Salt Hill Charity

England & Wales · Charity number 1171470

Details

Other names	ST GEORGE STREET CAPITAL, SGS CAPITAL, SGSC
Status	Registered
Legal form	Charitable company
Company number	10537833
Registered	2017-02-03
Register	View on the Charity Commission register

Contact

Address	C/O Sedulo Office 605 Albert House 256 - 260 Old Street London United Kingdom EC1V 9DD
Phone	07768 335460
Email	info@sgscapital.org

Activities

Objects: THE ADVANCEMENT OF HEALTH FOR PUBLIC BENEFIT, IN PARTICULAR BUT WITHOUT LIMITATION, BY PROMOTING MEDICAL RESEARCH AND INNOVATION THROUGH SUPPORTING SCIENTIFIC AND TECHNOLOGICAL DISCOVERIES TO TRANSITION TO THERAPEUTIC ASSESSMENT AND ULTIMATELY TO THE BENEFIT OF PATIENTS WITH CURRENT UNMET NEEDS.

Activities: The Charity's objects are the advancement of health for public benefit, in particular but without limitation, by promoting medical research and innovation through supporting scientific and technological discoveries to transition to therapeutics assess assessment and ultimately to the benefit of patients with current unmet needs.

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Classification

- **How:** Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£0	£373,556	-	-
2023-12-31	£0	£927,895	-	-
2022-12-31	£155,000	£1,127,102	-	-
2021-12-31	£4,938,948	£4,268,197	£-1,118,617	5
2020-12-31	£6,119,453	£3,450,104	£1,156,447	5

Trustees

Name	Role	Appointed
DR ROSS BRECKENRIDGE		2023-10-02
PROFESSOR JOHN FRANCIS MARTIN		2016-12-22
ROBERT UNWIN		2025-05-08

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Salt Hill Charity

England & Wales - Charity number 1171470

Accounts

Registered number: 10537833
Charity number: 1171470

ST GEORGE STREET CAPITAL

(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

ST GEORGE STREET CAPITAL
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 4
Trustees' Responsibilities Statement	5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 - 20

ST GEORGE STREET CAPITAL

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees	Professor J Martin Dr R Breckenridge (appointed 2 October 2023) R Macallister (resigned 1 March 2024) P Coffey (resigned 25 September 2023) D Tapolczay (resigned 21 September 2023)
Company registered number	10537833
Charity registered number	1171470
Registered office	Bates Wells 10 Queen Street Place London EC4R 1BE
Chief executive officer	Mr S Scott
Independent Examiner	Nyman Libson Paul LLP Chartered Accountants Regina House 124 Finchley Road London NW3 5JS
Bankers	Royal Bank of Scotland 62-63 Threadneedle Street London EC2R 8LA
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE Pinsent Masons 30 Crown Place Earl Street London EC2A 4ES

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The directors (trustees) of St George Street Capital (the charity) present their report and financial statements for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective from 1 January 2019).

Objectives and activities

The Charity's objectives are the advancement of health for public benefit, in particular, but without limitation, by promoting medical research and innovation through supporting scientific and technological discoveries to transition these through therapeutic assessment ultimately for the benefit of patients in diseases with current unmet needs.

The Charity seeks to take clinic ready assets and, through funding clinical and mechanistic trials, help progress these assets through to patients where clinical need exists. The Charity is disease area agnostic and has developed a set of criteria which aid decision-making. The criteria considers the ability to partner (the likelihood the asset will be licensed by a pharma/biotech company in order that it will ultimately reach patients); speed (to ensure therapies have the potential to be accelerated to patients in a reasonable timeframe, for example assets must have normally passed through Ph I trials successfully to be considered); and the potential of such assets to be developed into affordable patient-ready therapies.

During the 2023 period the Charity's activities included:
- Agreed funding terms with Conduit Pharma (Nasdaq : CDT)
- Reorganise the company to align better with it's near term goals;
- Investment presentation meetings with potential partners for AZD1656 and AZD5904;
- Continued engagement with AstraZeneca including progress updates;

Public Benefit

The trustees confirm that they have referred to the guidance issued by Charity Commission in section 17 under Charities Act 11 on public benefit when reviewing the Charity's aims and objectives and in planning the Charity's activities.

Achievements and performance

Against its objectives and activities, the Charity has performed well.
1. The Charity has published a review in Current Opinion in Pharmacology. This is a major advance in autoimmune diseases.
2. Following Charity- generated think tanks we have identified new approaches to clinical translation using AZD1656.
3. Continued partnership with Queen Mary University London to further understand the mechanism of immunomodulatory action of AZD1656 using laboratory experiments. This work has also identified the origin of myocarditis in men following vaccination.
4. Continued positive engagement with AstraZeneca including notification of further assets in the pipeline for SGSC to develop.

Managing cash flow has been challenging from time to time however following an agreement to liquidate some of the Conduit shares the Charity was in a position to continue operations and keep current on all obligations.

During 2023 the Charity was principally funded by the liquidation of Conduit shares.

Together with our collaboration with Conduit, future plans include further fundraising to ensure that the charity can continue to deliver on its primary objectives, assets development through to patient therapeutics, and specifically developing the two assets successfully licensed from AstraZeneca.

Fundraising

The charity does not fund raise from the general public

Financial review

During the year the charity did not generate any income from donations or activities (2022: £155,000 donation income). During the year, investments held by the charity were listed on a public market and the charity funded expenditure by selling some of these investments. During the year the charity received £2,096,774 from sales of investments. In the previous year these investments had no market value, so this entire figure was recorded as gains on investments. The remaining investments were also revalued to their reporting date market value, making total gains £19,040,318. Expenditure was £927,895 (2022: £1,127,102) and the net increase in funds £18,112,423 (2022: £972,102).

Reserves Policy

The Charity has funds of £18,112,423 (2022: deficit of £2.1m, including £571k on restricted funds), primarily due to the revaluation of listed investments. The charity used this influx of funds to clear the deficit on restricted funds with a transfer during the year. The historical deficit was due to an estimated VAT liability. Historically the charity has not had a formal reserves policy due to incurring a large deficit recently after forming.

As noted in the going concern and post balance sheet event disclosures, the value of investments has fluctuated and declined post year end, and the charity has sold all holdings in order to secure their finances to the end of 2025. The charity will reconsider its financial position and reserves policy in 2024 but currently aims to ensure it has enough reserves to remain a going concern.

Risks and Uncertainties

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

In 2023 the principal uncertainties facing the Charity were:

1. Whether St George Street would be able to progress AZD1656 commercially resulting in long term substantial funding;
2. Whether St George Street could continue to identify more strategic funders in order that it could begin the clinical development of more licensed assets.
3. To meet 1 and 2 above St George Street has reduced its clinical scope to advance molecular understanding and drug development through simpler, smaller mechanistic studies.

Going Concern

Through a careful restructuring of the business the operating costs have been reduced significantly. Reviewing external legal and audit costs, external clinical consultants together with a reduction in staff has contributed to a more cost efficient business.

SGSC is ultimately dependent on identifying funding partners to substantial scientific advancement.

The Trustees accept that there is some uncertainty over the timing of such funding however, as a going concern it is funded for all of 2025 and in that period will make every effort to raise new funds to fund mechanistic studies.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and Management

The Charity is a company limited by guarantee which is governed by its Memorandum and Articles of Association dated 22 December 2016 as amended on 19 March 2018. The members of the charities are the Trustees, and the guarantee is limited to £1.

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

Professor J Martin
Dr R Breckenridge (appointed 2 October 2023)
R Macallister (resigned 1 March 2024)
P Coffey (resigned 25 September 2023)
D Tapolczay (resigned 21 September 2023)

Trustees are appointed by majority vote of the board of trustees.

New trustees are provided with a comprehensive induction, which includes being informed of the charity's governing documents, key policies, and information about their roles and responsibilities, alongside opportunities to meet with existing trustees and senior staff to gain an understanding of the charity's activities and operations.

The trustees are consulted for their scientific and clinical expertise when selecting which clinical assets to progress, and to confirm that assets under consideration will meet our charitable objective. Day to day operations are delegated to the Interim Chief Executive. The Charity consults with external experts and key opinion leaders as required.

Conflict of Interest awareness has been part of the operation of the Charity.

Key management pay and remuneration
Benchmark data from other medical charities was used to inform the remuneration of the MD and Chief Executive.

