

**The Child Health Research
Charitable Incorporated
Organisation**

Report and financial statements

31 July 2022

Charity Registration Number
1152623

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Trustees	Mr A Clark (Chairman) Mr H Clarke (appointed 1 February 2023) Professor A J Copp Professor H Cross (appointed 1 September 2022) Ms A David (resigned 31 October 2022) Professor D Goldblatt Mr H Snow (appointed 8 March 2022) Professor R Smyth (resigned 1 September 2022) Ms H Vinnicombe Ms L Gibson (appointed 29 July 2022)
Finance Committee	Mr A Clark (Chairman) Ms L Gibson Mr H Snow Professor H Cross Ms H Vinnicombe
Registered office	UCL GOS Institute of Child Health 30 Guilford Street London WC1N 1EH
Charity registration number	1152623
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	The Royal Bank of Scotland plc 280 Bishopgate London EC2M 4RB
Solicitors	Birketts LLP 106 Leadenhall St London EC3A 4AA

Investment managers	Veritas Investment Management LLP 90 Long Acre London WC2E 9RA
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The Trustees present their Annual Report together with the financial statements of the Child Health Research Charitable Incorporated Organisation (“the CHR CIO”) for the year ended 31 July 2022. The financial statements have been prepared in accordance with the accounting policies set out on pages 19 to 22 and comply with the Charity’s Constitution, the Charities Act 2011 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 United Kingdom and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The CHR CIO is a registered charity number 1152623 governed by its Constitution dated 11 May 2022.

The principal objects of the CHR CIO are to support the UCL Great Ormond Street Institute of Child Health (“GOS ICH”) in its mission to improve the health and wellbeing of children and the adults they will become through world-class research, education, and public engagement. GOS ICH is, with its clinical partner Great Ormond Street Hospital for Children NHS Foundation Trust (“GOSH”), Europe’s leading centre for child health research and education.

The CHR CIO does not actively fundraise but relies mainly on its investments to meet its objectives.

Meetings of the Trustees are convened on at least three occasions per annum. At these meetings, the Trustees agree the broad strategy and areas of activity for the CHR CIO, including consideration of grant making, investment, reserves and risk management policies and performance. At these meetings the Trustees also consider reports on the outcomes of the CHR CIO’s spending programmes. Trustees also receive verbal reports on selected programmes from the PhD students supported by their supervisor.

The Finance Committee (formerly the Investment Sub-Committee) convenes at least twice per annum and reports regularly to the main Board of Trustees. The Finance Committee is responsible for reviewing the financial statements in detail before approval by the main Board, as well as monitoring the external investment managers regarding the investment portfolio performance and giving advice regarding the cash flow of the CHR CIO.

Trustees are recruited by introductions from existing Trustees and others who are familiar with the work of the CHR CIO. Prospective Trustees are interviewed by the Chairman and Director of GOS ICH and asked to submit a CV for review at a Trustees’ Meeting. Candidates must be elected by at least a 75% majority of Trustees.

New Trustees are provided with information concerning the finances, fundraising activities, and grant-making policies of the CHR CIO. Those who are not familiar with the legal obligations and responsibilities of a Trustee are provided with information published by the Charity Commission. Further induction is given to new Trustees by meetings with key members of the GOS ICH staff.

KEY MANAGEMENT

The Trustees consider that they, together with the GOS ICH Finance Manager and Institute Manager, comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the CHR CIO on a day-to-day basis.

None of the Trustees receive any remuneration in respect to their services as Trustees.

All staff, including the key management personnel, are employed by the GOS ICH and their remuneration is set by their employers.

The GOS ICH Finance Manager and the Institute Manager are employees of GOS ICH and their services are provided through a recharge agreement between GOS ICH and the CHR CIO. Every month an allocation of their salary is recharged to the CHR CIO (10% in the case of the Finance Manager and 7% of the Institute Manager).

OBJECTIVES AND ACTIVITIES

The purposes (objects) of the CHR CIO are, in such ways as the Trustees think fit, to:

- 1) Advance health in children and the adults they become by supporting research into children's health and wellbeing including pre-natal development and external factors impacting thereon; and
- 2) Advance education by supporting teaching, training and public engagement in children's health including by supporting the mission of the GOS ICH to the extent it is charitable.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the CHR CIO's aims and objectives and in planning future activities and setting the grant making policy for the year.

The CHR CIO carries out these objects by:

- ◆ Funding research into the causes and prevention of children's diseases. The research funded is both pure and applied/translational with the aim of eliminating suffering of children everywhere. The CHR CIO funds salaries of several Professors, Senior Lecturers/Consultants, and other grades of staff where their research activity will further the objects of the charity.
- ◆ Providing funds to enable postgraduate studentships to be undertaken at the GOS ICH, focussing on a wide range of paediatric research and education.

