

Charity Registration No. 1144798

Company Registration No. 7567881 (England and Wales)

KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	Dr A V Crowe P L Griffiths A Hammad Prof G Kemp
Secretary	P L Griffiths
Chief Executive	S Stalsberg
Charity number	1144798
Company number	7567881
Registered office	3rd Floor 5 Temple Square Temple Street Liverpool Merseyside L2 5RH
Auditor	BWM Suite 5.1 12 Tithebarn Street Liverpool Merseyside L2 2DT
Bankers	Santander Corporate Banking 298 Deansgate Manchester M3 4HH
Investment advisors	Blankstone Sington Ltd Walker House Floor 10 Exchange Flags Liverpool Merseyside L2 3YL

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
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**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
*FOR THE YEAR ENDED 30 JUNE 2021***

The trustees present their report and financial statements for the year ended 30 June 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

The principal objects of the charity are to undertake, promote, develop and encourage research into diseases of the kidney and urinary tract and research into the treatment of such diseases.

The principal method of achieving its objects is to invite applications to fund research projects from consultants and other medical staff at the Royal Liverpool University Hospital and other hospitals in the Merseyside and Cheshire areas.

In principle, the charity agrees to support training posts in the three fields of Transplantation, Urology and Nephrology, providing that these posts are formulated into specific research projects.

Public benefit

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

Grant making policy

All applications for funding are channelled through an Advisory Scientific Sub-committee. Applications could cover projects lasting up to five years. Following review by that Committee, the findings are presented to the trustees and consideration is given as to the availability of funds. If funds are available and the Medical Sub-committee wishes to support a proposal, then the application and supporting documentation are sent to two outside assessors. The independent and impartial assessors can be specialists either in the UK or worldwide and will consider the scientific value of the proposals put before them. They may accept the project, suggest changes to the way it is conducted or dismiss the project. The trustees will take account of the external assessments before committing the charity to any costs.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

Achievements and performance

The charity continues to fund laboratory-based research projects. During the year there were four projects in progress.

Developing a combinatorial therapeutic strategy for kidney cancer by targeting metabolic and apoptotic regulators FBP1 and p53

Kidney cancer kills around 4,000 people each year in the UK and worryingly, has been on the increase for the past three decades with the number of people affected and dying approximately doubling in that period.

For many patients, particularly those in whom the cancer has spread (metastasized) to new sites in the body, currently available therapies, which largely target new blood vessel formation (angiogenesis) and cell growth, have only modest effects in prolonging survival.

For cells to grow, they must synthesise the building blocks of life, and this is accomplished by the cell metabolism using raw materials obtained from outside of the cell. All of the processes that take place inside the cell depend, directly or indirectly upon energy, and the metabolism of carbohydrates, particularly glucose, provides a major source of energy. One of the major differences between tumour cells and most normal cells, is that their metabolism is greatly distorted. Recent studies have identified that a key regulator of metabolism called FBP1 is almost always switched off in kidney cancer. We think that it will be possible to take advantage of this abnormality in the cancer cells as outlined below.

We already know from our own earlier studies that another pathway that does not work properly in kidney cancer is regulated by a gene called p53. p53 is normally one of the most important genes that prevents cancer and we have developed a strategy to re-activate this cancer preventing pathway of p53. However, cancers easily escape from treatments that target a single pathway. We therefore propose to investigate ways to target both p53 and FBP1 since this will hopefully provide for a more robust therapeutic approach. To achieve this, we must first discover how FBP1 is suppressed in kidney cancer and then try to find ways to reverse this effect. We will then examine the effect of combining both approaches. In the first instance we will use tumour cell lines but in later studies we propose to perform experiments using patient biopsies, since these more accurately reflect the disease.

The proposal is aimed at taking advantage of two pathways that are altered in most kidney cancers to determine whether these can be targeted as a therapeutic strategy. The ultimate goal being to identify novel approaches for treating kidney cancer may provide significant improvements in patient outcomes in the future.

