Here we describe single-cell corrected long-read sequencing (scCOLOR-seq), which enables error correction of barcode and unique molecular identifier oligonucleotide sequences and permits standalone cDNA nanopore sequencing of single cells. Barcodes and unique molecular identifiers are synthesized using dimeric nucleotide building blocks that allow error detection. We illustrate the use of the method for evaluating barcode assignment accuracy, differential isoform usage in myeloma cell lines, and fusion transcript detection in a sarcoma cell line.

Long-read sequencing technologies such as PacBio single-molecule real-time (SMRT) sequencing or Oxford Nanopore sequencing enable the sequencing of full-length transcripts. The application of PacBio SMRT to single-cell sequencing has been hindered by a low sequencing capacity (four million reads per flow cell), which means that a single run can report on only 40–133 cells at a comparable read depth to short-read approaches, or on thousands of cells by sacrificing quantitative information. Zeng et al. have improved the platform for single-cell sequencing workflows by concatenating multiple full-length cDNAs into a single insert. This approach led to a return of 10 million reads from a single SMRT cell, providing eight times more data output than the standard PacBio sequencing protocol. Alternatively, nanopore sequencing provides up to 250 million reads per PromethION flow cell, but its main drawback is its high error rate compared with both PacBio long-read and Illumina short-read sequencing. Overall, 68% of all reads show complete dinucleotide block complementarity across the full barcode sequence. This suggests that the theoretical base-calling accuracy for the barcode should be 98.4%, which aligns with the reported accuracy of Illumina sequencing. The dimer-correction approach was evaluated by measuring the proportion of human, mouse and mixed species cells identified following increased edit distances (that is, the Levenshtein distance) between the error-sequenced and the accurately sequenced barcodes (Supplementary Fig. 5). An edit distance of 4 was found to result in accurate assignment of both mouse and human reads (Supplementary Fig. 6), enabling the recovery of an extra 8% of total reads. Although further reads could be recovered using an edit distance of 5, this was obtained at the expense of increased numbers of mixed species cells (Supplementary Fig. 5i).

Application of scCOLOR-seq to nanopore sequencing identified the presence of a poly(A) sequence in 40% (range, 24–62%) of all nanopore sequencing reads and detected 12.9% (range, 9–15%) of these reads with dual nucleotide complementarity across the full barcode sequence (Supplementary Fig. 7). This suggests that the theoretical base-calling accuracy of single-cell nanopore sequencing should be 91.8%. However, barcodes were observed to contain more than one error per barcode, which has the effect of reducing the overall measurable base-calling accuracy to 86% (Supplementary Fig. 8). Naive collapsing of barcodes and UMIs sequenced into single-base sequences without error correction led to only 81 recovered cells (Supplementary Fig. 9). The dimer correction approach using an edit distance of 6 led to the recovery of 54% (range, 43%–68%) of barcodes containing sequencing errors (Fig. 2a,b and Supplementary Fig. 7c). Increasing the edit distance to 7 increased recovery to 82% (range, 79.8%–83.6%), at the expense of an extra 8% of total reads. Although further reads could be recovered using an edit distance of 5, this was obtained at the expense of increased numbers of mixed species cells (Supplementary Fig. 5i).
However, filtering on the basis of at least the presence of 200 features per cell removed a substantial proportion of mixed cells (Supplementary Fig. 11). Cells were then projected into two dimensions using uniform manifold approximation and projection (UMAP) and a clear separation of the mouse and human cell populations was observed, with 1,077 cells recovered using an edit distance of 6 and 1,064 cells recovered using an edit distance of 7 (Supplementary Fig. 10).

scCOLOR-seq was applied to a mixture (1:1:1 ratio) of human NCI-H929, JJN3 and DF15 myeloma cell lines and approximately 500 cells were sequenced using a MinION flow cell and 1,200 cells sequenced using a PromethION flow cell. After filtering with a minimum of 200 features per cell (Supplementary Figs. 12, 13), we show that nanopore sequencing can resolve the different myeloma cell types at both the gene level (Fig. 2c and Supplementary Fig. 14) and the transcript level (Fig. 2d and Supplementary Fig. 14b–f).