By focusing on these areas, the charity can meet its strategic objectives and priorities.

OBJECTIVES AND ACTIVITIES (continued)

The Charity has the following restricted funds which support various academic research projects:

- ◆ Research into Eye Disease (Help a Child to See)
- ◆ Children's Eye Group Travelling Fellowship (Claude Worth Fund)
- ◆ Caring for Kids Fund for a Research Lecturer in kidney disease
- ◆ PKU Research (Phenylketonuria – a genetic disorder)
- ◆ Genetics fund (Jeans for Genes)
- ◆ Dermatomyositis Research
- ◆ Chair of Childhood Epilepsy
- ◆ Simpson-Smith Travelling Fellowship
- ◆ Department of Paediatric Surgery
- ◆ Anne Hamilton Award
- ◆ Siemens Nuclear Medical Research
- ◆ Kidney Research Williams Bequest
- ◆ Simpson-Smith Memorial Lectureship
- ◆ Chair of Developmental Biology
- ◆ Gertrude Marshall Atkins (multiple handicap)
- ◆ Seakins Travel Fund
- ◆ Chair of Cancer Biology
- ◆ Medical Molecular Biology Fund
- ◆ John Lipscombe Memorial Travel Award
- ◆ Chair of Developmental Neurobiology
- ◆ Bill Marshall Memorial Fund
- ◆ Roland Levinsky Studentship
- ◆ Wheeler Scholarship Fund
- ◆ Cystic Fibrosis Fund

The funding for these restricted funds is undertaken by individual fund holders and their supporters.

ACHIEVEMENTS AND PERFORMANCE

During the year, the CHR CIO received a generous donation from the Wheeler family to fund a Masters Student's fees on the MSC Paediatrics in Child Health with Clinical Practice. This arrangement is anticipated to continue for at least another three years.

ACHIEVEMENTS AND PERFORMANCE (continued)

The CHR CIO continues to support early career researchers at the GOS ICH through funding 3-year PhD studentships. The CIO also continued to provide funding for several senior academic positions at the GOS ICH to support their work on child health. The CIO also restarted its summer studentship programme, which in recent years had been halted by the COVID-19 pandemic.

The CHR CIO offered a new international PhD project in collaboration with the University of Toronto/SickKids Hospital. The PhD student will spend up to 12 months on placement there as part of their second year PhD studies. In return, a University of Toronto student will also spend up to 12 months at the GOS ICH and GOSH.

A recurring grant was made this year as support for 10 bursaries for Postgraduate Students on courses run by the GOS ICH. This was aimed to encourage widening participation in postgraduate education. Each bursary was worth £3,000 to support the fees of each student.

GRANT MAKING POLICY

The charity has established a grant making policy to achieve its objects for the public benefit to improve the lives of children everywhere, namely finding better ways of diagnosing and treating sick children through research and then using those findings to improve health outcomes of those children throughout the world. The charity's research programmes support students, academic and academic related staff at the GOS ICH and GOSH to find new pioneering cures for many rare diseases which affect children. With new knowledge and understanding, children's lives can be improved significantly.

The Director of the GOS ICH receives proposals for funding from members of the GOS ICH and GOSH. These are reviewed for scientific quality and to make sure they align with the strategic research objectives of both Institutions. Once endorsed by the Director these are submitted to the charity for consideration and approval. Any grant applications are considered by the Board of Trustees before award letters are issued on behalf of the charity. This applies to applications against both restricted and unrestricted funds.

The projects are often for pump-priming, initial ideas and data collection before a full application is made to an external awarding body. The charity provides funds for bridging and infrastructure support (including building projects, laboratory refurbishments and equipment).

INVESTMENT POLICY AND PERFORMANCE

Under the terms of the Constitution, the Trustees have absolute discretion to manage and organise the charity's investments. The Trustees, through the Finance Committee, have appointed Veritas Investment Management LLP to manage (with discretionary powers) the Child Health Research CIO portfolio.

INVESTMENT POLICY AND PERFORMANCE (continued)

The charity has a Statement of Investment Principles which has been approved by the Trustees. This statement includes the following stipulations regarding the specific investment objectives:

- ◆ Investments are to be held to create real returns over the investment horizon of a rolling 5-year period, whilst maintaining the ability to draw income and capital where necessary.
- ◆ A Primary Benchmark of UK CPI + 4% on a rolling 5-year basis (net of fees) will be applied.
- ◆ The Trustees anticipate withdrawals of between £1 - £1.5m per annum, to be met through a mixture of capital returns and income.
- ◆ A mix of assets, as detailed in the investment management agreement, may be used by the investment managers to achieve the investment objectives.
- ◆ The investment managers must incorporate into their investment process consideration of issues of Socially Responsible Investment (SRI) as well as factors of Environmental, Social and Governance (ESG), alongside other elements which form such a process and which govern subsequent portfolio construction, stock selection and benchmark adoption.
- ◆ The Trustees accept a medium risk investment profile in the achievement of their objectives.

