

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

England & Wales · Charity number 1184405

## Details

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**Status** Registered

**Legal form** Trust

**Registered** 2019-07-15

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Chernajovsky Foundation  
PO Box 1198  
Whitstable  
CT5 9DW

**Phone** 01227770412

**Email** [Yuti@chernajovskyfoundation.org.uk](mailto:Yuti@chernajovskyfoundation.org.uk)

**Website** [Chernajovskyfoundation.org.uk](http://Chernajovskyfoundation.org.uk)

## Activities

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**Objects:** TO PROTECT AND PROMOTE THE HEALTH OF THE PUBLIC IN PARTICULAR BY THE PROVISION OF GRANTS TO SUPPORT BIOMEDICAL RESEARCH IN THE FIELDS OF AUTOIMMUNITY, INFLAMMATION, INFECTIOUS DISEASES, AND AGEING ESPECIALLY FOCUSED ON THE DEVELOPMENT OF PRACTICAL APPLICATIONS IN THE FORM OF NEW TARGETED TREATMENTS.

**Activities:** The provision of grants to support biomedical research in the fields of autoimmunity, inflammation, infectious diseases, and ageing especially focussed on the development of practical applications in the form of new targeted treatments

## Classification

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- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

## Geography

- Argentina
- Austria
- Belgium
- Canada
- Denmark
- France
- Germany
- Israel
- Italy
- Netherlands
- Northern Ireland
- Scotland
- Spain
- United States
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£508,216	£1,083,814	£2,231,921	0
2024-04-05	£487,750	£66,380	-	-
2023-04-05	£588,250	£33,640	£2,361,359	0
2022-04-05	£545,314	£746,200	£1,943,262	0
2021-04-05	£717,947	£803,827	£2,172,867	0

## Trustees

Name	Role	Appointed
<b>Professor Yuti Chernajovsky PhD FRCP</b>	Chair	2019-07-09
Dr Lorna Chernajovsky PhD		2019-07-09
Professor FMedSci Paul Peter Tak MDPHd		2019-07-09

**THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

England & Wales - Charity number 1184405

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# Accounts

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**Report of the Trustees and  
Financial Statements  
For The Year Ended 5 April 2025  
for  
THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

Hilden Park Accountants Limited  
Chartered Accountants  
& Statutory Auditors  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

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For The Year Ended 5 April 2025**

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# THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## Report of the Trustees For The Year Ended 5 April 2025

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The trustees present their annual report with the audited financial statements of the charity for the year ended 5 April 2025. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's Trust Deed, The Charities Act 2011 and the requirements of the "Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### OBJECTIVES AND ACTIVITIES

Under the terms of the original Trust Deed, the trustees have discretion to promote, advance and support charities, charitable organisations, charitable purposes and charitable causes including but not limited to:

The protection and promotion of the health of the public by the provision of grants to support biomedical research in the fields of autoimmunity, inflammation, infectious diseases and ageing especially focussed on the development of practical applications in the form of new targeted treatments.

The trustees must use the income and may use the capital of the charity in promoting the objectives.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

### ACHIEVEMENT AND PERFORMANCE

The Foundation entered an agreement in 2021 with Connect Immune Research, a consortium of national medical research charities comprising primarily of Versus Arthritis, The Multiple Sclerosis Society, Juvenile Diabetes Research Fund, along with the British Society for Immunology to fund research into the common causes of autoimmunity. This "Targeting shared mechanisms in immune-mediated inflammatory diseases" initiative provides the opportunity to think and research differently in autoimmunity by working across disease areas in the translational space. Building on decades of research conducted in individual disease areas, it was timely to invest in a cross-disease approach to identify potential new treatments for people living with autoimmune conditions.

Initially funding was offered for 10 pilot research projects, which have now all been completed and final reports received. After initial outline applications for Phase II funding to continue the work of the pilot projects, 4 were selected for full applications. Our partner charities in phase I decided not to continue with their funding, so the Foundation committed to funding alone 2 research projects. After external independent peer review, an expert panel was convened to assess applications and their reviews, and recommend funding. The trustees accepted their recommendations to fund Professor Lucy Walker at UCL for 2 years, Targeting Tfh cells across multiple autoimmune diseases for £500,000; and Dr Trinidad Montero Melendez at QMUL for 3 years for Drug development and pre-clinical evaluation of novel ACTH based peptides for £493,277.

Six of the seven Foundation funded PhD studentships have now successfully completed their studies and defended their vivas. They all have secured positions in science or are actively pursuing them.

A call was announced for applications from Foundation-funded PhD students for a post-doctoral fellowship. Two were received and assessed, and Dr Kathryn Frost was awarded a fellowship of €114,200 to be undertaken at Instituto de Investigação e Inovação em Saúde, Universidade do Porto for 2 years, entitled 'Unveiling the mysteries of the Sympathetic Nervous System (SNS): Engineering a 3-D model for the study of SNS functions in health and disease'.

The identification of the next topic for scientific focus has involved discussion and advice from scientific/clinical experts, discussion and negotiation with potential partners and research institutions.

Incoming resources for the period amounted to £508,216 (2024: £487,750). Reserves will continue to be maintained to provide future incoming resources and awarded as grants when appropriate charitable institutions and causes are identified or when costs become payable.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Report of the Trustees  
For The Year Ended 5 April 2025**

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**FINANCIAL REVIEW**

**Financial position**

Investment income received during the year totalled £74,573 (2024: £66,904) being interest and dividends received from fixed asset investments. Investment income increased as a result of additional funds invested into the investment portfolios during the year.

Royalty income received during the year totalled £433,643 (2024: £420,846).

Total expenditure for the year was £1,083,814 (2024: £66,380) with the increase due to grants approved in the year, higher investment portfolio management fees, along with the loss on foreign exchange of £17,319 compared to £3,921 in the prior year, and additional costs from the financial statements being audited compared to an independent examination in the prior year.

Total grants paid in the year were £1,041,640 compared to £28,093 in the prior year.

Net losses on investments during the year totalled £95,001 (2024: net gains of £119,791), which was made up of realised gains of £90,002 and unrealised losses of £185,003. The prior year figure is made up of realised gains of £32,733 and unrealised gains of £87,058.

The deficit for the year totalled £670,599 (2024: surplus of £541,161).

The balance of unrestricted funds at 5 April 2025 was £2,231,921 (2024: £2,902,520).

**Investment policy and objectives**

The trustees' overall investment objective as stated in the investment management agreement is to maintain a multi-asset portfolio and achieve a balance of income and capital growth. The charity operates an ethical investment policy.

The performance of the trust investment portfolio is considered at regular intervals with the investment manager and is benchmarked against various market indices (including the FTSE WMA and Stock Market Balanced Index) to ensure the funds held are performing well. This manager, which is regulated by the Financial Conduct Authority in the United Kingdom, manages the investments within the restrictions set out in the investment management agreement. Any issues are addressed with the trustees as and when they arise. The trustees were satisfied with the performance of the investments during the period. Investments at the period end had a market value of £2,386,011 (2024: £1,712,722).