The project has been disrupted due to a number of post-doctoral research assistants leaving and the progress has not been as hoped or expected. However, a replacement research assistant started in May 2019.

The primary focus will be to finish the experimental work needed to complete a substantial manuscript describing the therapeutic potential of targeting rescue of p53 in renal cell carcinoma (RCC) cells combined with a BH3 mimetic to sensitise the cells to apoptosis.

Following the granting of a no cost extension as a result of Covid-19, the project finally completed in May 2021.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

Exploring how cell therapies ameliorate renal damage

With this project we will analyse the therapeutic efficacy of cell therapies administered via three different routes to mice with acute kidney injury. In particular, we are interested in understanding how the route of administration can influence therapeutic efficacy, and elucidate the relationship to the immunomodulatory effect of the cells.

The project is going to plan. It has involved analysis of the tissues (kidneys, lung, spleen) for injury markers and cells of the inflammatory system. It will also look at cell culture and cell administration techniques.

The PhD student presented her work at a meeting "Inflammation: from initiation to restoration" by the British Society for Immunology held in April 2019.

Following the granting of a no cost extension as a result of Covid-19, the project was completed in February 2021.

Phage therapy to treat bacterial urinary tract infections

Urinary tract infections (UTIs) are amongst the most common infections in humans both in the community and in a hospital setting, with the latter often associated with catheter use. They are a common cause of morbidity but can also lead to more severe disease and occasional fatalities. While infection is often limited to the bladder (cystitis), pyelonephritis can occur, and this can cause renal failure. In addition, UTIs can lead directly to life-threatening bacteraemias. Although the majority of UTIs are treated and treatable with antibiotics, there is increasing concern about the spread of antimicrobial resistance (AMR) in pathogens causing UTIs in the UK, with AMR impacting on the efficacy of clinical treatment, leading to the development of more complex cases of UTIs and potentially bloodstream infections requiring hospitalisation.

Two of the key bacterial pathogens causing UTIs (*Escherichia coli*, *Pseudomonas aeruginosa*) have been identified by the World Health Organisation as Priority 1 "Critical" pathogens associated with antibiotic resistance, and against which new therapies are urgently needed. It is clear that the overuse of antibiotics drives AMR. In 2016, the highest combined general practice, hospital and dentist usage of antibiotics in England was in Merseyside, at 27 defined daily doses per 1,000 inhabitants per day. Hence, as a high-prescribing region, Merseyside is especially vulnerable in this respect, and is therefore a priority area for potential interventions.

In England, there is a national target to reduce the incidence of healthcare-associated bacteraemias caused by *E. coli* and *P. aeruginosa* by 50% over the next few years, emphasising the particular importance of these species. Indeed, more than half of bloodstream infections (BSIs) caused by *E. coli*, the most common pathogen associated with BSIs in England, are caused by an underlying UTI. Although relatively low at present in England, carbapenem resistance in *E. coli* and *P. aeruginosa* can increase dramatically over a relatively short period of time and is seen as a significant threat. Hence, there is an urgent need to develop alternative therapeutic approaches to tackle these common infections.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

Phage therapy to treat bacterial urinary tract infections (continued)

The therapeutic application of bacterial viruses (phage therapy) has a long history, and it has been used routinely in Eastern Europe for some time. However, use in the West has been limited because of the lack of clinical trial data. In addition, the reduced spectrum of activity that bacteriophages (phage) have compared to conventional antibiotics has made them less attractive to the pharmaceutical industry. Despite this, phage therapy was identified in the recent O'Neill report as a key technology in the fight against AMR and there is increasing recognition of the need to develop this approach.

The purpose of this project is to isolate and characterise phages that are effective against contemporary pathogens most commonly associated with UTIs in the Merseyside region, and wider representatives of pathogen populations, in order to develop phage cocktails that could be protected (patented) and taken forward into clinical trials to benefit patients with UTIs.

This project finally got under way in July 2020 and has continued to progress throughout the year.

Defining strategies to address the supply and demand of deceased donor kidney transplantation with optimised equity of access: A mixed-method study.

