 of the Companies Act 2006

Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account)
Year ended 31 December 2023

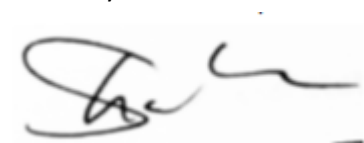
				2023			2022
Income	Notes	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from donations	2	250,000	480,918	730,918	182,000	818,852	1,000,852
Income from investments		-	47	47	-	11	11
Total		250,000	480,965	730,965	182,000	818,863	1,000,863
Expenditure							
Charitable activities	3	149,718	1,332,052	1,481,770	90,205	942,925	1,033,130
Raising funds	4	70,896	-	70,896	82,591	6,424	89,015
Total		220,614	1,332,052	1,552,666	172,796	949,349	1,122,145
Net movement in funds		29,386	(851,087)	(821,701)	9,204	(130,486)	(121,282)
Transfer of funds	8	(29,189)	29,189	-	(2,281,980)	2,281,980	-
Funds brought forward		199,723	2,307,721	2,507,444	2,472,499	156,227	2,628,726
Funds carried forward		199,920	1,485,823	1,685,743	199,723	2,307,721	2,507,444

Balance Sheet

As at 31 December 2023

		Group		Charity	
	Notes	2023	2022	2023	2022
		£	£	£	£
Fixed assets					
Investments	5	118,427	428,891	118,527	428,991
Current assets					
Cash at bank		1,342,509	2,800,640	1,319,809	2,779,430
Other debtors	6	155,447	190,210	178,147	211,420
Current asset investments	7	1,500,000	-	1,500,000	-
		2,997,956	2,990,850	2,997,956	2,990,850
Creditors:					
Amounts falling due within one year	8	(820,521)	(912,297)	(820,621)	(912,397)
Net current assets		2,177,435	2,078,553	2,177,335	2,078,453
Total assets less current liabilities		2,295,862	2,507,444	2,295,862	2,507,444
Creditors: amounts falling due after more than one year	9	(610,119)	-	(610,119)	-
Total net assets		1,685,743	2,507,444	1,685,743	2,507,444
The funds of the charity					
Unrestricted income funds		199,920	199,723	231,617	203,721
Restricted income funds		1,485,823	2,307,721	1,454,126	2,303,723
Total funds		1,685,743	2,507,444	1,685,743	2,507,444

These financial statements were approved by the Trustees on _____ and were signed on its behalf by:



Sharmila Nikapota



James Collins

Consolidated Cash Flow Statement
For the year ended 31 December 2023

	2023 £	2022 £
Net movement of funds from operating activities	(821,701)	(121,282)
Impairment of fixed asset investments	310,464	-
Increase in debtors / investments (Notes 6 and 7)	(1,465,237)	(70,516)
Increase in creditors (Notes 8 and 9)	518,343	742,923
Net cash inflow from operations	(1,458,131)	551,225
Cash at the beginning of the year	2,800,640	2,249,515
Cash at the end of the year	1,342,509	2,800,640

Notes to the Financial Statements
Year ended 31 December 2023

1. Principal accounting policies**(a) Accounting convention**

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Cure EB meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(b) Group accounts

The financial statements consolidate the results of the Charity and its wholly owned subsidiary EB Therapeutic Ltd on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because it has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The consolidated statement of financial activities, balance sheet and cash flow include the financial statements of the Charity and its subsidiary undertaking made up to 31 December 2023. The results of the subsidiary are included in the statement of financial activities and inter group transactions are eliminated fully on consolidation.

The Charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the Group. Due to EB Therapeutics Ltd current activities and how it is funded, the consolidated statement of charitable financial activities and the consolidated cash flow statement are materially the same as the individual parent Charity's statement of financial activities and individual cash flow statement.

(c) Critical accounting judgements and key sources of estimation uncertainty

Due to the straightforward nature of Cure EB's activities, the Trustees do not believe that there are any estimation uncertainties or accounting judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The investments are held at cost less impairment as the fair value cannot be reliably measured. The Trustees are not aware of any material impairments in the investments other than those disclosed.