There was also a good correlation between Oxford Nanopore and Illumina gene counts per cell ($R = 0.67$) and the number of UMIs per cell ($R = 0.65$) (Supplementary Fig. 15d,e). The clustering is more defined at the transcript level and more diffuse at the gene expression level, likely reflecting the diversity of transcript use within these cells. We next searched for differentially regulated transcripts between cell types and clusters. In this experiment, cell-type-specific usage was observed for 359 genes and 416 differentially expressed isoforms. Differential transcript usage was particularly apparent for the marker CD74 (Fig. 2e–h), which is a potential therapeutic target in multiple myeloma7. Furthermore, in agreement with the literature and the biology of plasma cells8, a differential expression of both immunoglobulin κ and λ light-chain isoform use between the different myeloma cell lines was observed (Supplementary Figs. 16, 17).

Long read sequencing permits the measurement of fusion transcripts that are often key drivers of tumor development. To illustrate the principle, Ewing's sarcoma was selected, which harbors the t(11:22)(q24:q212) translocation that generates EWS-FLI, a fusion between EWSR1 (Ewing's sarcoma breakpoint region 1) and the ETS transcription factor FLI1 (Friend leukemia integration 1) genes9. The EWS–FLI protein regulates the expression of numerous target genes that promote cancer survival and drug resistance10,11.

Fig. 1 | Developing a strategy to error-correct barcode and UMI sequences from droplet-based sequencing. a, Schematic bead and oligonucleotide structure using dimer blocks of nucleotides for Buc-seq. b, Cell barcode-assignment strategy. c, UMI deduplication strategy. d, Simulated data showing the number of barcodes recovered with increasing simulated sequencing error rates. e,f, Simulated data showing the difference and coefficient of variation between the deduplicated UMIs and the ground truth. Correction of the UMI counts was performed using a basic directional network-based approach after accounting for sequencing errors within homodimeric blocks of nucleotides.
Fig. 2 | scCOLOR-seq identifies transcript isoform diversity and fusion transcripts in cancer cell line models. a, b. Human HEK293T and mouse 3T3 cells were mixed at a 1:1 ratio and approximately 1,200 cells were taken for encapsulation and cDNA synthesis followed by nanopore sequencing. a, A Barnyard plot showing the expression of mouse and human UMIs before quality filtering using an edit distance of 6. b, A UMAP plot of data after quality filtering showing the clustering of human, mouse or mixed human and mouse cells after barcode correction using an edit distance of 6. Insets: bar plots show the specificity of UMIs aligning to either the human or mouse UMAP cluster. c–h, NCI-H929, DF15 and JJN3 myeloma cell lines were mixed at a 1:1:1 ratio and approximately 1,200 cells were taken for cDNA synthesis and sequenced using a PromethION flow cell. c, d, UMAP plot of gene expression (c) and transcript isoform expression (d). e, Principal CD74 (also known as HLA-DR) splice variants showing all protein-coding transcripts. f–h, UMAP plot showing the isoform expression of detected CD74 transcripts ENST00000377775.7 (f), ENST0000035334.10 (g) and ENST0000009530.12 (h). i, A UMAP plot of total fusion transcripts in Ewing’s cells mapped as a parentage of the total RNA of the cell. j, A UMAP plot showing the expression of the EWS-FLI fusion transcript. k, A schematic showing the structure of the EWSR1 and FLI1 genes. The EWS-FLI fusion transcript consists of the 5’ end of the EWSR1 gene and the 3’ end of the FLI1 gene. Arrowheads denote known fusion events and the most common type-1 fusion transcript is shown. l, A circular representation of the fusion transcripts identified between FLI1 and EWSR1.

