

# UK DRI LTD

England & Wales · Charity number 1179589

## Details

|                |                                                         |
|----------------|---------------------------------------------------------|
| Status         | Registered                                              |
| Legal form     | Charitable company                                      |
| Company number | <a href="#">11045257</a>                                |
| Registered     | 2018-08-17                                              |
| Register       | <a href="#">View on the Charity Commission register</a> |

## Contact

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|---------|------------------------------------------------------------------|
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## Activities

**Objects:** THE COMPANY'S OBJECTS ARE TO PRESERVE AND PROTECT THE HEALTH OF THE PUBLIC AND TO ADVANCE EDUCATION. THIS WILL BE ACHIEVED BY I) PROMOTING AND UNDERTAKING RESEARCH INTO NEURODEGENERATIVE DISORDERS (AND ILLNESSES CONTRIBUTING TO SUCH DISORDERS), AND ASSOCIATED FACTORS, THAT GIVE RISE TO THE DEMENTIAS AND RELATED CONDITIONS INCLUDING RESEARCH THAT ELUCIDATES THE NATURE, CAUSE, SYMPTOMS, DIAGNOSIS, PREVENTION, TREATMENT AND/OR CURE OF THE RANGE OF DISORDERS THAT GIVE RISE TO THE DEMENTIAS AND RELATED CONDITIONS; AND II) DEVELOPING THE OUTPUTS OF SUCH RESEARCH TO PROVIDE INCREASED ACCURACY AND TIMELINESS OF DIAGNOSIS AND INTERVENTIONS THAT PROVE EFFECTIVE IN TREATING AND IMPROVING THE CARE OF PEOPLE WITH DEMENTIA AND WHICH MAY ULTIMATELY PREVENT AND/OR CURE DEMENTIA AND RELATED CONDITIONS ('THE OBJECT').

**Activities:** UK DRI's hub will be located at UCL, which was chosen after a thorough search process. Six additional UK DRI centres will be established at University of Cambridge, Cardiff University, University of Edinburgh, King's College London and Imperial College London (x2). Grants will be made to all seven centres.

## Classification

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

## Geography

- Scotland
- Throughout England And Wales

## Finances

| Period end | Income      | Expenditure | Assets      | Employees |
|------------|-------------|-------------|-------------|-----------|
| 2025-03-31 | £47,619,068 | £40,129,107 | £9,171,280  | 28        |
| 2024-03-31 | £39,607,754 | £43,312,946 | £1,681,319  | 0         |
| 2023-03-31 | £32,696,981 | £31,667,917 | £5,386,510  | 0         |
| 2022-03-31 | £34,580,473 | £40,360,620 | £4,357,446  | 0         |
| 2021-03-31 | £33,100,000 | £25,400,000 | £10,137,593 | 0         |

## Trustees

| Name                               | Role  | Appointed  |
|------------------------------------|-------|------------|
| <b>WILLIAM JOHN RUCKER</b>         | Chair | 2017-11-10 |
| Dr MELANIE GEORGINA LEE            |       | 2017-12-20 |
| Dr Rabia Tahir Khan                |       | 2023-06-30 |
| IAIN ALASDAIR KEITH MOODIE         |       | 2017-12-21 |
| Jo Patra Pisani                    |       | 2018-09-12 |
| Nathan Richardson                  |       | 2024-07-01 |
| Professor Sheena Elizabeth Radford |       | 2020-06-03 |
| Roudabeh Shafie                    |       | 2023-06-30 |
| Sir Doug Turnbull                  |       | 2020-06-03 |
| Susan Kohlhaas                     |       | 2022-07-19 |

**UK DRI LTD**

England & Wales - Charity number 1179589

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# Accounts

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**UK DRI LTD**

(A Company limited by guarantee and not having a share capital)

Annual Report and Financial Statements

Year Ended

31 March 2025

Company Registration No: 11045257  
Registered Charity No: 1179589

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## **Objective, Founding Principles and Activities**

### **Executive Summary**

Dementia is one of the major global public health challenges of our time. Collectively dementia and related incurable neurodegenerative disorders (D-NDDs) that include Alzheimers, vascular dementia, Parkinson's, motor neurone disease and Huntington's disease affect approximately fifty million people and is projected to triple by 2050. Through accumulating discoveries, we are at an exciting time in dementia research – the field is at a 'tipping point' and poised to move from description to prediction, pre-emptive intervention and targeted disease-modifying therapy. With more treatments on the horizon, remarkable progress on the biomarker front, the advanced 'omics revolution and the potential of AI/ML applications, the next decade will see a radical change in our ability to identify and treat those at risk.

The UK Dementia Research Institute (UK DRI or Institute) is the biggest UK initiative supporting research to fill this knowledge gap, created as part of the *Prime Minister's challenge on dementia 2020* and supported by its three founders, the Medical Research Council (MRC) – principle funder, Alzheimer's Society (AS) and Alzheimer's Research UK (ARUK).

The UK DRI was formed as a joint venture between the MRC, AS and ARUK, which created UK DRI Ltd. The UK DRI is funded by these three founding funders, via UK DRI Ltd, and its scientific operations are conducted at nine discrete research centres within seven universities: UCL, Oxford, Imperial, King's, Cambridge, Cardiff, and Edinburgh. The UK DRI core operational and executive team are based at privately rented offices in Regent's Place, London. The UK DRI's scientific operations are conducted by employees of the seven universities who operate on behalf of UK DRI Ltd. The focus of subsequent information in this report is on the performance and activities of the universities included in the UK DRI.

The Institute had a successful review of its first quinquennium (scoring 9/10) and, in December 2022 saw its funding renewed for the 2023-28 period with a total contribution of £150m. The MRC remains the principle core funder with further support from ARUK and AS. In addition to our core funding, we have attracted additional funding, including a £30m award from LifeArc specifically dedicated to translational research.

### **Objective**

Our mission is to transform, through research, the outlook for people living with or at risk of dementia and related neurodegenerative (D-NDD) conditions. Our focus is on improved understanding of the underlying mechanism(s) of D-NDDs especially disease initiation. A related priority is to begin to translate growing scientific insight into therapeutic impact with increased human-based studies. To undertake original, ground-breaking research that will transform lives, we attract the brightest minds and give them the best technology and research tools. We work with with people living with dementia and their families, with the wider scientific community, government, charities and with industry to translate our findings into treatments. We are renowned for the quality of our science, our willingness to share data, ideas and resources, and our unwavering commitment to accelerate discovery and delivery of tomorrows diagnostics and therapies.

For the current funding period (starting April 2023), our vision is founded on two elements:

- (i) To define the molecular and cellular mechanisms responsible for the early cellular phases of major neurodegenerative diseases. This will lead to deeper insight into cellular and molecular mechanisms underpinning neurodegenerative diseases, yielding novel biomarkers and drug targets that will enable us to halt the disease process early on and provide the means to identify those at risk.
- (ii) To develop novel tools and monitoring systems to support patients living with dementia. This will deliver benefits to patients and carers in the short-term and lead to more robust and sensitive measures that will revolutionise how clinical trials are performed.

## Founding Principles

The UK DRI is based on four principles:

**Excellence:** Scientific excellence is the keystone of UK DRI's success. Excellence is embedded in everything we do: recruitment of the best researchers, training of our staff, supporting innovative research, investing in the best technologies, and identifying strategic partners for collaboration. We use both internal and external peer review to evaluate excellence and monitor our progress. Innovation requires an open approach to the practise of science and a need to ensure diversity of ideas, approaches and people to deliver the best science. Our commitment to equity, diversity and inclusivity (see [UKDRI EDI equity, diversity and inclusivity statement](#)) means that we are mobilising the best talents from everywhere in society to provide opportunities to benefit from diverse thinking.

**Collaboration:** Dementia is a multifaceted disorder and understanding what drives it requires the expertise and perspectives of a multidisciplinary team of researchers. We have attracted talented researchers from diverse fields and backgrounds. We are developing their understanding and involvement in dementia research by embedding them in a collaborative working environment with well-established dementia researchers, offering opportunities for informal networking, receiving feedback, learning about, and discussing the latest developments in dementia research. At the UK DRI we break down barriers to enable interdisciplinary collaboration through our collaborative networks currently known as 'Themes'. In addition, we empower collaboration through our internal Awards programme. Data (and resource) sharing is key to our success. Our Informatics Steering Committee (and its satellite Working Groups) develop and champion the adoption of data/digital policies, mechanisms, and guidelines to enable an open research culture (in part facilitated by our Research Collaboration Services). We create synergy for maximum impact by collaborating with external partners across the dementia landscape. We act as a catalyst in the national and global dementia research community. We share data, ideas, talents, and resources, and open our workshops and symposia to the wider scientific community. We reach out to clinical partners, industry, and the government to work together to solve problems in the field.

**Translation:** It is the mission of the UK DRI to transform the lives of people affected by dementia. As the number of people affected by dementia is set to grow rapidly in the coming decades it has never been more urgent to translate our knowledge into clinical value for people. The UK DRI translation strategy builds upon the Institute's evolving scientific portfolio. We support our researchers in becoming more entrepreneurial in their thinking. Equally important are collaborations with NHS Trusts and care homes. We engage with external partners across the dementia research landscape to achieve our strategic goals and in return we lend our expertise to support their goals.

**Communication:** To achieve our goals, internal and external communication are both essential. Internal communications build a common understanding of our mission and enable our researchers to learn from one another, share ideas, and address problems together. External communications present the UK DRI to the outside world, raising the profile of the Institute amongst researchers, industry, policy makers and the general public across the UK and the world, explaining the importance of our work, what we do, progress made, and future needs.

## Activities

Over the past year, the UK DRI has continued to build momentum in becoming a world-leading institute in dementia research. At the core of the institute is a strong scientific vision for how the UK DRI will uncover the most valuable insights into the mechanistic drivers of neurodegeneration and translate that understanding into ways to prevent, delay, treat and manage dementia-causing diseases.

The 2024/25 period has been very productive with key recruitments, major publications, strengthening of collaborative initiatives and programmes, substantial leveraged funding, significant development of national and international strategic partnerships and remarkable success in the translational space. In the next section, we highlight how progress over the past year has contributed to our mission.

## STRATEGIC REPORT

### Achievements and Performance

#### Excellence

We have continued to attract top talent, further strengthening our research capacity.

Our Institute is now a multidisciplinary network of nine Centres (including the Parkinson's Research Centre launched in early 2025) with over 1,000 members, covering diverse aspects of dementia research such as neuroinflammation, DNA repair, bioengineering, circadian biology, genetics, systems neuroscience, RNA biology, metabolic sciences, and innovative technologies for dementia care.

This year has witnessed significant changes in senior leadership. Prof Bill Wisden assumed his role as Imperial Centre Director in January 2025 after being Interim Director since 2024, and Prof Miratul Muqit was recruited as inaugural Director of the Parkinson's Research Centre in June 2025. Prof Paul Morgan has served as interim Director of the Cardiff Centre since July 2024, and the recruitment of a new Director is currently ongoing.

The number of Group Leaders (GLs) currently stands at 70, with seven appointments in the past year. Four new GLs for the virtual BHF-UK DRI CVDR will be distributed as follows: Catherine Hall (UCL Centre), Rikesh Rajani and Susanne van Veluwen (Edinburgh Centre) and Mootaz Salman (the BHF Centre of Excellence, Oxford). In addition, in June 2025, we made three Strategic GL appointments to enhance our clinical portfolio: Suvankar Pal (Edinburgh), Paresh Malhotra (Care Research and Technology), and Jonathan Schott (UCL). There are ongoing plans to recruit one additional GL at Cambridge, and four GLs to the newly established Parkinson's Research Centre.

Our Emerging Leaders (ELs) currently stand at 15, with three new appointments in 2024/25: Dr Maura Malpetti(Cambridge), Dr Anna Mallach (Imperial) and Dr Valeria Jaramillo (CRandT).

The core team (formerly headquarters) now comprises 28 staff members. In the reporting period there were three new appointments to the senior leadership team: Dr Joanna Latimer (formerly Head of Neuroscience and Mental Health at the Medical Research Council) as Chief Science Officer since August 2024; followed by Dr Roisin NicAmhlaoibh, (formerly VP of Business Development at Ground Truth Labs) as Chief Innovation and Business Officer, and Juliet Morris as Chief People and Culture Officer since September 2024.

During the reporting period, UK DRI members published 496 original research articles and 44 reviews. Our scientists continued to make important breakthroughs, bringing us ever closer to our goal of transforming the lives of people affected by neurodegenerative conditions. This included a study [challenging the dominant theory as to why we sleep](#), another promising new Alzheimer's therapies that [selectively remove aggregated tau](#), and the [first results from the innovative clinical platform trial \(MND-SMART\)](#),

The sustained excellence of our research is also reflected in our outstanding publication record, with eight UK DRI Group Leaders [featured](#) in the Clarivate™ Highly Cited Researcher 2024 list: Prof Bart De Strooper (UCL), Prof Paul Elliott (Imperial), Prof John Hardy (UCL), Dr Axel Montagne (Edinburgh), Prof Joseph Priller (Edinburgh), Prof David Rubinsztein (Cambridge), Prof Joanna Wardlaw (Edinburgh), and Prof Henrik Zetterberg (UCL). Our researchers' excellence continues to be recognised with prestigious awards and prizes. In 2024/25: Tara Spires-Jones (Edinburgh) was awarded the Alzheimer's Association Inge Grundke-Iqbal Award for Alzheimer's Research and elected to the Academy of Medical Sciences Fellowship, Sarah Tabrizi (UCL), William Wisden (Imperial) and Paul Elliott (Imperial) were elected as Fellows of the Royal Society, Sarah Tabrizi was elected to the US National Academy of Medicine, and Julie Williams (Cardiff) was awarded the British Neuroscience Association (BNA) Award for Outstanding Contribution to Neuroscience.

Our research quality is also reflected in the substantial funding leveraged. As of 31 March 2025, our Group Leaders had generated a portfolio of 203 externally funded grants totaling £86.8m. This includes 22 personal fellowships worth £11.3m

#### Working as a National Institute

##### Intramural Funding

To foster cross-disciplinary research with a focus on tackling the big questions in the field, the Institute held a suite of intramural funding schemes in 24/25, with a range of scopes, scales and eligibility criteria to cater for the needs of our researchers.

**Report of the Trustees for the year ended 31 March 2025 (continued)**

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In April 2024, we funded eight proof-of-principle projects (£150,000/12 months) under Stage I of the 'Key Questions' funding scheme. This 2-stage funding mechanism supports cross-centre, multidisciplinary teams tackling ambitious and high-risk research questions in dementia and neurodegeneration. All stage I projects have been invited to apply for Stage II funding (max £1 million/36 months). We expect to fund one or two projects, with funding decisions expected in November 2025.

We also made seven awards under our dedicated Theme funding scheme (up to £100,000/12 months). These awards aim to support collaborative proof-of-concept studies and/or key infrastructure to promote Theme-related scientific discovery.

Under our pilot awards funding scheme for Early Career Researchers (max: £50,000/12 months), we awarded 14 pilot discovery awards to support independent research programmes and the generation of pilot data for external funding applications; and eight pilot translation awards to support the validation and development of translational project ideas, and to encourage the next steps towards independence as translational researchers.

Other intramural awards in this period include eight translational awards (max £300,000/24 months, supported by the MRC Impact Accelerator Award, ARUK and LifeArc) to bridge the gap between basic science and external investment in translation; seven Proteomics Awards (max: £10,000/12 months) to support mass-spectrometry proteomics at the UK DRI Proteomics Platform at the University of Dundee; and 11 technologist training and travel awards (max £1,000) to support skills development of our technologists community.

**Cross-Centre Themes**

Up until 2024/25, the UK DRI seven Cross-Centre Themes (Parkinson's disease, Glia, Neuroimmune Interactions, Vascular, Synapse, Cellular processes of ageing, and Motor Neuron Disease) were the UK DRI's primary mechanism for drawing together researchers from across the Institute to discuss and develop ground-breaking ideas around shared areas of interest. The collaborative nature of our Themes also facilitated interactions with external researchers, strategic partners, funders and other relevant stakeholder. It is notable that both the BHF-UK DRI Centre for Vascular Dementia Research and the newly established Parkinson's UK – UK DRI Parkinson's Research Centre largely arose from the groundwork developed by Thematic activities.

Our 2024/25 Thematic activities featured internal events (GL/EL and ECR retreats), virtual seminars, and large in-person meetings—some open to UK academic institutions and relevant external stakeholders. Several events were held in partnership with other organisations, including joint sessions with the Epilepsy Research Institute, a UK DRI/Parkinson's UK Group Leaders meeting, and an ECR Workshop co-hosted with UK DRI's Aligning Science Across Parkinson's. In total, these events attracted over 240 UK DRI delegates from all Centres and more than 170 external delegates affiliated with 30 different UK and international institutions, spanning academia, charities, and industry.

Throughout 2024/25 the UK DRI in consultation with the MRC has undertaken a strategic scientific re-structuring exercise to define how best Themes can evolve to strengthen cross-institute collaboration and establish a robust framework to support assessment in 2030. Going forward, the UK DRI will transition into a cluster-based structure encompassing five clusters: 'Cell biology and proteostasis', 'Genetics and molecular networks', 'Neuroglia, vascular and inflammation', 'Synapse/circuits/cognition', 'environment/lifestyle/care'. This new structure is designed to integrate all groups into an interconnected network and backed by a significant budget. The cluster model is designed to remain flexible and adapt as the Institute's needs change.

**Platforms**

We strive to promote the adoption of cutting-edge, transformative technologies providing our researchers with novel ways to understand neurodegeneration. To address our shift towards translational and clinical research we have recently invested in three new human-based platforms. These are the Human Data Mining Hub led by Professor Valentina Escott-Price, the Brain Banking Portal led by Professor Colin Smith and the Tau Seeding Platform led by Professors Will McEwan and David Klenerman. Our original three core-funded platforms continue to provide all UK DRI researchers access to state-of-the-art methodologies and resources supported by specialised technical staff. The Single Cell and Spatial Transcriptomics Platform (UCL) was established in 2023 and launched in January 2024 and offers spatial transcriptomics techniques, nuclei purification, library preparation, and bioinformatics support. The Biomarker Factory (UCL, established in early 2022) continues to grow rapidly and employs robust cutting-edge techniques to measure neurodegeneration biomarkers in fluid clinical and preclinical samples. The Mass Spectrometry-based Proteomics Platform (University of Dundee) provides advanced mass spectrometry analysis.

## **Translation**

Ensuring the UK DRI's research has significant patient impact continues to be a part of our core vision. In 2024/25, we continued to progress our Translational Strategy, particularly focusing on continuing strengthened existing relationships with key partners and stakeholders and deploying resources to incubate translational projects arising from the UK DRI portfolio. We welcomed Dr Róisín NicAmhlaoibh, as UK DRI's Chief Innovation and Business Officer. With her vast experience in technology transfer, company creation, and biomarkers, we have been refining our model with our partner universities and growing the Business & Innovation team to bring more support to the UK DRI portfolio.

We awarded £2.6m via internal translational funding programmes to support DRI researchers developing new therapeutic and diagnostic approaches. These included eight translational pilot awards for ECRs funded under our £30m five-year LifeArc partnership, and eight translational awards for early-stage translational support for GLs, five of which were also funded under our LifeArc partnership (see intramural funding)

Following the successes of previous years and building on collaborations with key partners such as the ARUK Drug Discovery Alliance groups, we have supported the formation of UK DRI's fifth spin out company (currently in stealth-mode). This is another example of assets incubated through UK DRI's intramural funding.

On the industry front, we have been maintaining the existing schemes with our industry partners and established two new projects including a strategic partnership with Glaxo Smith Kline (GSK).

We are now seeing the successes of the incubation model supported by our UK DRI translational funding, as previously funded projects have attracted large scale funding and investment. This includes the formation of UK DRI's fourth spin out company (currently in stealth-mode), arising from collaborative research supported by UK DRI translation awards to the UCL and Cambridge centres.

On the industry partnerships front, our focus has been on maintaining relationships with key partners to lay the groundwork for new larger-scale collaborations. Throughout the year we promoted and facilitated high-level workshops and roundtable discussions between our scientific community and industrial partners to exchange ideas and explore future research avenues.

Other achievements in translational activities include 18 invention disclosures, seven patents filed, and four patents licensed, and 197 contracts drafted and negotiated.

## **Communications and Engagement**

We continue to build strong relationships in press publications to ensure our impact reaches the public. This year we secured a total of 3,700 media mentions, including in major national media outlets. Highlights from major press releases we led included a study that found the brain's ability to rid itself of toxins may be reduced during sleep (Franks/Wisden, Imperial), healthy fats could protect against motor neuron disease (Isaacs, UCL), and the launch of the Dementia Trials Accelerator to increase dementia clinical trial recruitment in the UK. We also secured an exclusive profile piece with Prof Siddharthan Chandran in The Times.

Focusing on our thought leadership, Prof Siddharthan Chandran has provided keynotes at Alzheimer's Research UK Conference and LifeArc's Rare Disease and MND Conference. Additionally, he presented at the Institute of Mental Health International Conference, London, Race Against Dementia Forum, Warwick, Alzheimer's Europe in Geneva, King Abdullah University of Science and Technology inaugural conference on SMART Health in Saudi Arabia and delivered the Sharwaree Gokhale Memorial Lecture in India.

To raise the profile of UK DRI, demonstrate our impact and value, and build our reputation as a partner for government, we have engaged with multiple policymakers, officials, and sector stakeholders. Highlights include Siddharthan Chandran giving evidence to the House of Commons Science, Innovation and Technology Select Committee, setting out the case for UK science's contribution to medical research. We also held our first Parliamentary Science Showcase, where over 40 MPs attended and spoke with our researchers. We continue to build close relationships with officials in the Department for Science, Innovation and Technology and Department of Health and Social Care, holding multiple peer-peer meetings and worked collaboratively to announce the Dementia Trials Accelerator. Our Public Affairs Manager briefed MPs and Peers on UK DRI's position regarding MHRA and NICE decisions on lecanemab and donanemab.

In our role as a national convenor to help grow a more integrated single UK dementia ecosystem, we have continued a series of virtual and in-person events, including two events in partnership with the international CURE-ND alliance - hosting of a symposium at the BNA Festival of Neuroscience and the launch of a new conference focused on [stem cell models of neurodegeneration](#) hosted at the UK DRI at Edinburgh.

### Report of the Trustees for the year ended 31 March 2025 (continued)

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In November 2024 we held our seventh annual **Connectome meeting** in Harrogate, which hosted 665 attendees including external world leading speakers. There have also been targeted meetings around the UK DRI themes and disease networks convened to bring together Group Leader and ECR communities, as well as two GL/EL retreats in Cardiff and at Connectome in Harrogate. Finally, we [launched a new scientific webinar series](#) 'Rethinking Neurodegeneration' accessible to all and aimed at addressing some of the big questions in the field.

#### **Future Plans**

##### **The year ahead**

- We will establish the new Parkinson's Research Centre, a joint endeavour with Parkinson's UK. The inaugural Director, Prof Miratul Muqit, is due to take up his post in October 2025, and we will recruit four Group Leaders.
- We will make significant contributions and consolidate our leadership in translational research. This includes progressing on the delivery of the 'Dementia Trials Accelerator, enabling the Dame Barbara Windsor Dementia Mission'. This initiative will ultimately position the UK as a prime destination for investment and late-stage clinical trials in dementia by overcoming barriers identified by the pharmaceutical industry.
- Our Intramural funding programmes strengthen and catalyse interdisciplinary work across the institute. We continue to support interdisciplinary work between our researchers and leverage our internal funding to work as a 'single institute' and promote bold and ambitious research through our Stage II key questions funding, cluster funding, and through new collaborative funding initiatives.
- We will establish four new human anchored enabling research facilities / platforms: Data Mining of Population Cohorts, Nervous Tissue, iPSC Portal, and Tau Seeding.
- We will hold our 8<sup>th</sup> Connectome (our annual Institute-wide research conference and retreat) in Manchester in December 2025, creating an excellent opportunity to share ideas and foster collaboration.
- Following on from last year's success, we will be holding the Parkinson's Summit UK, jointly with Parkinson's UK. The 2025 meeting will have a focus on translation.
- The UK DRI will continue its engagement with the international dementia ecosystem:
  - We will strengthen our portfolio of activities with our CURE-ND partners including holding joint events such as the workshop: *AI/ML applications to Dementia Research* (London, September 2025), bringing together >80 international thought leaders in this space; and the *Annual CURE-ND ECR Workshop* (London, March 2026) which brings provides a unique opportunity for scientific networking, training and exchange of ideas for 120 ECRs across the 4 CURE-ND partners.
  - We will pursue joint research endeavours with our CURE-ND partners in areas including application of federated data science/artificial intelligence/machine learning approaches to dementia research; and innovative approaches to accelerate treatments for Amyotrophic Lateral Sclerosis.
  - We will develop our partnership with the Centre for Brain Research at the Indian Institute of Science, Bangalore, to accelerate scientific innovation in brain health research, in particular capitalising on diverse research cohorts.
- We will implement a revised training and research inclusion strategy to enhance career development opportunities, increase capacity in key areas, and ultimately develop a diverse workforce in dementia research across different career stages.
- Our communications team will continue to work towards building a strong public voice for the UK DRI around the need for continued support for dementia research and weave our new influencing messaging into our broader content. To improve our visibility, we will launch a new website.

##### **Longer-term plans**

Over the coming years, we will continue to advance discovery – breakthrough science that has translational potential and impact as we seek to strengthen our position as a world-leading national institute.

**Financial Review**

Headline figures from our financial statements show:

- Total income for the year of £48m (previous year £39.6m), of which £9.7m (previous year £13.6m) is restricted.
- Total expenditure for the year of £40.5m (previous year £43.3m), of which £9.6m (previous year £15.1m) is restricted.

**In summary**

Charitable expenditure is principally funded by the founders, the MRC, AS and ARUK. They review the scientific performance of the institute every five to seven years and, if successful, make indicative funding awards for the following five years. The first of these reviews took place in 2022 resulting in the following indicative awards effective 1<sup>st</sup> April 2023:

- MRC £131m over five years
- ARUK £12.5m over five years
- AS £6.5m over five years

Effective 1 April 2024, MRC signed an agreement with National Institute of Health Research (NIHR), who are legally part of the Department of Health and Social Care, which sees NIHR fund MRC £5m per year, for the period 1 April 2024 to 31 March 2028, on the basis that this funding is passed onto UK DRI Ltd, without deduction, along with MRC's existing funding as stated above. As part of this arrangement, NIHR gained a seat on the UK DRI Ltd Board – see Related Parties section of this report.

Core funding from Founders of £33.5m to be received during the year commencing 1 April 2025 is included in accrued income on the balance sheet. Research commitments included within creditors on the balance sheet includes £32m for the budget for the year from 1 April 2025.

As UK DRI Ltd sought more autonomy over its affairs, effective 1 August 2024 the UK DRI core team of 23 employees TUPE transferred from UCL to direct employment of UK DRI Ltd. Shortly afterwards, this team moved from UCL premises to privately rented office space. Taken together, this meant that core team employment, rent and running costs were no longer funded via a grant to UCL and incurred directly by UK DRI Ltd.

**Our funds**

Total funds held on 31 March 2025 were £9.17m (2024: £1.68m). Of this amount, £9.12m (2024: £1.17m) were unrestricted and represent the free reserves of the Charity. The significant increase in unrestricted reserves is largely because £4.9m of budgeted 2025/26 core team costs e.g. salaries and rent are funded within the accrued income, recognised in financial year ending 31 March 2025, but not in accrued commitments as they are no longer a grant commitment.

**Our reserves policy**

The original reserves policy was based on the fact that grant commitment funding is recognised on an annual basis and is not awarded until there is certainly in funding receivable from the founders. Each year at the February Board meeting, Trustees approve in principle grant funding and core team costs for the following year from 1 April, following receipt of a proposal from the UK DRI executive team. Founders are then invited to agree contributions towards the budget. Following confirmation of income, research grants for the following year are awarded. Additional funding may also be sought which may then lead to further grant commitments.

By the nature of this funding model, there is no need for significant reserves. Therefore, the original policy had been agreed that £0.3m of unrestricted founder funding would be used as reserves. This was subsequently increased to £0.6m in total reserves and this is now the policy.

Should the Founding Funders be unable or unwilling to provide further funding past 31 March 2026, then £0.6m is sufficient to cover closure and redundancy costs. At £9.17m current unrestricted reserves are significantly higher than the planned value. £4.88m of this relates to a one-off item whereby we no longer need to accrue next year's core team costs as a UCL grant payment, given the TUPE transfer and direct employment and rental costs. There is a three-year plan to bring the remaining reserves in line with the stated policy.

The Finance team maintain a rolling five-year forecast of expected income and expenditure and the level of Reserves will be formally reviewed again by the Audit and Risk Sub-Committee in October 2025.

**Our investment policy**

The funding model provides that the Charity will always have surplus cash, equivalent to outstanding current liabilities at any time. Cash surpluses are placed on bank deposit.

**Our structure, governance, and management**

UK DRI Ltd is a charitable company limited by guarantee and does not have a share capital. In the event of the charitable company being wound up, each member has guaranteed to contribute £10. The members are the Trustees of the company. As of 31 March 2025, there were 11 Trustees. Currently, the maximum number of Trustees is 13. The Directors and Trustees are listed on page 38. UK DRI Ltd is a registered charity regulated by the Charity Commission for England and Wales.

The UK DRI was formed as a result of a joint venture agreement (JVA) between the MRC, AS and ARUK which created UK DRI Ltd. However, this JVA was dissolved effective 31 March 2022.

In its place is three bilateral agreements, one per funder. MRC has a Core Funding Agreement with UK DRI Ltd which sees it retain its seat on the Board and it agrees to fund at least £125m over five years effective 1 April 2022. This level of funding sees MRC deemed a core funding partner.

ARUK has entered into a Strategic Alliance Agreement with UK DRI Ltd effective 1 April 2022, intending to fund a minimum of £12.5m over five years. At this level of funding ARUK are considered a strategic partner and thereby retain their seat on the Board.

AS has entered into a Strategic Alliance Agreement with UK DRI Ltd effective 1 April 2022, committing to fund £6.5m over five years. At this level of funding, they are considered a Funding Partner but do not retain their seat on the Board.

The UK DRI is funded over a minimum five-year horizon by these three founding funders, via UK DRI Ltd, and its scientific operations are conducted at discrete research Centres within seven universities: UCL, Oxford, Imperial, King's, Cambridge, Cardiff, and Edinburgh.

Its core team are based at Regent's Place, London, and here the executive team determine and implement the Board-approved research strategy. The UK DRI's scientific operations are, and will continue to be, conducted by employees of the six universities who operate on behalf of UK DRI Ltd via grant funding. Approximately 950 researchers, students and support staff are funded either full or part time by UK DRI Ltd or by external funding generated by DRI scientists. The focus of information presented earlier in this report is the performance and activities of the universities included in the UK DRI.

The Core Funding Agreement (MRC), Strategic Alliance Agreements (ARUK and AS), Institute Agreements and Terms and Conditions of Funding Agreement govern the relationship between UK DRI Ltd and the UK DRI and the host institutions. The executive team at the UK Dementia Research Institute attend Board Meetings to update Trustees on the activities of the Institute and to seek appropriate approvals under the governance arrangements.

**Governing document**

The objects of UK DRI Ltd, as set out in the Articles of Association, are to preserve and protect the health of the public and to advance education. This will be achieved by i) promoting and undertaking research into neurodegenerative disorders (and illnesses contributing to such disorders), and associated factors, that give rise to the dementia and related conditions including research that elucidates the nature, cause, symptoms, diagnosis, prevention, treatment and for care of the range of disorders that give rise to the dementias and related conditions; and ii) developing the outputs of such research to provide increased accuracy and timeliness of diagnosis and interventions that prove effective in treating and improving the care of people with dementia and which may ultimately prevent and/or cure dementia and related conditions.

**Trustees' appointment and training**

Subject to being a Member at the relevant time, each Core Funding Partner (MRC) and Strategic Funding Partners funding £2.5m or more per year (ARUK) shall be entitled to appoint, one person who is willing to act as a Trustee. A Trustee so appointed shall be a "Founder Trustee" for the purposes of the Articles of Association. Founder Trustees can be removed from office by written notice from his/her appointer.

The Trustees shall make appointments on such terms as they decide (including, without limitation, the term of his or her appointment) and will review each appointment at least every three years on a rotational basis. Independent Trustees can be removed if the majority of the Board resolve that he/she shall cease to be a Trustee.

## **UK DRI LTD**

### **Report of the Trustees for the year ended 31 March 2025 (continued)**

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New Trustees are appointed through a recruitment campaign, depending on the experience and key skills needed. New Trustees are interviewed by the Chair along with others from the Board as needed and are formally approved at the UK DRI Ltd Board meeting.

On appointment, new Trustees are provided with a Trustee handbook and given a formal induction. The Trustee handbook includes the Charity's Articles of Association, as well as key governance documentation. Trustees are also given key guidance from the Charity Commission – CC3 The Essential Trustee. Ongoing training is provided for Trustees as relevant throughout their term.

#### **Related parties**

As at the date of signing this report MRC, ARUK, NIHR and LifeArc (Registered charity number 1015243) are all related parties.

MRC have an agreement with UK DRI Ltd and they intend to fund £125m over the five years starting 1 April 2022. Furthermore, this agreement provides for an MRC representative having a seat on the UK DRI Ltd Board.

ARUK have an agreement with UK DRI Ltd and they intend to fund £12.5m over the five years starting 1 April 2022. This agreement also provides for an ARUK representative having a seat on the UK DRI Ltd Board.

NIHR have an agreement with MRC which sees £5m of funding pass between NIHR and MRC onwards to UK DRI Ltd each year. This agreement provides for an NIHR representative to have a seat on the UK DRI Ltd Board.

LifeArc have signed a translational partnership agreement with UK DRI Ltd effective July 2022 which will provide £30m of funding over five years in order to further the translational research of the Institute. This will see a series of grants made by a joint Life Arc/UK DRI Committee to the UK DRI Centres. Whilst the agreement does not provide for LifeArc having an automatic seat on the UK DRI Ltd Board, their recently former CEO and a separate Board member are currently Board directors of UK DRI Ltd.

Further details of related party transactions in the year are included in Notes 2 and 21.

#### **Risks and uncertainties**

UK DRI Ltd is essentially a grant funding charity. The funding model is such that grant commitments are only entered into when there is certainty of funding from donors being received. UK DRI Ltd deducts its own operating costs, predominantly salaries and rent of its core team premises, before determining the level of grant funding it can make.

The grants fund the work of UK DRI. A register is maintained of the principal risks and uncertainties of the Institute which is populated by the executive team of the UK Dementia Research Institute. The Institute Director/CEO, Chief Scientific Officer (UK DRI Ltd) and Chief Finance and Operations Officer (UK DRI Ltd) may be required to attend UK DRI Ltd Board Meetings. They regularly update the Board at the meeting of movements in the risk register.

#### **Sustainability Report**

UK DRI Ltd became independent from UCL with regards to employment and management actions on 1st August 2024. Outlined below is our sustainability plan which we look to build on in the coming years.

UK DRI Ltd did not consume more than 40,000 kWh energy in the reporting period, therefore it has qualified as a low energy user and is exempt from reporting under the Streamlined Energy and Carbon Reporting (SECR) regulations.

#### **Travel**

As an employer we encourage sustainable travel wherever possible, as set out in our policy.

In anticipation of moving to an employer, we changed travel supplier in July. From July 2024 to 31 March 2025, we made 189 journeys; 87% of these were via train and/or Eurostar.

Of the 42 (single) flights taken, 6 were long-haul. 24 were between our Centres (London, Edinburgh and Cardiff).

We encourage use of virtual / hybrid meetings between Centres to minimise travel.

**Report of the Trustees for the year ended 31 March 2025 (continued)**

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As part of our benefits package we offer the following to encourage sustainable travel use in personal life as well as work time:

- Season ticket loan policy
- <https://www.cyclescheme.co.uk/>
- Electric car loan scheme

**In the office**

- 98% of the energy bought for Regent's Place, our rented premises, is certified from renewable sources for both electricity and gas
- Regent's Place features one of London's largest living walls with over 22,000 plants
- Our building has recycling in place and a food wastage system
- Lighting at the core team offices is on a timer system
- Office equipment is on a timer setting, moving all screens and printer to standby mode when not in use
- Within our office space we have introduced planting to improve air quality

**In the lab**

UCL, Cardiff, Kings and Imperial labs are signed up to UCL LEAF (Laboratory Efficiency Assessment Framework). Edinburgh labs are part of their own programme 'Sustainable Labs'.

The LEAF programme comprises four elements:

- The Framework: An online tool that guides users through sustainability actions to save plastics, water, energy and other resources in their laboratory.
- Online calculators: To help measure financial and carbon impact. You can estimate how sustainable your lab is now and track improvements.
- Toolkit and Resources: From guides to sustainable lab equipment and consumables to induction and exit procedures.
- User Engagement & Training: We offer each institution a tailored workshop to engage laboratory staff and students on sustainable science, and to introduce LEAF.

**Public benefit**

The Trustees have referred to the guidance contained on the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set. The general public ultimately benefits through the world class research we are able to fund.

In so far as each of the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report of the Trustees prepared under the Charities Act 2011, which also contains all information required in a Directors' Report by the Companies Act 2006, and the incorporated Strategic report prepared under the Companies Act 2006, were approved by the Board of Trustees on 9<sup>th</sup> September 2025 and signed on behalf of the Trustees by William Rucker, Chairman.



William Rucker  
Chairman

**Statement of Trustees' Responsibilities**

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The Trustees (who are also Directors of UK DRI Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable laws and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 for that period. In preparing those 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 the standards applicable under FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' 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 charitable company will continue in business.

The Trustees are responsible for keeping proper and adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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.

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

### **Opinion**

We have audited the financial statements of UK DRI Ltd (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities incorporating an income and expenditure account, the Balance Sheet, the Cash Flow Statement, 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 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 March 2025 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 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 trustees' 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 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 the audit:

- the information given in the Report of the Trustees, which includes the Directors' Report, and the Strategic 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 and the Strategic Report included within the Report of the Trustees have been prepared in accordance with applicable legal requirements.

**Independent Auditor's Report to the Members of UK DRI Ltd (continued)**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Report of the Trustees.

We have nothing to report in respect of the following matters where 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.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 13, 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.

**The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected, or alleged instances of fraud;

**Independent Auditor's Report to the Members of UK DRI Ltd (continued)**

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- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to any new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The audit engagement team identified the risk of management override of controls and the completeness and valuation of certain income streams as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, and performing tests of detail in relation to completeness of income.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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.