Kidney transplantation in patients with End-Stage Kidney Disease confers both longevity and quality of life. However, there remains a significant gap between the number of patients who would benefit from transplantation and availability of donor kidneys. Relisting patients for a second or subsequent transplant leads to additional pressure on the national waiting list. Also, the allocation of good quality allografts with the potential for prolonged graft survival, to recipients with the potential for relatively short survival and vice versa increases the gap between supply and demand for deceased donor kidneys. Therefore, research for preferential waiting listing of patients for their first deceased donor transplant is required. There is simultaneously a requirement for developing and validating the best pair of risk scores (recipient and donor) and develop a new composite risk score that would match a graft (kidney) to a recipient in a more sophisticated manner to ensure extended graft and patient.

This study intends to develop this hypothesis by using a mixed-methods study design. The quantitative arm will utilise data obtained from the UK Renal Registry (UKRR) and NHS Blood and Transplant (NHSBT) which will then be merged with NHS digital to enrich data quality with details of comorbidity and Hospital Episode Statistics data. Descriptive statistics and regression models will be used to analyse the data. Techniques that have not typically been applied before, such as Random Forest method for regression/survival analysis and advanced machine learning approaches will also be explored. The qualitative arm will involve semi-structured interviews with patients who have received first, second and subsequent deceased donor transplants and also patients on dialysis waiting for their first transplant. Thematic analysis will be used to organise the coded data, and NVivo software (QSR International) will be used to aid analysis.

This proposed study aims to inform the national allocation policy on both listing for kidney transplantation and the optimal allocation of deceased donor kidneys.

This project was approved by the trustees at its meeting in January 2021.

Jointly funded project with North West Cancer Research

During the year negotiations took place with North West Cancer Research regarding the feasibility of carrying out a jointly funded project linked to kidney cancers. An advertisement for applications was put out by both organisations with a view that a Joint Scientific Panel would review and agree on the most appropriate project to take forward.

The panel met on 2 September 2021, and whilst there was some disappointment with only two applications being received, the quality of both applications was noted with the successful applicant being notified in the current financial year.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

Covid-19

As Covid-19 continued throughout 2020 and into 2021, the charity continued to be affected in all aspects of its operations.

The University of Liverpool continued to keep its buildings closed until late 2020 but thankfully once the laboratories re-opened we were able to continue our research work. The office too was subject to restrictions, particularly on the number of people that were allowed inside the building. Our staff continued to work largely from home during this period with regular visits to pick up mail and deal with specific matters as they arose.

Fundraising activities ceased during 2020-21 although we continue to remain grateful for the generosity of our supporters.

Thankfully as lockdowns eased throughout the world, the value of our portfolio returned to pre-Covid levels. We continue to monitor performance through our meetings with Blankstone Sington.

Trustee meetings were held remotely throughout although consideration is now being given to some future meetings returning to face-to-face.

Financial review

The accounts for the year to 30 June 2021 are attached to this report.

Total income for the year was £292,350, compared with £115,969 for the previous year. This was primarily the result of two legacies amounting in total to £203,024, without which the figure would have been £89,326, reflecting a fall in both donations and investment income from the previous year.

Total resources expended during the year were £278,419 (2020 £230,401) which included £192,890 (2020 £142,216) of contracted research project costs net of releases from prior commitments. There was a surplus of £13,931 (2020 deficit £114,432) for the year before investment gains and losses. Investment gains totalling £343,821 (2020 loss £311,963) comprised a realised gain on the disposal of investments amounting to £13,351 (2020 loss £9,112), and unrealised gains of £330,470 (2020 loss £302,851).