Several groups have reported the use of short-read Illumina sequencing data to error-correction long-read Oxford Nanopore single-cell sequencing, in which the more accurate barcode sequences from Illumina sequencing are used as a guide to assign Oxford Nanopore reads to cells. Although this approach was able to increase assignment rates from around 6% to more than 60%, the requirement to independently construct and sequence two libraries increases the cost of single-cell sequencing. Moreover, accurate UMI assignment is challenging with this approach because of the random nature of the UMI generation and the low base-calling accuracy of nanopore sequencing. Volden et al. used a rolling circle amplification to concateameric consensus (R2C2) method to error-correct nanopore sequencing. Although this method achieved 96% sequencing accuracy, this still only translated to 72% of barcodes demultiplexing correctly, with 45% of UMIs not matching against parallel Illumina sequencing. Furthermore, the increased read length that is needed to support this error-correction approach is prone to increased error rates for longer reads in the late stages of a sequencing run without reagent refueling.

scCOLOR-seq has multiple advantages over current methodologies to correct error-prone sequencing. The method provides superior error correction of single-cell sequencing barcodes, with over...
80% recovery of reads when using an edit distance of 7, or over 60% recovery when using a conservative edit distance of 6. Uniquely, UMI can be deduplicated with a high level of accuracy, approaching 100% in simulated data. Furthermore, we envision that the method can be further improved using blocks of trimer phosphoramidites. However, at present, these are not commercially available and the synthesis of reverse trimer phosphoramidite blocks is considerably more complex than for dimers.

In summary, single-cell long-read technology has the potential to open new avenues within genomics. For example, we demonstrate that it is possible to measure fusion events in chimeric reads at the single-cell level, which is only practical with long-read technology. scCOLOR-seq provides a simplified and more robust method to perform quantitative long-read transcript sequencing on large numbers of cells. We propose the use of this approach to stimulate further work on single-cell copy number variation and mutational analysis, which would have considerable potential in diagnostics and for the understanding of human disease.

Online content
Any methods, additional references, Nature Research reporting summaries, source data, extended data, supplementary information, acknowledgements, peer review information; details of author contributions and competing interests; and statements of data and code availability are available at https://doi.org/10.1038/s41587-021-00965-w.

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Methods

Cell lines and reagents. HEK293T, JNJ3, H3929 and ST3 cells were purchased from the ATCC. DF15 cells were a gift from Celgene (now Bristol Myers Squibb). Cell lines were cultured in DMEM low-glucose medium supplemented with FBS for no more than 20 passages. The cells were mycoplasma tested routinely and authenticated by STR during the course of this project.

Oligonucleotide synthesis. Solid-phase phosphoramidite oligonucleotide synthesis on Toyopearl HW-65S resin (Toho Biosciences, 0019815) was performed by ATDBio, in the 5′–3′ direction (using reverse amides). Using a method adapted from Macosko et al.1

The sequence of the capture oligonucleotide is as follows: 5′-TTTGGTGGGATTACCACTCAACAGGAGTAC]-spacer-AAAAAATCGGAGTTATCAACGCAGAGTAC-3′, where ‘T’ indicates a dual nucleotide dimer block added via split and pool synthesis using reverse dimer phosphoramidites (Supplementary Fig. 1, purchased from ChemGenes as custom product). ‘N’ indicates a degenerate dimer nucleotide (added using an equimolar mixture of the four reverse dimer phosphoramidites,16), [spacer] is hexaethylene glycol, added using DMT-protected hexaethylene glycol phosphoramidite (LGC Link, 2129), and the other bases are standard (monomeric) DNA bases, added using reverse amides (LGC Link, 2022, 2021, 2023 and 2020). AAGCAGTGGTATCAACGCAGAGTAC is the PCR handle.