*Claire Sutherland*

CLAIRE SUTHERLAND (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
1<sup>st</sup> Floor, Platinum Building,  
St John's Innovation Park  
Cowley Road  
Cambridge  
CB4 0DS

Date 19 September 2025

## UK DRI LTD

### Statement of financial activities incorporating an income and expenditure account for the year ended 31 March 2025

|                                               | Note  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Year ended<br>31 March<br>2025<br>Total<br>£ | Year ended<br>31 March<br>2024<br>Total<br>£ |
|-----------------------------------------------|-------|----------------------------|--------------------------|----------------------------------------------|----------------------------------------------|
| <b>Income from:</b>                           |       |                            |                          |                                              |                                              |
| Grants and donations                          | 2     | 37,482,063                 | 8,677,017                | <b>46,159,080</b>                            | 36,623,291                                   |
| Charitable activities                         | 3     | -                          | 660,490                  | <b>660,490</b>                               | 2,278,313                                    |
| Investments                                   | 4     | 799,498                    | -                        | <b>799,498</b>                               | 706,150                                      |
| <b>Total income</b>                           |       | <b>38,281,561</b>          | <b>9,337,507</b>         | <b>47,619,068</b>                            | <b>39,607,754</b>                            |
| <b>Expenditure on:</b>                        |       |                            |                          |                                              |                                              |
| Charitable activities                         | 5     | 30,608,907                 | 9,520,200                | <b>40,129,107</b>                            | 43,312,945                                   |
| <b>Net movement in funds before transfers</b> |       | <b>7,672,654</b>           | <b>(182,693)</b>         | <b>7,489,961</b>                             | <b>(3,705,191)</b>                           |
| Transfers between funds                       | 16,17 | 282,347                    | (282,347)                | -                                            | -                                            |
| <b>Net movement in funds</b>                  |       | <b>7,955,001</b>           | <b>(465,040)</b>         | <b>7,489,961</b>                             | <b>(3,705,191)</b>                           |
| <b>Reconciliation of funds:</b>               |       |                            |                          |                                              |                                              |
| Funds balance at 1 April 2024                 |       | 1,169,804                  | 511,515                  | <b>1,681,319</b>                             | 5,386,510                                    |
| <b>Funds Balance at 31 March 2025</b>         |       | <b>9,124,805</b>           | <b>46,475</b>            | <b>9,171,280</b>                             | <b>1,681,319</b>                             |

**UK DRI LTD**

**Balance Sheet as at 31 March 2025**

**Charity number: 1179589**

**Company number: 11045257**

|                                                                | Notes | 2025<br>£               | 2024<br>£               |
|----------------------------------------------------------------|-------|-------------------------|-------------------------|
| <b>Fixed assets</b>                                            |       |                         |                         |
| Tangible assets                                                | 11    | 65,066                  | -                       |
| <b>Current assets</b>                                          |       |                         |                         |
| Debtors                                                        | 12    | 42,505,850              | 37,890,632              |
| Cash at bank                                                   |       | 22,568,613              | 17,869,517              |
|                                                                |       | <u>65,074,463</u>       | <u>55,760,149</u>       |
| <b>Creditors: amounts falling due within one year</b>          | 13    | <u>(42,363,871)</u>     | <u>(42,409,803)</u>     |
| <b>Net current assets</b>                                      |       | <u>22,710,592</u>       | <u>13,350,346</u>       |
| <b>Total assets less current liabilities</b>                   |       | <b>22,775,658</b>       | <b>13,350,346</b>       |
| <b>Creditors: amounts falling due after more than one year</b> | 14    | <b>(13,577,978)</b>     | <b>(11,669,027)</b>     |
| Provision for liabilities                                      | 15    | <u>(26,400)</u>         | <u>-</u>                |
| <b>Total assets less total liabilities</b>                     |       | <u><b>9,171,280</b></u> | <u><b>1,681,319</b></u> |
| <b>Funds</b>                                                   |       |                         |                         |
| Restricted funds                                               | 16    | 46,475                  | 511,515                 |
| Unrestricted funds                                             |       |                         |                         |
| General funds                                                  | 17    | <u>9,124,805</u>        | <u>1,169,804</u>        |
|                                                                |       | <u><b>9,171,280</b></u> | <u><b>1,681,319</b></u> |

The financial statements on pages 17 to 37 were approved by the Trustees and authorised for issue on 9<sup>th</sup> September 2025 and are signed on its behalf by:



W J Rucker  
Trustee

The notes on pages 20 to 37 form part of these financial statements

# UK DRI LTD

## Cashflow statement for the year ended 31 March 2025

|                                                                                |   | Year ended<br>31 March<br>2025<br>£ | Year ended<br>31 March<br>2024<br>£ |
|--------------------------------------------------------------------------------|---|-------------------------------------|-------------------------------------|
| <b>Cash flows from operating activities</b>                                    |   |                                     |                                     |
| Net cash provided by/(used by) operating activities                            | a | 3,975,159                           | (1,102,616)                         |
| <b>Cash flow from investing activities</b>                                     |   |                                     |                                     |
| Investment income                                                              |   | 799,498                             | 677,930                             |
| Purchase of leasehold property improvements                                    |   | (75,561)                            | -                                   |
| <b>Net cash provided by investing activities</b>                               |   | <u>723,937</u>                      | <u>677,930</u>                      |
| <b>Change in cash and cash equivalents in reporting period</b>                 |   | <b>4,699,096</b>                    | <b>(424,686)</b>                    |
| Cash and cash equivalents at the beginning of the reporting period             |   | <u>17,869,517</u>                   | <u>18,294,203</u>                   |
| <b>Cash and cash equivalents at the end of the reporting period</b>            | b | <u><b>22,568,613</b></u>            | <u><b>17,869,517</b></u>            |
| <b>Reconciliation of expenditure to net cashflow from operating activities</b> |   |                                     |                                     |
| <b>a. Net cash provided by operating activities</b>                            |   |                                     |                                     |
| Net movement in funds                                                          |   | 7,489,961                           | (3,705,191)                         |
| <b>Adjustments for:</b>                                                        |   |                                     |                                     |
| Depreciation                                                                   |   | 10,495                              | -                                   |
| Interest from investments                                                      |   | (799,498)                           | (706,150)                           |
| Increase in debtors                                                            |   | (4,615,218)                         | (2,177,698)                         |
| Increase in creditors                                                          |   | 1,889,419                           | 5,486,423                           |
|                                                                                |   | <u>3,975,159</u>                    | <u>(1,102,616)</u>                  |
| <b>b. Analysis of cash and cash equivalents</b>                                |   |                                     |                                     |
| Cash at bank and in hand                                                       |   | <u><b>22,568,613</b></u>            | <u><b>17,869,517</b></u>            |
| <b>c. Analysis of changes in net funds</b>                                     |   |                                     |                                     |
| Opening net funds                                                              |   | 17,869,517                          | 18,294,203                          |
| Cashflows of the entity                                                        |   | 4,699,096                           | (424,686)                           |
| Closing net funds                                                              |   | <u><b>22,568,613</b></u>            | <u><b>17,869,517</b></u>            |

The notes on pages 20 to 36 form part of these financial statements

**1 Accounting policies****Basis of accounting**

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 (FRS102) – (Charities SORP(FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

UK DRI Ltd is an incorporated charity, limited by guarantee, domiciled, and registered in England and Wales, which constitutes a Public Benefit entity as defined by FRS 102. The address of its registered office is set out on page 38. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise stated.

**Fund accounting**

The charity maintains various types of funds as follows:

***Restricted funds***

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

***Unrestricted funds***

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the Charity.

**Income**

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable probability of receipt. The following accounting policies are applied to income:

***Grants and donations***

Donations are reported gross and accounted for at the point when the Charity is entitled to the income, there is probability of receipt, and the monetary value can be measured with sufficient reliability.

***Legacies***

Legacies are included in the Statement of Financial Activities when the Charity is legally entitled to the distribution and the amount can be determined with accuracy and it is probable that the legacy will be received. Probable means that it is more likely than not that the economic benefits associated with the legacy will flow to the charity, i.e. there is sufficient certainty of receipt.

***Charitable activities***

Charitable activities relate to income received from pharmaceutical companies and relate to exchange contracts (the provision of scientific services). 100% of the funding is accounted for upon recognition of the related research commitment apart from the surplus that the charity retains to off-set its own costs. This surplus (i.e. the difference between total funding and the value granted to the university) is recognised on a straight-line basis across the length of the agreement as this is considered to best reflect how the income is earned.

***Investment income***

Investment income is accounted for when receivable. Tax recoverable relating to investment income is accounted for in the same period as the related income.

**Expenditure**

All expenditure is accounted for on an accruals basis.

Charitable activities represent expenditure incurred in issuing grants to academic institutions for research purposes.

Support costs are attributed to the expenditure classifications using a percentage based upon the direct expenditure allocation.

**Research commitments**

Research commitments are accounted for as expenditure in the Statement of Financial Activities when there is a constructive obligation based on a formal offer to the recipient. The present value of future commitments to research has been considered at a discount rate of 3.95% (2024: 1.4%) and the resulting potential discounting is not considered to be material to the overall value of the commitment, or to expenditure on a recurrent basis.

**Debtors**

Other debtors are recognised at the settlement amount due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

**1 Accounting policies (continued)**

**Debtors**

Other debtors are recognised at the settlement amount due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

**Creditors**

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

**Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as a basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised costs using the effective interest method.

**Pensions**

The charity operates a defined contribution pension scheme for its employees. Obligations for contributions to the defined contribution pension scheme are charged to the Statement of Financial Activities in the year in which they become payable.

**Leases**

The annual rental of all operating leases is charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**Going concern**

The use of the going concern basis of accounting is considered to be appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Charity to continue as a going concern.

The Charity's business activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees Report and incorporated Strategic Report on pages 3 to 12. The Charity currently has significant liquid resources which are in excess of all research commitments which have been made. There are no borrowings.

The financial model of UK DRI Ltd is such that research commitments are only made where it has the funds to do so. All agreements with universities explicitly state this clause. Notwithstanding this point, the core team at UK DRI work closely with the universities in planning for the medium term.

Detailed cash flow forecasts have been prepared for the period to 31 March 2028. The forecasts show that core research activities and strategic grants included in the grant awards budget for the year ended 31 March 2026 at each University, can be maintained based on the known level of income from the MRC and the two founder charity partners.

The outcome of the first QQR exercise, performed in 2022, confirmed that the three Founding Funders intend to collectively fund £150m over the five years commencing 1 April 2024, of which £33.5m has formally been agreed for the year ending 31 March 2026. A budget has been prepared and approved for the year ended 31 March 2026 based purely on the confirmed level of funding. In early 2025, the MRC and ARUK both agreed to extend the review period by two years and to provide two further years of funding at the same levels. Therefore, their intention to fund UK DRI Ltd until 31 March 2030 provides for a seven-year review period and strengthens the going concern basis.

Given the amount of funding already formally agreed and the indications of the Founding Funders for the for subsequent years, the Trustees are confident that the Charity is a going concern, and that there are triggers and safeguards which can be deployed to ensure the future operation of the Charity, if needed.

**1 Accounting policies (continued)****Critical accounting estimates and areas of judgement**

Estimates and judgements 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*

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are not considered to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

*Critical areas of judgement*

The Trustees do not consider that there are any critical areas of judgement applied in the preparation of these financial statements.

**2 Income from grants and donations**

|                          | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>year ended<br>31 March 2025<br>£ | Total<br>year ended<br>31 March 2024<br>£ |
|--------------------------|----------------------------|--------------------------|-------------------------------------------|-------------------------------------------|
| Medical Research Council | 34,698,998                 | 876,132                  | 35,575,130                                | 25,268,643                                |
| Alzheimer's Research UK  | 2,000,000                  | 500,000                  | 2,500,000                                 | 2,500,000                                 |
| Alzheimer's Society      | -                          | 1,300,000                | 1,300,000                                 | 1,300,000                                 |
| Legacies                 | 210,000                    | -                        | 210,000                                   | -                                         |
| Other donations          | 573,065                    | 6,000,885                | 6,573,950                                 | 7,554,648                                 |
|                          | <u>37,482,063</u>          | <u>8,677,017</u>         | <u>46,159,080</u>                         | <u>36,623,291</u>                         |

**3 Income from charitable activities**

|                                                         | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>year ended<br>31 March 2025<br>£ | Total<br>year ended<br>31 March 2024<br>£ |
|---------------------------------------------------------|----------------------------|--------------------------|-------------------------------------------|-------------------------------------------|
| Eli Lilly                                               | -                          | 373,153                  | 373,153                                   | 616,543                                   |
| Sun Pharma Advanced Research<br>Company Limited (SPARC) | -                          | (308,599)                | (308,599)                                 | 566,564                                   |
| Ono Pharmaceutical Co. Ltd                              | -                          | 244,627                  | 244,627                                   | 1,046,400                                 |
| Nimbis Salacia Inc.                                     | -                          | -                        | -                                         | 48,806                                    |
| Eisai                                                   | -                          | 351,309                  | 351,309                                   | -                                         |
|                                                         | <u>-</u>                   | <u>660,490</u>           | <u>660,490</u>                            | <u>2,278,313</u>                          |

**4 Income from investments**

|               | Year ended<br>31 March 2025<br>£ | Year ended<br>31 March 2024<br>£ |
|---------------|----------------------------------|----------------------------------|
| Bank deposits | <u>799,498</u>                   | <u>706,150</u>                   |

**5 Expenditure on charitable activities**

|                                   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>year ended<br>31 March 2025<br>£ | Total<br>year ended<br>31 March 2024<br>£ |
|-----------------------------------|----------------------------|--------------------------|-------------------------------------------|-------------------------------------------|
| Dementia research grants (note 6) | 27,022,130                 | 9,172,655                | <b>36,194,785</b>                         | 43,120,270                                |
| Non-grant research costs (note 7) | 1,938,999                  | 336,560                  | <b>2,275,559</b>                          | -                                         |
| Support costs (note 8)            | 1,647,778                  | 10,985                   | <b>1,658,763</b>                          | 192,675                                   |
|                                   | <u>30,608,907</u>          | <u>9,520,200</u>         | <u><b>40,129,107</b></u>                  | <u>43,312,945</u>                         |

**6 Grant giving**

|                                                                         | Year ended<br>31 March 2025<br>£ | Year ended<br>31 March 2024<br>£ |
|-------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Commitments made to UKDRI in the prior year                             | <b>30,798,000</b>                | 31,017,000                       |
| New commitments made during the year                                    | <b>7,239,269</b>                 | 13,254,549                       |
| Commitments no longer required                                          | <b>(3,033,484)</b>               | (932,278)                        |
| Commitments confirmed to institutions in respect of year to 31 March    | <u><b>35,003,785</b></u>         | <u>43,339,271</u>                |
| Less unallocated brought forward commitment made to UKDRI in prior year | <b>(30,798,000)</b>              | (31,017,000)                     |
| New commitments made to UKDRI during the year                           | <u><b>31,989,000</b></u>         | <u>30,798,000</u>                |
| Amount charged to the Statement of Financial Activities                 | <u><b>36,194,785</b></u>         | <u>43,312,946</u>                |

All grants are paid to institutions. An analysis of grant-funded research by host institution with details of grants awarded during the year, forming part of these audited financial statements, can be found below:

|                           | Year ended<br>31 March 2025<br>£ | Year ended<br>31 March 2024<br>£ |
|---------------------------|----------------------------------|----------------------------------|
| University of Cambridge   | <b>3,333,048</b>                 | 3,878,496                        |
| Cardiff University        | <b>2,778,207</b>                 | 4,554,628                        |
| Dundee University         | <b>568,022</b>                   | 314,390                          |
| University of Edinburgh   | <b>5,629,431</b>                 | 5,962,835                        |
| Imperial College London   | <b>9,291,773</b>                 | 8,158,841                        |
| Kings College London      | <b>2,590,037</b>                 | 3,678,246                        |
| MRC Harwell               | <b>104,031</b>                   | 195,064                          |
| University College London | <b>10,671,236</b>                | 15,263,708                       |
| DZNE                      | <b>38,000</b>                    | -                                |
| Other                     | -                                | 1,333,009                        |
|                           | <u><b>35,003,785</b></u>         | <u>43,339,271</u>                |

**7 Non-grant research costs**

|                                     | Year ended<br>31 March 2025<br>£ | Year ended<br>31 March 2024<br>£ |
|-------------------------------------|----------------------------------|----------------------------------|
| Core Team Science salaries          | 387,239                          | -                                |
| Science collaboration and workshops | 1,561,766                        | -                                |
| Science comms and engagement costs  | 123,316                          | -                                |
| Science innovation costs            | 203,238                          | -                                |
|                                     | <u>2,275,559</u>                 | <u>-</u>                         |

These are costs incurred by the UK DRI core team relating to research activity. In prior years these would have been incurred via the DRI HQ/core team grant awarded to UCL, but from 1 August 2024 onwards all DRI core team costs were incurred directly by UK DRI Ltd.

**8 Support costs**

|                   | Year ended<br>31 March 2025<br>£ | Year ended<br>31 March 2024<br>£ |
|-------------------|----------------------------------|----------------------------------|
| Human Resources   | 383,895                          | -                                |
| Premises          | 158,786                          | -                                |
| Depreciation      | 10,495                           | -                                |
| Secretariat       | 50,525                           | -                                |
| Governance        | 217,181                          | 111,888                          |
| Finance           | 188,089                          | 33,831                           |
| IT & office costs | 649,792                          | 46,956                           |
|                   | <u>1,658,763</u>                 | <u>192,675</u>                   |

Included within the grant paid to UCL (included within the dementia research spend in note 5) to cover DRI core team costs are £221,388 (2024: £898,195) relating to support costs for Finance, HR, corporate and office costs. DRI core team costs were only covered by the grant to UCL up until 31 July 2024. From 1 August 2024 onwards, all DRI core team costs were incurred directly by UK DRI Ltd.

## 9 Information regarding employees and Trustees

### Staff costs

UK DRI Ltd started employing staff directly from 1 August 2024 onwards. There were no direct employees at any point prior to this date.

| Staff costs were as follows: | Year ended<br>31 March 2025<br>£ | Year ended<br>31 March 2024<br>£ |
|------------------------------|----------------------------------|----------------------------------|
| Wages and salaries           | 1,240,371                        | -                                |
| Social security costs        | 123,688                          | -                                |
| Pension costs                | 191,300                          | -                                |
| Staff benefits               | 13,565                           | -                                |
|                              | <u>1,568,924</u>                 | <u>-</u>                         |

The average number of employees between 1 August 2024 and 31 March 2025 was as follows:

|                       | Year ended 31 March 2025 |           | Year ended 31 March 2024 |           |
|-----------------------|--------------------------|-----------|--------------------------|-----------|
|                       | Full time                | Part time | Full time                | Part time |
| Science               | 9                        | 1         | -                        | -         |
| Business & Innovation | 3                        | -         | -                        | -         |
| Comms & Engagement    | 5                        | -         | -                        | -         |
| Support               | 11                       | 1         | -                        | -         |
|                       | <u>28</u>                | <u>2</u>  | <u>-</u>                 | <u>-</u>  |

From 1 August 2024 – 31 March 2025, the number of employees whose emoluments (excluding pension contributions) have exceeded £60,000 were as follows:

|                     | Year ended<br>31 March 2025<br>£ | Year ended<br>31 March 2024<br>£ |
|---------------------|----------------------------------|----------------------------------|
| £60,000 - £70,000   | 2                                | -                                |
| £70,001 - £80,000   | -                                | -                                |
| £80,001 - £90,000   | 1                                | -                                |
| £90,001 - £100,000  | 1                                | -                                |
| £100,001 - £110,000 | -                                | -                                |
| £110,001 - £120,000 | -                                | -                                |
| £121,000 - £130,000 | -                                | -                                |
| £131,000 - £140,000 | -                                | -                                |
|                     | <u>-</u>                         | <u>-</u>                         |

UK DRI Ltd only started employing its own staff on 1 August 2024, therefore an annualised view is show below.

**9 Information regarding employees and Trustees (continued)**

On an annualised basis the number of employees in total emolument bands (excluding pension contributions) in excess of £60,000 were as follows:

|                     | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------------|-----------------------------|-----------------------------|
|                     | £                           | £                           |
| £60,000 - £70,000   | 3                           | -                           |
| £70,001 - £80,000   | 3                           | -                           |
| £80,001 - £90,000   | 2                           | -                           |
| £90,001 - £100,000  | 1                           | -                           |
| £100,001 - £110,000 | -                           | -                           |
| £110,001 - £120,000 | 2                           | -                           |
| £121,000 - £130,000 | -                           | -                           |
| £131,000 - £140,000 | 1                           | -                           |
|                     | <u>          </u>           | <u>          </u>           |

All the above individuals are members of the defined contribution pension scheme.

Trustees are not remunerated. Trustee expenses for three Trustees relating to travel and subsistence amounted to £572 (2024: £691) in the year.

The total employment costs of the key management personnel which is comprised of the Chief Finance & Operations Officer, Chief Scientific Officer, Chief Innovation and Business Officer, Chief People & Culture Officer and Chief Communications and Engagement Officer were £446,061 (2024: £nil).

**Pension costs**

UK DRI Ltd operates a group personal pension scheme, administered by Scottish Widows Limited, which is open to all staff on completion of entry requirements. Pension costs of up to 15.9% of gross pensionable salary for all eligible employees are charged to expenditure as they are incurred. UK DRI Ltd implements pension auto-enrolment in line Workplace Pension reforms. Contributions payable by the Charity and charged to expenditure amounted to £191,300 (2024: £nil). Included within creditors due within one year is £24,189 (2024: £nil) of outstanding contributions.

**10 Net income for the year**

Net income for the year is stated after charging:

|                                                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------------------------------|-----------------------------|-----------------------------|
|                                                             | £                           | £                           |
| Remuneration paid to external auditor:                      |                             |                             |
| Audit services - Audit                                      | 34,500                      | 23,375                      |
| - Other services – corporation tax services                 | 3,675                       | 3,500                       |
| - Other services – Accountancy support                      | 4,500                       | 1,200                       |
| - Other services – VAT advice                               | 9,750                       | -                           |
|                                                             | <u>          </u>           | <u>          </u>           |
| External audit fees and fees for other services exclude VAT |                             |                             |
| Depreciation of tangible fixed assets                       | 10,495                      | -                           |
| Payments under operating leases -<br>land and buildings     | 124,724                     | -                           |
|                                                             | <u>          </u>           | <u>          </u>           |

**11 Tangible fixed assets**

|                         | <b>Leasehold<br/>improvements</b> | <b>Total</b>  |
|-------------------------|-----------------------------------|---------------|
|                         | <b>£</b>                          | <b>£</b>      |
| <b>Costs</b>            |                                   |               |
| At 1 April 2024         | -                                 | -             |
| Additions               | 75,561                            | 75,561        |
|                         | <u>75,561</u>                     | <u>75,561</u> |
| At 31 March 2025        | <b>75,561</b>                     | <b>75,561</b> |
| <b>Depreciation</b>     |                                   |               |
| At 1 April 2024         | -                                 | -             |
| Charge for the year     | 10,495                            | 10,495        |
|                         | <u>10,495</u>                     | <u>10,495</u> |
| At 31 March 2025        | <b>10,495</b>                     | <b>10,495</b> |
| <b>Net book value</b>   |                                   |               |
| <b>At 31 March 2025</b> | <b>65,066</b>                     | <b>65,066</b> |
|                         | <u>65,066</u>                     | <u>65,066</u> |
| At 31 March 2024        | -                                 | -             |
|                         | <u>-</u>                          | <u>-</u>      |

**12 Debtors**

|                | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|----------------|-------------------------------------|-------------------------------------|
|                | <b>£</b>                            | <b>£</b>                            |
| Prepayments    | 40,091                              | 15,630                              |
| Other debtors  | 8,909,196                           | 11,127,025                          |
| Accrued income | 33,556,563                          | 26,747,977                          |
|                | <u>42,505,850</u>                   | <u>37,890,632</u>                   |

Other debtors include £2,872,266 due after more than 1 year (2024: £3,744,310).

**13 Creditors: amounts falling due within one year**

|                                 | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|---------------------------------|-------------------------------------|-------------------------------------|
|                                 | <b>£</b>                            | <b>£</b>                            |
| Trade creditors                 | 103,500                             | -                                   |
| Other taxes and social security | 103,106                             | 21,596                              |
| Research commitments            | 42,076,844                          | 42,322,705                          |
| Other creditors                 | 39,021                              | -                                   |
| Accruals                        | 41,400                              | 65,502                              |
|                                 | <u>42,363,871</u>                   | <u>42,409,803</u>                   |

**14 Creditors: amounts falling due after more than one year**

|                                                                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------------------------------------------------|-----------------------------|-----------------------------|
|                                                                             | £                           | £                           |
| Research commitments                                                        | <b>13,577,978</b>           | 11,669,027                  |
| Ageing of long-term liabilities                                             |                             |                             |
| 1 – 2 years                                                                 | <b>11,988,840</b>           | 11,362,978                  |
| 2 – 3 years                                                                 | <b>1,589,138</b>            | 306,049                     |
| <b>Reconciliation of research commitments</b>                               |                             |                             |
| Balance brought forward                                                     | <b>53,991,732</b>           | 48,420,318                  |
| New research commitments entered into during the year for dementia research | <b>35,003,785</b>           | 43,339,271                  |
| Research commitments for year to 31 March 2026 approved by Trustees         | <b>31,989,000</b>           | 30,798,000                  |
| Reversal of research commitments approved by Trustees in previous period    | <b>(30,798,000)</b>         | (31,017,000)                |
| Amounts spent in the period                                                 | <b>(34,531,695)</b>         | (37,548,857)                |
|                                                                             | <b>55,654,822</b>           | 53,991,732                  |

**15 Provision for liabilities and charges**

|                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------|-----------------------------|-----------------------------|
|                                      | £                           | £                           |
| Balance at 1 April 2024              | -                           | -                           |
| Amounts provided for during the year | <b>26,400</b>               | -                           |
|                                      | <b>26,400</b>               | -                           |

Provisions include the estimated cost of repairing dilapidations in the office currently rented at the end of the lease.

**16 Movement in and allocation of restricted funds**

|                                                                               | As at<br>31 March<br>2024<br>£ | Income<br>£      | Expenditure<br>£ | Transfers<br>£   | As at<br>31 March<br>2025<br>£ |
|-------------------------------------------------------------------------------|--------------------------------|------------------|------------------|------------------|--------------------------------|
| Eisai - UK DRI post-doctoral scheme                                           | 81,089                         | -                | 81,089           | -                | -                              |
| Eisai - UK DRI Collaboration                                                  | -                              | 351,309          | 260,229          | (91,080)         | -                              |
| Alzheimer's Association                                                       | -                              | (15,590)         | -                | 15,590           | -                              |
| Eli Lilly - UK DRI post-doctoral scheme                                       | -                              | 200,000          | 194,747          | (5,253)          | -                              |
| Eli Lilly – UK DRI Studentships                                               | -                              | 66,656           | 66,656           | -                | -                              |
| Eli Lilly - UK DRI Collaboration                                              | -                              | 106,497          | 41,065           | (65,432)         | -                              |
| Medical Research Council - Impact Acceleration Account                        | -                              | 376,740          | 308,714          | (68,026)         | -                              |
| Medical Research Council - World Class Labs 24-25                             | -                              | 499,392          | 499,392          | -                | -                              |
| Medical Research Council - Health Collaboration with<br>Helmholtz Association | 398,000                        | -                | 351,525          | -                | <b>46,475</b>                  |
| Medical Research Council - Dementia Trials Accelerator                        | 23,000                         | -                | -                | (23,000)         | -                              |
| HDRUK - Dementia Trials Accelerator                                           | -                              | 748,040          | 677,928          | (70,112)         | -                              |
| Alzheimer's Research UK                                                       | -                              | 500,000          | 500,000          | -                | -                              |
| Alzheimer's Society                                                           | -                              | 1,300,000        | 1,300,000        | -                | -                              |
| Life Arc                                                                      | 9,426                          | 1,702,849        | 1,712,275        | -                | -                              |
| Life Arc - Project Manager                                                    | -                              | 89,291           | 50,285           | (39,006)         | -                              |
| Life Arc - Pilots awards                                                      | -                              | 418,868          | 418,868          | -                | -                              |
| Life Arc - TAP awards                                                         | -                              | 1,381,023        | 1,381,023        | -                | -                              |
| Sun Pharma Advanced Research Company Limited (SPARC)                          | -                              | (308,599)        | -                | 308,599          | -                              |
| Ono Pharmaceutical Co. Ltd                                                    | -                              | 244,627          | -                | (244,627)        | -                              |
| British Heart Foundation - Attwell                                            | -                              | 1,675,404        | 1,675,404        | -                | -                              |
| Charity concert proceeds - restricted donation                                | -                              | 1,000            | 1,000            | -                | -                              |
|                                                                               | <u>511,515</u>                 | <u>9,337,507</u> | <u>9,520,200</u> | <u>(282,347)</u> | <u><b>46,475</b></u>           |

**Restricted Fund Transfers**

There are typically two reasons for transfers between restricted and unrestricted funds. Firstly where there is an underspend on a grant provided to a partner university. In this instance we would ask the funder's permission to transfer any balance to unrestricted funding. Secondly, where a donor is funding a proportion of core team costs, we would transfer the relevant amount from restricted to unrestricted to offset the specific grant awarded to cover all core team costs.

**Eisai - UK DRI post-doctoral scheme**

Eisai has provided funding for four years from 2019 under the Eisai/DRI post-doctoral scheme to support new areas of dementia research. Award letters were issued to host universities for relevant projects. £81,089 of remaining income was spent this year on the final part of two of the projects.

**Eisai - UK DRI Collaboration**

Eisai has provided funding of £442,388 for a new 24-month research project to be undertaken by Dr Yu Ye at Imperial. Collaboration agreement with Eli Lilly was signed 6th June 2024. £351,309 of the income has been recognised within year. An award letter was issued to the host university for the relevant project. A residual £91,080 was transferred to off-set costs incurred by UK DRI core team. A further £91,080 of income is due to be recognised in 25/26 and will off-set costs incurred by UK DRI core team.

**Alzheimer's Association**

The original Alzheimer's Association award to UK DRI Ltd for the Neuroimmune Consortium Administrator position was reduced (by £15,590), as UK DRI Ltd underspent on the award by this value as the administrator left and was not replaced.

**16 Movement in and allocation of restricted funds (continued)****Eli Lilly - UK DRI post-doctoral scheme**

Eli Lilly has provided funding of £200,000 for a new 12-month post-doc project to be undertaken by Dr Sam Barnes at Imperial. An amendment to the master research collaboration agreement with Eli Lilly was signed on 5 December 2024. An award letter was issued to the host university for the relevant project. A residual £5,253 was transferred to off-set costs incurred by UK DRI core team.

**Eli Lilly - UK DRI Studentships**

Eli Lilly has provided 9-month costed extension an existing studentship project held by Professor John Hardy at UCL, totalling £66,656. An amendment to the master research collaboration agreement with Eli Lilly was signed on 13 June 2024. A supplement letter was issued to the host university for the relevant project.

**Eli Lilly - UK DRI Collaboration**

Eli Lilly has provided a 5-month costed extension to the original award held by Professor Zetterberg at UCL, totalling £41,065. An amendment to the master research collaboration agreement with Eli Lilly was signed on 6 March 2025. A supplement letter was issued to the host university for the relevant project. A residual £65,432 of income from the original project was recognised in year and transferred to off-set costs incurred by UK DRI core team.

**Medical Research Council - Impact Acceleration Account**

On 23 March 2022, UK DRI Limited received an award for £1,242,000 over three years from the MRC in response to an application made under its Impact Acceleration Award scheme. UK DRI core team will deploy these funds on specific research projects at its seven research centres. On 23 March 2023 the award was increased by a further £235,890 and extended for a further year. On 20 June 2024 the award was increased by a further £376,740 and extended for a further year. New award letters were issued to host universities undertaking new projects from the 24/25 supplement (£308,714) and £68,026 was transferred to cover some 23/24 expenditure that was originally funded by SPARC for a project at Cardiff (see comments against SPARC fund).

**Medical Research Council - World Class Labs 24-25**

Medical Research Council provided capital funding of £499,392. The award letter from the MRC is dated 18 September 2024. UK DRI Ltd issued an award letter to the UK DRI Proteomics Platform at Dundee for some new equipment for the facility costing £296,892 UK DRI Ltd procured a Flow server for £202,500 that will support the whole of the UK DRI research community.

**Medical Research Council - Health Collaboration with Helmholtz Association**

In 23/24 the Medical Research Council provided funding of £398,000 for 1-year of collaborative work with DZNE, in response to an application made under their Health Collaboration with Helmholtz Association scheme. The award letter from the MRC is dated 13 March 2024. In 24/25, four award letters were issued to host institutes for relevant projects (Cardiff, Imperial, Edinburgh and DZNE). The award was extended by the MRC for a further 6-months and the residual £46,475 of funding on the award will be spent by the DRI core team team in 25/26 on activities supporting the collaborative work.

**Medical Research Council - Dementia Trials Accelerator**

In 23/24 the Medical Research Council provided funding of £1,500,000 for phase 1 of a large Dementia Trials Accelerator programme, part of the Dame Barbara Windsor Dementia Mission. The award letter from the MRC is dated 7 March 2024. Award letters were issued to the host university (UCL) where project work will be taking place. The residual £23,000 of funding on this award was transferred in 24/25 to cover the costs of DRI core team supporting this large-scale project.

**HDRUK - Dementia Trials Accelerator**

On 1 October 2024 UK DRI Ltd entered into a research collaboration agreement with Health Data Research UK (HDRUK) to work on the next phase of the large scale Dementia Trials Accelerator programme (part of the Dame Barbara Windsor Dementia Goals). Funding is provided to HDRUK from the MRC, and HDRUK flow funds to the UK DRI for their work on the programme. In 24/25 HDRUK Ltd provided funding of £748,040 for the initial milestones on x2 of the programme's work packages, plus UK DRI's costs for running the programme via the core team. UK DRI Ltd issued award letters to Professor Paresh Malhotra at Imperial and Professor Henrik Zetterberg at UCL for their work on x2 of the programme's work packages. £70,112 of programme support costs were transferred as were incurred against the UK DRI core team grant at UCL.

**16 Movement in and allocation of restricted funds (continued)****Alzheimer's Research UK**

Upon termination of the Joint Venture Agreement on 31 March 2022, ARUK and UK DRI Limited entered into a Strategic Alliance Agreement which provides £500,000 of funding for UK DRI Limited to use on translational research funding in the year ahead. The UK DRI core team intend to make £500,000 of awards via their Translational Award scheme in financial year 2025/26.

**Alzheimer's Society**

Upon termination of the Joint Venture Agreement on 31 March 2022, AS and UK DRI Limited entered into a Strategic Alliance Agreement which provides £1,300,000 of funding for UK DRI Limited to use on two targeted areas of funding. Namely the Care Research & Technology Centre at Imperial College London and the Blood-based Biomarkers Platform at UCL Centre. This funding will be deployed in full against these two initiatives in financial year 2025/26.

**Life Arc**

On 29 July 2022, UK DRI Ltd entered into a Translation Partnership Agreement with LifeArc with the intention of LifeArc funding certain research projects of their choosing. In 23/24 LifeArc has provided funding of £7,197,210 for first milestones for seven research projects under the Translational Partnership Agreement. Project funding was awarded to UK DRI Ltd via seven signed project schedules. Project funding was then awarded to Professor Siddharthan Chandran at Edinburgh, Professor Paul Morgan at Cardiff, Professor Paul Matthews at Imperial, Dr Marc-David Ruepp at King's, Professor David Sharp at Imperial, Professor David Klenerman at Cambridge and Professor Adrian Isaacs at UCL. Award letters were issued to the host universities for the relevant projects. In 24/25 a residual £9,426 of costs for one of the projects was spent by the core team. In 24/25 a total of £1,702,849 of income was recognised from LifeArc for milestone 2 of Prof Chandran's project at Edinburgh and milestone 2 and 3 of Prof Matthews' project at Imperial.

**Life Arc - Project Manager**

LifeArc provided funding for up to £525,000 for a Project Manager within the core team to manage the UK DRI – LifeArc Translational Partnership for the duration of the partnership. The funding agreement letter was signed 31 December 2023. Costs incurred for the Project Manager up until 31 March 2025 were £89,291 and this value is therefore the recognised income and expenditure within year.

**Life Arc - Pilots awards**

Under the Translation Partnership Agreement, LifeArc provided funding of £418,868 to fund x8 translational pilot awards for Early Career Researchers (ECRs). Funding was awarded to UK DRI Ltd via a project schedule signed 3rd September 2024. Eight award letters were then issued to the relevant host universities of the x8 projects.

**Life Arc - TAP awards**

Under the Translation Partnership Agreement LifeArc provided funding of £1,381,023 to fund x5 TAP awards. Funding was awarded to UK DRI Ltd via x5 project schedules signed 3rd February 2025. Five award letters were then issued to the relevant host universities for the x5 projects.

**Sun Pharma Advanced Research Company Limited (SPARC)**

Sun Pharma Advanced Research Company Limited (SPARC) provided funding of £780,939 for one three-year research project, to be carried out by Dr Natalie Connor-Robson at Cardiff. The master research collaboration with SPARC was signed 8 June 2022. The project schedule for the funded project was signed 8 September 2023. £566,564 of the income was recognised in 23/24. An award letter was issued to the host university for the relevant project. In 24/25, SPARC withdrew from its partnership with UK DRI Ltd because of a change to their internal strategic priorities. The agreed termination date of the project was 13 March 2025. SPARC funded £257,965 of their original award, leaving a shortfall of £308,599. This had been recorded in good faith in the last financial year (23/24), therefore we have recognised negative income in 24/25 to reflect this. UK DRI Ltd has chosen to continue to support the existing project at Cardiff from other funds, including £68,026 from the MRC Impact Acceleration Account fund (see comments against MRC IAA fund).

**16 Movement in and allocation of restricted funds (continued)****Ono Pharmaceutical Co. Ltd**

In 23/24 Ono Pharmaceutical Co. Ltd provided funding of £1,291,027 for two two-year research projects to be carried out by Dr Gabriel Balmus at Cambridge, and Professor Tara Spires-Jones and Dr Claire Durrant at Edinburgh. The strategic research collaboration with Ono was signed 18 November 2022. The project schedules for the funded projects were signed 20 September 2023 and 6 December 2023. £1,046,400 of the income was recognised in 23/24. Award letters were issued to the host universities for the relevant projects. A residual £489,254 is to off-set costs incurred by UK DRI core team over the two years, of which £244,627 was transferred in 23/24, with the remaining £244,627 being recognised and transferred in 24/25.

**British Heart Foundation**

On 12 October 2023, UK DRI Ltd entered into a Strategic Partnership with the British Heart Foundation to create a Centre for Vascular Dementia (CVDR) consisting of a Centre Director and x4 Group Leaders. In 24/25, BHF provided funding of £1,675,404 to go towards the research programme of Professor David Attwell at UCL, who was appointed as the Centre Director of the CVDR starting 1 June 2024. UK DRI Ltd issued UCL with an award letter for Professor Attwell's research programme.

**Charity concert proceeds - restricted donation**

On 11th September 2024, funding of £1,000 was provided to UK DRI Ltd from the proceeds of a charity concert organised by Mr Steve Heald. Mr Heald requested that the proceeds be restricted to Professor Joanna Wardlaw's research into Vascular Dementia at the University of Edinburgh. UK DRI Ltd issued an award letter for £1,000 to Professor Wardlaw at Edinburgh.

| Prior year                                                                 | As at<br>31 March<br>2023<br>£ | Income<br>£       | Expenditure<br>£    | Transfers<br>£   | As at<br>31 March<br>2024<br>£ |
|----------------------------------------------------------------------------|--------------------------------|-------------------|---------------------|------------------|--------------------------------|
| Eisai - UK DRI post-doctoral scheme                                        | 300,517                        | -                 | (206,619)           | (12,809)         | <b>81,089</b>                  |
| Alzheimer's Association                                                    | -                              | (126,993)         | (6,759)             | 133,752          | -                              |
| Eli Lilly - UK DRI post-doctoral scheme                                    | -                              | 485,099           | (359,225)           | (125,874)        | -                              |
| Eli Lilly - UK DRI Collaboration                                           | -                              | 131,444           | (131,444)           | -                | -                              |
| Astex                                                                      | 140,585                        | -                 | -                   | (140,585)        | -                              |
| Medical Research Council - Impact Acceleration Account                     | 1,195,228                      | -                 | (1,195,228)         | -                | -                              |
| Medical Research Council - Capital awards 22-23                            | 256,619                        | -                 | (256,619)           | -                | -                              |
| Medical Research Council - World Class Labs 23-24                          | -                              | 495,641           | (451,390)           | (44,251)         | -                              |
| Medical Research Council - Dementia Trials Accelerator                     | -                              | 1,500,000         | (1,477,000)         | -                | <b>23,000</b>                  |
| Medical Research Council - Health Collaboration with Helmholtz Association | -                              | 398,000           | -                   | -                | <b>398,000</b>                 |
| Alzheimer's Research UK                                                    | 23,718                         | 500,000           | (523,718)           | -                | -                              |
| Alzheimer's Society                                                        | -                              | 1,300,000         | (1,300,000)         | -                | -                              |
| Fidelity Bermuda Foundation                                                | 628,000                        | -                 | (628,000)           | -                | -                              |
| Sir Laurence Geller                                                        | 24,298                         | -                 | (24,298)            | -                | -                              |
| Life Arc                                                                   | -                              | 7,197,210         | (7,179,010)         | (8,774)          | <b>9,426</b>                   |
| Life Arc - Project Manager                                                 | -                              | 95,361            | (95,361)            | -                | -                              |
| Sun Pharma Advanced Research Company Limited (SPARC)                       | -                              | 566,564           | (459,376)           | (107,188)        | -                              |
| Ono Pharmaceutical Co. Ltd                                                 | -                              | 1,046,400         | (801,773)           | (244,627)        | -                              |
| Nimbus Salacia Inc.                                                        | -                              | 48,806            | (48,806)            | -                | -                              |
|                                                                            | <u>2,568,965</u>               | <u>13,637,532</u> | <u>(15,144,626)</u> | <u>(550,356)</u> | <u><b>511,515</b></u>          |

**16 Movement in and allocation of restricted funds (continued)****Restricted Fund Transfers**

There are typically two reasons for transfers between restricted and unrestricted funds. Firstly, where there is an underspend on a grant provided to a partner university. In this instance we would ask the funder's permission to transfer any balance to unrestricted funding. Secondly, where a donor is funding a proportion of HQ costs, we would transfer the relevant amount from restricted to unrestricted to offset the specific grant awarded to cover all HQ costs.

**Eisai - UK DRI post-doctoral scheme**

Eisai has provided funding for four years from 2019 under the Eisai/DRI post -doctoral scheme to support new areas of dementia research. Award letters were issued to host universities for relevant projects. The transfer of £12,809 reflects an underspend, which has been transferred back to unrestricted funds in line with funder agreements.

**Alzheimer's Association**

Alzheimer's Association reduced their original award to UK DRI Ltd for the Neuroimmune Consortium Manager position (by £126,993), as the manager left the UK DRI and was not replaced.

**Eli Lilly - UK DRI post-doctoral scheme**

Eli Lilly has provided 1-year costed extensions to two of the existing post-doctoral projects (for Professor Adrian Isaacs and Professor Giampietro Schiavo at UCL), totaling £485,099. Amendments to the master research collaboration agreement with Eli Lilly were signed on 18 September 2023 and 25 September 2023. Supplement letters were issued to the host university for the relevant projects. A residual £102,923 was to off-set costs incurred by UK DRI HQ, and there was an underspend of £22,951 which has been transferred back to unrestricted funds in line with funder agreements.

**Eli Lilly - UK DRI Collaboration**

Eli Lilly provided funding of £196,876 for a new 16-month collaborative research project to be undertaken by Prof Henrik Zetterberg at UCL. Amendment to the master research collaboration agreement with Eli Lilly was signed 19 January 2024. £131,444 of the income has been recognised within year. An award letter was issued to the host university for the relevant project. A residual £65,432 of income is due to be recognised in 24/25 and will off-set costs incurred by UK DRI HQ.

**Astex**

On 26 May 2021, UK DRI Limited entered into a Strategic Research Collaboration Agreement with Astex with the intention of Astex funding certain research projects of their choosing. The first of these sees £1,296,000 receivable from Astex which will fund two three-year projects: one project conducted by Dr Veronique Miron at Edinburgh Centre and another by Prof. David Klenerman at the Cambridge Centre, with a residual £421,666 off-setting UK DRI HQ's direct costs over three years.

**Medical Research Council - Impact Acceleration Account**

On 23 March 2022, UK DRI Limited received an award for £1,242,000 over three years from the MRC in response to an application made under its Impact Acceleration Award scheme. UK DRI HQ will deploy these funds on specific research projects over the next three years at its seven research centres. On 23 March 2023 the award was increased by a further amount of £235,890.

**Medical Research Council - Capital awards 22-23**

Medical Research Council has provided funding to enable awards to be made to three separate capital projects for host universities.

**Medical Research Council - World Class Labs 23-24**

Medical Research Council has provided funding of £495,641 to enable capital awards to be issued to all the UK DRI Centres for capital purchases within 23/24. Some of the funding was transferred as was spent on capital within the Informatics Programme awarded to UCL. The grant award letter from the MRC is dated 12 October 2023.