Reserves policy

The trustees regard its "free" reserves to be the unrestricted funds of the charity less the amount which is included in the investment portfolio up to a figure of £2 million that is held for the purposes of earning income (to reflect the significant proportion of the charity's income that this generates), less the carrying value of tangible fixed assets. Ideally the trustees would wish to create 'free' reserves equal to one year's total expenditure. At this level the trustees feel that they can honour existing research projects in the event of a significant fall in funding. At 30 June 2021 free reserves amounted to £544,518 however excluding total funds retained in the portfolio, the amount is only £100,939.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

Investments and investment policy

The constitution authorises the trustees to make and hold investments using the general funds of the charity, details of which are shown in note 14 to the accounts.

The trustees delegate responsibility for the management of the portfolio to an Investment Sub-committee. Full discretionary management has been given to the charity's investment managers, Blankstone Sington Limited.

The Investment Sub-committee meets quarterly and reviews the performance of the fund over the period and is advised of changes made or proposed changes to individual holdings.

The charity adopts a low risk profile in its investment policy. Income from investments is targeted to achieve the London Interbank Offer Rate (LIBOR). Capital performance is benchmarked against the FTSE 100 Index, FT-All Share Index, and more specifically the FTSE UK Private Investor Income Index.

The Investment Sub-committee has previously set a target of total income of £120,000 from its investment activities, but more recently it has been agreed that a target income of £100,000 is more realistic in the short term. During the year income from these sources amounted to £85,634 (2020 £107,658), as a result of the impact of Covid-19 on the dividend policies of certain listed investments.

The charity has regard to ethical considerations whereby no direct investments are permitted in companies that are directly involved in Armaments or Tobacco production.

Performance between 1 July 2020 and 30 June 2021 is compared against the benchmarks in the table below:

	Year ended 30 June 2021 % change
Charity portfolio	15.73%
FTSE 100	14.06%
FT All Share	17.70%
MSCI PIMFA PI Income	11.07%

Risk management

The trustees have undertaken a review of the major areas of risk faced by the charity and continue to monitor and improve the ongoing risk management strategies that should ensure that risks are mitigated to an acceptable level in its day to day operations.

The trustees consider the main risks to be:

- A significant fall in the value of the investment portfolio and the level of investment income.
- Reduced donations and fundraising income.
- Funding inappropriate research projects.

The trustees continue to take the appropriate actions to mitigate the risks in each of these areas.

Future developments

There are no planned changes to the activities of the charity.

Structure, governance and management

The charity is a company limited by guarantee and is governed by a Memorandum and Articles of Association adopted on 17th March 2011 as subsequently amended on 25th October 2011.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

Trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr A V Crowe

P L Griffiths

A Hammad

Prof G Kemp

N Vlatkovic

(Resigned 19 August 2021)

Recruitment and appointment of trustees

Appointment of trustees is governed by the Articles of Association. The trustees have the power to appoint new members to fill vacancies arising through resignation or death of existing members. Additionally trustees may be appointed by ordinary resolution of the members.

Organisation

The charity is administered by a Board of Trustees. The number of trustees shall not be less than three and there is no maximum. The trustees meet on a quarterly basis. The trustees delegate the day to day responsibility for marketing, organising fund raising events and administration to the Chief Executive.

The trustees have appointed an Advisory Medical Sub-committee to consider and examine applications for funding, and an Investment Sub-committee to oversee the management of the investment portfolio.

Trustee induction and training

Potential trustees are often drawn from volunteers, from medical staff within the Royal Liverpool University Hospital, former renal patients, and from the local business community and as a result are often already familiar with the objects of the Association. Potential trustees are given the opportunity to meet the existing trustees and with the Chief Executive to discuss the operation of the charity and are provided with relevant Charity Commission publications and the constitution of the charity in relation to their responsibilities.

Remuneration of key management personnel

It is the charity's policy to pay the staff at rates reflecting the local market and inline with similar organisations. The workforce consists of the Chief Executive and one administration worker whose pay reflect the experience, length of service and level of responsibility of the individuals concerned.

