

**Charity number: 1134579**

**Company number: 07156633 (England and Wales)**

**THE FOUNDATION FOR LIVER RESEARCH**  
**(a company limited by guarantee)**

**REPORT AND ACCOUNTS**

**YEAR ENDED 30 JUNE 2025**

# THE FOUNDATION FOR LIVER RESEARCH

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Year ended 30 June 2025

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# THE FOUNDATION FOR LIVER RESEARCH

## GENERAL INFORMATION

Year ended 30 June 2025

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<b>Charity number</b>	1134579
<b>Company number</b>	07156633 (England and Wales)
<b>Address</b>	Institute of Hepatology 111 Coldharbour Lane London SE5 9NT
<b>Website</b>	<a href="http://www.liver-research.org.uk">www.liver-research.org.uk</a>
<b>Trustees</b>	Sir Jeremy Elwes CBE (resigned 27 June 2025) Col Hamon Massey (Chairman) Prof Alan McGregor Prof Sir Ian Gilmore Mr Simon Wainwright Mr Charles Hopkinson-Woolley Prof Rebecca Fitzgerald FRS Prof Christopher Day Mrs Anna Bennett (appointed 1 Nov 2024) Mr Ian Purvis (appointed 3 April 2025) Ms Rebecca Jones (appointed 27 June 2025)
<b>Bankers</b>	National Westminster Bank plc PO Box 4NU 1 Cavendish Square London W1A 4NU  HSBC Bank 421 Brixton Road London SW9 8HE  Cambridge & Counties Bank Charnwood Court 5B New Walk Leicester LE1 6TE
<b>Solicitors</b>	Pitmans LLP 46 The Avenue Southampton SO17 1AX
<b>Auditors</b>	Caton Fry & Co Ltd 7 The Shrubberies, South Woodford, London E18 1BD
<b>Investment advisors</b>	James Hambro & Partners 45 Pall Mall London SW1Y 5JG
<b>Key management team</b>	
Director	Professor Philip Newsome
Chief Operating Officer	Mr James Poynton (resigned 1 November 2025)
Chief Operating Officer	Mr Ben Prasadam-Halls (appointed 2 March 2026)

# THE FOUNDATION FOR LIVER RESEARCH

## REPORT OF THE TRUSTEES (INCLUDING DIRECTORS REPORT)

For the year ended 30 June 2025

The Trustees of the Foundation for Liver Research (the Foundation) submit their report and audited accounts for the year ended 30 June 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out on pages 18 to 21 and comply with the Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting period commencing 1 January 2019). The report and audited accounts encompass the activities of the parent charity "the Foundation" alongside its subsidiary undertakings (collectively referred to as "the Group").

### Public Benefit

At some point during their life, one in ten people will have a problem with their liver. In the UK there are approximately 5,000 deaths each year from cirrhosis and chronic liver disease, a figure which is steadily increasing, and liver disease is one of the top ten causes of death in the Western world.

The Trustees believe that by funding scientific research into liver disease at the Institute, the Foundation fulfils its mission to extend and develop knowledge of the human liver and the various ways in which it may become diseased. In doing so they consider that the Foundation is contributing to the development of new methods of diagnosis and treatment which will ultimately be to the benefit of everyone affected by liver disease.

The Foundation's co-work with the British Liver Trust to raise public awareness of liver disease and advocate for improvements in patient care is supplementary to the core mission of research, contributing to wider public benefit. As the two leading liver charities in the UK, though with very different remits, the charities are committed to a *Stronger Together* approach in support of improving care and treatment for people in the UK affected by liver disease.

The Trustees have paid due regard to the guidance issued by the Charity Commission on public benefit in deciding what activities the charity should undertake.

### History and Background

The Foundation for Liver Research was established under a Trust Deed dated 7 August 1974 with a mission to develop and extend research into the human liver and its diseases and to enhance medical research generally. Initially the Foundation supported research carried out by Professor Roger Williams and his team at King's College Hospital and in 1994, the Trustees entered into an arrangement with University College London to establish a new Institute of Hepatology on the University's central London campus, acquiring a freehold site and constructing a purpose-built research facility. In 2009, the Trustees decided to ensure the Institute's long-term independence by re-focusing work on basic scientific research and ending the arrangement with UCL. At the same time a decision was made to incorporate the Foundation. The assets and undertaking of the Foundation were transferred with effect from 1 July 2010 to a new charitable company limited by guarantee and registered under the same name.

Between 2011 and 2014 the Institute was affiliated to Birkbeck College, with formal scientific and research links between the two institutions. In January 2014, the Trustees of the Foundation signed a new agreement with King's College London (KCL) and King's College Hospital (KCH) to relocate the Institute of Hepatology to the Denmark Hill campus in Southeast London. The Chenies Mews premises and adjoining house in Huntley Street (bought in 2000) were sold to UCL Hospitals Charitable Trust to fund the cost of the new build and relocation, and staff moved into the new premises in June 2016. The agreement with KCL was updated and renewed in 2017 and a further Operational Agreement was signed relating to honorary appointments for senior staff of the FLR with KCL, and the preparation, submission and management of joint research grant applications made through KCL where work will be carried out by and within the Institute. This was most recently renewed until December 2030.

Professor Roger Williams CBE, founder and Director of the Foundation for Liver Research and the Institute of Hepatology, died in July 2020, and in his honour, the Institute was subsequently renamed The Roger Williams Institute of Hepatology.

# THE FOUNDATION FOR LIVER RESEARCH

## REPORT OF THE TRUSTEES (INCLUDING DIRECTORS REPORT) continued

For the year ended 30 June 2025

In November 2022, the Trustees of the Foundation signed a partnership agreement with King's College London (KCL), committing to strengthen cooperation and to the appointment of a new jointly funded Director of the Institute, 100% employed by KCL. This decision was taken on the basis that it would attract a top candidate with an international profile, who will have a cross-campus leadership role in liver disease research. This was realised with the appointment of Professor Philip Newsome in June 2024 having previously worked at Birmingham University. Subsequently, the Roger Williams Institute of Liver Studies (RW-ILS) was created, bringing together the Foundation's Roger Williams Institute of Hepatology and KCL's Institute of Liver Studies into a single department within the KCL School of Immunology and Microbial Sciences.

### Reserves Policy

The Trustees have considered the requirement for free reserves i.e., those unrestricted funds not invested in fixed assets, designated for specific purposes, or otherwise committed. Given the nature of the Institute's work, the Trustees believe that the current level of such reserves should be sufficient to cover the costs of running the Institute for a period of 6 months, anticipated to be £1.84 million based on the 2025/26 budget. The free reserves at 30 June 2025 are £3,164,407 (2024 - £4,047,230) which are the cash reserves of the Foundation less the restricted income funds. The Foundation has not previously actively fundraised with the general public and so holds higher reserves to ensure that longer term projects can continue to be funded for the foreseeable future or until the project is completed. At the year end the group also held restricted income funds of £536,199 (2024 - £630,145) and expendable endowment capital funds of £36,790,918 (2024 - £38,866,516), the total funds held are £48,590,060 (2024 - £49,879,212).

### Financial Review and Going Concern

Grants for specific research projects, legacies and other income donations totalled £876,041 (2024 - £982,801). The overall deficit for the year before gains on investments was £1,537,385 (2024 - £189,551). The consolidated results for the year show a net movement in funds of (£1,289,152) (2024 - (£981,773)).

The value of the Foundation's investment portfolio during the year under review increased by £740,233 (2024 - £1,564,778) a gain of 4.6% which is reflected in the consolidated statement of financial activities; however this does not meet the objective set at the beginning of the financial year of 8.5%, due to the political jousting taking place with elections across Europe and in the US and the steady decline in the number of interest rate cuts expected for the US, UK and Europe this year as central banks have stuck to their data-dependent philosophy in the face of slower than expected reductions in inflation.