**Medical Research Council - Dementia Trials Accelerator**

Medical Research Council has provided funding of £1,500,000 for phase 1 of a large Dementia Trials Accelerator project, part of the Dame Barbara Windsor Dementia Mission. The award letter from the MRC is dated 7 March 2024. Award letters were issued to the host university (UCL) where project work will be taking place. Some of the funding will be spent by the HQ team on activities and HQ staff salaries supporting the large-scale project.

**16 Movement in and allocation of restricted funds (continued)****Medical Research Council - Health Collaboration with Helmholtz Association**

Medical Research Council has provided funding of £398,000 for 1-year of collaborative work with DZNE, in response to an application made under their Health Collaboration with Helmholtz Association scheme. The award letter from the MRC is dated 13 March 2024. Award letters will be issued to host universities for relevant projects.

**Alzheimer's Research UK**

Upon termination of the Joint Venture Agreement on 31 March 2022, ARUK and UK DRI Limited entered into a Strategic Alliance Agreement which provides £500,000 of funding for UK DRI Limited to use on translational research funding in the year ahead. The UK DRI HQ team intend to make £500,000 of awards via their Translational Award scheme in financial year 2024/25.

**Alzheimer's Society**

Upon termination of the Joint Venture Agreement on 31 March 2022, AS and UK DRI Limited entered into a Strategic Alliance Agreement which provides £1,300,000 of funding for UK DRI Limited to use on two targeted areas of funding. Namely the Care Research & Technology Centre at Imperial College London and the Blood-based Biomarkers Platform at UCL Centre. This funding will be deployed in full against these two initiatives in financial year 2024/25.

**Fidelity Bermuda Foundation**

Fidelity provided a grant of £628,000 on 29 June 2022 to contribute to the running of the new Single Cell/Spatial Transcriptomics research platform based at the UCL Centre. The award provides for equipment, consumables and sequencing costs and runs from August 2022 to July 2024.

**Sir Laurence Geller**

In June 2022 Sir Laurence Geller agreed a private donation of £48,599 as a contribution restricted against the MINDER project being run by the Care Research & Technology Centre at Imperial College London. This project involves residents testing wearable technology in a care home owned by Sir Laurence. The final part of this funding has been awarded to Imperial College London.

**Life Arc**

On 29 July 2022, UK DRI Ltd entered into a Translation Partnership Agreement with LifeArc with the intention of LifeArc funding certain research projects of their choosing. LifeArc has provided funding of £7,197,210 for first milestones for seven research projects under the Translational Partnership Agreement. Project funding was awarded to UK DRI Ltd via seven signed project schedules. Project funding was then awarded to Professor Siddharthan Chandran at Edinburgh, Professor Paul Morgan at Cardiff, Professor Paul Matthews at Imperial, Dr Marc-David Ruepp at King's, Professor David Sharp at Imperial, Professor David Klenerman at Cambridge and Professor Adrian Isaacs at UCL. Award letters were issued to the host universities for the relevant projects. £8,773 of costs for one of the projects was transferred as incurred by the HQ team, a further £9,426 of costs for the same project is due to be incurred by the HQ team in 24/25.

**Life Arc - Project Manager**

LifeArc provided funding for up to £525,000 for a Project Manager within the Headquarters team at UCL to manage the UK DRI – LifeArc Translational Partnership for the duration of the partnership. The funding agreement letter was signed 31 December 2023. Costs incurred for the Project Manager up until 31 March 2025 were £95,361 and this value is therefore the recognised income and expenditure within year.

**Sun Pharma Advanced Research Company Limited (SPARC)**

Sun Pharma Advanced Research Company Limited (SPARC) provided funding of £780,939 for one three-year research project, to be carried out by Dr Natalie Connor-Robson at Cardiff. The master research collaboration with SPARC was signed 8 June 2022. The project schedule for the funded project was signed 8 September 2023. £566,564 of the income has been recognised within year. An award letter was issued to the host university for the relevant project. A residual £321,563 is to off-set costs incurred by UK DRI HQ over the three years, of which £107,188 has been recognised within year, with the remaining £214,376 due to be recognised split across 24/25 and 25/26.

**16 Movement in and allocation of restricted funds (continued)****Ono Pharmaceutical Co. Ltd**

Ono Pharmaceutical Co. Ltd provided funding of £1,291,027 for two two-year research projects to be carried out by Dr Gabriel Balmus at Cambridge, and Professor Tara Spires-Jones and Dr Claire Durrant at Edinburgh. The strategic research collaboration with Ono was signed 18 November 2022. The project schedules for the funded projects were signed 20 September 2023 and 6 December 2023. £1,046,400 of the income has been recognised within year. Award letters were issued to the host universities for the relevant projects. A residual £489,254 is to off-set costs incurred by UK DRI HQ over the two years, of which £244,627 has been recognised within year, with the remaining £244,627 due to be recognised in 24/25.

**Nimbus Salacia Inc.**

Nimbus Salacia Inc. provided funding of £48,806 for one 17-month research project to be carried out by Professor Paul Matthews at Imperial College London. The Partnership Agreement with Nimbus was signed 30th October 2023. The project schedule for the funded project was signed 7 December 2023. An award letter was issued to the host university for the relevant project.

**17 Movements in unrestricted funds**

|                     | As at<br>31 March<br>2024<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ | As at<br>31 March<br>2025<br>£ |
|---------------------|--------------------------------|-------------|------------------|----------------|--------------------------------|
| General fund        | 1,169,804                      | 38,281,561  | (30,608,907)     | 282,347        | 9,124,805                      |
| <b>Prior period</b> |                                |             |                  |                |                                |
| General fund        | 2,817,545                      | 25,970,222  | (28,168,319)     | 550,356        | 1,169,804                      |

**18 Analysis of assets and liabilities between funds**

|                           | General Fund<br>£ | Restricted<br>Funds<br>£ | Total<br>£       |
|---------------------------|-------------------|--------------------------|------------------|
| <b>Fixed assets</b>       | 65,066            | -                        | 65,066           |
| <b>Current assets</b>     |                   |                          |                  |
| Debtors                   | 32,066,086        | 10,439,764               | 42,505,850       |
| Cash at bank              | 18,301,388        | 4,267,225                | 22,568,613       |
| <b>Creditors</b>          |                   |                          |                  |
| Due within one year       | (32,304,958)      | (10,058,913)             | (42,363,871)     |
| Due in more than one year | (8,976,377)       | (4,601,601)              | (13,577,978)     |
| <b>Provisions</b>         | (26,400)          | -                        | (26,400)         |
|                           | <b>9,124,805</b>  | <b>46,475</b>            | <b>9,171,280</b> |

**18 Analysis of assets and liabilities between funds (continued)**

| Prior period              | General Fund<br>£ | Restricted<br>Funds<br>£ | Total<br>£       |
|---------------------------|-------------------|--------------------------|------------------|
| <b>Current assets</b>     |                   |                          |                  |
| Debtors                   | 25,007,062        | 12,883,570               | 37,890,632       |
| Cash at bank              | 15,112,940        | 2,756,577                | 17,869,517       |
| <b>Creditors</b>          |                   |                          |                  |
| Due within one year       | (31,391,854)      | (11,017,949)             | (42,409,803)     |
| Due in more than one year | (7,558,344)       | (4,110,683)              | (11,669,027)     |
|                           | <u>1,169,804</u>  | <u>511,515</u>           | <u>1,681,319</u> |

**19 Operating lease commitments**

At 31 March the total of the Company's future minimum lease payments under non-cancellable operating leases was:

|                               | Year ended<br>31 March 2025<br>Land and<br>buildings<br>£ | Year ended<br>31 March 2024<br>Land and<br>buildings<br>£ |
|-------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|
| Operating lease payments due: |                                                           |                                                           |
| In less than 1 year           | 360,329                                                   | -                                                         |
| In 2 – 5 years                | 245,038                                                   | -                                                         |
|                               | <u>605,367</u>                                            | <u>-</u>                                                  |

**20 Taxation**

The income of the Charity is exempt from corporate tax to the extent it is applied to its charitable objectives.

**21 Related Party transactions**

Details of related parties are included on page 11. Information on donations received from Medical Research Council and Alzheimer's Research UK is given in note 2. Debtors include amounts due from Medical Research Council of £30,278,132 (2024: £25,187,000), and from Alzheimer's Research UK of £2,500,00 (2024: £2,500,000). Income recognised from LifeArc totalled £3,592,031 (restricted) (2024: £7,292,571). LifeArc supplied technology transfer services to UK DRI Ltd up until 19 November 2023. In the year to 31 March 2025, the fees charged for these services was £nil (2024: £41,009, excluding VAT). At the year-end, a balance of £5,203,348 (2024: £6,881,035) was due from LifeArc. UK DRI Ltd receives £5m per annum from the NIHR, but this money flows to UK DRI Ltd via core funding from the Medical Research Council (note 2).

**22 Comparative statement of financial activities**

As required under FRS 102, the following table shows the split of comparative information between funds for the year ended 31 March 2024

|                                        | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>£         |
|----------------------------------------|----------------------------|--------------------------|--------------------|
| <b>Income from:</b>                    |                            |                          |                    |
| Grant and donations                    | 25,264,072                 | 11,359,219               | <b>36,623,291</b>  |
| Charitable activities                  | -                          | 2,278,313                | <b>2,278,313</b>   |
| Investments                            | 706,150                    | -                        | <b>706,150</b>     |
| <b>Total income</b>                    | <b>25,970,222</b>          | <b>13,637,532</b>        | <b>39,607,754</b>  |
| <b>Expenditure on:</b>                 |                            |                          |                    |
| Charitable activities                  | 28,168,319                 | 15,144,626               | <b>43,312,945</b>  |
| Net movement in funds before transfers | (2,198,097)                | (1,507,094)              | <b>(3,705,191)</b> |
| Transfer between funds                 | 550,356                    | (550,356)                | -                  |
| <b>Net movement in funds</b>           | <b>(1,647,741)</b>         | <b>(2,057,450)</b>       | <b>(3,705,191)</b> |
| <b>Reconciliation of funds</b>         |                            |                          |                    |
| Funds balance at 1 April 2023          | 2,817,545                  | 2,568,965                | <b>5,386,510</b>   |
| <b>Funds balance at 31 March 2024</b>  | <b>1,169,804</b>           | <b>511,515</b>           | <b>1,681,319</b>   |

## **UK DRI LTD**

### **Legal and administrative details**

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#### **Trustees (Directors)**

Chairman            W J Rucker

Other Trustees    R S Buckle – (resigned 30 June 2024)  
                         R Khan  
                         S L Kohlhaas  
                         M G Lee  
                         I A K Moodie  
                         J P Pisani  
                         S E Radford  
                         N Richardson – (appointed 1 July 2024)  
                         B E Scott – (appointed 12 November 2024)  
                         R Shafie  
                         D M Turnbull

#### **Company Secretary**

E E Chambers

#### **Address – Premises and Postal**

UK Dementia Research Institute  
Unit 3A, 3rd Floor  
338 Euston Road  
London  
NW1 3BT

#### **Legal Status**

The Company limited by guarantee, was formed on 2 November 2017. Charity status was obtained on 17 August 2019. It is governed by its Memorandum and Articles of Association.

#### **Registered Charity number**

1179589

#### **Company number**

11045257

#### **Auditors**

RSM UK Audit LLP  
1st Floor, Platinum Building  
St John's Innovation Park  
Cowley Road,  
Cambridge, CB4 0DS

#### **Bankers**

Barclays Bank plc  
15 Benet Street  
Cambridge  
CB2 3PZ

**UK DRI LTD**

England & Wales - Charity number 1179589

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# Accounts

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**UK DRI Ltd**

(A Company limited by guarantee and not having a share capital)

Annual Report and Financial Statements

Year Ended

31 March 2024

Company Registration No: 11045257

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## **Objective, Founding Principles and Activities**

### **Executive Summary**

Dementia is the biggest health challenge of our century – currently fifty million patients worldwide, projected to triple by 2050 – with huge financial, emotional, and social impact on people with dementia (PwD), their carers, families, and friends. Dementia is caused by a set of complex neurodegenerative disorders, with Alzheimer's disease accounting for approximately 60% of the cases. We are at an exciting time in dementia research – the field is at a 'tipping point' and poised to move from description to prediction, pre-emptive intervention and targeted disease-modifying therapy. With more treatments on the horizon, remarkable progress on the biomarker front, the advanced 'omics revolution and the potential of AI/ML applications, the next decade will see a radical change in our ability to identify and treat those at risk.

The UK Dementia Research Institute (UK DRI or Institute) is the biggest UK initiative supporting research to fill this knowledge gap, created as part of the *Prime Minister's challenge on dementia 2020* and supported by its three Founders, the Medical Research Council (MRC), Alzheimer's Society (AS) and Alzheimer's Research UK (ARUK).

The UK DRI was formed as a result of a joint venture between the MRC, AS and ARUK, which created UK DRI Ltd. The UK DRI is funded by these three founding funders, via UK DRI Ltd, and its scientific operations are conducted at seven discrete research centres within six universities: UCL, Imperial, King's, Cambridge, Cardiff, and Edinburgh. An eighth 'virtual' centre – the UK DRI BHF Centre for Vascular Dementia Research (CVDR) started in June 2024 in partnership with the British Heart foundation. The UK DRI Central Team are based at UCL and here the executive team determine and implement the UK DRI Ltd approved research strategy. UK DRI Ltd does not currently directly employ any staff. The UK DRI's scientific and Central Team operations are conducted by employees of the six universities who operate on behalf of UK DRI Ltd. The focus of subsequent information in this report is on the performance and activities of the universities included in the UK DRI.

The Institute has undergone a thorough and successful review of its first quinquennium (QQ) and, in December 2022 saw its funding renewed for the 2023-28 period with a total contribution of £150m, the MRC remaining the main core funder with further support from ARUK and AS. In addition to our core funding, we are proud to have attracted additional funding, including a major £30m award from LifeArc specifically dedicated to translational research.

### **Objective**

We undertake original, ground-breaking research that will transform lives. We attract the brightest minds and give them the best technology and research tools. We work with each other, with people living with dementia and their families, with the wider scientific community, government, charities and with industry to translate our findings into treatments. We are renowned for the quality of our science, our willingness to share data, ideas and resources, and our unwavering commitment to stop dementia in its tracks.

The Institute carries out research relevant to dementia-causing neurodegenerative diseases, including Alzheimer's disease, Parkinson's disease, motor neuron disease/frontotemporal dementia, vascular dementia, and Huntington's disease.

For the current funding period (starting April 2023), our vision is founded on two elements:

- (i) To define the molecular and cellular mechanisms responsible for the early cellular phases of major neurodegenerative diseases'. This will lead to deeper insight into cellular and molecular mechanisms underpinning neurodegenerative diseases, yielding novel biomarkers and drug targets that will enable us to halt the disease process early on and provide the means to identify those at risk.
- (ii) To develop novel tools and monitoring systems to support patients living with dementia'. This will deliver benefits to patients and carers in the short-term and lead to more robust and sensitive measures that will revolutionise how clinical trials are performed.

## Founding Principles

The UK DRI is based on four principles that we believe are key to UK DRI's success:

**Excellence:** Scientific excellence is the driver of UK DRI's success. Excellence is embedded in everything we do: recruitment/training of our staff, supporting innovative research, investing in the best technologies, and identifying strategic partners for collaboration. We use both internal and external peer review to evaluate excellence and monitor our progress and to evaluate any new initiative taken. Our commitment to equity, diversity and inclusivity (see [UKDRI EDI equity, diversity and inclusivity statement](#)) means that we are mobilising the best talents from everywhere in society to provide opportunities to benefit from diverse thinking.

**Collaboration:** Dementia is a multifaceted disorder and understanding what drives it requires the expertise and perspectives of a multidisciplinary team of researchers. We have attracted talented researchers from diverse fields and backgrounds. We are developing their understanding and involvement in dementia research by embedding them in a collaborative working environment with well-established dementia researchers, offering opportunities for informal networking, receiving feedback, learning about, and discussing the latest developments in dementia research. At the UK DRI we break down barriers to enable interdisciplinary collaboration through our collaborative networks known as 'Themes'. In addition, we empower collaboration through our internal Awards programme. Data (and resource) sharing is key to our success. Our Informatics Steering Committee (and its satellite Working Groups) develop and champion the adoption of data/digital policies, mechanisms, and guidelines to enable an open research culture (in part facilitated by our Research Collaboration Services). We create synergy for maximum impact by collaborating with external partners across the dementia landscape. We act as a catalyst in the national and global dementia research community. We share data, ideas, talents, and resources, and open our workshops and symposia to the wider scientific community. We reach out to clinical partners, industry, and the government to work together to solve problems in the field.

**Translation:** It is the mission of the UK DRI to transform the lives of people affected by dementia. As the number of people affected by dementia is set to grow rapidly in the coming decades it has never been more urgent to translate our knowledge into clinical value for people. The UK DRI translation strategy builds upon the Institute's evolving scientific portfolio. We support our researchers in becoming more entrepreneurial in their thinking. Equally important are collaborations with NHS Trusts and care homes. We engage with external partners across the dementia research landscape to achieve our strategic goals and in return we lend our expertise to support their goals.

**Communication:** To achieve our goals, internal and external communication are both essential. Internal communications build a common understanding of our mission and enable our researchers to learn from one another, share ideas, and address problems together. External communications present the UK DRI to the outside world, raising the profile of the Institute amongst researchers, industry, policy makers and the general public across the UK and the world, explaining the importance of our work, what we do, progress made, and future needs. An important aspect is to keep research on dementia and neurodegenerative disorders high on the political and societal agenda and attuned to the needs of those affected by dementia.

## Activities

Over the past year, the UK DRI has continued to build momentum in becoming a world-leading institute in dementia research. At the core of the institute is a strong scientific vision for how the UK DRI will uncover the most valuable insights into the mechanistic drivers of neurodegeneration and translate that understanding into ways to prevent, delay, treat and manage dementia-causing diseases.

The 2023/24 period has been very productive with key recruitments, major publications, strengthening of collaborative initiatives and programmes, substantial leveraged funding, significant development of national and international strategic partnerships and remarkable success in the translational space. In the next section, we highlight how progress over the past year has contributed to our mission.

## STRATEGIC REPORT

### Achievements and Performance

**Excellence.** We have continued to attract top talent, further strengthening our research capacity.

Our Institute is now a multidisciplinary network of seven Centres (with an eighth virtual centre, the BHF-UK DRI Centre for Vascular Dementia Research (CVDR) officially starting in June 2024) with 970 members (as of 31 March 2024), covering diverse aspects of dementia research such as neuroinflammation, DNA repair, bioengineering, circadian biology, genetics, systems neuroscience, RNA biology, metabolic sciences, and innovative technologies for dementia care.

This year has witnessed significant changes in senior leadership. Prof Siddharthan Chandran assumed his role as National Director and CEO in October 2023, succeeding Prof Giles Hardingham's interim directorship (June-September 2023), who was appointed upon the founding Director Prof Bart De Strooper stepping down. Among the Centre Directorships, Prof Mina Ryten took up her Directorship of the Cambridge Centre in January 2024, and Prof David Atwell was recruited as Director of the newly established BHF-UK CVDR. Prof. Prof Paul Matthews stepped down as Imperial Centre Director to take the Directorship of the Rosalind Franklin Institute. The interim Imperial Centre Director is Prof William Wisden, while the recruitment of a new Director is ongoing. Prof Julie Williams will step down as Cardiff Centre Director in July 2024, with Prof. Paul Morgan serving as interim Director.

The number of Group Leaders (GLs) currently stands at 63. In the past year, we welcomed seven new Group Leaders to six of our Centres: Philip Hasel (Edinburgh), Sarah Marzi and Andrea Serio (King's), Thomas Massey (Cardiff), Cynthia Sandor (Imperial), Gregory Scott (Care Research and Technology). There are ongoing plans to recruit one core-funded GL at Cambridge, new Centre Directors at Imperial and Cardiff, and four new core-funded GLs for the new BHF-UK DRI CVDR.

Our Emerging Leaders (ELs) currently stand at 12, with four new appointments in 2023: Emma Clayton (King's), Joanna Jackson (Imperial), Sophie Morse (Imperial) and Phil Weston (UCL). In the same period, six former ELs moved to more senior positions.

The Central Team now comprises 24 staff members. The Chief Operating Officer, Adrian Ivinson, stepped down in November 2023. The Director of Scientific Affairs, Dr Giovanna Lalli, stepped down to take a post as Director of Strategy at LifeArc, with Dr Joanna Latimer, currently Head of Neuroscience and Mental Health at the Medical Research Council, joining the Central Team as Chief Science Officer in August 2024. The Director of Business and Innovation, Dr Kay Penicud, stepped down in February 2024 to become Vice President, Head of Research Partnerships at Apollo Therapeutics, with Roisin NicAmhlaoibh, currently VP of Business Development at Ground Truth Labs, joining the Central Team as Chief Innovation and Business Officer in September 2024. Other new recruits include Dr Ruby Wallis (Themes Manager) and Dr Bradley Roberts (Science Review Manager, replacing Dr Aoife Kiely). Recruitment is ongoing for four new posts: two in the science team and two in the communications team.

During the reporting period, UK DRI members published 486 original research articles and 53 reviews, nine articles and three reviews rank in the top 1% by citations for field and publication year. Our research outputs highlight key strengths in single cell 'omics and imaging approaches to transform our understanding of disease aetiology, novel biomarkers for early diagnosis and disease progress monitoring, cutting-edge cell biology to dissect the role of non-neuronal cells in dementia and identify novel therapeutic targets, the use of population health studies and big data resources to predict the risk of dementia-related diseases, and promising pathways to innovative treatments for dementia.

The sustained excellence of our research is also reflected in our outstanding publication record, with seven UK DRI Group Leaders were [featured](#) in the Clarivate™ Highly Cited Researcher 2023 list: Prof Bart De Strooper (UCL), Prof Paul Elliott (Imperial), Prof John Hardy (UCL), Dr Axel Montagne (Edinburgh), Prof Joseph Priller (Edinburgh), Prof David Rubinsztein (Cambridge) and Prof Joanna Wardlaw (Edinburgh). Several UK DRI researchers received prestigious awards and prizes in 2023/24: Prof Sarah Tabrizi (UCL) received the 2023 Arvid Carlsson Award, Prof Joanna Wardlaw (Edinburgh) was awarded the 2024 Biochemical Society Award for sustained excellence, Prof Sir John Hardy (UCL) was elected as a Foreign Member of the Chinese Academy of Sciences (CAS), Prof David Rubinsztein (Cambridge) received the 2024 Movement Disorders Research Award by the American Academy of Neurology, and Prof Sir David Klenerman (Cambridge) was awarded the 2024 Novo Nordisk Prize.

Our research quality is also reflected in the substantial funding leveraged, with the total amount of external funding awarded in 2023/24 standing at over £49m distributed across our seven centres. Important examples include a UKRI Future Leaders Fellowship to Dr Cynthia Sandor (Cardiff/Imperial), a Wellcome Discovery award to Prof Jernej Ule (King's), and a Moondance award to the Cardiff Centre.

**Working as a National Institute****Intramural Funding**

We have promoted knowledge exchange and multidisciplinary collaborations through a suite of intramural funding schemes, with a range of scopes, scales and eligibility criteria to cater for our community's needs.

In 2023/24 we introduced the 'Key Questions' funding stream to support cross-centre multidisciplinary teams in pursuing bold and ambitious research. This initiative promotes innovative approaches to important questions in the dementia and neurodegeneration space that the UK DRI is uniquely well positioned to address. We encouraged 'high-risk' applications with a 'high-risk/high-gain' approach, that would not normally be suitable for external funding. The funding programme is run in two stages, and for Stage I (£150,000/2 months), we received 24 applications, eight of which were funded in April 2024. These awards support proof-of-principle data collection to facilitate de-risked applications for external funding. Awardees will provide updates after nine months, and those with sufficient progress will be invited to apply for Stage II funding (max award £1m). We anticipate funding one or two applications in Stage II.

Other intramural awards in this period include: Six pilot awards (max: £50,000/12 months) to support ECRs in pursuing independent research programmes and pilot data for external funding applications; Seven translational awards (max £150,000/24 months, supported by MRC Impact Accelerator Award and ARUK) to bridge the gap between basic science and external investment in translation); Eight Proteomics Awards (max: £10,000/12 months) to support mass-spectrometry proteomics at the UK DRI Proteomics Platform at the University of Dundee; One Mouse Models for Dementia Research Award (£48,000/12 months) to support the generation of a novel genome-edited mouse line.

For 2024/25, we have introduced Thematic funding to support each Theme with up to £100,000 over 12 months to support collaborative high-risk, potentially high-reward proof-of-concept studies (with a "fail-fast" approach) that would not otherwise be funded through external funding opportunities and/or key infrastructure which will promote theme-related scientific discovery.

**Cross-Centre Themes**

UK DRI cross-centre Themes are our primary mechanism for drawing together researchers from across the Institute to discuss and develop ground-breaking ideas around shared areas of interest. We currently have six Themes: Parkinson's disease (launched in January 2022), Macroglia (January 2022), Neuroimmune Interactions (November 2018), Vascular (October 2019), Synapse (May 2020), DNA repair (August 2020). The collaborative nature of our Themes also facilitates interactions between researchers, strategic partners, funders and other relevant stakeholders across the UK on areas of shared interest, with the most tangible output being the BHF-UKDRI CVDR largely arising from the groundwork developed by the Vascular Thematic activities. Throughout 2023/24, our Thematic events have attracted over 230 non-UK DRI participants, including from Parkinson's UK, Dementias Platform UK (DPUK), the British Heart Foundation (BHF), Epilepsy Research UK and over 30 different UK academic institutions. Other key successes of our Thematic activities include: a BHF special project grant of £0.8m over 3 years (PI: Caleb Webber) under the Vascular theme, uniting researchers from UK DRI and DPUK; a position paper summarizing discussions from the March 2022 UK DRI-DPUK Vascular models workshop; The Neuroimmune Interactions theme secured funding from the UK DRI Mouse Models for Dementia Research Programme to develop mouse lines for targeting microglial/macrophage states.

A new Theme on MND has been formed in April 2024 with plans to be open and work together with the UK MND stakeholder community (researchers across the whole of the UK, patients, charities and funders) to generate much needed patient benefit.

**Platforms**

We strive to promote the adoption of cutting-edge, transformative technologies enabling novel ways to understand neurodegeneration. Our three core-funded platforms provide UK DRI researchers access to state-of-the-art methodologies and resources supported by specialised technical staff. The Single Cell and Spatial Transcriptomics Platform (UCL) was established in 2023 and launched in January 2024 offers spatial transcriptomics techniques, nuclei purification, library preparation, and bioinformatics support. It has five ongoing projects, with data from two included in grant applications. The Biomarker Factory (UCL, established in early 2022) employs robust cutting-edge techniques to measure neurodegeneration biomarkers in fluid clinical and preclinical samples. In 2023/24, there were 24 publications and 10 grant application which included data generated by the Biomarker factory. The Mass Spectrometry-based Proteomics Platform (University of Dundee) provides advanced mass spectrometry analysis. In 2023/24, it completed 74 projects, contributing to three publications and four grant applications.

### Translation

Ensuring the UK DRI's research has significant patient impact continues to be a part of our core vision. In 2023/24, we continued to progress our Translational Strategy, particularly focusing on nurturing relationships with key partners and stakeholders and securing resources to incubate translational projects arising from the UK DRI portfolio. We awarded a record £16.1m (whole life value) via internal translational funding programmes to support DRI researchers developing new therapeutic and diagnostic approaches. These included seven substantive awards (>£1m) under our £30m (over five years) LifeArc partnership, and seven translational awards for early-stage translational support for ECRs and ELs (see intramural funding). We are now seeing the successes of the incubation model supported by our UK DRI translational funding, as previously funded projects have attracted large scale funding and investment. This includes the formation of UK DRI's fourth spin out company (currently in stealth-mode), arising from collaborative research supported by UK DRI translation awards to the UCL and Cambridge centres.

On the industry partnerships front, our focus has been on maintaining relationships with key partners to lay the groundwork for new larger-scale collaborations. Throughout the year we promoted and facilitated high-level workshops and roundtable discussions between our scientific community and industrial partners to exchange ideas and explore future research avenues.

Other achievements in translational activities include 18 invention disclosures, seven patents filed, and four patents licensed, and 197 contracts drafted and negotiated.

### Communication

This year we led on three major press releases securing 2,100 media mentions, including in major national media outlets. Highlights on UK DRI research included that smart watch data can help predict Parkinson's years before diagnosis (Sandor, Cardiff/Imperial), the role of necroptosis in neuronal loss in AD (De Strooper, UCL), the first in-human trial of a non-invasive brain stimulation treatment for AD (Grossman, Imperial).

In November 2023 we held our sixth annual **connectome meeting** in Brighton, which hosted 632 attendees, featuring branding initiatives, new Director's presentations, 'Recognition Prizes', and promoted networks such as Technologists, Pride, and Communications.

We have continued a series of virtual and in-person events, including a series of Group Leader and ECR Thematic events, Translational events, an international ECR and a symposium at the BNA Festival workshop with our international CURE-ND (Catalysing a United Response in Europe to Neurodegenerative Diseases) alliance partners. We also hosted networking events at international conferences including AAIC (Amsterdam, July 2023, in partnership with ARUK and DPUK) and AD/PD (Lisbon, March 2024) attended by representatives of the international dementia research and policy communities.

To raise the profile of the UK DRI, showcase our science and build our reputation, we engaged numerous policymakers and held multiple Centre visits. Highlights included meetings with Labour front bench members Wes Streeting MP and Chi Onwurah MP, a dinner hosted by our Chair of the Board (William Rucker) with keynote speakers George Freeman MP and Dame Kate Bingham, and active participation in various policy groups. Our Public Affairs Manager led a "Discovery Decade" webinar, organised briefings with LifeArc and dementia charities, and contributed to a forthcoming cross-sector Dementia Manifesto. Additionally, we briefed MPs and Peers on key developments, such as the Phase III results of donanemab and contributed to policy consultations for the UKRI's Pioneer programme and the DHSC's Major Conditions Strategy.

The Communications team supports Equity, Diversity, and Inclusion (EDI) activities across the Institute. In 2023, we assisted with the Pride Network (stand at Connectome and spotlight article for LGBTQ+ Stem Day), supported the 'Women in Neuroscience' initiative at the Alzheimer's Research UK conference, and produced spotlight articles on women in research.

## **Future Plans**

### **The year ahead**

- We will establish and set up our new BHF-UK DRI Centre for Vascular Dementia Research, by recruiting four new Group Leaders.
- We will continue to develop plans to set up a new UK DRI Parkinson's Centre and explore partnerships with potential co-funders.
- We will make significant contributions and consolidate our leadership in translational research. This includes leading on the initial stage of the 'Dementia Trials Accelerator, enabling the Dame Barbara Windsor Dementia Mission', This initiative will position the UK as a prime destination for late-stage clinical trials in dementia by overcoming barriers identified by the pharmaceutical industry.
- Our Intramural funding programmes will continue to catalyse interdisciplinary work across the institute. We will continue to support interdisciplinary work between our researchers and leverage our internal funding to work as a 'single institute' and promote bold and ambitious research through our Stage II key questions funding.
- Themes will play an increasingly pivotal role in the Institute's second phase. A dedicated thematic funding pot was launched in April 2024 to catalyse further collaboration, advance scientific research leveraging each theme's unique strengths, and support early career researcher (ECR) development. Planned thematic events include a Group Leader retreat and ECR events, many co-hosted or co-sponsored with key stakeholders such as Epilepsy UK, Parkinson's UK, and Aligning Science Against Parkinson's.
- The newly launched MND Theme will catalyse internal collaboration, and act as a convenor to the wider UK MND scientific and patient community.
- We will hold our 7<sup>th</sup> Connectome (our annual Institute-wide research conference and retreat) in Harrogate in November 2024, creating an excellent opportunity to share ideas and foster collaboration.
- The UK DRI will continue its engagement with the international dementia ecosystem. We will hold international events with our CURE-ND partners, launch a joint fellowship in data science with NIH-Centre for Alzheimer-Related Diseases, host a meeting on induced pluripotent stem cells in dementia co-sponsored by the Chan-Zuckerberg Initiative (CZI), and explore further synergies with CZI.
- We will implement a revised ECR strategy to enhance career development opportunities, increase capacity in key areas and ultimately develop a diverse ECR workforce in dementia research. The implementation and delivery of this strategy will be governed by a newly appointed oversight committee.
- Our communications team will continue to work towards building a strong public voice for the UK DRI around the need for continued support for dementia research and weave our new influencing messaging into our broader content. To improve our visibility, we will launch a new website.

### **Longer-term plans**

Over the coming years, under the leadership of the new Institute Director, we will continue to develop what we aim to become the most productive and efficient discovery science research institute in the world, open to collaborations at home and abroad.

### **Financial Review**

Headline figures from our financial statements show:

- Total income for the year of £39.6m (previous year £32.7m), of which £13.6m (previous year £4.7m) is restricted.
- Total expenditure for the year of £43.3m (previous year £31.7m), of which £15.1m (previous year £3.9m) is restricted. The increase in overall expenditure is largely due to an increase in awards funded by LifeArc, plus a number of new industrial partnerships including SPARC and Ono.

### **In summary**

Charitable expenditure is principally funded by the founders, the MRC, AS and ARUK. They review the scientific performance of the institute every five years and, if successful, make indicative funding awards for the following five years. The first of these reviews took place in 2022 resulting in the following indicative awards effective 1<sup>st</sup> April 2023:

- MRC £131m over five years
- ARUK £12.5m over five years
- AS £6.5m over five years

Core funding from Founders of £26.7m to be received during the year commencing 1 April 2024 is included in accrued income on the balance sheet. Research commitments included within creditors on the balance sheet includes £30.8m for the budget for the year from 1 April 2024.

### **Our funds**

Total funds held at 31 March 2024 were £1.7m. Of this amount, £1.2m (previous year £2.8m) were unrestricted and represent the free reserves of the Charity.

### **Our reserves policy**

The original reserves policy was based on the fact that grant commitment funding is recognised on an annual basis and is not awarded until there is certainly in funding receivable from the founders. Each year at the February Board meeting, Trustees approve in principle grant funding for the following year from 1 April following receipt of a proposal from the UK DRI HQ. Founders are then invited to agree contributions towards the budget. Following confirmation of income, research grants for the following year are awarded. Additional funding may also be sought which may then lead to further grant commitments.

The Charity has no employees and minimal infrastructure costs. By the nature of this funding model, there is no need for significant reserves. Therefore, the original policy had been agreed that £0.3m of unrestricted founder funding would be used as reserves. This was subsequently increased to £0.6m in total reserves and this is now the policy.

The finance team maintain a rolling five year forecast of income and expenditure and have a plan for the level of Reserves to be in line with the policy by March 2025. Furthermore, should the proposed TUPE transfer proceed in August 2024, the Audit and Risk sub-committee will review the Reserves policy in October 2024 in light of this change.

### **Our investment policy**

The funding model provides that the Charity will always have surplus cash, equivalent to outstanding current liabilities at any time. Cash surpluses are placed on bank deposit.

### **Our structure, governance, and management**

UK DRI Ltd is a charitable company limited by guarantee and does not have a share capital. In the event of the charitable company being wound up, each member has guaranteed to contribute £10. The members are the Trustees of the company. As at 31 March 2024, there were ten Trustees. Currently, the maximum number of Trustees is thirteen. The Directors and Trustees are listed on page 31. UK DRI Ltd is a registered charity regulated by the Charity Commission for England and Wales.

The UK DRI was formed as a result of a joint venture agreement (JVA) between the MRC, AS and ARUK which created UK DRI Ltd. However, this JVA was dissolved effective 31 March 2022.

**Report of the Trustees for the year ended 31 March 2024 (continued)**

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In its place is three bilateral agreements, one per funder. MRC has a Core Funding Agreement with UK DRI Ltd which sees it retain its seat on the Board and it agrees to fund at least £125m over five years effective 1 April 2022. This level of funding sees MRC deemed a core funding partner.

ARUK has entered into a Strategic Alliance Agreement with UK DRI Ltd effective 1 April 2022, intending to fund a minimum of £12.5m over five years. At this level of funding ARUK are considered a strategic partner and thereby retain their seat on the Board.

AS has entered into a Strategic Alliance Agreement with UK DRI Ltd effective 1 April 2022, committing to fund £6.5m over five years. At this level of funding, they are considered a Funding Partner but do not retain their seat on the Board.

The UK DRI is funded over a minimum five-year horizon by these three founding funders, via UK DRI Ltd, and its scientific operations are conducted at discrete research Centres within six universities: UCL, Imperial, King's, Cambridge, Cardiff, and Edinburgh.

Its Headquarters are based at UCL and here the executive team determine and implement the UK DRI Ltd approved research strategy. UK DRI Ltd does not directly employ any staff. However, in May 2024 formal consultations were entered into with a view to the Headquarters staff TUPE transferring from the employment of UCL to UK DRI Ltd. The outcome of this may well result in UK DRI Ltd employing staff effective August 2024.

The UK DRI's scientific operations are, and will continue to be, conducted by employees of the six universities who operate on behalf of UK DRI Ltd via grant funding. Approximately 900 researchers, students and support staff are funded either full or part time by UK DRI Ltd or by external funding generated by DRI scientists. The focus of information presented earlier in this report is the performance and activities of the universities included in the UK DRI.

The Core Funding Agreement (MRC), Strategic Alliance Agreements (ARUK and AS), Institute Agreements and Terms and Conditions of Funding Agreement govern the relationship between UK DRI Ltd and the UK DRI and the host institutions. The executive team at the UK Dementia Research Institute attend Board Meetings to update Trustees on the activities of the Institute and to seek appropriate approvals under the governance arrangements.

**Governing document**

The objects of UK DRI Ltd, as set out in the Articles of Association, are to preserve and protect the health of the public and to advance education. This will be achieved by i) promoting and undertaking research into neurodegenerative disorders (and illnesses contributing to such disorders), and associated factors, that give rise to the dementia and related conditions including research that elucidates the nature, cause, symptoms, diagnosis, prevention, treatment and for care of the range of disorders that give rise to the dementias and related conditions; and ii) developing the outputs of such research to provide increased accuracy and timeliness of diagnosis and interventions that prove effective in treating and improving the care of people with dementia and which may ultimately prevent and/or cure dementia and related conditions.

**Trustees' appointment and training**

Subject to being a Member at the relevant time, each Core Funding Partner (MRC) and Strategic Funding Partners funding £2.5m or more per year (ARUK) shall be entitled to appoint, one person who is willing to act as a Trustee. A Trustee so appointed shall be a "Founder Trustee" for the purposes of the Articles of Association. Founder Trustees can be removed from office by written notice from his/her appointer.

The Trustees shall make appointments on such terms as they decide (including, without limitation, the term of his or her appointment) and will review each appointment at least every three years on a rotational basis. Independent Trustees can be removed if the majority of the Board resolve that he/she shall cease to be a Trustee.

New Trustees are appointed through a recruitment campaign, depending on the experience and key skills needed. New Trustees are interviewed by the Chair along with others from the Board as needed and are formally approved at the UK DRI Ltd Board meeting.

On appointment, new Trustees are provided with a Trustee handbook and given a formal induction. The Trustee handbook includes the Charity's Articles of Association, as well as key governance documentation. Trustees are also given key guidance from the Charity Commission – CC3 The Essential Trustee. Ongoing training is provided for Trustees as relevant throughout their term.

## UK DRI LTD

### Report of the Trustees for the year ended 31 March 2024 (continued)

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#### Related parties

As at the date of signing this report MRC, ARUK and LifeArc (Registered charity number 1015243) are all related parties.

MRC have an agreement with UK DRI Ltd and they intend to fund £125m over the five years starting 1 April 2022.

Furthermore, this agreement provides for an MRC representative having a seat on the UK DRI Ltd Board.

ARUK have an agreement with UK DRI Ltd and they intend to fund £12.5m over the five years starting 1 April 2022. This agreement also provides for an ARUK representative having a seat on the UK DRI Ltd Board

LifeArc have signed a translational partnership agreement with UK DRI Ltd effective July 2022 which will provide £30m of funding over five years in order to further the translational research of the Institute. This will see a series of grants made by a joint Life Arc/UK DRI Committee to the UK DRI Centres. Whilst the agreement does not provide for LifeArc having an automatic seat on the UK DRI Ltd Board, their recently former CEO and a separate Board member are currently Board directors of UK DRI Ltd.

The new agreement with AS does not provide for a representative on the Board and accordingly they are no longer considered to be a related party.

Further details of related party transactions in the year are included in Note 4 and 16.

#### Risks and uncertainties

UK DRI Ltd is a grant funding charity with no employees or infrastructure costs. The funding model is such that grant commitments are only entered into when there is certainty of funding from donors being received.

The grants fund the work of UK DRI. A register is maintained of the principal risks and uncertainties of the Institute which is populated by the Executive Team of the UK Dementia Research Institute. The Institute Director/CEO, Chief Scientific Officer and Chief Finance Officer of UK DRI may be required to attend UK DRI Ltd Board Meetings. They regularly update the Board at the meeting of movements in the risk register.

#### Public benefit

The Trustees have referred to the guidance contained on the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set. The general public ultimately benefits through the world class research we are able to fund.

In so far as each of the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report of the Trustees prepared under the Charities Act 2011, which also contains all information required in a Directors' Report by the Companies Act 2006, and the incorporated Strategic report prepared under the Companies Act 2006, were approved by the Board of Trustees on 10 July 2024 and signed on behalf of the Trustees by William Rucker, Chairman.

*wj rucker*

William Rucker, Chairman.

The Trustees (who are also Directors of UK DRI Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable laws and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 for that period. In preparing those 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 the standards applicable under FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' 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 charitable company will continue in business.

The Trustees are responsible for keeping proper and adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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.

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

**Opinion**

We have audited the financial statements of UK DRI Ltd (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities incorporating an income and expenditure account, the Balance Sheet, the Cash Flow Statement, 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 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 March 2024 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 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 trustees' 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 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 the audit:

- the information given in the Report of the Trustees, which includes the Directors' Report, and the Strategic 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 and the Strategic Report included within the Report of the Trustees have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Report of the Trustees.