**Reserves policy**

It is the trustees' policy not to retain reserves as the charity's overheads are low.

At the year end the charity's free reserves were £2,231,921 (2024: £2,902,520) which will be used to further the charity's objectives as set out above.

**Going concern**

After making the necessary enquiries, the trustees have a reasonable expectation that the Charity has adequate reserves to continue in existence for the foreseeable future and there are no material uncertainties regarding going concern. On this basis the Charity continues to adopt the going concern basis in preparing its financial statements

**FUTURE PLANS**

During the coming 2025/26 financial year the trustees plan to continue supporting the "Targeting shared mechanisms in immune-mediated inflammatory diseases" by funding Phase II grants. There will be periodic evaluation by face-to-face meetings and reports.

The Foundation will continue to support the PhD students until completion, and support the post-doctoral fellow in Portugal. There will be periodic evaluation by direct meetings and reports.

The trustees will review their portfolio and decide upon the focus of their next funding programme and partners (as appropriate). They will review their funding of trainee scientists in appropriate institutions.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Report of the Trustees  
For The Year Ended 5 April 2025**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

**Charity constitution**

The charity is an unincorporated registered charity, constructed under a Trust Deed dated 9 July 2019. The trustees hold the capital and income of the charity's Trust Fund upon trust to apply the income and, as far as may be necessary, the capital for the purposes set out in clause 2.2 of the Trust Deed.

**Recruitment and appointment of new trustees**

The minimum number of trustees required by the Trust Deed is 3 and the maximum is 5. Future trustees must be appointed by resolution of the trustees and must hold office for at least three years from the date of their appointment. As required by the Trust Deed, the trustees meet no less than twice a year. Except where otherwise provided, every issue may be determined by a simple majority of votes cast at a meeting of the trustees but a resolution which is writing and signed by all the trustees is as valid as a resolution passed at a meeting. For this purpose, the resolution may be contained in more than one document and will be treated as passed following receipt of the necessary written approval.

Every trustee has one vote on each issue. In the event of a tie, the chairman shall have the deciding vote.

**Organisational structure and decision making**

The trustees formally meet during the year to discuss the affairs of the Charity. Between meetings they keep in regular contact as matters arise.

The trustees oversee all operations of the charity and are responsible for all decision making.

**Induction and training of new trustees**

There are no formal policies in place for the induction or training of new trustees. New trustees are briefed by the board of existing trustees.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

When making decisions, the trustees assess the risks to which the charity might be exposed. The trustees carry out due-diligence on charitable institutions before grants are made and document all major decisions. As part of the grant-making process, the trustees agree to follow up with the donée to ensure that funds have been applied for the agreed purpose. This could be by way of a progress report, personal visit by one of the trustees or completion of an event. Donation receipts are obtained from each donée.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

1184405

**Principal address**

P.O.Box 1198  
Whitstable  
Kent  
CT5 9DW

**Trustees**

Dr Lorna Chernajovsky  
Professor Yuti Chernajovsky  
Professor Paul-Peter Tak

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Report of the Trustees  
For The Year Ended 5 April 2025**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Auditors**

Hilden Park Accountants Limited  
Chartered Accountants  
& Statutory Auditors  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

**Investment advisors and bankers**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

**TRUSTEES' RESPONSIBILITY STATEMENT**

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 2 September 2025 and signed on its behalf by:

Professor Yuti Chernajovsky - Trustee

**Report of the Independent Auditors to the Trustees of  
The Lorna & Yuti Chernajovsky Biomedical  
Research Foundation**

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**Opinion**

We have audited the financial statements of The Lorna & Yuti Chernajovsky Biomedical Research Foundation (the 'charity') for the year ended 5 April 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2025 and of its incoming resources and application of resources, 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 Charities Act 2011.

**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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements;
- or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Report of the Independent Auditors to the Trustees of  
The Lorna & Yuti Chernajovsky Biomedical  
Research Foundation**

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**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Trustees of  
The Lorna & Yuti Chernajovsky Biomedical  
Research Foundation**

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**Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant which have a direct material effect on the amounts and disclosures in the financial statements are the Charities Act 2011 and Charities SORP FRS 102.

We also identified other laws and regulations which do not have a direct effect on the amounts and disclosures in the financial statements, but which compliance is fundamental to the entity's operations including Data Protection Laws (including UK General Data Protection Regulation (GDPR)) and enquired with management regarding procedures in place to ensure compliance.

Having reviewed the laws and regulations applicable to the charity, we designed and performed audit procedures to obtain sufficient appropriate evidence. Specifically we:

- Assigned an engagement team to the audit that collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- Enquired with management on any non compliance with laws and regulations.
- Reviewed the legal expense accounts and legal correspondence to identify potential litigation or claims involving the entity.
- Reviewed internal policies and procedures and external guidance.
- Reviewed the completeness and accuracy of associated disclosures made in the financial statements.

We assessed the susceptibility of the charity's financial statements to material misstatement and fraud and in doing so:

- Considered whether there were areas of the financial statements particularly susceptible to fraud and enquired with management as to any known or suspected instances of fraud and their assessment of fraud risk.
- Considered whether management have incentives and opportunities to manipulate financial results and determined the key audit risks related to completeness of income and management override of controls.
- The risk of management override of controls has been reviewed and audited, including through testing accounting estimates and other adjustments for appropriateness. Furthermore, analytical procedures were undertaken to identify any unusual or unexpected relationships and transactions and the rationale behind these was investigated.
- The risk of completeness of income has been reviewed and audited, including through substantive testing, along with a review of the appropriateness of the accounting policy concerning income recognition and completing detailed cut off testing either side of the balance sheet date.

The audit has been planned and performed in such a way as to best identify risks of material misstatement, however the inherent limitations of audit procedures means that there remains a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, override of controls, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of  
The Lorna & Yuti Chernajovsky Biomedical  
Research Foundation**

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**Other matters which we are required to address**

The prior period financial statements and the corresponding comparative figures included within these financial statements were not audited.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Hilden Park Accountants Limited  
Chartered Accountants  
& Statutory Auditors  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

4 September 2025

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Statement of Financial Activities  
For The Year Ended 5 April 2025**

	Notes	2025 Unrestricted fund £	2024 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Investment income	2	74,573	66,904
Other income	3	<u>433,643</u>	<u>420,846</u>
<b>Total</b>		<u>508,216</u>	<u>487,750</u>
<b>EXPENDITURE ON</b>			
Raising funds	4	9,826	3,786
<b>Charitable activities</b>	5		
General grants		<u>1,073,988</u>	<u>62,594</u>
<b>Total</b>		<u>1,083,814</u>	<u>66,380</u>
Net gains/(losses) on investments		<u>(95,001)</u>	<u>119,791</u>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(670,599)</b>	541,161
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		<u>2,902,520</u>	<u>2,361,359</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>2,231,921</u></u>	<u><u>2,902,520</u></u>

