

Registered number: 10529899

Charity number: 1173589

PTEN RESEARCH FOUNDATION

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

PTEN RESEARCH FOUNDATION
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025

Trustees/Directors	Siriana Baldini Susannah Clark Renata Crome Robert Williams Riccardo Zacconi
Company Registered Number	10529899
Charity Registered Number	1173589
Registered Office	4 th Floor St James House Cheltenham GL50 3PR
Independent auditors	Crowe U.K. LLP 4 th Floor St James House Cheltenham GL50 3PR
Investment Manager	Brown Advisory 18 Hanover Square London, W1S 1JY
Bankers	Barclays Wealth Mayfair London W1K 1AF JP Morgan SE 6 Route de Treves L-2633 Senningerberg Luxembourg

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also Directors for the purposes of Company Law, present their annual report together with the audited financial statements of the charity for the year 1st April 2024 to 31st March 2025. The Trustees confirm that the Annual Report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Trustees

The Trustees who served during the period were:

Siriana Baldini
 Susannah Clark
 Renata Crome
 Robert Williams
 Riccardo Zacconi

Riccardo Zacconi has signed the report on behalf of the Board of Trustees and the Directors.

Members

The company has a single member, Blue Compass PTC Limited, in place since 16th December 2016.

Structure, governance and management

1. Name of the governing document and how the charity is constituted

The PTEN Research Foundation ('the Foundation' or 'PTEN Research') was established as a charity under English and Welsh law in 2017 (registered number 1173589). The Foundation is constituted under a Memorandum of Association and Articles of Association, dated 16th December 2016, which were revised by a special resolution of the Foundation's member on 18th July 2022 (the 'Revised Articles').

The Foundation's mission is to fund and facilitate research that will lead to better treatments and improved outcomes for PTEN hamartoma tumour syndrome ('PHTS').

2. Methods used to recruit and appoint new Trustees

Under the Revised Articles, PTEN Research must have not less than three Trustees and unless and until the Charity determines otherwise by ordinary resolution, the number of its Trustees is not subject to a maximum limit.

The appointment, recruitment, and terms of office of Trustees are determined by the governance needs of the Foundation to meet its mission. New Trustees are recruited through relevant scientific, research or business networks. Active consideration is given to the diversity of the Board. Any person who is willing to act as a Trustee and is permitted by law to do so, may be appointed by an ordinary resolution of the member. To date Trustees have been appointed based on their skills and knowledge, and the contribution they can offer the Foundation.

3. The charity's organisational structure and how decisions are made

The organisational structure of the Foundation is as follows:

- **Board of Trustees:** the governing entity; the board ratifies policy and makes operational, funding and strategic decisions by majority vote.
- **Staff:** responsible for carrying out the day-to-day activities of the Foundation in accordance with its charitable objectives. They are supervised by the Trustees and supported in their decision making through a Delegated Scheme of Authority.
- **Scientific Advisory Board (SAB):** responsible for providing the Foundation with non-binding scientific advice on its programmes and strategy.

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At PTEN Research, decisions are made by the Trustees or by delegation of authority to staff who manage the daily running of the Foundation. Under the Revised Articles, decisions of the Board must be supported by a majority of the Trustees either in person or in writing. The Trustees and member can exercise the powers of the charity as described in the published Revised Articles. As at 31st March 2025, and as at the date of this report, the Foundation's Board of Trustees included five individuals with knowledge in the fields of drug development, finance, communications, law and business development. The Trustees meet at least four times a year.

The Foundation has a small team of staff who have the delegated authority to oversee the day-to-day running of the charity, ensuring that it adheres to its charitable objectives and mission.

At 31st March 2025, the Scientific Advisory Board (the 'SAB') comprised nine experts whose specialisms included: medicine and genetics (including the treatment of individuals with PHTS), scientific research including specifically drug development, and clinical research. The SAB meets on average once a year to discuss the scientific progress of the Foundation. The SAB is also consulted during the year to advise on grants or to give input into scientific projects. SAB members have an advisory role and no decision-making authority.

4. Policies and procedures for induction and training of Trustees

On appointment, new Trustees sign a Trustee declaration statement committing their time and expertise to the Foundation. After an initial meeting at which new Trustees meet the Foundation's applicable staff, they are introduced to the Foundation's grant making process, policies and procedures, and other relevant activities. New Trustees are given access to the Foundation's governing documents, the Foundation Trustee and Governance policy, financial information, annual reports and accounts, meeting materials and the essential Trustee guidance provided by the Charity Commission. In May and June 2022, Trustees were provided with two training modules commissioned from an external consultant, which covered Trustees' duties and responsibilities as required by law and best practice. In Autumn 2023, a self-reflection questionnaire was completed individually by all Trustees and results were discussed by the Board. This covered leadership and governance, relationships with staff, delivery of goals, attitude to risk, skills and capabilities, behaviours, diversity and support from staff. Areas for improvement were identified, notably in the area of succession planning, which has now been built into staff annual reviews. In February 2025, the Trustees undertook a further skills audit of the Board and concluded that they had the time and capacity to fulfil their duties; that their contributions to the Foundation's governance were appropriately balanced and varied; that they had no further immediate training needs; and that Board membership was sufficiently diverse. Most recently, the Trustees commissioned a governance review of the Foundation from the National Council of Voluntary Associations (NCVO), which is expected to be completed in November 2025 when the NCVO's findings will be presented to the Board.

5. Arrangements for setting pay and remuneration of key management personnel

Trustees are not remunerated for their work. Trustee expenses are reimbursed in line with Foundation policy. Pay and remuneration of key management staff is set by the trustees after a review of relevant market data annually. Key management staff comprise the Chief Executive/Director of Clinical Development (combined role), the Director of Translational Medicine and the Director of Finance and Business Operations.

6. The Charities (Protection and Social Investment) Act 2016

The Foundation is a larger charity as defined by S144(2) of the Charities Act 2011. As such, under The Charities (Protection and Social Investment) Act 2016, it must provide information and undertakings in respect of fund-raising activities carried out during the period under review in its Trustees' report.