Relationships with other charities and organisations

In 2019 the Charity was actively in discussions with large pharmaceutical companies regarding assets that they were no longer publishing. All potential medicines were for high unmet patient need. In August 2019 a licensing agreement was signed with AstraZeneca. Discussions with The Blind Veterans Association are also in progress.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Professor J F Martin

Date:

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

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

Approved by order of the members of the board of Trustees and signed on its behalf by:

Professor J F Martin

Date:

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Independent Examiner's Report to the Trustees of St George Street Capital ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2023.

Responsibilities and Basis of Report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent Examiner's Statement

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

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: Dated:

Andrew Thomas ACA

Nyman Libson Paul LLP
Chartered Accountants
Regina House
124 Finchley Road
London
NW3 5JS

ST GEORGE STREET CAPITAL

(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies		-	-	-	155,000
Total income		-	-	-	155,000
Expenditure on:					
Charitable activities	5	-	832,884	832,884	1,034,115
Other	6	-	95,011	95,011	92,987
Total expenditure		-	927,895	927,895	1,127,102
Net expenditure before net gains on investments		-	(927,895)	(927,895)	(972,102)
Net gains on investments		-	19,040,318	19,040,318	-
Net income/(expenditure)		-	18,112,423	18,112,423	(972,102)
Transfers between funds	16	571,306	(571,306)	-	-
Net movement in funds		571,306	17,541,117	18,112,423	(972,102)
Reconciliation of funds:					
Total funds brought forward		(571,306)	(1,519,413)	(2,090,719)	(1,118,617)
Net movement in funds		571,306	17,541,117	18,112,423	(972,102)
Total funds carried forward		-	16,021,704	16,021,704	(2,090,719)

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 9 to 20 form part of these financial statements.

ST GEORGE STREET CAPITAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10537833

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note		2023 £		2022 £
Current assets					
Debtors	12	9,350		6,971	
Investments	13	16,943,544		-	
Cash at bank and in hand		811,821		16,417	
		17,764,715		23,388	
Creditors: amounts falling due within one year	14	(1,309,351)		(1,775,458)	
Net current assets / liabilites			16,455,364		(1,752,070)
Total assets less current liabilities			16,455,364		(1,752,070)
Provisions for liabilities			(433,660)		(338,649)
Total net assets			16,021,704		(2,090,719)
Charity funds					
Restricted funds	16		-		(571,306)
Unrestricted funds	16		16,021,704		(1,519,413)
Total funds			16,021,704		(2,090,719)

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Professor J F Martin

Date: 11 Dec 2024

The notes on pages 9 to 20 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

St George Street Capital is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Queen Street Place, London, EC4R 1BE, United Kingdom.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

St George Street Capital meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

2.2 Going concern

The charity has net assets of over £16m, although this is heavily influenced by unrealised gains in investments. This is also evidenced by the events detailed in note 20 that the charity only realised £1.2m from the sale of its investments in 2024.

The charity is dependent on identifying funding partners to support its principal objectives. The trustees accept that there is some uncertainity over the timing of such funding but, together with a cash balance of circa £816k at the reporting date and the sale of investments post year end, it is funded for all of 2025 and in that period will make every effort to raise new funds to fund mechanistic studies.

Due to the above, the trustees have concluded that the charity will have adequate resources to continue in operation for at least twelve months from the date of approval of these financial statements and thus consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. Irrecoverable VAT is charged in aggregate to the charitable activity.

2.5 Debtors

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

2.6 Cash at bank and in hand

Cash at bank and 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.

2.7 Liabilities

Liabilities 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.

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.8 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.

2.9 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2. Accounting policies (continued)

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Restricted funds are used for the purposes of developing and performing clinical trials on drugs for medicinal purposes

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Provision for VAT Penalty

Historically, the charity had not accurately accounted for VAT on the supply of services provided to funding partners. In the prior year financial statements, the trustees recorded a liability for the VAT together with a provision for the penalties and interest. This has been updated for additional amounts relating to the current year. the trustees have estimated the penalty percentage that is likely to apply in arriving at the latter provision.

4. Income from donations and legacies

During the year the charity did not receive any donations (2022: £155,000 unrestricted donations)

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £
Total Charitable expenditure	832,884	832,884

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Total Charitable expenditure	159,843	874,272	1,034,115

6. Other expenditure

	Unrestricted funds 2023 £	Total funds 2023 £
Increase in VAT provision	95,011	95,011

	Unrestricted funds 2022 £	Total funds 2022 £
Increase in VAT provision	92,987	92,987

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Total Charitable activities	660,702	172,182	832,884

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Total Charitable activities	793,271	240,844	1,034,115

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	575,204	623,657
Scientific costs	85,498	9,001
Consultancy fees	-	159,843
Other	-	770
	660,702	793,271

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Consultancy fees	72,000	-
Office rent	350	1,034
Bad debt expense	(33,916)	140,336
Bank charges	965	2,035
Subscriptions and membership	1,177	2,597
Finance costs	-	2,578
Loss on disposal	-	937
IT expenses	15,373	1,869
Travel and subsistence	37,574	9,313
Insurance	20,540	6,695
Telephone	2,660	2,217
Entertainment	4,690	-
Printing, postage and stationery	227	-
Governance costs	50,542	71,233
	172,182	240,844

8. Governance costs

	Unrestricted funds 2023 £	Total funds 2023 £
Independent examination fees	5,500	5,500
Legal & professional fees	34,492	34,492
Bookkeeping and other accounting support	10,550	10,550
	50,542	50,542

	Unrestricted funds 2022 £	Total funds 2022 £
Independent examination fees	19,000	19,000
Accountancy fees	13,430	13,430
Legal & professional fees	20,470	20,470
Bookkeeping and other accounting support	18,333	18,333
	71,233	71,233

9. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £3,500 *(*2022 - £19,000*)*, and Accountancy fee of £2,000 (2022 - £13,430).

10. Staff costs

	2023 £	2022 £
Wages and salaries	486,765	504,488
Social security costs	51,426	62,156
Other pension costs	37,013	57,013
	575,204	623,657

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	2022 No.
Employees	5	5

10. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	2022 No.
In the band £60,000 - £70,000	-	1
In the band £80,000 - £90,000	1	-
In the band £90,000 - £100,000	-	1
In the band £110,000 - £120,000	-	1
In the band £140,000 - £150,000	1	-
In the band £150,000 - £160,000	-	1
In the band £160,000 - £170,000	1	-
In the band £190,000 - £200,000	-	1

Key management personnel remuneration, including off-payroll remuneration paid to service providers, was £647,204 (2022: £623,657)

11. Trustees' remuneration and expenses

One trustee received remuneration for his role as Chief Executive of the Charity, as agreed with the Charity Commission. No remuneration or benefits were received for the role of trustee. The value of Trustees' remuneration was as follows:

		2023 £	2022 £
D Tapolczay	Remuneration	195,244	200,000

During the year ended 31 December 2023, expenses totalling £46,972 were reimbursed or paid directly to 3 Trustees (2022 - £12,655 to 1 Trustee). Expenses were primarily for travel and accomodation, and other necessary costs incurred during the performance of their duties.

12. Debtors

	2023 £	2022 £
Due within one year		
Prepayments and accrued income	9,350	6,971
	9,350	6,971

13. Investments

	2023 £	2022 £
Listed investments with Conduit Pharmaceuticals Inc.	16,943,544	-

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Loans	-	238,000
Trade creditors	23,234	184,534
Other taxation and social security	1,252,890	1,235,049
Other creditors	-	31,343
Accruals	33,227	86,532
	1,309,351	1,775,458

15. Provisions

	Provision for VAT penalties and interest £
At 1 January 2023	338,649
Additions	95,011
	433,660

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
Unrestricted funds	(1,519,413)	(927,895)	(571,306)	19,040,318	16,021,704
Restricted funds					
Funding for clinical trials	(571,306)	-	571,306	-	-
Total of funds	(2,090,719)	(927,895)	-	19,040,318	16,021,704

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted funds				
Unrestricted funds	(707,154)	155,000	(967,259)	(1,519,413)
Restricted funds				
Funding for clinical trials	(411,463)	-	(159,843)	(571,306)
Total of funds	(1,118,617)	155,000	(1,127,102)	(2,090,719)

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Current assets	17,764,715	17,764,715
Creditors due within one year	(1,309,351)	(1,309,351)
Provisions for liabilities and charges	(433,660)	(433,660)
Total	16,021,704	16,021,704

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Current assets	-	23,388	23,388
Creditors due within one year	(571,306)	(1,204,152)	(1,775,458)
Provisions for liabilities and charges	-	(338,649)	(338,649)
Total	(571,306)	(1,519,413)	(2,090,719)

18. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. £37,013 (2022: £57,013) was paid during the year to the fund by the charity as an employer contribution. Contributions totalling £nil (2022 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

19. Related party transactions

D Tapolczay, former trustee and Chief Executive Officer of the charity, is a director of Conduit Pharmaceuticals Limited, a company incorporated in the Cayman Islands. Mr Tapolczay resigned as a trustee and Chief Executive of the charity in September 2023.

