

Charity registration number 1144798 (England and Wales)

Company registration number 7567881

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

KIDNEY RESEARCH NORTHWEST COMPANY LIMITED BY GUARANTEE LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Dr A Crowe
Mr A Hammad
Dr G J Kemp
Dr A Sharma

Charity number (England and Wales)

1144798

Company number

7567881

Registered office

C/o DSG Chartered Accountants
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Independent examiner

DSG
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

KIDNEY RESEARCH NORTHWEST COMPANY LIMITED BY GUARANTEE CONTENTS

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**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2024**

The trustees present their annual report and financial statements for the year ended 30 June 2024.

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 2024

Achievements and performance

Significant activities and achievements against objectives

Phage therapy to treat bacterial urinary tract infections.

Bacteriophages (phages) are viruses that can infect and kill bacteria; therefore, phage therapy is the use of phages as a treatment of bacterial infection. During this project phages that have the ability to infect and kill clinical UTI (urinary tract infection) pathogens from patients in the Northwest were isolated from the environment. These phages were then characterised, and a multitude of experiments carried out to determine how well they work on their own, as well as in mixtures known as a 'phage cocktail'. These experiments determined that some were effective at killing up to 82% of the 150 of the most common bacterial species that cause UTIs (*Escherichia coli*). The phages were also effective at killing the bacteria when it was in human urine as well as when grown as biofilms.

In a collaboration with UKHSA, these phages helped to verify that a new, state of the art rapid diagnostic test can be used to find out if bacteria are sensitive or resistant to within 2hrs. This test has also been used to test for antibiotic resistance and there are plans to roll this machine out to NHS hospitals in the future.

The researcher on the grant got an opportunity to visit a laboratory in Australia that is pleading "Phage Australia", an initiative to give phages to people who need it most, who have no other treatments left to take. The researcher learnt about the methods they use to make phages to a safe standard. Our team has also been working with MHRA to look into phage therapy guidance and manufacturing requirements for them to be a safe medicine. Following on from the success of this project, we were able to get funding to collaborate with an government catapult (CPI) to scale up the manufacture of phages and ensure they are to a standard that the UK government deem to be appropriate to use in clinical trials within the UK. This means we are now working towards phage therapy being an accessible option to treat UTIs in the future.

The project is due to complete in September 2024.

Developing a human kidney cell model of vancomycin-induced kidney injury to support translational research

Despite our best efforts, the medicines we use to treat our patients can sometimes cause damage to their kidneys. In this project we have focussed on trying to understand better the damage caused to the kidney by an antibiotic called vancomycin. Vancomycin is a very useful antibiotic, particularly as it has activity against a type of resistant bacteria called MRSA (methicillin-resistant staphylococcus aureus), but it can cause acute kidney injury (AKI) in some patients (16% of patients at Alder Hey when we measured this).

Thanks to the funding we have been able to continue working with a human kidney cell line called conditionally-immortalised proximal tubule epithelial cells (ciPTECs). The proximal tubule of the kidney is the part injured by vancomycin (and many other medications) therefore this cell line can help us understand what is happening in our patients. Using these cells our team has been able to show that increasing amounts of vancomycin cause increasing amounts of injury and death in these cells. We have tried to protect these cells by also treating them with other medications (cilastatin, rosuvastatin, montelukast) which we hoped may stop the vancomycin from getting into the cells and causing damage. However, these had no impact on the effect of vancomycin, and it seems able to enter the cells by a variety of different routes. Whatever the route by which vancomycin enters the cells, we have shown that it causes an increase in reactive oxygen species, which then lead to damage and death in the cells. We have shown that adding an antioxidant (ascorbic acid or N-acetylcysteine) led to reduced levels of these reactive oxygen species, although again there was no difference in the amount of cell death.

In conclusion, this funding has allowed us to gain experience using the ciPTEC cell line, to show that we can replicate in the cell model, the kidney injury that we see with vancomycin in patients, and to test various approaches to protecting the kidneys. Whilst we have not yet identified a potential way to reduce vancomycin toxicity, this cell model promises to remain a valuable resource in investigating the kidney injury caused by a variety of other medications.