During the year ended 31st March 2025, the Foundation did not engage a professional fundraiser or commercial participator or any other person to raise funds on its behalf; neither the Foundation nor anyone acting on its behalf was subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or any voluntary standard of fund-raising; and no complaints were received by the Foundation or any person acting on its behalf about fund raising activities. The Foundation's website states that volunteers are not authorised to raise funds on its behalf, and that volunteers who choose to raise funds in aid of the Foundation are solely responsible for all aspects of those activities, for which the Foundation has no liability. The Foundation's website encourages 'in aid of' fundraisers to act within the law.

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Objectives and Activities

1. Purposes of the charity and strategy

Under its governing document, the Foundation's purposes are specifically restricted to: *"the protection and promotion of the health of individuals diagnosed with PTEN hamartoma tumour syndrome (PHTS) or other related conditions (by mechanism, clinical presentation or other factors) in particular by research into the nature, causes, diagnosis, prevention, treatment and cure of PHTS or other related conditions, including the development of findings of research into practical applications for the prevention, treatment and cure of PHTS or other related conditions, and in furtherance of that primary object, to increase awareness of PHTS or other related conditions and provide information and support as appropriate to affected individuals and families; and all purposes that are of public benefit and are exclusively charitable under the law of England and Wales."*

PHTS is a rare genetic disease caused by alteration (variant) to the PTEN gene. These alterations may be inherited from the mother or father, or they may occur spontaneously during embryonic development. They result in a variety of symptoms and signs, including macrocephaly (enlarged head circumference), learning difficulties, autism spectrum disorder, vascular (blood vessel) anomalies, gastrointestinal polyps (growths in the gut), and hamartomas (benign lesions of the skin and other tissues). In addition, people with PHTS have a significantly increased lifetime risk of developing cancer, particularly cancers of the breast, thyroid, and endometrium (lining of the womb).

The true prevalence of PTEN Hamartoma Tumour Syndrome (PHTS) remains uncertain. However, recent large-scale genomic data provide more robust estimates. Analysis of whole-genome sequencing data from over 700,000 individuals suggests that the prevalence of constitutional PTEN pathogenic or likely pathogenic variants, and by extension PHTS, ranges from approximately 1 in 9,000 to 1 in 13,000 in the general population [1]. This is 10- to 20-fold higher than previous estimates cited in the literature [2].

There are currently no health-authority-approved treatments specific to PHTS, and clinical management of people with PHTS is largely focused on cancer surveillance and supportive care, which are associated with a high burden on healthcare systems. Consequently, there is a high unmet need for therapies to treat or even prevent the development of the various symptoms associated with PHTS, as well as to improve the understanding of the syndrome to enable more accurate prognosis and improved management for diagnosed individuals. Developing therapies which mitigate the high burden on health systems is therefore for the wider public benefit.

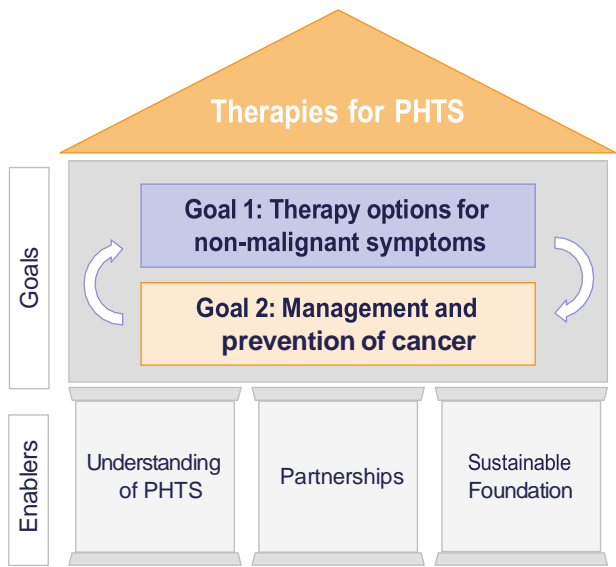
The Foundation's strategy centres on the generation of preclinical and clinical evidence that will enable the Foundation, and others (both academic collaborators and industry), to develop treatment options for PHTS. We will continue to manage a portfolio of projects to support ongoing research efforts into PHTS and establishing new partnerships. At a cellular level, the genetic alterations to the PTEN gene that result in PHTS cause dysregulation of the PI3K/AKT/mTOR pathway. This pathway has been the subject of extensive scientific study because it is often abnormal in acquired (sporadic) cancers that occur in the general population. As a result, it may be possible to repurpose inhibitors of the PI3K/AKT/mTOR pathway that were originally developed to treat common cancers to treat individuals with PHTS.

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The Foundation carries out its objects by implementing activities that support delivery of its strategy as depicted in Figure 1.

Figure 1: The Foundation’s strategic goals & critical enabling activities



The central focus of our work is the development of therapy options for the non-malignant symptoms of PHTS that we believe are most clinically tractable and have a clear unmet medical need (Goal 1). In addition, the Foundation is increasingly focused on activities associated with PHTS and malignant disease (Goal 2). These include timely PHTS diagnosis to facilitate the initiation of cancer surveillance prior to a cancer diagnosis, as well as management of malignant disease when this occurs. Whilst continuing to be a longer-term aspiration of the Foundation, cancer prevention strategies are highly challenging at present.

Activities that are integral to ensuring the success of therapy development efforts, but not strategic goals per se, are detailed as ‘Enablers’. These encompass research efforts to improve understanding of both the biology of PTEN and PHTS, development of partnerships with key stakeholder groups, and development of a financially sustainable Foundation.

The work undertaken to fulfil the Foundation’s objectives in the field of PHTS may have beneficial effects that extend well beyond PHTS. In particular, basic scientific and clinical research aimed at understanding the pathobiology of cancer in PHTS may improve the understanding of cancers more generally.

Similarly, work on vascular anomalies, soft tissue overgrowth and hamartomas in PHTS, has the potential to benefit patients with other genetic disorders which predispose to these manifestations, as well as patients with sporadic non-syndromic conditions.

Also, in the field of neuroscience, there are several other neurodevelopmental conditions characterised by genetic variants in cellular pathways that overlap with, or are linked to, the PI3K/AKT/mTOR pathway. These include TSC (caused by alterations in the *TSC1* and *TSC2* genes), Rett syndrome (caused by a variant *MECP2* gene), and Fragile X syndrome (caused by transcriptional silencing of the *FMR1* gene). Clinical and scientific knowledge gained in PHTS has the potential to support advancement in these related conditions and beyond, for example in non-syndromic ASD.