Related parties

Full details of transactions with related parties are included in note 9 to the financial statements.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

Statement of trustees' responsibilities

The trustees, who are also the directors of Kidney Research Northwest for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

The auditor, BWM, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



P L Griffiths

Trustee

Dated: 16 February 2022

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF KIDNEY RESEARCH NORTHWEST**

Opinion

We have audited the financial statements of Kidney Research Northwest (the 'charity') for the year ended 30 June 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 charitable company's affairs as at 30 June 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the 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 other 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 statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF KIDNEY RESEARCH NORTHWEST**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF KIDNEY RESEARCH NORTHWEST**

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities, and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, data protection, anti-bribery, employment and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

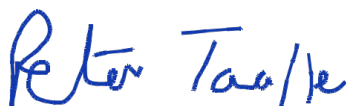
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF KIDNEY RESEARCH NORTHWEST**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



**Mr Peter Taaffe FCA CTA DChA (Senior Statutory Auditor)
for and on behalf of BWM**

24/02/2022
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**Chartered Accountants
Statutory Auditor**

Suite 5.1
12 Tithebarn Street
Liverpool
Merseyside
L2 2DT

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	206,716	-	206,716	8,311	-	8,311
Investments	4	85,634	-	85,634	107,658	-	107,658
Total income		<u>292,350</u>	<u>-</u>	<u>292,350</u>	<u>115,969</u>	<u>-</u>	<u>115,969</u>
Expenditure on:							
Raising funds	5	<u>39,842</u>	<u>-</u>	<u>39,842</u>	<u>42,117</u>	<u>-</u>	<u>42,117</u>
Charitable activities	6	<u>238,577</u>	<u>-</u>	<u>238,577</u>	<u>188,284</u>	<u>-</u>	<u>188,284</u>
Total resources expended		<u>278,419</u>	<u>-</u>	<u>278,419</u>	<u>230,401</u>	<u>-</u>	<u>230,401</u>
Net gains/(losses) on investments	11	<u>343,821</u>	<u>-</u>	<u>343,821</u>	<u>(311,963)</u>	<u>-</u>	<u>(311,963)</u>
Net movement in funds		<u>357,752</u>	<u>-</u>	<u>357,752</u>	<u>(426,395)</u>	<u>-</u>	<u>(426,395)</u>
Fund balances at 1 July 2020		<u>2,187,426</u>	<u>13,427</u>	<u>2,200,853</u>	<u>2,613,821</u>	<u>13,427</u>	<u>2,627,248</u>
Fund balances at 30 June 2021		<u>2,545,178</u>	<u>13,427</u>	<u>2,558,605</u>	<u>2,187,426</u>	<u>13,427</u>	<u>2,200,853</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		660		-
Investments	14		2,443,579		2,111,366
			<u>2,444,239</u>		<u>2,111,366</u>
Current assets					
Debtors	16	203,930		908	
Cash at bank and in hand		282,234		427,683	
		<u>486,164</u>		<u>428,591</u>	
Creditors: amounts falling due within one year	17	(174,768)		(210,228)	
Net current assets			311,396		218,363
Total assets less current liabilities			2,755,635		2,329,729
Creditors: amounts falling due after more than one year	18		(197,030)		(128,876)
Net assets			<u>2,558,605</u>		<u>2,200,853</u>
Income funds					
Restricted funds	20		13,427		13,427
Unrestricted funds			2,545,178		2,187,426
			<u>2,558,605</u>		<u>2,200,853</u>

The financial statements were approved by the Trustees on 16 February 2022

Dr A V Crowe
Trustee



Company Registration No. 7567881

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	26		(241,958)		(207,712)
Investing activities					
Purchase of tangible fixed assets		(733)		-	
Purchase of investments		(120,362)		(425,453)	
Proceeds on disposal of investments		131,970		435,457	
Investment income received		85,634		111,818	
Net cash generated from investing activities			96,509		121,822
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(145,449)		(85,890)
Cash and cash equivalents at beginning of year			427,683		513,573
Cash and cash equivalents at end of year			282,234		427,683

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Charity information

Kidney Research Northwest is a private company limited by guarantee incorporated in England and Wales. The registered office is 3rd Floor, 5 Temple Square, Temple Street, Liverpool, Merseyside, L2 5RH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's 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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, and having due regard to the impact of Covid-19, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Due to the various Covid restrictions in place at different times of the year, the charity did not benefit from any volunteer time.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.5 Expenditure

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

- Costs of raising funds.
- Expenditure on charitable activities.
- Other expenditure represents those items not falling into the categories above.