(d) Donation and grant income

Income is accounted for in the period in which the Charity is entitled to receipt, the receipt is probable and measurable.

(e) Expenditure

Expenditure is included on an accruals basis.

Notes to the Financial Statements
Year ended 31 December 2023

1. Principal accounting policies [Continued]

(f) Taxation

The Charity is exempt from tax on its charitable activities.

(g) Fixed asset investments

Fixed asset investments are held to generate income, for their investment potential, and/or for their research potential.

Investments include 'social investments' where the purpose in making the investment is wholly or partly to further the Charity's aims. The social investments are stated at cost less impairment unless it can be measured at fair value which can be reliably measured.

The investment in a subsidiary company is held at cost less accumulated impairment losses.

(h) Funds structure

The restricted funds represent donations made where the donor has placed a restriction on the use of the funds. All donations other than specific donations by the Trustees are treated as restricted to research costs and (unless the donor has placed a specific restriction on the use) classed as "Unassigned Research Funds". Unrestricted funds can be used as the Trustees see fit in line with the charitable objectives.

(i) Going concern

The accounts are prepared on the basis that the Trustees have adequate resources to continue to operate. The Trustees have informally discussed expected future cash flows and the future expected incoming and outgoing resources in making their assessment for a period of at least 12 months from the signing of the accounts. Based on these assessments the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

(j) Financial instruments

Financial assets and liabilities are recognised when the Charity becomes party to the contractual provisions of the financial instrument. The company holds basic financial instruments which comprise cash at bank, trade and other receivables and trade and other payables.

Basic financial instruments such as social investments, debtors, bank balances and creditors are recognised at transaction value.

2. Donations

All incoming resources related to general donations from individuals and other institutions. There was no legacy income in the year.

Notes to the Financial Statements

Year ended 31 December 2023

3. Charitable activities	2023	2022
	£	£
Research projects:		
University of Minnesota - Nanocol	200	82,986
Universidad Carlos III de Madrid - Gene Editing Trial	-	27,137
UCL Gene Editing	-	17,908
Kings College London - Nanocol	13,685	82,176
Kings College London - Base Editing of RDEB fibroblasts	49,457	208,414
PASTE – Superexon Replacement	95,437	-
University of Colorado – Spray on Skin	703,000	-
Inserm - Oligo	-	139,911
Inserm - EB Graft	50,000	77,489
Inserm - SIRNA	154,809	-
Great Ormond Street - Gene Therapy	-	32,481
Thomas Jefferson - Rigosertib	-	151,285
St Thomas' Hospital, London - Rigosertib	-	127,279
Support costs:		
Administration costs	92,410	57,085
Impairment losses	310,464	-
Governance costs	-	9,300
Bank charges	401	147
Audit	10,802	12,308
Web hosting and social media consulting	-	2,331
Insurance	1,105	2,661
Professional fees	-	2,233
	1,481,770	1,033,130
4. Raising funds	2023	2022
	£	£
Fund raising and marketing	38,253	62,170
Web hosting	-	752
Fundraising administration costs	32,643	26,093
	70,896	89,015
5. Fixed asset investments - held by Group and Charity	2023	2022
	£	£
Social investments - unlisted		
Cost at 1 January 2023 and 31 December 2023	428,891	428,891
Impairment		
Charge for the year	(310,464)	-
Net book value		
At 31 December 2023	118,427	428,891
At 31 December 2022	428,891	428,891

Notes to the Financial Statements

Year ended 31 December 2023

5. Fixed asset investments - held by Group and Charity [Continued]	2023	2022
	£	£
Shares in Group undertakings held by Charity		
Cost at 1 January 2023	100	100
Cost at 31 December 2023	100	100
Net book value		
Cost at 31 December 2023	100	100

The Group or the Charity's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

EB Therapeutics Ltd

Registered office: England & Wales

Nature of business: Furthering research for human health

	%
Class of shares	Holding
Ordinary	100.00

Social investments are made to fund companies who undertake research that further the aims of the Charity. Material social investments have been made in Phoenicis Therapeutics, Inc., a US Corporation and Branca Bonus Limited, a company registered in Ireland.