The charity holds 6.6% (2022: 11.25%) investment of the issued share capital of Conduit Pharmaceuticals Limited.

In September 2023, Conduit Pharmaceuticals Limited went through a corporate restructuring. In the reorganisation, 147 of the 225 shares with a nominal value of $0.0001 owned by the Charity in Conduit Pharmaceuticals Limited were transferred to ownership of 4,749,816 common stock with a nominal value of $0.0001 within Conduit Pharmaceuticals Inc. This action has diluted George Street Capital ownership of the entity from 11.25% to 6.6%. The remaining 78 shares in Conduit Pharmaceuticals Limited were sold in September 2023 for £2.096m.

During the previous year, the charity held a loan of £238,000 due to Conduit Pharmaceuticals. At the reporting date, the balance of this loan was £Nil.

During the year, trustees made donations to the charity of £nil (2022: £10,000).

20. Post balance sheet events

The charity holds on its balance sheet investments of £16,943,544 in Conduit Pharmaceuticals Inc. After the reporting date, the investment has performed poorly and although the charity completed selling all of its holding before losing all value, the realised receipts from the sale of the above investments were under £1.2m. This is considered a non-adjusting event and thus no adjustments have been recorded in these financial statements.

Salt Hill Charity

England & Wales - Charity number 1171470

Accounts

Charity Registration No. 1171470

Company Registration No. 10537833 (England and Wales)

ST GEORGE STREET CAPITAL

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor J F Martin Dr R MacAllister Professor P J Coffey Mr D J Tapolczay
Chief Executive Officer	Mr D J Tapolczay
Charity number	1171470
Company number	10537833
Principal address	2a/2b Thrales End Business Centre Thrales End Lane Harpenden AL5 3NS
Registered office	Bates Wells 10 Queen Street Place London EC4R 1BE United Kingdom
Auditor	HW Fisher LLP 11-15 William Road London NW1 3ER United Kingdom
Bankers	Royal Bank of Scotland 62-63 Threadneedle Street London EC2R 8LA
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE United Kingdom Pinsent Masons 30 Crown Place Earl Street London EC2A 4ES

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

	Page
Trustees' report	1 - 5
Statement of trustees' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 23

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors (trustees) of St George Street Capital (the charity) present their report and financial statements for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective from 1 January 2019)

Objectives and activities

The Charity's objects are the advancement of health for public benefit, in particular, but without limitation, by promoting medical research and innovation through supporting scientific and technological discoveries to transition to therapeutic assessment and ultimately to the benefit of patients with current unmet needs.

The Charity seeks to take clinic ready assets that have stalled in the development pipeline of other organisations and, through funding clinical trials, help progress these assets to patients where clinical need exists. The Charity is disease area agnostic and has developed a set of criteria which aid decision-making. The criteria look at partner ability (the likelihood the asset will be licensed by a pharma/biotech company in order that it will reach patients); speed (to ensure therapies have the potential to be accelerated to patients in a reasonable timeframe, for example assets must have normally passed through Ph I trials successfully to be considered); and the potential of such assets to be developed into patient-ready therapies and be made available to those in need at affordable cost.

The Charity's aims in 2021 were to complete the ARCADIA clinical trial of AZD1656 in COVID19, with a view to partnering AZD1656 if the results of the trial were successful. In addition, the charity aimed to bring in more strategic investment for other assets in order to carry out further clinical trials.

During the 2021 period the Charity's activities included:
- Managing ARCADIA clinical trial and related vendors
- Completion of the ARCADIA clinical trial including the statistical analysis of clinical data and write-up of Clinical Study Report
- Publication of ARCADIA clinical trial protocol in The British Medical Journal a peer reviewed journal
- Creation of presentation materials for possible investors for AZD1656
- Investment presentation meetings with potential partners for AZD1656
- Ongoing discussions with experts on the results of the ARCADIA clinical trial
- Organising laboratory experiments on clinical trial samples
- Continued discussions with more strategic investors for St George Street Capital
- Continued engagement with AstraZeneca including progress updates
- Reporting to Innovate UK on the progress of ARCADIA
- Grant application to UKRI for male infertility project
- Grant application to NIHR for Long Covid
- Negotiating with AstraZeneca for additional therapeutic indications for AZD1656 license

Public Benefit

The trustees confirm that they have referred to the guidance issued by Charity Commission in section 17 under Charities Act 2011 on public benefit when reviewing the Charity's aims and objectives and in planning the Charity's activities.

Achievements and performance

Against its objectives and activities, the Charity has performed well.

1. The ARCADIA clinical trial was successfully completed the results being published in the peer reviewed journal The Lancet.
2. The ARCADIA trial had a number of successes including reduced number of deaths in ill patients suffering Covid-19 in the treatment arm, and reduction of time in hospital for patients suffering Covid-19.
3. The charity identified and published a new mechanism of human immunology applicable to other diseases as well as Covid-19
4. Discussions with potential partners for AZD1656 were conducted with several progressing to due diligence stage
5. Grants were completed on time for male infertility and Long Covid. The grant for male infertility scored very highly on peer review
6. Funding continued from the ARCADIA investors and UKRI
7. Cizzle Biotechnology agreement for research funding obtained
8. Patent submission for new discoveries from ARCADIA clinical trial
9. Obtained additional licenses for AZD1656 in Hasihmoto's Thyroiditis, Uveitis, and premature labour

During 2021 the Charity was funded by EML, Conduit Pharmaceuticals Limited and Innovate UK. The Charity entered into an agreement with EML for £7 million of research funding in 2020. £2.508m of which was received in the 2020. During the year, £1.6m has been received from EML. A further £30,000 was received in 2022, and no further funding will be received from EML.

The Charity obtained funding from Innovate UK as part of the UKRI project. During 2021 £2.06m was received from Innovate UK and £166,667 has been received from Cizzle Biotechnology, and £185,000 from Conduit Pharmaceuticals Limited.

Ultimately, the success of the Charity will be determined by the extent to which it is able to bring new therapies to the public at affordable cost and the extent to which those therapies meet unmet need.

Future plans are to raise sufficient further funding to enable the charity to deliver on its objectives of progressing assets to patients, specifically developing the two assets successfully licensed from AstraZeneca.

Fundraising

The charity does not fund raise from the general public.

Financial review

Donations of £3,681,127, grants for medical research funding of £351,667 and a loan waiver of £906,154 were made to the Charity during the year.

Charitable expenditure, made in furtherance of the objects of the Charity, amounted to £4,268,197, which resulted in a surplus for the the year of £670,751.

The surplus helped to reduce the deficit on funds carried forward to £1,118,617 at 31 December 2021.

The deficit carried forward can be attributed to a VAT liability of £1,319,797. The charity will be communicating with HMRC to pay the VAT balance off in instalments.

During the year, income from donation & research funding increased from £3,351,318 to £4,938,949. However, this was mainly due to a loan waiver of £906,154.

The expenditure increased slightly from £3,979,784 in 2020 to £4,268,197 in 2021.

Consultancy fees for clinical trial and staff costs was the largest in-house expenditure during the year, which totalled £3,974,280, increasing from £3,342,837 in the year ended 31 December 2020.

Due to substantial increases in income and significantly smaller increase in expenditure, the deficit in the fund reserves reduced to a deficit of £1,118,617 (2020: £1,789,368).

The reduction in the balance sheet deficit is mainly due to a £906,154 loan waiver. This has helped reduce the creditors balance to £1,493,869 (2020: £2,535,790).

The current assets has reduced to £619,977 (2020: £881,239). This is mainly reflective of a reduction to the cash at bank and in hand, which reduced to £88,975 (2020: £257,787).

