

**ANTIBIOTICS RESEARCH UK -
DEVELOPING NEW ANTIBIOTICS**

UNAUDITED ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2021

Charity number: 1157884

ANTIBIOTICS RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

I N D E X	P A G E
REFERENCE AND ADMINSTRATIVE INFORMATION	1
CHAIR’S INTRODUCTION	3
REPORT OF THE BOARD OF TRUSTEES	4
INDEPENDENT EXAMINER’S REPORT	12
STATEMENT OF FINANCIAL ACTIVITIES	13
BALANCE SHEETS	14
NOTES TO THE ACCOUNTS	15

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name	Antibiotic Research UK – Developing New Antibiotics
Charity Number	1157884
Principal address	Genesis 5 Church Lane Heslington York YO10 5DQ

TRUSTEES

The trustees of the charity are:

Mr S Dukes *	Chair (from 21 October 2021)
Mr N Stalbow	Interim chair (until 1 January 2021)
Mr J A Farmer	Treasurer (resigned 11 April 2022)
Professor C Bond	
Professor C Dowson	
Ms E Lyon *	
Ms Y Thakurdas	(Resigned 1 January 2021)

Observers:

Ms Cathy Tralau-Stewart	(Appointed 7 February 2022)
Mr Phil Robinson *	(Appointed 7 February 2022)
Ms Carla Brown	(Appointed 7 February 2022)
Ms Fiona Russell *	(Appointed 7 February 2022)
Ms Rosemary Howell	(Appointed 7 February 2022)

*Also, member/observer of the Finance Committee

Science Committee

Professor Chris Dowson	Interim Chair (from 1 st November 2021)
Dr Lloyd Payne	Chair (appointed 1 st February 2021; resigned 25 October 2021)
Dr Mike Allen	
Dr Lloyd Czaplewski	
Dr Tina Joshi	
Professor Mark Moloney	(Resigned/end of term of tenure 6 September 2022)
Professor David Roper	(Resigned/end of term of tenure 6 September 2022)
Professor Chris Schofield	
Dr Joe Standing	
Dr Mark Sutton	
Dr David Wareham	
Dr Alan Houston	(Appointed 27 May 2021)
Arlene Brailey	(Appointed 8 February 2022)
Dr Chris Longshaw	

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

REFERENCE AND ADMINISTRATIVE INFORMATION (Continued)

Public Education and Patient Support Committee

Professor Christine Bond Chair
James Amos
Carolyn Childs
Professor Angharad Davies (Appointed 26 May 2022)
Dr Ryan Hamilton
Rebecca Harmston
Dr Roger Harrison
Dr Charles Mitchell
Dr Alison Staples
Dr Wendy Thompson
Dr Neil Todd
Dr Oliver Van Hecke

Founding chairman

Mr A Burgess

Chief Executive

Professor R C Garner (Until 31 July 2022)
Jonathan Pearce (Appointed 1 August 2022)

Patron

The Most Revd & Rt Hon the Lord Archbishop of York, S Cottrell
(from November 2021)

ADVISORS

Principal Bankers

Lloyds Bank PLC
2 Pavement
York
YO1 9UP

Independent Examiner

Mr N Clemit ACA, FCCA
JWPCreers LLP
Chartered Accountants
Genesis 5
Church Lane
Heslington
York
YO10 5DQ

CHAIR'S INTRODUCTION

Since my appointment as Chair Designate in January 2021 and confirmed at the 2021 Annual General Meeting, I have learned much that I didn't know before I joined the charity about the problem of antimicrobial resistance. As a 'concerned' citizen I am very anxious that common infections requiring antibiotic treatment continue to be treated effectively. I want to also see future generations benefit in the same way as our generation has from these miracle drugs.

Antibiotic Research UK (ANTRUK) is the UK's only publicly funded charity tackling the major health issue of drug-resistant infections. With its broad remit of research, education and patient services, the charity has over the years punched above its weight. It has met Ministers and Parliamentarians, has provided a patient voice particularly to pharmaceutical companies, NESTA, the Longitude Prize and NICE - we have become the go to charity for any information about antibiotic resistance. The growth in traffic to our website during the COVID pandemic has been truly remarkable – at the peak of the pandemic over 187,000 people visited the website each month. Here they could find trusted sources of information, a touchstone for all that the charity is about.

In 2021, after my appointment I set about bringing new faces to the Trustee Board. I am pleased to report that five new trustee designates have been appointed, bringing fresh perspectives and ideas. I look forward to working with them as we move the charity from its start-up phase to a more mature charity.

As a result of our Business Strategy review, I am pleased to report that the trustees took the decision to rebalance the charity's focus and expenditure deciding to focus 60% of its resources on research and 40% on patient services.

Following the retirement of the now Baron Sentamu of Lindisfarne and Masooli from the Archbishopric of York, we were delighted and honoured that his successor, The Most Reverend and Right Honourable Stephen Cottrell the Archbishop of York and Primate of England, has agreed to continue in the role as the charity's Patron. We look forward to welcoming His Grace to future charity events.