The notes form part of these financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Statement of Financial Position  
5 April 2025**

		<b>2025 Total funds £</b>	2024 Total funds £
<b>FIXED ASSETS</b>	Notes		
Investments	11	<b>2,386,011</b>	1,712,722
<b>CURRENT ASSETS</b>			
Debtors	12	<b>36,116</b>	41,002
Cash at bank		<u><b>899,789</b></u>	<u>1,288,404</u>
		<b>935,905</b>	1,329,406
<b>CREDITORS</b>			
Amounts falling due within one year	13	<u><b>(1,089,995)</b></u>	<u>(139,608)</u>
<b>NET CURRENT ASSETS</b>		<u><b>(154,090)</b></u>	<u>1,189,798</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>2,231,921</b></u>	<u>2,902,520</u>
<b>NET ASSETS</b>		<u><b>2,231,921</b></u>	<u>2,902,520</u>
<b>FUNDS</b>			
Unrestricted funds		<u><b>2,231,921</b></u>	<u>2,902,520</u>
<b>TOTAL FUNDS</b>		<u><b>2,231,921</b></u>	<u>2,902,520</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 2 September 2025 and were signed on its behalf by:

Yuti Chernajovsky - Trustee

The notes form part of these financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Statement of Cash Flows  
For The Year Ended 5 April 2025**

	Notes	2025 £	2024 As restated £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>305,102</u>	<u>(249,260)</u>
Net cash provided by/(used in) operating activities		<u>305,102</u>	<u>(249,260)</u>
<b>Cash flows from investing activities</b>			
Purchase of fixed asset investments		(1,736,748)	(1,060,293)
Sale of fixed asset investments		968,458	1,031,634
Interest received		20,750	19,434
Dividends received		418	1,478
Overseas interest and dividends		<u>53,405</u>	<u>45,992</u>
Net cash (used in)/provided by investing activities		<u>(693,717)</u>	<u>38,245</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		(388,615)	(211,015)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,288,404</u>	<u>1,499,419</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>899,789</u>	<u>1,288,404</u>

The notes form part of these financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Statement of Cash Flows  
For The Year Ended 5 April 2025**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2025	2024	
	£	As restated £	
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	<b>(670,599)</b>	541,161	
<b>Adjustments for:</b>			
Losses/(gain) on investments	<b>95,001</b>	(119,842)	
Interest received	<b>(20,750)</b>	(19,434)	
Dividends received	<b>(418)</b>	(1,478)	
Overseas interest and dividends	<b>(53,405)</b>	(45,992)	
Decrease in debtors	<b>4,886</b>	41,397	
Increase/(decrease) in creditors	<b><u>950,387</u></b>	<b><u>(645,072)</u></b>	
<b>Net cash provided by/(used in) operations</b>	<b><u>305,102</u></b>	<b><u>(249,260)</u></b>	
2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 6.4.24	Cash flow	At 5.4.25
	£	£	£
<b>Net cash</b>			
Cash at bank	<b><u>1,288,404</u></b>	<b><u>(388,615)</u></b>	<b><u>899,789</u></b>
	<b><u>1,288,404</u></b>	<b><u>(388,615)</u></b>	<b><u>899,789</u></b>
<b>Total</b>	<b><u>1,288,404</u></b>	<b><u>(388,615)</u></b>	<b><u>899,789</u></b>

The notes form part of these financial statements

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Investment income is recognised when it is receivable.

Other income relates to royalties and is recognised in the period to which it relates.

### **Expenditure**

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

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

The charity has one charitable activity to which direct and support costs are allocated.

Governance costs include all those associated with constitutional and statutory requirement including the preparation, and independent examination, of the statutory accounts, and legal and professional fees.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

### **Taxation**

The charity is exempt from tax on its charitable activities.

### **Fund accounting**

The charity has an unrestricted fund created by the assignment of royalties and the income of the Trust is unrestricted. The terms of the Trust allow the capital of the fund to be spent if the Trustees so determine.

Unrestricted income comprises funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Financial Statements - continued  
For The Year Ended 5 April 2025**

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**1. ACCOUNTING POLICIES - continued**

**Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

**Financial instruments**

Financial instruments are classified and accounted for according to the substance of the contractual agreement as financial assets or financial liabilities.

**Going concern**

After making the necessary enquiries, the trustees have a reasonable expectation that the Charity has adequate reserves to continue in existence for the foreseeable future and there are no material uncertainties regarding going concern. On this basis the Charity continues to adopt the going concern basis in preparing its financial statements

**2. INVESTMENT INCOME**

	<b>2025</b>	2024
	<b>£</b>	£
UK interest & dividends	<b>418</b>	1,478
Overseas interest & dividends	<b>53,405</b>	45,992
UK bank interest	<b><u>20,750</u></b>	<u>19,434</u>
	<b><u>74,573</u></b>	<u>66,904</u>

**3. OTHER INCOME**

	<b>2025</b>	2024
	<b>£</b>	£
Royalties from YEDA	<b><u>433,643</u></b>	<u>420,846</u>

By a Deed of Assignment dated 14 August 2019 royalties due to Yuti Chernajovsky were formally assigned to the Trustees until further notice.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Financial Statements - continued  
For The Year Ended 5 April 2025**

**4. RAISING FUNDS**

**Investment management costs**

	2025	2024
	£	£
Portfolio management	<u>9,826</u>	<u>3,786</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 6)	Grant funding of activities (see note 7)	Support costs (see note 8)	Totals
	£	£	£	£
General grants	<u>1,245</u>	<u>1,041,640</u>	<u>31,103</u>	<u>1,073,988</u>

**6. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2025	2024
	£	£
Research meeting costs	-	20,414
Travel costs	<u>1,245</u>	-
	<u>1,245</u>	<u>20,414</u>

**7. GRANTS PAYABLE**

	2025	2024
	£	£
General grants	<u>1,041,640</u>	<u>28,093</u>

The Charity has made the following grants to institutions during the year:

	2025	2024
	£	£
British Society for Research on Ageing	-	15,002
Post- Doctoral Fellowship at i3S Institute in Porto, Portugal	96,928	-
William Harvey Research Foundation	-	15,801
University College London	500,000	-
Queen Mary University of London	493,277	-
Other grants	3,637	182
Unspent grants returned in the year	(18,503)	-
Unused grants reversed in the year	<u>(33,699)</u>	<u>(2,892)</u>
	<u>1,041,640</u>	<u>28,093</u>

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Financial Statements - continued  
For The Year Ended 5 April 2025**

**8. SUPPORT COSTS**

	Finance £	Other £	Governance costs £	Totals £
General grants	<u>1,029</u>	<u>19,634</u>	<u>10,440</u>	<u>31,103</u>

Support costs, included in the above, are as follows:

	2025 General grants £	2024 Total activities £
Bank charges	1,029	1,686
Profit or loss on foreign exchange	17,319	3,921
Administrative costs	1,707	2,060
Computer costs	608	-
Auditors' remuneration	6,900	-
Accountancy fees	3,540	3,420
Independent Examiners fees	-	<u>3,000</u>
	<u>31,103</u>	<u>14,087</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 5 April 2025 nor for the year ended 5 April 2024.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 5 April 2025 nor for the year ended 5 April 2024.