The Foundations property portfolio has dropped in value by £492,000 (2024 - £2,357,000) reflecting current market conditions.

The Foundation's financial position at the balance sheet date is sufficient to meet ongoing expenditure and existing plans and commitments. Accordingly, the financial statements are presented on a going concern basis.

### Funding Policy

During the period under review, the Foundation funded all the core costs of the Institute, beginning the period with a total of 27 staff and ending with 26. The principal source of the Foundation's funding is the income received from the investment portfolio and this supports the key objectives and the new research themes of the Institute.

In January 2021 the Foundation signed a Memorandum of Understanding with the British Liver Trust, reflecting the desire of both charities to work together in the area of raising public awareness of liver disease and advocating for improvements in patient care. The Foundation has agreed to jointly fund a Policy and Public Affairs Manager, employed by the British Liver Trust, to work on this programme. The two charities have agreed to endorse the independent work programmes of the other charity wherever appropriate, and to speak together in areas of mutual interest.

The Trustees continue to delegate management of the RW-ILS and specific budgetary decisions in relation to research themes to the Director (Prof Philip Newsome), supported by the Chief Operating Officer (Mr James Poynton), and the Trustees review progress at each of the quarterly meetings. Mr Poynton is also Chief Operating Officer of the Foundation and has delegated responsibility for maintaining an overview of the Foundation's expenditure and rental/investment income, as well as human resources, advertising and other administrative activities. The Trustees took the decision to appoint the Foundation's first professional fundraiser in May 2025, Mr Andrew Derlien.

# THE FOUNDATION FOR LIVER RESEARCH

## REPORT OF THE TRUSTEES (INCLUDING DIRECTORS REPORT) continued

For the year ended 30 June 2025

This will enhance the charity's public profile and provide greater scope to expand the work of the Institute in-line with the new Partnership Agreement with KCL.

### Annual Review

During the period under review, the Foundation continued to focus its research funding on the RW-ILS. In particular, the Foundation's main objective for the period was to unite the expertise from KCL and the Foundation to allow for the integration of fundamental, translational and clinical investigative research across a wide range of liver diseases while the Foundation's Trustees and its infrastructure will continue to maintain financial independence and monitor research projects. The RW-ILS continues to build upon international collaborations established by its founding institutions and is committed to training the next generation of scientists within the field. Bringing together researchers, professional staff, and the clinical liver services of King's College Hospital, the RW-ILS enhances the Foundation's clinical translational research objectives ultimately leading to improvements in the care of patients with liver disease both locally and in a wider context.

The vision of the Institute is:

1. To build the best liver unit in the UK, one that is ranked in the top 10 globally.
2. To continue the legacy of the Institute of Hepatology as a driver of policy in the UK and globally.

The objectives of the Institute are:

1. **Integration.** Integrating liver research at Denmark Hall Campus and unifying its delivery under a single leadership
2. **People.** Ensuring we attract, recruit and retain the best researchers. Demonstrate that we can develop careers and make the Institute a destination for junior faculty and trainees.
3. **Resource Utilisation.** Moving from the current model where Group Leaders have constitutive resource in terms of personnel and consumable budget to a model where Group Leaders generate awards externally and where a greater proportion of the funding can be used to pump-prime new research bringing in the next generation of researchers.
4. **Co-location.** Co-locating as many colleagues as possible in one space and promoting collaboration.
5. **Research Prioritisation.** Focus on 5 research themes: Steatotic Liver Disease  
Cirrhosis and Gut-Liver Axis  
Liver Regeneration, transplantation & advanced therapies  
Hepatobiliary Cancer  
Paediatric Hepatology and associated Rare Diseases

**Performance.** All groups continue to make research and clinical links both nationally and internationally. The Foundation accepts that it is difficult to apply fixed measures of success to research activity of the kind carried out within the Institute. Accordingly, in assessing research achievements the Trustees give considerable weight to the number of publications in peer reviewed journals, the number of presentations at national and international conferences and success in obtaining external grant support for new and existing projects. The numbers of papers published in peer reviewed publications has continued to grow year on year and the annual totals for the last four years to date are given below:

Year	Publications in Pubmed
2022	32
2023	30
2024	31
2025	61

## THE FOUNDATION FOR LIVER RESEARCH

### REPORT OF THE TRUSTEES (INCLUDING DIRECTORS REPORT) continued

For the year ended 30 June 2025

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This significant increase is a direct consequence of the departmental merger with KCL. The combined department ranking with KCL has move the Institute up the US News Global Universities for Gastroenterology and Hepatology ranking from 53rd to 37th in the past year. In the UK, the Institute has gone up from 10th to 7th place. There is currently £25M of active research funding across the 5 themes.

The Foundation was in receipt of several legacies during the year, and the Trustees also acknowledge with gratitude the unsolicited donations from members of the public, many made in memory of family and friends. The Foundation relies heavily upon income from these sources, and the Trustees continue to be most grateful to those who support its work.

The Trustees made the decision to revalue the Institute's premises at their meeting on 16th June 2021, on the recommendation of Mr Simon Wainwright, the Trustee with property expertise. He suggested that the value of the Institute premises should be recorded in the accounts using a depreciated replacement cost rather than an open market valuation, the latter being less appropriate because of restrictions on use of the property/sale. The land will remain as a fixed value in the accounts with replacement costs for the building written down over 50 years.

Meetings of the Trustees were held online via Zoom on: 5 July 2024, 20 September 2024, 12 December 2024 (in person), and 3 April 2025.

#### Future Plans

##### Research Themes and Funding Schemes

Throughout 2025/26 the RW-ILS will launch its new funding schemes which will be aligned to the research themes outlined in our strategy. These are designed to pump-prime new research bringing in the next generation of researchers and healthcare professionals to work seamlessly together, tackling complex liver problems with interdisciplinary expertise. The schemes include:

**The Pre-Doctoral Clinical Research Fellowship Programme** which offers two posts annually with a '2+2' year configuration, recruited via King's College London University in partnership with King's College Hospital NHS Foundation Trust.

**The Emerging Leader scheme** which seeks to support outstanding early career scientists to develop their research interests and establish a research programme at King's College London. Individuals will be based at the RW-ILS and will be encouraged to develop collaborations with laboratories across King's College London as well as partner institutions such as The Francis Crick Institute.

**The 4-year PhD studentship pathway (Non-Clinical)**, an innovative 0+4 PhD programme, designed to cultivate multidisciplinary research skills and help promising talent to reach their full potential. This unique approach involves two rotation projects in different research groups, in alignment with the research themes of the RW-ILS. This ensures exposure to different disciplines and allows students to gain a better overall picture of the scientific nature of the Institute and the different technologies that are available.

**The RW-ILS Pump Prime Research Scheme** which provides strategic catalytic funding to accelerate transformative advances in hepatology research. Through targeted support of exceptional early-stage investigations, the scheme facilitates the development of innovative therapeutic and diagnostic approaches that address critical challenges in liver disease.

**The Clinical Catalyst Scheme** is a funding scheme designed to provide research-qualified health professionals, not currently undertaking any substantial research activity, the opportunity to form a collaborative high-quality research partnership with established biomedical and applied health researchers, and with protected time and funding to enhance their research skills and experience.

#### People

Theme Leads will be competitively recruited from existing research staff. They will be expected to encourage collaboration and cooperation amongst researchers with similar or complementary research focuses. They will regularly report progress to the Director and senior staff.

## **THE FOUNDATION FOR LIVER RESEARCH**

### **REPORT OF THE TRUSTEES (INCLUDING DIRECTORS REPORT) continued**

**For the year ended 30 June 2025**

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Dr Tom Marjot, an outstanding clinical academic, will be joining the Institute from Oxford University in early 2026. His appointment is already having an impact. Discussions are ongoing with other highly regarded scientists who are receptive to joining the Institute. There will also be a new Group Leader recruited who has a basic science background. KCL put a strong funding submission to the NIHR via the Integrated Academic Training Scheme with liver prominent and have been awarded their first academic clinical lecturer in 10 years during 2025/6.