We also learned in 2021 of Professor Colin Garner's (our chief executive and the charity's founder) decision to retire at the end of July 2022. It has been a privilege to work alongside Colin and witness his many achievements in setting up and building the organisation that is now Antibiotic Research UK. On behalf of the organisation and the AMR sector as a whole, we are grateful for his inspiration, insight, dedication and persistence. We wish him well in retirement, while also looking forward to welcoming Jonathan Pearce as our new CEO in August 2022.

A charity such as ours is all about people: the people who work and volunteer for us and very importantly our donors. What makes our charity unique is that we are in the privileged position of being able to hear patient stories first-hand about the dreadful impact antibiotic resistant infections can have on lives. The fact that we are also in the position to directly help and support them provides me with a great deal of personal satisfaction. The 'Hidden Pandemic' as we describe the problem of bacterial resistance, is one that needs to come out much more into the open. The continued and amazing work of Antibiotic Research UK will ensure this will happen.



Simon Dukes
Signed on 20/10/22 @ 12:59

Simon Dukes
Chair

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

REPORT OF THE BOARD OF TRUSTEES

The trustees present their report and the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity’s governing document, 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 UK and Republic of Ireland published in October 2019.

WHO WE ARE AND WHAT WE DO

Antibiotic Research UK is a national organisation founded in 2014 which raises funds to support antibiotic research, provide information and support to patients and families affected by antimicrobial resistance, raise awareness about its work among the public and professionals, and influence and campaign for better national and international approaches to tackle antimicrobial resistance.

Antibiotic resistance, that is when infectious bacteria become resistant to antibiotic treatment, is on the rise globally. It has been estimated that in 2019, 1.27 million people died globally directly from an antibiotic resistant infection (Murray CJ, Ikuta KS, Sharara F, Swetschinski L, Aguilar GR, Gray A, et al, *Global burden of bacterial antimicrobial resistance in 2019: a systematic analysis*, The Lancet, 2022; 399 (10325):629-5), a figure higher than people dying from HIV or malaria. This figure is alarming and whilst the highest number of deaths were in lower- and middle-income countries, COVID has shown us how quickly an infectious agent can spread around the globe.

Vision

A world free from deaths caused by drug-resistant infections.

Mission

To tackle the global threat of drug-resistant infections by:

- Driving and enabling innovative and collaborative research to ensure future generations have access to effective treatments.
- Supporting patients and families that are affected by drug-resistant infections.
- Working in partnership with key stakeholders to raise awareness and reduce the spread of drug-resistant infections.

Purpose

- To raise funds to support antibiotic research in the UK’s universities, institutes and organisations
- To campaign, lobby and influence the public agenda for combating antimicrobial resistance
- To provide educational materials about antibiotic resistance to the public and professionals
- To develop a patient support and information network

Values

- We support world-class, peer-reviewed research focussed on bringing new antibiotic therapies to patients in a transparent and open way
- We work to the highest ethical standards and are fully accountable to our stakeholders through open access to all we do
- We have put in place all the necessary governance procedures to comply with the necessary UK regulations and recommendations

REPORT OF THE BOARD OF TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and trustee recruitment and appointment

Antibiotic Research UK was registered as a charitable incorporated organisation (CIO), with members, on 16 July 2014 and is governed by its constitution, which can be found on the Charity Commission website. Antibiotic Research UK has a wholly owned trading subsidiary, ANTRUK Enterprises Ltd, which is registered at Companies House (company registration no 10396024).

The work, management, finances and strategy of the charity are overseen by a board of trustees. The trustees who held office during the financial year and at the date of the report are set out on page 1.

The constitution requires there to be a minimum of three trustees and a maximum of twelve trustees in office at any one time. Trustees retire from office after a full term of three years, at the following annual general meeting. A trustee can seek re-election for a further term of office but not a third term without an interval of a year. Trustees can only be formally appointed as a trustee at an annual general meeting although a person can attend meetings as an observer prior to this point.

Purpose

The charity's purposes are set out in its constitution, as follows:

“... to protect and promote the health of the public, in particular by sponsoring research into the diagnosis, treatment and cure of antibiotic-resistant bacterial infectious diseases, ensuring responsible and sustainable development and deployment of the findings of such research, and raising awareness through public-facing activities and the promotion of networks to share experience of such matters.”

Public benefit

The organisation's work delivers public benefit by funding and developing research to address the issue of antibiotic and antimicrobial resistance, which already claim thousands of lives each year nationally and internationally. The number of deaths will continue to increase, unless new antibiotics are discovered and brought to market, and that the use of new and existing antibiotics is better managed and stewarded so as to prolong their use and increase their efficacy.

The organisation also provides invaluable support and assistance to those directly affected by antimicrobial resistance, as well as to the healthcare practitioners working with them. Reliable, evidence-based information and peer support helps them navigate their conditions and improve their longer term outcomes.

As part of our business planning processes, we review our aims and objectives each year, which includes looking at what we have achieved previously, and how our activities have benefited those groups of people we are set up to help. We have referred to the Charity Commission's guidance on public benefit when reviewing our aims and objectives, and in planning our work for the future.

Board and management operations and structure

Board of trustees

The board of trustees meets at least four times a year to review the organisation's work, finances and services, and to agree the strategic goals for the charity. The chief executive officer attends all meetings. The board is also establishing a process to review its own operation, effectiveness and governance.