Reserves Policy

The Charity has a deficit of £1,118,617, and included within this is a deficit of £411,463 on restricted funds and £707,154 on unrestricted funds. The deficit carried forward is mainly attributed to the VAT liability, as noted above. The Charity is being funded by Conduit Pharmaceuticals Limited going forward and hopes to eliminate the deficit on reserves. The Charity will then reconsider its reserves policy.

Risks and Uncertainties

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

In 2021 the principal uncertainties facing the Charity and those facing the charity going forward are:

1. Whether St George Street Capital would be able to successfully execute on the ARCADIA clinical trial given badging was not obtained in the UK which led to delays in recruitment as fewer hospital in the UK signed up to ARCADIA than was hoped. In order to mitigate this risk, other countries were considered and the decision was taken to obtain regulatory approval to run ARCADIA in Romania and Czech Republic and these recruited during 2021.
2. Whether Conduit Pharmaceutical Limited can continue to identify funders in order that St George Street Capital can begin the clinical development of more licensed assets to get them to patients. St George Street Capital has now a demonstrably track record of raising funding and taking an asset through a clinical trial successfully. This helps validate the model of the charity and add credibility for the ability of the charity to successfully operate.
3. Whether the ACRADIA trial would show AZD1656 had a clinical benefit. Whilst the trial did not meet its primary endpoint there were interesting signals in the secondary and exploratory signals, including reduced mortality in the AZD1656 group. These results have enabled St George Street Capital to have advanced discussions with investors.
4. The continued financial support from Conduit Pharmaceutical Limited. Regular meeting and assurances have been received by the Trustees in relation to this matter, giving confidence to the Trustees that the Charity will continue to be supported.

The successful signing of a licensing deal with AstraZeneca and successful execution of ARCADIA has improved the position in the eyes of new funders and partners and we are in advanced discussions with investors.

Going Concern

As mentioned above, the Charity is dependent on its funding partners to fund the Charity's clinical trials but as the Charity's activities are not fully funded, it is also reliant on the financial support of Conduit Pharmaceuticals Limited (formerly SGS Global Limited). The validity of such support is dependent upon the ability of Conduit Pharmaceuticals Limited to raise sufficient external funding so that such funding could be made available to the Charity. The Trustees accept that there is some uncertainty over the availability of such funding which may cause a material uncertainty over the Charity's ability to continue as a going concern. Nevertheless, the Trustees have a reasonable expectation that the Charity will be provided with adequate resources to continue in operation for twelve months from the date of approval of these financial statements and consider it appropriate to continue adopting the going concern basis.

Structure, governance and management

The Charity is a company limited by guarantee which is governed by its Memorandum and Articles of Association dated 22 December 2016 as amended on 19 March 2018. The members of the Charity are the trustees, and the guarantee is limited by £1.

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

Professor J F Martin	(Appointed 22 December 2016 - Chair of Trustees)
Dr R MacAllister	(Appointed 22 May 2017)
Professor P J Coffey	(Appointed 22 December 2016)
Dr D J Tapolczay	(Appointed 7 July 2018)

Trustees are appointed by majority vote of the board of trustees.

Mike Johnson was appointed as Managing Director in February 2018. The MD is in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. Except for Dr D J Tapolczay (who is remunerated as Chief Executive of the Charity), all trustees give of their time freely and no trustee remuneration was paid in the year. The Charity considers both Dr D J Tapolczay and M Johnson to be key management personnel.

The Charity's trustees agreed the strategy and direction for the Charity with the MD at board meetings. The trustees are also consulted for their scientific and clinical expertise when selecting which clinical assets to progress, and to confirm that assets under consideration will meet our charitable objective. Day to day operations are delegated to the Chief Executive and the Charity's staff and the executive plays a significant role in choosing which assets to progress and which pharmaceutical companies the Charity will build relationships with. The Charity has developed decision-making tools to aid in their selection of assets, which align with the charitable objectives. The Charity consults with external experts and key opinion leaders as required.

Trustees have been trained by their peers and the management and by meetings with our expert charity lawyers.

Conflict of Interest awareness has been part of the operation of the Charity.

Key management pay and remuneration

Benchmark data from other medical charities was used to inform the remuneration of the MD and Chief Executive.

Relationships with other charities and organisations

In 2019 the Charity was actively in discussions with large pharmaceutical companies regarding assets that they were no longer publishing. All potential medicines were for high unmet patient need. In August 2019 a licensing agreement was signed with AstraZeneca. Discussions with The Blind Veterans Association are also in progress.

Administrative Information

Principal Office

Bates Wells, 10 Queen Street Place, London EC4R 1BE

Charity Number: 1171470
Registered Company Number: 10537833

Auditor
HW Fisher, Acre House, 11-15 William Road, London, NW1 3ER

Bankers
Royal Bank of Scotland, London Threadneedle St. Branch, PO Box 412, 62-63 Threadneedle St., London, EC2R 8LA

Solicitors
Bates Wells, 10 Queen Street Place, London, EC4R 1BE

Pinsent Masons, 30 Crown Place, Earl Street, London, EC2A 4ES

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

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

D Tapolczay
.....

Mr D J Tapolczay
Trustee
Dated: 05 Jun 2023

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of St George Street Capital for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ST GEORGE STREET CAPITAL

Opinion

We have audited the financial statements of St George Street Capital (the 'Charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 21 which highlights a number of prior year adjustments that have been recognised in the financial statements. Our opinion is not modified with respect to that matter.

Material uncertainty relating to going concern

We draw attention to note 1.3 in the financial statements which indicates that the Charity is reliant on the financial support of Conduit Pharmaceuticals Limited and that such support is dependent upon Conduit Pharmaceuticals Limited being able to raise sufficient external funding. These events or conditions, along with the other matters as set out in note 1.3, indicate that a material uncertainty exists which may cast significant doubt on the Charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud.
- The company did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: FRS 102 and Companies Act 2006.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing revenue and expenses, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the company board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

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

Use of our report

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

Carol Rudge

Carol Rudge (Senior Statutory Auditor)
for and on behalf of HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

05 Jun 2023

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	As restated Unrestricted funds 2020 £	As restated Restricted funds 2020 £	As restated Total 2020 £
Income from:							
Donations and legacies	**3**	906,154	3,866,127	4,772,281	18,256	3,333,062	3,351,318
Charitable activities	**4**	166,667	-	166,667	-	-	-
Total income		1,072,821	3,866,127	4,938,948	18,256	3,333,062	3,351,318
Expenditure on:							
Charitable activities	**5**	-	4,160,548	4,160,548	-	3,450,104	3,450,104
Other	**14, 21**	107,649	-	107,649	529,680	-	529,680
Total resources expended		107,649	4,160,548	4,268,197	529,680	3,450,104	3,979,784
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		965,172	(294,421)	670,751	(511,424)	(117,042)	(628,466)
Other recognised gains and losses							
Other gains or losses	**9**	-	-	-	(169)	-	(169)
Net movement in funds		965,172	(294,421)	670,751	(511,593)	(117,042)	(628,635)
Fund balances at 1 January 2021							
As originally reported		*1,156,447*	-	*1,156,447*	*(1,160,733)*	-	*(1,160,733)*
Prior year adjustment	**21**	(2,828,773)	(117,042)	(2,945,815)	-	-	-
As restated		(1,672,326)	(117,042)	(1,789,368)	(1,160,733)	-	(1,160,733)
Fund balances at 31 December 2021		(707,154)	(411,463)	(1,118,617)	(1,672,326)	(117,042)	(1,789,368)

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

All income and expenditure derive from continuing activities.

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

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		As restated 2020	
		£	£	£	£
Fixed assets					
Tangible assets	**10**		937		3,196
Investments	**11**		-		-
			937		3,196
Current assets					
Debtors	**12**	531,002		623,452	
Cash at bank and in hand		88,975		257,787	
		619,977		881,239	
Creditors: amounts falling due within one year	**13**	(1,493,869)		(2,535,790)	
Net current liabilities			(873,892)		(1,654,551)
Total assets less current liabilities			(872,955)		(1,651,355)
Provisions for liabilities	**14**		(245,662)		(138,013)
Net liabilities			(1,118,617)		(1,789,368)
Income funds					
Restricted funds	**15**		(411,463)		(117,042)
Unrestricted funds			(707,154)		(1,672,326)
			(1,118,617)		(1,789,368)

The financial statements were approved by the Trustees on .....D. Tapolczay.....

05 Jun 2023

.....