The Statement of Investment Principles includes the following Specific Investment Restrictions:

- ◆ No investments are permitted in either the debt or equity of manufacturers of armaments, milk powder, tobacco or fossil fuel producing companies.
- ◆ No investments are permitted in pooled funds without the prior approval of the Finance Committee.
- ◆ The investment managers should also carefully consider before making any investments that are indirectly associated with the above restrictions. If there is any doubt, the investment managers should seek the permission of the Finance Committee before any investment is made.

The Statement of Investment Principles will be subject to review as required by the Finance Committee and amendments will be advised in writing to the investment managers when applicable.

The Finance Committee meets at least half yearly to review the performance of the portfolio and the Investment Manager. The Investment Manager presents a report of the investment portfolio at each of these meetings.

INVESTMENT POLICY AND PERFORMANCE (continued)

The charity adopts a cautious approach given the uncertainties in the bond and equity markets. Turning to equities, the charity places emphasis on those companies whose abiding characteristic is to generate sustainable and growing cash flows whatever the state of the world economy. There is a focus on long term structural and demographic changes that inform investment decisions.

The total return for the 12 months to 31 July 2022 was 4.04% (2021: 21.3%) which was below the primary benchmark of 8.7% and above the ARC (Asset Risk Consultants) Sterling Equity Risk Index of -4.9%. The total return for FTSE All Share Index was an increase of 5.5% (2021: increase of 18.5%), MSCI All Countries World Equity Index (£) 2.3% (2021: 27.3%) and BofA MLynch £ Corporates (1-10 Y) -8.3% (2021: 3.6%).

FINANCIAL REVIEW

The Statement of Financial Activities shows a deficit of £989,918 (2021: surplus of £2,134,028) after investment gains for the year ended 31 July 2022. The figure excluding net investment gains was a deficit of £1,408,564 (2021: deficit of £967,368). Grants payable for the year totalled £1,547,803 (2021: £1,281,580).

The net current liability position on the balance sheet of £1,034,180 (2021: net current liability of £237,010) is a reflection of the accounting policy that makes full provision for multi-year grants when they are committed. However, the charity maintains a strong cash position and has adequate funds to meet these liabilities as they fall due over the duration of the grants.

A detailed analysis of grants payable highlighted that several grants had been incorrectly previously classified as unrestricted in previous years, despite meeting the requirements of restricted funds. A prior year adjustment to reallocate grant expenditure totalling £1,351,676 from unrestricted to restricted funds in respect of 18 grants made since 2016 was discussed with and subsequently approved by the Board of Trustees. The apportionment of investment management fees, investment income and unrealised and realised gains/losses was also recalculated as they are apportioned between the funds based on an average of the opening and closing balances. As a result, total unrestricted funds, total restricted funds and total endowment funds as at 31 July 2021 have been restated to £4,170,050, £9,022,689 and £4,435,358, respectively, compared to £2,507,289, £10,820,576 and £4,300,232 per the 2021 signed accounts.

RESERVES POLICY AND FINANCIAL POSITION

As stated above, the charity's primary objective is providing funds for research at the GOS ICH. Research, by its very nature, requires a long term commitment to resources for success.

The Trustees believe that in normal circumstances, the charity needs between £1million to £2million of unrestricted reserves to take into account expenditure requirements and income fluctuation that may arise.

RESERVES POLICY AND FINANCIAL POSITION (continued)

At 31 July 2022, the charity had total funds of £16,638,179 (2021: £17,628,097). Of these, £8,797,150 (2021 restated: £9,022,689) were restricted and £4,533,260 (2021: restated £4,435,358) were endowment funds. Unrestricted funds, which constitute the charity's free reserves, were £3,307,769 (2021 restated: £4,170,050).

The Trustees consider the level of general reserves (unrestricted funds of £3,307,769) are appropriate, taking into account their continuing commitments.

The charity has sufficient cash resources to meet its obligations both from the restricted and unrestricted funds but further cash requirements can be met by initially transferring monies held with the Investment Manager and subsequently realising investment assets.

RISK MANAGEMENT

The charity has for many years adopted a risk assessment policy as part of its strategic plan in meeting its principal objectives. The major risks to which the charity is exposed have been evaluated and systems have been established to lessen and where possible, eliminate these risks.

The key risks for the charity, as identified by the Trustees, are described below together with the principal ways in which they are mitigated:

Conflict of interest – Trustees may have a conflict of interest between their duties to the charity and their relationship with the GOS ICH. Such a conflict may arise in, for example, a decision in relation to a funding bid of which a Trustee's department would be a beneficiary. This is mitigated by keeping the conflicts of interest register up to date and following procedures for Trustees to abstain from certain decisions if this is deemed necessary.