A finance committee, chaired by the treasurer and comprising at least two other trustees, meets quarterly to monitor and scrutinise the charity's financial strategy and operations, and makes recommendations to the full board of trustees.

REPORT OF THE BOARD OF TRUSTEES

Board and management operations and structure (continued)

The board also operates two other committees, as follows:

Science Committee

The Science Committee is responsible for commissioning and monitoring the charity's scientific research programmes. The Science Committee consists of a number of experienced antimicrobial scientists and clinicians, chaired by Chris Dowson. Full membership details can be found on page 1.

Public Engagement and Patient Support Committee

The Public Engagement and Patient Support Committee (PEPS) is focused on increasing awareness about the importance of tackling drug-resistance amongst professionals and the public. The Committee consists of a range of individuals including clinicians, AMR scientists, public health experts, education professionals and individuals to provide a patient perspective. The committee is chaired by Christine Bond and full membership details can be found on page 2.

Recruitment and appointment of new trustees

An annual review of the recruitment needs of the board of trustees is carried out under the leadership of the chair, including an audit of the current knowledge, experience, skills and abilities, and how they will be affected by any trustee departures in the future. Any trustee vacancies are advertised nationally, and via relevant professional and organisational networks, including the charity's own supporter base, depending upon the expertise and specialisms required. Applicants are shortlisted against the criteria in the person specification for the role of trustee, including any specific qualities highlighted during the above audit. Shortlisted applicants are invited for interview by at least two trustees, one of whom will be the chair. Shortlisted applicants are only appointed where they have the necessary skills and qualities to contribute effectively to the charity's governance and development.

All new trustees receive thorough induction and training, which includes information about the organisation's constitution, accounts, financial reports and minutes of previous trustees' meetings.

Management and organisation

Day-to-day operation of the charity, and strategy implementation, is delegated to the chief executive officer, who is supported by a small team of staff, working in the fields of grant administration, patient support, media, press and PR management, fundraising and financial management.

Risk assessment and management

The organisation has adopted a risk management policy which lists the potential risks to the charity, with an indication of the level of risk.

The main areas of identified risk are in relation to:

- Regulatory and compliance risks arising from the organisation's research, patient support and fundraising work.
- The provision of accurate and up-to-date patient information in a complex scientific and medical field.
- Adequate finances and fundraising, due to the external economic situation, changes in funding trends and priorities, and the need to manage committed research expenditure, alongside general organisational resources.
- Operational risks due to the organisation's reliance on a small number of individuals.

REPORT OF THE BOARD OF TRUSTEES

Risk assessment and management (continued)

To address these risks, effective management measures and controls have been put in place by the trustees, including:

- The establishment, review and monitoring of a strong framework of standard operating procedures (SOPs) and terms of reference that govern the organisation's work, particularly in the fields of research, patient support, information development and fundraising. The charity is registered with the Association of Medical Research Charities (which carries out an online audit every five years) and the Fundraising Regulator.
- Ensuring trustees, committee members and staff have solid experience and expertise in their fields.
- Strong financial oversight from the Finance Committee and Board of Trustees, including maintaining a strong reserves policy and not committing to project expenditure or research commitments until the funds have been secured and banked.
- Using consultant employment contracts, supplier contracts and legal agreements to secure relevant expertise and advice, as well as providing for staffing shortfalls.
- Maintaining third-party liability and indemnity insurance.

ACHIEVEMENTS AND PERFORMANCE

With the pandemic continuing in 2021, it remained a challenging time for all charities, with COVID-19 impacting on us in so many ways, internationally, nationally, locally and personally. Working together with Costello Medical, Cambridge, we published a joint review on hospital antibiotic prescribing during the pandemic and found that in general early on in the pandemic, hospital admitted patients were likely to be prescribed antibiotics whether they had a bacterial infection or not (Cherry W, Brown M, Garner C, *A rapid review of the overuse of antibiotics during the COVID-19 pandemic: lessons learned and recommendations for the future*, AMRC Reviews, 2021). Also together with Costello, we analysed primary care antibiotic prescribing in England since 2014 and found that during the COVID pandemic there was a 14% reduction in antibiotic prescribing resulting in our programme, 'Let's keep it down'.

During the year, our Board approved the provision of £200,000 in funding for our Small Research Grants programme, a vital plank of support in sustaining the funding of young university career researchers. In total eight grants were awarded on a competitive basis (see <https://www.antibioticresearch.org.uk/small-research-grants/2021-awards-grants-to-fund-research/> for full details of the awards). In addition, the organisation continued to fund its Antibiotic Resistance Breaker programme out of which has come a combination therapy of cefepime / sulbactam which appears effective in treating some drug-resistant Gram-negative bacterial species.

Patient Support

Throughout 2021, our Patient Support Service remained focused on supporting individuals (and their families) in resolving unanswered questions about infection and antibiotic resistance. The number of new enquiries and contacts we dealt with grew dramatically in 2021, totalling 908, compared to 93 new contacts in 2020, testament to the value of the information and support we provide. With the advent of Covid-19 vaccines early in 2021, the number of enquiries grew significantly, with a large proportion being on Covid-related questions from those taking or wishing to take antibiotics while suffering from Covid or undergoing testing or vaccinations. We became a trusted source of information on these matters, where medical services were often unable to provide answers to patients.