#### **Partnerships**

Co-location with KCL will continue as further teams move into the newly refurbished Institute in 2025/26, further cementing the partnership. Clive Kay, the CEO of the KCH Trust, will also be invited onto the Partnership Oversight Board in an ex-officio role, strengthening the existing strong relationship with the hospital.

A Scientific Advisory Board is being established and should be in place next year.

#### **Board of Trustees**

Colonel Hamon Massey continues in the role of Chairman of Trustees with Professor Alan McGregor as Vice Chairman, the two roles reflecting between them lay expertise and medical/scientific expertise. The Trustees have agreed that the Chairman/Vice Chairman should each serve for a term of 3 years, renewable once, and Trustees serve for an initial term of 5 years, with the option to renew by general consent of the Board. The Chairman's first 3-year period will be reviewed in September 2025.

The Trust Deed limits the number of Trustees to ten and in considering the appointment of new Trustees the Foundation seeks to maintain a balance of experience from differing backgrounds to maximise the effectiveness of the Board. The Trustees collectively have the authority to appoint and dismiss Trustees by resolution at a meeting of the Trustees. On appointment, Trustees are provided with information on the structure and administration of the charity, including copies of the most recent Annual Report & Accounts and the scientific Annual Report, together with details of the way in which research output is measured. They are also invited to visit the laboratories at the Institute and meet with the Director and senior staff. The Trustees agreed to commence recruitment of additional trustees to develop a balance of skills across the Board. This commenced in June 2024 with an advert being placed for a treasurer-trustee. Mrs Anna Bennett, an experience accountant and charity auditor, was appointed in November 2024.

The Trustees delegate day-to-day management of the Institute to the COO of the Institute who reports on the activities of the Institute at the quarterly meetings of the Trustees and speaks regularly with the Chairman and other Trustees as and when necessary.

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#### **Investment Policy**

The Trustees' investment powers permit the Foundation's funds to be invested in a wide range of securities and assets. Capital and income can be applied for general charitable purposes at the discretion of the Trustees.

Seeking to diversify the Foundation's investments and secure a regular income stream, in August 2013 the Foundation completed the purchase of a building within an office park in Swindon. In November 2014 a leasehold property in Bristol was purchased and in March 2015 a further group of five properties was bought from the Rufford Foundation. Further purchases have been made in January 2018 (Isle of Wight) and June 2019 (Polegate, East Sussex). The Bristol property was sold in 2018 for a small profit and the Foundation reinvested in a property in Hedge End, Southampton. In October 2019 the Foundation completed the purchase of 4 distribution warehouses.

Following this purchase, the Foundation has approximately 60% of its assets invested in commercial property. All properties have been purchased as going concerns with tenants in place.



# **THE FOUNDATION FOR LIVER RESEARCH**

## **REPORT OF THE TRUSTEES (INCLUDING DIRECTORS REPORT) continued**

**For the year ended 30 June 2025**

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Together the properties bring the Foundation an annual income of £2.6m. Rent collection is handled by the Institute finance team, and property agents are retained to inspect and report on the condition of the properties on an annual basis. At the recommendation of the designated property advisor, two properties – Imperial House and Lancaster Place – were offered to the market for sale following extended void periods. Sales for both properties are currently proceeding and are expected to be completed by September 2026.

Following a resolution at the meeting in June 2017, the Foundation's investment portfolio was moved from Waverton Investment Fund Management to James Hambro & Partners, and from active to passive fund management. The decision was made on the basis that the investments in commercial rental properties had at that time, reduced the investment portfolio by approximately 50% and the fees incurred for active management of the funds were unacceptably high and difficult to justify in the current financial climate. The Foundation now has approximately 40% of its assets managed by James Hambro & Partners.

The Foundation is committed to ensuring that it makes investment decisions responsibly and with integrity, having due regard to ethical, social, environmental and governance issues.

This policy for Socially Responsible Investment ("SRI") has been developed to allow the Foundation to pursue an ethical approach while minimising any negative impact on its investment returns. Investment decisions informed by socially responsible and ethical considerations will also take into account the Charity Commission position that trustees have a duty to maximise returns on investment for charitable benefit.

### **Appointment of auditors and consideration of tax issues**

The Foundation has appointed Caton Fry as auditors. A subsidiary company, Liver Research and Development Limited CN 7944232, was registered and 4 current Trustees became Directors of the new charitable company. BDO LLP continue to advise the Foundation with respect to an annual claim for a research and development tax rebate.

### **Pay Policy for Institute Staff**

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings.

In view of the nature of the Foundation and its enhanced partnership with KCL, salaries for all research staff are benchmarked against pay levels of academics and clinicians of the relevant seniority and experience working within the university and the health sector in the UK. Salaries of non-research staff are benchmarked against comparable roles in the charity sector.

### **Structure, Governance and Management**

#### **Governing Document**

The Foundation for Liver Research is a company limited by guarantee governed by its Memorandum and Articles of Association dated 12 February 2010. It is registered as a charity with the Charity Commission and as a company with Companies House.

#### **Related Parties and Co-operation with Other Organisations**

None of the Trustees receive remuneration or other benefit from their work with the Foundation. Any connection between a Trustee or senior management of the Foundation with another medical research charity must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party.

There is one related party, the name of the related party is Mr Simon Wainwright, who is a Trustee and a Director of JP Wainwright, and the transactions relate to professional fees for property valuation service fees and asset management fees for 13 properties within the Foundation's property portfolio. These transactions are carried out on an arm's length basis and are reviewed and authorised by the Trustee Board.

#### **Risk Management**

The Trustees maintain a risk register which they review annually. This assessment helps to identify the major risks to which the Foundation is exposed, the likelihood of occurrence and the impact upon continuation of activities. In reviewing the risks, the Trustees and senior management of the Institute have put in place systems to mitigate these risks.

# THE FOUNDATION FOR LIVER RESEARCH

## REPORT OF THE TRUSTEES (INCLUDING DIRECTORS REPORT) continued

For the year ended 30 June 2025

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The Foundation's principal risks are as follows:

- The risk that live specimens and/or valuable research is lost as a result of power failure at the Institute. Mitigation measures include facility for generator support of key areas and details of generator supply contract prominently displayed in the Institute.
- Retention of key personnel. Mitigated through regular mentoring meetings, annual appraisals and benchmarking of salaries against comparable organisations in the sector.
- Loss of income. Mitigated through diversification of investments with 60% of FLR assets now in properties providing rental income and remainder managed on behalf of FLR with regular review of investment objectives and performance of James Hambro.

### Trustees' Responsibilities in Relation to the Financial Statements

The charity Trustees (who are also Directors of The Foundation for Liver Research for the purposes of company law) are responsible for preparing a Trustees' Annual Report (incorporating the Directors' Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing the financial statements, Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and the groups' transactions and to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions.

In so far as the Directors are aware:

### Statement as to Disclosure to our Auditors

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# THE FOUNDATION FOR LIVER RESEARCH

## REPORT OF THE TRUSTEES (INCLUDING DIRECTORS REPORT) continued

For the year ended 30 June 2025

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### Small Company Provisions

The report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved and signed on behalf of the Trustees:



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Col. Hamon P D Massey  
Chairman

Date:

# THE FOUNDATION FOR LIVER RESEARCH

## Independent Auditor's Report to the Members of The Foundation for Liver Research

For the year ended 30 June 2025

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### Opinion

We have audited the financial statements of The Foundation for Liver Research ("the Parent Charitable Company") and its subsidiary ("the Group") for the year ended 30 June 2025 which comprise the consolidated statement of financial activities, the consolidated and company 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 30 June 2025 and of the Group's 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 Companies Act 2006.

### 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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 related 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 about the Group or the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from the date 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 section of this report.