**10. PRIOR YEAR ADJUSTMENT**

A prior year adjustment has been made to the Statement of Cash Flows in relation to the overseas interest and dividends received of £45,992. The adjustment is to include this amount within the reconciliation of net (expenditure)/income to net cash flow from operating activities and also within cash flows from investing activities so that the balance is correctly classified.

The adjustment does not have any impact on the overall surplus for the prior year or funds brought forward at 6 April 2024.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Financial Statements - continued  
For The Year Ended 5 April 2025**

**11. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 6 April 2024	1,712,722
Additions	1,736,748
Disposals	(968,458)
Revaluations	<u>(95,001)</u>
At 5 April 2025	<u>2,386,011</u>
<b>NET BOOK VALUE</b>	
At 5 April 2025	<u>2,386,011</u>
At 5 April 2024	<u>1,712,722</u>

Fixed asset investments comprise UK fixed interest securities and bonds of £1,156,614 (2024: £843,494), UK quoted equities of £31,910 (2024: £254,147), alternative investments of £120,337 (2023: £Nil), overseas equities of £1,077,150 (2024: £570,595) and commodities £Nil (2024: £44,486).

Cost or valuation at 5 April 2025 is represented by:

	Listed investments £
Valuation in 2022	(17,321)
Valuation in 2023	(135,373)
Valuation in 2024	119,842
Valuation in 2025	(95,001)
Cost	<u>2,513,864</u>
	<u>2,386,011</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2025 £	2024 £
Prepayments and accrued income	<u>36,116</u>	<u>41,002</u>

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Financial Statements - continued  
For The Year Ended 5 April 2025**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2025	2024
	£	£
Other creditors	18	20
Accrued expenses	10,440	6,420
Accruals for grants payable	<u>1,079,537</u>	<u>133,168</u>
	<u><b>1,089,995</b></u>	<u><b>139,608</b></u>

Movement of accruals for grants payable:

	2025	2024
	£	£
At 6 April 2024	133,168	778,480
Grants approved	1,090,204	30,984
Unused grants reversed in the year	(33,699)	(2,892)
Grant payments in the year	<u>(110,136)</u>	<u>(673,404)</u>
At 5 April 2025	<u><b>1,079,537</b></u>	<u><b>133,168</b></u>

**14. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 5 April 2025 or 5 April 2024.

**15. FINANCIAL INSTRUMENTS**

	2025	2024
	£	£
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<u><b>2,386,011</b></u>	<u><b>1,712,722</b></u>
Gain/(loss) on financial assets measured at fair value through income and expenditure	<u><b>(95,001)</b></u>	<u><b>119,791</b></u>

Financial assets measured at fair value through income and expenditure comprise listed investments.

**THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

England & Wales - Charity number 1184405

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# Accounts

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**REGISTERED CHARITY NUMBER: 1184405**

**Report of the Trustees and  
Unaudited Financial Statements  
For The Year Ended 5 April 2024  
for  
THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

Hilden Park Accountants Limited  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Contents of the Financial Statements  
For The Year Ended 5 April 2024**

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**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Report of the Trustees  
For The Year Ended 5 April 2024**

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The trustees present their report with the financial statements of the charity for the year ended 5 April 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

Under the terms of the original Trust Deed, the trustees have discretion to promote, advance and support charities, charitable organisations, charitable purposes and charitable causes including but not limited to:

The protection and promotion of the health of the public by the provision of grants to support biomedical research in the fields of autoimmunity, inflammation, infectious diseases and ageing especially focussed on the development of practical applications in the form of new targeted treatments.

The trustees must use the income and may use the capital of the charity in promoting the objectives.

The trustees, having regard to the Public Benefit Guidance published by the Charity Commission in accordance with Section 17 of the Charities Act 2011, consider that the purposes and activities of the charity satisfy the requirements of the public benefit test set out in section 4 of the same Act.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

# THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## Report of the Trustees For The Year Ended 5 April 2024

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### ACHIEVEMENT AND PERFORMANCE

The Foundation entered an agreement in 2021 with Connect Immune Research, a consortium of national medical research charities comprising primarily of Versus Arthritis, The Multiple Sclerosis Society, Juvenile Diabetes Research Fund, along with the British Society for Immunology to fund research into the common causes of autoimmunity. This "Targeting shared mechanisms in immune-mediated inflammatory diseases" initiative provides the opportunity to think and research differently in autoimmunity by working across disease areas in the translational space. Building on decades of research conducted in individual disease areas, it was timely to invest in a cross-disease approach to identify potential new treatments for people living with autoimmune conditions.

Initially funding was offered for 10 pilot research projects, which have now been completed and final reports received. Expressions of Interest for Phase II funding more substantial funding to continue the work in the pilot projects were received and 4 selected for full applications. Our partner charities for phase I decided not to continue with their funding, so the Foundation committed to funding alone 2 research projects for up to £500,000 each. Decisions will be made in 2024 after expert external review.

The trustees organised a scientific symposium in July 2023 at Aston University covering a day and a half. Researchers receiving grants from the "Targeting shared mechanisms in immune-mediated inflammatory diseases" initiative presented their results and plans for future work, and were encouraged to make potential new collaborations. On second day, all 7 PhD students funded by the Foundation presented their work.

The 7 PhD studentships are now in the process of finishing their studies and writing up towards completing their doctoral thesis. One has already received their doctorate. Assessment of progress has been through written reports and presentations by supervisors and students either in person or via Zoom and at the symposium in Birmingham. All were considered by the trustees as progressing satisfactorily.

The trustees agreed to fund a maximum of 2 post-doctoral Fellowships available to current PhD students. A call was announced for applications, to be decided upon in 2024.

Incoming resources for the period amounted to £487,750 (2023: £588,250). Reserves will continue to be maintained to provide future incoming resources and awarded as grants when appropriate charitable institutions and causes are identified or when costs become payable.

The trustees' overall investment objective as stated in the investment management agreement is to maintain a multi-asset portfolio and achieve a balance of income and capital growth. The charity operates an ethical investment policy.

The performance of the trust investment portfolio is considered at regular intervals with the investment manager and is benchmarked against various market indices (including the FTSE WMA and Stock Market Balanced Index) to ensure the funds held are performing well. This manager, which is regulated by the Financial Conduct Authority in the United Kingdom, manages the investments within the restrictions set out in the investment management agreement. Any issues are addressed with the trustees as and when they arise. The trustees were satisfied with the performance of the investments during the period. Investments at the period end had a market value of £1,712,722 (2023: £1,564,221).