We also introduced a programme of virtual patient support groups, which included an educational element on topics like 'how do bacteria develop resistance to antibiotics', using lay-person and patient-friendly formats and supported by expert speakers in the field of antibiotic resistance. These virtual meetings and our online community group act as lifelines for patients meeting together, reducing that common sense of isolation and frustration. We continue to develop these forms of support in 2022.

We also used our patient support expertise to develop new content for our website, as well as produce leaflets about antibiotic resistance for use in community pharmacies, publish articles and support the ASK Antibiotic Research UK service in which we post answers online or via social media to frequently asked questions about infections and their management (which received 123,000 views in 2021, compared to 7,000 in the previous year).

REPORT OF THE BOARD OF TRUSTEES

Patient Support (continued)

Our team continued to advocate for the patient voice in 2021 by supporting sufferers to share their stories, not just as website content but also by video. Patients described the impact of recurring and resistant infections on their lives and shared this at major conferences to highlight the patient perspective of antibiotic resistance. We also introduced two new Patient Ambassadors, Ronda and Lisa, who shared their experience as part of patient safety initiatives, reaching over 63,000 and 150,000 viewers, respectively.

On top of all this, we were delighted when the unique service provided by the Patient Support Service was recognised by a Bionow Antimicrobial Resistance (AMR) award in February 2021.

Raising awareness

During 2021 we saw our website take on an even more prominent role in our work than previously. We had over 1.2 million page views and 869,000 users (up from 200,000 in 2020). Some of this was driven by the review and update of our content and messaging, as well as by increased and more effective media coverage from our press work and campaigns. Among the extensive media coverage we achieved, we called for:

- clear health guidance to ensure people on antibiotics didn't miss out on Covid-19 vaccines as they became available;
- a change in the way new antibiotic sales are funded so as to avoid another health emergency; and
- a winter campaign to change the way antibiotics are prescribed.

Our communications and campaigns were supported by our vibrant social media activity and by the end of 2021, we grew our Facebook and Twitter followings to 1,500 and 4,700, respectively.

Fundraising

Like many other charities we had a challenging year financially in 2021, with reduced face-to-face fundraising activities. Therefore, we came up with novel online ways of raising funds including a virtual bridge event and the Great University Science Quiz. Some grant-making trusts and foundations that had previously supported us took a break in 2021 citing increasing demands for funding, a refocusing of funding priorities to emergency frontline funding for local communities or to allow a 're-set' after unprecedented giving in the previous year during the height of the pandemic. As a result our 2021 income figures were hit and we raised less money in 2021 than 2020. Encouragingly 2022 income appears to have increased to at least 2020 levels.

Despite this our fundraising team continued to perform miracles in raising funds to support our programmes. We are grateful to all those who donated and to those who volunteered on our behalf. Without your efforts and generosity we would not be able to continue our important work and we would have no funds to tackle the 'Hidden Pandemic'.

Fundraising highlights in 2021 include:

- £24,298 from National Lottery Awards for All to fund our Patient Support Service in all four nations.
- £90,000 (over 3 years) to support a PhD Studentship in antibiotic research.
- £87,000 from charitable trusts to support our Research Programme, including Small Research Grants & Early Career Development Awards.
- £30,000 corporate sponsorship to support our Annual Lecture and Student Engagement Programme.
- Building on our successful BBC Radio Four Appeal the previous year, we raised £21,000 from individual donors through match funding initiatives run by The Big Give Christmas Challenge and NET Crowdfunder.
- £16,000 raised from Community and Sporting Events, including London Marathon runner Carolyne Cross, the Lady Captain and members of Pike Hills Golf Club, Busy Bees Coffee Morning and a Pimms evening organised by our York Volunteer Group at Scampston Hall.

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

REPORT OF THE BOARD OF TRUSTEES

FINANCIAL REVIEW

The consolidated gross income for the year was £409,696 (2020: £445,648). This year's income figure includes donated services of £80,771 (2020: £51,502), which when accounted for serves to highlight the challenging fundraising environment in 2021. Raised funds in 2021 dropped to £328,925 from £394,146 (a fall of £65,221).

The consolidated net movement in funds for the year was a deficit of £41,069 (2020: surplus of £96,225), a decrease of 143%, compounded by a significantly lower level of unrestricted funding income compared to previous years.

Going concern

Management works to an annual budget and has prepared a forecast to the end of December 2022, along with an outline budget and projections for 2023. These are used by management to ensure the organisation has sufficient funds in place to manage working capital in both the short term and longer term and enables the planning of resource allocation, organisational strategy, sustainability, and development.

Management has identified strong fundraising performance as crucial to positive cash flow management, particularly in relation to unrestricted funding. Fundraising plans and activities and future expenditure management have been reviewed, so as to better understand the impact of varying cashflows on the solvency of the organisation. Budgets have been set in line with the parameters in that review and are sufficient to ensure the organisation has adequate funds to meet its cash flow obligations to the end of 2023. Performance during 2021 highlighted the need to improve financial management and reporting processes within the organisation so that they are focused on agreed fundraising priorities and effective and responsive expenditure management. These areas have been reviewed and addressed by trustees and the organisation's management. A forward plan has been agreed, with a particular focus on building unrestricted reserves during 2023, while ensuring contingency plans are in place to manage any fundraising shortfalls. With these measures in place, trustees are confident about the organisation's ability to continue in operation for at least twelve months from the date of the financial statements.