Before oligonucleotide synthesis, the initial loading of hydroxyl groups on the resin was reduced via a capping reaction. Capping was performed by suspending the resin in a 1:1 mixture of Cap A (tetrahydrofuran:pyridine:1-methylimidazole 8:1:1) and Cap B (tetrahydrofuran:pyridine:1-methylimidazole 8:1:1) at room temperature for 2 h. The capping reaction was performed using an ABI 394 DNA synthesizer, using a modified 1 μmol synthesis cycle (with an extended coupling time of 5 min for standard monomer bases and 10 min for dimer bases, spacers and linkers). The barcode was generated using 12 split-and-pool synthesis cycles. Before the first split-and-pool synthesis cycle, beads were removed from the synthesis column, pooled and mixed, and divided into four equal aliquots. The bead aliquots were then transferred to separate synthesis columns before coupling with the dimer reverse amide. This process was repeated 11 times. Following the final split and pool cycle, the resin was pooled, mixed and divided between four columns, ready for the next part of the synthesis. An equimolar mixture of the four dimer phosphoramidites was used in the synthesis of the degenerate UMI (poly(N)) region, and (monomeric) T reverse amide was used for the poly(T) tail. After oligonucleotide synthesis, the resin was washed with acetonitrile and dried before deprotection in aqueous ammonia (55 °C, 6h).

Simulated barcode data. Barcode sequences were simulated with a length of 24 (12 blocks of nucleotides pairs) and then imitated the process of randomly introducing PCR errors and sequencing errors with a probability of 99% of the barcodes. A two-pass barcode assignment strategy was then performed in which true barcodes were identified on the basis of the nucleotide pair complementarity across the full length of the barcode. These true barcodes were then used as a guide to correct the remaining barcodes on the basis of approximate string matching. String matching was performed using the Levenshtein edit distance, which is a metric for measuring the difference between two strings. The following values were used as values within the simulations: sequencing depth, 400; number of UMIs, 10–100; barcode length, 24; PCR error rate, 1 × 10−5; sequencing error rate, 1 × 10−10 to 1 × 10−9; and number of PCR cycles, 25.

Simulated UMI data. Simulated UMI data were generated with a length of 16 (8 blocks of nucleotide pairs) to confirm the accuracy of the UMI correction method by mimicking UMI PCR amplification and sequencing errors seen with Oxford Nanopore sequencing. UMIs were generated following an approach that was initially proposed by UMI-tools. In brief, each UMI was generated at random, with a maximum of 1% of amides and sequencing errors. PCR cycles were simulated so that each UMI was selected in turn and duplicated according to the probability of amplification. PCR errors were added randomly and then any new UMI sequences were assigned new probabilities of amplification. A defined number of UMIs were randomly sampled to simulate sequencing depth and sequencing errors introduced with a specific error rate. Finally, the UMI sequences within the UMI were checked for and if errors were detected, the UMIs were split into two and then separately collapsed into 8 bp nucleotides. Unambiguous UMIs were collapsed into 8 bp nucleotides without splitting. The number of true UMIs was then estimated from the final pool of UMIs using UMI correction methods proposed in the original UMI-tools manuscript. The following values were used as values within the simulations. Sequencing depth, 10–400; number of UMIs, 10–100; UMI length, 6–16; PCR error rate, 1 × 10−5 to 1 × 10−9; sequencing error rate, 1 × 10−10 to 1 × 10−11; and number of PCR cycles, 4–12.

Droplet-based single-cell RNA sequencing. Single-cell capture and reverse transcription were performed using the Drop-seq approach, as described previously17. In brief, cells were loaded into the DolomiteBiotector Nadya system microfluidic cartridge at a concentration of 310 cells per µl. Oligonucleotide beads were synthesized by ATDBio. Beads were loaded into the microfluidic cartridge at a concentration of 620,000 beads per ml. Cell capture and lysis were performed according to the manufacturer’s instructions of the Nadya instrument (DolomiteBio). The droplet emulsion was then disrupted using 1 ml of 1H,1H,2H,2H-perfluorooctane-1 octanol (biphasic) and beads were released into aqueous solution. After several washes, the cells were mycoplasma tested and authenticated by STR during the course of this project.