Finally, PHTS is a rare disease and conducting trials in rare diseases brings particular challenges. Approaches taken by the Foundation may help others who face similar issues. For example, the development of new and more efficient trial designs and disease-specific trial endpoints, partnering with pharmaceutical and biotech companies and contract research organisations (as well as academic collaborators), and early engagement with regulatory agencies, may provide paradigms for other charitable organisations working in rare diseases. The Foundation’s strategy, future plans, and budgets are reviewed at least annually and agreed by the Trustees.

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2. Expenditure and income in the year

The total expenditure for the year ended 31st March 2025 was £3,246,468. This expenditure supported implementation of the Foundation's objects as defined in the Articles of Association and further detailed in the Foundation's strategy document. Expenditure was subject to approval by the Foundation's board and subject to ongoing periodic review.

The total income received for the year ended 31st March 2025 was £715,577. This income was a result of the following activities:

- Restricted donations received: £309, as a result of restricted donations given to the Foundation for the purposes of funding medical research projects.
- Unrestricted donations received: £nil
- Investment income received: £715,268.

3. Criteria used to assess the success of the reporting period

The Trustees meet at least once a quarter. A standing item of the board meetings is to assess the progress of the Foundation against its agreed annual goals, project progress as detailed in the Foundation's dashboard and strategic objectives.

4. Review of significant activities undertaken to further charitable objectives for the public benefit

Statement of Confirmation

The Trustees confirm that they have given due consideration to the Charity Commission's published guidance on the public benefit requirement under Charities Act 2011. They believe the development of therapy options for people with PHTS (the Foundation's primary object) will alleviate significant unmet medical needs of people with PHTS as well as the high burden on healthcare systems associated with the condition, as is further explained in the overview below.

Overview: activities undertaken to further charitable objectives for the public benefit

The Foundation's principal charitable objective is to protect and promote the health of individuals diagnosed with PTEN hamartoma tumour syndrome (PHTS) or other related conditions.

As of July 2025, the Foundation was supporting 23 active projects from basic research through to clinical trials with 14 leading academic institutions in Europe, North America and Australia, as well as with commercial partners. Several projects were in active development with 23 further previously completed. Since its inception, the work of the Foundation has been acknowledged in 63 peer reviewed academic research papers published in scientific journals. (A listing of publications may be found at <https://www.ptenresearch.org/for-researchers-and-professionals/projects-and-publications/publications/>). These activities have materially increased scientific knowledge associated with PHTS.

Significant progress since 1st April 2024 has been made on several key scientific projects:

- Following positive feedback from the inaugural meeting in 2022, an annual Foundation-led scientific meeting has been held for key funded researchers and collaborators in the field in order to share and present summaries of their current research in order to promote collaboration amongst the PHTS research community. Planning for 2026 is ongoing.
- The team continue to support progress toward the Foundation's 5-year plan. The plan seeks to provide a high-level road map for the Foundation's work including timelines and key deliverables contributing towards the Foundation's overall mission and vision. The plan was reviewed and endorsed by both the Foundation Trustees and the SAB. In addition, the Foundation developed internal position papers on the utility of artificial intelligence strategies and PHTS research and the utility of gene therapy as a future treatment for PHTS. Both topics were reviewed and the Foundation's position endorsed by the Foundation's SAB. In 2025, a long-term strategy focusing on the timeframe post 2030 has been developed as an evolution to the 5-year plan and this has also been endorsed by both the Foundation Trustees and the SAB.
- In line with the Foundation's mission to fund and facilitate research that will lead to better treatments and

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improved outcomes for PHTS, in 2024, the Foundation launched an online resource 'PHTS Research Tools' that includes information on patient cohorts, existing clinical trials, and laboratory and animal models. It is hoped this will stimulate new ideas and drive further collaboration within the PHTS community, not only to improve the understanding of PHTS but also to accelerate future research. Resources included are generated both from our own funding activities as well those from other groups and funders to create as comprehensive a resource as possible. We will review and update this resource periodically.

- Four new grants were approved by the Trustees between 1 April 2024 and 31 March 2025 (of which one was lost to follow-up during the contracting period, and three were initiated in a later period). Two other grants, approved in an earlier period, initiated conduct. Since 1 April 2025 four additional grants have been approved by the Trustees, of which one has been initiated and three are in contract negotiation.
- The Foundation launched a new targeted call for basic and translational research projects addressing key knowledge gaps in the pathobiology of PHTS. The call encouraged applications for projects that will utilise PHTS patient-derived induced pluripotent stem cells (iPSCs) that were derived as part of an earlier collaboration with Boston Children's Hospital. Thirteen proposals were received and following detailed evaluation 3 were selected for funding.
- The Foundation continues to support clinical trial preparations in collaboration with a US academic consortium for repurposing of a rapalog in PHTS where the investigational new drug (IND) application from the U.S. Food and Drug Administration (FDA) has cleared.
- In a further project, the Foundation continues clinical trial preparations and regulatory approval applications in collaboration with a major pharma company and US based academic consortium to support repurposing of a recently approved medication originally approved in oncology for individuals with PHTS.
- The Foundation's focus on drug repurposing continues and in this context the Foundation's board have endorsed the expansion of drug screening activities beyond our initial focus on the PI3K pathway to screen a complete FDA approved library of small molecules. Planning and setup for this work is ongoing.
- Recognising that the current measures to comprehensively assess the neurobehavioural phenotype of PHTS are limited not only to lengthy data acquisition times but also the need for individuals to undertake in person visits for assessment of performance measures, the Foundation has previously supported the development of brief and fully online PHTS-specific measures. The output of this work has already been published in 4 peer reviewed scientific journals and earlier this year the approach was accepted into the FDA Rare Disease Endpoint Advancement Pilot Program.
- Our collaborations with the contract research organisations Evotec, (focussed on neuroscience) and Charles River Laboratories, (vascular malformations and tissue overgrowth) have continued to make good progress evaluating small molecule inhibitors of the PI3K pathway in preclinical models.
 - At the 2024 Society of Neuroscience annual meeting, we presented a poster outlining the application of measuring neuronal activity to the selection of in vivo candidate drugs. Development of a disease model has continued to make good progress having generated a genetically modified mouse that will enable specific upregulation of the PI3K pathway in the brain. We expect the disease model validation studies will commence in 2026; evaluation of our lead molecules now scheduled to commence after that.
 - In collaboration with Charles River Laboratories we have completed in vitro evaluation of PI3K pathway inhibitors in models of vascular cell biology. The in vitro data, in conjunction with data generated in a collaboration with University College London, will support the rationale for a clinical trial. We have successfully established a surrogate disease model in vivo representing aberrant vascular development in PTEN loss cells, and expect to complete evaluation of lead candidates from the in vitro screens in the model by the end of 2025.
 - Characterisation of a model of PHTS tissue overgrowth (developed by Charles River laboratories) has shown a robust phenotype of skin overgrowth accompanied by upregulation of the PI3K pathway. Analysis of tissues from this model following treatment with rapamycin is in progress, and we expect to commence evaluation of further candidate drugs in this model before year end 2025.
 - We have completed a manuscript describing the drug repurposing activities carried out by Evotec that has now been submitted for publication. We have other manuscripts in preparation to describe the drug repurposing studies carried out at Charles River Laboratories, and expect to be able to submit manuscripts describing the disease models aligned with neurological and tissue overgrowth phenotypes pending completion of model characterisation studies.