On this basis, together with the unrestricted funding received in the first eight months of 2022, the Board has approved the preparation of the financial statements on the going concern basis.

Reserves policy

The trustees aim to maintain a minimum of free reserves equal to 3 months' core expenditure (approximately £60,000). Any funds over this sum will be used to fund the charity's objects.

The year-end level of free reserves was £33,884 (2020: £142,826). As noted above, organisational plans are in place to grow unrestricted reserves, including building a predictable and reliable funding base from individual and regular giving, as well as with community and corporate support, and through refocusing some of our fundraising priorities on essential expenditure related to our core mission.

PLANS FOR FUTURE PERIODS

In 2021 we developed a new five-year strategy, based on our own research on unmet need, supported with questionnaire data derived from three different Antibiotic Research UK stakeholder groups – supporters and donors; AMR scientists; and a cross-section of the population. We have identified and will work towards three main goals:

- Goal 1: Drive forward innovative solutions to drug-resistant infections
- Goal 2: Improve the lives of patients with drug-resistant infections and their families
- Goal 3: Raise awareness about the impact of drug-resistant infections

REPORT OF THE BOARD OF TRUSTEES

PLANS FOR FUTURE PERIODS (continued)

Innovative solutions to drug-resistant infections

In the short-term, we will:

- Continue to run the small research grants/career development awards programme and prioritise grants for basic research and/or health sciences projects, particularly focussing on seed funding and early-career projects.
- Support early-stage researchers to establish themselves in the AMR research field by creating a mentoring programme, connecting them with more experienced/established researchers.
- Raise the profile of the charity within the international AMR research field by actively participating in AMR events/congresses.
- Seek out funding partnerships to build on existing research projects, including the investigation of possible antibiotic combination therapies, alternatives to antibiotics or the development of an antibiotic resistance-breaker.
- Seek out partnerships for AMR projects related to the behavioural, social and/or applied health sciences (eg, a pilot trial in antibiotic stewardship), increasing the scope for collaboration with policymakers and healthcare providers.

In the longer term, we will partner with government, pharmaceutical companies and other funds or medical research charities to establish an AMR Research Fund to support projects in areas of greatest need.

Raising awareness

In the short-term, we will:

- Provide the patient voice in AMR policy through increased engagement with government AMR campaigns and by leading initiatives on social media; for example, a campaign for AMR to be listed as a cause of death on death certificates.
- Foster greater engagement with website users through the development of new informational resources.
- Increase engagement with universities by helping to establish undergraduate AMR societies (or by coordinating with existing science and health societies) and by providing support to organise outreach events.
- Promote wider awareness of the personal impact of antibiotic resistance, championing our patient support services and providing information on the actions individuals can take to reduce the prevalence of drug-resistant infections.
- Expand our network of volunteers through the development of an ambassador programme and provide volunteers with the skills needed to run support groups, fundraising events and local campaigns across the UK.
- Strengthen ties with corporate partners to raise awareness of the problem of drug-resistant infections and promote the health and wellbeing of their workforce.
- Help to create a Grand Alliance of AMR organisations, medical research and patient charities to create a unified voice to lobby governments on AMR policy.

This is an exciting opportunity to change the course of antibiotic resistance and save lives in the UK and across the world. All of this needs the continuing support and help of our existing stakeholders, supporters and funders, as well requiring help from new partners. We cannot do this alone and hope you will all join on us on this inspiring journey.

Our full strategy and business plan can be found on our website.

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

REPORT OF THE BOARD OF TRUSTEES

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

The law applicable to charities in England & Wales 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 income and expenditure of the charity for that period. 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 17 October 2022 and signed on their behalf by:

 *Simon Dukes*
Signed on 20/10/22 @ 12:59
Mr S Dukes – Chair

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet and relevant notes.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW and ACCA.

I have completed my examination. I confirm that no material 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 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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 accounts to be reached.



N P Clemit

Countersigned on 24/10/22 @ 15:59

Mr N Clemit ACA, FCCA
JWPCreers LLP
Chartered Accountants
Genesis 5
Church Lane
Heslington
York
YO10 5DQ

20 October 2022

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME					
Donations and legacies:					
Donations and grants	2	59,721	3,179	62,900	88,968
Donated services	2	80,771	-	80,771	51,502
Charitable activities		59,186	177,707	236,893	261,651
Other trading activities:					
Membership fees		2,174	-	2,174	1,701
Fundraising events		26,958	-	26,958	41,811
Other interest		-	-	-	15
Total income		<u>228,810</u>	<u>180,886</u>	<u>409,696</u>	<u>445,648</u>
EXPENDITURE					
Raising funds					
Fundraising costs	3	98,064	-	98,064	78,611
Donated services		18,420	-	18,420	-
Charitable activities					
Charitable activities	4	242,556	5,130	247,686	223,554
Donated services		82,351	-	82,351	51,502
Total expenditure		<u>441,391</u>	<u>5,130</u>	<u>446,521</u>	<u>353,667</u>
Net (expenditure)/ income		(212,581)	175,756	(36,825)	91,981
Transfer between funds	8,9	103,642	(103,642)	-	-
Corporation tax receivable		(4,244)	-	(4,244)	4,244
Net movement in funds		(113,183)	72,114	(41,069)	96,225
Fund balance brought forward at 1 January 2021		<u>148,531</u>	<u>333,367</u>	<u>481,898</u>	<u>385,673</u>
Fund balance carried forward at 31 December 2021	8,9	<u><u>35,348</u></u>	<u><u>405,481</u></u>	<u><u>440,829</u></u>	<u><u>481,898</u></u>

All income and expenditure derives from continuing activities.