Mr D J Tapolczay

Trustee

Company Registration No. 10537833

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**19**		(168,812)		230,134
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(168,812)		230,134
Cash and cash equivalents at beginning of year			257,787		27,653
Cash and cash equivalents at end of year			88,975		257,787

1 Accounting policies

Charity information

St George Street Capital is a private company limited by guarantee incorporated in England and Wales.The registered office is 10 Queen Street Place, London, EC4R 1BE, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Prior period adjustments

The financial statements include prior year adjustments in respect of the year ended 31 December 2020. An explanation of the adjustments and the impact on the financial statements is included at note 21. In addition a Cash Flow Statement was omitted in last year's accounts in error. A Cash Flow Statement has been included this year with comparatives.

1.3 Going concern

The Charity is in a net liability position of £1,118,617 (2020 As restated: £1,789,368). The Charity is dependent on its funding partners to fund the Charity's clinical trials but as the Charity's activities are not fully funded, it is also reliant on the financial support of Conduit Pharmaceuticals Limited (formerly SGS Global Limited).

The validity of such support is dependent upon the ability of Conduit Pharmaceuticals Limited to raise sufficient external funding so that such funding could be made available to the Charity. The Trustees accept that there is some uncertainty over the availability of such funding.

This suggests that a material uncertainty exists that casts doubt upon the ability of the Charity to continue as a going concern.

Nevertheless the Trustees have a reasonable expectation that the Charity will be provided with adequate resources to continue in operation for twelve months from the date of approval of these financial statements and consider it appropriate to continue adopting the going concern basis in preparing the financial statements.

1.4 Charitable funds

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

Restricted funds are used for the purposes of developing and performing clinical trials on drugs for medicinal purposes.

1.5 Incoming resources

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

1.6 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance, are allocated to the one charitable activity in the statement of financial activities.

1 Accounting policies **(Continued)**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged in aggregate to the charitable activity.

1.7 Tangible fixed assets

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

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

Fixtures and fittings	on 25% straight line
Computers	on 33.33% straight line

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

1.8 Impairment of fixed assets

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

1.9 Financial instruments

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

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.

1.10 Provisions

Provisions are recognised when the Charity has a legal or constructive present obligation as a result of a past event, it is probable that the Charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

The judgements or estimates that the trustees consider critical to the financial statements are detailed below.

Critical accounting estimates

Provision for VAT penalty

As explained in note 21, the Charity had not accounted for VAT on the supply of services provided to funding partners. The trustees have now recorded a liability for the VAT, together with a provision for the penalties and interest. The trustees have estimated the penalty percentage that is likely to apply in arriving at the latter provision.

Key Judgements

Principal vs Agent

In recognising the prior year adjustment to remove unrestricted income of £2,350,000, the trustees have applied judgement to determine whether the Charity acted as an agent or principal and have come to the conclusion that the Charity acted as an agent.

3 Donations and legacies

	Unrestricted funds	**Restricted funds**	**Total**	As restated Unrestricted funds	As restated Restricted funds	As restated Total
	2021	**2021**	**2021**	2020	2020	2020
	£	**£**	**£**	£	£	£
Donations and gifts	906,154	3,866,127	4,772,281	18,256	3,333,062	3,351,318
Donations and gifts						
Donations	-	-	-	18,256	-	18,256
Medical research funding	-	3,866,127	3,866,127	-	3,333,062	3,333,062
Loan waiver	906,154	-	906,154	-	-	-
	906,154	3,866,127	4,772,281	18,256	3,333,062	3,351,318

4 Charitable activities

	Unrestricted 2021	As restated 2020
	£	£
Medical research funding	166,667	-
	166,667	-

5 Charitable activities

	Restricted 2021	As restated Restricted 2020
	£	£
Staff costs	645,903	649,274
Consultancy fees for clinical trials	3,327,725	2,691,233
Other	652	2,330
	3,974,280	3,342,837
Share of support costs (see note 6)	53,174	71,237
Share of governance costs (see note 6)	133,094	36,030
	4,160,548	3,450,104

Charitable activities relate to medical research funding.

6 Support costs

	Support costs	**Governance costs**	**2021**	Support costs	Governance costs	2020
	£	**£**	**£**	£	£	£
Depreciation	2,259	-	2,259	3,691	-	3,691
Office rent	806	-	806	14,684	-	14,684
Bank charges	1,480	-	1,480	1,375	-	1,375
Other expenses	607	-	607	4,899	-	4,899
IT expenses	8,000	-	8,000	7,087	-	7,087
Travel and subsistence	6,314	-	6,314	18,374	-	18,374
Insurance	30,391	-	30,391	12,890	-	12,890
Telephone	3,317	-	3,317	8,237	-	8,237
Audit fees	-	112,563	112,563	-	6,720	6,720
Independent examination fees - underaccrual	-	7,290	7,290	-	6,000	6,000
Legal and professional fees	-	13,241	13,241	-	23,310	23,310
	53,174	133,094	186,268	71,237	36,030	107,267

Governance costs includes payments and accrued costs excluding VAT to the Auditors of £112,563 (2020: £6,720) and £7,290 for other services (2020: £6,000).

7 Trustees

One (2020: Two) of the trustees received reimbursed expenses of £11,781 (2020: £74,070) relating to travel and subsistence costs from the charity during the year.

One trustee received remuneration as Chief Executive of the Charity, as agreed with the Charity Commission.

8 Employees

The average monthly number of employees during the year was:

	2021	**2020**
	Number	**Number**
Employees	5	5

Employment costs	**2021**	**2020**
	£	**£**
Wages and salaries	519,082	523,306
Social security costs	61,474	62,283
Other pension costs	65,347	63,685
	645,903	649,274

The number of employees whose annual remuneration was £60,000 or more were:

8 Employees **(Continued)**

	2021 Number	2020 Number
£60,000 - £100,000	2	2
£100,001 - £120,000	1	1
£180,001 - £200,000	1	1

9 Other gains or losses

	Unrestricted funds 2020 £
Foreign exchange gains	169

10 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 January 2021	7,500	5,503	13,003
At 31 December 2021	7,500	5,503	13,003
Depreciation and impairment			
At 1 January 2021	4,688	5,119	9,807
Depreciation charged in the year	1,875	384	2,259
At 31 December 2021	6,563	5,503	12,066
Carrying amount			
At 31 December 2021	937	-	937
At 31 December 2020	2,812	384	3,196

11 Fixed Asset Investments

The unlisted investment represents 225 Ordinary shares of £0.0001 (11.25% shareholding) in Conduit Pharmaceuticals Limited (formerly SGS Global Limited), incorporated in Grand Cayman.

12 Debtors

	2021	As restated 2020
Amounts falling due within one year:	**£**	**£**
Other debtors	60,504	102,055
Prepayments and accrued income	470,498	521,397
	531,002	623,452

13 Creditors: amounts falling due within one year

	2021	As restated 2020
	£	**£**
Other taxation and social security	1,136,781	809,802
Trade creditors	176,266	805,074
Amounts owed to connected company	-	906,154
Accruals	180,822	14,760
	1,493,869	2,535,790

The loan was from Conduit Pharmaceuticals Limited, and was non interest bearing and repayable on demand. This was waived during the year.

14 Provisions for liabilities

	2021	2020
	£	£
Provision for VAT penalties and interest	245,662	138,013

Movements on provisions:

	Provision for VAT penalties and interest
	£
At 1 January 2021	138,013
Additional provisions in the year	107,649
At 31 December 2021	245,662

Provisions relate to penalties and interest on overdue VAT liabilities owed to HMRC.

15 Restricted funds

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

	Movement in funds			Movement in funds		
	As restated Incoming resources	As restated Resources expended	As restated Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£
Funding for clinical trials	3,333,062	(3,450,104)	(117,042)	3,866,127	(4,160,548)	(411,463)

The deficit on restricted funds carried forward is as a result of prior year and current year adjustments relating to penalties and interest on overdue VAT liabilities owed to HMRC.

16 Analysis of net assets between funds

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020	Restricted funds 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Tangible assets	937	-	937	3,196	-	3,196
Current assets/(liabilities)	(462,428)	(411,464)	(873,892)	(1,537,509)	(117,042)	(1,654,551)
Provisions	(245,662)	-	(245,662)	(138,013)	-	(138,013)
	(707,153)	(411,464)	(1,118,617)	(1,672,326)	(117,042)	(1,789,368)

17 Related party transactions

D J Tapolczay, a trustee and the Chief Executive Officer of the charity, is a director of Conduit Pharmaceuticals Limited (formerly SGS Global), a company incorporated in the Cayman Islands.