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- The results, as well as the genetic data generated from the research project from an ongoing grant with Cleveland Clinic to better elucidate the genotype/phenotype correlation in PHTS will be submitted for publication in late 2025/early 2026.
- The results from a Foundation-funded clinical trial of a rapalog in PHTS related polyposis were published [3].
- The Foundation co-supported the creation of the first international clinical management guidelines for PHTS cancer and overgrowth [4] and neurodevelopmental and neurologic manifestations [5], with a third guideline publication pertaining to dermatological manifestations under review in a scientific journal.
- Results from a large European consortium investigating the prevalence, treatment and prognosis of PHTS related cancers have been published [6], [7], [8], [9]. This work was supported by the Foundation.
- The UK PHTS patient registry continues to recruit participants and contributed information to several research projects.

Governance:

A review of the Foundation's constitution by a firm of charity-specialist solicitors led to revisions to its articles of association which were adopted by special resolution by the Foundation's member on 18th July 2022. In addition, the Trustee Policy was amended 4th November 2022 to codify committees of the Board into the governance structure.

Processes for regular reporting and risk escalation to ensure transparent and informed decision-making continue to be used to guide the Foundation's grants and work. In the year to 31st March 2025, staff continued to report to and seek guidance and endorsement from the Trustees, at quarterly Board and Investment Committee meetings, and at Trustee Science meetings the latter being scheduled every two months.

Strategy:

The Foundation's strategy is continually refined and incrementally updated on the basis of emerging data and as previously noted, the team maintain and update the Five Year/Medium Term Plan highlighting key planned activities and goals for the coming years. A longer-term financial plan of activities to deliver the strategy is proactively maintained and costed for the period to March 2030, incorporating expenditure forecasts that are updated and revised on a six-monthly basis.

Staff:

As a result of the pandemic, the Foundation's staff were required to transition to home-based working. Despite the restrictions being lifted, the Trustees and senior staff team have elected to retain this virtual working model as it not only reduces office rental costs but also allows access to a broader talent pool of staff free from geographical restrictions. Mindful of some of the potential downsides associated with permanent virtual working the senior staff team place significant value on maintaining regular face to face team meetings and worked with external facilitators to provide training and support to the team on leadership, engagement, roles and responsibilities and maximising productivity in a virtual environment.

Policies, Guidance Documents and Process:

The Foundation continues to maintain and develop policies and processes for HR, operations and financial awards, as required.

Consultation with with thought leaders and the SAB:

The team maintain a close dialogue with multiple international PHTS thought leaders to gain insights on emerging data in the field and refine the Foundation's strategy accordingly. As previously noted, SAB meets on average once a year to discuss the scientific progress of the Foundation. The SAB is also consulted during the year to advise on grants or to give input into scientific projects. SAB members have an advisory role and no decision-making authority.

Engagement with people with PHTS and their families:

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The Foundation maintains regular interactions with patient advocacy groups. These include both dedicated meetings, a quarterly newsletter drafted in lay language and patient group presentations highlighting key Foundation activities on a periodic basis.

Recognising the importance of soliciting important feedback from people with PHTS and their families as the community that the Foundation seeks to support, our research grant application process has been revised to ensure applicants not only provide details of how the proposed project will benefit the wider PHTS community of individuals with PHTS and their caregivers and families but also detail their interactions with PHTS patient organisations or other patient representatives in developing the application and how the feedback received has influenced the scope of the application. As noted in previous years the Foundation cannot offer specific advice to individuals with PHTS.

Analysis of publicly available scientific and medical literature:

Desk research continues to be undertaken on publications relating to the natural history and the mechanism of disease of PHTS. Staff team regularly review these developments to ensure the Foundation's activities remain relevant and robust. The Foundation has also recently established a collaboration with an AI platform company working in the life science sector. An AI-driven analysis of published literature is ongoing with the aim of identifying potential novel targets/biomarker candidates for PHTS.

As previously noted, the Foundation recently launched an online resource 'PHTS Research Tools' that includes information on patient cohorts, existing clinical trials data, and laboratory and animal models. It is hoped this will stimulate new ideas and drive further collaboration within the PHTS community, not only to improve the understanding of PHTS but also to accelerate future research. Resources included are generated both from our own funding activities as well those from other groups and funders to create as comprehensive a resource as possible.

Policy on grant and non-grant funding:

The Foundation provides grants in line with its strategic goals and mission.

The Foundation primarily funds research projects that can translate into better treatments and/or improved outcomes for people with PHTS. These include interventional clinical trials, natural history studies and patient registries, preclinical/translational research projects and, where appropriate, basic research projects.

Funding is primarily provided through two mechanisms:

- Targeted calls
- Innovation Awards

Discussions with PHTS thought leaders have also led to several grant applications.

Grants are awarded to Principal Investigators who have qualified with an MD and/or PhD and who have an established research programme in a recognised academic or clinical research institution. Eligibility is not restricted to any specific geography.