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

BALANCE SHEETS AT 31 DECEMBER 2021

	Notes	Consolidated		Charity only	
		2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Investments	5	-	-	1	1
CURRENT ASSETS					
Debtors and prepayments	6	4,105	17,970	1,711	12,172
Cash at bank and in hand		458,794	483,366	458,628	480,453
		462,899	501,336	460,339	492,625
LIABILITIES: Amounts falling due within one year	7	(22,070)	(19,438)	(20,975)	(16,433)
NET CURRENT ASSETS		440,829	481,898	439,364	476,192
NET ASSETS		440,829	481,898	439,365	476,193
THE FUNDS OF THE CHARITY					
Unrestricted funds		35,348	148,531	33,884	142,826
Restricted funds		405,481	333,367	405,481	333,367
TOTAL CHARITY FUNDS		440,829	481,898	439,365	476,193

Approved by the trustees on 17 October 2022 and signed on their behalf by:



Simon Dukes
Signed on 20/10/22 @ 12:59

Mr S Dukes - Chair

1. ACCOUNTING POLICIES

Basis of accounting

Antibiotic Research UK – Developing New Antibiotics is a charitable incorporated organisation in England. The address of the registered office is given in the charity information within the trustees' report of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary ANTRUK Enterprises Limited on a line by line basis.

The gross income of the charity for the year was £409,696 and the result of the charity for the year was net deficit of £36,828.

Going Concern

The charity's financial statements are prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. The trustees have considered a period of twelve months from the date of approval of the financial statements and believe that no further disclosures relating to the charity's ability to continue as a going concern need to be made in the financial statements.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

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

Income

All income is included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donated services are accounted for at a reasonable estimate of their value to the charity and are included in the statement of financial activities as income when receivable.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

NOTES TO THE CONSOLIDATED ACCOUNTS - 31 DECEMBER 2021

1. ACCOUNTING POLICIES (Continued)

Expenditure (continued)

Raising funds relates to costs incurred directly to generate donations. Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable object. Grants payable are charged in the year when the offer is conveyed to the recipient.

Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost. Currently Antibiotic Research UK has no tangible fixed assets.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. DONATIONS AND GRANTS

	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Donations	25,720	-	25,720	52,248
Gift Aid	12,473	-	12,473	15,969
Online giving	21,528	3,179	24,707	20,751
	<u>59,721</u>	<u>3,179</u>	<u>62,900</u>	<u>88,968</u>
Donated services	80,771	-	80,771	51,502
	<u>140,492</u>	<u>3,179</u>	<u>143,671</u>	<u>140,470</u>

Donated services are legal services provided pro bono by Ashurst LLP, London and professional services by Costello Medical, Bow House Digital and ASF Alison Staples Fundraiser.

Included in donations are proceeds £6,933 gained from the dispersal of donated shares received during the year.

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

NOTES TO THE CONSOLIDATED ACCOUNTS - 31 DECEMBER 2021

3. RAISING FUNDS EXPENDITURE

	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Unrestricted & total funds £
Fundraiser fees	109,494	-	109,494	76,154
Fundraising expenses	6,990	-	6,990	2,457
	<u>116,484</u>	<u>-</u>	<u>116,484</u>	<u>78,611</u>

Fundraising fees includes £18,420 (2020: £nil) of donated services.

4. CHARITABLE ACTIVITIES

	Note	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Unrestricted & total funds £
Trading subsidiary	5	120,359	-	120,359	114,317
Patient support costs		-	3,519	3,519	-
Legal and professional fees		143,192	1,000	144,192	100,705
Consultancy fees		31,171	611	31,782	31,261
Accountancy		9,552	-	9,552	9,570
Printing, postage and stationery		1,522	-	1,522	3,009
Website and IT		12,926	-	12,926	12,031
Phone and internet		102	-	102	144
Computer and software		435	-	435	461
Insurance		578	-	578	522
Travel and subsistence		189	-	189	886
Bank and CAF charges		1,221	-	1,221	1,496
Recruitment costs		969	-	969	654
Annual lecture costs		2,691	-	2,691	-
		<u>324,907</u>	<u>5,130</u>	<u>330,037</u>	<u>275,056</u>

Legal and professional fees include £62,351 (2020: (£51,502) of donated services.

5. TRADING SUBSIDIARY

The wholly owned trading subsidiary, ANTRUK Enterprises Ltd (company number: 10396024), which was incorporated in England and Wales on 27 September 2016, provides funding to research projects concerning antibiotics. The charity owns the entire issued share capital of 1 ordinary share of £1. A summary of the trading results is shown below. Monies are granted from the charity to the trading subsidiary to fund research projects.