This project is due to complete in July 2024.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

Jointly funded project with North West Cancer Research - Investigating whether Chemotherapy-induced Senescence affects the behaviour of cancer stem cells in Wilm's Tumour

Following approval in September 2021, the project commenced in January 2022. The project is on track with the first 10 tissues to arrive for analysis and have been trouble shooting protocols for immunocharacterisation. This should all be operational before the summer of 2023, so this is a hot phase right now. A meeting with the PDRA is scheduled and a meeting with the team in June where they will take stock of progress and discuss optimising direction and interpretation of data.

To address aim 1 of the project, to determine the incidence of cancer stem cells and senescent cells, we have obtained primary tumour nephrectomy specimens from Alder Hey Children's Hospital Liverpool (AHCH) and Royal Manchester Children's Hospital (RMCH). We are expecting that more samples will be made available in the coming weeks. We have generated paraffin sections of the tissues and performed immunohistochemistry and immunofluorescence for the presence of cancer stem cell markers NCAM and ALDH1, kidney progenitor markers PAX2 and SIX2, and senescence associated markers bGal (SA bGal), and senescence-associated secretory phenotype (SASP) molecules IL6, IL8, p53, p21 and p16. Some of these have generated highly novel results at excellent quality and are the basis for a publication. However, while we have a good overview of the arrangement of CSC and kidney progenitor markers within the blastemal remnants in the tumour tissue we are lacking a reliable assessment of the SASP/senescence associated markers. To address this, we are planning to perform a Hyperion imaging analysis using metal conjugated antibodies which allow us to characterise the spatial WT cancer microenvironment. We are currently applying for a University Voucher to obtain match funding for access and support of the Hyperion experiments within the Liverpool Shared Research Facilities (LIV-SRF).

To address aim 2, we have received 2 different fresh-frozen nephrectomy tissues from Alder Hey Hospital. Using these WT tissues we successfully establish 3D WT organoids and evaluated them by examining the expression of blastema, epithelial, and stromal markers. We are currently awaiting additional tissue samples to conduct further assessments on these organoids but this depends on the surgical calendar of the team at the hospital.

In summary, the NWCR/KRNW award has been an excellent opportunity for us to generate data and establish networks within the WT field.

This project is due to complete in January 2025.

**Expanding the scope of HLA-specific antibody detection and monitoring in renal transplant recipients.
(Project No. 52/22) Project started in August 2023.**

Kidney transplantation is a life-saving treatment, but one in five patients experiences rejection within five years from transplantation. Current monitoring methods rely on late-stage detection, often requiring invasive biopsies. Our research at Liverpool University Hospitals focuses on a non-invasive approach and the integration of donor-derived cell-free DNA (dd-cfDNA) into the standard of practice—tiny fragments of DNA released from the transplanted kidney when it is injured. Alongside with this novel biomarker, we are also studying donor-specific antibodies (DSA), which can develop post-transplant and contribute to rejection. By monitoring both dd-cfDNA and dnDSA in our transplant patients, we aim to identify early warning signs of rejection before kidney function declines.

Our pilot study has successfully established a next-generation sequencing (NGS) assay workflow, demonstrating that dd-cfDNA levels correlate with graft injury. In collaboration with our Bioinformatics colleagues at the University of Liverpool, we aim to integrate machine learning algorithms and analyse patterns in blood tests and clinical data, allowing us to predict which patients are most at risk of rejection, and develop a personalised monitoring protocol after transplant.

We are the first UK unit integrating this novel biomarker and approach into a clinical algorithm. We believe our work has the potential to transform kidney transplant monitoring, reduce the need for invasive biopsies, and improve post-transplant outcomes and patient experience.

We have recruited 63% of the target (159 / 258) and to date we have analysed over 500 samples. In March the analysis of the dd-cfDNA proof-of-concept arm of the study (24 high-risk patients at 6- and 12-months post-transplant) will be finished. The industry is supporting our next NGS run 24-26/3/25.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

**Expanding the scope of HLA-specific antibody detection and monitoring in renal transplant recipients.
(Project No. 52/22) Project started in August 2023 (continued).**

We have presented this study in 3 invited talks at International Conferences in Turkey and Thailand, 1 national in Nottingham, 2 regional in Merseyside where we won two prizes (first & second). We have been shortlisted for this years' British Transplantation Society (BTS) Dragons' Den in March with our multicenter study concept arising from our pilot data - OPTIMISE-KT: An Observational multicentre dd-cfDNA PlatForm study: IMproving Standard of carE - Kidney Transplant.