Research project costs are now recognised as a liability in full in the year in which the project is approved. This represents a change in accounting policy due to the implementation of FRS 102, as previously research grants were recognised in the period to which the costs related.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

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

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

The analysis of these costs is included in note 8.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% per annum
Computers	33% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Donations and gifts	3,692	8,311
Legacies receivable	203,024	-
	<u>206,716</u>	<u>8,311</u>

4 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Income from listed investments	85,202	104,450
Bank interest receivable	432	3,208
	<u>85,634</u>	<u>107,658</u>

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

5 Raising funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Fundraising and publicity		
Support costs	27,235	26,042
Investment management	12,607	16,075
	<u>39,842</u>	<u>42,117</u>

6 Charitable activities

	Research projects 2021 £	Research projects 2020 £
Grant funding of activities (see note 7)	192,890	142,216
Share of support costs (see note 8)	42,027	42,521
Share of governance costs (see note 8)	3,660	3,547
	<u>238,577</u>	<u>188,284</u>

7 Grants payable

	Research projects 2021 £	Research projects 2020 £
Grants to institutions:		
University of Liverpool	192,890	142,216
	<u></u>	<u></u>

-

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

8 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	58,277	-	58,277	59,062	-	59,062
Depreciation	73	-	73	-	-	-
Telephone	871	-	871	1,012	-	1,012
Postage and stationery	-	-	-	103	-	103
Travel expenses	-	-	-	121	-	121
Bank charges	63	-	63	128	-	128
Insurance	549	-	549	548	-	548
Bookkeeping and administration	9,353	-	9,353	7,455	-	7,455
Sundry expenses	76	-	76	134	-	134
Audit fees	-	3,582	3,582	-	3,440	3,440
Statutory fees	-	78	78	-	107	107
	<u>69,262</u>	<u>3,660</u>	<u>72,922</u>	<u>68,563</u>	<u>3,547</u>	<u>72,110</u>
Analysed between						
Fundraising	27,235	-	27,235	26,042	-	26,042
Charitable activities	42,027	3,660	45,687	42,521	3,547	46,068
	<u>69,262</u>	<u>3,660</u>	<u>72,922</u>	<u>68,563</u>	<u>3,547</u>	<u>72,110</u>

With the exception of the Chief Executive's employment costs and travel, that are charged 60% to fundraising and 40% to charitable activities based on the estimated proportion of time spent on those areas, all other support costs are charged to charitable activities.

9 Trustees

An amount of £9,353 (2020 £7,455) (including value added tax) was charged by Mitchell Charlesworth LLP, Chartered Accountants, during the year for bookkeeping and accountancy services. Mr. P.L. Griffiths (a trustee and the Company Secretary), is a partner in Mitchell Charlesworth LLP.

No remuneration was paid to any other trustees during the year, nor were any trustee expenses reimbursed.

The total amount of employee remuneration received by key management personnel was £41,013 (2020 £41,015).

The charity considers its key management personnel to comprise the Chief Executive Officer.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration and fundraising	2	2
	<u>2</u>	<u>2</u>
Employment costs	2021	2020
	£	£
Wages and salaries	55,500	55,500
Social security costs	1,235	2,267
Other pension costs	1,542	1,295
	<u>58,277</u>	<u>59,062</u>
	<u>58,277</u>	<u>59,062</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Revaluation of investments	330,470	(302,851)
Gain/(loss) on sale of investments	13,351	(9,112)
	<u>343,821</u>	<u>(311,963)</u>
	<u>343,821</u>	<u>(311,963)</u>

12 Taxation

The company is exempt from corporation tax on its charitable activities.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