Summary profit and loss account

	2021 £	2020 £
Research costs and administration expenses	(120,359)	(114,317)
Income from group undertakings	120,361	110,780
Corporation tax (payable)/ repayable	(4,244)	4,244
Other interest	-	15
	<u>(4,242)</u>	<u>722</u>
Retained in subsidiary		
The assets and liabilities of the subsidiary were:		
Current assets	4,654	8,711
Creditors: amounts falling due within one year	(3,189)	(3,004)
	<u>1,465</u>	<u>5,707</u>
Total net assets		
Aggregate share capital and reserves	<u>1,465</u>	<u>5,707</u>

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

NOTES TO THE CONSOLIDATED ACCOUNTS - 31 DECEMBER 2021

6. DEBTORS

	2021 Group £	2020 Group £	2021 Charity £	2020 Charity £
Other debtors	-	2,000	-	2,000
Prepayments and accrued income	1,711	10,172	1,711	10,172
VAT	2,394	1,554	-	-
Corporation tax	-	4,244	-	-
	<u>4,105</u>	<u>17,970</u>	<u>1,711</u>	<u>12,172</u>

7. CREDITORS DUE WITHIN ONE YEAR

	2021 Group £	2020 Group £	2021 Charity £	2020 Charity £
Accruals	22,070	19,438	18,881	16,433
Amounts owed to group undertakings	-	-	2,094	-
	<u>22,070</u>	<u>19,438</u>	<u>20,975</u>	<u>16,433</u>

8. RESTRICTED FUNDS

	2021			
	At 1.1.21 £	Income £	Expenditure £	At 31.12.21 £
Antibiotic Resistance Breakers	68,879	-	-	68,879
Patient Support	-	19,387	(4,519)	13,097
Combined Research 2019	55,030	-	(611)	54,419
Test Discs	64,269	-	(10,179)	54,090
Combined Research 2019 including Test Discs	62,824	-	-	62,824
Garfield Weston Foundation	25,000	-	-	25,000
Mutate Trial	-	48,812	-	8,457
Big give 2020 programmes	18,075	-	-	18,075
Combined Research 2020 including mutate trial & non-antibiotic alternatives	19,049	-	-	19,049
Combined Research 2021	-	51,727	-	27,795
TNL Scotland	2,017	5,976	-	-
TNL England	18,224	8,819	-	9,135
TNL Wales	-	4,593	-	4,101
TNL Northern Ireland	-	2,736	-	2,443
PhD student support	-	27,500	-	27,500
Reducing Antibiotic Prescribing	-	11,336	-	10,617
	<u>333,367</u>	<u>180,886</u>	<u>(5,130)</u>	<u>405,481</u>

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

NOTES TO THE CONSOLIDATED ACCOUNTS - 31 DECEMBER 2021

8. RESTRICTED FUNDS (Continued)

Antibiotic Resistance Breakers (ARB) fund represents monies donated to fund the research into ARBs, this incorporates the Holbeck Charitable Trust funding as it was for the same cause.

Patient Support fund represents monies donated to fund a patient support officer whose role will be to develop a portfolio of patient support resources for people affected by antimicrobial resistance.

Combined Research 2019 fund represents monies donated towards a specific application for funds from Antibiotics Research that identified expenditure across three programmes. Research into new antibiotic therapies, research into non-antibiotic alternatives (Diamond), and a small research grants scheme.

Test Discs funds represents monies donated towards the next stage of research. The manufacture and circulation to partners of a test disk sensitivity kit for further testing.

Combined Research 2019 Including Test Discs fund represents monies donated towards both of the above two funds.

Garfield Weston Foundation fund represents monies donated towards the small research grants programmes.

Hobson Charity Ltd fund represents monies donated specifically for purchase of equipment.

Mutate Trial fund represents monies donated for the next phase of the MUTATE research programme which is working with hospital microbiology labs in a round robin evaluation of cefepime / sulbactam test discs.

Big Give 2020 Combined Projects fund represents monies donated through the online platform Big Give. Antibiotic Research identified the expenditure would cover patient support, original antibiotic resistance breakers and the small grants programmes.

Combined Research 2020 Including Mutate Trial fund represents monies donated towards a specific application for funds from Antibiotics Research that identified expenditure across three programmes. Antibiotic resistance breakers, recruitment of more microbiology labs to the MUTATE project and small grants research.

Combined Research 2020 Including Mutate Trial & Non-Antibiotic Alternatives fund represents monies donated to the above 2020 combination and includes expenditure on Non-Antibiotic alternatives.

Combined Research 2021 fund represents monies donated towards small research grants and early careers development awards.

TNL Scotland fund represents a National Lottery Award, monies donated are to be used to give Scottish Support Network for People Affected by antibiotic resistant infections in Aberdeen.

TNL England fund represents a National Lottery, monies donated are to be used for national support network for people affected by antibiotic resistant infections in England.

TNL Wales fund represents a National Lottery, monies donated are to be used for national support network for people affected by antibiotic resistant infections in Wales.

TNL Northern Ireland fund represents a National Lottery, monies donated are to be used for national support network for people affected by antibiotic resistant infections in Northern Ireland.

PhD student support fund represents monies donated by the Troutsdale Trust to support a PhD student.

Reducing Antibiotic Prescribing through triaging using Point of Care testing fund represents monies donated for the Study Protocol Development and planning for the scaled up roll out of the study.