Portfolio management – There is a risk that there are unsatisfactory returns from the investment portfolio. This is mitigated by regular monitoring of the financial returns achieved during biannual Finance Committee meetings.

Monitoring of returns on investment – There is a risk that once a grant is awarded, for example to a PhD student, that the outputs from the research may not be as expected. To mitigate this risk, the Trustees work closely with clinical experts to determine the most appropriate projects for grant funding.

FUNDRAISING

The charity does not actively fundraise but does receive funding from a variety of sources including donations and legacies.

FUTURE PLANS

The CHR CIO intends to continue to make regular research grants to the GOS ICH. These grants will be for strategic initiatives, PhD studentships, summer vacation studentships, and to support staff salaries. The CHR CIO will also continue to provide transitional funding to support the salaries of exceptional academics through its Child Health Excellence Fellowship. Grants will also be made for one-off capital expenditure where agreed by the Trustees.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Principles).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and the group and of the income and expenditure of the group for that period. In preparing financial statements, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. The Trustees are responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 15/03/2023 and signed on their behalf by Adrian Clark



Chairman

Independent auditor's report to the trustees of The Child Health Research Charitable Incorporated Organisation

Opinion

We have audited the accounts of The Child Health Research Charitable Incorporated Organisation (the 'charity') for the year ended 31 July 2022 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 July 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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:

- ◆ 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 Charity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- ◆ 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 Charity, including the Charities Act 2011, data protection legislation, anti-bribery, 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 charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to 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;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;

Auditor's responsibilities for the audit of the accounts (continued)

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

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

As a result of our procedures we did not identify any key audit matters relating to irregularities.

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 for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date 30 March 2023

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities 31 July 2022

	Notes	Un-restricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £	Total funds 2021 Restated £
Income from:						
Donations and legacies	1	1,320	26,851	—	28,171	87,571
Investments	2	69,100	216,192	—	285,292	400,691
Total income		70,420	243,043	—	313,463	488,262
Expenditure on:						
Raising funds	3	39,964	134,260	—	174,224	174,050
Charitable activities						
. Grants payable	4	994,137	553,666	—	1,547,803	1,281,580
Total expenditure		1,034,101	687,926	—	1,722,027	1,455,630
Net (expenditure) for the year before transfers and gains on investments		(963,681)	(444,883)	—	(1,408,564)	(967,368)
Net gains on investment assets	7	101,400	219,344	97,902	418,646	3,101,396
Net (expenditure) income and net movement in funds		(862,281)	(225,539)	97,902	(989,918)	2,134,028
Reconciliation of funds:						
Total fund balances brought forward at 1 August						
. As previously stated		2,507,289	10,820,576	4,300,232	17,628,097	15,494,069
. Prior year adjustment (note 18)		1,662,761	(1,797,887)	135,126	—	—
. As restated		4,170,050	9,022,689	4,435,358	17,628,097	15,494,069
Total fund balances carried forward at 31 July		3,307,769	8,797,150	4,533,260	16,638,179	17,628,097

All of the charity's activities were from continuing operations in the above two financial periods.

The charity has no recognised gains or losses other than those included in the Statement of Financial Activities.

The notes on pages 23 to 31 form an integral part of these financial statements.

Statement of financial activities 31 July 2021

	Notes	Un-restricted funds Restated £	Restricted funds Restated £	Endowment funds Restated £	Total funds 2021 Restated £
<i>Income from:</i>					
Donations and legacies	1	59,141	28,430	—	87,571
Investments	2	102,270	298,421	—	400,691
Total income		161,411	326,851	—	488,262
<i>Expenditure on:</i>					
Raising funds	3	46,194	127,856	—	174,050
Charitable activities					
. Grants payable	4	490,349	791,231	—	1,281,580
Total expenditure		536,543	919,087	—	1,455,630
<i>Net (expenditure) for the year before transfers and gains on investments</i>		<i>(375,132)</i>	<i>(592,236)</i>	<i>—</i>	<i>(967,368)</i>
Transfers		(124,550)	124,550	—	—
Net gains on investment assets	7	791,592	1,510,333	799,471	3,101,396
Net income and net movement in funds		291,910	1,042,647	799,471	2,134,028
<i>Reconciliation of funds:</i>					
<i>Total fund balances brought forward at 1 August</i>					
. As previously stated		2,812,566	9,044,075	3,637,429	15,494,070
. Prior year adjustment (note 18)		1,065,575	(1,064,033)	(1,542)	—
. As restated		3,878,141	7,980,042	3,635,887	15,494,070
Total fund balances carried forward at 31 July		4,170,050	9,022,689	4,435,358	17,628,097