6. Debtors	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Other debtors	155,447	190,210	178,147	221,420

Other debtors are donations receivable and gift aid receivable on donations received and receivable during the year

7. Current Asset investments	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Treasury Bonds	1,500,000	-	1,500,000	-
8. Creditors: amounts falling due within one year	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	16,912	-	16,912	-
Accruals	-	12,662	-	12,662
Unpaid share capital	-	-	100	100
Committed grants	803,609	899,635	803,609	899,635
	820,521	912,297	820,621	912,397

Notes to the Financial Statements
Year ended 31 December 2023

9.	Creditors: amounts falling due after more than one year	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
	Committed grants	610,119	-	610,119	-
		<u>610,119</u>	<u>-</u>	<u>610,119</u>	<u>-</u>
		<u><u>610,119</u></u>	<u><u>-</u></u>	<u><u>610,119</u></u>	<u><u>-</u></u>
10.	Fund balances	Unrestricted Funds £		Restricted Funds £	Total £
	Balance brought forward	199,723	2,307,721	2,507,444	
	Income	250,000	480,965	730,965	
	Expenditure	(220,614)	(1,332,052)	(1,552,666)	
	Inter fund transfer	(29,189)	29,189	-	
	Balance carried forward	199,920	1,485,823	1,685,743	
	Represented by:				
	Fixed assets	-	118,427	118,427	
	Cash at bank	179,928	1,162,581	1,342,509	
	Other net assets/liabilities	19,992	204,815	224,807	
		<u>199,920</u>	<u>1,485,823</u>	<u>1,685,743</u>	
		<u><u>199,920</u></u>	<u><u>1,485,823</u></u>	<u><u>1,685,743</u></u>	

Notes to the Financial Statements

Year ended 31 December 2023

10. Fund balances [Continued]

	Brought Forward £	Income £	Expenditure £	Gains/Losses £	Transfers £	Balance Carried Forward £
<u>Research Projects</u>						
SIRNA Interference in						
EBS	-	-	(154,809)		154,809	-
Nanocol		-	(13,885)	-	13,885	-
KCL Editing of RDEB						
Fibroblasts	-	-	(49,457)	-	49,457	-
PASTE	-	-	(95,437)	-	95,437	-
Spray on Skin	-	102,331	(703,000)	-	600,669	-
Therapy for RDEB SCC	-	50,000	-	-	-	50,000
<u>Social Investments</u>						
ABE Fund	-	26,818	-	-	-	26,818
Other Social						
Investments	428,891	-	-	(310,464)	-	118,427
<u>Other Restricted Funds</u>						
Funds for fundraiser	6,200	-	-	-	-	6,200
EB Family Day	-	5,000	(5,000)	-	-	-
Development and						
Unassigned Research						
Funds	1,822,630	296,816	-	-	(885,068)	1,234,378
	2,307,721	480,965	(1,021,588)	(310,464)	29,189	1,485,823

Historically the Board recognised donations without implicit terms as unrestricted donations, but allocated all donations not from Trustees to the “designated” fund, so as to ensure sufficient funds were being allocated to further the Charity’s aims. Similarly, a portion of the grants made were allocated against the designated fund. This process was reassessed in 2022. As the Charity publish that all donations received will be used to further its aims, it was decided that these donations (i.e. all donations other than specific donations from Trustees) would be better represented as restricted and classed as Unassigned Research Funds.

11. Related party disclosures and Trustees’ remuneration and benefits

No Trustees received remuneration or were reimbursed for expenses in the period.

During the year the Charity introduced £50,000 (2022: £100,000) of support to its subsidiary EB Therapeutics Ltd.

In the year there were donations to the Charity from the Trustees amounting to £230,175 (2022: £259,000) (which are increased by Cure EB claiming Gift Aid).

12. Staff costs

There were no employees (2022: one).

No staff received emoluments in excess of £60,000.

No Trustee expenses have been incurred and no Trustees were re-imbursed for any expenses during the year (2022: None).

Notes to the Financial Statements
Year ended 31 December 2023

13. Contingent liabilities and capital commitments

The Trustees are not aware of any contingent liabilities or capital commitments.

14. Subsequent events

The Trustees are not aware of any material adjusting or non-adjusting post balance sheet events.