**Use of inverse vulcanized sulfur polymers for prevention of catheter-associated urinary tract infections
(Project No. 53/22) Project started July 2023.**

Urinary tract infections (UTIs) are the second most common hospital-acquired infection in the UK, with 50% of those infection occurring in those who are catheterised. UTIs can lead to serious and sometime life-threatening renal complications, including pyelonephritis and urosepsis. End-stage chronic kidney disease requires hemodialysis, and hemodialysis patients with a catheter have a 2-3 fold increased risk of hospitalisation and death as compared to those with an arteriovenous fistula or graft. Thus, there is a pressing need to identify strategies to reduce the likelihood of catheter-associated infections. Preventing bacterial colonisation of catheter materials is one such strategy.

With the support of funding from Kidney Research North West, we have developed a set of sulfur polymers, produced by a process known as inverse vulcanisation, that have potent antibacterial properties. These polymers can be used as material coatings or in nanoparticle formulations for dispersal onto surfaces. The polymers are produced from elemental sulfur, which is a cheap and readily available waste product of the petrochemicals industry. The support from KRNW has enabled us to optimise formulations for coating onto catheter surfaces and we have demonstrated that we can produce flexible and robust polymer-coated catheters that display antimicrobial activity against important UTI pathogens, including *E. coli* and *Pseudomonas aeruginosa*. We are currently testing the effectiveness of these catheters under conditions that mimic urinary flow. We are assessing whether the coatings can prevent the formation of 3D multicellular bacterial communities known as biofilms. Biofilms are highly resistant to both antimicrobial treatment and removal by detergents and they represent a major infectious disease challenge in hospital settings. Catheter coatings that might prevent biofilm formation would represent an important breakthrough. The remainder of the project will focus on demonstration of anti-biofilm activity and on testing the compatibility (i.e. safety) of the polymers for use with mammalian cells.

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.

Financial review

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

Total income for the year was £492,863, compared with £129,324 for the previous year which included £108,332 (2023 £120,303) of income on the investment portfolio and on surplus funds. Total expenditure during the year was £91,275 (2023 £316,199) which included £nil (2023: £231,167) of contracted research project costs net of releases from prior commitments. There was a surplus of £401,588 (2023: deficit of £186,875) for the year before investment gains and losses. Investment gains totalling £90,364 (2023: losses of £174,430) comprised a realised loss on the disposal of investments amounting to £186 (2023: £1,672), and unrealised gains of £90,550 (2023: losses of £172,758). The result is a surplus of £491,952 (2023: deficit £361,306) for the year ended 30 June 2024.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

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 2024 free reserves amounted to £509,149 which meets the trustees' target based on 2023/24 expenditure levels.

Investment policy

The constitution authorises the trustees to make and hold investments using the general funds of the charity. 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 £120,303 (2022: £107,543), slightly ahead of the target. The charity has regard to ethical considerations whereby no direct investments are permitted in companies that are directly involved in Armaments or Tobacco production.

Major risks

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.

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.

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 Crowe
Mr A Hammad
Dr G J Kemp
Dr A Sharma

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

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.

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.

Organisational structure

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.

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.

Small company provisions

This report has been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

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



Mr A Hammad
Trustee

25 March 2025

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
*FOR THE YEAR ENDED 30 JUNE 2024***

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.