Balance sheet 31 July 2022

	Notes	2022 £	2021 Restated £
Fixed assets			
Investments	7	18,725,125	18,966,273
Current assets			
Debtors	8	23,704	18,613
Cash at bank		1,080,273	1,482,856
		1,103,977	1,501,469
Liabilities			
Creditors: amounts falling due within one year	9	(2,138,157)	(1,738,479)
Net current (liabilities)		(1,034,180)	(237,010)
Total assets less current liabilities		17,690,945	18,729,263
Creditors: amounts falling due after more than one year	10	(1,052,766)	(1,101,166)
Net assets		16,638,179	17,628,097
The funds of the charity:			
Unrestricted funds	11	3,307,769	4,170,050
Restricted funds	12	8,797,150	9,022,689
Endowment funds	13	4,533,260	4,435,358
Total charity funds		16,638,179	17,628,097

Approved by the Trustees on 15/03/2023 and signed on their behalf by Adrian Clark

AS Clark

Chairman

The notes on pages 23 to 31 form an integral part of these financial statements.

Statement of cash flows 31 July 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(1,347,671)	(1,363,940)
Cash flows from investing activities:			
Investment income		285,292	400,691
Proceeds from the disposal of investments		3,881,595	4,585,538
Purchase of investments		(1,612,867)	(3,255,017)
Net cash provided by investing activities		2,554,020	1,731,212
Change in cash and cash equivalents in the year		1,206,349	367,272
Cash and cash equivalents at 1 August	B	2,113,417	1,746,145
Cash and cash equivalents at 31 July	B	3,319,766	2,113,417

Notes to the statement of cash flows for the year to 31 July

A Reconciliation of net movement in funds to net cash (used in) operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	(989,918)	2,134,028
Adjustments for:		
Gains on investments	(418,646)	(3,101,396)
Investment income	(285,292)	(400,691)
(Increase) in debtors	(5,091)	(18,613)
Increase in creditors	351,276	22,732
Net cash used in operating activities	(1,347,671)	(1,363,940)

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	1,080,273	1,453,724
Cash held by investment managers	2,239,493	659,693
Total cash and cash equivalents	3,319,766	2,113,417

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 July 2022.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the liability for multi-year grant commitments; and
- ◆ the apportionment of investment income, gains and losses between funds.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 July 2023 the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information).

Assessment of going concern (continued)

The net current liability position on the balance sheet of £950,409 (2021: net current liability of £237,010) is a reflection of the accounting policy that makes full provision for grants when they are committed. However, the charity maintains a strong cash position and has adequate funds to meet these liabilities as they fall due over the duration of the grants.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and other income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment 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. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and administration costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and support costs, including governance costs.

Expenditure recognition (continued)

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the financial statements.

The provision of a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments and settlement is probable.

All expenditure is stated inclusive of irrecoverable VAT.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Funds

Unrestricted funds are those available for the general purposes of the Charity and their use is set out in the Constitution.

Restricted funds are those funds whose purposes have been restricted by the donor to specific areas of research as set out in note 12.

Endowment funds are those funds whose purposes have been endowed by the donor to a specific area of research and where the capital is not expendable as set out in note 13.

Income from investments, expenditure on administration fees, investment management fees and gains and losses on investments are apportioned to the active restricted and unrestricted funds on the basis of the average value of each fund during the year.

1 Donations

	2022 £	2021 £
Donations and legacies		
. Unrestricted funds	1,320	59,141
. Restricted funds	26,851	28,430
	28,171	87,571

2 Investment income

	2022 £	2021 Restated £
Dividends and interest receivable		
. Unrestricted funds	69,100	102,270
. Restricted funds	216,192	298,421
	285,292	400,691

3 Expenditure on raising funds

	2022 £	2021 Restated £
Investment management fees		
. Unrestricted funds	36,207	40,127
. Restricted funds	122,998	117,085
Administration		
. Unrestricted funds	3,757	6,067
. Restricted funds	11,262	10,771
	174,224	174,050

4 Expenditure on charitable activities

Unrestricted funds

	2022 £	2021 Restated £
Grants payable		
. Postgraduate studentships	808,774	539,461
. Transition Support	—	76,057
. Other	163,846	—
Grants no longer required	—	(138,150)
Governance costs (note 5)	21,517	12,981
Total unrestricted funds	994,138	490,349

Restricted funds

	2022 £	2021 Restated £
Grants payable		
. Chair of Developmental Neurobiology	62,351	74,585
. Chair of Developmental Biology	—	147,837
. Chair of Childhood Epilepsy	135,090	126,327
. Help a Child to See	59,913	9,726
. Genetics fund	232,000	189,316
. Gertrude Marshall Atkins	—	243,440
. Jim Seakins travel	1,000	—
. Chair of Cancer Biology	2,511	—
. Medical Molecular Biology	60,800	—
Total restricted funds	553,666	791,231
Total funds	1,547,803	1,281,580

The grants included above were all payable to the UCL GOS Institute of Child Health.