We have nothing to report in respect of the following matters where 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.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 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.

**The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected, or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to any new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The audit engagement team identified the risk of management override of controls and the completeness of income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, and performing tests of detail in relation to completeness of income.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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.

*Claire Sutherland*

CLAIRE SUTHERLAND (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

Date 31 July 2024

## UK DRI LTD

### Statement of financial activities incorporating an income and expenditure account for the year ended 31 March 2024

|                                               | Note | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Year ended<br>31 March<br>2024<br>Total<br>£ | Year ended<br>31 March<br>2023<br>Total<br>£ |
|-----------------------------------------------|------|----------------------------|--------------------------|----------------------------------------------|----------------------------------------------|
| <b>Income from:</b>                           |      |                            |                          |                                              |                                              |
| Grants and donations                          | 4    | 25,264,072                 | 11,359,219               | <b>36,623,291</b>                            | 32,406,224                                   |
| Charitable activities                         | 5    | -                          | 2,278,313                | <b>2,278,313</b>                             | -                                            |
| Investments                                   | 6    | 706,150                    | -                        | <b>706,150</b>                               | 290,757                                      |
| <b>Total income</b>                           |      | <b>25,970,222</b>          | <b>13,637,532</b>        | <b>39,607,754</b>                            | <b>32,696,981</b>                            |
| <b>Expenditure on:</b>                        |      |                            |                          |                                              |                                              |
| Charitable activities                         | 7    | 28,168,319                 | 15,144,626               | <b>43,312,945</b>                            | 31,667,917                                   |
| <b>Net movement in funds before transfers</b> |      | <b>(2,198,097)</b>         | <b>(1,507,094)</b>       | <b>(3,705,191)</b>                           | <b>1,029,064</b>                             |
| Transfers between funds                       |      | 550,356                    | (550,356)                | -                                            | -                                            |
| <b>Net movement in funds</b>                  |      | <b>(1,647,741)</b>         | <b>(2,057,450)</b>       | <b>(3,705,191)</b>                           | <b>1,029,064</b>                             |
| <b>Reconciliation of funds:</b>               |      |                            |                          |                                              |                                              |
| Funds balance at 1 April 2023                 |      | 2,817,545                  | 2,568,965                | <b>5,386,510</b>                             | 4,357,446                                    |
| <b>Funds Balance at 31 March 2024</b>         |      | <b>1,169,804</b>           | <b>511,515</b>           | <b>1,681,319</b>                             | <b>5,386,510</b>                             |

**UK DRI LTD****Balance Sheet as at 31 March 2024****Charity number: 1179589****Company number: 11045257**

|                                                                | Notes | 2024<br>£           | 2023<br>£    |
|----------------------------------------------------------------|-------|---------------------|--------------|
| <b>Current assets</b>                                          |       |                     |              |
| Debtors                                                        | 10    | <b>37,890,632</b>   | 35,684,714   |
| Cash at bank                                                   |       | <b>17,869,517</b>   | 18,294,203   |
|                                                                |       | <b>55,760,149</b>   | 53,978,917   |
| <b>Creditors: amounts falling due within one year</b>          | 11    | <b>(42,409,803)</b> | (38,741,205) |
| <b>Net current assets</b>                                      |       | <b>13,350,346</b>   | 15,237,712   |
| <b>Creditors: amounts falling due after more than one year</b> | 12    | <b>(11,669,027)</b> | (9,851,202)  |
| <b>Total assets less total liabilities</b>                     |       | <b>1,681,319</b>    | 5,386,510    |
| <b>Funds</b>                                                   |       |                     |              |
| Restricted funds                                               | 13    | <b>511,515</b>      | 2,568,965    |
| Unrestricted funds                                             |       |                     |              |
| General funds                                                  | 14    | <b>1,169,804</b>    | 2,817,545    |
|                                                                |       | <b>1,681,319</b>    | 5,386,510    |

The financial statements on pages 16 to 30 were approved by the Trustees and authorised for issue on 10 July 2024 and are signed on its behalf by:

*wj rucker*

W J Rucker  
Trustee

The notes on pages 19 to 30 form part of these financial statements

# UK DRI LTD

## Cashflow statement for the year ended 31 March 2024

|                                                                                |   | Year ended<br>31 March<br>2024 | Year ended<br>31 March<br>2023<br>£ |
|--------------------------------------------------------------------------------|---|--------------------------------|-------------------------------------|
| <b>Cash flows from operating activities</b>                                    |   |                                |                                     |
| Net cash provided by operating activities                                      | a | (1,102,836)                    | (4,083,390)                         |
| <b>Cash flow from investing activities</b>                                     |   |                                |                                     |
| Investment income                                                              |   | 677,930                        | 251,810                             |
| <b>Net cash provided by investing activities</b>                               |   | 677,930                        | (3,831,580)                         |
| <b>Change in cash and cash equivalents in reporting period</b>                 |   | (424,686)                      | (3,831,580)                         |
| Cash and cash equivalents at the beginning of the reporting period             |   | 18,294,203                     | 22,125,783                          |
| <b>Cash and cash equivalents at the end of the reporting period</b>            | b | 17,869,517                     | 18,294,203                          |
| <b>Reconciliation of expenditure to net cashflow from operating activities</b> |   |                                |                                     |
| <b>a. Net cash provided by operating activities</b>                            |   |                                |                                     |
| Net movement in funds                                                          |   | (3,705,191)                    | 1,029,064                           |
| <b>Adjustments for:</b>                                                        |   |                                |                                     |
| Interest from investments                                                      |   | (706,150)                      | (290,757)                           |
| Increase in debtors                                                            |   | (2,177,698)                    | (415,372)                           |
| (Decrease)/increase in creditors                                               |   | 5,486,423                      | (4,406,325)                         |
|                                                                                |   | (1,102,616)                    | (4,083,390)                         |
| <b>b. Analysis of cash and cash equivalents</b>                                |   |                                |                                     |
| Cash at bank and in hand                                                       |   | 17,869,517                     | 18,294,203                          |
| <b>c. Analysis of changes in net funds</b>                                     |   |                                |                                     |
| Opening net funds                                                              |   | 18,294,203                     | 22,125,783                          |
| Cashflows of the entity                                                        |   | (424,686)                      | (3,831,580)                         |
| Closing net funds                                                              |   | 17,869,517                     | 18,294,203                          |

The notes on pages 19 to 30 form part of these financial statements

## 1 Accounting policies

### Basis of accounting

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 (FRS102) – (Charities SORP(FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

UK DRI Ltd is an incorporated charity, limited by guarantee, domiciled, and registered in England and Wales, which constitutes a Public Benefit entity as defined by FRS 102. The address of its registered office is set out on page 31. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise stated.

### Fund accounting

The charity maintains various types of funds as follows:

#### *Restricted funds*

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

#### *Unrestricted funds*

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the Charity.

### Income

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable probability of receipt. The following accounting policies are applied to income:

#### *Grants and donations*

Donations are reported gross and accounted for at the point when the Charity is entitled to the income, there is probability of receipt, and the monetary value can be measured with sufficient reliability.

#### *Charitable activities*

Charitable activities relate to income received from pharmaceutical companies and relate to exchange contracts (the provision of scientific services). 100% of the funding is accounted for upon recognition of the related research commitment apart from the surplus that the charity retains to off-set its own costs. This surplus (i.e. the difference between total funding and the value granted to the university) is recognised on a straight-line basis across the length of the agreement as this is considered to best reflect how the income is earned.

#### *Investment income*

Investment income is accounted for when receivable. Tax recoverable relating to investment income is accounted for in the same period as the related income.

### Expenditure

All expenditure is accounted for on an accruals basis.

Charitable activities represent expenditure incurred in issuing grants to academic institutions for research purposes.

Support costs are attributed to the expenditure classifications using a percentage based upon the direct expenditure allocation.

### Research commitments

Research commitments are accounted for as expenditure in the Statement of Financial Activities when there is a constructive obligation based on a formal offer to the recipient. The present value of future commitments to research has been considered at a discount rate of 1.4% and the resulting potential discounting is not considered to be material to the overall value of the commitment, or to expenditure on a recurrent basis.

**1. Accounting policies (continued)**

**Debtors**

Other debtors are recognised at the settlement amount due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

**Creditors**

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

**Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as a basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised costs using the effective interest method.

**Going concern**

The use of the going concern basis of accounting is considered to be appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Charity to continue as a going concern.

The Charity's business activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees Report and incorporated Strategic Report on pages 3 to 11. The Charity currently has significant liquid resources which are in excess of all research commitments which have been made. There are no borrowings.

The financial model of UK DRI Ltd is such that research commitments are only made where it has the funds to do so. All agreements with universities explicitly state this clause. Notwithstanding this point, the HQ Team at UK DRI work closely with the universities in planning for the medium term.

Detailed cash flow forecasts have been prepared for the period to 1 April 2028 when the next Quinquennial Review (QQR) period begins. The forecasts show that core research activities and strategic grants included in the grant awards budget for the year ended 31 March 2025 at each University, can be maintained based on the known level of income from the MRC and the two founder charity partners.

The outcome of the first QQR exercise, performed in 2022, confirmed that the three Founding Funders intend to collectively fund £150m over the five years commencing 1 April 2023, of which £30.8m has formally been agreed for the year commencing 1 April 2024. A budget has been prepared and approved for the year ended 31 March 2025 based purely on the confirmed level of funding.

Given the amount of funding already formally agreed and the indications of the Founding Funders for the for subsequent years, the Trustees are confident that the Charity is a going concern, and that there are triggers and safeguards which can be deployed to ensure the future operation of the Charity, if needed.

**Critical accounting estimates and areas of judgement**

Estimates and judgements 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*

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are not considered to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

*Critical areas of judgement*

The Trustees do not consider that there are any critical areas of judgement applied in the preparation of these financial statements.

**2 Net income for the year**

Net income for the year is stated after charging:

|                                        | Year ended<br>31 March 2024 | Year ended<br>31 March 2023 |
|----------------------------------------|-----------------------------|-----------------------------|
| Remuneration paid to external auditor: | £                           | £                           |
| Audit services - Audit                 | 23,375                      | 21,500                      |
| - Other services                       | 4,700                       | 4,275                       |
|                                        | <u>          </u>           | <u>          </u>           |

**3 Information regarding employees and Trustees**

There were no employees during the year (2023: nil).

Trustees are not remunerated. Trustee expenses relating to travel and subsistence amounted to £691 (2023: £1,787) in the year.

**4 Income from grants and donations**

|                          | Unrestricted<br>funds | Restricted<br>funds | Total<br>year ended<br>31 March 2024 | Total<br>year ended<br>31 March 2023 |
|--------------------------|-----------------------|---------------------|--------------------------------------|--------------------------------------|
| <u>Grant income</u>      | £                     | £                   | £                                    | £                                    |
| Medical Research Council | 22,875,002            | 2,393,641           | 25,268,643                           | 27,443,817                           |
| Alzheimer's Research UK  | 2,000,000             | 500,000             | 2,500,000                            | 2,500,000                            |
| Alzheimer's Society      | -                     | 1,300,000           | 1,300,000                            | 1,300,000                            |
| Other donations          | 389,070               | 7,165,578           | 7,554,648                            | 1,162,407                            |
|                          | <u>25,264,072</u>     | <u>11,359,219</u>   | <u>36,623,291</u>                    | <u>32,406,224</u>                    |

**5 Income from charitable activities**

|                                                         | Unrestricted<br>funds | Restricted<br>funds | Total<br>year ended<br>31 March 2024 | Total<br>year ended<br>31 March 2023 |
|---------------------------------------------------------|-----------------------|---------------------|--------------------------------------|--------------------------------------|
|                                                         | £                     | £                   | £                                    | £                                    |
| Eli Lilly                                               | -                     | 616,543             | 616,543                              | -                                    |
| Sun Pharma Advanced Research<br>Company Limited (SPARC) | -                     | 566,564             | 566,564                              | -                                    |
| Ono Pharmaceutical Co. Ltd                              | -                     | 1,046,400           | 1,046,400                            | -                                    |
| Nimbis Salacia Inc.                                     | -                     | 48,806              | 48,806                               | -                                    |
|                                                         | <u>-</u>              | <u>2,278,313</u>    | <u>2,278,313</u>                     | <u>-</u>                             |

**6 Income from investments**

|               | Year ended<br>31 March 2024 | Year ended<br>31 March 2023 |
|---------------|-----------------------------|-----------------------------|
|               | £                           | £                           |
| Bank deposits | 706,150                     | 290,757                     |
|               | <u>          </u>           | <u>          </u>           |

**7 Expenditure on charitable activities**

|                   | Unrestricted<br>funds | Restricted<br>funds | Total<br>year ended<br>31 March 2024 | Total<br>year ended<br>31 March 2023 |
|-------------------|-----------------------|---------------------|--------------------------------------|--------------------------------------|
|                   | £                     | £                   | £                                    | £                                    |
| Dementia Research | 28,168,319            | 15,144,626          | 43,312,945                           | 31,667,917                           |
|                   | <u>          </u>     | <u>          </u>   | <u>          </u>                    | <u>          </u>                    |

**8 Support costs**

|                   | Year ended<br>31 March 2024 | Year ended<br>31 March 2023 |
|-------------------|-----------------------------|-----------------------------|
|                   | £                           | £                           |
| Secretariat       | -                           | 57,000                      |
| Governance        | 111,888                     | 119,371                     |
| Finance           | 33,831                      | 26,065                      |
| IT & office costs | 46,956                      | 37,705                      |
|                   | <u>192,675</u>              | <u>240,141</u>              |

Included within the grant paid to UCL (included within the dementia research spend in note 6) to cover DRI HQ costs are £898,195 (2023: £873,901) relating to support costs for Finance, HR, corporate and office costs.

**9 Grant giving**

|                                                                         | Year ended<br>31 March 2024 | Year ended<br>31 March 2023 |
|-------------------------------------------------------------------------|-----------------------------|-----------------------------|
|                                                                         | £                           | £                           |
| Commitments made to UKDRI in the prior year                             | 31,017,000                  | 32,692,000                  |
| New commitments made during the year                                    | 13,254,549                  | 1,775,458                   |
| Commitments no longer required                                          | (932,278)                   | (1,364,682)                 |
|                                                                         | <u>43,339,271</u>           | <u>33,102,776</u>           |
| Commitments confirmed to institutions in respect of year to 31 March    |                             |                             |
|                                                                         | 43,339,271                  | 33,102,776                  |
| Less unallocated brought forward commitment made to UKDRI in prior year | (31,017,000)                | (32,692,000)                |
| New commitments made to UKDRI during the year                           | 30,798,000                  | 31,017,000                  |
| Support costs                                                           | 192,675                     | 240,141                     |
|                                                                         | <u>43,312,946</u>           | <u>31,667,917</u>           |
| Amount charged to the Statement of Financial Activities                 |                             |                             |
|                                                                         | 43,312,946                  | 31,667,917                  |

All grants are paid to institutions. An analysis of grant-funded research by host institution with details of grants awarded during the year, forming part of these audited financial statements, can be found below:

|                           | Year ended<br>31 March 2024 | Year ended<br>31 March 2023 |
|---------------------------|-----------------------------|-----------------------------|
|                           | £                           | £                           |
| University of Cambridge   | 3,878,496                   | 2,505,201                   |
| Cardiff University        | 4,554,628                   | 3,099,302                   |
| Dundee University         | 314,390                     | 315,780                     |
| University of Edinburgh   | 5,962,835                   | 3,750,238                   |
| Imperial College London   | 8,158,841                   | 7,142,629                   |
| Kings College London      | 3,678,246                   | 2,520,089                   |
| MRC Harwell               | 195,064                     | 201,423                     |
| University College London | 15,263,708                  | 12,303,356                  |
| Other                     | 1,333,009                   | 1,264,758                   |
|                           | <u>43,339,271</u>           | <u>33,102,776</u>           |

**10 Debtors**

|                | Year ended<br>31 March 2024<br>£ | Year ended<br>31 March 2023<br>£ |
|----------------|----------------------------------|----------------------------------|
| Other debtors  | 11,142,655                       | 6,334,341                        |
| Accrued income | 26,747,977                       | 29,350,373                       |
|                | <u>37,890,632</u>                | <u>35,684,714</u>                |

Other debtors include £3,744,310 due after more than 1 year (2023: £1,134,442).

**11 Creditors: amounts falling due within one year**

|                                 | Year ended<br>31 March 2024<br>£ | Year ended<br>31 March 2023<br>£ |
|---------------------------------|----------------------------------|----------------------------------|
| Accruals                        | 65,502                           | 150,494                          |
| Other taxes and social security | 21,596                           | 21,595                           |
| Research commitments            | 42,322,705                       | 38,569,116                       |
|                                 | <u>42,409,803</u>                | <u>38,741,205</u>                |

**12 Creditors: amounts falling due after more than one year**

|                                                                             | Year ended<br>31 March 2024<br>£ | Year ended<br>31 March 2023<br>£ |
|-----------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Research commitments                                                        | <u>11,669,027</u>                | <u>9,851,202</u>                 |
| Ageing of long-term liabilities                                             |                                  |                                  |
| 1 – 2 years                                                                 | 11,362,978                       | 9,685,244                        |
| 2 – 3 years                                                                 | <u>306,049</u>                   | <u>165,958</u>                   |
| <b>Reconciliation of research commitments</b>                               |                                  |                                  |
| Balance brought forward                                                     | 48,420,318                       | 52,872,224                       |
| New research commitments entered into during the year for dementia research | 43,339,271                       | 33,102,776                       |
| Research commitments for year to 31 March 2025 approved by Trustees         | 30,798,000                       | 31,017,000                       |
| Reversal of research commitments approved by Trustees in previous period    | (31,017,000)                     | (32,692,000)                     |
| Amounts spent in the period                                                 | (37,548,857)                     | (35,879,682)                     |
|                                                                             | <u>53,991,732</u>                | <u>48,420,318</u>                |

**13 Movement in and allocation of restricted funds**

|                                                                               | As at<br>31 March<br>2023 | Income            | Expenditure         | Transfers        | As at<br>31 March<br>2024 |
|-------------------------------------------------------------------------------|---------------------------|-------------------|---------------------|------------------|---------------------------|
|                                                                               | £                         | £                 | £                   | £                | £                         |
| Eisai - UK DRI post-doctoral scheme                                           | 300,517                   | -                 | (206,619)           | (12,809)         | 81,089                    |
| Alzheimer's Association                                                       | -                         | (126,993)         | (6,759)             | 133,752          | -                         |
| Eli Lilly - UK DRI post-doctoral scheme                                       | -                         | 485,099           | (359,225)           | (125,874)        | -                         |
| Eli Lilly - UK DRI Collaboration                                              | -                         | 131,444           | (131,444)           | -                | -                         |
| Astex                                                                         | 140,585                   | -                 | -                   | (140,585)        | -                         |
| Medical Research Council - Impact Acceleration Account                        | 1,195,228                 | -                 | (1,195,228)         | -                | -                         |
| Medical Research Council - Capital awards 22-23                               | 256,619                   | -                 | (256,619)           | -                | -                         |
| Medical Research Council - World Class Labs 23-24                             | -                         | 495,641           | (451,390)           | (44,251)         | -                         |
| Medical Research Council - Dementia Trials Accelerator                        | -                         | 1,500,000         | (1,477,000)         | -                | 23,000                    |
| Medical Research Council - Health Collaboration with<br>Helmholtz Association | -                         | 398,000           | -                   | -                | 398,000                   |
| Alzheimer's Research UK                                                       | 23,718                    | 500,000           | (523,718)           | -                | -                         |
| Alzheimer's Society                                                           | -                         | 1,300,000         | (1,300,000)         | -                | -                         |
| Fidelity Bermuda Foundation                                                   | 628,000                   | -                 | (628,000)           | -                | -                         |
| Sir Laurence Geller                                                           | 24,298                    | -                 | (24,298)            | -                | -                         |
| Life Arc                                                                      | -                         | 7,197,210         | (7,179,010)         | (8,774)          | 9,426                     |
| Life Arc - Project Manager                                                    | -                         | 95,361            | (95,361)            | -                | -                         |
| Sun Pharma Advanced Research Company Limited<br>(SPARC)                       | -                         | 566,564           | (459,376)           | (107,188)        | -                         |
| Ono Pharmaceutical Co. Ltd                                                    | -                         | 1,046,400         | (801,773)           | (244,627)        | -                         |
| Nimbus Salacia Inc.                                                           | -                         | 48,806            | (48,806)            | -                | -                         |
|                                                                               | <u>2,568,965</u>          | <u>13,637,532</u> | <u>(15,144,626)</u> | <u>(550,356)</u> | <u>511,515</u>            |

**Restricted Fund Transfers**

There are typically two reasons for transfers between restricted and unrestricted funds. Firstly, where there is an underspend on a grant provided to a partner university. In this instance we would ask the funder's permission to transfer any balance to unrestricted funding. Secondly, where a donor is funding a proportion of HQ costs, we would transfer the relevant amount from restricted to unrestricted to offset the specific grant awarded to cover all HQ costs.

**Eisai - UK DRI post-doctoral scheme**

Eisai has provided funding for four years from 2019 under the Eisai/DRI post -doctoral scheme to support new areas of dementia research. Award letters were issued to host universities for relevant projects. The transfer of £12,809 reflects an underspend, which has been transferred back to unrestricted funds in line with funder agreements.

**Alzheimer's Association**

Alzheimer's Association reduced their original award to UK DRI Ltd for the Neuroimmune Consortium Manager position (by £126,993), as the manager left the UK DRI and was not replaced.

**Eli Lilly - UK DRI post-doctoral scheme**

Eli Lilly has provided 1-year costed extensions to two of the existing post-doctoral projects (for Professor Adrian Isaacs and Professor Giampietro Schiavo at UCL), totaling £485,099. Amendments to the master research collaboration agreement with Eli Lilly were signed on 18 September 2023 and 25 September 2023. Supplement letters were issued to the host university for the relevant projects. A residual £102,923 was to off-set costs incurred by UK DRI HQ, and there was an underspend of £22,951 which has been transferred back to unrestricted funds in line with funder agreements.

**Eli Lilly - UK DRI Collaboration**

Eli Lilly provided funding of £196,876 for a new 16-month collaborative research project to be undertaken by Prof Henrik Zetterberg at UCL. Amendment to the master research collaboration agreement with Eli Lilly was signed 19 January 2024. £131,444 of the income has been recognised within year. An award letter was issued to the host university for the relevant project. A residual £65,432 of income is due to be recognised in 24/25 and will off-set costs incurred by UK DRI HQ.

**13 Movement in and allocation of restricted funds (continued)****Astex**

On 26 May 2021, UK DRI Limited entered into a Strategic Research Collaboration Agreement with Astex with the intention of Astex funding certain research projects of their choosing. The first of these sees £1,296,000 receivable from Astex which will fund two three-year projects: one project conducted by Dr Veronique Miron at Edinburgh Centre and another by Prof. David Klenerman at the Cambridge Centre, with a residual £421,666 off-setting UK DRI HQ's direct costs over three years.

**Medical Research Council - Impact Acceleration Account**

On 23 March 2022, UK DRI Limited received an award for £1,242,000 over three years from the MRC in response to an application made under its Impact Acceleration Award scheme. UK DRI HQ will deploy these funds on specific research projects over the next three years at its seven research centres. On 23 March 2023 the award was increased by a further amount of £235,890.

**Medical Research Council - Capital awards 22-23**

Medical Research Council has provided funding to enable awards to be made to three separate capital projects for host universities.

**Medical Research Council - World Class Labs 23-24**

Medical Research Council has provided funding of £495,641 to enable capital awards to be issued to all the UK DRI Centres for capital purchases within 23/24. Some of the funding was transferred as was spent on capital within the Informatics Programme awarded to UCL. The grant award letter from the MRC is dated 12 October 2023.

**Medical Research Council - Dementia Trials Accelerator**

Medical Research Council has provided funding of £1,500,000 for phase 1 of a large Dementia Trials Accelerator project, part of the Dame Barbara Windsor Dementia Mission. The award letter from the MRC is dated 7 March 2024. Award letters were issued to the host university (UCL) where project work will be taking place. Some of the funding will be spent by the HQ team on activities and HQ staff salaries supporting the large-scale project.

**Medical Research Council - Health Collaboration with Helmholtz Association**

Medical Research Council has provided funding of £398,000 for 1-year of collaborative work with DZNE, in response to an application made under their Health Collaboration with Helmholtz Association scheme. The award letter from the MRC is dated 13 March 2024. Award letters will be issued to host universities for relevant projects.

**Alzheimer's Research UK**

Upon termination of the Joint Venture Agreement on 31 March 2022, ARUK and UK DRI Limited entered into a Strategic Alliance Agreement which provides £500,000 of funding for UK DRI Limited to use on translational research funding in the year ahead. The UK DRI HQ team intend to make £500,000 of awards via their Translational Award scheme in financial year 2024/25.

**Alzheimer's Society**

Upon termination of the Joint Venture Agreement on 31 March 2022, AS and UK DRI Limited entered into a Strategic Alliance Agreement which provides £1,300,000 of funding for UK DRI Limited to use on two targeted areas of funding. Namely the Care Research & Technology Centre at Imperial College London and the Blood-based Biomarkers Platform at UCL Centre. This funding will be deployed in full against these two initiatives in financial year 2024/25.

**Fidelity Bermuda Foundation**

Fidelity provided a grant of £628,000 on 29 June 2022 to contribute to the running of the new Single Cell/Spatial Transcriptomics research platform based at the UCL Centre. The award provides for equipment, consumables and sequencing costs and runs from August 2022 to July 2024.

**Sir Laurence Geller**

In June 2022 Sir Laurence Geller agreed a private donation of £48,599 as a contribution restricted against the MINDER project being run by the Care Research & Technology Centre at Imperial College London. This project involves residents testing wearable technology in a care home owned by Sir Laurence. The final part of this funding has been awarded to Imperial College London.

**13 Movement in and allocation of restricted funds (continued)****Life Arc**

On 29 July 2022, UK DRI Ltd entered into a Translation Partnership Agreement with LifeArc with the intention of LifeArc funding certain research projects of their choosing. LifeArc has provided funding of £7,197,210 for first milestones for seven research projects under the Translational Partnership Agreement. Project funding was awarded to UK DRI Ltd via seven signed project schedules. Project funding was then awarded to Professor Siddharthan Chandran at Edinburgh, Professor Paul Morgan at Cardiff, Professor Paul Matthews at Imperial, Dr Marc-David Ruepp at King's, Professor David Sharp at Imperial, Professor David Klenerman at Cambridge and Professor Adrian Isaacs at UCL. Award letters were issued to the host universities for the relevant projects. £8,773 of costs for one of the projects was transferred as incurred by the HQ team, a further £9,426 of costs for the same project is due to be incurred by the HQ team in 24/25.

**Life Arc - Project Manager**

LifeArc provided funding for up to £525,000 for a Project Manager within the Headquarters team at UCL to manage the UK DRI – LifeArc Translational Partnership for the duration of the partnership. The funding agreement letter was signed 31 December 2023. Costs incurred for the Project Manager up until 31 March 2024 were £95,361 and this value is therefore the recognised income and expenditure within year.

**Sun Pharma Advanced Research Company Limited (SPARC)**

Sun Pharma Advanced Research Company Limited (SPARC) provided funding of £780,939 for one three-year research project, to be carried out by Dr Natalie Connor-Robson at Cardiff. The master research collaboration with SPARC was signed 8 June 2022. The project schedule for the funded project was signed 8 September 2023. £566,564 of the income has been recognised within year. An award letter was issued to the host university for the relevant project. A residual £321,563 is to off-set costs incurred by UK DRI HQ over the three years, of which £107,188 has been recognised within year, with the remaining £214,376 due to be recognised split across 24/25 and 25/26.

**Ono Pharmaceutical Co. Ltd**

Ono Pharmaceutical Co. Ltd provided funding of £1,291,027 for two two-year research projects to be carried out by Dr Gabriel Balmus at Cambridge, and Professor Tara Spires-Jones and Dr Claire Durrant at Edinburgh. The strategic research collaboration with Ono was signed 18 November 2022. The project schedules for the funded projects were signed 20 September 2023 and 6 December 2023. £1,046,400 of the income has been recognised within year. Award letters were issued to the host universities for the relevant projects. A residual £489,254 is to off-set costs incurred by UK DRI HQ over the two years, of which £244,627 has been recognised within year, with the remaining £244,627 due to be recognised in 24/25.

**Nimbus Salacia Inc.**

Nimbus Salacia Inc. provided funding of £48,806 for one 17-month research project to be carried out by Professor Paul Matthews at Imperial College London. The Partnership Agreement with Nimbus was signed 30th October 2023. The project schedule for the funded project was signed 7 December 2023. An award letter was issued to the host university for the relevant project.

**13 Movement in and allocation of restricted funds (continued)**

|                                                   | As at<br>31 March<br>2022 | Income           | Expenditure        | Transfers        | As at<br>31 March<br>2023 |
|---------------------------------------------------|---------------------------|------------------|--------------------|------------------|---------------------------|
| <u>Prior year</u>                                 | £                         | £                | £                  | £                | £                         |
| Autifony                                          | -                         | -                | 8,049              | (8,049)          | -                         |
| Eisai/DRI post-doctoral scheme                    | 580,125                   | -                | (279,608)          | -                | <b>300,517</b>            |
| MRC - Capital World Class Labs 2021               | -                         | (4,837)          | -                  | 4,837            | -                         |
| Alzheimer's Association                           | -                         | 247,990          | (10,824)           | (237,166)        | -                         |
| Astex                                             | 281,333                   | -                | (81)               | (140,667)        | <b>140,585</b>            |
| MRC - Impact Acceleration Account 2021            | 1,242,000                 | 235,980          | (282,752)          | -                | <b>1,195,228</b>          |
| MRC - Rebranding                                  | 19,403                    | -                | (1,224)            | (18,179)         | -                         |
| MRC – Capital World Class Labs 21-22              | -                         | (90,121)         | 81,027             | 9,094            | -                         |
| MRC - Capital awards 21-22                        | -                         | (48)             | 57                 | (9)              | -                         |
| Medical Research Council - World Class Labs 22-23 | -                         | 739,469          | (739,469)          | -                | -                         |
| Medical Research Council - Capital awards 22-23   | -                         | 1,013,000        | (756,381)          | -                | <b>256,619</b>            |
| Alzheimer's Research UK                           | -                         | 500,000          | (476,282)          | -                | <b>23,718</b>             |
| Alzheimer's Society                               | -                         | 1,300,000        | (1,300,000)        | -                | -                         |
| CURE-ND Conference                                | -                         | 36,196           | (36,196)           | -                | -                         |
| Fidelity Bermuda Foundation                       | -                         | 628,000          | -                  | -                | <b>628,000</b>            |
| Sir Laurence Geller                               | -                         | 97,198           | (72,900)           | -                | <b>24,298</b>             |
|                                                   | <u>2,122,861</u>          | <u>4,702,827</u> | <u>(3,866,584)</u> | <u>(390,139)</u> | <u><b>2,568,965</b></u>   |

**Eisai/DRI post-doctoral scheme**

Eisai has provided funding for four years from 2019 under the Eisai/DRI post -doctoral scheme to support new areas of dementia research. Award letters will be issued to host universities for relevant projects.

**Medical Research Council - Capital awards**

Medical Research Council has provided funding to enable awards to be made to three separate capital projects for host universities.

**Alzheimer's Association**

Alzheimer's Association (USA) provided a grant of US\$62,139 on 18/8/22 in order to fund 50% of an Admin Assistant. This role would provide important support for the Neuroimmune Consortium manager, which is a project role previously funded by Alzheimer's Association (USA). This new award runs from September 2022 to March 2026

**Astex**

On 26 May 2021, UK DRI Limited entered into a Strategic Research Collaboration Agreement with Astex with the intention of Astex funding certain research projects of their choosing. The first of these sees £1,296,000 receivable from Astex which will fund two three-year projects: one project conducted by Dr Veronique Miron at Edinburgh Centre and another by Prof. David Klenerman at the Cambridge Centre, with a residual £421,666 off-setting UK DRI HQ's direct costs over three years.

**Medical Research Council - Impact Acceleration Account 2021**

On 23 March 2022, UK DRI Limited received an award for £1,242,000 over three years from the MRC in response to an application made under its Impact Acceleration Award scheme. UK DRI HQ will deploy these funds on specific research projects over the next three years at its seven research centres. On 23 March 2023 the award was increased by a further amount of £235,890

**Medical Research Council - Rebranding**

As a result of MRC's own rebranding, reflecting their relationship with UKRI, they have made £19,403 available for UK DRI to update its branding at the seven centres and HQ in recognition that MRC, a founding funder of UK DRI. The funds were used to update signage, plaques, etc.

**13 Movement in and allocation of restricted funds (continued)****Alzheimer's Research UK**

Upon termination of the Joint Venture Agreement on 31 March 2022, ARUK and UK DRI Limited entered into a Strategic Alliance Agreement which provides £500,000 of funding for UK DRI Limited to use on translational research funding in the year ahead. The UK DRI HQ team intend to make £500,000 of awards via their Translational Award scheme in financial year 2023/2024.

**Alzheimer's Society**

Upon termination of the Joint Venture Agreement on 31 March 2022, AS and UK DRI Limited entered into a Strategic Alliance Agreement which provides £1,300,000 of funding for UK DRI Limited to use on two targeted areas of funding. Namely the Care Research & Technology Centre at Imperial College London and the Blood-based Biomarkers Platform at UCL Centre. This funding will be deployed in full against these two initiatives in financial year 2023/2024.

**CURE-ND Conference**

This funding relates to the inaugural CURE-ND conference held in London in summer 2022. CURE-ND or Catalysing a United Response in Europe to Neurodegenerative Diseases, is an alliance between the German Center for Neurodegenerative Diseases (DZNE), the Paris Brain Institute (ICM), Mission Lucidity (ML) and the UK Dementia Research Institute (UK DRI).

**Fidelity Bermuda Foundation**

Fidelity provided a grant of £628,000 on 29 June 2022 to contribute to the running of the new Single Cell/Spatial Transcriptomics research platform based at the UCL Centre. The award provides for equipment, consumables and sequencing costs and runs from August 2022 to July 2024.

**Sir Laurence Geller**

In June 2022 Sir Laurence Geller agreed a private donation of £48,599 as a contribution restricted against the MINDER project being run by the Care Research & Technology Centre at Imperial College London. This project involves residents testing wearable technology in a care home owned by Sir Laurence. Subject to satisfactory progress, Sir Geller's intention is to make a second and final contribution of £48,599 in financial year 2023/24.

**14 Movements in unrestricted funds**

|                     | As at<br>31 March<br>2023<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ | As at<br>31 March<br>2024<br>£ |
|---------------------|--------------------------------|-------------|------------------|----------------|--------------------------------|
| General fund        | 2,817,545                      | 25,970,222  | (28,168,319)     | 550,356        | 1,169,804                      |
| <b>Prior period</b> |                                |             |                  |                |                                |
| General fund        | 2,234,585                      | 27,994,154  | (27,801,333)     | 390,139        | 2,817,545                      |

**15 Analysis of assets and liabilities between funds**

|                           | General Fund<br>£ | Restricted<br>Funds<br>£ | Total<br>£       |
|---------------------------|-------------------|--------------------------|------------------|
| <b>Current assets</b>     |                   |                          |                  |
| Debtors                   | 25,007,062        | 12,883,570               | 37,890,632       |
| Cash at bank              | 15,112,940        | 2,756,577                | 17,869,517       |
| <b>Creditors</b>          |                   |                          |                  |
| Due within one year       | (31,391,854)      | (11,017,949)             | (42,409,803)     |
| Due in more than one year | (7,558,344)       | (4,110,683)              | (11,669,027)     |
|                           | <b>1,169,804</b>  | <b>511,515</b>           | <b>1,681,319</b> |

**15 Analysis of assets and liabilities between funds (continued)**

|                           | General Fund     | Restricted Funds | Total               |
|---------------------------|------------------|------------------|---------------------|
|                           | £                | £                | £                   |
| <u>Prior period</u>       |                  |                  |                     |
| <b>Current assets</b>     |                  |                  |                     |
| Debtors                   | 27,692,631       | 7,992,083        | <b>35,684,714</b>   |
| Cash at bank              | 16,581,854       | 1,712,349        | <b>18,294,203</b>   |
| <b>Creditors</b>          |                  |                  |                     |
| Due within one year       | (32,134,076)     | (6,607,129)      | <b>(38,741,205)</b> |
| Due in more than one year | (9,322,864)      | (528,338)        | <b>(9,851,202)</b>  |
|                           | <u>2,817,545</u> | <u>2,568,965</u> | <u>5,386,510</u>    |

**16 Taxation**

The income of the Charity is exempt from corporate tax to the extent they are applied to its charitable objectives.

**17 Related Party transactions**

Details of related parties are included on pages 10 and 11. Information on donations received from Medical Research Council, Alzheimer's Research UK and Alzheimer's Society is given in note 4. Debtors include amounts due from Medical Research Council of £25,187,000 (2023: £29,630,842), from Alzheimer's Research UK of £2,500,000 (2023: £2,500,000), and from Alzheimer's Society of £1,300,000 (2023: £1,300,000). Alzheimer's Research UK provided governance and finance support services to UK DRI Limited until 30 September 2022. In the year to 31 March 2024, the fee charged for this service was £nil (2023 £47,500). Income recognized from LifeArc totalled £7,292,571 (restricted) (2023: nil). LifeArc supplied technology transfer services to UK DRI Ltd up until 19 November 2023. In the year to 31 March 2024 the fees charged for these services totalled £41,009, excluding VAT. At the year-end, a balance of £6,881,035 was due from LifeArc.

**18 Statement of financial activities**

As required under FRS 102, the following table shows the split of comparative information between funds for the year ended 31 March 2023

|                                        | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>£        |
|----------------------------------------|----------------------------|--------------------------|-------------------|
| <b>Income from:</b>                    |                            |                          |                   |
| Donations                              | 27,703,397                 | 4,702,827                | <b>32,406,224</b> |
| Investments                            | 290,757                    | -                        | <b>290,757</b>    |
| <b>Total income</b>                    | <b>27,994,154</b>          | <b>4,702,827</b>         | <b>32,696,981</b> |
| <b>Expenditure on:</b>                 |                            |                          |                   |
| Charitable activities                  | 27,801,333                 | 3,866,584                | <b>31,667,917</b> |
| Net movement in funds before transfers | 192,821                    | 836,243                  | <b>1,029,064</b>  |
| Transfer between funds                 | 390,139                    | (390,139)                | -                 |
| <b>Net movement in funds</b>           | <b>582,960</b>             | <b>446,104</b>           | <b>1,029,064</b>  |
| <b>Reconciliation of funds</b>         |                            |                          |                   |
| Funds balance at 1 April 2022          | 2,234,585                  | 2,122,861                | <b>4,357,446</b>  |
| <b>Funds balance at 31 March 2023</b>  | <b>2,817,545</b>           | <b>2,568,965</b>         | <b>5,386,510</b>  |

**19 Comparative period**

The figures for the previous period are from 1 April 2022 to 31 March 2023.

## **UK DRI LTD**

### **Legal and administrative details**

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#### **Trustees (Directors)**

|                |                                                                                                                                                                                                                                                                                                                                                     |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Chairman       | W J Rucker                                                                                                                                                                                                                                                                                                                                          |
| Other Trustees | R S Buckle (nominated by the Medical Research Council)<br>R Khan (appointed 30 June 2023)<br>S L Kohlhaas (nominated by Alzheimer's Research UK)<br>M G Lee<br>I A K Moodie<br>J P Pisani<br>S E Radford<br>R Shafie (appointed 30 June 2023)<br>A J Shevas (resigned 17 October 2023)<br>D M Turnbull<br>E L Whitcombe (resigned 29 November 2023) |

#### **Company Secretary**

E M Danielewska

#### **Address – Premises and Postal**

6<sup>th</sup> Floor  
Maple House  
149 Tottenham Court Road  
London  
W1T 7NF

#### **Legal Status**

The Company limited by guarantee, was formed on 2 November 2017. Charity status was obtained on 17 August 2019. It is governed by its Memorandum and Articles of Association.

#### **Registered Charity number**

1179589

#### **Company number**

11045257

#### **Auditors**

RSM UK Audit LLP  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

#### **Bankers**

Barclays Bank plc  
15 Benet Street  
Cambridge  
CB2 3PZ

**UK DRI LTD**

England & Wales - Charity number 1179589

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# Accounts

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**UK DRI Ltd**

(A Company limited by guarantee and not having a share capital)

Annual Report and Financial Statements

Year Ended

31 March 2023

Company Registration No: 11045257

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## Objective, Founding Principles and Activities

### **Executive Summary**

Dementia is the biggest health challenge of our century – currently fifty million patients worldwide, projected to triple by 2050 – with huge financial, emotional, and social impact on people with dementia (PWD), their carers, families, and friends. Dementia is caused by a set of complex neurodegenerative disorders, with Alzheimer's disease accounting for approximately 60% of the cases. To date there is no way to prevent or even slow the progression of dementia, as there is still a major gap in our basic understanding of neurodegenerative disorders.

The UK Dementia Research Institute (UK DRI or Institute) is the biggest UK initiative supporting research to fill this knowledge gap, created as part of the *Prime Minister's challenge on dementia 2020* and supported by its three Founders, the Medical Research Council (MRC), Alzheimer's Society (AS) and Alzheimer's Research UK (ARUK).

The UK DRI was formed as a result of a joint venture between the MRC, AS and ARUK, which created UK DRI Ltd. The UK DRI is funded by these three founding funders, via UK DRI Ltd, and its scientific operations are conducted at seven discrete research centres within six universities: UCL, Imperial, King's, Cambridge, Cardiff, and Edinburgh. An eighth 'virtual' centre – the UK DRI Data Science centre – was set up in April 2023. The UK DRI Headquarters are based at UCL and here the executive team determine and implement the UK DRI Ltd approved research strategy. UK DRI Ltd does not directly employ any staff. The UK DRI's scientific and headquarters operations are conducted by employees of the six universities who operate on behalf of UK DRI Ltd. The focus of subsequent information in this report is on the performance and activities of the universities included in the UK DRI.