The charity holds 11.25% investment of the issued share capital of Conduit Pharmaceuticals Limited.

During the period, a loan owed to Conduit Pharmaceuticals Limited of £906,154 (2020: £906,154) was waived.

During the period, the charity held 1.1bn shares at £0.001 per share in Vela Technologies Plc on behalf of Conduit Pharmaceuticals Limited, who had beneficial ownership. These shares were transferred into the name of Conduit Pharmaceuticals Limited on 14 September 2021.

18 Events after the reporting date

Post the balance sheet date, the Charity (the "borrower") has entered into an loan agreement with Conduit Pharmaceuticals Limited (the "lender") who have agreed to advance up to £500,000, of which the Charity has drawn down £476,000. The loan is unsecured, non interest bearing and repayable by 30 September 2023.

19 Cash generated from operations

	2021	2020
	£	£
Surplus/(deficit) for the year	670,751	(628,466)
Adjustments for:		
Foreign exchange differences	-	(169)
Depreciation and impairment of tangible fixed assets	2,259	3,691
Movements in working capital:		
Decrease/(increase) in debtors	92,450	(622,417)
(Decrease)/increase in creditors	(1,041,921)	1,339,482
(Decrease) in provisions	107,649	138,013
Cash (absorbed by)/generated from operations	(168,812)	230,134

20 **Analysis of changes in net funds**

The Charity had no debt during the year.

21 Prior period adjustment

The financial statements include a number of prior year adjustments.

The first represents a reclassification of £906,154 owed to a connected company, which was incorrectly offset against a debtor balance with the same connected company, back to creditors.

The second related to unrestricted income of £2,350,000 in the year ended 31 December 2020, which had corresponding entries to fixed asset investments on acquisition of £1,100,000 (with a subsequent impairment loss of £352,000), and amounts owed by connected company of £1,250,000. These transactions should not have been recognised in the financial statements, on the basis St George Street Capital acted as an agent and not principal in this transaction, and have accordingly been removed.

The third relates to VAT whereby St George Street Capital had not accurately accounted for VAT on the supply of services with funding partners. An adjustment for £809,802 to account for the VAT liability has been recognised within creditors, and £138,013 has been accounted for within provisions for potential penalties and interest owed to HMRC.

The fourth relates to £2,508,810 being incorrectly recognised as unrestricted income, which should have been recognised within restricted income. A corresponding adjustment to reclassify £2,207,717 of expenses from unrestricted to restricted expenditure has also been recognised.

Changes to the balance sheet

	At 31 December 2020		
	As previously reported	**Adjustment**	**As restated**
	£	**£**	**£**
Fixed assets			
Investments	748,000	(748,000)	-
Current assets			
Debtors due within one year	967,298	(343,846)	623,452
Creditors due within one year			
Taxation	-	(809,802)	(809,802)
Other creditors	(819,834)	(906,154)	(1,725,988)
Provisions for liabilities			
Other provisions	-	(138,013)	(138,013)
Net assets	1,156,447	(2,945,815)	(1,789,368)
Capital funds			
Income funds			
Restricted funds	-	(117,042)	(117,042)
Unrestricted funds	1,156,447	(2,828,773)	(1,672,326)
Total equity	1,156,447	(2,945,815)	(1,789,368)

21 Prior period adjustment **(Continued)**

	At 31 December 2020		
	As previously reported	Adjustment	As restated
	£	£	£
Fixed assets			
Changes to the profit and loss account			

	Period ended 31 December 2020		
	As previously reported	Adjustment	As restated
	£	£	£
Income from:			
Donations and legacies	1,260,643	2,090,675	3,351,318
Charitable activities	4,858,810	(4,858,810)	-
	6,119,453	(2,768,135)	3,351,318
Expenditure on:			
Charitable activities	3,450,104	-	3,450,104
Other	-	529,680	529,680
	(3,450,104)	(529,680)	(3,979,784)
Other gains and losses	(352,169)	352,000	(169)
Net movement in funds	2,317,180	(2,945,815)	(628,635)

Included within other is overdue VAT, penalties and interest.

Salt Hill Charity

England & Wales - Charity number 1171470

Accounts

Charity Registration No. 1171470

Company Registration No. 10537833 (England and Wales)

ST GEORGE STREET CAPITAL

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor J F Martin Dr R MacAllister Professor P J Coffey Mr D J Tapolczay
Chief Executive Officer	Mr D J Tapolczay
Charity number	1171470
Company number	10537833
Principal address	2a/2b Thrales End Business Centre Thrales End Lane Harpenden AL5 3NS
Registered office	Bates Wells 10 Queen Street Place London EC4R 1BE United Kingdom
Auditor	HW Fisher LLP 11-15 William Road London NW1 3ER United Kingdom
Bankers	Royal Bank of Scotland 62-63 Threadneedle Street London EC2R 8LA
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE United Kingdom Pinsent Masons 30 Crown Place Earl Street London EC2A 4ES

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent auditor's report	5 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 18

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors (trustees) of St George Street Capital (the charity) present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Charity's objects are the advancement of health for public benefit, in particular, but without limitation, by promoting medical research and innovation through supporting scientific and technological discoveries to transition to therapeutic assessment and ultimately to the benefit of patients with current unmet needs.

The Charity seeks to take clinic ready assets that have stalled in the development pipeline of other organisations and, through funding clinical trials, help progress these assets to patients where clinical need exists. The Charity is disease area agnostic and has developed a set of criteria which aid decision-making. The criteria look at partner ability (the likelihood the asset will be licensed by a pharma/biotech company in order that it will reach patients); speed (to ensure therapies have the potential to be accelerated to patients in a reasonable timeframe, for example assets must have normally passed through Ph I trials successfully to be considered); and the potential of such assets to be developed into patient-ready therapies and be made available to those in need at affordable cost.

The Charity's aims in 2020 were to raise funding for clinical trials in order to achieve its charitable object of progressing assets to the patients that need them.. In March 2020 it was realised that one of the assets licensed from AZ in 2019 could be beneficial to patients with diabetes and COVID-19. Funding to enable a clinical trial to investigate the efficacy of this potential treatment was successfully raised by July 2020 from Excalibur Medical Limited (EML) and Innovate UK. The ARCADIA trial began recruiting patients in September 2020, reaching 50 patients by the end of December 2020. ARCADIA is currently ongoing as of April 2021 and is expected to read-out in July/August 2021.

During the 2020 period the Charity's activities included:

- Writing grant applications to raise funding to progress clinical trials
- Presenting to potential funders of clinical trials
- Obtaining a license from AZ for the use of AZD1656 in COVID19
- Completing an agreement with EML to obtain part-funding for the ARCADIA clinical trial
- Successfully obtaining a grant via UKRI for ARCADIA
- Completing an agreement with St George Street Global to provide funding to St George Street Capital to undertake research
- Creating a protocol for the ARCADIA clinical trial
- Obtaining regulatory approval for the ARCADIA trial in the UK
- Contracting with vendors to help run the ARCADIA clinical trial
- Managing the ARCADIA clinical trial
- Obtaining regulatory approval for the ARCADIA trial in the Czech Republic and Romania
- Continued engagement with AstraZeneca including progress updates
- Reporting to Innovate UK on the progress of ARCADIA

Public Benefit

The trustees confirm that they have referred to the guidance issued by Charity Commission in section 17 under Charities Act 11 on public benefit when reviewing the Charity's aims and objectives and in planning the Charity's activities.

Achievements and performance

Against its objectives and activities, the Charity has performed well.

1. Funding was successfully obtained to run the ARCADIA clinical trial

2. One of the AstraZeneca assets has now been progressed into a phase 2 clinical trial using the funding raised, demonstrating the charity's ability to run clinical trials

During 2020 the Charity was funded by EML, Vela and Innovate UK. The Charity entered into an agreement with EML for £7 million of research funding £2.509 million of which was received in the year. Further funding has been received from EML of £1.458 million in the following year. The Charity entered into an agreement with Vela Technologies for £2.350 million of research funding. £1.250 million was provided in cash with £1.1 million being provided in shares in Vela Technologies. (Subsequent to the balance sheet date the shares in Vela Technologies have been disposed to Conduit Pharmaceuticals Limited.) The Charity obtained funding from Innovate UK as part of the UKRI project. During the year £1.242 million was received from innovate UK with the further £2.062 million been received in the following year. In 2021 the Charity has also entered into an agreement with Cizzle Biotechnology for research funding.