### Other information

The other information comprises the information included in the Trustees Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

Our responsibility is to read the other information and, in doing so, consider whether the information is materially inconsistent with the financial statements, or our knowledge obtained in the course of 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 statement themselves.

## **THE FOUNDATION FOR LIVER RESEARCH**

### **Independent Auditor's Report to the Members of The Foundation for Liver Research (continued)**

**For the year ended 30 June 2025**

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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 this fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (incorporating the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included in the Trustees Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report.

#### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities in relation to the financial statements, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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 Group's and the Parent Charitable Company'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 Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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 an auditor's report that includes our opinion.

## THE FOUNDATION FOR LIVER RESEARCH

### Independent Auditor's Report to the Members of The Foundation for Liver Research (continued)

For the year ended 30 June 2025

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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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most are significant are those that relate to:
  - Compliance with Statement of Recommended Practice: Accounting and Reporting by Charities 2015 as this is financial reporting framework that the financial statements are based on.
  - The key laws and regulations we have considered in this context included the Companies Act and Charities Act. In addition, we have considered provisions of other laws and regulation that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

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

- We assessed the risks of material misstatements in respect of fraud as follows:
  - Enquiry of senior management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
    - Used analytical procedures to identify any unusual or unexpected relationships;
    - Discussed areas of the financial statements with management that were susceptible to misstatement.
- Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above by:-
  - Carrying out an accounts disclosure checklist to confirm that the financial statements comply with the financial reporting framework.
- We corroborated our enquiries through:
  - review of correspondence with HMRC, Charities Commission and Companies House;
  - review of correspondence with other regularity bodies.

## THE FOUNDATION FOR LIVER RESEARCH

### Independent Auditor's Report to the Members of The Foundation for Liver Research (continued)

For the year ended 30 June 2025

- We considered the risk of fraud through management override, and, in response, we incorporated testing of manual journal entries into our audit approach both at the year end and during the course of the year. We tested journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.
- Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including:
- We corroborated our enquiries through:
  - reviewing a sample of payments to documentation and procedures being followed in line with the financial procedures and controls in place;
  - reviewed the accounting policies adopted by the entity were in line with standard practice and were being followed appropriately by the company.

The engagement partner considers the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

There are inherent limitations in the audit procedures, described above and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion."

#### Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ray Chaplin FCA FCCA (Senior Statutory Auditor)  
For and on behalf of Caton Fry & Co Ltd, Statutory Auditor

Essex House,  
7 The Shrubberies,  
George Lane,  
South Woodford,  
London E18 1BD

Date 11 June 2026

# THE FOUNDATION FOR LIVER RESEARCH

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

Year ended 30 June 2025

	Note	Unrestricted Income Fund	Restricted Income Fund	Expendable Endowment Capital Fund	Total 2025	Total 2024
		£	£	£	£	£
<b>Incoming resources</b>						
Voluntary income:	2	524,415	351,626	-	876,041	982,801
Investment income	3	2,106,606	-	-	2,106,606	2,351,143
<b>Total Incoming resources</b>		<b>2,631,021</b>	<b>351,626</b>	<b>-</b>	<b>2,982,647</b>	<b>3,333,944</b>
<b>Resources expended</b>						
<b>Costs of generating funds:</b>						
Investment management fees		-	-	52,376	52,376	47,995
Investment property expenses		-	-	368,001	368,001	332,978
<b>Charitable Expenditure:</b>						
Medical research activities:						
Subsidiary company	4	2,481,531	-	-	2,481,531	2,168,074
Charity research activities	4	1,172,552	445,572	-	1,618,124	974,448
<b>Total resources expended</b>		<b>3,654,083</b>	<b>445,572</b>	<b>420,377</b>	<b>4,520,032</b>	<b>3,523,495</b>
<b>Net incoming/(outgoing) resources before transfers &amp; investment gains</b>		<b>(1,023,062)</b>	<b>(93,946)</b>	<b>(420,377)</b>	<b>(1,537,385)</b>	<b>(189,551)</b>
(Losses)/Gains on change in market value of investments	10	-		740,233	740,233	1,564,778
(Losses)/Gains on revaluation of investment properties	11	-		(492,000)	(492,000)	(2,357,000)
<b>Net incoming/(outgoing) resources before transfers</b>		<b>(1,023,062)</b>	<b>(93,946)</b>	<b>(172,144)</b>	<b>(1,289,152)</b>	<b>(981,773)</b>
Transfers between funds	14	1,903,454	-	(1,903,454)	-	-
<b>Net movements in funds</b>		<b>880,392</b>	<b>(93,946)</b>	<b>(2,075,598)</b>	<b>(1,289,152)</b>	<b>(981,773)</b>
<b>Reconciliation of Funds:</b>						
Funds balances brought forward		10,382,551	630,145	38,866,516	49,879,212	50,860,985
<b>Funds balances carried forward</b>		<b>11,262,943</b>	<b>536,199</b>	<b>36,790,918</b>	<b>48,590,060</b>	<b>49,879,212</b>

All above amounts are derived from continuing operations and all gains and losses for the year are shown above.

The notes on pages 18 to 31 form part of these financial statements.



# THE FOUNDATION FOR LIVER RESEARCH

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) – COMPARATIVE NOTE

Year ended 30 June 2024

	Note	Unrestricted Income Fund	Restricted Income Fund	Expendable Endowment Capital Fund	Total 2024
		£	£	£	£
<b>Incoming resources</b>					
Voluntary income:	2	519,027	463,774	-	982,801
Investment income	3	2,351,143	-	-	2,351,143
<b>Total incoming resources</b>		<b>2,870,170</b>	<b>463,774</b>	<b>-</b>	<b>3,333,944</b>
<b>Resources expended</b>					
<b>Costs of generating funds:</b>					
Investment management fees		-	-	47,995	47,995
Investment property expenses		-	-	332,978	332,978
<b>Charitable Expenditure:</b>					
Medical research activities:					
Subsidiary company	4	2,168,074	-	-	2,168,074
Charity research activities	4	769,829	204,619	-	974,448
<b>Total resources expended</b>		<b>2,937,903</b>	<b>204,619</b>	<b>380,973</b>	<b>3,523,495</b>
<b>Net incoming/(outgoing) resources before transfers &amp; investment gains</b>		<b>(67,733)</b>	<b>259,155</b>	<b>(380,973)</b>	<b>(189,551)</b>
(Losses)/Gains on change in market value of investments	10	-		1,564,778	1,564,778
(Losses)/Gains on revaluation of investment properties		-		(2,357,000)	(2,357,000)
<b>Net Incoming/(outgoing) resources before transfers</b>		<b>(67,733)</b>	<b>259,155</b>	<b>(1,173,195)</b>	<b>(981,773)</b>
Transfers between funds	14	(382,229)	30,110	352,119	-
<b>Net movements in funds</b>		<b>(449,962)</b>	<b>289,265</b>	<b>(821,076)</b>	<b>(981,773)</b>
<b>Reconciliation of Funds:</b>					
Funds balances brought forward		10,832,513	340,880	39,687,592	50,860,985
<b>Funds balances carried forward</b>		<b>10,382,551</b>	<b>630,145</b>	<b>38,866,516</b>	<b>49,879,212</b>