Funding is intended to support all essential costs relating to a project, including staff, consumables, equipment, travel and publication costs. The Foundation's policy is to pay only those costs that are directly attributable to the activities of the grant.

Applications undergo a scientific, strategic, and programmatic assessment by the Foundation's internal research team. Successful applications at this stage are then generally submitted for external peer review by at least two independent subject matter experts. The peer-reviewed applications are then subject to review by the Scientific Advisory Board (SAB) prior to a final approval by Trustees.

In addition to grants, the Foundation commissions work with industry partners including contract research organisations (CROs) in the pursuit of its mission. This contracted work undergoes a scientific, strategic and programmatic assessment by the Foundation's internal research team before work commences.

Fundraising:

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The Foundation received £309 in donations (all restricted).

1. Use of volunteers

At present the Foundation does not utilise volunteer staff. As previously noted, Trustees are engaged on a voluntary basis.

2. Fundraising activities

The Foundation is primarily funded through one-off donations and income from its investments. The Foundation previously commissioned a fund-raising strategy paper from a professional charity fund-raising consultancy but it is unlikely at the current time that professional fundraising will be pursued in the future.

When negotiating legal agreements, including grant terms and conditions, the Foundation actively seeks to equitably share with its academic and commercial partners any potential arising intellectual property ownership, commercialisation rights and/or royalties relative to the proportion of the total costs funded by the Foundation.

Further, by highlighting the unmet medical need of PHTS to pharmaceutical and biotech organisations coupled with potential regulatory incentives associated with both paediatric and rare disease drug development applicable to PHTS, we hope that such organisations may not only provide direct financial support to the charity to access preclinical models developed by the Foundation but also may independently support PHTS drug development.

Risk management:

We recognise the inherent risks associated with the development of therapy options for a rare disease such as PHTS given the complexity of the syndrome and low number of people with PHTS worldwide. In common with other organizations supporting drug development and life sciences, not all projects supported by the Foundation can be expected to have a positive outcome. However, negative outcomes can often inform our future strategy and provide valuable scientific data and learnings. Potential risks include, but are not limited to, the potential failure of preclinical studies and/or clinical trials to meet safety or efficacy endpoint criteria, the potential unwillingness of industrial partners to support PHTS development, and the challenges of meeting the requirements of global Health Authorities to ensure drug approvals in the rare disease setting.

In some cases, we will actively choose to undertake multiple activities in parallel to enhance the probability that we will ultimately fulfil our mission, as well as gate certain future activities on the read-out of predecessors. To ensure good stewardship of charitable funds the Foundation actively seeks the guidance of key opinion leaders in the PHTS field worldwide both via the SAB and PHTS thought leaders. Further, grants continue to be independently peer reviewed, follow robust contracting procedures and are subject to active monitoring and evaluation by Foundation staff.

Whilst the immediate direct impact of the COVID-19 pandemic has largely passed, healthcare systems globally continue to report pressures in relation to catching up with clinical case backlogs and staffing issues resulting from the previous disruption. This has led to delays of certain clinical projects. More recently, the evolving landscape of research funding in the US as a result of the US administration's agenda to reduce funding to universities and governmental research agencies like the NIH and FDA is recognised as a risk, given that many of the Foundation's key collaborators are based at US institutions, and have for many years been recipients of US government funding. How this will impact the longer-term research infrastructure in the US remains to be seen. We continue to monitor the situation closely in the context of ongoing and future planned activities with our key partners.

To enable active portfolio and risk management, the Foundation uses a project dashboard with visualisations of our portfolio of projects by phase, associated project risks, and financial analyses. It is acknowledged that, in the future, a more active approach to portfolio management will be needed, based not only on emerging data and which projects are most likely to lead to a future treatment for people with PHTS but which also considers the need for the Foundation to operate within its available funds. We utilise standard industry attrition rates of projects by phase to inform decision making and portfolio management and undertake a 6-monthly review of forecast of expected annual expenditure for the following 5-year period, in both fully loaded and attrition- adjusted models.

Potential risks also arise in relation to our finances. Though we have a generous endowment, our resources are

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finite. The Foundation has a quoted, investment-grade, bond portfolio whose constituents are held to maturity, shielding us from fluctuations in the market price of bonds (other than fluctuations arising from a deterioration in bond issuers' credit ratings of which there has been no experience to date). The Foundation also had a growth investment portfolio (primarily comprising quoted equities) which was liquidated in 2024, with some of the proceeds transferred to the bond portfolio and the balance invested in money market funds managed by JP Morgan. Together, these funds might reasonably be expected to cover expenditure to March 2030. Inflation continues to abate from its peak in Winter 2022; if there were a return to higher levels, however, particularly given the introduction of tariffs by the current US administration, and a marked depreciation of the US dollar in the first half of 2025 which could feed US inflation, the Foundation's bond portfolio and liquid assets may fall short of the outgoings they are designed to fund.

The following other risks have been identified in our operational risk register and remedial action taken.

- Following a review undertaken by an IT consultancy in 2024, upgraded anti-virus software and malicious website and email filtering software have been installed, and a cloud backup solution put in place to replicate the Foundation's data. In 2023, comprehensive cyber insurance was purchased after consultation with the Foundation's insurance brokers.
- Given that staff work from home, and the risk that this may detract from staff's ability to work as a cohesive team, we have supplemented virtual staff interaction with monthly physical meetings, and organisational training provided by independent facilitators.
- Finally, to ensure good governance, the Board has commissioned a governance review from the National Council of Voluntary Organisations (NCVO), whose findings will be presented to the Trustees in November 2025. (The last such review was conducted by an independent consultant in 2021.)

Financial Review:

1. Review of the charity's financial position as at the end of the reporting period

At the end of the reporting period the Foundation holds no restricted funds.

The Charity holds general funds of £21,184,028 at 31 March 2025, to be used for direct and support costs over the period to 31st March 2030.

2. Investment management

Brown Advisory continues to be engaged as the Foundation's exclusive discretionary investment manager.

Brown Advisory have created a portfolio of bonds to be held to maturity, recently supplemented by the proceeds of liquidating a growth investment portfolio (largely comprising quoted equities) which together might reasonably be expected to cover forecast spend to March 2030. Of the investments managed on a discretionary basis for the Foundation by Brown Advisory, at least 85% must be realizable into cash within 5 business days; and up to a maximum 15% within 45 business days.