Ultimately, the success of the Charity will be determined by the extent to which it is able to bring new therapies to the public at affordable cost and the extent to which those therapies meet unmet need.

Future plans are to raise sufficient further funding to enable the charity to deliver on its objectives of progressing assets to patients, specifically developing the two assets successfully licensed from AstraZeneca in 2019 in Idiopathic Male Infertility and Renal Transplant Rejection. In addition the results of the ARCADIA trial may allow for a licensing deal with a pharmaceutical company, this would raise additional funding for the charity to continue with its work.

In order for the charity to maintain autonomy in selection of those assets which meet its charitable objectives, a separate entity has been created such that those that are funding the clinical trials of assets do not have an influence at the charitable level. This entity (St George Street Global) is responsible for raising sufficient funding to operate the clinical trials. The charity will remain independent and responsible for building and maintaining the relationships with the pharmaceutical companies. The charity will benefit from any eventual commercialisation of future assets to enable the charity to become self-sufficient.

Financial review

Donations of £18,256 and grants for research funding of £6,101,197 were made to the Charity. Charitable expenditure, made in furtherance of the objects of the Charity, amounted to £3,450,104.

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

In 2020 the principal uncertainties facing the Charity were:

1. Whether St George Street would be able to successfully execute on the ARCADIA clinical trial given badging was not obtained in the UK which led to delays in recruitment as fewer hospital in the UK signed up to ARCADIA than was hoped. In order to mitigate this risk, other countries were considered and the decision was taken to obtain regulatory approval to run ARCADIA in Romania and Czech Republic.

2. Whether St George Street Global can continue to identify funders in order that St George Street can begin the clinical development of more licensed assets to get them to patients. St George Street has now a demonstrably track record of raising funding and taking an asset through a clinical trial successfully. This helps validate the model of the charity and add credibility for the ability of the charity to successfully operate. The ARCADIA trial may also enable the charity to raise money independently of further funders, depending on the result of the trial. St George Street Global has been created to assist with fundraising.

The successful signing of a licensing deal with AstraZeneca and successful execution of ARCADIA has improved the position in the eyes of new funders and partners.

Fundraising

The charity does not fund raise from the general public.

Structure, governance and management

The Charity is a company limited by guarantee which is governed by its Memorandum and Articles of Association dated 22 December 2016 as amended on 19 March 2018.

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

Professor J F Martin	(Appointed 22 December 2016 - Chair of Trustees)
Dr R MacAllister	(Appointed 22 May 2017)
Professor P J Coffey	(Appointed 22 December 2016)

Dr D J Tapolczay (Appointed 7 July 2018)

Trustees are appointed by majority vote of the board of trustees.

Mike Johnson was appointed as Managing Director in February 2018. The trustees consider the MD as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. Except for Dr D J Tapolczay (who is remunerated as Chief Executive of the Charity), all trustees give of their time freely and no trustee remuneration was paid in the year.

The Charity's trustees agreed the strategy and direction for the Charity with the MD at board meetings. The trustees are also consulted for their scientific and clinical expertise when selecting which clinical assets to progress, and to confirm that assets under consideration will meet our charitable objective. Day to day operations are delegated to the Chief Executive and the Charity's staff and the executive plays a significant role in choosing which assets to progress and which pharmaceutical companies the Charity will build relationships with. The Charity has developed decision-making tools to aid in their selection of assets, which align with the charitable objectives. The Charity consults with external experts and key opinion leaders as required.

Trustees have been trained by their peers and the management and by meetings with our expert charity lawyers.

Conflict of Interest awareness has been part of the operation of the Charity.

Key management pay and remuneration

Benchmark data from other medical charities was used to inform the remuneration of the MD.

Relationships with other charities and organisations

Discussions with Diabetes UK and JDRF regarding the ARCADIA clinical trial were had in 2020. This led to Diabetes UK highlighting the ARCADIA trial on their website to people with diabetes. Discussions with The Blind Veterans Association and with Children's Tumour Foundation are also in progress with the aim of taking other potential therapies through clinical trials.

Principal Office
Bates Wells, 10 Queen Street Place, London EC4R 1BE
Charity Number: 987654
Registered Company Number: 10537833

Auditor
HW Fisher, Acre House, 11-15 William Road, London, NW1 3ER

Bankers
Royal Bank of Scotland, London Threadneedle St. Branch, PO Box 412, 62-63 Threadneedle St., London, EC2R 8LA

Solicitors
Bates Wells, 10 Queen Street Place, London, EC4R 1BE

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

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

DAVE TAPLOCZAY
Mr D J Tapolczay
Trustee
Dated: 29 Apr 2022

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of St George Street Capital for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ST GEORGE STREET CAPITAL

Opinion

We have audited the financial statements of St George Street Capital (the 'Charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to note 1.2 in the financial statements which indicates that the Charity is reliant on the financial support of Conduit Pharmaceuticals Limited and that such support is dependent upon Conduit Pharmaceuticals Limited being able to raise sufficient external funding. These events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists which may cast significant doubt on the Charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud.
- The company did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: FRS 102, Companies Act 2006, and health and safety regulations.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Testing revenue and expenses, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the company board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

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

Other matters

The comparatives for the year ended 31 December 2019 were unaudited.

Use of our report

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

HW Fisher LLP

Sailesh Mehta (Senior Statutory Auditor)
for and on behalf of HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

29 Apr 2022

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £
Income from:					
Donations and legacies	**3**	18,256	1,242,387	1,260,643	-
Charitable activities	**4**	4,858,810	-	4,858,810	-
Total income		4,877,066	1,242,387	6,119,453	-
Expenditure on:					
Charitable activities	**5**	2,207,717	1,242,387	3,450,104	1,241,308
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		2,669,349	-	2,669,349	(1,241,308)
Other recognised gains and losses					
Other gains or losses	**9**	(352,169)	-	(352,169)	(2,677)
Net movement in funds		2,317,180	-	2,317,180	(1,243,985)
Fund balances at 1 January 2020		(1,160,733)	-	(1,160,733)	83,252
Fund balances at 31 December 2020		1,156,447	-	1,156,447	(1,160,733)

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

All income and expenditure derive from continuing activities.

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

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	**10**		3,196		6,887
Investments	**11**		748,000		-
Current assets					
Debtors	**13**	967,298		1,035	
Cash at bank and in hand		257,787		27,653	
		1,225,085		28,688	
Creditors: amounts falling due within one year	**15**	(819,834)		(529,154)	
Net current assets/(liabilities)			405,251		(500,466)
Total assets less current liabilities			1,156,447		(493,579)
Creditors: amounts falling due after more than one year	**16**		-		(667,154)
Net assets/(liabilities)			1,156,447		(1,160,733)
Income funds					
Unrestricted funds			1,156,447		(1,160,733)
			1,156,447		(1,160,733)

The financial statements were approved by the Trustees on 29 Apr 2022

DAVE TAPOLCZAY DAVE TAPOLCZAY

Mr D J Tapolczay
Trustee

Company Registration No. 10537833

1 Accounting policies

Charity information

St George Street Capital is a private company limited by guarantee incorporated in England and Wales.The registered office is 10 Queen Street Place, London, EC4R 1BE, united Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees have considered the effect of the Covid-19 outbreak that has spread throughout the world during 2020 and 2021 on the Charity's activities. Although the outbreak is likely to have caused some disruption to the Charity's business, the Trustees do not believe that this will be significant.

The Charity is dependent on its funding partners to fund the Charity's clinical trials but as the Charity's activities are not fully funded, it is also reliant on the financial support of Conduit Pharmaceuticals Limited (formerly SGS Global Limited). The validity of such support is dependent upon the ability of Conduit Pharmaceuticals Limited to raise sufficient external funding so that such funding could be made available to the Charity. The Trustees accept that there is some uncertainty over the availability of such funding which may cast doubt over the Charity's ability to continue as a going concern. Nevertheless the Trustees have a reasonable expectation that the Charity will be provided with adequate resources to continue in operation for twelve months from the date of approval of these financial statements and consider it appropriate to continue adopting the going concern basis in preparing the financial statements.