The Institute has undergone a thorough and successful review of its first quinquennium (QQ) and, in December 2022 saw its funding renewed for the 2023-28 period with a total contribution of £150m, the MRC remaining the main core funder with further support from ARUK and AS. In addition to our core funding, we are proud to have attracted additional funding, including a major £30m award from LifeArc specifically dedicated to translational research.

### **Objective**

We undertake original, ground-breaking research that will transform lives. We attract the brightest minds and give them the best technology and research tools. We work with each other, with people living with dementia and their families, with the wider scientific community and with industry to translate our findings into treatments. We are renowned for the quality of our science, our willingness to share data, ideas and resources, and our unwavering commitment to stop dementia in its tracks.

The Institute carries out research relevant to dementia-causing neurodegenerative diseases, including Alzheimer's disease, Parkinson's disease, frontotemporal dementia, motor neuron disease/frontotemporal dementia, vascular dementia, and Huntington's disease.

For the 2023-28 quinquennium, our vision is founded on two elements:

(i) *'To define the molecular and cellular mechanisms responsible for the early cellular phases of major neurodegenerative diseases'*. This will lead to deeper insight into cellular and molecular mechanisms underpinning neurodegenerative diseases, yielding novel biomarkers and drug targets that will enable us to halt the disease process early on and provide the means to identify those at risk.

(ii) *'To develop novel tools and monitoring systems to support patients living with dementia'*. This will deliver benefits to patients and carers in the short-term and lead to more robust and sensitive measures that will revolutionise how clinical trials are performed.

### **Founding Principles**

The UK DRI is based on four principles that we believe are key to UK DRI's success:

**Excellence:** Scientific excellence is the driver of UK DRI's success. Excellence is embedded in everything we do: recruitment/training of our staff, supporting innovative research, investing in the best technologies, and identifying strategic partners for collaboration. We use both internal and external peer review to evaluate excellence and monitor our progress and to evaluate any new initiative taken. Our commitment to equity, diversity and inclusivity (see UKDRI EDI

equity, diversity and inclusivity statement) means that we are mobilising the best talents from everywhere in society to provide opportunities to benefit from diverse thinking.

Collaboration: Dementia is a multifaceted disorder and understanding what drives it requires the expertise and perspectives of a multidisciplinary team of researchers. We have attracted talented researchers from diverse fields and backgrounds. We are developing their understanding and involvement in dementia research by embedding them in a collaborative working environment with well-established dementia researchers, offering opportunities for informal networking, receiving feedback, learning about, and discussing the latest developments in dementia research. At the UK DRI we break down barriers to enable interdisciplinary collaboration through our collaborative networks known as 'Themes'. In addition, we empower collaboration through our internal Awards programme. Data (and resource) sharing is key to our success. Our Informatics Steering Committee (and its satellite Working Groups) develop and champion the adoption of data/digital policies, mechanisms, and guidelines to enable an open research culture (in part facilitated by our Research Collaboration Services). We create synergy for maximum impact by collaborating with external partners across the dementia landscape. We act as a catalyst in the national and global dementia research community. We share data, ideas, talents, and resources, and open our workshops and symposia to the wider scientific community. We reach out to clinical partners, industry, and the government to work together to solve problems in the field.

Translation: It is the mission of the UK DRI to transform the lives of people affected by dementia. As the number of people affected by dementia is set to grow rapidly in the coming decades it has never been more urgent to translate our knowledge into clinical value for people. The UK DRI translation strategy builds upon the Institute's evolving scientific portfolio. We support our researchers in becoming more entrepreneurial in their thinking. Equally important are collaborations with NHS Trusts and care homes. We engage with external partners across the dementia research landscape to achieve our strategic goals and in return we lend our expertise to support their goals.

Communication: To achieve our goals, internal and external communication are both essential. Internal communications build a common understanding of our mission and enable our researchers to learn from one another, share ideas, and address problems together. External communications present the UK DRI to the outside world, raising the profile of the Institute amongst researchers, industry, policy makers and the general public across the UK and the world, explaining the importance of our work, what we do, progress made, and future needs. An important aspect is to keep research on dementia and neurodegenerative disorders high on the political and societal agenda and attuned to the needs of those affected by dementia

## Activities

Over the past year, the UK DRI has continued to build momentum in becoming a world-leading institute in dementia research. At the core of the institute is a strong scientific vision for how the UK DRI will uncover the most valuable insights into the mechanistic drivers of neurodegeneration and translate that understanding into ways to prevent, delay or manage dementia-causing diseases. Our founding principles remain the point of reference for our activities and programmes.

The 2022/23 period has been very productive with key recruitments, major publications, strengthening of collaborative initiatives and programmes, substantial leveraged funding, significant development of strategic partnerships and remarkable success in the translational space. In the next section, we highlight how progress over the past year has contributed to our mission.

## STRATEGIC REPORT

### Achievements and Performance

**Excellence.** We have continued to attract top talent, further strengthening our research capacity.

This year, we have seen significant changes in senior leadership. Prof Bart De Strooper announced his intention to step down from his post as a national Directorship in November 2022. Prof Giles Hardingham (Centre Director at UK DRI at Edinburgh) will be interim Director from 1 June 2023 until 1 October 2023 when a new permanent Director will take up the role – Prof Siddharthan Chandran. Prof Bart De Strooper will remain a Senior Group Leader at the UK DRI, based at UCL. We have also made a new appointment to the Science Strategy and Operations Board: we recruited Prof Mina Ryten (from the UCL Great Ormond Street Institute of Child Health) as the Centre Director for UK DRI at Cambridge, due to start in January 2024. Prof Ryten will take over from Prof David Rubinsztein, who was interim Director since the departure of Prof Giovanna Mallucci in March 2022.

**Report of the Trustees for the year ended 31 March 2023 (continued)**

After Prof Caleb Webber was appointed UK DRI Director of Informatics in 2021, in November 2022, we recruited Dr Amonida Zadissa from The European Bioinformatics Institute (EMBL-EBI) as an Associate Director of Informatics. Together, they will develop and implement an Institute-wide strategy to harness the power of data resources and analysis tools to better understand and treat dementia.

We also welcomed four new Group Leaders (GLs). Dr Kathryn Bowles from New York University and Dr Mootaz Salman from the University of Oxford joined our Edinburgh Centre, while Dr Andrea Serio from the Francis Crick Institute and Dr Sarah Marzi, currently an Emerging Leader at the UK DRI Imperial Centre, are due to join our King's Centre.

In 2021 we established our Emerging Leaders programme, a developmental programme unique to the UK DRI, supporting early career researchers to establish strong research networks and build skills necessary for establishing their own research groups through sponsorship and career mentoring. In April 2022, Dr Jin Qiu (Edinburgh) became the fourteenth UK DRI Emerging Leader.

Our Institute is now a multidisciplinary network of seven centres (with an eighth virtual centre, the UK DRI Data Science Centre, being added in April 2023) with 867 members (as of 31 March 2023), covering diverse aspects of dementia research such as neuroinflammation, DNA repair, bioengineering, circadian biology, genetics, systems neuroscience, RNA biology, metabolic sciences, and innovative technologies for dementia care. Within the UK DRI HQ Team, a new Theme Manager and Science Manager were appointed to replace staff leaving the Institute. In addition, we recruited a Translation Manager, Finance Manager, HQ Administrator, and HQ Coordinator, bringing the team to a total of 29 members.

UK DRI researchers published 596 papers in 2022, a number comparable to 2021. Our research outputs highlight key strengths in single cell 'omics and imaging approaches to transform our understanding of disease aetiology, novel biomarkers for early diagnosis and disease progress monitoring, and cutting-edge cell biology to dissect the role of non-neuronal cells in dementia and identify novel therapeutic targets.

Our research quality is also reflected in the substantial funding leveraged, with our total external grant portfolio standing at £62.6m distributed across our seven centres. The excellence of our research is also reflected in our outstanding publication record, with nine UK DRI Group Leaders featured in the Clarivate™ Highly Cited Researcher 2022 list (Profs Bart De Strooper, Nick Fox and John Hardy (UCL), Prof David Rubinsztein (Cambridge), Prof David Sharp (CR&T), Profs Joseph Priller Tara Spire-Jones and Joanna Wardlaw and Dr Axel Montagne (Edinburgh)). In the 2022/23 period our researchers received important prestigious prizes and honours: Prof Sir John Hardy (UCL) was awarded a knighthood in the 2022 Honours list, Prof Nick Fox (UCL) was awarded the European Grand Prix 2022 by the French Alzheimer Research Association, Prof Sarah Tabrizi (UCL) was awarded the 2022 MRC Millennium Medal, Sophie Sanford (Cambridge) was awarded the British Neuroscience Association Public Engagement Prize 2022, and Dr Soyon Hong (UCL) was awarded the Alzheimer's Research UK David Hague Award for Early Career Investigator of the Year 2023. In addition, Prof Karen Duff (UCL) and Prof Siddharthan Chandran (Edinburgh) were elected to the Academy of Medical Sciences Fellowship, and Prof Bart De Strooper (UK DRI Director) was elected to the US National Academy of Medicine.

**Collaboration.** We have promoted knowledge exchange and multidisciplinary collaborations within the institute with the Cross Centre Postdoctoral Programme (five awarded in 2022) and our Pilot Programmes (eight awarded in 2023). We also launched the Grand Challenges programme to fund cutting-edge research which addresses major areas of interest across dementia research. Proposals must be led by UK DRI GLs and can include Emerging Leaders, Associate Members, and external researchers as secondary applicants. The first round of applications received nine proposals, with two awards made (~£1.7m each): Early diagnosis of AD in the preclinical phase: Multidisciplinary, cross-species studies to understand the relationship between entorhinal-hippocampal dysfunction and spatial behaviour (PI: Duff, UCL), and Neural Replay - A Novel Functional Circuit Biomarker Of Latent Alzheimer's Disease (PI: Busche, UCL). In this period, we also appointed two Associate Members and three Co-Investigators.

UK DRI cross-centre Themes are our primary mechanism for drawing together researchers from across the Institute to discuss and develop ground-breaking ideas and cutting-edge technologies. We currently have seven Themes: Parkinson's disease (launched in January 2022), Macrogliia (January 2022), Neuroinflammation (November 2018), Vascular (October 2019), Synapse and circuitry (May 2020), DNA repair (August 2020), and Informatics (September 2020). The collaborative nature of our Themes also facilitates relationships between researchers and stakeholders across the UK. Throughout 2022/23, our Thematic events have attracted over 200 non-UK DRI participants, including from Dementias Platform UK

Report of the Trustees for the year ended 31 March 2023 (continued)

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(DPUK), the British Heart Foundation (BHF) and over 20 different UK academic institutions.

In addition to formal thematic activities, we have also convened and supported Working Groups (WGs) in the context of the mouse models programme and, more recently, in the field of motor neuron disease/frontotemporal dementia (MND/FTD) research. The first meeting of this WG took place in September 2022 and brought together eight GLs across the UK DRI Centres to explore how the UK DRI can build on research strengths and existing capacity and resources in this area, and promote synergies across the Institute, to enhance human informed discovery research and strengthen translational research. This meeting catalysed new collaborations (with proposals submitted to the LifeArc Translational call, and Key Questions exercise – see below) and guided a UK DRI strategic approach to MND research, building on our unique strengths while also enhancing and complementing the broader national MND research landscape.

We strive to promote the adoption of cutting-edge, transformative technologies enabling novel ways to understand neurodegeneration. Our core-funded platforms provide UK DRI researchers access to state-of-the-art methodologies and resources supported by specialised technical staff. In early 2023 we established the Single Cell and Spatial Transcriptomics Platform. The newly appointed Platform Manager and Research Technician are currently setting up 10x Genomics Single Cell and Nanostring GeoMX spatial transcriptomics techniques, with plans to expand the technologies on offer as the platform develops. The platform will be open to UK DRI clients by the start of 2024, to UCL IoN by the Autumn of 2024, and to external users if there is spare capacity. Our Biomarker factory (UCL) has already proven a hugely successful initiative currently open to UK DRI and external users. Since its inauguration in 2021, the advanced proteomics platform in Dundee has taken on 55 projects from across the Institute.

**Translation.** Ensuring that UK DRI research has significant patient impact continues to be a core vision of the UK DRI. In 2022/23 the UK DRI enjoyed record levels of translational funding through the LifeArc translational partnership (£30m/5 years), the MRC Impact accelerator (an additional £236k) and ARUK ring-fenced funding (£500k/year). This funding enables us to support our researchers through competitive internal translational funding calls. In March 2023, we launched a funding call for £1-2m awards under the LifeArc Translational Partnership, which received 24 expressions of interest covering the breadth of UK DRI research areas. Seven proposals were invited for a full application, with the outcome expected by autumn 2023. In 2022 we made six UK DRI translational awards for proof-of-concept work, typically in the region of £100-£300k (funded by MRC Impact Acceleration Accounts (IAA) and ARUK). We have expanded our array of industrial strategic partners with Sun Pharma Advanced Research Company (SPARC) and Ono Pharmaceuticals, joining existing partners Eisai, Eli Lilly and Astex, with the aim to provide up to ~£2m of additional funding into UK DRI research from industry.

In 2022/2023, the UKDRI enjoyed major achievements in translational activities with a total of 22 invention disclosures, ten patents filed, and four patents licensed demonstrating the UK DRI's healthy early-stage translational pipeline. Furthermore, in 2022 we have assisted in drafting and negotiating 182 contracts spread across the UK DRI with particular emphasis on UK DRI Ltd (HQ and Board contracts) and UCL as our largest centre. We have seen a particularly busy first quarter in 2023, with 71 contracts being drafted. Our innovation and business team has established productive relationships with tech transfer offices at each centre University and has now agreed on a template Material Transfer Agreement with our partner universities, which will help streamline future agreements.

**Communication.** This year we saw increased media coverage, with approximately 3,900 media mentions, including in major national media outlets. Highlights on UK DRI research included the identification of new risk genes for Alzheimer's disease (Prof Julie Williams, UK DRI at Cardiff), a new mechanism to avoid the build-up of misfolded proteins (Dr Edward Avezov, UK DRI at Cambridge) and the description of the new Huntington's disease staging system featured in Science Magazine and other specialist outlets (Prof Sarah Tabrizi, UK DRI at UCL). Following news of promising Phase III trial data from Alzheimer's drug Lecanemab, we took advantage of the increased spotlight on the field, holding an external specialist webinar in December 2022 (>3.5K views on YouTube), and engaging in both proactive and reactive media, securing 800 total media mentions, with at least 20 pieces of national print coverage (including the Telegraph, the Times, Evening Standard, Guardian, Independent, BBC and more) and five national broadcast interviews (including BBC Radio 4 Today, Times Radio) with UK DRI researchers.

In 2022/23, we expanded our presence across Westminster and Whitehall, including a number of Ministerial Centre visits, and meetings with parliamentarians. We continued to strengthen our relationships with the MRC, the Office of Life Sciences, and the Department of Health and Social Care, for example, through our contribution to the MND Ministerial Roundtable discussing a major strategic funding initiative in MND translational research. We produced three public-facing

**Report of the Trustees for the year ended 31 March 2023 (continued)**

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documents, two new brochures, "Race to Cures" and "The UK DRI at Five Years", and an original report "Diversity and dementia: how is research bridging the health gap?" which were well received by a range of stakeholders.

After two years of virtual events, in November 2022, we held our fifth Connectome meeting (third in person), our annual Institute-wide research conference and retreat, bringing together the UK DRI community (about 650 attendees) for three days of networking and learning about the breadth of UK DRI research, initiating novel links, and fostering interdisciplinary, cross-centre projects. We have continued a series of virtual and in-person events, including monthly Early Career Researcher webinars, symposia and ECR Theme meetings, ECR meetings and clinical symposia with our international CURE-ND (Catalysing a United Response in Europe to Neurodegenerative Diseases) alliance partners, methodology highlights and translational events, as well as high-profile webinars (including regarding Lecanemab mentioned above).

We continue to work with our Diversity Think Tank to address the EDI issues highlighted by our 2021 staff survey, in particular, the underrepresentation of black and ethnic minority members of staff at the UK DRI and the underrepresentation of women in the senior leadership posts. In 2022/23, we partnered with In2science and In2research and the BNA Scholarships programme to provide placements for students and trainees from underrepresented groups to widen diversity in STEM and neuroscience careers.

**Future Plans**

**The year ahead**

In November 2022, Prof Bart De Strooper announced his intention to step down from his post as Institute Director. Prof Giles Hardingham (Centre Director at UK DRI at Edinburgh) was subsequently announced as Interim Director, pending the appointment and commencement in role of a new Institute Director. And in June 2023 it was announced that Prof Siddharthan Chandran would take over as permanent Institute Director in October 2023. Accordingly, the future strategy for the Institute, including The Future Plans, The year ahead and Longer-term plans, will be the responsibility of the new Institute Director and this is reflected below. Key elements of future plans are likely to include the following:

- The Director and Associate Director of Informatics (Prof [Caleb Webber](#) and Dr Amonida Zadissa) will further develop the UK DRI Data Science and Informatics Strategy, including the recruitment of specialised bioinformaticians, training initiatives, and support to embed data science approaches in UK DRI research.
- Following an agreement with ARUK, we aim to recruit a small team (employed by ARUK) who will be based at UK DRI HQ and working to develop a fundraising programme to further support UK DRI research.
- Research operations will continue with partnership development and funding initiatives such as Pilot Projects Programme.
- There will be a focus on collaborations. Cross-centre themes will play a pivotal role, and several theme activities (many with external partners, e.g., DPUK) have already been planned, including at least one Group Leader retreat and one ECR event per Theme.
- We will hold our 2023 Connectome (our annual Institute-wide research conference and retreat) in October 2023, creating an excellent opportunity to share ideas and foster collaboration.
- Via our UK DRI data science partners, we have engaged with several key partners (Alan Turing Institute and DEMON Network), data harmonisation (DPUK) and UK-wide health data resources (HDR UK). We are continuing to collaborate with the Network on the joint UK DRI-DEMON Network seminar series.
- The UK DRI will continue its engagement with the Dementia UK Ecosystem (a webinar on meaningful trial outcomes for World Alzheimer's month in September 2023) and CURE-ND partners and develop additional strategic partnerships to create synergy for maximum impact.
- We will develop more training and career initiatives in collaboration with renowned organisations.
- Our communications team will continue to work towards building a strong public voice for the UK DRI around the need for continued support for dementia research and weave our new influencing messaging into our broader content. To improve our visibility, we will launch a new website (planned for early 2024).

**Longer-term plans**

In the next QQ, under the leadership of the new Institute Director, we will continue to develop what will become the most productive and efficient discovery science dementia research institute in the world, open to collaborations at home and abroad.

## UK DRI LTD

### Report of the Trustees for the year ended 31 March 2023 (continued)

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#### **Financial Review**

Headline figures from our financial statements show:

- Total income for the year of £32.7m (previous year £34.6m), of which £4.7m (previous year £10.3m) is restricted
- Total expenditure for the year of £31.7m (previous year £40.4m), of which £3.9m (previous year £9.4m) is restricted. The reduction in overall expenditure is largely due to a high number of capital infrastructure awards made in the previous year, providing specialist equipment to enable research for years to come, plus a high number of new industrial partnerships that started for the first time in 2021.

#### **In summary**

Charitable expenditure is principally funded by the founders, the MRC, AS and ARUK. They review the scientific performance of the institute every five years and, if successful, make indicative funding awards for the following five years. The first of these reviews took place in 2022 and in late autumn made the following indicative awards:

- MRC £131m over five years
- ARUK £12.5m over five years
- AS £6.5m over five years

Core funding from Founders of £29.3m to be received during the year commencing 1 April 2023 is included in accrued income on the balance sheet. Research commitments included within creditors on the balance sheet includes £31m for the budget for the year from 1 April 2023.

#### **Our funds**

Total funds held at 31 March 2023 were £5.4m. Of this amount, £2.8m (previous year £2.2m) were unrestricted and represent the free reserves of the Charity.

#### **Our reserves policy**

The original reserves policy was based on the fact that grant commitment funding is recognised on an annual basis and is not awarded until there is certainly in funding receivable from the founders. Each year at the February Board meetings, Trustees approve in principle grant funding for the following year from 1 April following receipt of a proposal from the UK DRI HQ. Founders are then invited to agree contributions towards the budget. Following confirmation of income, research grants for the following year are awarded. Additional funding may also be sought which may then lead to further grant commitments.

The Charity has no employees and minimal infrastructure costs. By the nature of this funding model, there is no need for significant reserves. Therefore, the original policy had been agreed that founders will ring-fence existing funding up to £0.3m total. This was subsequently increased to £0.6m in total reserves. Due to uncertainty over funding levels during the COVID-19 era, reserves were significantly increased to allow funds to be carried over to future years. However, due to the passing of COVID-19 and founding funders advising their future five-year funding intentions, on 15 November 2022 the Trustees agreed to revise the reserves level back to the pre-COVID-19 level of £0.6m. We are working towards reducing the level of free reserves to £600k in the next 2-3 years per the 5-year forecast but do not want to release it all in one go in order to avoid peaks and troughs in funding levels which cannot be sustained in latter years

#### **Our investment policy**

The funding model provides that the Charity will always have surplus cash, equivalent to outstanding current liabilities at any time. Cash surpluses are placed on bank deposit.

#### **Our structure, governance, and management**

UK DRI Ltd is a charitable company limited by guarantee and does not have a share capital. In the event of the charitable company being wound up, each member has guaranteed to contribute £1. The members are the Trustees of the company. As at 31 March 2023, there were ten Trustees. Currently, the maximum number of Trustees is thirteen. The Directors and Trustees are listed on page 28. UK DRI Ltd is a registered charity regulated by the Charity Commission for England and Wales.

The UK DRI was formed as a result of a joint venture agreement (JVA) between the MRC, AS and ARUK which created UK DRI Ltd. However, this JVA was dissolved effective 31 March 2022.

## **UK DRI LTD**

### **Report of the Trustees for the year ended 31 March 2023 (continued)**

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In its place is three bilateral agreements, one per funder. MRC has a Core Funding Agreement with UK DRI Ltd which sees it retain its seat on the Board and it agrees to fund at least £125m over five years effective 1 April 2022. This level of funding sees MRC deemed a core funding partner.

ARUK has entered into a Strategic Alliance Agreement with UK DRI Ltd effective 1 April 2022, intending to fund a minimum of £12.5m over five years. At this level of funding ARUK are considered a strategic partner and thereby retain their seat on the Board.

AS has entered into a Strategic Alliance Agreement with UK DRI Ltd effective 1 April 2022, committing to fund £6.5m over five years. At this level of funding, they are considered a Funding Partner but do not retain their seat on the Board.

The UK DRI is funded over a minimum five-year horizon by these three founding funders, via UK DRI Ltd, and its scientific operations are conducted at discrete research centres within six universities: UCL, Imperial, King's, Cambridge, Cardiff, and Edinburgh. Its headquarters are based at UCL and here the executive team determine and implement the UK DRI Ltd approved research strategy. UK DRI Ltd does not directly employ any staff. The UK DRI's scientific and headquarters operations are conducted by employees of the six universities who operate on behalf of UK DRI Ltd. Approximately 700 researchers, students and support staff are funded either full or part time by UK DRI Ltd. The focus of information presented earlier in this report is the performance and activities of the universities included in the UK DRI.

The Core Funding Agreement (MRC), Strategic Alliance Agreements (ARUK and AS), Institute Agreements and Terms and Conditions of Funding Agreement govern the relationship between UK DRI Ltd and the UK DRI and the host institutions. The executive team at the UK Dementia Research Institute attend Board Meetings to update Trustees on the activities of the Institute and to seek appropriate approvals under the governance arrangements.

#### **Governing document**

The objects of UK DRI Ltd, as set out in the Articles of Association, are to preserve and protect the health of the public and to advance education. This will be achieved by i) promoting and undertaking research into neurodegenerative disorders (and illnesses contributing to such disorders), and associated factors, that give rise to the dementia and related conditions including research that elucidates the nature, cause, symptoms, diagnosis, prevention, treatment and for care of the range of disorders that give rise to the dementias and related conditions; and ii) developing the outputs of such research to provide increased accuracy and timeliness of diagnosis and interventions that prove effective in treating and improving the care of people with dementia and which may ultimately prevent and/or cure dementia and related conditions.

#### **Trustees' appointment and training**

Subject to being a Member at the relevant time, each Core Funding Partner (MRC) and Strategic Funding Partner (ARUK) shall be entitled to appoint, one person who is willing to act as a Trustee. A Trustee so appointed shall be a "Founder Trustee" for the purposes of the Articles of Association. Founder Trustees can be removed from office by written notice from his/her appointer.

The Trustees shall make appointments on such terms as they decide (including, without limitation, the term of his or her appointment) and will review each appointment at least every three years on a rotational basis. Independent Trustees can be removed if the majority of the Board resolve that he/she shall cease to be a Trustee.

New Trustees are appointed through a recruitment campaign, depending on the experience and key skills needed. New Trustees are interviewed by the Chair along with others from the Board as needed and are formally approved at the UK DRI Ltd Board meeting.

On appointment, new Trustees are provided with a Trustee handbook and given a formal induction. The Trustee handbook includes the Charity's Articles of Association, as well as key governance documentation. Trustees are also given key guidance from the Charity Commission – CC3 The Essential Trustee. Ongoing training is provided for Trustees as relevant throughout their term.

#### **Related parties**

As at the date of signing this report MRC, ARUK and LifeArc (Registered charity number 1015243) are all related parties.

MRC have an agreement with UK DRI Ltd and they intend to fund £125m over the five years starting 1 April 2022. Furthermore, this agreement provides for an MRC representative having a seat on the UK DRI Ltd Board.

ARUK have an agreement with UK DRI Ltd and they intend to fund £12.5m over the five years starting 1 April 2022. This agreement also provides for an ARUK representative having a seat on the UK DRI Ltd Board

**Report of the Trustees for the year ended 31 March 2023 (continued)**

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LifeArc have signed a translational partnership agreement with UK DRI Ltd effective July 2022 which will provide £30m of funding over five years in order to further the translational research of the Institute. This will see a series of grants made by a joint Life Arc/UK DRI Committee to the UK DRI Centres. Whilst the agreement does not provide for LifeArc having an automatic seat on the UK DRI Ltd Board, their current CEO and a separate Board member are currently Board directors of UK DRI Ltd

The new agreement with AS does not provide for a representative on the Board and accordingly they are no longer considered to be a related party.

Further details of related party transactions in the year are included in Note 4 and 16.

**Risks and uncertainties**

UK DRI Ltd is a grant funding charity with no employees or infrastructure costs. The funding model is such that grant commitments are only entered into when there is certainty of funding from donors being received.

The grants fund the work of UK DRI. A register is maintained of the principal risks and uncertainties of the Institute which is populated by the Executive Team of the UK Dementia Research Institute. The Institute Director, Chief Operating Officer and Finance Director of UK DRI may be required to attend UK DRI Ltd Board Meetings. They regularly update the Board at the meeting of movements in the risk register.

**Public benefit**

The Trustees have referred to the guidance contained on the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set. The public benefits through the world class research we are able to fund.

In so far as each of the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report of the Trustees prepared under the Charities Act 2011, which also contains all information required in a Directors' Report by the Companies Act 2006, and the incorporated Strategic report prepared under the Companies Act 2006, were approved by the Board of Trustees on 24 July 2023 and signed on behalf of the Trustees by



William Rucker, Chairman.

## **UK DRI LTD**

### **Statement of Trustees' responsibilities**

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The Trustees (who are also Directors of UK DRI Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable laws and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 for that period. In preparing those 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 the standards applicable under FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' 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 charitable company will continue in business.

The Trustees are responsible for keeping proper and adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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.

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

**Opinion**

We have audited the financial statements of UK DRI Ltd (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities incorporating an income and expenditure account, the Balance Sheet, the Cash Flow Statement, 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 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 March 2023 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 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 trustees' 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 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 the audit:

- the information given in the Report of the Trustees, which includes the Directors' Report, and the Strategic 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 and the Strategic Report included within the Report of the Trustees have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Report of the Trustees.

We have nothing to report in respect of the following matters where 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.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 11, 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.

**The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected, or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## UK DRI LTD

### Independent Auditor's Report to the Members of UK DRI Ltd (continued)

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As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to any new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The audit engagement team identified the risk of management override of controls and the completeness of income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, and performing tests of detail in relation to completeness of income.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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.

*Claire Sutherland*

CLAIRE SUTHERLAND (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

Date 31 July 2023

## UK DRI LTD

### Statement of financial activities incorporating an income and expenditure account for the year ended 31 March 2023

|                                               | Note | Unrestricted Funds<br>£ | Restricted Funds<br>£ | Year ended<br>31 March<br>2023<br>Total<br>£ | Year ended<br>31 March<br>2022<br>Total<br>£ |
|-----------------------------------------------|------|-------------------------|-----------------------|----------------------------------------------|----------------------------------------------|
| <b>Income from:</b>                           |      |                         |                       |                                              |                                              |
| Grants and donations                          | 4    | 27,703,397              | 4,702,827             | <b>32,406,224</b>                            | 34,556,224                                   |
| Investments                                   | 5    | 290,757                 | -                     | <b>290,757</b>                               | 24,249                                       |
| <b>Total income</b>                           |      | <b>27,994,154</b>       | <b>4,702,827</b>      | <b>32,696,981</b>                            | <b>34,580,473</b>                            |
| <b>Expenditure on:</b>                        |      |                         |                       |                                              |                                              |
| Charitable activities                         | 6    | 27,801,333              | 3,866,584             | <b>31,667,917</b>                            | 40,360,620                                   |
| <b>Net movement in funds before transfers</b> |      | <b>192,821</b>          | <b>836,243</b>        | <b>1,029,064</b>                             | <b>(5,780,147)</b>                           |
| Transfers between funds                       |      | 390,139                 | (390,139)             | -                                            | -                                            |
| <b>Net movement in funds</b>                  |      | <b>582,960</b>          | <b>446,104</b>        | <b>1,029,064</b>                             | <b>(5,780,147)</b>                           |
| <b>Reconciliation of funds:</b>               |      |                         |                       |                                              |                                              |
| Funds balance at 1 April 2022                 |      | 2,234,585               | 2,122,861             | <b>4,357,446</b>                             | 10,137,593                                   |
| <b>Funds Balance at 31 March 2023</b>         |      | <b>2,817,545</b>        | <b>2,568,965</b>      | <b>5,386,510</b>                             | <b>4,357,446</b>                             |

**UK DRI LTD**

Balance Sheet as at 31 March 2023

Charity number: 1179589  
Company number: 11045257

|                                                                | Notes | 2023<br>£           | 2022<br>£    |
|----------------------------------------------------------------|-------|---------------------|--------------|
| <b>Current assets</b>                                          |       |                     |              |
| Debtors                                                        | 9     | 35,684,714          | 35,230,395   |
| Cash at bank                                                   |       | 18,294,203          | 22,125,783   |
|                                                                |       | <b>53,978,917</b>   | 57,356,178   |
| <b>Creditors: amounts falling due within one year</b>          | 10    | <b>(38,741,205)</b> | (43,174,369) |
| <b>Net current assets</b>                                      |       | <b>15,237,712</b>   | 14,181,809   |
| <b>Creditors: amounts falling due after more than one year</b> | 11    | <b>(9,851,202)</b>  | (9,824,363)  |
| <b>Total assets less total liabilities</b>                     |       | <b>5,386,510</b>    | 4,357,446    |
| <b>Funds</b>                                                   |       |                     |              |
| Restricted funds                                               | 12    | 2,568,965           | 2,122,861    |
| Unrestricted funds                                             |       |                     |              |
| General funds                                                  | 13    | 2,817,545           | 2,234,585    |
|                                                                |       | <b>5,386,510</b>    | 4,357,446    |

The financial statements on pages 15 to 27 were approved by the Trustees and authorised for issue on 24 July 2023 and are signed on its behalf by:



W J Rucker  
Trustee

The notes on pages 18 to 27 form part of these financial statements

**UK DRI LTD**

**Cashflow statement for the year ended 31 March 2023**

|                                                                                |   | <b>Year ended<br/>31 March<br/>2023</b> | <b>Year ended<br/>31 March<br/>2022<br/>£</b> |
|--------------------------------------------------------------------------------|---|-----------------------------------------|-----------------------------------------------|
| <b>Cash flows from operating activities</b>                                    |   |                                         |                                               |
| Net cash provided by operating activities                                      | a | (4,083,390)                             | (5,312,453)                                   |
| <b>Cash flow from investing activities</b>                                     |   |                                         |                                               |
| Investment income                                                              |   | 251,810                                 | 24,249                                        |
| <b>Net cash provided by investing activities</b>                               |   | <u>(3,831,580)</u>                      | <u>(5,288,204)</u>                            |
| <b>Change in cash and cash equivalents in reporting period</b>                 |   | (3,831,580)                             | (5,288,204)                                   |
| Cash and cash equivalents at the beginning of the reporting period             |   | 22,125,783                              | 27,413,987                                    |
| <b>Cash and cash equivalents at the end of the reporting period</b>            | b | <u>18,294,203</u>                       | <u>22,125,783</u>                             |
| <b>Reconciliation of expenditure to net cashflow from operating activities</b> |   |                                         |                                               |
| <b>a. Net cash provided by operating activities</b>                            |   |                                         |                                               |
| Net movement in funds                                                          |   | 1,029,064                               | (5,780,147)                                   |
| <b>Adjustments for:</b>                                                        |   |                                         |                                               |
| Interest from investments                                                      |   | (290,757)                               | (24,249)                                      |
| Increase in debtors                                                            |   | (415,372)                               | (7,784,581)                                   |
| (Decrease)/increase in creditors                                               |   | (4,406,325)                             | 8,276,524                                     |
|                                                                                |   | <u>(4,083,390)</u>                      | <u>(5,312,453)</u>                            |
| <b>b. Analysis of cash and cash equivalents</b>                                |   |                                         |                                               |
| Cash at bank and in hand                                                       |   | <u>18,294,203</u>                       | <u>22,125,783</u>                             |
| <b>c. Analysis of changes in net funds</b>                                     |   |                                         |                                               |
| Opening net funds                                                              |   | 22,125,783                              | 27,413,988                                    |
| Cashflows of the entity                                                        |   | (3,831,580)                             | (5,288,205)                                   |
| Closing net funds                                                              |   | <u>18,294,203</u>                       | <u>22,125,783</u>                             |

The notes on pages 18 to 27 form part of these financial statements

## 1 Accounting policies

### Basis of accounting

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 (FRS102) – (Charities SORP(FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

UK DRI Ltd is an incorporated charity, limited by guarantee, domiciled, and registered in England and Wales, which constitutes a Public Benefit entity as defined by FRS 102. The address of its registered office is set out on page 28. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise stated.

### Fund accounting

The charity maintains various types of funds as follows:

#### Restricted funds

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

#### Unrestricted funds

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the Charity.

### Income

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable probability of receipt. The following accounting policies are applied to income:

#### Grants and donations

Donations are reported gross and accounted for at the point when the Charity is entitled to the income, there is probability of receipt, and the monetary value can be measured with sufficient reliability.

#### Investment income

Investment income is accounted for when receivable. Tax recoverable relating to investment income is accounted for in the same period as the related income.

### Expenditure

All expenditure is accounted for on an accruals basis.

Charitable activities represent expenditure incurred in issuing grants to academic institutions for research purposes.

Support costs are attributed to the expenditure classifications using a percentage based upon the direct expenditure allocation.

### Research commitments

Research commitments are accounted for as expenditure in the Statement of Financial Activities when there is a constructive obligation based on a formal offer to the recipient. The present value of future commitments to research has been considered at a discount rate of 1.4% and the resulting potential discounting is not considered to be material to the overall value of the commitment, or to expenditure on a recurrent basis.

**1. Accounting policies (continued)****Debtors**

Other debtors are recognised at the settlement amount due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

**Creditors**

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

**Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as a basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised costs using the effective interest method.

**Going concern**

The use of the going concern basis of accounting is considered to be appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Charity to continue as a going concern.

The Charity's business activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees Report and incorporated Strategic Report on pages 3 to 10. The Charity currently has significant liquid resources which are in excess of all research commitments which have been made. There are no borrowings.

The financial model of UK DRI Ltd is such that research commitments are only made where it has the funds to do so. All agreements with universities explicitly state this clause. Notwithstanding this point, the HQ Team at UK DRI work closely with the universities in planning for the medium term.

Detailed cash flow forecasts have been prepared for the period to 1 April 2028 when the next Quinquennial Review (QQR) period begins. The forecasts show that core research activities and strategic grants included in the grant awards budget for the year ended 31 March 2024 at each University, can be maintained based on the known level of income from the MRC and the two founder charity partners.

The outcome of the first QQR exercise, performed in 2022, confirmed that the three Founding Funders intend to collectively fund £150m over the five years commencing 1 April 2023, of which £29.35m has formally been agreed for the year commencing 1 April 2023. A budget has been prepared and approved for the year ended 31 March 2024 based purely on the confirmed level of funding.

Given the amount of funding already formally agreed and the indications of the Founding Funders for the for subsequent years, the Trustees are confident that the Charity is a going concern, and that there are triggers and safeguards which can be deployed to ensure the future operation of the Charity, if needed.

**Critical accounting estimates and areas of judgement**

Estimates and judgements 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***

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are not considered to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

***Critical areas of judgement***

The Trustees do not consider that there are any critical areas of judgement applied in the preparation of these financial statements.

**2 Net income for the year**

Net income for the year is stated after charging:

|                                        | Year ended<br>31 March 2023 | Year ended<br>31 March 2022 |
|----------------------------------------|-----------------------------|-----------------------------|
| Remuneration paid to external auditor: | £                           | £                           |
| Audit services - Audit                 | 21,500                      | 17,650                      |
| - Other services                       | 4,275                       | 2,860                       |
|                                        | <u>25,775</u>               | <u>20,510</u>               |

**3 Information regarding employees and Trustees**

There were no employees during the year (2022: nil).

Trustees are not remunerated. Trustee expenses relating to travel and subsistence for one Trustee amounted to £1,787 (2022: one Trustee amounting to £231) in the year.

**4 Income from grants and donations**

|                          | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>year ended<br>31 March 2023<br>£ | Total<br>year ended<br>31 March 2022<br>£ |
|--------------------------|----------------------------|--------------------------|-------------------------------------------|-------------------------------------------|
| <u>Grant income</u>      |                            |                          |                                           |                                           |
| Medical Research Council | 25,550,374                 | 1,893,443                | 27,443,817                                | 28,508,999                                |
| Alzheimer's Research UK  | 2,000,000                  | 500,000                  | 2,500,000                                 | 2,500,000                                 |
| Alzheimer's Society      | -                          | 1,300,000                | 1,300,000                                 | 1,300,000                                 |
| Other donations          | 153,023                    | 1,009,384                | 1,162,407                                 | 2,247,225                                 |
|                          | <u>27,703,397</u>          | <u>4,702,827</u>         | <u>32,406,224</u>                         | <u>34,556,224</u>                         |

**5 Income from investments**

|               | Year ended<br>31 March 2023<br>£ | Year ended<br>31 March 2022<br>£ |
|---------------|----------------------------------|----------------------------------|
| Bank deposits | 290,757                          | 24,249                           |
|               | <u>290,757</u>                   | <u>24,249</u>                    |

**6 Expenditure on charitable activities**

|                   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>year ended<br>31 March 2023<br>£ | Total<br>year ended<br>31 March 2022<br>£ |
|-------------------|----------------------------|--------------------------|-------------------------------------------|-------------------------------------------|
| Dementia Research | 27,801,333                 | 3,866,584                | 31,667,917                                | 40,360,620                                |
|                   | <u>27,801,333</u>          | <u>3,866,584</u>         | <u>31,667,917</u>                         | <u>40,360,620</u>                         |

**7 Support costs**

|                   | Year ended<br>31 March 2023<br>£ | Year ended<br>31 March 2022<br>£ |
|-------------------|----------------------------------|----------------------------------|
| Secretariat       | 57,000                           | 99,000                           |
| Governance        | 119,371                          | 71,719                           |
| Finance           | 26,065                           | 3,432                            |
| IT & office costs | 37,705                           | 23,700                           |
|                   | <u>240,141</u>                   | <u>197,851</u>                   |

All support costs have been allocated to charitable activities for the year.

Included within the grant paid to UCL (included within the dementia research spend in note 6) to cover DRI HQ costs are £873,901 relating to support costs for Finance, HR, corporate and office costs.