Before PCR amplification, beads were washed and then treated with exonuclease for 45 min. PCR was then performed using the SMART PCR primer (AAGGATGTTATCAACGGAGAGTAC) and cDNA was subsequently purified using AMPure beads (Beckman Coulter). To achieve a high concentration of cDNA, the input was subjected to 25 cycles of PCR amplification before sequencing. Finally, the cDNA was quantified using a Quantidate carbon probe (Agilent Technologies) using a DNA high-sensitivity D5000 kit before being split for Illumina or Oxford Nanopore library generation.

Single-cell Illumina library preparation for sequencing. Library preparation for Illumina sequencing was performed as described previously18. In brief, purified cDNA was used as an input for the Nextera XT DNA library preparation kit (Illumina). Library quality and size were determined using a TapeStation (Agilent Technologies) high-sensitivity D1000 tape. High-quality samples were then sequenced to a minimum of 50,000 reads per cell on a NextSeq 500 sequencer (Illumina) using a 75-cycle High Output kit using a custom read-1 primer (GCCGTCGGCGACGAATCTACGACAGCTAC). The sequencing depth was around 50,000 reads per cell barcode.

Nanopore library preparation for sequencing. Full-length cDNA samples were prepared using the Oxford Nanopore Technologies SQK-LSK-109 Ligation Sequencing Kit, with the following modifications. Incubation times for end polynucleotide coating were increased to 15 min and all washes were performed with 1.8x AMPure beads to improve the recovery of smaller fragments. Short fragment buffer was used for the final wash of libraries. Next, 50 fmol samples of the library were sequenced on either a MinION FLO-MIN106D R9.1.1 flow cell or PicoTiterWell FLO-PRO002 R2.1 flow cell, according to the 1 flow cell protocol. A sequencing depth of 40,000 reads per cell was aimed for, which for 500 cells equates to two or three flow cells of a MinION (the final sequencing depth was at least 20 million). For 1,200 cells, sequencing was carried out using a PromethION flow cell across one flow cell (final read depth was at least 48 million).

Illumina-based single-cell RNA-sequencing analysis workflow. The FASTQ data were processed using a custom-written cgatcore pipeline (https://github.com/Acribbs/TallyNNP). Ambiguous and unambiguous reads were identified on the basis of the occurrence of double nucleotide complementarity within the barcode sequence. The unambiguous barcodes were then used to error-correct the ambiguous reads by fuzzy searching using a Levenshtein distance of 4 (unless stated otherwise in the figure legend). The barcode and UMI sequence for the corrected read pairs were then collapsed into single-nucleotide sequences. The resulting FASTQ files were used as an input for Kalisto (v=0.46.1) bustools (v=0.0.17.1), which was used to generate a counts matrix. This counts matrix was used as an input for the standard Seurat pipeline (v.3.1.4).20