# THE FOUNDATION FOR LIVER RESEARCH

## BALANCE SHEET

Company number: 07156633

At 30 June 2025

	Note	2025 £	Group 2024 £	2025 £	Charity 2024 £
<b>Fixed assets</b>					
Tangible fixed assets	8	6,360,046	6,346,074	6,360,046	6,346,074
Trading subsidiary investment	9	-	-	299,857	577,808
Investments	10	16,852,918	16,236,516	16,852,918	16,236,516
Investment properties	11	19,938,000	22,630,000	19,938,000	22,630,000
		<u>43,150,964</u>	<u>45,212,590</u>	<u>43,450,821</u>	<u>45,790,399</u>
<b>Current assets</b>					
Debtors	12	407,349	1,022,882	407,349	745,174
Assets for Resale	11	2,200,000	-	2,200,000	-
Cash at bank and in hand		3,700,606	4,677,375	3,400,749	4,677,375
		<u>6,307,955</u>	<u>5,700,257</u>	<u>6,008,098</u>	<u>5,422,549</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(868,859)</u>	<u>(1,033,635)</u>	<u>(819,787)</u>	<u>(983,635)</u>
<b>Net current assets</b>		<u>5,439,096</u>	<u>4,666,622</u>	<u>5,188,311</u>	<u>4,438,914</u>
<b>Net assets</b>		<u><b>48,590,060</b></u>	<u><b>49,879,212</b></u>	<u><b>48,639,132</b></u>	<u><b>50,229,313</b></u>
<b>Funds</b>	14-16				
Expendable endowment capital fund		36,790,918	38,866,516	36,790,918	38,866,516
Unrestricted funds		3,428,245	8,907,899	3,477,317	9,258,000
Designated funds		6,360,046	-	6,360,046	-
Revaluation Reserve		1,474,652	1,474,652	1,474,652	1,474,652
Restricted funds		536,199	630,145	536,199	630,145
		<u><b>48,590,060</b></u>	<u><b>49,879,212</b></u>	<u><b>48,639,132</b></u>	<u><b>50,229,313</b></u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees, and authorised for issue, on 10/6/26 and were signed on its behalf by:



Mrs Anna Bennett  
Trustee

The notes on pages 18 to 31 form part of these financial statements.

# THE FOUNDATION FOR LIVER RESEARCH

## CONSOLIDATED STATEMENT OF CASHFLOWS

For the Year ended 30 June 2025

	Note	2025 £	2024 £
<b>Cash used in operating activities</b>	17	<u>(2,930,906)</u>	<u>(1,410,589)</u>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		2,106,606	2,351,143
Purchase of Property, Plant & Equipment		(276,299)	(45,321)
Proceeds from Sales of Investments		6,618,537	2,509,876
Purchase of Investments		(6,026,497)	(2,742,160)
<b>Net cash provided by investing activities</b>		<u>2,422,347</u>	<u>2,073,538</u>
(Decrease)/Increase in cash and cash equivalents in the reporting period		(508,559)	662,949
Cash & Cash equivalents at the beginning of the reporting period		4,789,330	4,126,381
<b>Total cash and cash equivalents at the end of the year</b>	18	<u>4,280,770</u>	<u>4,789,330</u>

The notes on pages 18 to 31 form part of these financial statements.

# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2025

### 1. ACCOUNTING POLICIES

#### Statutory Information

The Foundation for Liver Research is a charitable company, limited by guarantee, domiciled in England and Wales, registration number 07156633. The registered office is 111 Coldharbour Lane, London SE5 9NT.

#### 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 and Republic of Ireland (FRS 102) (as amended for accounting periods commencing 1 January 2019) – (Charities SORP (FRS 102)) and the Companies Act 2006. The Foundation meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value as modified by adjusting Freehold Land and Buildings and Investments to fair value at the balance sheet date. The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest pound.

#### Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Liver and Research Development Limited, 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 the Foundation has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The surplus for the Charity only was £567,811 (2024: deficit of £582,244).

#### Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Foundation has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Foundation's ability to continue as a going concern because of the endowment funds available, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable, and the amount can be reliably measured.

Income from research grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Foundation that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

Income from investments and interest on funds held on deposit are included when receivable and the amounts can be measured reliably by the charity; this is normally upon notification of the interest or dividend paid or payable.

The rental income from the investment properties is recognised on the basis of the rental period it covers and is invoiced to the tenants on a quarterly basis in advance with any income that is invoiced in advance of year end treated as deferred income.

### Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Foundation's work or for specific charitable projects being undertaken.

The Foundation has an expendable endowment capital for which the trustees have the power to spend the capital as they deem fit for charitable purposes. Income earned on the fund is unrestricted in nature. The costs of professional fees incurred in managing the investment assets and investment properties, which are part of the expendable endowment fund, are charged against the fund.

### Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Company's management to exercise judgement in applying the Company's accounting policies. In the opinion of the Directors, there are no significant areas of judgement or key assumptions that affect items in the financial statements.

The judgements that will have the most significant effect on the amounts recognised in the financial statements are as follows:

- Rates of depreciation and useful life of an asset. The directors review depreciation rates however, the actual useful life of an asset will depend on several variable factors. These factors are primarily determined by its usage intensity, maintenance history, technological obsolescence, and residual value.
- Revaluation of investment properties. The directors obtain an independent valuation of the investment property portfolio however, the market value is dependent upon market conditions at the time of valuation.
- Valuation of Freehold Land and Building

### Expenditure

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the Foundation is demonstrably committed to either: terminate the employment of an employee or group of employees before normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Foundation is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

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### Tangible fixed assets

Fixtures and Fittings costing £500 or more and Laboratory Equipment costing £2,500 or more are capitalised at cost and recognised when future economic benefits are probable, and the cost of the asset can be measured reliably. Freehold Land & Buildings are initially recognised at cost and revalued after 5 years to Depreciated Replacement Cost.

The change in policy relating to Freehold Land and buildings was initiated to better reflect the cost of rebuilding in the current economic climate. Tangible Fixed Assets are depreciated over their expected useful lives on a straight-line basis as follows:

Buildings	- 2% - 5% per annum
Fixtures, fittings and equipment	- under £50k 20% per annum
	- over £50k 10% per annum

No depreciation has been provided on the freehold land.

### Valuation of Investment Properties

Investment properties are either held freehold or leasehold to earn rentals or for capital appreciation or both. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure.

After initial recognition, the Foundation measures all of its investment property at fair value and a desktop valuation is done by an independent RICS registered surveyor on an annual basis. A gain or loss arising from a change in the fair value of investment property shall be recognised in the SOFA for the period in which it arises.

An investment property is de-recognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses arising from the retirement or disposal of investment property are determined as the difference between the net disposal proceeds and the carrying amount of the asset and the gains be recognised in the SOFA.

### Investments

Investments are initially recognised at their transaction value and subsequently measured at fair value at the Balance Sheet date using the closing market price. The SOFA includes the net gains and losses arising on the revaluation and disposals throughout the year.

### Valuation of Subsidiary

The Foundation's shareholding in the wholly owned subsidiary, Liver Research & Development Ltd is included at the cost of share capital owned.

### Debtors

Debtors are amounts owed to the charity. They are measured on the basis of their recoverable amount.

### Cash and cash equivalents

Cash at bank is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in 90-day notice interest bearing savings accounts.

### Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

Liabilities are recognised at the amount that the foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

### Financial instruments

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

### Taxation

The Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK Corporation Tax purposes.