**8 Grant giving**

|                                                                         | Year ended<br>31 March 2023<br>£ | Year ended<br>31 March 2022<br>£ |
|-------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Commitments made to UKDRI in the prior year                             | 32,692,000                       | 28,807,000                       |
| New commitments made during the year                                    | 1,775,458                        | 7,531,211                        |
| Commitments no longer required                                          | (1,364,682)                      | (60,442)                         |
|                                                                         | <u>33,102,776</u>                | <u>36,277,769</u>                |
| Commitments confirmed to institutions in respect of year to 31 March    | 33,102,776                       | 36,277,769                       |
| Less unallocated brought forward commitment made to UKDRI in prior year | (32,692,000)                     | (28,807,000)                     |
| New commitments made to UKDRI during the year                           | 31,017,000                       | 32,692,000                       |
| Support costs                                                           | 240,141                          | 197,851                          |
|                                                                         | <u>31,667,917</u>                | <u>40,360,620</u>                |

All grants are paid to institutions. An analysis of grant-funded research by host institution with details of grants awarded during the year, forming part of these audited financial statements, can be found below:

|                           | Year ended<br>31 March 2023<br>£ | Year ended<br>31 March 2022<br>£ |
|---------------------------|----------------------------------|----------------------------------|
| University of Cambridge   | 2,505,201                        | 3,400,926                        |
| Cardiff University        | 3,099,302                        | 3,838,027                        |
| Dundee University         | 315,780                          | 94,388                           |
| University of Edinburgh   | 3,750,238                        | 5,438,182                        |
| Imperial College London   | 7,142,629                        | 9,222,771                        |
| Kings College London      | 2,520,089                        | 3,042,841                        |
| MRC Harwell               | 201,423                          | 15,545                           |
| University College London | 12,303,356                       | 9,981,200                        |
| Other                     | 1,264,758                        | 1,243,889                        |
|                           | <u>33,102,776</u>                | <u>36,277,769</u>                |

**9 Debtors**

|                | Year ended<br>31 March 2023<br>£ | Year ended<br>31 March 2022<br>£ |
|----------------|----------------------------------|----------------------------------|
| Other debtors  | 6,334,341                        | 9,255,395                        |
| Accrued income | 29,350,373                       | 25,975,000                       |
|                | <u>35,684,714</u>                | <u>35,230,395</u>                |

**10 Creditors: amounts falling due within one year**

|                                 | Year ended<br>31 March 2023<br>£ | Year ended<br>31 March 2022<br>£ |
|---------------------------------|----------------------------------|----------------------------------|
| Accruals                        | 150,494                          | 123,620                          |
| Other taxes and social security | 21,595                           | 2,888                            |
| Research commitments            | 38,569,116                       | 43,047,861                       |
|                                 | <u>38,741,205</u>                | <u>43,174,369</u>                |

**11 Creditors: amounts falling due after more than one year**

|                                                                        | Year ended<br>31 March 2023<br>£ | Year ended<br>31 March 2022<br>£ |
|------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Research commitments                                                   | <u>9,851,202</u>                 | <u>9,824,363</u>                 |
| Ageing of long-term liabilities                                        |                                  |                                  |
| 1 – 2 years                                                            | 9,685,244                        | 9,438,985                        |
| 2 – 5 years                                                            | <u>165,958</u>                   | <u>385,378</u>                   |
| <b>Reconciliation of research commitments</b>                          |                                  |                                  |
| Balance brought forward                                                | 52,872,224                       | 44,617,028                       |
| New research commitments entered into during the year                  | 33,102,776                       | 36,277,769                       |
| Research commitments for year to 31 March 2023 approved by Trustees    | 31,017,000                       | 32,692,000                       |
| Reversal of research commitments approved by Trustees in previous year | (32,692,000)                     | (28,807,000)                     |
| Amounts spent in the period                                            | <u>(35,879,682)</u>              | <u>(31,907,573)</u>              |
|                                                                        | <u>48,420,318</u>                | <u>52,872,224</u>                |

**12 Movement in and allocation of restricted funds**

|                                                   | As at<br>31 March<br>2022 | Income           | Expenditure        | Transfers        | As at<br>31 March<br>2023 |
|---------------------------------------------------|---------------------------|------------------|--------------------|------------------|---------------------------|
|                                                   | £                         | £                | £                  | £                | £                         |
| Autifony                                          | -                         | -                | 8,049              | (8,049)          | -                         |
| Eisai/DRI post-doctoral scheme                    | 580,125                   | -                | (279,608)          | -                | 300,517                   |
| MRC - Capital World Class Labs 2021               | -                         | (4,837)          | -                  | 4,837            | -                         |
| Alzheimer's Association                           | -                         | 247,990          | (10,824)           | (237,166)        | -                         |
| Astex                                             | 281,333                   | -                | (81)               | (140,667)        | 140,585                   |
| MRC - Impact Acceleration Account 2021            | 1,242,000                 | 235,980          | (282,752)          | -                | 1,195,228                 |
| MRC - Rebranding                                  | 19,403                    | -                | (1,224)            | (18,179)         | -                         |
| MRC - Capital World Class Labs 21-22              | -                         | (90,121)         | 81,027             | 9,094            | -                         |
| MRC - Capital awards 21-22                        | -                         | (48)             | 57                 | (9)              | -                         |
| Medical Research Council - World Class Labs 22-23 | -                         | 739,469          | (739,469)          | -                | -                         |
| Medical Research Council - Capital awards 22-23   | -                         | 1,013,000        | (756,381)          | -                | 256,619                   |
| Alzheimer's Research UK                           | -                         | 500,000          | (476,282)          | -                | 23,718                    |
| Alzheimer's Society                               | -                         | 1,300,000        | (1,300,000)        | -                | -                         |
| CURE-ND Conference                                | -                         | 36,196           | (36,196)           | -                | -                         |
| Fidelity Bermuda Foundation                       | -                         | 628,000          | -                  | -                | 628,000                   |
| Laurence Geller                                   | -                         | 97,198           | (72,900)           | -                | 24,298                    |
|                                                   | <u>2,122,861</u>          | <u>4,702,827</u> | <u>(3,866,584)</u> | <u>(390,139)</u> | <u>2,568,965</u>          |

**Restricted Fund Transfers**

There are typically two reasons for transfers between restricted and unrestricted funds. Firstly, where there is an underspend on a grant provided to a partner university. In this instance we would ask the funder's permission to transfer any balance to unrestricted funding. Secondly, where a donor is funding a proportion of HQ costs, we would transfer the relevant amount from restricted to unrestricted to offset the specific grant awarded to cover all HQ costs.

**Autifony**

On 19 April 2019 UK DRI Ltd entered into an agreement with Autofony Therapeutics Ltd and the University of Edinburgh which saw Autofony provide £144,382 of funding in exchange for UK DRI Ltd and Edinburgh conducting a research project investigating the effect of modulating a novel target on synapse loss in models of plaque deposition and A beta-mediated toxicity.

**Eisai/DRI post-doctoral scheme**

Eisai has provided funding for four years from 2019 under the Eisai/DRI post -doctoral scheme to support new areas of dementia research. Award letters will be issued to host universities for relevant projects.

**MRC - Capital awards**

Medical Research Council has provided funding to enable awards to be made to three separate capital projects for host universities.

**Alzheimer's Association**

Alzheimer's Association (USA) provided a grant of US\$62,139 on 18/8/22 in order to fund 50% of an Admin Assistant. This role would provide important support for the Neuroimmune Consortium manager, which is a project role previously funded by Alzheimer's Association (USA). This new award runs from September 2022 to March 2026

**Astex**

On 26 May 2021, UK DRI Limited entered into a Strategic Research Collaboration Agreement with Astex with the intention of Astex funding certain research projects of their choosing. The first of these sees £1,296,000 receivable from Astex which will fund two three-year projects: one project conducted by Dr Veronique Miron at Edinburgh Centre and another by Prof. David Klenerman at the Cambridge Centre, with a residual £421,666 off-setting UK DRI HQ's direct costs over three years.

**Medical Research Council - Impact Acceleration Account 2021**

On 23 March 2022, UK DRI Limited received an award for £1,242,000 over three years from the MRC in response to an application made under its Impact Acceleration Award scheme. UK DRI HQ will deploy these funds on specific research projects over the next three years at its seven research centres. On 23 March 2023 the award was increased by a further amount of £235,890

**12. Movement in and allocation of restricted funds (continued)****Medical Research Council - Rebranding**

As a result of MRC's own rebranding, reflecting their relationship with UKRI, they have made £19,403 available for UK DRI to update its branding at the seven centres and HQ in recognition that MRC, a founding funder of UK DRI. The funds were used to update signage, plaques, etc.

**Alzheimer's Research UK**

Upon termination of the Joint Venture Agreement on 31 March 2022, ARUK and UK DRI Limited entered into a Strategic Alliance Agreement which provides £500,000 of funding for UK DRI Limited to use on translational research funding in the year ahead. The UK DRI HQ team intend to make £500,000 of awards via their Translational Award scheme in financial year 2023/2024.

**Alzheimer's Society**

Upon termination of the Joint Venture Agreement on 31 March 2022, AS and UK DRI Limited entered into a Strategic Alliance Agreement which provides £1,300,000 of funding for UK DRI Limited to use on two targeted areas of funding. Namely the Care Research & Technology Centre at Imperial College London and the Blood-based Biomarkers Platform at UCL Centre. This funding will be deployed in full against these two initiatives in financial year 2023/2024.

**CURE-ND Conference**

This funding relates to the inaugural CURE-ND conference held in London in summer 2022. CURE-ND or Catalysing a United Response in Europe to Neurodegenerative Diseases, is an alliance between the German Center for Neurodegenerative Diseases (DZNE), the Paris Brain Institute (ICM), Mission Lucidity (ML) and the UK Dementia Research Institute (UK DRI).

**Fidelity Bermuda Foundation**

Fidelity provided a grant of £628,000 on 29 June 2022 to contribute to the running of the new Single Cell/Spatial Transcriptomics research platform based at the UCL Centre. The award provides for equipment, consumables and sequencing costs and runs from August 2022 to July 2024.

**Laurence Geller**

In June 2022 Laurence Geller agreed a private donation of £48,599 as a contribution restricted against the MINDER project being run by the Care Research & Technology Centre at Imperial College London. This project involves residents testing wearable technology in a care home owned by Mr Geller. Subject to satisfactory progress, Mr Geller's intention is to make a second and final contribution of £48,599 in financial year 2023/24.

**Prior year**

|                                        | As at<br>31 March<br>2021<br>£ | Income<br>£ | Expenditure<br>£ | Transfers | As at<br>31 March<br>2022<br>£ |
|----------------------------------------|--------------------------------|-------------|------------------|-----------|--------------------------------|
| Eisai/DRI post-doctoral scheme         | 1,030,861                      | -           | (361,947)        | (88,789)  | 580,125                        |
| MRC - 2020 Capital Awards              | 215,739                        | -           | -                | (215,739) | -                              |
| Lilly - Post Docs                      | 517,396                        | -           | (468,615)        | (48,781)  | -                              |
| Lilly - Studentships                   | -                              | 249,680     | (169,693)        | (79,987)  | -                              |
| Biogen                                 | -                              | 456,161     | (456,161)        | -         | -                              |
| Janssen                                | -                              | 164,912     | (164,912)        | -         | -                              |
| Astex                                  | -                              | 1,296,000   | (874,000)        | (140,667) | 281,333                        |
| MRC - Impact Acceleration Account 2021 | -                              | 1,242,000   | -                | -         | 1,242,000                      |
| MRC - Rebranding                       | -                              | 19,403      | -                | -         | 19,403                         |
| MRC - Capital World Class Labs 21-22   | -                              | 2,239,596   | (2,239,596)      | -         | -                              |
| MRC - Capital awards 21-22             | -                              | 2,833,000   | (2,833,480)      | 480       | -                              |
| Alzheimer's Research UK                | -                              | 500,000     | (500,000)        | -         | -                              |
| Alzheimer's Society                    | -                              | 1,300,000   | (1,300,000)      | -         | -                              |
|                                        | 1,763,996                      | 10,300,752  | (9,368,404)      | (573,483) | 2,122,861                      |

**12. Movement in and allocation of restricted funds (continued)****Eisai/DRI post-doctoral scheme**

Eisai has provided funding for four years from 2019 under the Eisai/DRI post -doctoral scheme to support new areas of dementia research. Award letters will be issued to host universities for relevant projects. During the year ended 31 March 2022, £88,789 was transferred to unrestricted funds reflecting the staff and overhead costs incurred at UK DRI HQ in the year.

**MRC - Capital awards**

The MRC has provided funding to enable awards to be made to three separate capital projects for host universities.

**Lilly - Post Docs**

UK DRI Limited has received funding from Lilly under the 'Research Programme for Novel Target Identification for Neurodegeneration'. This was used to fund Prof Caleb Webber at Cardiff University and Profs Adrian Isaacs and Giampetro Schiavo at UCL conducting the following research project: Identify critical regulators of Tau release and re- uptake and determining modifiers of these processes acting on key pharmacological nodes. The income receivable includes a contribution receivable of £262,781 towards the direct costs of UK DRI HQ. During the year ended 31 March 2022, £48,781 was transferred to unrestricted funds reflecting the staff and overhead costs incurred at UK DRI HQ in the year.

**Lilly - Studentships**

UK DRI Limited has received funding from Lilly under the 'Research Programme for Novel Target Identification for Neurodegeneration' agreement. This was used to fund PhD student Naciye Magusali at the UK DRI at UCL Centre to undertake the three-year project: Investigating the mechanisms of action of the new risk gene interferon-responsive OAS1 in innate immune cells in the context of Alzheimer's disease and COVID-19. The income receivable includes a contribution of £79,987 towards the direct costs of UK DRI HQ.

**Biogen**

UK DRI Ltd entered into an agreement with Biogen MA Inc. on the 1 July 2021 which will see UK DRI Ltd receive £456,161 of funding in exchange for procuring the following research project via its UK DRI research centres: UK DRI Large-scale Longitudinal investigation of imaging and fluid-based biomarkers of brain injury. This research will be overseen on a day-to-day basis by Prof Henrik Zetterburg at the University College London centre.

**Janssen**

On 4 June 2021, UK DRI Ltd entered into an agreement with Janssen Pharmaceuticals which provided £164,912 to conduct the two-year research project titled 'Validation of the complement pathway as target for Tauopathies' which is being carried out by Professor Bart De Strooper.

**Astex**

On 26 May 2021, UK DRI Ltd entered into a Strategic Research Collaboration Agreement with Astex with the intention of Astex funding certain research projects of their choosing. The first two of these sees £1,296,000 receivable from Astex which will fund two three-year projects: one project conducted by Dr Veronique Miron at the Edinburgh Centre and another by Prof David Klenerman at the Cambridge Centre, with a residual £421,666 off-setting UK DRI HQ's direct costs over three years.

**MRC - Impact Acceleration Account 2021**

On 23 March 2022, UK DRI Ltd received an award for £1,242,000 over three years from the MRC in response to an application made under its Impact Acceleration Award scheme. UK DRI HQ will deploy these funds on specific research projects over the next three years at its seven research centres.

**MRC - Rebranding**

As a result of MRC's own rebranding, reflecting their relationship with UKRI, they have made £19,403 available for UK DRI to update its branding at the seven Centres and HQ in recognition that MRC a founding funder of UK DRI. These funds will be used to update signage, plaques, etc.

**Alzheimer's Research UK**

Upon termination of the Joint Venture Agreement on 31 March 2022, ARUK and UK DRI Ltd entered into a Strategic Alliance Agreement which provides £500,000 of funding for UK DRI Ltd to use on translational research funding in the year ahead. The UK DRI HQ team intend to make £500,000 of awards via their Translational Award scheme in financial year 2022/23.

**Alzheimer's Society**

Upon termination of the Joint Venture Agreement on 31 March 2022, AS and UK DRI Ltd entered into a Strategic Alliance Agreement which provides £1,300,000 of funding for UK DRI Ltd to use on two targeted areas of funding. Namely, the Care Research and Technology Centre at Imperial College London and the Blood-based Biomarkers Platform at the UCL Centre. This funding will be deployed in full against these two initiatives in financial year 2022/23.

**13 Movements in unrestricted funds**

|                     | As at<br>31 March<br>2022<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ | As at<br>31 March<br>2023<br>£ |
|---------------------|--------------------------------|-------------|------------------|----------------|--------------------------------|
| General fund        | 2,234,585                      | 27,994,154  | (27,801,333)     | 390,139        | 2,817,545                      |
| <b>Prior period</b> |                                |             |                  |                |                                |
| General fund        | 8,373,597                      | 24,279,721  | (30,992,216)     | 573,483        | 2,234,585                      |

**14 Analysis of assets and liabilities between funds**

|                           | General Fund<br>£ | Restricted<br>Funds<br>£ | Total<br>£       |
|---------------------------|-------------------|--------------------------|------------------|
| <b>Current assets</b>     |                   |                          |                  |
| Debtors                   | 27,692,631        | 7,992,083                | 35,684,714       |
| Cash at bank              | 16,581,854        | 1,712,349                | 18,294,203       |
| <b>Creditors</b>          |                   |                          |                  |
| Due within one year       | (32,134,076)      | (6,607,129)              | (38,741,205)     |
| Due in more than one year | (9,322,864)       | (528,338)                | (9,851,202)      |
|                           | <u>2,817,545</u>  | <u>2,568,965</u>         | <u>5,386,510</u> |
| <b>Prior period</b>       |                   |                          |                  |
|                           | General Fund<br>£ | Restricted<br>Funds<br>£ | Total<br>£       |
| <b>Current assets</b>     |                   |                          |                  |
| Debtors                   | 25,694,616        | 9,535,779                | 35,230,395       |
| Cash at bank              | 20,241,098        | 1,884,685                | 22,125,783       |
| <b>Creditors</b>          |                   |                          |                  |
| Due within one year       | (34,844,919)      | (8,329,450)              | (43,174,369)     |
| Due in more than one year | (8,856,210)       | (968,153)                | (9,824,363)      |
|                           | <u>2,234,585</u>  | <u>2,122,861</u>         | <u>4,357,446</u> |

**15 Taxation**

The income of the Charity is exempt from corporate tax to the extent they are applied to its charitable objectives.

**16 Related Party transactions**

Details of related parties are included on pages 9 and 10. Information on donations received from Medical Research Council, Alzheimer's Research UK and Alzheimer's Society is given in note 4. Alzheimer's Research UK provided governance and finance support services to UK DRI Limited until 30 September 2022. In the year to 31 March 2023, the fee charged for this service was £47,500, excluding VAT (2022 - £82,500).

**17 Statement of financial activities**

As required under FRS 102, the following table shows the split of comparative information between funds for the year ended 31 March 2022

|                                        | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>£         |
|----------------------------------------|----------------------------|--------------------------|--------------------|
| <b>Income from:</b>                    |                            |                          |                    |
| Grants and donations                   | 24,255,472                 | 10,300,752               | 34,556,224         |
| Investments                            | 24,249                     | -                        | 24,249             |
| <b>Total income</b>                    | <b>24,279,721</b>          | <b>10,300,752</b>        | <b>34,580,473</b>  |
| <b>Expenditure on:</b>                 |                            |                          |                    |
| Charitable activities                  | 30,992,216                 | 9,368,404                | 40,360,620         |
| Net movement in funds before transfers | (6,712,495)                | 932,348                  | (5,780,147)        |
| Transfer between funds                 | 573,483                    | (573,483)                | -                  |
| <b>Net movement in funds</b>           | <b>(6,139,012)</b>         | <b>358,865</b>           | <b>(5,780,147)</b> |
| <b>Reconciliation of funds</b>         |                            |                          |                    |
| Funds balance at 1 April 2022          | 8,373,597                  | 1,763,996                | 10,137,593         |
| <b>Funds balance at 31 March 2023</b>  | <b>2,234,585</b>           | <b>2,122,861</b>         | <b>4,357,446</b>   |

## **UK DRI LTD**

### **Legal and administrative details**

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#### **Trustees (Directors)**

Chairman W J Rucker  
Other Trustees R S Buckle - nominated by the Medical Research Council  
F M Carragher – nominated by Alzheimer’s Society (resigned 1 April 2022)  
R Khan (appointed 30 June 2023)  
S. Kohlhaas – nominated by Alzheimer’s Research UK (appointed 19 July 2022)  
Dr M G Lee  
I A K Moodie  
J P Pisani  
Prof. S E Radford  
R Sharfie (appointed 30 June 2023)  
A J Shevas  
Sir D M Turnbull  
E L Whitcombe (appointed 8 March 2023)  
I Wilson - nominated by Alzheimer’s Research UK (resigned 19 July 2022)

#### **Company Secretary**

E E Chambers (resigned 12 February 2023)  
E M Danielewska (appointed 14 February 2023)

#### **Address – Premises and Postal**

6<sup>th</sup> Floor  
Maple House  
149 Tottenham Court Road  
London  
W1T 7NF

#### **Legal Status**

The Company limited by guarantee, was formed on 2 November 2017. Charity status was obtained on 17 August 2019. It is governed by its Memorandum and Articles of Association.

#### **Registered Charity number**

1179589

#### **Company number**

11045257

#### **Auditors**

RSM UK Audit LLP  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

#### **Bankers**

Barclays Bank plc  
15 Benet Street  
Cambridge  
CB2 3PZ

**UK DRI LTD**

England & Wales - Charity number 1179589

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# Accounts

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**UK DRI Ltd**

(A Company limited by guarantee and not having a share capital)

Annual Report and Financial Statements

Year Ended

31 March 2022

Company Registration No: 11045257

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## **Objective, Founding Principles and Activities**

### **Executive Summary**

Dementia is the biggest health challenge of our century – currently fifty million patients worldwide, projected to triple by 2050 – with huge financial, emotional, and social impact on people with dementia (PwD), their carers, families, and friends. Dementia is caused by a set of complex neurodegenerative disorders, with Alzheimer's disease accounting for approximately 60% of the cases. To date there is no way to prevent or even slow the progression of dementia, as there is still a major gap in our basic understanding of neurodegenerative disorders.

The UK Dementia Research Institute (UK DRI) is the biggest UK initiative supporting research to fill this knowledge gap, created as part of the *Prime Minister's challenge on dementia 2020* and supported by its three Founders, The Medical Research Council (MRC), Alzheimer's Society (AS) and Alzheimer's Research UK (ARUK).

The UK DRI was formed as a result of a joint venture between the MRC, AS and ARUK which created UK DRI Ltd. UK DRI Ltd was created in 2017 under a Joint Venture Agreement (JVA) which saw the three Founding Funders become members of the company and have a seat on the Board and Directors, each enjoying joint benefits.

However, in order to better reflect the funding levels each founder had contributed over the first five years, effective 31st March 2022 this agreement was dissolved and replaced by three bilateral agreements with UK DRI Ltd – one per founder. These suited all parties in that the founders received benefits commensurate with funding levels provided and UK DRI Ltd has much more certainty over its future funding levels.

This move was also in part due to a desire to be less dependent on a small number of funders. In recent years UK DRI Ltd has attracted over £5m in external (non-founder) funding, predominantly from pharma and private sector organisations as well as the MRC for capital equipment. It is expected that this trend will continue and as at September 2022, UK DRI Ltd has secured an additional £30m in non-founder funding from a new partner.

In order to attract a wider portfolio of funding, it is intended, during the latter part of 2022, to outsource a professional fundraising function, targeting, in particular, high net worth individuals.

The UK DRI's scientific operations are conducted at discrete research centres within six universities: UCL, Imperial, King's, Cambridge, Cardiff, and Edinburgh. Its headquarters are based at UCL and here the executive team determine and implement the UK DRI Ltd approved research strategy. UK DRI Ltd does not directly employ any staff. The UK DRI's scientific and headquarters operations are conducted by employees of the six universities who operate on behalf of UK DRI Ltd. The focus of subsequent information in this report is the performance and activities of the universities included in the UK DRI.

### **Objective**

We undertake original, ground-breaking research that will transform lives. We attract the brightest minds and give them the best technology and research tools. We work with each other, with people living with dementia and their families, with the wider scientific community and with industry to translate our findings into treatments. We are renowned for the quality of our science, our willingness to share data, ideas and resources, and our unwavering commitment to stop dementia in its tracks.

### **Founding Principles**

The UK DRI is based on four principles that we believe are key to UK DRI's success:

**Excellence**: Scientific excellence is the driver of UK DRI's success. Excellence is embedded in everything we do: recruitment/training of our staff, supporting innovative research, investing in the best technologies, and identifying strategic partners for collaboration. We use both internal and external peer review to evaluate excellence and monitor our progress and to evaluate any new initiative taken. Our commitment to equity, diversity and inclusivity (see [UK EDI equity, diversity and inclusivity statement](#)) means that we are mobilising the best talents from everywhere in society to provide opportunities to benefit from diverse thinking.

**Collaboration:** Dementia is a multifaceted disorder and understanding what drives it requires the expertise and perspectives of a multidisciplinary team of researchers. We have attracted talented researchers from diverse fields and backgrounds. We are developing their understanding and involvement in dementia research by embedding them in a collaborative working environment with well-established dementia researchers, offering opportunities for informal networking, receiving feedback, learning about, and discussing the latest developments in dementia research. At the UK DRI we break down barriers to enable interdisciplinary collaboration through our collaborative networks known as 'Themes'. In addition, we empower collaboration through our internal Awards programme. Data (and resource) sharing is key to our success. Our Informatics Steering Committee (and its satellite Working Groups) develop and champion the adoption of data/digital policies, mechanisms, and guidelines to enable an open research culture (in part facilitated by our Research Collaboration Services). We create synergy for maximum impact by collaborating with external partners across the dementia landscape. We act as a catalyst in the national and global dementia research community. We share data, ideas, talents, and resources, and open our workshops and symposia to the wider scientific community. We reach out to clinical partners, industry, and the government to work together to solve problems in the field.

**Translation:** It is the mission of the UK DRI to transform the lives of people affected by dementia. As the number of people affected by dementia is set to grow rapidly in the coming decades it has never been more urgent to translate our knowledge into clinical value for people. The UK DRI translation strategy builds upon the Institute's evolving scientific portfolio. We support our researchers in becoming more entrepreneurial in their thinking. Equally important are collaborations with NHS Trusts and care homes. We engage with external partners across the dementia research landscape to achieve our strategic goals and in return we lend our expertise to support their goals.

**Communication:** To achieve our goals, internal and external communication are both essential. Internal communications build a common understanding of our mission and enable our researchers to learn from one another, share ideas, and address problems together. External communications present the UK DRI to the outside world, raising the profile of the Institute amongst researchers, industry, policy makers and the general public across the UK and the world, explaining the importance of our work, what we do, progress made, and future needs. An important aspect is to keep research on dementia and neurodegenerative disorders high on the political and societal agenda and attuned to the needs of those affected by dementia.

### **Activities**

Over the past year the UK DRI has continued to build momentum in becoming a world-leading institute in dementia research. At the core of the institute is a strong scientific vision for how the UK DRI will uncover the most valuable insights into the mechanistic drivers of neurodegeneration and translate that understanding into ways to prevent, delay or manage dementia-causing diseases. Our founding principles remain the point of reference for our activities and programmes.

Despite the pandemic, 2021-2022 has been a very productive year with key recruitments, major publications, strengthening of collaborative initiatives and programmes, substantial leveraged funding, significant development of strategic partnerships and remarkable early success in the translational space. In the next section we highlight how progress over the past year has contributed to our mission.

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**Achievements and Performance (1 April 2021 – 31 March 2022)**

**Excellence.** We have continued to attract top talent, further strengthening our research capacity. This year we have made two new appointments to the Science Strategy and Operations Board: we recruited Prof Jernej Ule (from the Crick Institute) to take over from Prof Chris Shaw as the Centre Director for UK DRI at King's and Prof Caleb Webber as the UK DRI Director of Informatics. In addition, Prof David Rubinsztein has taken over from Prof Giovanna Mallucci as Interim Centre Director at UK DRI at Cambridge. Two new Group Leaders (Dr Veronique Miron from University of Edinburgh and Dr Patricio Opazo from University of Queensland) have joined since April 2021. Our institute is now a multidisciplinary network of seven centres with 700+ members, covering diverse aspects of dementia research such as immunology, DNA repair, bioengineering, circadian biology, genetics, systems neuroscience, RNA biology, metabolic sciences, and innovative technologies for dementia care. Within the UK DRI HQ Team, we have further recruited a Senior Innovation and Business Manager, Public Affairs Manager, Awards Officer, Communications Officer, and a Head of HR, bringing the team to a total of 23 members.

UK DRI researchers published 696 papers<sup>1</sup>, a 21% increase on 2020-2021. Our research outputs highlight key strengths in single cell 'omics and imaging approaches to transform our understanding of disease aetiology, novel biomarkers for early diagnosis and disease progress monitoring, and cutting-edge cell biology to dissect the role of non-neuronal cells in dementia and identify novel therapeutic targets'. Seven Group Leaders are [featured](#) in the 2021 list of Clarivate Highly Cited Researchers. Our research quality is also reflected in the substantial funding leveraged (including extremely competitive awards such as the UKRI Future Leader, Sir Henry Wellcome Fellowships, ASAP, [Part the Cloud](#), [Chan Zuckerberg Initiative](#)) and the numbers of plenary lectures delivered as well as sessions chaired by our researchers at major international scientific events.

In 2021-2022 we established our Emerging Leaders programme, a developmental programme unique to the UK DRI. This programme supports early career researchers to establish strong research networks and build skills necessary for establishing their own research groups through sponsorship and career mentoring. Emerging Leaders are mentored by a UK DRI Group Leader, meeting quarterly (as a minimum) to discuss scientific outputs, research progression, planned future programmes of research, career plans and development needs. Emerging Leaders will also have an annual development meeting with the UK DRI Centre Director. The group of Emerging Leaders form a peer network fostering cross-centre collaboration, knowledge sharing and peer support. Since April 2021 thirteen UK DRI Emerging Leaders have been selected across all of our centres, following nomination from their UK DRI Centre Directors and sponsoring Group Leaders.

**Collaboration.** We have promoted knowledge exchange and multidisciplinary collaborations within the institute with the Cross Centre Postdoctoral Programme (two awarded in Jul 2021) and our Pilot Programmes (eight awarded in Mar 2022). Furthermore, two Associate Members and 15 Co-Investigators were appointed between April 2021 and March 2022.

UK DRI cross-centre Themes are our primary mechanism for drawing together researchers from across the institute to discuss and develop ground-breaking ideas and cutting-edge technologies. We recently launched two new themes, Parkinson's disease (launched in Jan 2022), and Macroglia (Jan 2022), in addition to the five existing themes: Neuroinflammation (Nov 2018), Vascular (Oct 2019), Synapse and circuitry (May 2020), DNA repair (Aug 2020), and Informatics (Sep 2020). The collaborative nature of our Themes also facilitates relationships between researchers and stakeholders across the UK. We currently have >50 external collaborators linked to the various Themes, including collaborators from the University of Oxford, University of Newcastle, the Francis Crick Institute, ARUK Drug Discovery Alliance, the Queen Square Brain Bank, and Dementia Platforms UK (DPUK). In addition to several virtual events for each theme, this year we returned to hosting in person theme events, with two Early Career Researcher (ECR) events in September 2021 and a Vascular theme meeting in February 2022 hosted in collaboration with DPUK.

We strive to promote the adoption of cutting-edge, transformative technologies enabling novel ways to understand neurodegeneration. We ran a single cell/spatial transcriptomics workshop in May 2021 linked with pilot funding rounds (11 applications were funded). Our proteomics platform was inaugurated in November 2021 by the employment of platform lead scientist Dr Bethany Geary. In the first three months of operation, the platform has initiated 12 (ongoing) projects with UK DRI Group Leaders from four Centres. The platform has also engaged with researchers leading the Director's Initiatives and will play a key role in generating data for these initiatives. In addition, the platform has partnered with the Animal Models Programme to produce TurboID mouse lines for use in proximity-biotinylation pull-down mass spec studies.

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<sup>1</sup> Papers include all document types (excluding corrections) that are in the [Web of Science](#) Core Collection and have 'Dementia Research Institute' or 'UK DRI' in the 'Address' field. Data collected on 26 Jan 2022.

**Report of the Trustees for the year ended 31 March 2022 (continued)**

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In 2021-2022 we invested funds to establish a 'Biomarker Factory', a high-performance analytical platform for fluid biomarker development, validation, and measurement to expand on the institute's capability for world-leading research in this area. Building on the expertise of the Zetterberg lab (UK DRI at UCL, an international authority in the biomarker field), the Biomarker Factory will provide a unique and unparalleled research technology platform supporting biomarker identification and measurement of small-, medium- and large-scale (2000+ samples) projects. It will contribute to translatable biomarker pipelines from disease models to clinical trials, ultimately facilitating the development of new therapies and attracting partnerships including industry.

**Translation.** In July 2021 our centralised Innovation and Business team recruited a Senior Innovation and Business Manager to help implement a translation strategy that promotes a culture of translation through webinars and showcase events and has already delivered projects in digital platform, diagnostics and biomarkers, non-invasive neuromodulation, and gene/nucleic acid therapies. Two projects were [awarded](#) through the Eisai / UK DRI postdoctoral research awards in Jun 2021, and two Translation Awards were granted in January 2022. In addition to the existing partnership with Eisai Limited (Eisai), two additional multi-million strategic industry partnerships were established with Eli Lilly and Company (Lilly) and Astex Pharmaceuticals Limited (Astex), leading to over 15 (and growing) industry-funded collaborative projects with bi-directional knowledge transfer. Our portfolio of patents is also growing, attracting interest from a variety of investors. Partnerships with the NHS, care homes and local authorities are also supporting the translation of the 'Minder' platform (developed by our Care Research & Technology Centre) for at-home monitoring of people living with dementia. In November 2021, the first UK DRI spin-out AviadoBio completed an \$80m Series A round and it is anticipated clinical trial enrolment will commence at the end of 2022.

**Communication.** This year we recruited a Public Affairs Manager and Communications Officer to our communications team at the UK DRI HQ. We have had high-profile media coverage throughout the past year (including large features in BBC News, Times, Daily Mail, Financial Times) and are making strides in becoming the point of reference in dementia research for various audiences and stakeholders. In 2021-2022 we have had meetings with several MPs, the shadow Health Minister, Department of Health and Social Care and the Chair of All-Party Parliamentary Group on Dementia and have submitted evidence and briefings for government debates and reviews.

In October 2021 we held our second virtual Connectome, our annual Institute-wide research conference and retreat, bringing together the UK DRI community for three days of sharing, networking, and learning about the breadth of research being carried out at the UK DRI, initiating novel links, and fostering interdisciplinary, cross-centre projects. We have continued our series of virtual events prompted by the pandemic, including monthly ECR webinars (for ECRs to present and discuss their research informally), methodology highlights, translational events, seminars from high-profile scientists, and symposia.

We carried out our first staff survey in October 2021 to establish the diversity of people in the UK DRI and to identify potential areas of improvement. Compared to the UK population census data we have an underrepresentation of black and ethnic minority members of staff at the UK DRI. Our HQ team have been working with our Diversity Think Tank to define a strategy and to develop initiatives within the UK DRI to tackle this and other inequalities. These include partnering with the British Neuroscience Association (BNA) to fund three bursaries in their Scholars Programme to support undergraduate, masters or PhD students from underrepresented ethnic groups to build their career network through bursaries and mentorship and partnering with the In2science and In2research initiatives to provide placements for students in underrepresented groups on their path to PhD training. We have also recruited Equality, Diversity and Inclusion (EDI) consultant Elizabeth Adelodun, founder of the not-for-profit life sciences mentoring organisation MindTorch, to analyse our staff survey data, examine our existing and proposed initiatives from an EDI perspective, and to advise on our EDI strategy such that it has real impact across the UK DRI.

We are proud of what our institute has achieved so far despite the unexpected challenges brought by the pandemic. We are committed to deliver our mission and confident of our excellent research base, our multidisciplinary approaches and our strong drive towards collaboration and translation.

**Future Plans****The year ahead**

- Research operations will continue with partnership development and funding initiatives such as Pilot Projects Programme, Cross Centre Postdoctoral Awards, Eisai/UK DRI Postdoctoral Programme, Translation Awards. In 2022 we also launched a 'Grand Challenge' award of up to £1.5m to fund cutting-edge, boundary-pushing research excellence that is underpinned by meaningful collaboration (recipients to be announced in autumn 2022).
- We will continue building our UK DRI Data Science and Informatics Programme. The recently appointed Director of Informatics (Prof [Caleb Webber](#)) has joined the Science Strategy and Operations Board (SSOB), and he will work to build a team to assist him in the development of a Data Science and Informatics strategy for the UK DRI.
- There will be a continuous focus on fostering internal collaborations. Cross-centre themes will play a pivotal role, and several theme activities (many with external partners, e.g., DPUK and the Deep Dementia Phenotyping Network (DEMON) have already been planned, including at least one Group Leader retreat and one ECR event per theme.
- We will hold our 2022 Connectome (our annual Institute-wide research conference and retreat) in November (in person in Brighton after two years of virtual events), creating an excellent opportunity to share ideas and foster collaboration.
- The UK DRI will continue its engagement with the DEMON Network, Dementia UK Ecosystem and CURE-ND partners and develop additional strategic partnerships to create synergy for maximum impact. We held the first workshop for early career researchers from the CURE-ND alliance to come together on 25-27 May 2022.
- We will develop more training and career initiatives in collaboration with renowned organisations such as the European Molecular Biology Laboratory European Bioinformatics (EMBL-EBI) and the Francis Crick Institute, including tailored opportunities for Technologists.
- Our communications team will continue to work towards building a strong public voice for the UK DRI around the need for continued support for dementia research post-pandemic and weave our new influencing messaging into our broader content.

**Longer-term plans**

Throughout our quinquennial review process, we have been actively developing our vision for the next phase of the institute. We will focus on discovery science in dementia and building the strongest dementia-research ecosystem globally in the UK. We envisage an increased focus on institute-wide activities, external collaborations, data science and translational research.

In the next quinquennium, subject to the outcome of our first quinquennial review (expected in Dec 2022) we plan to:

- Continue to develop what will become the most productive and efficient discovery science dementia research institute in the world, open to collaborations both at home and abroad
- Build a world-class dementia data science programme to take full advantage of the data that we and others will produce.
- Build world-class technology platforms and data analytics capabilities and share the expertise and research outputs with the wider UK and international neuroscience research communities.
- Inspire UK DRI researchers to embark on carefully considered, high-risk/high-return science, drawing in expertise from external collaborators with the "grand challenge" opportunities to enhance the thematic work in the institute with partners outside the institute.
- Become more equitable, diverse, and inclusive.
- Provide a budget to support Theme symposia and training events and empower our Themes to carry out collaborative research projects via an annual competitive Theme research award programme.
- Continue to develop translational links and forge more partnerships to support our strategic goals and contribute our expertise to the field.
- Present a uniting voice for dementia research through our communications strategy, pushing the field forwards and uniting the dementia research ecosystem.
- Grow our funding and support from our university partners, external grants, industry/VC investment, commercialisation and further charitable support including new external support to fund the expansion of the Institute as described below.

### **Financial Review**

Headline figures from our financial statements show:

- Total income for the year of £34.6m (previous year £33.1m), of which £10.3m (previous year £5.1m) is restricted
- Total expenditure for the year of £40.4m (previous year £25.4m), of which £9.4m (previous year £4.6m) is restricted

### **In summary**

Charitable expenditure is principally funded by the founders, the MRC, AS and ARUK. Grants are awarded for the year commencing 1 April. As the impact of the COVID-19 pandemic lessened and due to a number of other positive factors, we have been able to commit all of the budget agreed by Trustees in the previous year. Additionally, we have been able to substantially increase the budget agreed by Trustees for the year ended 31 March 2023. Together with additional income received from MRC and third-party funders, total charitable expenditure recorded in the financial statements has increased by 59% on the previous year.

As funding receivable and budgets had been agreed for the year commencing 1 April 2022 by 31 March 2022, such income and expenditure for that year is also included.

Projected income of £26.0m for the year commencing 1 April 2022 is included in accrued income on the balance sheet. Research commitments included within creditors on the balance sheet includes £32.7m for the budget for the year from 1 April 2022.

### **Our funds**

Total funds held at 31 March 2022 were £4.4m. Of this amount, £2.2m (previous year £8.4m) were unrestricted and represent the free reserves of the Charity.

### **Our reserves policy**

The previous reserves policy was based on the fact that grant commitment funding is recognised on an annual basis and is not awarded until there is certainty in funding receivable from the founders. Each year at the February Board meetings, Trustees approve in principle grant funding for the following year from 1 April following receipt of a proposal from the UK DRI HQ. Founders are then invited to agree contributions towards the budget. Following confirmation of income, research grants for the following year are awarded. Additional funding may also be sought which may then lead to further grant commitments.

The Charity has no employees and minimal infrastructure costs. By the nature of this funding model, there is no need for significant reserves. The policy had been agreed that founders will commit additional funding up to £0.3m total. At 31 March 2020 total free reserves were £1.0m. As a consequence of Covid 19 the Trustees recognised that it would be prudent to have the ability to reduce the planned level of spending in a particular year to protect core funding in future years. At the Trustees Meeting on 5 October 2020, it was agreed to amend the reserves policy to allow for significant temporary provisions for future core funding to a level of £8m. Following the amendment to the policy total free reserves at 31 March 2021 were £8.4m and at 31 March 2022 had reduced to £2.2m. It is anticipated that free reserves will revert to the levels of the original reserves policy by 31 March 2023.

### **Our investment policy**

The funding model provides that the Charity will always have surplus cash, equivalent to outstanding current liabilities at any time. Cash surpluses are placed on bank deposit.

**Our structure, governance, and management**

UK DRI Ltd is a charitable company limited by guarantee and does not have a share capital. In the event of the charitable company being wound up, each member has guaranteed to contribute £1. The members are the Trustees of the company. As at 31 March 2022, there were ten Trustees. Currently, the maximum number of Trustees is thirteen. The Directors and Trustees are listed on page 26. UK DRI Ltd is a registered charity regulated by the Charity Commission for England and Wales.

The UK DRI was formed as a result of a joint venture agreement (JVA) between the MRC, AS and ARUK which created UK DRI Ltd. However, this JVA was dissolved effective 31<sup>st</sup> March 2022 as outlined earlier in this report.

In its place is three bilateral agreements, one per funder. MRC has a Core Funding Agreement with UK DRI Ltd which sees it retain its seat on the Board and it agrees to fund at least £125m over five years effective 1<sup>st</sup> April 2022. This level of funding sees MRC deemed a core funding partner.

ARUK has entered into a Strategic Alliance Agreement with UK DRI Ltd effective 1<sup>st</sup> April 2022, intending to fund a minimum of £12.5m over five years. At this level of funding ARUK are considered a strategic partner and thereby retain their seat on the Board.

AS has entered into a Strategic Alliance Agreement with UK DRI Ltd effective 1<sup>st</sup> April 2022, committing to fund £6.5m over five years. At this level of funding, they are considered a Funding Partner but do not retain their seat on the Board. Fiona Carragher previously represented AS's interest on the Board but resigned this position effective 31<sup>st</sup> March 2022.

The UK DRI is funded over a minimum five-year horizon by these three founding funders, via UK DRI Ltd, and its scientific operations are conducted at discrete research centres within six universities: UCL, Imperial, King's, Cambridge, Cardiff, and Edinburgh. Its headquarters are based at UCL and here the executive team determine and implement the UK DRI Ltd approved research strategy. UK DRI Ltd does not directly employ any staff. The UK DRI's scientific and headquarters operations are conducted by employees of the six universities who operate on behalf of UK DRI Ltd. Approximately 600 researchers, students and support staff are funded either full or part time by UK DRI Ltd. The focus of information presented earlier in this report is the performance and activities of the universities included in the UK DRI.