1.3 Charitable funds

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

1.4 Incoming resources

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance, are allocated to the one charitable activity in the statement of financial activities.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged in aggregate to the charitable activity.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

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

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

Fixtures and fittings	on 25% straight line
Computers	on 33.33% straight line

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

1.7 Fixed asset investments

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

1.8 Impairment of fixed assets

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

1.9 Financial instruments

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

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.

1.10 Employee benefits

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

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

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

The trustees do not believe there to be any judgements or estimates that would be considered critical to the financial statements.

3 Donations and legacies

	Unrestricted funds	**Restricted funds**	**Total**	Total
	2020	**2020**	**2020**	2019
	£	**£**	**£**	£
Donations and gifts	18,256	1,242,387	1,260,643	-
Donations and gifts				
Donations	18,256	-	18,256	-
Research grant	-	1,242,387	1,242,387	-
	18,256	1,242,387	1,260,643	-

4 Charitable activities

	Unrestricted 2020	**2019**
	£	**£**
Research funding	3,758,810	-
Research funding in kind	1,100,000	-
	4,858,810	-

5 Charitable activities

	Unrestricted 2020	Restricted 2020	Total 2020	Unrestricted 2019
	£	£	£	£
Staff costs	467,270	182,004	649,274	557,444
Consultancy fees	1,848,151	843,082	2,691,233	3,000
Marketing and conference	2,330	-	2,330	2,612
	2,317,751	1,025,086	3,342,837	563,056
Share of support costs (see note 6)	71,237	-	71,237	143,245
Share of governance costs (see note 6)	36,030	-	36,030	535,007
	2,425,018	1,025,086	3,450,104	1,241,308
Analysis by fund				
Unrestricted funds	2,207,717	-	2,207,717	1,241,308
Restricted funds	217,301	1,025,086	1,242,387	-
	2,425,018	1,025,086	3,450,104	1,241,308

6 Support costs

	Support costs	**Governance costs**	**2020**	Support costs	Governance costs	2019
	£	**£**	**£**	£	£	£
Depreciation	3,691	-	3,691	3,691	-	3,691
Office rent	14,684	-	14,684	20,148	-	20,148
Bank charges	1,375	-	1,375	461	-	461
Office consumbales	-	-	-	1,439	-	1,439
Other expenses	4,899	-	4,899	1,844	-	1,844
Interest expense	-	-	-	16,244	-	16,244
IT expenses	7,087	-	7,087	4,396	-	4,396
Travel and subsistence	18,374	-	18,374	78,798	-	78,798
Insurance	12,890	-	12,890	3,068	-	3,068
Telephone	8,237	-	8,237	13,156	-	13,156
Audit fees	-	6,720	6,720	-	-	-
Independent examination fees	-	6,000	6,000	-	5,400	5,400
Accountancy fees	-	-	-	-	16,885	16,885
Legal and professional fees	-	23,310	23,310	-	512,722	512,722
	71,237	36,030	107,267	143,245	535,007	678,252
Analysed between						
Charitable activities	71,237	36,030	107,267	143,245	535,007	678,252

Governance costs includes payments including VAT to the Auditors of £6,720 (2019: £nil) and £6,000 for other services (2019: £16,885). In 2019 governance costs included fees to the Independent Examiner of £5,400.

7 Trustees

Two of the trustees received reimbursed expenses of £74,070 (2018: £50,405) relating to travel and subsistence costs from the charity during the year.

One trustee received remuneration as Chief Executive of the Charity. The other trustees received no remuneration during the year.

8 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Employees	5	5

Employment costs	**2020 £**	**2019 £**
Wages and salaries	523,306	449,126
Social security costs	62,283	53,848
Other pension costs	63,685	54,470
	649,274	557,444

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£60,000 - £100,000	2	-
£100,001 - £120,000	1	1
£180,001 - £200,000	1	1

9 Other gains or losses

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Impairment losses	352,000	-
Foreign exchange gains	169	2,677
	352,169	2,677

10 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 January 2020	7,500	5,503	13,003
At 31 December 2020	7,500	5,503	13,003
Depreciation and impairment			
At 1 January 2020	2,813	3,303	6,116
Depreciation charged in the year	1,875	1,816	3,691
At 31 December 2020	4,688	5,119	9,807
Carrying amount			
At 31 December 2020	2,812	384	3,196
At 31 December 2019	4,687	2,200	6,887

11 Fixed asset investments

	Listed investments	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 January 2020	-	-	-
Additions	1,100,000	-	1,100,000
At 31 December 2020	1,100,000	-	1,100,000
Impairment			
At 1 January 2020	-	-	-
Impairment losses	352,000	-	352,000
At 31 December 2020	352,000	-	352,000
Carrying amount			
At 31 December 2020	748,000	-	748,000
At 31 December 2019	-	-	-

The listed investment represents 1,100,000,000 Ordinary shares of £0,001 in Vela Technologies Plc, incorporated in England & Wales. Subsequent to the balance sheet date the shares in Vela were disposed to Conduit Pharmaceuticals Limited.

The unlisted investment represents 225 Ordinary shares of £0.0001 in Conduit Pharmaceuticals Limited (formerly SGS Global Limited), incorporated in Grand Cayman.

12 Financial instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	748,000	-

13 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Amounts owed by associate undertakings	343,846	-
Other debtors	102,055	1,035
Prepayments and accrued income	521,397	-
	967,298	1,035

14 Loans and overdrafts

	2020	2019
	£	£
Other loans	-	667,154
Payable after one year	-	667,154

The long-term loans are secured by fixed charges.

15 Creditors: amounts falling due within one year

	Notes	2020	2019
		£	£
Trade creditors		805,074	468,344
Other taxation and social security		-	40,670
Accruals		14,760	20,140
		819,834	529,154

16 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Loans	-	667,154

The loan is from Conduit Pharmaceuticals Limited and no interest has been charged in the year. The loan is repayable on demand unless such demand would result in the charity becoming insolvent. Conduit Pharmaceuticals Limited have agreed not to seek repayment of the loan for at least twelve months from the date of approval of these financial statements.

17 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	-	20,208

18 Related party transactions

D J Tapolczay, a trustee and the Chief Executive Officer of the charity, is a director of Conduit Pharmaceuticals Limited (formerly SGS Global), a company incorporated in the Cayman Islands. Conduit Pharmaceuticals Limited owes £343,846 at the balance sheet date. The charity holds 22.5% investment of the issued share capital of Conduit Pharmaceuticals Limited.

19 **Analysis of changes in net funds/(debt)**

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	27,653	230,134	257,787
Loans falling due after more than one year	(667,154)	667,154	-
	(639,501)	897,288	257,787

Signable

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Parties involved with this document

Document processed	Party + Fingerprint
Fri, 29th Apr 2022 18:05:11 BST	Dave Tapolczay - Signer (56b33495f557a6900cf9bd909be0062b)
Fri, 29th Apr 2022 23:12:22 BST	Sailesh Mehta - Signer (2e2a20d04fdb023fff0b57bc6f06507b)

Audit history log

Date	Action
Fri, 29th Apr 2022 23:12:25 BST	Sailesh Mehta viewed the envelope. (35.179.60.205)
Fri, 29th Apr 2022 23:12:22 BST	The envelope has been signed by all parties. (35.179.60.205)
Fri, 29th Apr 2022 23:12:22 BST	Sailesh Mehta signed the envelope. (35.179.60.205)
Fri, 29th Apr 2022 23:11:27 BST	Sailesh Mehta viewed the envelope. (35.179.60.205)
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Fri, 29th Apr 2022 18:05:47 BST	Dave Tapolczay opened the document email. (94.195.150.236)
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Fri, 29th Apr 2022 18:05:11 BST	Sent the envelope to Sailesh Mehta (smehta@hwfisher.co.uk) for signing. (35.179.60.205)
Fri, 29th Apr 2022 18:05:11 BST	Dave Tapolczay signed the envelope. (35.179.60.205)
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Fri, 29th Apr 2022 17:57:19 BST	Dave Tapolczay opened the document email. (81.157.254.101)
Fri, 29th Apr 2022 17:32:40 BST	Document emailed to dave@sgscapital.org (35.177.19.151)
Fri, 29th Apr 2022 17:32:40 BST	Sent the envelope to Dave Tapolczay (dave@sgscapital.org) for signing. (217.207.100.70)
Fri, 29th Apr 2022 17:31:28 BST	Sailesh Mehta has been assigned to this envelope (217.207.100.70)
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