Nanopore-based single-cell RNA-sequencing analysis workflow. Base calling was performed on the FAST5 data to generate FASTQ files using Guppy (v4.2.2) (guppy-basecaller --compress-fasq -d dna_r9.1.4_450bps_hac.cfg -x “cuda1”) in the mode from Oxford Nanopore Technologies running on a GTX1080 Ti graphics card. After base calling and the generation of FASTQ files, for each read the barcode and UMI sequence were identified by searching for the polya region and flanking regions before and after the barcode and UMI. Accurately sequenced barcodes were identified based on their dual nucleotide complementarity. Unambiguous barcodes were then used as a guide to error-correct the ambiguous barcodes in a second-pass correction analysis approach (Supplementary Fig. 2). Fuzzy searching was performed using an edit distance (a string matching algorithm for measuring the distance between two strings) of 6 (unless stated otherwise in the figure legend) and replaced the original ambiguous barcode with the unambiguous sequence. A white list of barcodes was then generated using unmi tools match barcode (umi-tools match barcode CCCCCCCCCCCCCCCDCCCCDCCCCCCNNNNNNNNNNNNNNNNNNNNNNNNNNNNN --set-cell-number=1000). This white list was used to assess the ratio of the quality of cells to the read count and used as an input for UMI-tools extract. Next, the barcode and UMI sequence of each read were extracted and placed within the read header file using UMI-tools extract (umi_tools extract --bc-pattern CCCCCCCCCCCCCCCDCCCCDCCCCCCNNNNNNNNN --whitelist=whitelist.txt). Reads were then aligned to the transcriptome using minimap2 (ref. 19) (–ax splice –uf –MD –sam-hit-only –junc-bed) using the reference transcriptome for human hg38 and mouse mm10. The resulting SAM file was converted to a BAM file and then sorted and indexed using samtools21. The transcript name was then added as a XT tag within the BAM file using pysam. Finally, UMI-tools count (umi_tools count --per-gene --gene-tag=XT --per-cell --double-barcode), with modifications that allow the program to handle oligonucleotide blocks, was used to count features to cells before being converted to a market matrix format. UMI-tools count was modified to handle the double
nucleotide UMIs as defined below. This counts matrix was then used as an input into the standard Seurat pipeline.

**UMI error correction.** UMI-tools was forked on GitHub (https://github.com/Acribbs/UMI-tools) and the counts functionality was modified to handle the double oligonucleotide design. In brief, if a UMI contained at least one sequencing error, the UMI was split into two and then separately collapsed into 8 bp nucleotides (Supplementary Fig. 3). UMIs that did not contain a sequencing error were collapsed into 8 bp nucleotides without splitting. The directional method implemented within the original UMI-tools was then performed to correct UMI sequencing errors.

**Dimensionality reduction and clustering.** Gene and transcript expression matrices were generated by UMI-tools count (for Oxford Nanopore data) or kallisto bustools (for Illumina data) and were processed using R/Bioconductor (v.4.0.3) and the Seurat package (v.3.1.4). Cells that expressed fewer than 200 features were removed from the analysis and gene matrices were cell-level-scaled and log-transformed as per the standard Seurat workflow. The top 2,000 highly variable transcripts or genes were selected using Seurat FindVariableFeatures function. Principal component analysis dimensionality reduction was then performed to identify features that contributed to sources of variation within the data. Clustering was performed within Seurat using the Louvain algorithm, an unsupervised hierarchical clustering algorithm implemented by default in the standard Seurat workflow. To visualize the single-cell data, data were projected onto a UMAP which is a non-linear dimensional reduction technique. Cell-type determination was performed using classtifyr v1.0.0 to identify correlated gene expression between single cells and bulk RNA-sequencing gene lists from the harmonize database.

**Differential gene and isoform expression.** Differential expression analysis was performed using non-parametric Wilcoxon test on log(transcript per million) expression values. Differentially expressed genes and transcripts were selected on the basis of an absolute log2-transformed fold change of >2 and an adjusted P value of P < 0.05.

**Identification of fusion transcripts.** Nanopore reads were aligned to the hg38 genome with minimap2 (-map-ont --MD --sam-hit-only -yjunc-bed --secondary=no). The splice junction BED file was generated from the Gencode v.36 GTF file using patools, the minimap2 companion software. The SAM file was filtered using samtools to remove all non-primary alignment and supplementary alignments (samtools view -F 3328). Chimeric reads were identified on the basis of the SA SAM tag, which lists all other supplementary alignments. All SAM file processing was performed using psam v0.15.2. Next, the SA tag was inspected and assigned to the genomic feature using a BED file containing records of all known coding genes. The SAM record was updated with Ta, Tb, Tc and Td tags, which define the gene positional information from the BED file. Finally, fusion transcripts were annotated with gene information and the barcode information was used to generate per-cell counts for each translocated read. The counts table was then merged with the original transcript Seurat object. Original UMAP embeddings that were calculated for the transcript-only level analysis were used for visualization.