The Core Funding Agreement (MRC), Strategic Alliance Agreements (ARUK and AS), Institute Agreements and Terms and Conditions of Funding Agreement govern the relationship between UK DRI Ltd and the UK DRI and the host institutions. The executive team at the UK Dementia Research Institute attend Board Meetings to update Trustees on the activities of the Institute and to seek appropriate approvals under the governance arrangements.

**Governing document**

The objects of UK DRI Ltd, as set out in the Articles of Association, are to preserve and protect the health of the public and to advance education. This will be achieved by i) promoting and undertaking research into neurodegenerative disorders (and illnesses contributing to such disorders), and associated factors, that give rise to the dementia and related conditions including research that elucidates the nature, cause, symptoms, diagnosis, prevention, treatment and for care of the range of disorders that give rise to the dementias and related conditions; and ii) developing the outputs of such research to provide increased accuracy and timeliness of diagnosis and interventions that prove effective in treating and improving the care of people with dementia and which may ultimately prevent and/or cure dementia and related conditions.

**Trustees' appointment and training**

Subject to being a Member at the relevant time, each Core Funding Partner (MRC) and Strategic Funding Partner (ARUK) shall be entitled to appoint, one person who is willing to act as a Trustee. A Trustee so appointed shall be a "Founder Trustee" for the purposes of the Articles of Association. Founder Trustees can be removed from office by written notice from his/her appointer.

The Trustees shall make appointments on such terms as they decide (including, without limitation, the term of his or her appointment) and will review each appointment at least every three years on a rotational basis. Independent Trustees can be removed if the majority of the Board resolve that he/she shall cease to be a Trustee.

New Trustees are appointed through a recruitment campaign, depending on the experience and key skills needed. New Trustees are interviewed by the Chair along with others from the Board as needed and are formally approved at the UK DRI Ltd Board meeting.

## UK DRI LTD

### Report of the Trustees for the year ended 31 March 2022 (continued)

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On appointment, new Trustees are provided with a Trustee handbook and given a formal induction. The Trustee handbook includes the Charity's Articles of Association, as well as key governance documentation. Trustees are also given key guidance from the Charity Commission – CC3 The Essential Trustee. Ongoing training is provided for Trustees as relevant throughout their term.

#### Related parties

As at the date of signing this report MRC, ARUK and LifeArc (Registered charity number 1015243) are all related parties.

MRC have an agreement with UK DRI Ltd and they intend to fund £125m over the five years starting 1 April 2022. Furthermore, this agreement provides for an MRC representative having a seat on the UK DRI Ltd Board.

ARUK have an agreement with UK DRI Ltd and they intend to fund £12.5m over the five years starting 1 April 2022. This agreement also provides for an ARUK representative having a seat on the UK DRI Ltd Board

LifeArc have signed a translational partnership agreement with UK DRI Ltd effective July 2022 which will provide £30m of funding over five years in order to further the translational research of the Institute. This will see a series of grants made by a joint Life Arc/UK DRI Committee to the UK DRI Centres. Whilst the agreement does not provide for LifeArc having an automatic seat on the UK DRI Ltd Board, their current CEO and a separate Board member are currently Board directors of UK DRI Ltd

The new agreement with AS does not provide for a representative on the Board and accordingly they are no longer considered to be a related party.

Further details of related party transactions in the year are included in Note 4 and 16.

#### Risks and uncertainties

UK DRI Ltd is a grant funding charity with no employees or infrastructure costs. The funding model is such that grant commitments are only entered into when there is certainty of funding from donors being received.

The grants fund the work of UK DRI. A register is maintained of the principal risks and uncertainties of the Institute which is populated by the Executive Team of the UK Dementia Research Institute. The Chief Executive, Chief Operating Officer and Finance Director of UK DRI may be required to attend UK DRI Ltd Board Meetings. They regularly update the Board at the meeting of movements in the risk register.

#### Public benefit

The Trustees have referred to the guidance contained on the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set. The public benefits through the world class research we are able to fund.

The report of the Trustees prepared under the Charities Act 2011, which also contains all information required in a Directors' Report by the Companies Act 2006, and the incorporated Strategic report prepared under the Companies Act 2006, were approved by the Board of Trustees on 2022 and signed on behalf of the Trustees by



WILLIAM RUCKER, Chairman

The Trustees (who are also Directors of UK DRI Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable laws and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 for that period. In preparing those 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 the standards applicable under FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' 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 charitable company will continue in business.

The Trustees are responsible for keeping proper and adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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.

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

**Opinion**

We have audited the financial statements of UK DRI Ltd (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities incorporating and income and expenditure account, the Balance Sheet, the Cash Flow Statement, 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 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 March 2022 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 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 trustees' 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 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 the audit:

- the information given in the Report of the Trustees, which includes the Directors' Report, and the Strategic 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 and the Strategic Report included within the Report of the Trustees have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report, or the Strategic Report included within the Report of the Trustees.

We have nothing to report in respect of the following matters where 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.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 9, 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.

**The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected, or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to any new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The audit engagement team identified the risk of management override of controls and the completeness of income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, and performing tests of detail in relation to completeness of income.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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.

CLAIRE SUTHERLAND (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB  
Date

# UK DRI LTD

## Statement of financial activities incorporating an income and expenditure account for the year ended 31 March 2022

|                                               | Note | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Year ended<br>31 March<br>2022<br>Total<br>£ | Year ended<br>31 March<br>2021<br>Total<br>£ |
|-----------------------------------------------|------|----------------------------|--------------------------|----------------------------------------------|----------------------------------------------|
| <b>Income from:</b>                           |      |                            |                          |                                              |                                              |
| Donations                                     | 4    | 24,255,472                 | 10,300,752               | <b>34,556,224</b>                            | 33,098,200                                   |
| Investments                                   | 5    | 24,249                     | -                        | <b>24,249</b>                                | (591)                                        |
| <b>Total income</b>                           |      | <b>24,279,721</b>          | <b>10,300,752</b>        | <b>34,580,473</b>                            | <b>33,097,609</b>                            |
| <b>Expenditure on:</b>                        |      |                            |                          |                                              |                                              |
| Charitable activities                         | 6    | 30,992,216                 | 9,368,404                | <b>40,360,620</b>                            | 25,444,106                                   |
| <b>Net movement in funds before transfers</b> |      | <b>(6,712,495)</b>         | <b>932,348</b>           | <b>(5,780,147)</b>                           | <b>7,653,503</b>                             |
| Transfers between funds                       |      | 573,483                    | (573,483)                | -                                            | -                                            |
| <b>Net movement in funds</b>                  |      | <b>(6,139,012)</b>         | <b>358,865</b>           | <b>(5,780,147)</b>                           | <b>7,653,503</b>                             |
| <b>Reconciliation of funds:</b>               |      |                            |                          |                                              |                                              |
| Funds balance at 1 April 2021                 |      | 8,373,597                  | 1,763,996                | <b>10,137,593</b>                            | 2,484,090                                    |
| <b>Funds Balance at 31 March 2022</b>         |      | <b>2,234,585</b>           | <b>2,122,861</b>         | <b>4,357,446</b>                             | <b>10,137,593</b>                            |

**UK DRI LTD**

Balance Sheet as at 31 March 2022

Charity number: 1179589

Company number: 11045257

|                                                                | Notes | 2022<br>£           | 2021<br>£           |
|----------------------------------------------------------------|-------|---------------------|---------------------|
| <b>Current assets</b>                                          |       |                     |                     |
| Debtors                                                        | 9     | 35,230,395          | 27,445,813          |
| Cash at bank                                                   |       | 22,125,783          | 27,413,988          |
|                                                                |       | <u>57,356,178</u>   | <u>54,859,801</u>   |
| <b>Creditors: amounts falling due within one year</b>          | 10    | <u>(43,174,369)</u> | <u>(36,780,827)</u> |
| <b>Net current assets</b>                                      |       | <u>14,181,809</u>   | <u>18,078,974</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 11    | <u>(9,824,363)</u>  | <u>(7,941,381)</u>  |
| <b>Total assets less total liabilities</b>                     |       | <u>4,357,446</u>    | <u>10,137,593</u>   |
| <b>Funds</b>                                                   |       |                     |                     |
| Restricted funds                                               | 12    | 2,122,861           | 1,763,996           |
| Unrestricted funds                                             |       |                     |                     |
| General funds                                                  | 13    | 2,234,585           | 8,373,597           |
|                                                                |       | <u>4,357,446</u>    | <u>10,137,593</u>   |

The financial statements on pages 13 to 25 were approved by the Trustees and authorised for issue on ..... and are signed on its behalf by:



W J Rucker  
Trustee

The notes on pages 16 to 25 form part of these financial statements

**UK DRI LTD****Cashflow statement for the year ended 31 March 2022**

|                                                                                |   | <b>Year ended<br/>31 March<br/>2022</b> | <b>Year ended<br/>31 March<br/>2021<br/>£</b> |
|--------------------------------------------------------------------------------|---|-----------------------------------------|-----------------------------------------------|
| <b>Cash flows from operating activities</b>                                    |   |                                         |                                               |
| Net cash provided by operating activities                                      | a | <b>(5,312,453)</b>                      | 9,908,533                                     |
| <b>Cash flow from investing activities</b>                                     |   |                                         |                                               |
| Investment income                                                              |   | <b>24,249</b>                           | (591)                                         |
| <b>Net cash provided by investing activities</b>                               |   | <b>(5,288,204)</b>                      | 9,907,942                                     |
| <b>Change in cash and cash equivalents in reporting period</b>                 |   | <b>(5,288,204)</b>                      | 9,907,942                                     |
| Cash and cash equivalents at the beginning of the reporting period             |   | <b>27,413,988</b>                       | 17,506,046                                    |
| <b>Cash and cash equivalents at the end of the reporting period</b>            | b | <b>22,125,783</b>                       | 27,413,988                                    |
| <b>Reconciliation of expenditure to net cashflow from operating activities</b> |   |                                         |                                               |
| <b>a. Net cash provided by operating activities</b>                            |   |                                         |                                               |
| Net movement in funds                                                          |   | <b>(5,780,147)</b>                      | 7,653,503                                     |
| <b>Adjustments for:</b>                                                        |   |                                         |                                               |
| Interest from investments                                                      |   | <b>(24,249)</b>                         | 591                                           |
| Decrease/(increase) in debtors                                                 |   | <b>(7,784,581)</b>                      | 1,682,874                                     |
| Increase in creditors                                                          |   | <b>8,276,524</b>                        | 571,565                                       |
|                                                                                |   | <b>(5,312,453)</b>                      | 9,908,533                                     |
| <b>b. Analysis of cash and cash equivalents</b>                                |   |                                         |                                               |
| <b>Cash at bank and in hand</b>                                                |   | <b>22,125,783</b>                       | 27,413,988                                    |
| <b>c. Analysis of changes in net funds</b>                                     |   |                                         |                                               |
| Opening net funds                                                              |   | <b>27,413,988</b>                       | 17,506,046                                    |
| Cashflows of the entity                                                        |   | <b>(5,288,205)</b>                      | 9,907,942                                     |
| Closing net funds                                                              |   | <b>22,125,783</b>                       | 27,413,988                                    |

The notes on pages 16 to 25 form part of these financial statements

**1 Accounting policies****Basis of accounting**

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 (FRS102) – (Charities SORP(FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

UK DRI Ltd is an incorporated charity, limited by guarantee, domiciled, and registered in England and Wales, which constitutes a Public Benefit entity as defined by FRS 102. The address of its registered office is set out on page 26. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise stated.

**Fund accounting**

The charity maintains various types of funds as follows:

**Restricted funds**

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

**Unrestricted funds**

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the Charity.

**Income**

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable probability of receipt. The following accounting policies are applied to income:

**Donations**

Donations are reported gross and accounted for at the point when the Charity is entitled to the income, there is probability of receipt, and the monetary value can be measured with sufficient reliability.

**Investment income**

Investment income is accounted for when receivable. Tax recoverable relating to investment income is accounted for in the same period as the related income.

**Expenditure**

All expenditure is accounted for on an accruals basis.

Charitable activities represent expenditure incurred in issuing grants to academic institutions for research purposes.

Support costs are attributed to the expenditure classifications using a percentage based upon the direct expenditure allocation.

**Research commitments**

Research commitments are accounted for as expenditure in the Statement of Financial Activities when there is a constructive obligation based on a formal offer to the recipient. The present value of future commitments to research has been considered at a discount rate of 0.2% and the resulting potential discounting is not considered to be material to the overall value of the commitment, or to the net movement in funds on a recurrent basis.

**1. Accounting policies (continued)****Debtors**

Other debtors are recognised at the settlement amount due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

**Creditors**

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

**Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as a basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised costs using the effective interest method.

**Going concern**

The use of the going concern basis of accounting is considered to be appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Charity to continue as a going concern.

The Charity's business activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees Report and incorporated Strategic Report on pages 1 to 8. The Charity currently has significant liquid resources which are in excess of all research commitments which have been made. There are no borrowings.

The financial model of UK DRI Ltd is such that research commitments are only made where it has the funds to do so. All agreements with universities explicitly state this clause. Notwithstanding this point, the HQ Team at UK DRI work closely with the universities in planning for the medium term.

Detailed cash flow forecasts have been prepared for the period to March 2023 when the next Quinquennial Quality Review (QQR.) period begins. The forecasts show that core research activities and strategic grants included in the grant awards budget for the year ended 31 March 2023 at each University, can be maintained based on the known level of income from the MRC and the two founder charity partners.

Early indications from the QQR process are that funding will be maintained until the next QQR in 2028 at a level which would enable the DRI to continue to operate in line with its existing capacity. Budgets are being prepared for the year ended 31<sup>st</sup> March 2024 at the indicated level.

The Trustees are confident that the Charity is a going concern, and that there are triggers and safeguards which can be deployed to ensure the future operation of the Charity, if needed.

**Critical accounting estimates and areas of judgement**

Estimates and judgements 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*

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are not considered to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

*Critical areas of judgement*

The Trustees do not consider that there are any critical areas of judgement applied in the preparation of these financial statements.

**UK DRI LTD****Notes forming part of the financial statements for the year ended 31 March 2022 (Continued)****2 Net income for the year**

Net income for the year is stated after charging:

|                | Year ended<br>31 March 2022<br>£ | Year ended<br>31 March 2021<br>£ |
|----------------|----------------------------------|----------------------------------|
| Audit services | <u>17,650</u>                    | <u>13,000</u>                    |

**3 Information regarding employees and Trustees**

There were no employees during the year (2021: nil).

Trustees are not remunerated. Trustee expenses relating to travel and subsistence for one Trustee amounted to £231 (2021: £Nil) in the year.

**4 Income from donations**

|                          | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>year ended<br>31 March 2022<br>£ | Total<br>year ended<br>31 March 2021<br>£ |
|--------------------------|----------------------------|--------------------------|-------------------------------------------|-------------------------------------------|
| Medical Research Council | 22,175,000                 | 6,333,999                | <b>28,508,999</b>                         | 28,467,286                                |
| Alzheimer's Research UK  | 2,000,000                  | 500,000                  | <b>2,500,000</b>                          | 2,000,000                                 |
| Alzheimer's Society      | -                          | 1,300,000                | <b>1,300,000</b>                          | 1,000,000                                 |
| Other donations          | 80,472                     | 2,166,753                | <b>2,247,225</b>                          | 1,630,914                                 |
|                          | <u>24,255,472</u>          | <u>10,300,752</u>        | <u><b>34,556,224</b></u>                  | <u>33,098,200</u>                         |

**5 Income from investments**

|               | Year ended<br>31 March 2022<br>£ | Year ended<br>31 March 2021<br>£ |
|---------------|----------------------------------|----------------------------------|
| Bank deposits | <u>24,249</u>                    | <u>(591)</u>                     |

**6 Expenditure on charitable activities**

|                   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>year ended<br>31 March<br>2022<br>£ | Total<br>Year ended<br>31 March<br>2021<br>£ |
|-------------------|----------------------------|--------------------------|----------------------------------------------|----------------------------------------------|
| Dementia research | <u>30,992,216</u>          | <u>9,368,404</u>         | <u><b>40,360,620</b></u>                     | <u>25,444,106</u>                            |

**UK DRI LTD****Notes forming part of the financial statements for the year ended 31 March 2022 (Continued)****7 Support costs**

|             | Year ended<br>31 March<br>2022<br>£ | Year ended<br>31 March<br>2021<br>£ |
|-------------|-------------------------------------|-------------------------------------|
| Secretariat | 99,000                              | 89,174                              |
| Governance  | 98,851                              | 49,729                              |
|             | <u>197,851</u>                      | <u>138,903</u>                      |

All support costs have been allocated to charitable activities for the year.

**8 Grant giving**

|                                                                             | Year ended<br>31 March<br>2022<br>£ | Year ended<br>31 March<br>2021<br>£ |
|-----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Commitments made to UKDRI in the prior year                                 | 28,807,000                          | 30,258,000                          |
| New commitments made during the year                                        | 7,531,211                           | 4,618,391                           |
| Commitments no longer required                                              | (60,442)                            | (8,120,187)                         |
|                                                                             | <u>36,277,769</u>                   | <u>26,756,204</u>                   |
| Commitments confirmed to institutions in respect of year to 31 March        | 36,277,769                          | 26,756,204                          |
| Less unallocated brought forward commitment made to UKDRI in the prior year | (28,807,000)                        | (30,258,000)                        |
| New commitments made to UKDRI during the year                               | 32,692,000                          | 28,807,000                          |
| Support costs                                                               | 197,851                             | 138,903                             |
|                                                                             | <u>40,360,620</u>                   | <u>25,444,107</u>                   |

All grants are paid to institutions. An analysis of grant-funded research by host institution with details of grants awarded during the year, forming part of these audited financial statements, can be found below:

|                           | Year ended<br>31 March<br>2022<br>£ | Year ended<br>31 March<br>2021<br>£ |
|---------------------------|-------------------------------------|-------------------------------------|
| University of Cambridge   | 3,400,926                           | 2,598,349                           |
| Cardiff University        | 3,838,027                           | 2,437,057                           |
| Dundee University         | 94,388                              | (160,558)                           |
| University of Edinburgh   | 5,438,182                           | 3,442,950                           |
| Imperial College London   | 9,222,771                           | 8,305,321                           |
| Kings College London      | 3,042,841                           | 2,842,849                           |
| MRC Harwell               | 15,545                              | 111,043                             |
| University College London | 9,981,200                           | 6,338,769                           |
| Other                     | 1,243,889                           | 840,424                             |
|                           | <u>36,277,769</u>                   | <u>26,756,204</u>                   |

# UK DRI LTD

## Notes forming part of the financial statements for the year ended 31 March 2022 (Continued)

### 9 Debtors

|                | 2022<br>£         | 2021<br>£         |
|----------------|-------------------|-------------------|
| Other debtors  | 9,255,395         | 3,445,813         |
| Accrued income | 25,975,000        | 24,000,000        |
|                | <u>35,230,395</u> | <u>27,445,813</u> |

### 10 Creditors: amounts falling due within one year

|                                 | 2022<br>£         | 2021<br>£         |
|---------------------------------|-------------------|-------------------|
| Accruals                        | 123,620           | 105,180           |
| Other taxes and social security | 2,888             | -                 |
| Research commitments            | 43,047,861        | 36,675,647        |
|                                 | <u>43,174,369</u> | <u>36,780,827</u> |

### 11 Creditors: amounts falling due after more than one year

|                                                                             | 2022<br>£         | 2021<br>£         |
|-----------------------------------------------------------------------------|-------------------|-------------------|
| Research commitments                                                        | 9,824,363         | 7,941,381         |
| Ageing of long-term liabilities                                             |                   |                   |
| 1 – 2 years                                                                 | 9,438,985         | 7,941,381         |
| 2 – 5 years                                                                 | 385,378           | -                 |
|                                                                             | <u>9,824,363</u>  | <u>7,941,381</u>  |
| <b>Reconciliation of research commitments</b>                               |                   |                   |
| Balance brought forward                                                     | 44,617,028        | 43,995,688        |
| New research commitments entered into during the year for dementia research | 36,277,769        | 26,756,204        |
| Research commitments for year to 31 March 2022 approved by Trustees         | 32,692,000        | 28,807,000        |
| Reversal of research commitments approved by Trustees in previous period    | (28,807,000)      | (30,258,000)      |
| Amounts spent in the period                                                 | (31,907,573)      | (24,683,864)      |
|                                                                             | <u>52,872,224</u> | <u>44,617,028</u> |

**UK DRI LTD****Notes forming part of the financial statements for the year ended 31 March 2022 (Continued)****12 Movement in and allocation of restricted funds**

|                                        | As at<br>31 March<br>2021<br>£ | Income<br>£       | Expenditure<br>£   | Transfers        | As at<br>31 March<br>2022<br>£ |
|----------------------------------------|--------------------------------|-------------------|--------------------|------------------|--------------------------------|
| Eisai/DRI post-doctoral scheme         | 1,030,861                      | -                 | (361,947)          | (88,789)         | <b>580,125</b>                 |
| MRC - 2020 Capital Awards              | 215,739                        | -                 | -                  | (215,739)        | -                              |
| Lilly - Post Docs                      | 517,396                        | -                 | (468,615)          | (48,781)         | -                              |
| Lilly - Studentships                   | -                              | 249,680           | (169,693)          | (79,987)         | -                              |
| Biogen                                 | -                              | 456,161           | (456,161)          | -                | -                              |
| Janssen                                | -                              | 164,912           | (164,912)          | -                | -                              |
| Astex                                  | -                              | 1,296,000         | (874,000)          | (140,667)        | <b>281,333</b>                 |
| MRC - Impact Acceleration Account 2021 | -                              | 1,242,000         | -                  | -                | <b>1,242,000</b>               |
| MRC - Rebranding                       | -                              | 19,403            | -                  | -                | <b>19,403</b>                  |
| MRC – Capital World Class Labs 21-22   | -                              | 2,239,596         | (2,239,596)        | -                | -                              |
| MRC - Capital awards 21-22             | -                              | 2,833,000         | (2,833,480)        | 480              | -                              |
| Alzheimer's Research UK                | -                              | 500,000           | (500,000)          | -                | -                              |
| Alzheimer's Society                    | -                              | 1,300,000         | (1,300,000)        | -                | -                              |
|                                        | <u>1,763,996</u>               | <u>10,300,752</u> | <u>(9,368,404)</u> | <u>(573,483)</u> | <u><b>2,122,861</b></u>        |

**Eisai/DRI post-doctoral scheme**

Eisai has provided funding for four years from 2019 under the Eisai/DRI post -doctoral scheme to support new areas of dementia research. Award letters will be issued to host universities for relevant projects. During the year ended 31 March 2022, £88,789 was transferred to unrestricted funds reflecting the staff and overhead costs incurred at UK DRI HQ in the year.

**MRC - Capital awards**

The MRC has provided funding to enable awards to be made to three separate capital projects for host universities.

**Lilly - Post Docs**

UK DRI Limited has received funding from Lilly under the 'Research Programme for Novel Target Identification for Neurodegeneration'. This was used to fund Prof Caleb Webber at Cardiff University and Profs Adrian Isaacs and Giampetro Schiavo at UCL conducting the following research project: Identify critical regulators of Tau release and re-uptake and determining modifiers of these processes acting on key pharmacological nodes. The income receivable includes a contribution receivable of £262,781 towards the direct costs of UK DRI HQ. During the year ended 31 March 2022, £48,781 was transferred to unrestricted funds reflecting the staff and overhead costs incurred at UK DRI HQ in the year.

**Lilly - Studentships**

UK DRI Limited has received funding from Lilly under the 'Research Programme for Novel Target Identification for Neurodegeneration' agreement. This was used to fund PhD student Naciye Magusali at the UK DRI at UCL Centre to undertake the three-year project: Investigating the mechanisms of action of the new risk gene interferon-responsive OAS1 in innate immune cells in the context of Alzheimer's disease and COVID-19. The income receivable includes a contribution of £79,987 towards the direct costs of UK DRI HQ.

**Biogen**

UK DRI Ltd entered into an agreement with Biogen MA Inc. on the 1 July 2021 which will see UK DRI Ltd receive £456,161 of funding in exchange for procuring the following research project via its UK DRI research centres: UK DRI Large-scale Longitudinal investigation of imaging and fluid-based biomarkers of brain injury. This research will be overseen on a day-to-day basis by Prof Henrik Zetterburg at the University College London centre.

**12. Movement in and allocation of restricted funds (continued)**

**Janssen**

On 4 June 2021, UK DRI Ltd entered into an agreement with Janssen Pharmaceuticals which provided £164,912 to conduct the two-year research project titled 'Validation of the complement pathway as target for Tauopathies' which is being carried out by Professor Bart De Strooper.

**Astex**

On 26 May 2021, UK DRI Ltd entered into a Strategic Research Collaboration Agreement with Astex with the intention of Astex funding certain research projects of their choosing. The first two of these sees £1,296,000 receivable from Astex which will fund two three-year projects: one project conducted by Dr Veronique Miron at the Edinburgh Centre and another by Prof David Klenerman at the Cambridge Centre, with a residual £421,666 off-setting UK DRI HQ's direct costs over three years.

**MRC - Impact Acceleration Account 2021**

On 23 March 2022, UK DRI Ltd received an award for £1,242,000 over three years from the MRC in response to an application made under its Impact Acceleration Award scheme. UK DRI HQ will deploy these funds on specific research projects over the next three years at its seven research centres.

**MRC - Rebranding**

As a result of MRC's own rebranding, reflecting their relationship with UKRI, they have made £19,403 available for UK DRI to update its branding at the seven Centres and HQ in recognition that MRC a founding funder of UK DRI. These funds will be used to update signage, plaques, etc.

**Alzheimer's Research UK**

Upon termination of the Joint Venture Agreement on 31 March 2022, ARUK and UK DRI Ltd entered into a Strategic Alliance Agreement which provides £500,000 of funding for UK DRI Ltd to use on translational research funding in the year ahead. The UK DRI HQ team intend to make £500,000 of awards via their Translational Award scheme in financial year 2022/23.

**Alzheimer's Society**

Upon termination of the Joint Venture Agreement on 31 March 2022, AS and UK DRI Ltd entered into a Strategic Alliance Agreement which provides £1,300,000 of funding for UK DRI Ltd to use on two targeted areas of funding. Namely, the Care Research and Technology Centre at Imperial College London and the Blood-based Biomarkers Platform at the UCL Centre. This funding will be deployed in full against these two initiatives in financial year 2022/23.

## Prior year

|                                    | As at<br>31 March<br>2020 | Income           | Expenditure        | Transfers        | As at<br>31 March<br>2021 |
|------------------------------------|---------------------------|------------------|--------------------|------------------|---------------------------|
|                                    | £                         | £                | £                  |                  | £                         |
| Dementia Discovery Award Agreement | 234,600                   | -                | (234,600)          | -                | -                         |
| Eisai/DRI post-doctoral scheme     | 1,275,268                 | -                | (244,407)          | -                | 1,030,861                 |
| MRC – Capital Awards               | 735                       | -                | 215,004            | -                | 215,739                   |
| MRC - Capital World Class Labs     | -                         | 913,991          | (913,991)          | -                | -                         |
| MRC - Capital CR&T                 | -                         | 2,554,000        | (2,554,000)        | -                | -                         |
| Alzheimer's Association            | -                         | 417,793          | (417,793)          | -                | -                         |
| Lilly                              | -                         | 1,200,000        | (468,604)          | (214,000)        | 517,396                   |
|                                    | <u>1,510,603</u>          | <u>5,085,784</u> | <u>(4,618,391)</u> | <u>(214,000)</u> | <u>1,763,996</u>          |

**Dementia Discovery Award Agreement**

UK DRI Limited has received funding from DDF Discovery Limited which has been used to fund an award to Edinburgh University for the development of a neuro-gliovascular model to define neuroinflammatory Cascades.

**Eisai/DRI post-doctoral scheme**

Eisai has provided funding for four years from 2019 under the Eisai/DRI post -doctoral scheme to support new areas of dementia research. Award letters will be issued to host universities for relevant projects.

**MRC - Capital awards**

The MRC has provided funding to enable awards to be made to host universities for capital projects.

**Alzheimer's Association**

UK DRI Limited has received funding from Alzheimer's Association of USA under their 'Alzheimer's Disease Strategic Fund'. This was used to fund 2 awards: 1) Prof Bart De Strooper (ViB) and Dr Sarah Marzi (Imperial College London) - investigating epigenetics to characterise the regulation of cellular states in microglia that contribute to Alzheimer's disease pathology. 2) Prof Paul Matthews and Dr Nathan Skene (both Imperial College London) - piloting initial data platform integration and accessibility.

**Lilly**

UK DRI Limited has received funding from Lilly under the 'Research Programme for Novel Target Identification for Neurodegeneration'. This was used to fund Professor Caleb Webber at Cardiff University and Professors Adrian Isaacs and Giampetro Schiavo at UCL conducting the following research project: Identify critical regulators of tau release and re-uptake, and determining modifiers of these processes acting on key pharmacological nodes. The income receivable from Lilly includes a contribution of £264,000 towards the direct costs of UK DRI HQ. During the year ended 31 March 2021 £214,000 was transferred to unrestricted funds reflecting the staff and overhead costs at UK DRI HQ incurred on this project to date

**13 Movements in unrestricted funds**

|                     | As at<br>31 March<br>2021 | Income            | Expenditure         | Transfers      | As at<br>31 March<br>2022 |
|---------------------|---------------------------|-------------------|---------------------|----------------|---------------------------|
|                     | £                         | £                 | £                   | £              | £                         |
| General fund        | <u>8,373,597</u>          | <u>24,279,721</u> | <u>(30,992,216)</u> | <u>573,483</u> | <u>2,234,585</u>          |
| <b>Prior period</b> |                           |                   |                     |                |                           |
| General fund        | <u>973,487</u>            | <u>28,011,825</u> | <u>(20,825,715)</u> | <u>214,000</u> | <u>8,373,597</u>          |

**UK DRI LTD****Notes forming part of the financial statements for the year ended 31 March 2022 (Continued)****14 Analysis of assets and liabilities between funds**

|                           | <b>General Fund</b> | <b>Restricted Funds</b> | <b>Total</b>        |
|---------------------------|---------------------|-------------------------|---------------------|
|                           | <b>£</b>            | <b>£</b>                | <b>£</b>            |
| <b>Current assets</b>     |                     |                         |                     |
| Debtors                   | 24,180,807          | 11,049,588              | <b>35,230,395</b>   |
| Cash at bank              | 21,754,907          | 370,876                 | <b>22,125,783</b>   |
| <b>Creditors</b>          |                     |                         |                     |
| Due within one year       | (34,844,919)        | (8,329,450)             | <b>(43,174,369)</b> |
| Due in more than one year | (8,856,210)         | (968,153)               | <b>(9,824,363)</b>  |
|                           | <b>2,234,585</b>    | <b>2,122,861</b>        | <b>4,357,446</b>    |

**Prior period**

|                           | <b>General Fund</b> | <b>Restricted Funds</b> | <b>Total</b>        |
|---------------------------|---------------------|-------------------------|---------------------|
|                           | <b>£</b>            | <b>£</b>                | <b>£</b>            |
| <b>Current assets</b>     |                     |                         |                     |
| Debtors                   | 24,000,000          | 3,445,813               | <b>27,445,813</b>   |
| Cash at bank              | 25,425,634          | 1,988,354               | <b>27,413,988</b>   |
| <b>Creditors</b>          |                     |                         |                     |
| Due within one year       | (33,283,684)        | (3,497,143)             | <b>(36,780,827)</b> |
| Due in more than one year | (7,768,353)         | (173,028)               | <b>(7,941,381)</b>  |
|                           | <b>8,373,597</b>    | <b>1,763,996</b>        | <b>10,137,593</b>   |

**15 Taxation**

The income of the Charity is exempt from Corporate tax to the extent they are applied to its charitable objectives.

**16 Related Party transactions**

Details of related parties are included on page 8. Information on donations received from the MRC, ARUK and AS is given in note 4. ARUK provides governance and finance support services to UK DRI Limited. In the year to 31 March 2022, the fee charged for this service was £82,500 (2021: £75,000), excluding VAT.

**17 Statement of financial activities**

As required under FRS 102, the following table shows the split of comparative information between funds for the year ended 31 March 2021

|                                       | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>£        |
|---------------------------------------|----------------------------|--------------------------|-------------------|
| <b>Income from:</b>                   |                            |                          |                   |
| Donations                             | 28,012,416                 | 5,085,784                | <b>33,098,200</b> |
| Investments                           | (591)                      | -                        | <b>(591)</b>      |
| <b>Total income</b>                   | <b>28,011,825</b>          | <b>5,085,784</b>         | <b>33,097,609</b> |
| <b>Expenditure on:</b>                |                            |                          |                   |
| Charitable activities                 | 20,825,715                 | 4,618,391                | <b>25,444,106</b> |
| Net movement in funds                 | 7,186,110                  | 467,393                  | <b>7,653,503</b>  |
| <b>Reconciliation of funds</b>        |                            |                          |                   |
| Funds balance at 1 April 2020         | 973,487                    | 1,510,603                | <b>2,484,090</b>  |
| <b>Funds balance at 31 March 2021</b> | <b>8,373,597</b>           | <b>1,763,996</b>         | <b>10,137,593</b> |

**18 Comparative period**

The figures for the previous period are from 1 April 2020 to 31 March 2021.

## **UK DRI LTD**

### **Legal and administrative details**

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#### **Trustees (Directors)**

|                |                                                         |
|----------------|---------------------------------------------------------|
| Chairman       | W J Rucker                                              |
| Other Trustees | R S Buckle - nominated by the MRC                       |
|                | F M Carragher – nominated by AS (resigned 1 April 2022) |
|                | S. Kohlhaas nominated by ARUK (appointed 19 July 2022)  |
|                | Dr M G Lee                                              |
|                | I A K Moodie                                            |
|                | J P Pisani                                              |
|                | A J Shevas                                              |
|                | Prof. S E Radford                                       |
|                | Sir D M Turnbull                                        |
|                | I Wilson - nominated by ARUK (resigned 19 July 2022)    |

#### **Company Secretary**

I A K Moodie (resigned 14 December 2021)  
E Chambers (appointed 14 December 2021)

#### **Address - Premises**

6<sup>th</sup> Floor  
Maple House  
149 Tottenham Court Road  
London  
W1T 7NF

#### **Address - Postal**

3 Riverside  
Granta Park  
Cambridge  
CB21 6AD

#### **Legal Status**

The Company limited by guarantee, was formed on 2 November 2017. Charity status was obtained on 17 August 2019. It is governed by its Memorandum and Articles of Association.

#### **Registered Charity number**

1179589

#### **Company number**

11045257

## **UK DRI LTD**

### **Legal and administrative details (Continued)**

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#### **Auditors**

RSM UK Audit LLP  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

#### **Bankers**

Barclays Bank plc  
15 Benet Street  
Cambridge  
CB2 3PZ

**UK DRI LTD**

England & Wales - Charity number 1179589

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# Accounts

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**UK DRI Ltd**

(A Company limited by guarantee and not having a share capital)

Annual Report and Financial Statements

Year Ended

31 March 2021

Company Registration No: 11045257

## UK DRI LTD

Financial statements for the year ended 31 March 2021

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## UK DRI LTD

### Report of the Trustees for the year ended 31 March 2021

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#### Objective, Founding Principles and Activities

##### **Executive Summary**

Dementia is the biggest health challenge of our century – currently fifty million patients worldwide, projected to triple by 2050 – with huge financial, emotional and social impact on people with dementia (PwD), their carers, families and friends. Dementia is caused by a set of complex neurodegenerative disorders, with Alzheimer's disease accounting for roughly 60% of the cases. To date there is no way to prevent or even slow the progression of dementia, as there is still a major gap in our basic understanding of neurodegenerative disorders.

The UK Dementia Research Institute (UK DRI) is the biggest UK initiative supporting research to fill this knowledge gap, created as part of the *Prime Minister's challenge on dementia 2020* and supported by its three Founders, Medical Research Council, Alzheimer's Society and Alzheimer's Research UK.

The UK DRI was formed as a result of a joint venture between the Medical Research Council, Alzheimer's Society and Alzheimer's Research UK which created UK DRI Ltd. The UK DRI is funded by these three founding funders, via UK DRI Ltd, and its scientific operations are conducted at discrete research centres within six universities: UCL, Imperial, King's, Cambridge, Cardiff and Edinburgh. Its headquarters are based at UCL and here the executive team determine and implement the UK DRI Ltd approved research strategy. UK DRI Ltd does not directly employ any staff. The UK DRI's scientific and headquarters operations are conducted by employees of the six universities who operate on behalf of UK DRI Ltd. Approximately 600 researchers, students and support staff are funded either full or part time by UK DRI Ltd. The focus of subsequent information in this report is the performance and activities of the universities included in the UK DRI.

##### **Objective**

We aim to accelerate, innovate, deepen and broaden the discovery science in dementia, with the goal of filling the huge knowledge gap in this field. We also want to accelerate the rate at which research benefits PwD and those at risk of dementia, and to be a catalyst for the national and international efforts that are being made in this area of tremendous unmet medical need.

##### **Founding Principles**

The UK DRI is based on four principles that we believe are key to its success:

**Excellence:** *To attract the brightest minds from within and beyond the dementia research field.* We will promote and mentor outstanding researchers who will transform our understanding of dementia through new technologies, models and experimental approaches.

**Collaboration:** *To accelerate discovery in dementia.* We will develop a vibrant collaborative network with academic, industrial and funding partners nationally and globally. We will also fully integrate with the excellent basic and clinical research infrastructure existing in the UK.

**Translation:** *To bring our inventions to people with dementia and society.* We will connect with industry and relevant translational research partners to accelerate the pathway towards new ways to diagnose, treat and prevent dementia as well as develop novel technologies to transform the life of PwD and their carers.

**Communication:** *Scientists, people with dementia and carers, general public, industry, and the political world to mobilise all forces.* We will maintain an open dialogue to share our success and setbacks, engaging at different levels to grow support for dementia research and accelerate advances.

##### **Activities**

Over the past year the UK DRI has continued to build momentum in becoming a world-leading institute in dementia research. At the core of the institute is a strong scientific vision for how the UK DRI will uncover the most valuable insights into the mechanistic drivers of neurodegeneration and translate that understanding into ways to prevent, delay or manage dementia-causing diseases. Our founding principles remain the point of reference for our activities and programmes.

Despite the pandemic, 2020 has been a very productive year with key recruitments, major publications, strengthening of collaborative initiatives and programmes, substantial leveraged funding, significant development of strategic partnerships and remarkable early success in the translational space. In the next section we highlight how progress over the past year has contributed to our mission.

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**STRATEGIC REPORT****Achievements and Performance (1 April 2020 – 31 March 2021)**

**Excellence.** We have continued to attract top talent, further strengthening our research capacity. Eight new Group Leaders (GLs) have joined since April 2020: Dr [Dayne Beccano-Kelly](#) (UK DRI at Cardiff); Dr [Axel Montagne](#), Dr [Patricio Opazo](#) (April 2021), Dr Veronique Miron (May 2021), Prof [David Hunt](#), Prof [Josef Priller](#) (UK DRI at Edinburgh); Dr [Raffaella Nativio](#) and Dr [Alexi Nott](#) (UK DRI at Imperial). Our institute is now a multidisciplinary network of seven centres (62 GLs and 700+ members as of May 2021), covering diverse aspects of dementia research such as immunology, DNA repair, bioengineering, circadian biology, genetics, systems neuroscience, RNA biology, metabolic sciences and innovative technologies for dementia care.

UK DRI researchers published 367 articles and 70 reviews in 2020<sup>1</sup>, a 17% increase on 2019. Our research outputs highlight key strengths in single-cell omics and imaging approaches to transform our understanding of disease aetiology, novel biomarkers for early diagnosis and disease progress monitoring, and cutting-edge cell biology to dissect the role of non-neuronal cells in dementia and identify novel therapeutic targets. Nine GLs maintained their position as Clarivate Highly Cited Researchers and are [featured](#) in the 2020 list of Clarivate Highly Cited Researchers. Our research quality is also reflected in the substantial funding leveraged (including extremely competitive awards such as the UKRI Future Leader, Sir Henry Wellcome Fellowships, ASAP, [Part the Cloud](#), [Chan Zuckerberg Initiative](#)) and the numbers of plenary lectures delivered as well as sessions chaired by our researchers at major international scientific events.

**Collaboration.** We have intensified our efforts in creating a collaborative community, both internally and externally. We have promoted knowledge exchange and multidisciplinary collaborations within the institute with the Cross Centre Postdoctoral Programme (three awarded in July 2020) and three new cross-centre themes (Synapse, DNA repair and Informatics), in addition to the two existing themes on Neuroinflammation and Vascular. Our themes have also engaged with the wider scientific community via discussions and mini-symposia where the key partners are [Dementias Platform UK](#) (with its overlapping themes on neuroimmunology, synaptic and vascular health) and the [ARUK Drug Discovery Alliance](#). We have also convened interest groups on Parkinson's disease and mouse models, involving a wide range of external experts. Furthermore, five Associate Members were appointed last year: Prof [Valerie O'Donnell](#) (Cardiff), Prof [John O'Keefe](#) (UCL), Prof [Kenneth Harris](#) (UCL), Dr [Paresh Malhotra](#) (Imperial) and Dr [Adam Hampshire](#) (Imperial).

Two strategic partnerships were established. We [partnered with the Deep Dementia Phenotyping \(DEMON\) Network](#), an international network connecting academics, clinicians and industry partners for the application of data science and artificial intelligence to dementia research. In October 2020, we [launched](#) a joint UK DRI-DEMON Network seminar series; in December 2020, we [opened a call](#) for research projects for a dementia themed Data Study Group, in collaboration with [the Alan Turing Institute](#), that will take place in September 2021. We also partnered with [the German Centre for Neurodegenerative Diseases 'DZNE'](#), [the Paris Brain Institute](#) and [Mission Lucidity](#) to form an alliance, 'Catalysing a United Response in Europe to Neurodegenerative Diseases (CURE-ND)'. This alliance brings together 2000+ researchers to promote collaboration, training and innovation and deliver a united, authoritative message on the urgent need to increase long-term support for dementia research. The first event, an 'Innovative models of neurodegenerative diseases' workshop, took place virtually this February with 300+ attendees.