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

I report to the trustees on my examination of the financial statements of Kidney Research Northwest (the charity) for the year ended 30 June 2024.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



**Jean Ellis BA FCA CTA
DSG**

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Dated: 25 March 2025

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	3	384,531	-	384,531	9,021	-	9,021
Investments	4	108,332	-	108,332	120,303	-	120,303
Total income		492,863	-	492,863	129,324	-	129,324
Expenditure on:							
Raising funds	5	31,192	-	31,192	41,345	-	41,345
Charitable activities	6	60,083	-	60,083	274,854	-	274,854
Total expenditure		91,275	-	91,275	316,199	-	316,199
Net gains/(losses) on investments	12	90,364	-	90,364	(174,430)	-	(174,430)
Net income/(expenditure) and movement in funds		491,952	-	491,952	(361,305)	-	(361,305)
Reconciliation of funds:							
Fund balances at 1 July 2023		2,017,746	13,427	2,031,173	2,379,051	13,427	2,392,478
Fund balances at 30 June 2024		2,509,698	13,427	2,523,125	2,017,746	13,427	2,031,173

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET
AS AT 30 JUNE 2024**

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		219		366
Investments	15		2,306,287		2,151,564
			<u>2,306,506</u>		<u>2,151,930</u>
Current assets					
Debtors	17	372,818		-	
Cash at bank and in hand		196,087		413,887	
		<u>568,905</u>		<u>413,887</u>	
Creditors: amounts falling due within one year	18	(223,591)		(329,935)	
Net current assets			<u>345,314</u>		<u>83,952</u>
Total assets less current liabilities			<u>2,651,820</u>		<u>2,235,882</u>
Creditors: amounts falling due after more than one year	19		(128,695)		(204,709)
Net assets			<u>2,523,125</u>		<u>2,031,173</u>
The funds of the charity					
Restricted income funds	21		13,427		13,427
Unrestricted funds			2,509,698		2,017,746
			<u>2,523,125</u>		<u>2,031,173</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 25 March 2025



Mr A Hammad
Trustee

Company registration number 7567881 (England and Wales)

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

1 Accounting policies

Charity information

Kidney Research Northwest is a private company limited by guarantee incorporated in England and Wales. The registered office is C/o DSG Chartered Accountants, Castle Chambers, 43 Castle Street, Liverpool, L2 9TL.

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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 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, 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 or grantors 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.

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.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

1 Accounting policies

(Continued)

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.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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:

- Raising funds.
- 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.

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 straight line
Computers	33% per annum straight line

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 the statement of financial activities.

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 2024**

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 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.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

1 Accounting policies (Continued)

1.12 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 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	11,713	9,021
Legacies	372,818	-
	<u>384,531</u>	<u>9,021</u>

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from listed investments	97,891	112,964
Interest receivable	10,441	7,339
	<u>108,332</u>	<u>120,303</u>

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

5 Raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Support costs	28,043	28,705
Investment management	3,149	12,640
	<hr/>	<hr/>
Total costs	31,192	41,345
	<hr/>	<hr/>

6 Charitable activities

	Research projects 2024 £	Research projects 2023 £
Grant funding of activities (see note 7)	-	231,167
Share of support costs (see note 9)	50,759	37,201
Share of governance costs (see note 9)	9,324	6,486
	<hr/>	<hr/>
	60,083	274,854
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds	60,083	274,854
	<hr/>	<hr/>

7 Grants payable

	Research projects 2024 £	Research projects 2023 £
Grants to institutions:		
University of Liverpool	-	231,167
	<hr/>	<hr/>

-

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

8 Support costs allocated to activities

	Total 2024 £	Total 2023 £
Staff costs	59,181	59,268
Depreciation	147	147
Telephone	1,113	984
Bank Charges	66	124
Insurance	731	580
Bookkeeping and Administration	18,507	3,905
Sundry	1,223	778
Printing, Postage and stationary	24	120
Governance	7,134	6,486
	<u>88,126</u>	<u>72,392</u>
	2024 £	2023 £
Governance costs comprise:		
Independent examination fees	3,300	2,350
Legal and professional	3,834	4,045
Statutory Fees	-	91
	<u>7,134</u>	<u>6,486</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 Net movement in funds	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	3,300	2,350
Depreciation of owned tangible fixed assets	147	147
	<u>3,447</u>	<u>2,497</u>

10 Trustees

An amount of £nil (2023 £6,765 including VAT) was charged by Mitchell Charlesworth LLP, Chartered Accountants, during the year for bookkeeping and accountancy services. Mr P L Griffiths (who was a trustee and the Company Secretary until 3 November 2022), is a partner in Mitchell Charlesworth LLP and its successor firm.

