

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

Contents

Page:

1	Report of the Trustees (incorporating the Directors' Report and Strategic Report) <ul style="list-style-type: none">▪ Objective, Founding Principles and Activities<ul style="list-style-type: none">• Executive Summary• Objective• Founding Principles• Activities▪ Achievements and Performance (Strategic Report)▪ Future Plans (Strategic Report)<ul style="list-style-type: none">• The year ahead• Longer-term plans▪ Financial Review (Strategic Report)<ul style="list-style-type: none">• In summary• Our funds• Our reserves policy• Our investment policy▪ Our Structure, governance, and management<ul style="list-style-type: none">• Governing document• Trustees' appointment and training• Related parties• Risks and uncertainties• Public benefit
9	Statement of Trustees Responsibilities
10	Independent Auditor's Report to the Members of UK DRI Ltd
13	Statement of financial activities incorporating income and expenditure account
14	Balance Sheet
15	Cash flow Statement
16	Notes forming part of the financial statements
26	Legal and administrative details

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.

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 papers¹, 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.

¹ 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)

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 31st 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 1st 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 1st 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 1st 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 31st 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)

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

UK DRI LTD

Balance Sheet as at 31 March 2022

Charity number: 1179589

Company number: 11045257

	Notes	2022 £	2021 £
Current assets			
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>
Creditors: amounts falling due within one year	10	<u>(43,174,369)</u>	<u>(36,780,827)</u>
Net current assets		<u>14,181,809</u>	<u>18,078,974</u>
Creditors: amounts falling due after more than one year	11	<u>(9,824,363)</u>	<u>(7,941,381)</u>
Total assets less total liabilities		<u>4,357,446</u>	<u>10,137,593</u>
Funds			
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**

		Year ended 31 March 2022	Year ended 31 March 2021 £
Cash flows from operating activities			
Net cash provided by operating activities	a	(5,312,453)	9,908,533
Cash flow from investing activities			
Investment income		24,249	(591)
Net cash provided by investing activities		(5,288,204)	9,907,942
Change in cash and cash equivalents in reporting period		(5,288,204)	9,907,942
Cash and cash equivalents at the beginning of the reporting period		27,413,988	17,506,046
Cash and cash equivalents at the end of the reporting period	b	22,125,783	27,413,988
Reconciliation of expenditure to net cashflow from operating activities			
a. Net cash provided by operating activities			
Net movement in funds		(5,780,147)	7,653,503
Adjustments for:			
Interest from investments		(24,249)	591
Decrease/(increase) in debtors		(7,784,581)	1,682,874
Increase in creditors		8,276,524	571,565
		(5,312,453)	9,908,533
b. Analysis of cash and cash equivalents			
Cash at bank and in hand		22,125,783	27,413,988
c. Analysis of changes in net funds			
Opening net funds		27,413,988	17,506,046
Cashflows of the entity		(5,288,205)	9,907,942
Closing net funds		22,125,783	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 31st 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 31 March 2022 £	Year ended 31 March 2021 £
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 funds £	Restricted funds £	Total year ended 31 March 2022 £	Total year ended 31 March 2021 £
Medical Research Council	22,175,000	6,333,999	28,508,999	28,467,286
Alzheimer's Research UK	2,000,000	500,000	2,500,000	2,000,000
Alzheimer's Society	-	1,300,000	1,300,000	1,000,000
Other donations	80,472	2,166,753	2,247,225	1,630,914
	<u>24,255,472</u>	<u>10,300,752</u>	<u>34,556,224</u>	<u>33,098,200</u>

5 Income from investments

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Bank deposits	<u>24,249</u>	<u>(591)</u>

6 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total year ended 31 March 2022 £	Total Year ended 31 March 2021 £
Dementia research	<u>30,992,216</u>	<u>9,368,404</u>	<u>40,360,620</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 31 March 2022 £	Year ended 31 March 2021 £
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 31 March 2022 £	Year ended 31 March 2021 £
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 31 March 2022 £	Year ended 31 March 2021 £
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 £	2021 £
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 £	2021 £
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 £	2021 £
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>
Reconciliation of research commitments		
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 31 March 2021 £	Income £	Expenditure £	Transfers	As at 31 March 2022 £
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)	-	-
	<u>1,763,996</u>	<u>10,300,752</u>	<u>(9,368,404)</u>	<u>(573,483)</u>	<u>2,122,861</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 31 March 2020	Income	Expenditure	Transfers	As at 31 March 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 31 March 2021	Income	Expenditure	Transfers	As at 31 March 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>
Prior period					
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**

	General Fund	Restricted	Total
	£	Funds	£
		£	
Current assets			
Debtors	24,180,807	11,049,588	35,230,395
Cash at bank	21,754,907	370,876	22,125,783
Creditors			
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)
	2,234,585	2,122,861	4,357,446

Prior period

	General Fund	Restricted	Total
	£	Funds	£
		£	
Current assets			
Debtors	24,000,000	3,445,813	27,445,813
Cash at bank	25,425,634	1,988,354	27,413,988
Creditors			
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)
	8,373,597	1,763,996	10,137,593

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 funds £	Restricted funds £	Total £
Income from:			
Donations	28,012,416	5,085,784	33,098,200
Investments	(591)	-	(591)
Total income	28,011,825	5,085,784	33,097,609
Expenditure on:			
Charitable activities	20,825,715	4,618,391	25,444,106
Net movement in funds	7,186,110	467,393	7,653,503
Reconciliation of funds			
Funds balance at 1 April 2020	973,487	1,510,603	2,484,090
Funds balance at 31 March 2021	8,373,597	1,763,996	10,137,593

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

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

6th 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)

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