3. Reserves Policy and Going Concern

The Foundation does not implement a reserves policy.

All restricted and unrestricted donations received to date have been accounted for in the Foundation's accountancy software and are clearly split with respect to purpose and use.

With due regard to the Foundation's finances and projected expenditure, the Trustees remain satisfied that it has sufficient resources to continue as a going concern for at least 12 months after the approval of the financial statements to which this report relates.

4. Plans for Future Periods

In the coming year, the Foundation's existing granted and industry-based collaborations will continue to progress.

PTEN RESEARCH FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The Foundation will continue to forge links with members of the professional and patient communities, with the aim of facilitating future collaborative working. To this end, the Foundation intends to hold further scientific meetings including with its funded researchers and collaborators, and with industry collaborators and regulators such as the US FDA with the overall goal to enhance sharing of knowledge and promote synergy. Foundation staff will continue to participate in other events, meetings and patient days, where appropriate.

Trustees' Responsibilities Statement

The Trustees (who include all the directors of PTEN Research Foundation 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 year. 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and FRS 102;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


Disclosure of information to Auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies' exemption provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees, on 13-Nov-25 | 13:49 PST and signed on their behalf by:

DocuSigned by:

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Riccardo Zacconi
 Trustee, PTEN Research Foundation

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PTEN RESEARCH FOUNDATION
FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of PTEN Research Foundation ('the charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PTEN RESEARCH FOUNDATION
FOR THE YEAR ENDED 31 MARCH 2025

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 have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their 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 and proper accounting records have not been kept; 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 11-12, the Trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

PTEN RESEARCH FOUNDATION
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PTEN RESEARCH FOUNDATION
FOR THE YEAR ENDED 31 MARCH 2025

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

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. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Signed by:

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Tara Westcott

Senior Statutory Auditor

For and on behalf of: Crowe U.K. LLP, Statutory Auditor

4th Floor St James House, St James' Square, Cheltenham. GL50 3PR

Date: 27-Nov-25 | 18:19 GMT

PTEN RESEARCH FOUNDATION
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STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations	2	-	309	309	207
Investments	3	715,268	-	715,268	681,384
Total income		715,268	309	715,577	681,591
Expenditure on:					
Raising funds		57,716	-	57,716	102,117
Charitable activities:	4,5				
Direct costs		2,750,031	309	2,750,340	3,820,462
Support costs		438,412	-	438,412	441,094
Total expenditure		3,246,159	309	3,246,468	4,363,673
Net expenditure before net gains/ (losses) on investments		(2,530,891)	-	(2,530,891)	(3,682,082)
Net gains on investments		184,758	-	184,758	1,278,480
Foreign exchange (losses) on investments		(211,387)	-	(211,387)	(254,196)
Net movement in funds		(2,557,520)	-	(2,557,520)	(2,657,798)
Reconciliation of funds:					
Total funds brought forward		23,741,548	-	23,741,548	26,399,346
Net movement in funds		(2,557,520)	-	(2,557,520)	(2,657,798)
Total funds carried forward		21,184,028	-	21,184,028	23,741,548

The notes on pages 20 to 35 form part of these financial statements.

PTEN RESEARCH FOUNDATION
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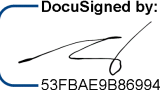
REGISTERED NUMBER: 10529899

BALANCE SHEET

AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	9	843	2,646
Investments	10	<u>8,314,083</u>	<u>15,783,784</u>
		8,314,926	15,786,430
Current assets			
Debtors	11	4,929	4,938
Investments	12	8,828,686	4,510,798
Cash at bank and in hand		<u>4,265,650</u>	<u>3,828,592</u>
		13,099,265	8,344,328
Creditors: amounts falling due within one year	13	<u>(230,163)</u>	<u>(389,210)</u>
Net current assets		<u>12,869,102</u>	<u>7,955,118</u>
Net assets		<u><u>21,184,028</u></u>	<u><u>23,741,548</u></u>
Charity funds			
Restricted funds	15	-	-
Unrestricted funds	15	<u>21,184,028</u>	<u>23,741,548</u>
Total funds		<u><u>21,184,028</u></u>	<u><u>23,741,548</u></u>

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

DocuSigned by:

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Riccardo Zacconi

Trustee

Date: 13-Nov-25 | 13:49 PST

The notes on pages 20 to 35 form part of these financial statements.

PTEN RESEARCH FOUNDATION
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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

		2025	2024
	Note	£	£
Cash flows from operating activities			
Net cash provided by operating activities	17	(3,418,432)	(4,754,430)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(1,698)
Proceeds from sale of investments		13,720,397	6,131,425
Purchase of investments		(11,043,307)	(1,400,703)
Investment income		715,268	681,384
Transfer to investments from cash		463,132	(184,978)
Net cash provided by/(used in) investing activities		3,855,490	5,225,430
Change in cash and cash equivalents in the year		437,058	471,000
Cash and cash equivalents at the beginning of the year		3,828,592	3,374,828
Cash and cash equivalents due to exchange rate movements		-	(17,236)
Cash and cash equivalents at the end of the year		4,265,650	3,828,592

The notes on pages 20 to 35 form part of these financial statements

PTEN RESEARCH FOUNDATION
(A company limited by guarantee)

NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies

General information

PTEN Research Foundation is a charitable company limited by guarantee incorporated in England on 16 December 2016 and registered with the Charity Commission on 27 June 2017. Its registered office address is 4th Floor, St James House, St James Square, Cheltenham GL50 3PR.

1.1 Basis of preparation of financial statements and company status

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. PTEN Research Foundation 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 accounts have been prepared in GBP sterling as this is the operating currency of the charity. The sole member of the charity is Blue Compass PTC. In the event of the company being wound up, the liability in respect to the guarantee is limited to £1 per member of the charity.

1.2 Going concern policy

The charity has cash resources and no requirements for external funding. The charity maintains detailed expenditure forecasts which run to March 2030, updates those forecasts every 6 months, and revisits quarterly budgeted and actual expenditure at the end of each quarter. The Trustees therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, and there are no material uncertainties with respect to the charity's ability to continue as a going concern. Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting.

1.3 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. Donations are recognised in the period in which they are received. Gifts of investments are measured at fair value and are recognised on the balance sheet with a corresponding amount being recognised in income.