Accordingly, the Foundation is potentially exempt from taxation in respect of income and capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### 2. Voluntary income

	Unrestricted £	Restricted £	2025 Total £	2024 Total £
Legacies	141,729	-	141,729	57,465
Research Grants	24,115	326,553	350,668	458,185
Donations & Other Income	465,331	25,073	490,404	467,151
	<u>631,175</u>	<u>351,626</u>	<u>982,801</u>	<u>982,801</u>

### 3. Investment income

	2025 £	2024 £
Distributions on UK fixed interest and interest on deposits	9,921	76,058
Distributions on UK equities (listed on a recognised stock exchange) and unit trusts	45,285	55,333
Distributions on Overseas equities (listed on a recognised stock exchange) and unit trusts	214,596	175,959
Rent receivable	1,674,080	1,991,405
Time Deposit Interest	162,724	52,388
	<u>2,106,606</u>	<u>2,351,143</u>

### 4. Charitable Activities

	2025			2024		
	Direct costs £	Support costs £	Total £	Direct costs £	Support costs £	Total £
Research undertaken by subsidiary company	2,422,476	59,055	2,481,531	2,103,294	64,780	2,168,074
Medical research activities	1,492,287	125,837	1,618,124	906,787	67,661	974,448
	<u>3,914,763</u>	<u>184,892</u>	<u>4,099,655</u>	<u>3,010,081</u>	<u>132,441</u>	<u>3,142,522</u>

# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

### 5. Allocation of costs

	<u>2025</u>			<u>2024</u>		
	Support & Governance £	Medical Research activities £	Total £	Support & Governance £	Medical Research activities £	Total £
Staff costs	42,763	2,273,589	2,316,352	18,642	1,871,475	1,890,117
Laboratory consumables and overheads		781,818	781,818		447,251	447,251
Premises		319,308	319,308		212,223	212,223
Communications & Marketing		155,497	155,497		65,600	65,600
Depreciation		262,328	262,328		244,902	244,902
Auditors' remuneration	16,800		16,800	16,020		16,020
Fees payable in respect of accounting and taxation services	58,095		58,095	63,520		63,520
Legal and professional fees	67,234		67,234	34,259		34,259
Sundry expenses		122,223	122,223		168,630	168,630
	<u>184,892</u>	<u>3,914,763</u>	<u>4,099,655</u>	<u>132,441</u>	<u>3,010,081</u>	<u>3,142,522</u>

### 6. Net income/expenditure for the year

	<u>2025</u> £	<u>2024</u> £
<b>This is stated after charging:</b>		
Depreciation	262,328	244,902
Auditors remuneration:		
Audit Fees	16,800	16,020

### 7. Staff costs

	<u>2025</u> £	<u>2024</u> £
Wages and Salaries	1,830,188	1,526,189
Redundancy Costs	85,750	5,708
Social Security Costs	146,996	126,722
Pension Costs	253,418	231,498
	<u>2,316,352</u>	<u>1,890,117</u>

One of the Trustees received reimbursement of travel expenses relating to their attendance at Board meetings throughout the year, £709 (2024: £2,608). None of the Trustees received any remuneration during the year.

Key management personnel's salary costs of £304,748 (2024: £257,984) are included in the figures above.

Contributions of £253,418 (2024: £231,498) were made to defined contributions pension scheme on behalf of employees. Of these £29,150 (2024: £52,752) related to key management personnel.



# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

### 7. Staff costs (continued)

The Foundation had an average of 26 employees during the year under review (2024: 27).

Employees earning over £60,000 can be broken down as follows:

	2025	2024
£60,001 – £ 70,000	2	2
£70,001 – £ 80,000	1	0
£80,001 – £ 90,000	0	1
£90,001 – £100,000	0	0
£100,001 - £110,000	1	1

8. Tangible fixed assets (Charity and Group)	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
At 1 July 2024	6,650,639	1,540,257	8,190,896
Additions	156,724	119,576	276,300
Disposals	-	(1,897)	(1,897)
Revaluation	-	-	-
At 30 June 2025	6,807,363	1,657,936	8,465,299
<b>Depreciation</b>			
At 1 July 2024	534,321	1,310,501	1,844,822
Charge for the year	181,589	80,739	262,328
Disposals	-	(1,897)	(1,897)
Revaluation	-	-	-
At 30 June 2025	715,910	1,389,343	2,105,253
<b>Net book value</b>			
At 30 June 2025	6,091,453	268,593	6,360,046
At 30 June 2024	6,116,318	229,756	6,346,074

Freehold land & Buildings was revalued with effect from 30 June 2021, this revaluation was done by Mr Simon Wainwright, a Trustee. Mr Wainwright is a Fellow of the Royal Institution of Chartered Surveyors (FRICS) and is also a RICS Registered Valuer. He has more than 40 years' experience in private practice in London having specialised in the acquisition, sale and valuation of commercial and mixed-use property throughout the UK and having sufficient local and national knowledge of the particular market for this property and the skills and understanding necessary to undertake the valuation competently.

Due to the specialised nature of property, restrictions in the planning use and title, the value has been estimated using a Depreciated Replacement Cost (DRC) method and is not based on the evidence of sales of similar assets in the market. The decision to use the Depreciated Replacement Cost (DRC) method of valuation has been discussed and agreed with the client for the following reason:

1. The building erected on the property is a specialised purpose-built laboratory designed and built specifically for the Institute for Hepatology and there is no active market for the asset and there is no useful or relevant evidence of recent sales transactions due to the specialised nature of the asset and the restrictions placed upon its occupation, use and sale.

# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

### 8. Tangible fixed assets (Charity and Group)

2. The planning permission authorising the construction and use of the premises 14/06206/FUL is exclusive to the client and contains the following condition *"The development hereby approved shall be used solely for medical research (Class B1(b)) by the Institute of Hepatology and no other purpose unless otherwise agreed in writing by the Local Planning Authority"*.
3. The freehold site was acquired from King's College Hospital Charitable Trust who have a pre-emption right if the property is offered for sale and no charge or disposition is to be registered without a certificate signed by King's College Hospital Charity that the 'Deed of Overage' has been complied with.

If land and buildings were stated at historical cost rather than a fair value basis, the carrying amounts would have been £5,081,066, being cost £5,645,266 and depreciation to date of £658,372.

### 9. Trading Subsidiary Investment

	2025	2024
	£	£
Investment in Subsidiaries	100	100
Loans to Subsidiaries	<u>299,757</u>	<u>577,708</u>
	<u>299,857</u>	<u>577,808</u>

### Net Income from trading activities of subsidiary

The Charity has a wholly owned subsidiary incorporated in England and Wales, Liver Research and Development Limited, (Company Number: 07944232) which was incorporated on 9 February 2012. Its registered office is the same as its parent. Its principal activity is medical research into various causes of liver damage with a view to finding possible commercial collaborations. The large deficit in the current financial year to 30 June 2025 is due to research project work being done years in advance of earned income coming in.

A summary of its trading results for the year ended 30 June 2025 is as follows:

	2025	2024
	£	£
Turnover	620,240	473,498
Cost of sales	<u>(2,421,325)</u>	<u>(2,103,294)</u>
Gross Loss	(1,801,085)	(1,629,796)
Administrative expenses	(59,055)	(64,780)
Taxation	-	-
Loss for the year	<u>(1,860,140)</u>	<u>(1,694,576)</u>
Current Assets	299,857	277,708
Current Liabilities	<u>(9,335,488)</u>	<u>(7,455,491)</u>
	(9,035,631)	(7,177,783)
Reserves:		
Called up share capital	100	100
Capital introduced from the parent undertaking	2,849,900	2,849,900
Profit and loss account	<u>(11,885,631)</u>	<u>(10,027,783)</u>
Shareholder's funds	<u>(9,035,631)</u>	<u>(7,177,783)</u>

The Charity has given a letter of support to Liver Research & Development Ltd to ensure it can continue as a going concern until, at the earliest, 30<sup>th</sup> June 2027.

# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

### 10. Fixed asset investments (Charity and Group)

	2025 £	2024 £
<b>Stocks, shares, unit trusts and cash</b>		
Market value at 1 July	16,124,561	14,327,499
Additions during the year at cost	6,026,497	2,742,160
Disposals at carrying value	(6,618,537)	(2,509,876)
Net (loss)/gains on investments	740,233	1,564,778
	<u>16,272,754</u>	<u>16,124,561</u>
Cash balances (held by investment managers)	580,164	111,955
Market value at 30 June	<u>16,852,918</u>	<u>16,236,516</u>
Historical Cost at 30 June	<u>13,244,200</u>	<u>13,091,961</u>

	2025 £	2024 £
<b>Analysis of investments at market value:</b>		
UK fixed interest and deposits	3,610,271	2,309,713
UK equities (listed on a recognised stock exchange) and unit trusts	1,469,033	1,485,383
UK other (cash balances)	580,164	111,955
Overseas equities (listed on a recognised stock exchange) and unit trusts	11,193,450	12,329,465
	<u>16,852,918</u>	<u>16,236,516</u>

### 11. Investment Properties (Charity and Group)

	Investment Property £
<b>Cost</b>	
At 1 July 2024	22,630,000
Addition of New Property	-
Transfer to Assets for Resale	(2,200,000)
Revaluation	(492,000)
<b>At 30 June 2025</b>	<u>19,938,000</u>

### Property Investment valuation per property

	2025 £	2024 £
Lancaster	1,400,000	1,250,000
Rufford Portfolio	10,185,000	10,415,000
Imperial House, Southampton	-	2,470,000
St Cross Business Park, IoW	2,965,000	3,285,000
J1 & J2 Chaucer Business Park, Polegate	855,000	935,000
DX Portfolio	4,533,000	4,275,000
<b>Market Value at 30 June</b>	<u>19,938,000</u>	<u>22,630,000</u>

The basis for the valuation, on all properties was an independent valuation report to give a more accurate market value of the properties. This was carried out in June 2025 at the behest of the Trustees by Mr J Sharp, a RICS registered surveyor employed by Vail Williams with 10 plus years of experience for the following properties Lancaster Place, Rufford Portfolio, J1&J2 Chaucer Business Park and Imperial House and by Simon Wainwright, FRICS, for St Cross Business Park and the DX Portfolio, Mr Wainwright has over 40 years of experience in property valuation and management.

# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

### 11. Investment Properties (Charity and Group) - continued

Imperial House is in the process of being sold and has been moved to asset for resale in the Balance Sheet, we expect this sale to be completed by end September 2026.

The valuations are prepared on the basis of "fair value", as defined in the *RICS Valuation – Global Standards*. 'Fair value' is defined in RICS Global Valuation Practice Statements 4 and IFRS 13 as:

*'The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'*.

The assets will be valued on a stand-alone basis, not as part of a portfolio, and the value indicated will represent the valuer's opinion of the price that would appear in a contract for sale.

We have made the following assumptions, there are no encumbrances on title, and the title is free from any onerous restrictions, rights, easements, covenants, wayleaves or encumbrances, save for any matters disclosed to us in writing.

The tenants have complied with the terms of their lease, there are no arrears of rent, insurance, or service charge. Tenant improvements have not been considered, and no credit enquiries have been made on the various tenants.

A building survey has not been undertaken, and the buildings are assumed to be in a good state of repair other than as noted. The load bearing qualities of the site of the properties are sufficient to support the buildings constructed thereon.

The properties have been erected, occupied and used in accordance with all requisite consents and that there are no outstanding statutory notices. The properties contain no deleterious materials, and that there is no adverse soil or ground conditions, no contamination exists which would adversely impact upon our opinion of Fair Value.

### 12. Debtors

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	294,019	470,122	294,019	470,122
Taxation recoverable	-	-	-	-
Prepayments and accrued income	113,330	552,760	113,330	275,052
	<u>407,349</u>	<u>1,022,882</u>	<u>407,349</u>	<u>745,174</u>

### 13. Creditors: amounts falling due within one year (Charity and Group)

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	83,447	294,701	83,447	294,701
Audit, accountancy and tax fees	66,800	79,540	16,800	16,020
Investment management fees	12,505	11,653	12,505	11,653
VAT	38,611	76,831	38,611	76,831
Deferred Rent	277,889	363,908	277,889	363,908
Other Creditors and accruals	390,607	207,002	390,537	220,522
	<u>869,859</u>	<u>1,033,635</u>	<u>819,787</u>	<u>983,635</u>

**THE FOUNDATION FOR LIVER RESEARCH**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

For the year ended 30 June 2025

**14. Analysis of movement in funds – 2025**

	1 July 2024 £	Income £	Expenditure £	Other gains/(losses) £	Transfers £	30 June 2025 £
<b>Restricted Funds</b>						
Sorenson	124,625	-	-	-	-	124,625
Ochre Bio	114	-	-	-	-	114
Hepion Pharma	32,085	-	(32,085)	-	-	-
SPARC	365	-	-	-	-	365
C & G Lawson Fdn	25,000	-	-	-	-	25,000
Hobson Charitable Fdn	13,833	-	-	-	-	13,833
Assoc. of Physicians	8,251	-	-	-	-	8,251
Kings College Hospital Charity	16,473	-	(5,224)	-	-	11,249
PrositSole BV	25,118	-	(20,872)	-	-	4,246
Boehringer Ingelheim	101,816	-	(33,398)	-	-	68,418
GUTS UK	4,591	3,595	(2,144)	-	-	6,042
R J Cristin	249,564	-	(127,677)	-	-	121,887
Wellcome Trust	13,326	121,087	(129,194)	-	-	5,219
BRUK	-	34,965	(34,965)	-	-	-
University of Bari	12,484	25,073	(4,103)	-	-	33,454
UKRI/MRC	-	163,118	(55,910)	-	-	107,208
Research Society	-	3,788	-	-	-	3,788
Kings College London	2,500	-	-	-	-	2,500
<b>Total Restricted Funds</b>	<b>630,145</b>	<b>351,626</b>	<b>(445,572)</b>	<b>-</b>	<b>-</b>	<b>536,199</b>
<b>Expendable Endowment Capital Funds</b>	<b>38,866,516</b>	<b>-</b>	<b>(420,377)</b>	<b>248,233</b>	<b>(1,903,454)</b>	<b>36,790,918</b>
<b>Unrestricted Funds</b>	<b>8,907,899</b>	<b>2,631,021</b>	<b>(3,654,083)</b>	<b>-</b>	<b>(4,456,592)</b>	<b>3,428,245</b>
<b>Revaluation Reserve</b>	<b>1,474,652</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,474,652</b>
<b>Designated Funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,360,046</b>	<b>6,360,046</b>
<b>Total Funds</b>	<b>49,879,212</b>	<b>2,982,647</b>	<b>(4,520,032)</b>	<b>248,233</b>	<b>-</b>	<b>48,590,060</b>

Restricted funds represent the following research areas:

Sorensen: Capital Expenditure for new Lab Institute – to be spent by 2030

Ochre Bio – Collaboration Research agreement for the SiRNA Liver Slice Project

Hepion – Investigation of the anti-hepatitis B and D efficacy and the anti-fibrotic potency of the cyclophilins inhibitor CRV 431

SPARC – Determining the Role of Extracellular Vesicles as Communicosomes in progression to Multi Organ Failure in Advanced Liver Disease

C & G Lawson Fdn – Contribution towards transcriptomic equipment to be purchased when rest of funds raised.

Hobson Charitable Foundation – The role of cell free DNA as a driver of coagulation dysfunction and critical illness in chronic liver disease

Association of Physicians – Applying circulating cell-free DNA methylation technologies to produce novel prognostic markers in chronic liver failure syndromes

Kings College Hospital Charity – Evaluation of point-of-care testing for pathogen infection and antimicrobial resistance in decompensated cirrhosis and acute-on-chronic liver failure (ALF)

Prosit Sole BV – Pre-Clinical evaluation of Pegylated Interferon Lambda chimera PSP001 for the treatment

**THE FOUNDATION FOR LIVER RESEARCH**  
of chronic Hepatitis B

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the year ended 30 June 20255**

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**14. Analysis of movement in funds – 2024 continued**

Boehringer Ingelheim - Integrative "Omics" modelling to characterise the impact of ECM signatures on hepatocyte metabolism and function in human-derived bioengineered multicellular models of NASH fibrosis  
GUTS UK – Early Career Researcher Development Grant – Development and evaluation of point-of-care diagnostics utilising clinical metagenomic sequencing for rapid pathogen and antimicrobial resistance detection in decompensated cirrhosis and acute-on-chronic liver failure

R H Cristin – Harnessing the gut microbiome to improve therapeutic response rates in Liver Cancer.