13 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 July 2020	2,569	1,849	4,418
Additions	-	733	733
Disposals	-	(400)	(400)
	<u> </u>	<u> </u>	<u> </u>
At 30 June 2021	2,569	2,182	4,751
	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment			
At 1 July 2020	2,569	1,849	4,418
Depreciation charged in the year	-	73	73
Eliminated in respect of disposals	-	(400)	(400)
	<u> </u>	<u> </u>	<u> </u>
At 30 June 2021	2,569	1,522	4,091
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 30 June 2021	-	660	660
	<u> </u>	<u> </u>	<u> </u>
At 30 June 2020	-	-	-
	<u> </u>	<u> </u>	<u> </u>

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

14 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 July 2020	2,075,756	35,610	2,111,366
Additions	120,362	-	120,362
Valuation changes	330,470	-	330,470
Movement in cash	-	107,305	107,305
Disposals	(225,924)	-	(225,924)
At 30 June 2021	2,300,664	142,915	2,443,579
Carrying amount			
At 30 June 2021	2,300,664	142,915	2,443,579
At 30 June 2020	2,075,756	35,610	2,111,366
		2021 £	2020 £
Fees paid to Blankstone Singleton Limited			
Management fees		12,606	16,075

The historical cost of the listed investments at 30 June 2021 was £2,151,680 (2020 £2,225,771).

15 Financial instruments	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	2,300,664	2,075,756
16 Debtors	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	906	906
Prepayments and accrued income	203,024	2
	203,930	908

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	861	865
Trade creditors	60	6,483
Accruals and deferred income	173,847	202,880
	<u>174,768</u>	<u>210,228</u>

18 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Accruals and deferred income	197,030	128,876
	<u>197,030</u>	<u>128,876</u>

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £1,542 (2020 - £1,295).

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 July 2019	Incoming resources	Balance at 1 July 2020	Incoming resources	Balance at 30 June 2021
	£	£	£	£	£
Mrs. C B Gleave (deceased) fund	13,427	-	13,427	-	13,427
	<u>13,427</u>	<u>-</u>	<u>13,427</u>	<u>-</u>	<u>13,427</u>

The restricted fund represents a legacy received by Mersey Kidney Research from the estate of Mrs. Clarisse Bamford Gleave which must be used wholly to provide research into 'Wegeners' and other related diseases.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

21 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 30 June 2021 are represented by:						
Tangible assets	660	-	660	-	-	-
Investments	2,443,579	-	2,443,579	2,111,366	-	2,111,366
Current assets/(liabilities)	297,969	13,427	311,396	204,936	13,427	218,363
Long term liabilities	(197,030)	-	(197,030)	(128,876)	-	(128,876)
	<u>2,545,178</u>	<u>13,427</u>	<u>2,558,605</u>	<u>2,187,426</u>	<u>13,427</u>	<u>2,200,853</u>

22 Capital commitments

There were no capital commitments as at 30 June 2021 (2020 £nil).

23 Related party transactions

There were no disclosable related party transactions during the year (2020 - none) other than those reported in note 9.

24 Other information

A payment of £250,000 was made by the charity during the year ended 30th June 1995, as a grant, for the provision of research facilities at the University of Liverpool over a period of 25 years.

The charity has exercised its right to extend the term by a further 15 years at no extra cost.

25 Analysis of changes in net funds

The charity had no debt during the year.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

26	Cash generated from operations	2021	2020
		£	£
	Surplus/(deficit) for the year	357,752	(426,395)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(85,634)	(107,658)
	(Gain)/loss on disposal of investments	(13,351)	9,112
	Fair value gains and losses on investments	(330,470)	302,851
	Depreciation and impairment of tangible fixed assets	73	-
	Movements in working capital:		
	(Increase)/decrease in debtors	(203,022)	74
	Increase in creditors	32,694	14,304
	Cash absorbed by operations	(241,958)	(207,712)
27	Company limited by guarantee		

The company is limited by guarantee and has no share capital. On winding up of the company each member will contribute £1.