1.4 Interest receivable

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are 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. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

PTEN RESEARCH FOUNDATION
(A company limited by guarantee)

NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies (continued)

Charitable activities are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include governance costs. All expenditure is inclusive of irrecoverable VAT. Accounting policies are supplemented by estimation techniques where judgement is required in measuring the value of income and expenditure.

Termination payments are recognised when the commitment is made to terminate employment.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment - 33% straight line

1.7 Investments

Current and fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities incorporating Income and Expenditure Account.

Fixed asset investments are those investments held for the generation of investment income, investment potential or both and have a maturity of at least one year from the balance sheet date.

Current asset investments are those investments held for investment purposes rather than to meet short term cash commitments as they fall due. Current asset investments are expected to be realised within 12 months of the reporting date and include cash on deposit and cash equivalents with a maturity of less than one year.

1.8 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.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments held to meet short term cash commitments as they fall due rather than for investment potential. Cash and short term highly liquid investments have a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

PTEN RESEARCH FOUNDATION
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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting policies (continued)

1.10 Liabilities and provisions

Liabilities 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.

Trade and other creditors are recognised at the settlement amount after any trade discounts received. Accruals are value based on the estimated amount to be paid.

1.11 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.

1.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

1.13 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.

1.14 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.

PTEN RESEARCH FOUNDATION
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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Income from donations

	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£	£	£
Donations	-	309	309
		Restricted funds 2024	Total funds 2024
		£	£
Donations		207	207

3. Investment income

	Unrestricted funds 2025	Total funds 2025
	£	£
Investment income	715,268	715,268
	Unrestricted funds 2024	Total funds 2024
	£	£
Investment income	681,384	681,384

PTEN RESEARCH FOUNDATION
(A company limited by guarantee)

NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

4. Analysis of expenditure on charitable activities - summary by fund type

	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£	£	£
Charitable activities relating to clinical trials and medical research	3,188,443	309	3,188,752

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024
	£	£	£
Charitable activities relating to clinical trials and medical research	4,261,349	207	4,261,556

5. Analysis of expenditure by activities

	Activities undertaken directly 2025	Support costs 2025	Total funds 2025
	£	£	£
Charitable activities relating to clinical trials and medical research	2,750,340	438,412	3,188,752

	Activities undertaken directly 2024	Support costs 2024	Total funds 2024
	£	£	£
Charitable activities relating to clinical trials and medical research	3,820,462	441,094	4,261,556

These are costs incurred by the Foundation for its charitable purposes and comprise direct costs, which are attributable to a single charitable activity, and support costs, which are not directly attributable to a single charitable activity and are apportioned between charitable activities on a basis consistent with the use of resources.

PTEN RESEARCH FOUNDATION
(A company limited by guarantee)

NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2025	Total funds 2025
	£	£
Staff Costs	497,306	497,306
Research contracts, grants, and other direct costs	2,253,034	2,253,034
	<u>2,750,340</u>	<u>2,750,340</u>

Staff costs comprise wages totalling £427,458 (2024 - £424,369), employers national insurance totalling £42,155 (2024 - £43,592) and pension costs totalling £27,693 (2024 - £23,576).

	Activities 2024	Total funds 2024
	£	£
Staff Costs	491,537	491,537
Research contracts, grants, and other direct costs	3,328,925	3,328,925
	<u>3,820,462</u>	<u>3,820,462</u>

These direct costs are attributable to a single charitable activity.

Analysis of support costs

	Activities 2025	Total funds 2025
	£	£
Staff Costs	109,165	109,165
Depreciation	1,803	1,803
Foreign exchange loss	1,130	1,130
General costs	196,956	196,956
Legal & professional fees	94,444	94,444
Bank charges	5,779	5,779
Premises costs	-	-
Travel costs	13,578	13,578
Audit fees (governance)	15,557	15,557
Loss on disposal of fixed assets	-	-
	<u>438,412</u>	<u>438,412</u>

PTEN RESEARCH FOUNDATION
(A company limited by guarantee)

NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Analysis of expenditure by activities (continued)

Staff costs are made up of wages totalling £94,569 (2024 - £93,154), employers national insurance totalling £9,253 (2024 - £9,569) and pension costs totalling £5,343 (2024 - £5,175).

	Activities 2024	Total funds 2024
	£	£
Staff Costs	107,898	107,898
Depreciation	2,151	2,151
Foreign exchange loss	54,966	54,966
General costs	185,272	185,272
Legal & professional fees	56,638	56,638
Bank charges	3,065	3,065
Travel costs	16,053	16,053
Audit fees (governance)	14,875	14,875
Loss on disposal of fixed assets	176	176
	<hr/>	<hr/>
	441,094	441,094
	<hr/>	<hr/>

These support costs are not directly attributable to a single charitable activity and are apportioned between charitable activities on a basis consistent with the use of resources.

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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

6. Grants to Institutions

	2025	2024
	£	£
Boston Children's Hospital	134,733	186,627
Boston Gene	7,946	-
Cambridge University	5,557	5,557
Charles River Laboratories International Inc.	1,076,756	1,474,141
Children's Hospital of Philadelphia	-	51,218
Evotec International GmbH	411,263	949,240
Geisel School of Medicine	28,845	97,264
Generon Ltd.	14,040	15,600
Histologix	78,636	-
Institut Josep Carreras	39,833	45,355
John Carroll University	22,652	7,894
Ohio State University	21,975	-
Renown Health Foundation	-	38,187
Taconic Biosciences	78,110	62,525
The Cleveland Clinic	110,350	50,401
University of Alabama	54,686	-
University of British Columbia	73,208	29,910
University College London	-	219,743
University Hospital Southampton NHS Foundation	18,537	23,605
	<u>2,177,127</u>	<u>3,257,267</u>

During the year grants were made to institutions in respect of research projects and clinical trials.

These Grants to institutions form part of the Foundation's direct costs, which are costs attributable to a single charitable activity.

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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Auditors' remuneration

	2025	2024
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	13,280	12,800
Fees payable to the Charity's auditor in respect of non-audit services	2,185	7,981
	<u> </u>	<u> </u>

Auditor's remuneration forms part of the Foundation's support costs, which are not directly attributable to a single charitable activity and are apportioned between charitable activities on a basis consistent with the use of resources.