It is the trustees' policy not to retain reserves as the charity's overheads are low.

### FUTURE PLANS

During the coming 2023/24 financial year the trustees plan to continue supporting the "Targeting shared mechanisms in immune-mediated inflammatory diseases" initiative by funding two Phase II projects for up to £500,000 each.

The Foundation will continue to support the PhD projects awarded from the first call until completion, and award up to 2 post-doctoral Fellowships.

The trustees will review their portfolio and decide upon the focus of their next funding programme.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Report of the Trustees  
For The Year Ended 5 April 2024**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity is an unincorporated registered charity, constructed under a Trust Deed dated 9 July 2019. The trustees hold the capital and income of the charity's Trust Fund upon trust to apply the income and, as far as may be necessary, the capital for the purposes set out in clause 2.2 of the Trust Deed.

The minimum number of trustees required by the Trust Deed is 3 and the maximum is 5. Future trustees must be appointed by resolution of the trustees and must hold office for at least three years from the date of their appointment. As required by the Trust Deed, the trustees meet no less than twice a year. Except where otherwise provided, every issue may be determined by a simple majority of votes cast at a meeting of the trustees but a resolution which is written and signed by all the trustees is as valid as a resolution passed at a meeting. For this purpose, the resolution may be contained in more than one document and will be treated as passed following receipt of the necessary written approval.

Every trustee has one vote on each issue. In the event of a tie, the chairman shall have the deciding vote.

The trustees have not adopted any policies or procedures for the induction and training of trustees.

When making decisions, the trustees assess the risks to which the charity might be exposed. The trustees carry out due-diligence on charitable institutions before grants are made and document all major decisions. As part of the grant-making process, the trustees agree to follow up with the donee to ensure that funds have been applied for the agreed purpose. This could be by way of a progress report, personal

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

1184405

**Principal address**

P.O.Box 1198  
Whitstable  
Kent  
CT5 9DW

**Trustees**

Dr Lorna Chernajovsky  
Professor Yuti Chernajovsky  
Professor Paul-Peter Tak

**Independent Examiner**

Hilden Park Accountants Limited  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Report of the Trustees  
For The Year Ended 5 April 2024**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Investment advisors and bankers**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

September 3, 2024

Approved by order of the board of trustees on ..... and signed on its behalf by:



.....  
Professor Yuti Chernajovsky - Trustee

**Independent Examiner's Report to the Trustees of  
The Lorna & Yuti Chernajovsky Biomedical  
Research Foundation**

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**Independent examiner's report to the trustees of The Lorna & Yuti Chernajovsky Biomedical**

I report to the charity trustees on my examination of the accounts of The Lorna & Yuti Chernajovsky Biomedical (the Trust) for the year ended 5th April 2022.

**Responsibilities and basis of report**

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

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

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the Independent examiner's statement.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Andrew Appleton FCCA

Hilden Park Accountants Limited  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

Date: 3rd September 2024

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Statement of Financial Activities  
For The Year Ended 5 April 2024**

		<b>2024 Unrestricted fund £</b>	<b>2023 Total funds £</b>
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
Investment income	2	<b>66,904</b>	40,448
Other income	3	<b>420,846</b>	547,802
<b>Total</b>		<b>487,750</b>	588,250
<b>EXPENDITURE ON</b>			
Raising funds	4	<b>3,786</b>	12,840
<b>Charitable activities</b>	5		
General grants		<b>48,507</b>	36,000
Other		<b>14,087</b>	(15,200)
<b>Total</b>		<b>66,380</b>	33,640
Net gains/(losses) on investments		<b>119,791</b>	(136,513)
<b>NET INCOME</b>		<b>541,161</b>	418,097
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		<b>2,361,359</b>	1,943,262
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,902,520</b>	2,361,359

The notes form part of these financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Statement of Financial Position  
5 April 2024**

	Notes	2024 Total funds £	2023 Total funds £
<b>FIXED ASSETS</b>			
Investments	10	1,712,722	1,564,221
<b>CURRENT ASSETS</b>			
Debtors	11	41,002	82,399
Cash at bank		1,288,404	1,499,419
		<u>1,329,406</u>	<u>1,581,818</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	(139,608)	(784,680)
<b>NET CURRENT ASSETS</b>		<u>1,189,798</u>	<u>797,138</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,902,520</u>	<u>2,361,359</u>
<b>NET ASSETS</b>		<u>2,902,520</u>	<u>2,361,359</u>
<b>FUNDS</b>			
Unrestricted funds		<u>2,902,520</u>	<u>2,361,359</u>
<b>TOTAL FUNDS</b>		<u>2,902,520</u>	<u>2,361,359</u>

The financial statements were approved by the Board of Trustees and authorised for issue on .....  
and were signed on its behalf by:

.....  
Yuti Chernajovsky - Trustee

The notes form part of these financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Statement of Cash Flows  
For The Year Ended 5 April 2024**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(203,268)	27,948
Net cash (used in)/provided by operating activities		(203,268)	27,948
<b>Cash flows from investing activities</b>			
Purchase of fixed asset investments		(1,060,293)	(1,087,877)
Sale of fixed asset investments		1,031,634	1,086,370
Interest received		19,434	7,466
Dividends received		1,478	1,888
Net cash (used in)/provided by investing activities		(7,747)	7,847
<b>Change in cash and cash equivalents in the reporting period</b>			
		(211,015)	35,795
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		1,499,419	1,463,624
<b>Cash and cash equivalents at the end of the reporting period</b>			
		1,288,404	1,499,419

The notes form part of these financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

Notes to the Statement of Cash Flows  
For The Year Ended 5 April 2024

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2024	2023
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>541,161</b>	<b>418,097</b>
<b>Adjustments for:</b>		
(Gain)/losses on investments	(119,842)	135,373
Interest received	(19,434)	(7,466)
Dividends received	(1,478)	(1,888)
Decrease/(increase) in debtors	41,397	(5,276)
Decrease in creditors	(645,072)	(510,892)
<b>Net cash (used in)/provided by operations</b>	<b>(203,268)</b>	<b>27,948</b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 6.4.23	Cash flow	At 5.4.24
	£	£	£
<b>Net cash</b>			
Cash at bank	1,499,419	(211,015)	1,288,404
	<u>1,499,419</u>	<u>(211,015)</u>	<u>1,288,404</u>
<b>Total</b>	<u>1,499,419</u>	<u>(211,015)</u>	<u>1,288,404</u>

The notes form part of these financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Financial Statements  
For The Year Ended 5 April 2024**

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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Investment income is recognised when it is receivable.

Other income relates to royalties and is recognised in the period to which it relates.

**Expenditure**

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

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

The charity has one charitable activity to which direct and support costs are allocated.