5 Governance costs

	2022 £	2021 £
Auditor's remuneration		
. Audit fees – current year	8,025	8,590
. Non-audit fees	2,045	2,280
Legal and bank fees	11,447	2,111
	21,517	12,981

6 Staff costs and numbers and remuneration of key management personnel

The average number of persons working for the charity during the year was as follows:

	2022	2021
Administration (part-time)	3	5

6 Staff costs and numbers and remuneration of key management personnel

(continued)

The aggregate amount of salaries, wages and related costs of employees is comprised as follows:

	2022 £	2021 £
Salaries and wages	9,740	12,255
Social security costs	1,170	1,256
Other pension costs	3,665	2,908
	14,575	16,419

This is a recharge of salary costs from the UCL GOS Institute of Child Health to the Child Health Research CIO as no staff are actually employed by the Child Health Research CIO.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and the ICH Finance Manager and ICH Executive Officer. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £14,575 (2021: £13,608).

No trustee received any form of emoluments from the charity during the year (2021: £nil). No trustee has been reimbursed for expenses incurred during the year (2021: £nil).

7 Investments

The investments of the Child Health Research CIO are managed by Veritas Investment Management LLP.

Analysis by type

	2022		2021	
	At cost £	Market value £	At cost £	Market value £
UK – fixed interest	2,939,282	3,081,023	2,760,007	3,003,891
UK – equities	7,256,578	12,941,945	8,696,771	14,907,835
UK – funds	256,536	260,000	256,536	268,800
Overseas – equities	—	—	—	—
Other	184,643	202,664	155,649	155,185
Listed investments total	10,637,039	16,485,632	11,868,963	18,335,711
Cash with brokers	2,239,493	2,239,493	659,693	659,693
Total investments	12,876,532	18,725,125	12,528,656	18,966,273

Movement in listed investments

	2022 £	2021 £
Balance brought forward	18,335,711	16,564,833
Additions during the year	1,612,867	3,255,018
Opening market value of disposals (proceeds: £3,881,595, realised gain: £192,899)	(3,688,696)	(3,992,017)
Unrealised gains	225,750	2,507,877
Balance carried forward	16,485,632	18,335,711

8 Debtors

	2022 £	2021 £
Other debtors	23,704	18,613
	23,704	18,613

9 Creditors: amounts falling due within one year

	2022 £	2021 £
Grants payable	2,099,840	1,681,136
Other creditors	38,317	57,343
	2,138,157	1,738,479

10 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Grants payable	1,052,766	1,101,166
	1,052,766	1,101,166

11 Unrestricted funds

	Balance as at 1 August 2021 Restated £	Income £	Expenditure £	Gains / losses £	Transfers £	Balance as at 31 July 2022 £
Unrestricted funds	4,170,050	70,420	(1,034,101)	101,400	—	3,307,769
	4,170,050	70,420	(1,034,101)	101,400	—	3,307,769

	Balance as at 1 August 2020 Restated £	Income Restated £	Expenditure Restated £	Gains / losses Restated £	Transfers Restated £	Balance as at 31 July 2021 Restated £
Unrestricted funds	3,878,141	161,411	(536,541)	791,589	(124,550)	4,170,050
	3,878,141	161,411	(536,541)	791,589	(124,550)	4,170,050