8. Staff costs

	2025	2024
	£	£
Wages and salaries	522,028	521,857
Social security costs	51,408	53,161
Other pension costs	33,035	24,417
	<u>606,471</u>	<u>599,435</u>

Staff costs include direct costs, which are attributable to a single charitable activity, and support costs, which are not directly attributable to a single charitable activity and are apportioned between charitable activities on a basis consistent with the use of resources.

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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

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

	2025	2024
	No.	No.
Research and support staff	6	6

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

	2025	2024
	No.	No.
In the band £70,001 - £80,000	1	2
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	1	1
In the band £110,001 - £120,000	-	-
In the band £170,001 - £180,000	-	1
In the band £180,001 - £190,000	1	-

Transactions with Trustees

During the year, expenses were reimbursed to 1 Trustee (2024:2) totalling £71 (2024: £3,482). Expenses related to travel (2024: travel and IT costs).

Transactions with Key Management Personnel

During the year, the Charity's key management personnel received total remuneration of £417,990 (2024-£435,834). Key management personnel comprised the Chief Executive and Director of Clinical Development, the Director of Translational Medicine, the Director of Research and the Director of Finance and Business Operations.

There were no termination payments made during the year, or the previous year.

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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

9. Tangible fixed assets

	Computer equipment	Total
Cost	£	£
At 1 April 2024	7,713	7,713
Additions	-	-
Disposals	-	-
As at 31 March 2025	7,713	7,713
Depreciation		
At 1 April 2024	5,067	5,067
Charge for the year	1,803	1,803
On Disposals	-	-
As at 31 March 2025	6,870	6,870
Net book value		
At 31 March 2025	843	843
At 31 March 2024	2,646	2,646

10. Fixed asset investments

	Listed Investments
Valuation	£
At 1 April 2024	15,783,784
Additions	5,438,137
Disposals	(7,830,899)
Revaluations	125,264
Transfers between classes	(5,133,873)
Foreign Exchange movement	(68,330)
At 31 March 2025	8,314,083

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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

11. Debtors

Due within one year

	2025	2024
	£	£
Prepayments and accrued income	4,929	4,938

12. Current asset investments

	2025	2022
	£	£
Listed investments	8,828,686	4,510,798

13. Creditors: Amounts falling due within one year

	2025	2024
	£	£
Trade creditors	24,933	23,454
Other creditors	7,930	6,565
Accruals	197,300	359,191
	<u>230,163</u>	<u>389,210</u>

14. Financial instruments

	2025	2024
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	17,142,769	20,294,582

Financial assets measured at fair value through income and expenditure comprise of fixed and current asset investments.

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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024	Income	Expenditure	Gains/ (Losses)	Balance at 31 March 2025
	£	£	£	£	£
Unrestricted funds					
General Funds	23,741,548	715,268	(3,246,159)	(26,629)	21,184,028
Restricted Funds					
Medical Research	-	309	(309)	-	-
Total	23,741,548	715,577	(3,246,468)	(26,629)	21,184,028

Medical Research - To support medical research taken place into the PTEN gene and finding a potential treatment of PHTS.

Statement of funds – prior year

	Balance at 1 April 2023	Income	Expenditure	Gains/ (Losses)	Balance at 31 March 2024
	£	£	£	£	£
Unrestricted funds					
General Funds	26,399,346	681,384	(4,363,466)	1,024,284	23,741,548
Restricted Funds					
Medical Research	-	207	(207)	-	-
Total	26,399,346	681,591	(4,363,673)	1,024,284	23,741,548

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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025	Total funds 2025
	£	£
Tangible fixed assets	843	2,646
Fixed asset investments	8,314,083	15,783,784
Current assets	13,099,265	8,344,328
Creditors due within one year	(230,163)	(389,210)
Total	21,184,028	23,741,548

Analysis of net assets between funds - prior year

	Unrestricted funds 2024	Total funds 2024
	£	£
Tangible fixed assets	2,646	2,646
Fixed asset investments	15,783,784	15,783,784
Current assets	8,344,328	8,344,328
Creditors due within one year	(389,210)	(389,210)
Total	23,741,548	23,741,548

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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2025	2024
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(2,557,520)	(2,657,798)
Adjustments for:		
Depreciation charges	1,803	2,152
Loss on disposal	-	-
Dividends and interests from investments	(715,268)	(681,384)
Decrease/(increase) in debtors	9	(208)
(Decrease) in creditors	(159,047)	(392,908)
(Gain) on investments	(184,758)	(1,278,480)
Foreign exchange non-cash movements on investments	196,349	254,196
Net cash used in operating activities	(3,418,432)	(4,754,430)

18. Analysis of cash and cash equivalents

	2025	2024
	£	£
Cash at bank	4,265,650	3,828,592
Total cash and cash equivalents	4,265,650	3,828,592

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NOTES ON FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

19. Analysis of changes in net debt

	At 1 April 2024	Cash Flows	Other non- cash changes	At 31 March 2025
	£	£	£	£
Cash at bank and in hand	3,828,592	452,098	(15,040)	4,265,650
Liquid investments	4,510,798	4,445,905	(128,017)	8,828,686
	8,339,390	4,898,003	(143,057)	13,094,336

20. Pension commitments

The charity operates a defined contribution pension scheme, pension costs for the year were £33,035 (2024 - £24,417). At year end, a balance of £7,930 (2024: £6,565) was due to be paid in respect of pensions.

21. Related party transactions

In addition to the transactions disclosed in note 8, fees amounting to £74,979 (2024: £52,633) were paid to Siriative Ltd., a UK limited company owned by Siriana Baldini, a Trustee, for legal services provided to the Foundation pursuant to a consultancy agreement approved by the Board. An amount of £6,669 was owed to Siriative Ltd. at 31st March 2025 (2024: £14,400) and was included in trade creditors (Note 13).

22. Agency arrangement

During the year, the charity received funding from a major pharmaceutical company under contractual arrangements by which these funds were paid by the charity to University College London once certain grant milestones had been met. This has been deemed to be an agency arrangement and therefore not reflected as income or expenditure in the Statement of Financial Activities. The total amounts received totalled £299,677, all of which were paid to University College London during the year.