We strive to become an institute renowned for developing and sharing invaluable resources with the scientific community. In 2020, we established the UK DRI Informatics Steering Committee and its satellite Data Working Groups on transcriptomics, proteomics and software to set institute-wide data policies and standards, as part of our commitment to open reproducible science. [The AAV platform for pre-clinical and gene therapy applications](#) (2019, led by Prof Chris Shaw, UK DRI at King's), [the multi-'omics' atlas of Alzheimer's disease pathology](#) (2020, led by Prof Paul Matthews, UK DRI at Imperial) and [the iPSC Platform to Model Alzheimer's Disease Risk](#) (2021, led by Prof Julie Williams, UK DRI at Cardiff) are our first flagship initiatives that will benefit both the UK DRI and the dementia research field as a whole. In line with this, we also made three awards for generating novel mouse models for dementia research in collaboration with [MRC Harwell](#). We will build up on this strong start in the coming years.

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<sup>1</sup> Publications (document type = 'Article' and 'Review') in 2020 that are in the [Web of Science Core Collection](#) and have 'Dementia Research Institute' or 'UK DRI' in the 'Address' field. Data collected on 15 April 2021.

**Translation.** Over the past year our centralised Innovation and Business team have developed a translation strategy that promotes a culture of translation through webinars and showcase events and has already delivered projects in digital platform, diagnostics and biomarkers, non-invasive neuromodulation and gene/nucleic acid therapies.

Key achievements include the first UK DRI Gene Therapy spin-out launched in September 2020, a strategic research agreement with Eli Lilly, agreeing a template CDA with our host universities, formalising processes and researcher guidance with our host universities' technology transfer offices, and the first UK DRI Experimental Medicine award to Prof David Rubinsztein (UK DRI at Cambridge) and Prof Roger Barker (Associate Member, Cambridge) to test a repurposed drug in early stage Huntington's disease patients. The first call for UK DRI Translational Awards received 12 applications (50% cross-centre collaborations), out of which four were awarded. These are promising early indicators of success and clear evidence of increasing translational awareness in our research community, in line with our mission.

**Communication.** In October 2020, we launched our intranet 'UK DRI Portal', designed to be the one-stop shop for resources and information as well as to promote collaboration and a sense of community. We have had high-profile media coverage and are making stride in becoming the point of reference in dementia research for various audiences and stakeholders. In 2020 we have had meetings with several MPs, the shadow Health Minister, Department of Health and Social Care and the Chair of All-Party Parliamentary Group on Dementia, and have submitted evidence and briefings for government debates and reviews. We also convened the second 'Dementia UK Ecosystem' meeting in January 2021 to reflect on the impact of COVID-19 on dementia research and care, and discuss lessons learnt from the pandemic to better tackle the dementia challenge.

We have continued to catalyse a science-based debate with national and international stakeholders to address crucial questions in dementia research and to engage with relevant regulatory bodies. For example, as a result of our 'Amyloid Transmissibility' Workshop in 2019, this year we contributed to the revision of national safety guidelines for laboratory handling of proteopathic seeds, overseen by the Department of Health expert Advisory Committee for Dangerous Pathogens.

Our multidisciplinary institute provides an ideal training environment for the next generation of dementia researchers. 18 projects were awarded in two rounds of the Pilot Projects Programme (April 2020 and February 2021), a scheme that incentivises early career researchers (ECRs) to develop independent, innovative ideas. In addition, we are empowering ECRs through the creation of theme ECR steering committees, responsible for driving ECR-focussed thematic meetings. Prompted by the pandemic restrictions, we have launched a series of virtual events, including monthly ECR webinars (for ECRs to present and discuss their research informally), methodology highlights, translational events, seminars from high-profile scientists, and symposia (some were co-hosted with external organisations such as the Chan Zuckerberg Initiative and Open Targets). In response to our ECRs' feedback, we have developed tailored training and career development initiatives, including research reproducibility, specialist technical sessions and a virtual pre-Connectome ECR day (>250 attendees, 95% positive feedback). In December 2020, we successfully piloted the EMBO Lab Leadership course (virtual, in collaboration with the Francis Crick Institute) with the view to extend it to all junior GLs from 2021 onwards.

In response to the Black Lives Matter movement, we instigated a UK DRI-wide diversity thinktank to positively steer and influence practice and behaviours across the UK DRI for a diverse and welcoming culture. We endorsed the ALBA declaration on equity and inclusion in January 2021; other initiatives are in progress.

Within the UK DRI HQ, we have further recruited a Digital Transformation Manager, a Communications and Public Affairs Manager, a Contracts Manager, a Tools and Technology Platform Manager, a Research Theme Manager (Neuroinflammation, DNA repair) and an HQ Administrator, bringing the team to a total of 20 members.

Lastly, UK DRI researchers have contributed their expertise in tackling the Covid-19 pandemic from volunteering in laboratory testing to initiating and/or collaborating in research projects on basic virology, diagnostics, clinical characterisation, epidemiology, candidate therapeutics R&D, etc. We also made funding available to three COVID-19 research projects.

We are proud of what our institute has achieved so far despite the unexpected challenges brought by the pandemic. We are committed to deliver our mission and confident of our excellent research base, our multidisciplinary approaches and our strong drive towards collaboration and translation.

### Future Plans

#### **The year ahead**

- Research operations will continue with partnership development and funding initiatives such as Pilot Projects Programme (at least one round expected), Cross Centre Postdoctoral Awards (one annual round), Eisai/UK DRI Postdoctoral Programme (one round in 2021), Translation Awards (one annual round). We are also funding a one-year proof-of-concept pilot programme for a biomarker identification and validation platform based at UCL in the group of Prof Henrik Zetterberg.
- We will continue building our UK DRI Data Science and Informatics Programme. The recruitment of UK DRI Director of Data Science & Informatics is ongoing. Once in post, s/he will work closely with the UK DRI Informatics Steering Committee to lead on the development of the Data Science and Informatics Team.
- There will be a continuous focus on fostering internal collaborations. Cross-centre themes will play a pivotal role, and several theme activities (many with external partners) have already been planned. The fourth annual Connectome conference, preceded by an ECR Day, will take place virtually in October 2021 (600+ researchers expected), creating an excellent opportunity to share ideas and foster collaboration.
- The UK DRI will continue its engagement with the DEMON Network, Dementia UK Ecosystem and CURE-ND partners and develop additional strategic partnerships to create synergy for maximum impact.
- We will develop more training and career initiatives in collaboration with renowned organisations such as the EMBL-EBI and the Francis Crick Institute.
- The Innovation and Business team (a newly recruited Innovation and Business Manager will start in July) will continue implementing its strategy, including (1) an internal culture of expert translation, (2) external network of pharma and investors to support translation and (3) working productively with universities, to realise our translation vision.
- Our communication focus will be on 'showcase' and 'engage' as we embark on our new public affairs strategy and continue developing content for external audiences to demonstrate our impact and value. We will work towards building a strong public voice for the UK DRI around the need for continued support for dementia research post-pandemic and weave our new influencing messaging into our broader content.

#### **Longer-term plans**

In advance of March 2023, as we embark on our quinquennial review process, we have been actively developing our vision for the next phase of the Institute. We will focus on discovery science in dementia and building the strongest dementia-research ecosystem globally in UK. We envisage an increased focus on institute-wide activities, external collaborations, data science and translational research.

In the next quinquennium, we would expect to see:

- Strengthening and integrating activities across the Institute to understand the molecular basis of multicellular processes in neurodegeneration.
- Enhancing human-focussed biology and underpinning our research with experimental medicine approaches in collaboration with relevant clinical networks. This will accelerate translation of our findings with a focus on novel therapies such as gene therapy, oligonucleotides and cell therapy.
- Increasing our investments in data science and informatics both internally and via collaboration with (inter)national bodies to, for example, integrate omics and clinical data, use data science and artificial intelligence approaches to identify molecular mechanisms, create predictive models, and reveal novel diagnostics, drug targets and therapies.
- Addressing important gaps in our research portfolio, including the role of environmental factors such as brain trauma or exposure to pathogens and how they interact with patient genotype to influence the risk of dementia.
- Using innovative technology to shift the point of clinical intervention from hospitals to homes of PwD. We will use the monitoring tools and data from the Care Research and Technology centre to improve PwD care and to feed directly into the mechanistic research of the Institute.

## UK DRI LTD

### Report of the Trustees for the year ended 31 March 2021 (continued)

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#### Financial Review

Headline figures from our financial statements show:

- Total income for the year of £33.1m (previous year £32.2m), of which £5.1m (previous year £4.3m) is restricted
- Total expenditure for the year of £25.4m (previous year £30.6m), of which £4.6m (previous year £2.8m) is restricted

#### In summary

Charitable expenditure is funded by the founders, Medical Research Council, Alzheimer's Society and Alzheimer's Research UK. Grants are awarded for the year commencing 1 April. The previous financial statements included commitments for the year to 31 March 2021 approved by Trustees prior to 31 March. The financial statements for the current year include commitments entered into in the year which vary from the budget for the year included in the prior accounting period. Due to the impact of COVID-19 a decision was taken to significantly cut back on the grant budget agreed in the previous year. Consequently the financial statements include a credit of £8.1m for commitments no longer required. As a result of this action, core funding will be substantially retained at current levels for the next two financial years.

As funding receivable and budgets had been agreed for the year commencing 1 April 2021 by 31 March 2021, such income and expenditure for that year is also included.

Projected income of £24m for the year commencing 1 April 2021 is included in accrued income on the balance sheet. Research commitment included within creditors on the balance sheet includes £28.8m for the budget for the year from 1 April 2021.

#### Our funds

Total funds held at 31 March 2021 were £10,137,593. Of this amount, £8,373,597 (previous year £973,487) were unrestricted and represent the free reserves of the Charity.

#### COVID-19

The Trustees have given full and detailed consideration to the impact of COVID-19 as detailed in the Trustees Report and the accounting policy on going concern. A change to the reserves policy was made by Trustees at the Board Meeting on 5 October 2020.

#### Our reserves policy

The previous reserves policy was based on the fact that grant commitment funding is recognised on an annual basis and is not awarded until there is certainty in funding receivable from the founders. Each year at the February Board meetings, Trustees approve in principle grant funding for the following year from 1 April following receipt of a proposal from the UK DRI headquarters. Founders are then invited to agree contributions towards the budget. Following confirmation of income, research grants for the following year are awarded. Additional funding may also be sought which may then lead to further grant commitments.

The Charity has no employees and minimal infrastructure costs. By the nature of this funding model, there is no need for significant reserves. The policy has been agreed that founders will commit additional funding up to £300,000 total. At 31 March 2020 total free reserves were £973,487. As a consequence of COVID-19 the Trustees have recognised that it would be prudent to have the ability to reduce the planned level of spending in a particular year to protect core funding in future years. At the Trustees Meeting on 5 October 2020 it was agreed to amend the reserves policy to allow for significant temporary provisions for future core funding to a level of £8m. Following the amendment to the policy total free reserves at 31 March 2021 were £8,373,397. It is anticipated that this amount will be used during the next two accounting periods.

#### Our investment policy

The funding model provides that the Charity will always have surplus cash, equivalent to outstanding liabilities at any time. Cash surpluses are placed on bank deposit.

## UK DRI LTD

### Report of the Trustees for the year ended 31 March 2021 (continued)

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#### Our structure, governance and management

UK DRI Ltd is a charitable company limited by guarantee and does not have a share capital. In the event of the charitable company being wound up, each member has guaranteed to contribute £1. The founding members are the Medical Research Council, Alzheimer's Society and Alzheimer's Research UK. As at 31 March 2021, there were ten Trustees. Currently, the maximum number of Trustees is thirteen. The Directors and Trustees are listed on page 23. UK DRI Ltd is a registered charity regulated by the Charity Commission for England and Wales.

The UK DRI was formed as a result of a joint venture between the Medical Research Council, Alzheimer's Society and Alzheimer's Research UK which created UK DRI Ltd. The UK DRI is funded by these three founding funders, via UK DRI Ltd, and its scientific operations are conducted at discrete research centres within six universities: UCL, Imperial, King's, Cambridge, Cardiff and Edinburgh. Its headquarters are based at UCL and here the executive team determine and implement the UK DRI Ltd approved research strategy. UK DRI Ltd does not directly employ any staff. The UK DRI's scientific and headquarters operations are conducted by employees of the six universities who operate on behalf of UK DRI Ltd. Approximately 600 researchers, students and support staff are funded either full or part time by UK DRI Ltd. The focus of subsequent information in this report is the performance and activities of the universities included in the UK DRI.

The Joint Venture Agreement, Institute Agreements and Terms and Conditions of Funding Agreement govern the relationship between UK DRI Ltd and the UK DRI and the host institutions. The executive team at the UK Dementia Research Institute attend Board Meetings to update Trustees on the activities of the Institute and to seek appropriate approvals under the governance arrangements.

#### **Governing document**

The objects of UK DRI Ltd, as set out in the Articles of Association, are to preserve and protect the health of the public and to advance education. This will be achieved by i) promoting and undertaking research into neurodegenerative disorders (and illnesses contributing to such disorders), and associated factors, that give rise to the dementia and related conditions including research that elucidates the nature, cause, symptoms, diagnosis, prevention, treatment and for care of the range of disorders that give rise to the dementias and related conditions; and ii) developing the outputs of such research to provide increased accuracy and timeliness of diagnosis and interventions that prove effective in treating and improving the care of people with dementia and which may ultimately prevent and/or cure dementia and related conditions.

#### **Trustees' appointment and training**

Subject to being a Member at the relevant time, each founder (Medical Research Council, Alzheimer's Research UK, Alzheimer's Society) shall be entitled to appoint, one person who is willing to act as a Trustee. A Trustee so appointed shall be a "Founder Trustee" for the purposes of the Articles of Association. Founder Trustees can be removed from office by written notice from his/her appointer.

The Trustees shall make appointments on such terms as they decide (including, without limitation, the term of his or her appointment) and will review each appointment at least every three years on a rotational basis. Independent Trustees can be removed if the majority of the Board resolve that he/she shall cease to be a Trustee.

New Trustees are appointed through a recruitment campaign, depending on the experience and key skills needed. New Trustees are interviewed by the Chair along with others from the Board as needed and are formally approved at the UK DRI Ltd Board meeting.

On appointment, new Trustees are provided with a Trustee handbook and given a formal induction. The Trustee handbook includes the Charity's Articles of Association, as well as key governance documentation. Trustees are also given key guidance from the Charity Commission – CC3 The Essential Trustee. Ongoing training is provided for Trustees as relevant throughout their term.

## UK DRI LTD

### Report of the Trustees for the year ended 31 March 2021 (continued)

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#### Related parties

The Medical Research Council, Alzheimer's Society, and Alzheimer's Research UK are the three members of UK DRI Ltd. The Articles of Association provide that unanimous agreement is required from members on a number of key issues.

The Medical Research Council have indicated their intention to provide £110m revenue funding to UK DRI Ltd in the seven years to 31 March 2023 with the expectation of continued investment at similar levels beyond 2023, subject to progress review. Additionally, the Medical Research Council is providing £80m capital funding directly.

Alzheimer's Research UK and Alzheimer's Society have indicated their intention to provide £50m revenue funding each, in the ten years to 31 March 2026.

The amount of funding provided each year is linked to the budget request from UK DRI. Agreement to fund annually is dependent upon a number of factors.

Further details of related party transactions in the year are included in Note 4.

#### Risks and uncertainties

UK DRI Ltd is a grant funding charity with no employees or infrastructure costs. The funding model is such that grant commitments are only entered into when there is certainty of funding from donors being received.

The grants fund the work of the national UK DRI. A register is maintained of the principal risks and uncertainties of the Institute which is populated by the Executive Team of the UK Dementia Research Institute. The Chief Executive, Chief Operating Officer and Finance Director of UK DRI will attend all UK DRI Ltd Board Meetings. They regularly update the Board at the meeting of movements in the risk register.

#### Public benefit

The Trustees have referred to the guidance contained on the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set. The public benefits through the world class research we are able to fund.

The report of the Trustees prepared under the Charities Act 2011, which also contains all information required in a Directors' Report by the Companies Act 2006, and the incorporated Strategic report prepared under the Companies Act 2006, were approved by the Board of Trustees on 6 September 2021 and signed on behalf of the Trustees by



WILLIAM RUCKER, Chairman

## UK DRI LTD

### Statement of Trustees' responsibilities

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The Trustees (who are also Directors of UK DRI Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable laws and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 for that period. In preparing those 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 the standards applicable under FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' 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 charitable company will continue in business.

The Trustees are responsible for keeping proper and adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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.

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

## UK DRI LTD

### Independent Auditor's Report to the Members of the UK DRI Ltd

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#### Opinion

We have audited the financial statements of UK DRI Ltd (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities incorporating an income and expenditure account, the Balance Sheet, the Cash Flow Statement 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 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 March 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 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 trustees' 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 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 the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic 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 and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

## UK DRI LTD

### Independent Auditor's Report to the Members of the UK DRI Ltd (continued)

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 8, 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.

#### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;

## UK DRI LTD

### Independent Auditor's Report to the Members of the UK DRI Ltd (continued)

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- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to any new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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.

RSM UK Audit LLP

CLAIRE SUTHERLAND (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Blenheim House

Newmarket Road

Bury St Edmunds

Suffolk

IP33 3SB

Date 15 September 2021

**UK DRI LTD**

**Statement of Financial Activities incorporating an income and expenditure account  
for the year ended 31 March 2021**

|                                               | Note | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Year ended<br>31 March<br>2021<br>Total<br>£ | Year ended<br>31 March<br>2020<br>Total<br>£ |
|-----------------------------------------------|------|----------------------------|--------------------------|----------------------------------------------|----------------------------------------------|
| <b>Income from:</b>                           |      |                            |                          |                                              |                                              |
| Donations                                     | 4    | 28,012,416                 | 5,085,784                | <b>33,098,200</b>                            | 32,174,834                                   |
| Investments                                   | 5    | (591)                      | -                        | <b>(591)</b>                                 | 25,444                                       |
| <b>Total income</b>                           |      | <b>28,011,825</b>          | <b>5,085,784</b>         | <b>33,097,609</b>                            | <b>32,200,278</b>                            |
| <b>Expenditure on:</b>                        |      |                            |                          |                                              |                                              |
| Charitable activities                         | 6    | 20,825,715                 | 4,618,391                | <b>25,444,106</b>                            | 30,576,206                                   |
| <b>Net movement in funds before transfers</b> |      | <b>7,186,110</b>           | <b>467,393</b>           | <b>7,653,503</b>                             | <b>1,624,072</b>                             |
| Transfers between funds                       |      | 214,000                    | (214,000)                | -                                            | -                                            |
| <b>Net movement in funds</b>                  |      | <b>7,400,110</b>           | <b>253,393</b>           | <b>7,653,503</b>                             | <b>1,624,072</b>                             |
| <b>Reconciliation of funds:</b>               |      |                            |                          |                                              |                                              |
| Funds balance at 1 April 2020                 |      | 973,487                    | 1,510,603                | <b>2,484,090</b>                             | 860,018                                      |
| <b>Funds Balance at 31 March 2021</b>         |      | <b>8,373,597</b>           | <b>1,763,996</b>         | <b>10,137,593</b>                            | <b>2,484,090</b>                             |

**UK DRI LTD**  
Balance Sheet as at 31 March 2021

Charity number: 1179589  
Company number: 11045257

|                                                                | Notes | 2021<br>£                | 2020<br>£               |
|----------------------------------------------------------------|-------|--------------------------|-------------------------|
| <b>Current assets</b>                                          |       |                          |                         |
| Debtors                                                        | 9     | 27,445,813               | 29,128,687              |
| Cash at bank                                                   |       | 27,413,988               | 17,506,046              |
|                                                                |       | <u>54,859,801</u>        | <u>46,634,733</u>       |
| <b>Creditors: amounts falling due within one year</b>          | 10    | <u>(36,780,827)</u>      | <u>(36,306,772)</u>     |
| <b>Net current assets</b>                                      |       | <u>18,078,974</u>        | <u>10,327,961</u>       |
| <b>Creditors: amounts falling due after more than one year</b> | 11    | <u>(7,941,381)</u>       | <u>(7,843,871)</u>      |
| <b>Total assets less total liabilities</b>                     |       | <u><u>10,137,593</u></u> | <u><u>2,484,090</u></u> |
| <b>Funds</b>                                                   |       |                          |                         |
| Restricted funds                                               | 12    | 1,763,996                | 1,510,603               |
| Unrestricted funds                                             |       |                          |                         |
| General funds                                                  | 13    | 8,373,597                | 973,487                 |
|                                                                |       | <u>10,137,593</u>        | <u>2,484,090</u>        |

The financial statements on pages 12 to 22 were approved by the Trustees and authorised for issue on 6 September 2021 and are signed on its behalf by:

  
W J Rucker  
Trustee

The notes on pages 15 to 22 form part of these financial statements

**UK DRI LTD**
**Cashflow statement for the year ended 31 March 2021**

|                                                                                |   | <b>Year ended<br/>31 March<br/>2021</b> | <b>Year ended<br/>31 March<br/>2020<br/>£</b> |
|--------------------------------------------------------------------------------|---|-----------------------------------------|-----------------------------------------------|
| <b>Cash flows from operating activities</b>                                    |   |                                         |                                               |
| Net cash provided by operating activities                                      | a | <b>9,908,533</b>                        | 10,974,968                                    |
| <b>Cash flow from investing activities</b>                                     |   |                                         |                                               |
| Investment income                                                              |   | <b>(591)</b>                            | 25,444                                        |
| <b>Change in cash and cash equivalents in reporting period</b>                 |   | <b>9,907,942</b>                        | 11,000,412                                    |
| Cash and cash equivalents at the beginning of the reporting period             |   | <b>17,506,046</b>                       | 6,505,634                                     |
| Cash and cash equivalents at the end of the reporting period                   | b | <b>27,413,988</b>                       | 17,506,046                                    |
| <b>Reconciliation of expenditure to net cashflow from operating activities</b> |   |                                         |                                               |
| <b>a. Net cash provided by operating activities</b>                            |   |                                         |                                               |
| Net movement in funds                                                          |   | <b>7,653,503</b>                        | 1,624,072                                     |
| <b>Adjustments for:</b>                                                        |   |                                         |                                               |
| Interest from investments                                                      |   | <b>591</b>                              | (25,444)                                      |
| Decrease/(increase) in debtors                                                 |   | <b>1,682,874</b>                        | (10,163,308)                                  |
| Increase in creditors                                                          |   | <b>571,565</b>                          | 19,539,648                                    |
|                                                                                |   | <b>9,908,533</b>                        | 10,974,968                                    |
| <b>b. Analysis of cash and cash equivalents</b>                                |   |                                         |                                               |
| Cash at bank and in hand                                                       |   | <b>27,413,988</b>                       | 17,506,046                                    |
| <b>c. Analysis of changes in net funds</b>                                     |   |                                         |                                               |
| Opening net funds                                                              |   | <b>17,506,046</b>                       | 6,505,634                                     |
| Cashflows of the entity                                                        |   | <b>9,907,942</b>                        | 11,000,412                                    |
| Closing net funds                                                              |   | <b>27,413,988</b>                       | 17,506,046                                    |

The notes on pages 15 to 22 form part of these financial statements

## UK DRI LTD

Notes forming part of the financial statements for the year ended 31 March 2021

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### 1 Accounting policies

#### Basis of accounting

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 (FRS102) – (Charities SORP(FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

UK DRI Ltd is an incorporated charity, limited by guarantee, domiciled and registered in England and Wales, which constitutes a Public Benefit entity as defined by FRS 102. The address of its registered office is set out on page 23. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise stated.

#### Fund accounting

The charity maintains various types of funds as follows:

##### Restricted funds

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

##### Unrestricted funds

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the Charity.

#### Income

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable probability of receipt. The following accounting policies are applied to income:

##### Donations

Donations are reported gross and accounted for at the point when the Charity is entitled to the income, there is probability of receipt and the monetary value can be measured with sufficient reliability.

##### Investment income

Investment income is accounted for when receivable. Tax recoverable relating to investment income is accounted for in the same period as the related income.

#### Expenditure

All expenditure is accounted for on an accruals basis.

Charitable activities represent expenditure incurred in issuing grants to academic institutions for research purposes.

Support costs are attributed to the expenditure classifications using a percentage based upon the direct expenditure allocation.

#### Research commitments

Research commitments are accounted for as expenditure in the Statement of Financial Activities when there is a constructive obligation based on a formal offer to the recipient. The present value of future commitments to research has been considered at a discount rate of 0.2% and the resulting potential discounting is not considered to be material to the overall value of the commitment, or to the net movement in funds on a recurrent basis.

## UK DRI LTD

Notes forming part of the financial statements for the year ended 31 March 2021 (continued)

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### 1. Accounting policies (continued)

#### **Debtors**

Other debtors are recognised at the settlement amount due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

#### **Creditors**

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

#### **Financial Instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as a basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised costs using the effective interest method.

#### **Going concern**

The use of the going concern basis of accounting is considered to be appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Charity to continue as a going concern.

The Charity's business activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees Report and incorporated Strategic Report on pages 2 to 7. The Charity currently has significant liquid resources which are equivalent to the research commitments which have been made. There are no borrowings.

The Trustees have given full and detailed consideration to the impact of COVID-19. In 2021 the initial Quinquennial Quality Review (QQR) will be undertaken which will consider the operation and funding of the UK DRI from April 2023. In the short to medium term, the main financial threat to the operation of the UK DRI arises from the ability of the two charity partners to meet pledged commitments.

The financial model of UK DRI Ltd is such that research commitments are only made where it has the funds to do so. All agreements with Universities explicitly state this clause. Notwithstanding this point, the HQ Team at UK DRI work closely with the universities in planning for the medium term.

Detailed cash flow forecasts have been prepared for the period to March 2023 when the next QQR period begins. The forecasts show that core research activities at each University can be maintained based on the known level of income from the Medical Research Council and minimal support from the two charity partners. Additional strategic grants will be awarded by UK DRI Ltd based on the income which is received from the two charity partners.

The Trustees consider that by continuing to work closely with the two charity partners and the Medical Research Council in identifying anticipated levels of support over the next three years significant levels of research will still be undertaken by the researchers of the UK DRI.

#### **Critical accounting estimates and areas of judgement**

Estimates and judgements 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*

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are not considered to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### *Critical areas of judgement*

The Trustees do not consider that there are any critical areas of judgement applied in the preparation of these financial statements.

# UK DRI LTD

Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

## 2 Net income for the year

Net income for the year is stated after charging:

|                | Year ended<br>31 March 2021<br>£ | Year ended<br>31 March 2020<br>£ |
|----------------|----------------------------------|----------------------------------|
| Audit services | <u>14,000</u>                    | <u>13,000</u>                    |

## 3 Information regarding employees and Trustees

There were no employees during the year (2020: nil).

Trustees are not remunerated. Trustee expenses relating to travel and subsistence amounted to £Nil (2020: £242) in the year.

## 4 Income from donations

|                          | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>year ended<br>31 March 2021<br>£ | Total<br>year ended<br>31 March 2020<br>£ |
|--------------------------|----------------------------|--------------------------|-------------------------------------------|-------------------------------------------|
| Medical Research Council | 24,999,295                 | 3,467,991                | 28,467,286                                | 26,181,000                                |
| Alzheimer's Research UK  | 2,000,000                  | -                        | 2,000,000                                 | 2,000,000                                 |
| Alzheimer's Society      | 1,000,000                  | -                        | 1,000,000                                 | 2,030,006                                 |
| Other donations          | 13,121                     | 1,617,793                | 1,630,914                                 | 1,963,828                                 |
|                          | <u>28,012,416</u>          | <u>5,085,784</u>         | <u>33,098,200</u>                         | <u>32,174,834</u>                         |

## 5 Income from investments

|               | Year ended<br>31 March 2021<br>£ | Year ended<br>31 March 2020<br>£ |
|---------------|----------------------------------|----------------------------------|
| Bank deposits | <u>(591)</u>                     | <u>25,444</u>                    |

## 6 Expenditure on charitable activities

|                   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>year ended<br>31 March<br>2021<br>£ | Total<br>Year ended<br>31 March<br>2020<br>£ |
|-------------------|----------------------------|--------------------------|----------------------------------------------|----------------------------------------------|
| Dementia research | <u>20,825,715</u>          | <u>4,618,391</u>         | <u>25,444,106</u>                            | <u>30,576,206</u>                            |

# UK DRI LTD

Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

## 7 Support costs

|                           | Year ended<br>31 March<br>2021<br>£ | Year ended<br>31 March<br>2020<br>£ |
|---------------------------|-------------------------------------|-------------------------------------|
| Secretariat (see note 16) | 89,174                              | 92,435                              |
| Governance                | 49,728                              | 32,836                              |
|                           | <u>138,902</u>                      | <u>125,271</u>                      |

All support costs have been allocated to charitable activities for the year.

## 8 Grant giving

|                                                                             | Year ended<br>31 March<br>2021<br>£ | Year ended<br>31 March<br>2020<br>£ |
|-----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Commitments made by UKDRI Ltd to UKDRI in the prior year                    | 30,258,000                          | 17,844,000                          |
| New commitments made during the year                                        | 4,618,391                           | 2,777,933                           |
| Commitments no longer required                                              | (8,120,187)                         | (2,584,998)                         |
| Commitments confirmed to institutions in respect of year to 31 March        | 26,756,204                          | 18,036,935                          |
| Less unallocated brought forward commitment made to UKDRI in the prior year | (30,258,000)                        | (17,844,000)                        |
| New commitments made by UKDRI Ltd to UKDRI during the year                  | 28,807,000                          | 30,258,000                          |
| Support costs                                                               | 138,902                             | 125,271                             |
| Amount charged to the Statement of Financial Activities                     | <u>25,444,106</u>                   | <u>30,576,206</u>                   |

All grants are paid to institutions. An analysis of grant-funded research by host institution with details of grants awarded during the year, forming part of these audited financial statements, can be found below:

|                           | Year ended<br>31 March<br>2021<br>£ | Year ended<br>31 March<br>2020<br>£ |
|---------------------------|-------------------------------------|-------------------------------------|
| University of Cambridge   | 2,598,349                           | 2,522,083                           |
| Cardiff University        | 2,437,057                           | 1,254,712                           |
| Dundee University         | (160,558)                           | 1,015,365                           |
| University of Edinburgh   | 3,442,950                           | 1,420,941                           |
| Imperial College London   | 8,305,321                           | 4,257,117                           |
| Kings College London      | 2,842,849                           | 2,097,598                           |
| MRC Harwell               | 111,043                             | 324,000                             |
| University College London | 6,338,769                           | 5,007,072                           |
| Other                     | 840,424                             | 135,047                             |
|                           | <u>26,756,204</u>                   | <u>18,036,935</u>                   |

# UK DRI LTD

Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

## 9 Debtors

|                | 2021<br>£         | 2020<br>£         |
|----------------|-------------------|-------------------|
| Other debtors  | 3,445,813         | 1,283,692         |
| Accrued income | 24,000,000        | 27,844,995        |
|                | <u>27,445,813</u> | <u>29,128,687</u> |

## 10 Creditors: amounts falling due within one year

|                                 | 2021<br>£         | 2020<br>£         |
|---------------------------------|-------------------|-------------------|
| Accruals                        | 105,180           | 108,035           |
| Other taxes and social security | -                 | 46,920            |
| Research commitments            | 36,675,647        | 36,151,817        |
|                                 | <u>36,780,827</u> | <u>36,306,772</u> |

## 11 Creditors: amounts falling due after more than one year

|                                                                             | 2021<br>£           | 2020<br>£           |
|-----------------------------------------------------------------------------|---------------------|---------------------|
| Research commitments                                                        | 7,941,381           | 7,843,871           |
| Ageing of long-term liabilities                                             |                     |                     |
| 1 – 2 years                                                                 | <u>7,941,381</u>    | <u>7,843,871</u>    |
| <b>Reconciliation of research commitments</b>                               |                     |                     |
| Balance brought forward                                                     | 43,995,688          | 24,535,395          |
| New research commitments entered into during the year for dementia research | 26,756,204          | 18,036,935          |
| Research commitments for year to 31 March 2022 approved by Trustees         | 28,807,000          | 30,258,000          |
| Reversal of research commitments approved by Trustees in previous period    | (30,258,000)        | (17,844,000)        |
| Amounts spent in the period                                                 | <u>(24,683,864)</u> | <u>(10,990,642)</u> |
|                                                                             | <u>44,617,028</u>   | <u>43,995,688</u>   |

Grants are awarded for the year commencing 1 April. The previous financial statements included commitments for the year to 31 March 2021 approved by Trustees prior to 31 March. The financial statements for the current year include commitments entered into in the year which vary from the budget for the year included in the prior accounting period.

As funding and budgets had been agreed for the year commencing 1 April 2021 by 31 March 2021, such income and expenditure for that year is also included.

## UK DRI LTD

Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

### 12 Movement in and allocation of restricted funds

|                                                     | As at<br>31 March<br>2020 | Income           | Expenditure        | Transfers        | As at<br>31 March<br>2021 |
|-----------------------------------------------------|---------------------------|------------------|--------------------|------------------|---------------------------|
|                                                     | £                         | £                | £                  |                  | £                         |
| Dementia Discovery Award Agreement                  | 234,600                   | -                | (234,600)          | -                | -                         |
| Eisai/DRI post-doctoral scheme                      | 1,275,268                 | -                | (244,407)          | -                | 1,030,861                 |
| Medical Research Council – Capital Awards           | 735                       | -                | 215,004            | -                | 215,739                   |
| Medical Research Council - Capital World Class Labs | -                         | 913,991          | (913,991)          | -                | -                         |
| Medical Research Council - Capital CR&T             | -                         | 2,554,000        | (2,554,000)        | -                | -                         |
| Alzheimer's Association                             | -                         | 417,793          | (417,793)          | -                | -                         |
| Eli Lilly                                           | -                         | 1,200,000        | (468,604)          | (214,000)        | 517,396                   |
|                                                     | <u>1,510,603</u>          | <u>5,085,784</u> | <u>(4,618,391)</u> | <u>(214,000)</u> | <u>1,763,996</u>          |

#### Dementia Discovery Award Agreement

UK DRI Limited has received funding from DDF Discovery Limited which has been used to fund an award to Edinburgh University for the development of a neuro-gliovascular model to define neuroinflammatory Cascades

#### Eisai/DRI post-doctoral scheme

Eisai Limited has provided funding for four years from 2019 under the Eisai/DRI post -doctoral scheme to support new areas of dementia research. Award letters will be issued to host universities for relevant projects.

#### Medical Research Council - Capital awards

Medical Research Council has provided funding to enable awards to be made to three separate capital projects for host universities.

#### Alzheimer's Association

UK DRI Limited has received funding from the Alzheimer's Association of USA under their 'Alzheimer's Disease Strategic Fund'. This was used to fund two awards: 1) Prof Bart De Strooper (ViB) and Dr Sarah Marzi (Imperial College London) – investigating epigenetics to characterise the regulation of cellular states in microglia that contribute to Alzheimer's disease pathology. 2) Prof Paul Matthews and Dr Nathan Skene (both Imperial College London) – piloting initial data platform integration and accessibility.

#### Eli Lilly

UK DRI Limited has received funding from Eli Lilly and Company under the 'Research Programme for Novel Target Identification for Neurodegeneration'. This was used to fund Professor Caleb Webber at Cardiff University and Professors Adrian Isaacs and Giampetro Schiavo at UCL conducting the following research project: Identify critical regulators of tau release and re-uptake, and determining modifiers of these processes acting on key pharmacological nodes. The income receivable from Eli Lilly includes a contribution of £264,000 towards the direct costs of UK DRI HQ. During the year ended 31st March 2021 £214,000 was transferred to unrestricted funds reflecting the staff and overhead costs at UK DRI HQ incurred on this project to date

#### Prior year

|                                           | As at<br>31 March 2019 | Income           | Expenditure        | As at<br>31 March 2020 |
|-------------------------------------------|------------------------|------------------|--------------------|------------------------|
|                                           | £                      | £                | £                  | £                      |
| Dementia Discovery Award Agreement        | -                      | 469,200          | (234,600)          | 234,600                |
| Eisai/DRI post-doctoral scheme            | -                      | 1,480,339        | (205,071)          | 1,275,268              |
| Medical Research Council – Capital Awards | -                      | 2,339,000        | (2,338,265)        | 735                    |
|                                           | <u>-</u>               | <u>4,288,539</u> | <u>(2,777,936)</u> | <u>1,510,603</u>       |

# UK DRI LTD

Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

## 13 Movements in unrestricted funds

|                     | As at<br>31 March<br>2020<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ | As at<br>31 March<br>2021<br>£ |
|---------------------|--------------------------------|-------------|------------------|----------------|--------------------------------|
| General fund        | 973,487                        | 28,011,825  | (20,825,715)     | 214,000        | 8,373,597                      |
| <b>Prior period</b> |                                |             |                  |                |                                |
| General fund        | 860,018                        | 27,911,739  | (27,798,270)     | -              | 973,487                        |

## 14 Analysis of assets and liabilities between funds

|                           | General Fund<br>£ | Restricted<br>Funds<br>£ | Total<br>£        |
|---------------------------|-------------------|--------------------------|-------------------|
| <b>Current assets</b>     |                   |                          |                   |
| Debtors                   | 24,000,000        | 3,445,813                | 27,445,813        |
| Cash at bank              | 25,425,634        | 1,988,354                | 27,413,988        |
| <b>Creditors</b>          |                   |                          |                   |
| Due within one year       | (33,283,684)      | (3,497,143)              | (36,780,827)      |
| Due in more than one year | (7,768,353)       | (173,028)                | (7,941,381)       |
|                           | <u>8,373,597</u>  | <u>1,763,996</u>         | <u>10,137,593</u> |
| <b>Prior period</b>       |                   |                          |                   |
|                           |                   |                          |                   |
|                           |                   |                          |                   |
| <b>Current assets</b>     |                   |                          |                   |
| Debtors                   | 28,018,433        | 1,110,254                | 29,128,687        |
| Cash at bank              | 14,562,361        | 2,943,685                | 17,506,046        |
| <b>Creditors</b>          |                   |                          |                   |
| Due within one year       | (33,763,436)      | (2,543,336)              | (36,306,772)      |
| Due in more than one year | (7,843,871)       | -                        | (7,843,871)       |
|                           | <u>973,487</u>    | <u>1,510,603</u>         | <u>2,484,090</u>  |

## 15 Taxation

The income of the Charity is exempt from Corporate tax to the extent they are applied to its charitable objectives.

## 16 Related Party transactions

Details of related parties are included on page 7. Information on donations received from Medical Research Council, Alzheimer's Research UK and Alzheimer's Society is given in note 4. Alzheimer's Research UK provides governance and finance support services to UK DRI Limited. In the year to 31 March 2021, the fee charged for this service was £75,000 (2020: £77,029), excluding VAT.

**UK DRI LTD**

Notes forming part of the financial statements for the year ended 31 March 2021 (Continued)

**17 Statement of Financial Activities**

As required under FRS 102, the following table shows the split of comparative information between funds for the year ended 31 March 2020

|                                       | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>£        |
|---------------------------------------|----------------------------|--------------------------|-------------------|
| <b>Income from:</b>                   |                            |                          |                   |
| Donations                             | 27,886,295                 | 4,288,539                | 32,174,834        |
| Investments                           | 25,444                     | -                        | 25,444            |
| <b>Total income</b>                   | <b>27,911,739</b>          | <b>4,288,539</b>         | <b>32,200,278</b> |
| <b>Expenditure on:</b>                |                            |                          |                   |
| Charitable activities                 | 27,798,270                 | 2,777,936                | 30,576,206        |
| Net movement in funds                 | 113,469                    | 1,510,603                | 1,624,072         |
| <b>Reconciliation of funds</b>        |                            |                          |                   |
| Funds balance at 1 April 2019         | 860,018                    | -                        | 860,018           |
| <b>Funds balance at 31 March 2020</b> | <b>973,487</b>             | <b>1,510,603</b>         | <b>2,484,090</b>  |

## **UK DRI LTD**

### **Legal and administrative details**

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#### **Trustees (Directors)**

|                |                                                                               |
|----------------|-------------------------------------------------------------------------------|
| Chairman       | W J Rucker                                                                    |
| Other Trustees | R S Buckle - nominated by the Medical Research Council                        |
|                | F M Carragher – nominated by Alzheimer’s Society                              |
|                | Dr M G Lee                                                                    |
|                | I A K Moodie                                                                  |
|                | J P Pisani                                                                    |
|                | Prof Dame N J Rothwell (resigned 2 September 2020)                            |
|                | Dr C Routledge – nominated by Alzheimer’s Research UK (resigned 30 June 2020) |
|                | A J Shevas                                                                    |
|                | Prof. S E Radford (appointed 3 June 2020)                                     |
|                | Sir D M Turnbull (appointed 3 June 2020)                                      |
|                | I Wilson - nominated by Alzheimer’s Research UK (appointed 3 June 2020)       |

#### **Company Secretary**

L Ashley-Webb (resigned 1 January 2021)  
I A K Moodie (appointed 1 January 2021)

#### **Address - Premises**

6<sup>th</sup> Floor  
Maple House  
149 Tottenham Court Road  
London  
W1T 7NF

#### **Address - Postal**

3 Riverside  
Granta Park  
Cambridge  
CB21 6AD

#### **Legal Status**

The Company limited by guarantee, was formed on 2 November 2017. Charity status was obtained on 17 August 2019. It is governed by its Memorandum and Articles of Association.

#### **Registered Charity number**

1179589

#### **Company number**

11045257

## **UK DRI LTD**

### **Legal and administrative details (Continued)**

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#### **Auditors**

RSM UK Audit LLP  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

#### **Bankers**

Barclays Bank plc  
15 Benet Street  
Cambridge  
CB2 3PZ