12 Restricted funds

	Balance as at 1 August 2021 Restated £	Donations £	Investment income £	Grants (approved) released £	Other costs £	Transfers £	Gains (losses) £	Balance as at 31 July 2022 £
Help a Child to See	242,777	—	3,955	(59,913)	(2,290)	—	5,803	190,332
Children's Eye Group Travelling Fellowship (Claude Worth Fund)	274,200	—	—	—	—	—	—	274,200
Caring for Kids	70,186	—	—	—	—	—	—	70,186
Genetics fund	3,831,370	—	69,042	(232,000)	(39,973)	—	101,315	3,729,754
Dermatomyositis Research	64,208	—	—	—	—	—	—	64,208
Chair of Childhood Epilepsy	3,692,420	—	67,360	(135,090)	(38,999)	—	98,846	3,684,537
Simpson-Smith Travelling Fellowship	225,951	—	4,199	—	(2,431)	—	6,161	233,880
Department of Paediatric Surgery	103,693	—	—	—	—	—	—	103,693
Anne Hamilton Award – Prize Studentship	17,743	—	—	—	—	—	—	17,743
Siemens Nuclear Medical Research	34,347	—	—	—	—	—	—	34,347
Kidney Research William Bequest	43,936	—	—	—	—	—	—	43,936
Simpson-Smith Memorial Lectureship	40,894	—	760	—	(440)	—	1,115	42,329
Chair of Developmental Biology	—	—	—	—	—	—	—	—
Chair of Developmental Neurobiology	64,579	—	67,337	(62,351)	(48,078)	—	911	22,398
Gertrude Marshall Atkins	—	—	—	—	—	—	—	—
Jim Seakins Travel Fund	26,822	—	489	(1,000)	(283)	—	718	26,746
Chair of Cancer Biology	2,511	—	—	(2,511)	—	—	—	—
Medical Molecular Biology Fund	60,801	—	—	(60,801)	—	—	—	—
John Lipscombe Memorial Travel Award	36,520	—	679	—	(393)	—	996	37,802
Bill Marshall Memorial Fellowship	351	—	7	—	(3)	—	9	364
Roland Levinsky Studentship	127,226	—	2,364	—	(1,370)	—	3,470	131,690
Wheeler Scholarship	57,977	26,851	—	—	—	—	—	84,828
Cystic Fibrosis	4,177	—	—	—	—	—	—	4,177
	9,022,689	26,851	216,192	(553,666)	(134,260)	—	219,344	8,797,150

* PKU stands for phenylketonuria, a rare genetic condition present from birth.

12 Restricted funds (continued)

The following restricted funds support salary costs of Principal Investigators at the UCL GOS Institute of Child Health:

- ◆ Chair of Developmental Neurobiology (income derived from Glaxo Wellcome endowment fund)
- ◆ Chair of Childhood Epilepsy
- ◆ Chair of Developmental Biology
- ◆ Chair of Cancer Biology

The following restricted funds support travel, research and subsistence costs for students awarded grants from the CIO:

- ◆ Gertrude Marshall Atkins
- ◆ Jim Seakins Travel Fund
- ◆ John Lipscombe Memorial Travel Award
- ◆ Bill Marshall Memorial Fellowship

The following restricted funds support travelling fellowships and memorial lectures where the UCL GOS Institute of Child Health attracts high-quality speakers and researchers to work with the department on a temporary basis:

- ◆ Children's Eye Group Travelling Fellowship (Claude Worth Fund)
- ◆ Simpson-Smith Travelling Fellowship
- ◆ Simpson-Smith Memorial Lectureship

The Genetics fund is an historic award. Jeans for Genes would perform annual fundraising which was allocated to GOSHCC and then subsequently transferred over to the CIO. There is no new income into this fund as the partnership between Jeans for Genes and GOSH has been dissolved.

Other restricted funds are legacy funds that the CIO intends to engage with original donors (where possible) to see if the money can be used more widely than their intended purpose, for example where the research is no longer being carried out at the UCL GOS Institute for Child Health.

12 Restricted funds (continued)

	Balance as at 1 August 2020 Restated £	Donations £	Investment income Restated £	Grants (approved) released Restated £	Other costs Restated £	Transfers Restated £	Gains (losses) Restated £	Balance as at 31 July 2021 Restated £
Help a Child to See	205,287	—	5,694	(9,726)	(2,548)	—	44,070	242,777
Children's Eye Group Travelling Fellowship (Claude Worth Fund)	274,200	—	—	—	—	—	—	274,200
Caring for Kids	70,186	—	—	—	—	—	—	70,186
Genetics fund	3,304,942	—	91,199	(189,316)	(81,343)	—	705,888	3,831,370
Dermatomyositis Research	64,208	—	—	—	—	—	—	64,208
Chair of Childhood Epilepsy	3,102,700	—	86,348	(126,326)	(38,646)	—	668,344	3,692,420
Simpson-Smith Travelling Fellowship	182,871	—	5,195	—	(2,325)	—	40,210	225,951
Department of Paediatric Surgery	103,693	—	—	—	—	—	—	103,693
Anne Hamilton Award – Prize Studentship	17,743	—	—	—	—	—	—	17,743
Siemens Nuclear Medical Research	34,347	—	—	—	—	—	—	34,347
Kidney Research William Bequest	43,936	—	—	—	—	—	—	43,936
Simpson-Smith Memorial Lectureship	33,097	—	940	—	(421)	—	7,278	40,894
Chair of Developmental Biology	23,288	—	—	(147,838)	—	(124,550)	—	—
Chair of Developmental Neurobiology	36,144	—	103,257	(74,585)	15	—	(252)	64,579
Gertrude Marshall Atkins	243,440	—	—	(243,440)	—	—	—	—
Jim Seakins Travel Fund	21,708	—	617	—	(276)	—	4,773	26,822
Chair of Cancer Biology	2,511	—	—	—	—	—	—	2,511
Medical Molecular Biology Fund	49,208	—	1,398	—	(625)	—	—	60,801
John Lipscombe Memorial Travel Award	29,556	—	840	—	(375)	—	6,499	36,520
Bill Marshall Memorial Fellowship	284	—	8	—	(3)	—	62	351
Roland Levinsky Studentship	102,969	—	2,925	—	(1,309)	—	22,641	127,226
Wheeler Scholarship	29,547	28,430	—	—	—	—	—	57,977
Cystic Fibrosis	4,177	—	—	—	—	—	—	4,177
	<u>7,980,042</u>	<u>28,430</u>	<u>298,421</u>	<u>(791,231)</u>	<u>(127,856)</u>	<u>(124,550)</u>	<u>1,510,333</u>	<u>9,022,689</u>