Governance costs include all those associated with constitutional and statutory requirement including the preparation, and independent examination, of the statutory accounts, and legal and professional fees.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

The charity has an unrestricted fund created by the assignment of royalties and the income of the Trust is unrestricted. The terms of the Trust allow the capital of the fund to be spent if the Trustees so determine.

Unrestricted income comprises funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Financial Statements - continued  
For The Year Ended 5 April 2024**

**1. ACCOUNTING POLICIES - continued**

**Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

**Financial instruments**

Financial instruments are classified and accounted for according to the substance of the contractual agreement as financial assets or financial liabilities.

**Going concern**

After making the necessary enquiries, the trustees have a reasonable expectation that the Charity has adequate reserves to continue in existence for the foreseeable future and there are no material uncertainties regarding going concern. On this basis the Charity continues to adopt the going concern basis in preparing its financial statements

**2. INVESTMENT INCOME**

	2024	2023
	£	£
UK interest & dividends	1,478	1,887
Overseas interest & dividends	45,992	31,094
UK bank interest	19,434	7,467
	<u>66,904</u>	<u>40,448</u>

**3. OTHER INCOME**

	2024	2023
	£	£
Royalties from YEDA	<u>420,846</u>	<u>547,802</u>

By a Deed of Assignment dated 14 August 2019 royalties due to Yuti Chernajovsky were formally assigned to the Trustees until further notice.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

Notes to the Financial Statements - continued  
For The Year Ended 5 April 2024

**4. RAISING FUNDS**

**Investment management costs**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Portfolio management	<b>3,786</b>	<b>12,840</b>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 6)	Grant funding of activities (see note 7)	Totals
	<b>£</b>	<b>£</b>	<b>£</b>
General grants	<b>20,414</b>	<b>28,093</b>	<b>48,507</b>

**6. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Research meeting costs	<b>20,414</b>	<b>-</b>

**7. GRANTS PAYABLE**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
General grants	<b>28,093</b>	<b>36,000</b>

The Charity has made the following grants to institutions during the year:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
British Society for Research on Ageing	<b>15,002</b>	<b>-</b>
British Society for Immunology	<b>-</b>	<b>15,000</b>
William Harvey Research Foundation	<b>15,801</b>	<b>-</b>
Other grants	<b>182</b>	<b>21,000</b>
Unused grants reversed in the year	<b>(2,892)</b>	<b>-</b>
	<b>28,093</b>	<b>36,000</b>

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

Notes to the Financial Statements - continued  
For The Year Ended 5 April 2024

**8. SUPPORT COSTS**

	Finance £	Other £	Governance costs £	Totals £
Other resources expended	<u>1,686</u>	<u>5,981</u>	<u>6,420</u>	<u>14,087</u>

Support costs, included in the above, are as follows:

	2024 Other resources expended £	2023 Total activities £
Bank charges	1,686	1,345
Profit or loss on foreign exchange	3,921	(27,551)
Administrative costs	2,060	1,826
Accountancy fees	3,420	6,300
Independent Examiners fees	3,000	2,880
	<u>14,087</u>	<u>(15,200)</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 5 April 2024 nor for the year ended 5 April 2023.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 5 April 2024 nor for the year ended 5 April 2023.

**10. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 6 April 2023	1,564,221
Additions	1,060,293
Disposals	(1,031,634)
Revaluations	119,842
At 5 April 2024	<u>1,712,722</u>
<b>NET BOOK VALUE</b>	
At 5 April 2024	<u>1,712,722</u>
At 5 April 2023	<u>1,564,221</u>

Fixed asset investments comprise UK fixed interest securities of £843,494 (2023: £941,851), UK quoted equities of £254,147 (2023: £233,455), overseas equities of £570,595 (2023: £388,915) and Commodities £44,486 (2023: £Nil).

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

Notes to the Financial Statements - continued  
For The Year Ended 5 April 2024

**10. FIXED ASSET INVESTMENTS - continued**

Cost or valuation at 5 April 2024 is represented by:

	<b>Listed investments £</b>
Valuation in 2022	<b>148,501</b>
Cost	<b>1,564,221</b>
	<b><u>1,712,722</u></b>

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	<b>41,002</b>	<b>82,399</b>
	<b><u>41,002</u></b>	<b><u>82,399</u></b>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Other creditors	<b>20</b>	<b>20</b>
Accrued expenses	<b>6,420</b>	<b>6,180</b>
Accruals for grants payable	<b>133,168</b>	<b>778,480</b>
	<b><u>139,608</u></b>	<b><u>784,680</u></b>

Movement of accruals for grants payable:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
At 6 April 2023	<b>778,480</b>	<b>1,289,732</b>
Grants approved	<b>30,984</b>	<b>21,000</b>
Unused grants reversed in the year	<b>(2,892)</b>	<b>-</b>
Grant payments in the year	<b>(673,404)</b>	<b>(532,252)</b>
	<b><u>133,168</u></b>	<b><u>778,480</u></b>
At 5 April 2024	<b>133,168</b>	<b>778,480</b>

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Financial Statements - continued  
For The Year Ended 5 April 2024**

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**13. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 5 April 2024.

**THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

England & Wales - Charity number 1184405

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# Accounts

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**REGISTERED CHARITY NUMBER: 1184405**

**Report of the Trustees and  
Unaudited Financial Statements  
For The Year Ended 5 April 2023  
for  
THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

Hilden Park Accountants Limited  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Contents of the Financial Statements  
For The Year Ended 5 April 2023**

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**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Report of the Trustees  
For The Year Ended 5 April 2023**

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The trustees present their report with the financial statements of the charity for the year ended 5 April 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

Under the terms of the original Trust Deed, the trustees have discretion to promote, advance and support charities, charitable organisations, charitable purposes and charitable causes including but not limited to:

The protection and promotion of the health of the public by the provision of grants to support biomedical research in the fields of autoimmunity, inflammation, infectious diseases and ageing especially focussed on the development of practical applications in the form of new targeted treatments.

The trustees must use the income and may use the capital of the charity in promoting the objectives.

The trustees, having regard to the Public Benefit Guidance published by the Charity Commission in accordance with Section 17 of the Charities Act 2011, consider that the purposes and activities of the charity satisfy the requirements of the public benefit test set out in section 4 of the same Act.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

## **THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

### **Report of the Trustees For The Year Ended 5 April 2023**

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#### **ACHIEVEMENT AND PERFORMANCE**

The Chernajovsky Foundation, in collaboration with Connect Immune Research, a consortium of national medical research charities comprised primarily of Versus Arthritis, The Multiple Sclerosis Society, and Juvenile Diabetes Research Fund, supported by the British Society for Immunology funded 10 research projects into the causes of autoimmunity. This "Targeting shared mechanisms in immune-mediated inflammatory diseases" initiative aimed to fund research in a cross-disease approach to identify treatments that could be applicable for people living with different autoimmune conditions.