Wellcome Trust – Early Career Award – 'The Niche effect – A study of the cellular and extracellular microenvironment of foetal liver that promotes haematopoietic stem cell expansion

Bowel Research UK – Studying the microenvironment of bowel cancer in patients with poor prognosis and low survival

University of Bari – Optimisation of a MASLD Organ On a Chip Model to study PPARGC1B therapeutic usefulness

Kings College London – Matt Wilson Scholarship Award 'Targeting mitochondria as a therapeutic strategy for alcohol-related liver disease.'

UKRI/MRC – Understanding the mechanisms underlying the detrimental effects of NAFLD on the brain

Research Society - Uncovering Mitochondrial alterations in alcohol-induced activation of hepatic stellate cells: Implications for therapeutic innovation alcohol-related liver disease.

Expendable Endowment funds represents the rental property portfolio and the investment assets portfolio.

Designated Funds represent the RWB Building and its contents.

**Other gains and losses**

Other gains/losses comprise of gains on the change in market value of the investment portfolio of £740,233, a loss of £492,000 on the revaluation of the investment properties.

# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

### 15. Analysis of movement in funds – Comparative Note for 2024

	1 July 2023 £	Income £	Expenditure £	Other gains/(losses) £	Transfers £	30 June 2024 £
<b>Restricted Funds</b>						
Sorenson	124,625	-	-	-	-	124,625
Ochre Bio	114	-	-	-	-	114
Hepion Pharma	29,665	-	(27,690)	-	30,110	32,085
SPARC	365	-	-	-	-	365
C & G Lawson Fdn	25,000	-	-	-	-	25,000
Hobson Charitable Fdn	13,833	-	-	-	-	13,833
Assoc. of Physicians	8,251	-	-	-	-	8,251
Kings College Hospital Charity	10,990	-	5,483	-	-	16,473
PrositSole BV	65,350	-	(40,232)	-	-	25,118
Boehringer Ingelheim	62,687	64,506	(25,377)	-	-	101,816
GUTS UK	-	11,307	(6,716)	-	-	4,591
R H Cristin	-	250,000	(436)	-	-	249,564
Wellcome Trust	-	113,211	(99,885)	-	-	13,326
CCA Grant	-	3,000	(3,000)	-	-	-
BRUK	-	6,766	(6,766)	-	-	-
University of Bari	-	12,484	-	-	-	12,484
Kings College London	-	2,500	-	-	-	2,500
<b>Total Restricted Funds</b>	<b>340,880</b>	<b>463,774</b>	<b>(204,619)</b>	<b>-</b>	<b>30,110</b>	<b>630,145</b>
<b>Expendable Endowment Capital Funds</b>	<b>39,687,592</b>	<b>-</b>	<b>(380,973)</b>	<b>(792,222)</b>	<b>352,119</b>	<b>38,866,516</b>
<b>Unrestricted Funds</b>	<b>9,698,741</b>	<b>2,870,170</b>	<b>(2,937,903)</b>	<b>-</b>	<b>(382,119)</b>	<b>9,246,889</b>
<b>Revaluation Reserve</b>	<b>1,474,652</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,474,652</b>
<b>Total Funds</b>	<b>50,860,985</b>	<b>3,333,944</b>	<b>(3,523,495)</b>	<b>(792,222)</b>	<b>-</b>	<b>49,879,212</b>

# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

### 16. Analysis of Group net assets between funds 2025

	Unrestricted Income Fund	Designated Income Fund	Restricted Income Fund	Expendable Endowment Capital Fund	Total
Analysis of Funds	£	£	£	£	£
Tangible Fixed Assets	-	6,360,046	-	-	6,360,046
Investment Assets	-	-	-	16,852,918	16,852,918
Property Portfolio Asset Investments	-	-	-	19,938,000	19,938,000
Net Current Assets	4,902,897	-	536,199	-	5,439,096
	<u>4,902,897</u>	<u>6,360,046</u>	<u>536,199</u>	<u>36,790,918</u>	<u>48,590,060</u>

### Analysis of Group net assets between funds – Comparative Note for 2024

	Unrestricted Income Fund	Restricted Income Fund	Expendable Endowment Capital Fund	Total
Analysis of Funds	£	£	£	£
Tangible Fixed Assets	6,346,074	-	-	6,346,074
Investment Assets	-	-	16,236,516	16,236,516
Property Portfolio Asset Investments	-	-	22,630,000	22,630,000
Net Current Assets	4,036,477	630,145	-	4,666,622
	<u>4,036,477</u>	<u>630,145</u>	<u>38,866,516</u>	<u>49,879,212</u>

### Analysis of Charity net assets between funds 2025

	Unrestricted Income Fund	Designated Income Fund	Restricted Income Fund	Expendable Endowment Capital Fund	Total
Analysis of Funds	£	£	£	£	£
Tangible Fixed Assets	-	6,360,046	-	-	6,360,046
Investment in trading Subsidiary	299,857	-	-	-	299,857
Investment Assets	-	-	-	16,852,918	16,852,918
Property Portfolio Asset Investments	-	-	-	19,938,000	19,938,000
Net Current Assets	4,652,112	-	536,199	-	5,188,311
	<u>4,951,969</u>	<u>6,360,046</u>	<u>536,199</u>	<u>36,790,918</u>	<u>48,639,132</u>

### Analysis of Charity net assets between funds – Comparative Note 2024

	Unrestricted Income Fund	Restricted Income Fund	Expendable Endowment Capital Fund	Total
Analysis of Funds	£	£	£	£
Tangible Fixed Assets	6,346,074	-	-	6,346,074
Investment in trading Subsidiary	577,808	-	-	577,808
Investment Assets	-	-	16,236,516	16,236,516
Property Portfolio Asset Investments	-	-	22,630,000	22,630,000
Net Current Assets	3,808,769	630,145	-	4,448,914
	<u>10,732,652</u>	<u>630,145</u>	<u>38,866,516</u>	<u>50,229,313</u>



# THE FOUNDATION FOR LIVER RESEARCH

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 June 2025

### 17. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
<b>Net income for the reporting period (as per the statement of financial activities)</b>	(1,289,152)	(981,773)
<b>Adjustments for:</b>		
Depreciation charges	262,328	244,902
Loss/(Gain) on revaluation of fixed assets	-	-
Loss/(Gains) on investments	(740,233)	(1,564,778)
(Gains)/Losses on investment properties	492,000	2,357,000
Dividends, interest and rents from investments	(2,106,606)	(2,351,143)
(Increase)/decrease in debtors	615,533	867,628
Increase/(decrease) in creditors	(164,776)	17,575
<b>Net cash used in operating activities</b>	<b>(2,930,906)</b>	<b>(1,410,589)</b>

### 18. Analysis of changes in net debt

	2025 £	2024 £
Cash in hand	3,700,606	4,677,375
Un-invested cash with investment managers (see Note 10)	580,164	111,955
	<b>4,280,770</b>	<b>4,789,330</b>

### 19. Related party Transactions

As explained in Note 9, Liver Research and Development Ltd (LRD) is a wholly owned subsidiary of The Foundation for Liver Research (FLR). In the year FLR incurred costs of £2,430,490 (2024: £2,168,074) and received £322,765 (2024: £1,327,106) on behalf of LRD. At the year-end £299,857 (2024: £577,708) was due from LRD to FLR. This figure is after impairments totalling £8.986m (2024: £6.828m) in FLR.

There was one related party transaction, with Mr Simon Wainwright, who is a Trustee and a Director of JP Wainwright. The total amount of the transactions in the year was £59,560 (2024: £54,823) which related to professional fees and asset management fees for 13 properties within the Foundation's property portfolio. The amount outstanding at the year-end was £NIL (2024: £19,509) and the Trustees confirm that this was carried out at an arm's length basis.

### 20. Contingent Asset

Following the end of the lease on Unit 3 St Cross Business Park, IOW we have recognised a contingent asset of £700k for the dilapidation's costs according to the lease and are currently in discussions with the tenant regarding this.