13 Endowment funds

	2022 Total £	2021 Restated Total £
Glaxo Wellcome – Chair of Developmental Neurobiology		
Balance brought forward 1 August 2021	4,435,358	3,635,887
Realised/unrealised gains	97,902	799,471
Balance carried forward 31 July 2022	4,533,260	4,435,358

This endowment was established in 1996 to create a new academic unit of Developmental Neurobiology including a Chair of Developmental Neurobiology. Under the terms of the donation the fund is to be held in perpetuity.

14 Analysis of group net assets between funds

	Investments £	Current assets £	Liabilities £	2022 Total £	2021 Total Restated £
Endowment funds	4,533,260	—	—	4,533,260	4,435,358
Restricted funds	10,620,427	—	(1,823,277)	8,797,150	9,022,689
General funds	3,571,438	1,103,977	(1,367,646)	3,307,769	4,170,050
	18,725,125	1,103,977	(3,190,923)	16,971,951	17,628,097

	Investments Restated £	Current assets Restated £	Liabilities Restated £	2021 Total Restated £	2020 Total Restated £
Endowment funds	4,435,358	—	—	4,435,358	3,878,141
Restricted funds	9,937,126	—	(914,437)	9,022,689	7,980,042
General funds	4,593,789	1,501,469	(1,925,208)	4,170,050	3,635,887
	18,966,273	1,501,469	(2,839,645)	17,628,097	15,494,070

The total unrealised gains as at 31 July 2022 constitutes movements on revaluation and are as follows:

	2022 £	2021 £
Unrealised gains included above:		
On investments	5,848,594	6,437,617
Total unrealised gains at 31 July	5,848,594	6,437,617
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 August	6,437,617	4,665,675
Less: in respect to disposals in the year	(814,773)	(735,935)
	5,622,844	3,929,740
Add: net gains arising on revaluation arising in the year	225,750	2,507,877
Total unrealised gains at 31 July	5,848,594	6,437,617

15 Connected charities

Some of the Trustees of the Charity are also Trustees of the following organisation:

UCL GOS Institute of Child Health – An Institute of University College London (UCL). Its primary objective is the provision of education and medical research.

In addition, these charities share common administrative facilities and hence involve cross charges of expenditure.

16 Taxation

The Child Health Research Charitable Incorporated Organisation is a registered charity and is exempt under Part 11 of the Corporation Tax Act 2010 on its income and S256 Taxation of Chargeable Gains Act 1992 on its capital gains.

The Trust is not registered for VAT and the expenditure includes VAT where applicable.

17 Related parties

Professor Andrew Copp, who is a Trustee of the Charity, has a portion of his salary at the UCL GOS Institute of Child Health funded by the Chair of Developmental Neurobiology (Glaxo Wellcome) endowment fund (note 14).

18 Prior year adjustment

Reconciliation of reported funds	Unrestricted Funds £	Restricted funds £	Endowment funds £	Total funds £
Total funds as 1 August 2020 (as previously stated)	2,812,566	9,044,075	3,637,429	15,494,070
Prior year adjustment				
. Reclassification of income and expenditure	1,065,575	(1,064,033)	(1,542)	—
Total funds at 1 August 2020 (as restated)	3,878,141	7,980,042	3,635,887	15,494,070
Movement in the year to 31 July 2021				
. As previously stated	(305,277)	1,776,502	662,803	2,134,028
. Reclassification of income and expenditure	597,186	(733,854)	136,668	—
. As restated	291,909	1,042,688	799,471	2,134,028
Total funds as at 31 July 2021 (as restated)	4,170,050	9,022,050	4,435,358	17,628,097

The above prior year adjustment reflects a detailed analysis of grants payable that were previously classified as unrestricted. The analysis identified that a certain number of the grants met the requirements of restricted funds. A prior year adjustment has been made to reflect this. The apportionment of investment management fees, investment income and unrealised and realised gains/loss has also been reallocated as they are apportioned between the funds based on an average of the opening and closing balances.