The transfers represent the money spent in ANTRUK Enterprises Ltd on these projects.

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

NOTES TO THE CONSOLIDATED ACCOUNTS - 31 DECEMBER 2021

8. RESTRICTED FUNDS (Continued)

	2020				
	At 1.1.20 £	Income £	Expenditure £	Transfer £	At 31.12.20 £
Antibiotic Resistance Breakers	62,879	6,000	-	-	68,879
Patient Support	8,120	4,190	-	(12,310)	-
Combined Research 2019	58,756	20,700	-	(24,426)	55,030
Test Discs	57,186	9,200	-	(2,117)	64,269
Combined Research 2019 including Test Discs	67,189	1,838	-	(6,203)	62,824
Garfield Weston Foundation	-	25,000	-	-	25,000
Hobson Charity Ltd	-	5,000	-	(5,000)	-
Mutate Trial	-	23,920	-	(23,920)	-
Big give 2020 programmes	-	18,075	-	-	18,075
Combined Research 2020 including mutate trial	-	184	-	(184)	-
Combined Research 2020 including mutate trial & non-antibiotic alternatives	-	23,920	-	(4,871)	19,049
TNL Scotland	-	3,220	-	(1,203)	2,017
TNL England	-	29,105	-	(10,881)	18,224
	<u>254,130</u>	<u>170,352</u>	<u>-</u>	<u>(91,115)</u>	<u>333,367</u>

9. UNRESTRICTED FUNDS

UNRESTRICTED FUNDS		2021				
	At 1.1.21 £	Income £	Expenditure £	Transfer £	Tax £	At 31.12.21 £
General unrestricted funds	142,825	228,810	(321,033)	(16,718)	-	33,884
Non-charitable trading funds	5,706	-	(120,358)	120,360	(4,244)	1,464
	<u>148,531</u>	<u>228,810</u>	<u>(441,391)</u>	<u>103,642</u>	<u>(4,244)</u>	<u>35,348</u>
		2020				
	At 1.1.20 £	Income £	Expenditure £	Transfer £	Tax £	At 31.12.20 £
General unrestricted funds	126,558	275,281	(239,349)	(19,665)	-	142,825
Non-charitable trading funds	4,985	15	(114,318)	110,780	4,244	5,706
	<u>131,543</u>	<u>275,296</u>	<u>(353,667)</u>	<u>91,115</u>	<u>4,244</u>	<u>148,531</u>

The transfers in both years represents the funds (both restricted for the projects and unrestricted for general expenses) transferred into ANTRUK Enterprises Limited.

ANTIBIOTIC RESEARCH UK – DEVELOPING NEW ANTIBIOTICS

NOTES TO THE CONSOLIDATED ACCOUNTS - 31 DECEMBER 2021

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2021 are represented by:	Unrestricted funds £	Restricted funds £	Total £
GROUP			
Current assets	57,418	405,481	462,899
Creditors: amounts falling due in less than one year	(22,070)	-	(22,070)
Total net assets	35,348	405,481	440,829
CHARITY			
Investments	1	-	1
Current assets	54,858	405,481	460,339
Creditors: amounts falling due in less than one year	(20,975)	-	(20,975)
Total net assets	33,884	405,481	439,365
Fund balances at 31 December 2020 are represented by:	Unrestricted funds £	Restricted funds £	Total £
GROUP			
Current assets	167,969	333,367	501,336
Creditors: amounts falling due in less than one year	(19,438)	-	(19,438)
Total net assets	148,531	333,367	481,898
CHARITY			
Investments	1	-	1
Current assets	159,258	333,367	492,625
Creditors: amounts falling due in less than one year	(16,433)	-	(16,433)
Total net assets	142,826	333,367	476,193

NOTES TO THE CONSOLIDATED ACCOUNTS - 31 DECEMBER 2021

11. **TRUSTEES' REMUNERATION AND EXPENSES**

No remuneration was paid or payable directly or indirectly out of the funds of the charity for the period to any trustee or to any person or persons known to be connected with any of them for acting as a trustee.

No trustees were reimbursed expenses (2020: no trustees).

12. **RELATED PARTY TRANSACTIONS**

Garner Consulting Services received £31,782 (2020: £31,261) for consultancy services and received £31,782 (2020: £31,261) for research project management costs from ANTRUK Enterprises Ltd. As ANTRUK Enterprises Ltd is VAT registered the net cost was £26,485. The total cost to the group was £58,267 (2020: £57,312). Professor C Garner (Chief Executive of Antibiotic Research UK) and his wife are the partners in Garner Consulting Services. Of this amount £5,419 was owed to Garner Consulting Services at the year end (2020: £5,210).

Azets of which J A Farmer is a partner received £7,180 for accounting services. (2020: £6,200)

Ashurst LLP, of which N Stalbow is a partner, have provided pro bono services to the value of £1,536 (2020: £26,412).

The aggregated donations made by the trustees were £1,025 (2020: £2,000).

13. **GRANT COMMITMENTS**

Small grants committed at 31 December 2021 were £108,795 (2020: £85,028).

Grant income committed at 31 December 2021 was £30,000 within 1 year (2020: £nil) and £30,000 within 2 years (2020: £nil).