**PCR and nanopore sequencing artifacts must be taken into consideration when investigating previously undescribed isoforms or translocations.** Most PCR duplications and artifacts can be eliminated when the UMI is accounted for, but some artifacts may remain. Identification of reverse-transcription artifacts are more difficult to identify because reverse transcription introduces template switching between homologous sequences leading to increased chimeric cDNA. However, to minimize the false-positive translocations in the data, a thermostable reverse-transcription enzyme was used, exonic chimeric transcripts were removed and a minimum of 5 UMIs per translocation event was required.

**Base-calling accuracy.** To calculate the theoretical base-calling accuracy from the frequency of reads that show perfect barcode dimer complementarity, we use the following equation: Base-calling accuracy = $\frac{f}{V_b}$, where $f$ is the frequency of barcode complementarity and $V_b$ is the length of the barcode sequence. To measure the barcode base-calling accuracy, each base pair was assessed for complementarity across the whole length of the barcode for every read in the FASTQ file. Accuracy was determined by counting the occurrence of errors and dividing this by the number of total bases within the total barcodes. This code is provided as a Jupyter Notebook within the TallyNN GitHub repository.

**Reporting Summary.** Further information on research design is available in the Nature Research Reporting Summary linked to this article.

**Data availability**
Sequencing data have been deposited in the GEO under accession number GSE162053.

**Code availability**
All custom pipelines used for analyses are available on GitHub (https://github.com/Acribbs/TallyNN). Modifications to the UMI-tools code are also available as a fork on GitHub (https://github.com/Acribbs/UMI-tools).

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**Author contributions**
A.P. designed and developed the method, and implemented and analyzed the data. M.P., U.O. and A.P. C. conceived the study with contributions from T.B. Jr., T.B. Sr. and M.P. M.P., U.O. and A.P. C. wrote the manuscript with input from all of the authors. All of the authors approved the final manuscript.

**Competing interests**
A.T. is a full-time employee and shareholder of Bristol Myers Squibb and visiting professor, Weatherall Institute of Molecular Medicine, University of Oxford. M.P., U.O. and A.P. C. are inventors on patents filed by Oxford University Innovations for single-cell technologies and are founders of Caeruleus Genomics. T.B. Jr. is a director and shareholder of ATDBio. T.B. Sr. is a director of ATDBio. The other authors declare no competing interests.

**Additional information**

**Supplementary information** The online version contains supplementary material available at https://doi.org/10.1038/s41587-021-00965-w.

**Correspondence and requests for materials** should be addressed to U.O. or A.P. C.

**Peer review information** Nature Biotechnology thanks Ian Sudbery and the other, anonymous, reviewer(s) for their contribution to the peer review of this work.

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Reporting Summary

Nature Research wishes to improve the reproducibility of the work that we publish. This form provides structure for consistency and transparency in reporting. For further information on Nature Research policies, see our Editorial Policies and the Editorial Policy Checklist.

Statistics

For all statistical analyses, confirm that the following items are present in the figure legend, table legend, main text, or Methods section.

n/a

- Confirmed
- □ The exact sample size (n) for each experimental group/condition, given as a discrete number and unit of measurement
- □ A statement on whether measurements were taken from distinct samples or whether the same sample was measured repeatedly
- □ The statistical test(s) used AND whether they are one- or two-sided
  - Only common tests should be described solely by name; describe more complex techniques in the Methods section.
- □ A description of all covariates tested
- □ A description of any assumptions or corrections, such as tests of normality and adjustment for multiple comparisons
- □ A full description of the statistical parameters including central tendency (e.g. means) or other basic estimates (e.g. regression coefficient) AND variation (e.g. standard deviation) or associated estimates of uncertainty (e.g. confidence intervals)
- □ For null hypothesis testing, the test statistic (e.g. F, t, r) with confidence intervals, effect sizes, degrees of freedom and P value noted
  - Give P values as exact values whenever suitable.
- □ For Bayesian analysis, information on the choice of priors and Markov chain Monte Carlo settings
- □ For hierarchical and complex designs, identification of the appropriate level for tests and full reporting of outcomes
- □ □ Estimates of effect sizes (e.g. Cohen’s d, Pearson’s r), indicating how they were calculated

Our web collection on statistics for biologists contains articles on many of the points above.