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

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

11 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Administration and fundraising	2	2
	<u> </u>	<u> </u>

Employment costs

	2024	2023
	£	£
Wages and salaries	57,448	57,250
Social security costs	390	675
Other pension costs	1,343	1,343
	<u> </u>	<u> </u>
	59,181	59,268
	<u> </u>	<u> </u>

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

The remuneration of key management personnel was as follows:

	2024	2023
	£	£
Aggregate compensation	46,738	46,872
	<u> </u>	<u> </u>

12 Gains and losses on investments

	Unrestricted	Unrestricted
	funds	funds
	2024	2023
	£	£
Gains/(losses) arising on:		
Revaluation of investments	90,550	(172,758)
Sale of investments	(186)	(1,672)
	<u> </u>	<u> </u>
	90,364	(174,430)
	<u> </u>	<u> </u>

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE**
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

14 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 July 2023	2,569	2,182	4,751
At 30 June 2024	2,569	2,182	4,751
Depreciation and impairment			
At 1 July 2023	2,569	1,816	4,385
Depreciation charged in the year	-	147	147
At 30 June 2024	2,569	1,963	4,532
Carrying amount			
At 30 June 2024	-	219	219
At 30 June 2023	-	366	366

15 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£	£	£
Cost or valuation			
At 1 July 2023	2,103,292	48,272	2,151,564
Additions	43,438	-	43,438
Valuation changes	90,550	-	90,550
Movement in cash	-	163,637	163,637
Disposals	(142,902)	-	(142,902)
At 30 June 2024	2,094,378	211,909	2,306,287
Carrying amount			
At 30 June 2024	2,094,378	211,909	2,306,287
At 30 June 2023	2,103,292	48,272	2,151,564

16 Financial instruments

	2024	2023
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	2,094,378	2,103,292

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

17 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Other debtors	372,818	-
	<u> </u>	<u> </u>

18 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	-	2,391
Trade creditors	-	6,531
Accruals and deferred income	223,591	321,013
	<u> </u>	<u> </u>
	<u>223,591</u>	<u>329,935</u>

Included in accruals and deferred income are grant commitments of £218,727 (2023: £312,550).

19 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Accruals and deferred income	128,695	204,709
	<u> </u>	<u> </u>

Included in accruals and deferred income are grant commitments of £128,695 (2023: £204,709).

20 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	1,343	1,343
	<u> </u>	<u> </u>

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.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 July 2023	At 30 June 2024
	£	£
Mrs C B Gleave (deceased) fund	13,427	13,427
	<u> </u>	<u> </u>

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

21 Restricted funds (Continued)

Previous year:	At 1 July 2022	At 30 June 2023
	£	£
Mrs C B Gleave (deceased) fund	13,427	13,427

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

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 July 2023	Incoming resources	Resources expended	Gains and losses	At 30 June 2024
	£	£	£	£	£
General funds	2,017,746	492,863	(91,275)	90,364	2,509,698
Previous year:	At 1 July 2022	Incoming resources	Resources expended	Gains and losses	At 30 June 2023
	£	£	£	£	£
General funds	2,379,051	129,324	(316,199)	(174,430)	2,017,746

23 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	2024	2024	2024
	£	£	£
At 30 June 2024:			
Tangible assets	219	-	219
Investments	2,306,287	-	2,306,287
Current assets/(liabilities)	331,887	13,427	345,314
Long term liabilities	(128,695)	-	(128,695)
	2,509,698	13,427	2,523,125

**KIDNEY RESEARCH NORTHWEST
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024**

23 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 30 June 2023:			
Tangible assets	366	-	366
Investments	2,151,564	-	2,151,564
Current assets/(liabilities)	70,525	13,427	83,952
Long term liabilities	(204,709)	-	(204,709)
	<u>2,017,746</u>	<u>13,427</u>	<u>2,031,173</u>

24 Related party transactions

There were no disclosable related party transactions during the year (2023 - none) other than those reported in notes 10 and 11.

25 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 exercised its right to extend the term by a further 15 years during 2020 at no extra cost.