Software and code

Policy information about availability of computer code

Data collection

- no software was used

Data analysis

- Custom pipelines used within the analysis is available on Github (https://github.com/Acribbs/TallyNN). External software called by these pipelines include: minimap2 (v2.17); clustifyr v1.0.0; Seurat package (v3.1.4); R/Bioconductor (v4.0.3); pysam (v0.14.5); Guppy (v4.2.2); Kallisto (v0.46.1); bustools (v0.39.3); UMI-tools was forked on Github and the counts functionality was [https://github.com/Acribbs/UMI-tools](https://github.com/Acribbs/UMI-tools)
  - modified to handle our double oligonucleotide design.

For manuscripts utilizing custom algorithms or software that are central to the research but not yet described in published literature, software must be made available to editors and reviewers. We strongly encourage code deposition in a community repository (e.g. Github). See the Nature Research guidelines for submitting code & software for further information.

Data

Policy information about availability of data

All manuscripts must include a data availability statement. This statement should provide the following information, where applicable:

- Accession codes, unique identifiers, or web links for publicly available datasets
- A list of figures that have associated raw data
- A description of any restrictions on data availability

Sequencing data has been deposited to GEO under accession number GSE162053.
Field-specific reporting

Please select the one below that is the best fit for your research. If you are not sure, read the appropriate sections before making your selection.

☑ Life sciences    ☐ Behavioural & social sciences    ☐ Ecological, evolutionary & environmental sciences

For a reference copy of the document with all sections, see nature.com/documents/nr-reporting-summary-flat.pdf

Life sciences study design

All studies must disclose on these points even when the disclosure is negative.

Sample size | No sample size calculation was performed. We chose a minimum of three independent experiments to evaluate our methodology because this would allow us to evaluate the robustness of our assay and allow us to calculate the standard error of mean for barcode recovery and correction.

Data exclusions | No data was excluded from the study.

Replication | All of our experiments were replicated in a minimum of three independent experiments unless otherwise stated within the figure legends.

Randomization | A comparative analysis was not undertaken as part of this study, therefore blinding is not necessary.

Blinding | A comparative analysis was not undertaken as part of this study, therefore blinding is not necessary.

Reporting for specific materials, systems and methods

We require information from authors about some types of materials, experimental systems and methods used in many studies. Here, indicate whether each material, system or method listed is relevant to your study. If you are not sure if a list item applies to your research, read the appropriate section before selecting a response.

Materials & experimental systems

| n/a | Involved in the study |
|-----|----------------------|
| ☑   | Antibodies           |
| ☑   | Eukaryotic cell lines|
| ☑   | Palaeontology and archaeology |
| ☑   | Animals and other organisms |
| ☑   | Human research participants |
| ☑   | Clinical data        |
| ☑   | Dual use research of concern |

Methods

| n/a | Involved in the study |
|-----|----------------------|
| ☑   | ChiP-seq             |
| ☑   | Flow cytometry       |
| ☑   | MRI-based neuroimaging |

Eukaryotic cell lines

Policy information about cell lines

Cell line source(s) | DF35 cells were a kind gift from Celgene (now Bristol Myers Squibb). HEK293T, JNJ3, H929, STABET-1 and 3T3 cells were purchased from ATCC.

Authentication | Cell lines were authenticated by STR.

Mycoplasma contamination | Cell lines were mycoplasma tested routinely.

Commonly misidentified lines  
(See ICLAC register) | No commonly misidentified lines used in this study.