With initial funding commitment of £725,634 by the Chernajovsky Foundation, most of the pilot projects started in September 2022 for 12 months. When complete, the most promising can then be taken forward with more substantial funding.

The previously funded 7 PhD studentships are now entering their third year. Assessment of progress has been through written reports and presentations by supervisors and students either in person or via Zoom. All were considered by the trustees as progressing satisfactorily. Given the increase of the cost of living, the Board decided to increase the stipend of the PhD studentships by 10% backdated to start from October 2022 till the end of their studies.

The trustees have been planning and organising a scientific conference to be held in July 2023 in Aston University, Birmingham covering a day and a half. The aim is for the researchers participating in the "Targeting shared mechanisms in immune-mediated inflammatory diseases initiative" to present their results, plans for future work, and have time to discuss their therapeutic significance and to make potential new collaborations. On second day the 7 PhD students funded by the Foundation will present their work. By bringing together all scientists funded by the Foundation, we aim to build a community, assess their progress, and encourage the building of new collaborations.

Incoming resources for the period amounted to £588,250 (2022: £545,314). Reserves will continue to be maintained to provide for future awards as grants when appropriate charitable institutions and causes are identified or when costs become payable.

The trustees' overall investment objective as stated in the investment management agreement with Coutts is to maintain a multi-asset portfolio and achieve a balance of income and capital growth. The charity operates an ethical investment policy.

The performance of the trust investment portfolio is considered at regular intervals with the investment manager and is benchmarked against various market indices (including the FTSE, WMA and Stock Market Balanced Index) to ensure the funds held are performing well. This manager, which is regulated by the Financial Conduct Authority in the United Kingdom, manages the investments within the restrictions set out in the investment management agreement. Any issues are addressed with the trustees as and when they arise. The trustees were satisfied with the performance of the investments during the period. Investments at the year end had a market value of £1,564,221 (2022: £1,698,087).

It is the trustees' policy not to retain reserves as the charity's overheads are low.

#### **FUTURE PLANS**

During the coming 2023/24 financial year the trustees plan to continue to support the PhD projects awarded from the first call. Progress of the PhD studentships will be assessed by trustees through written reports and verbal presentations, especially at the conference in July 2023. The trustees plan to explore appropriate ways to support the students in their future careers.

The 10 projects exploring shared mechanisms of autoimmunity will be supported until their completion. The trustees are planning to support successful projects in the future with a commitment of £1 million.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Report of the Trustees  
For The Year Ended 5 April 2023**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity is an unincorporated registered charity, constructed under a Trust Deed dated 9 July 2019. The trustees hold the capital and income of the charity's Trust Fund upon trust to apply the income and, as far as may be necessary, the capital for the purposes set out in clause 2.2 of the Trust Deed.

The minimum number of trustees required by the Trust Deed is 3 and the maximum is 5. Future trustees must be appointed by resolution of the trustees and must hold office for at least three years from the date of their appointment. As required by the Trust Deed, the trustees meet no less than twice a year. Except where otherwise provided, every issue may be determined by a simple majority of votes cast at a meeting of the trustees but a resolution which is writing and signed by all the trustees is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document and will be treated as passed following receipt of the necessary written approval.

Every trustee has one vote on each issue. In the event of a tie, the chairman shall have the deciding vote.

The trustees have not adopted any policies or procedures for the induction and training of trustees.

When making decisions, the trustees assess the risks to which the charity might be exposed. The trustees carry out due-diligence on charitable institutions before grants are made and document all major decisions. As part of the grant-making process, the trustees agree to follow up with the donee to ensure that funds have been applied for the agreed purpose. This could be by way of a progress report, personal visit by one of the trustees or completion of an event. Donation receipts are obtained from each donee.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

1184405

**Principal address**

P.O.Box 1198  
Whitstable  
Kent  
CT5 9DW

**Trustees**

Dr Lorna Chernajovsky  
Professor Yuti Chernajovsky  
Professor Paul-Peter Tak

**Independent Examiner**

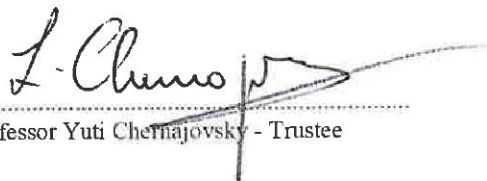
Hilden Park Accountants Limited  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Report of the Trustees  
For The Year Ended 5 April 2023**

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Approved by order of the board of trustees on 24/10/2023 and signed on its behalf by:



Professor Yuti Chernajovsky - Trustee

**Independent Examiner's Report to the Trustees of  
The Lorna & Yuti Chernajovsky Biomedical  
Research Foundation**

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**Independent examiner's report to the trustees of The Lorna & Yuti Chernajovsky Biomedical**

I report to the charity trustees on my examination of the accounts of The Lorna & Yuti Chernajovsky Biomedical (the Trust) for the year ended 5th April 2023.

**Responsibilities and basis of report**

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

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

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the Independent examiner's statement.

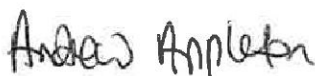
**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Andrew Appleton FCCA

Hilden Park Accountants Limited  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

Date: 25/10/2023

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Statement of Financial Activities  
For The Year Ended 5 April 2023**

	Notes	2023 Unrestricted fund £	2022 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Investment income	2	40,448	24,523
Other income	3	547,802	520,791
<b>Total</b>		<b>588,250</b>	<b>545,314</b>
<b>EXPENDITURE ON</b>			
Raising funds		14,185	10,659
<b>Charitable activities</b>	4		
General grants		36,000	725,634
Other		(16,545)	9,907
<b>Total</b>		<b>33,640</b>	<b>746,200</b>
Net gains/(losses) on investments		(136,513)	(28,719)
<b>NET INCOME/(EXPENDITURE)</b>		<b>418,097</b>	<b>(229,605)</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		1,943,262	2,172,867
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,361,359</b>	<b>1,943,262</b>

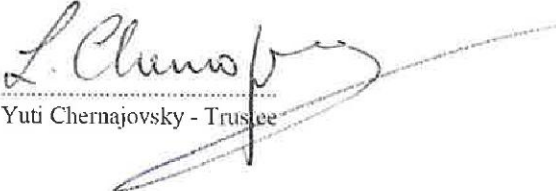
The notes form part of these financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Statement of Financial Position  
5 April 2023**

	Notes	2023 Total funds £	2022 Total funds £
<b>FIXED ASSETS</b>			
Investments	8	1,564,221	1,698,087
<b>CURRENT ASSETS</b>			
Debtors	9	82,399	77,123
Cash at bank		1,499,419	1,463,744
		<u>1,581,818</u>	<u>1,540,867</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	(784,680)	(1,295,692)
<b>NET CURRENT ASSETS</b>		<u>797,138</u>	<u>245,175</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,361,359</u>	<u>1,943,262</u>
<b>NET ASSETS</b>		<u>2,361,359</u>	<u>1,943,262</u>
<b>FUNDS</b>			
Unrestricted funds		2,361,359	1,943,262
<b>TOTAL FUNDS</b>		<u>2,361,359</u>	<u>1,943,262</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24/10/2023 and were signed on its behalf by:

  
Yuti Chernajovsky - Trustee

The notes form part of these financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Statement of Cash Flows  
For The Year Ended 5 April 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	27,948	616,621
Net cash provided by operating activities		<u>27,948</u>	<u>616,621</u>
<b>Cash flows from investing activities</b>			
Purchase of fixed asset investments		(1,087,877)	(1,050,907)
Sale of fixed asset investments		1,086,370	1,070,685
Sale of investment property		-	30,477
Sale of social investments		-	(59,196)
Interest received		7,466	122
Dividends received		1,888	1,227
Net cash provided by/(used in) investing activities		<u>7,847</u>	<u>(7,592)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
<b>Cash and cash equivalents at the beginning of the reporting period</b>	2	<u>1,463,624</u>	<u>854,595</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	2	<u>1,499,419</u>	<u>1,463,624</u>

The notes form part of these financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Statement of Cash Flows  
For The Year Ended 5 April 2023**

<b>1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
	<b>2023</b>	<b>2022</b>	
	<b>£</b>	<b>£</b>	
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	<b>418,097</b>	<b>(229,605)</b>	
<b>Adjustments for:</b>			
Losses on investments	<b>135,373</b>	28,719	
Interest received	<b>(7,466)</b>	(122)	
Dividends received	<b>(1,888)</b>	(1,227)	
(Increase)/decrease in debtors	<b>(5,276)</b>	274,399	
(Decrease)/increase in creditors	<b>(510,892)</b>	544,457	
<b>Net cash provided by operations</b>	<b><u>27,948</u></b>	<b><u>616,621</u></b>	
<b>2. ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
	<b>2023</b>	<b>2022</b>	
	<b>£</b>	<b>£</b>	
Notice deposits (less than 3 months)	<b>1,499,419</b>	1,463,744	
Overdrafts included in bank loans and overdrafts falling due within one year	<b>-</b>	(120)	
<b>Total cash and cash equivalents</b>	<b><u>1,499,419</u></b>	<b><u>1,463,624</u></b>	
<b>3. ANALYSIS OF CHANGES IN NET FUNDS</b>			
	<b>At 6.4.22</b>	<b>Cash flow</b>	<b>At 5.4.23</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank	<b>1,463,744</b>	<b>35,675</b>	<b>1,499,419</b>
Bank overdraft	<b>(120)</b>	<b>120</b>	<b>-</b>
	<b><u>1,463,624</u></b>	<b><u>35,795</u></b>	<b><u>1,499,419</u></b>
<b>Total</b>	<b><u>1,463,624</u></b>	<b><u>35,795</u></b>	<b><u>1,499,419</u></b>

The notes form part of these financial statements

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies are recognised when the charity has been notified in writing of both the amount and the settlement date. Investment income is accounted for on an accruals basis.

**Expenditure**

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

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. This is accrued once the recipient has been notified of the grant award.

**Governance costs**

The charity does not incur support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. Governance costs relate to charitable activities.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

The charity has an unrestricted fund created by the assignment of royalties and the income of the Trust is unrestricted. The terms of the Trust allow the capital of the fund to be spent if the Trustees so determine.

Unrestricted income comprises funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Financial Statements - continued  
For The Year Ended 5 April 2023**

**1. ACCOUNTING POLICIES - continued**

**Financial instruments`**

Financial instruments are classified and accounted for according to the substance of the contractual agreement as financial assets or financial liabilities.

**2. INVESTMENT INCOME**

	2023	2022
	£	£
UK interest & dividends	1,887	1,227
Overseas interest & dividends	31,094	23,174
UK bank interest	7,467	122
	<u>40,448</u>	<u>24,523</u>

**3. OTHER INCOME**

	2023	2022
	£	£
Royalties from YEDA	547,802	520,791
	<u>547,802</u>	<u>520,791</u>

By a Deed of Assignment dated 14 August 2019 royalties due to Yuti Chernajovsky were formally assigned to the Trustees until further notice.

**4. CHARITABLE ACTIVITIES COSTS**

	Grant funding of activities (see note 5) £
General grants	<u>36,000</u>

**5. GRANTS PAYABLE**

	2023	2022
	£	£
General grants	<u>36,000</u>	<u>725,634</u>

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

Notes to the Financial Statements - continued  
For The Year Ended 5 April 2023

**6. SUPPORT COSTS**

	Other £	Governance costs £	Totals £
Other resources expended	<u>(25,725)</u>	<u>9,180</u>	<u>(16,545)</u>
Other resources expended breakdown:		<b>2023</b>	2022
		£	£
Other:			
Profit or loss on foreign exchange		(27,551)	-
Administrative costs		1,826	2,887
Governance costs:			
Legal fees		-	1,200
Accountancy fees		6,300	2,700
Independent Examiners fees		<u>2,880</u>	<u>3,120</u>
		<u>(16,545)</u>	<u>9,907</u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 5 April 2023 nor for the year ended 5 April 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 5 April 2023 nor for the year ended 5 April 2022.

**8. FIXED ASSET INVESTMENTS**

Fixed asset investments comprise UK fixed interest securities of £941,851 (2022: £982,981), UK quoted equities of £233,455 (2022: £255,131), overseas fixed interest securities of £Nil (2022: £Nil) and overseas equities of £388,915 (2022: £459,975).

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2023</b>	2022
	£	£
Prepayments and accrued income	<u>82,399</u>	<u>77,123</u>

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Notes to the Financial Statements - continued  
For The Year Ended 5 April 2023**

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**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 11)	-	120
Other creditors	<b>778,500</b>	1,289,752
Accrued expenses	<b>6,180</b>	5,820
	<u><b>784,680</b></u>	<u><b>1,295,692</b></u>

**11. LOANS**

An analysis of the maturity of loans is given below:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year on demand:		
Bank overdrafts	-	120
	<u>-</u>	<u>120</u>

**12. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 5 April 2023.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Detailed Statement of Financial Activities  
For The Year Ended 5 April 2023**

	2023 £	2022 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Investment income</b>		
UK interest & dividends	1,888	1,227
Overseas interest & dividends	31,094	23,174
UK bank interest	7,466	122
	<u>40,448</u>	<u>24,523</u>
<b>Other income</b>		
Royalties from YEDA	547,802	520,791
<b>Total incoming resources</b>	<u>588,250</u>	<u>545,314</u>
<b>EXPENDITURE</b>		
<b>Other trading activities</b>		
Bank charges	1,345	855
<b>Investment management costs</b>		
Portfolio management	12,840	9,804
<b>Charitable activities</b>		
Grants and donations	36,000	725,634
<b>Support costs</b>		
<b>Other</b>		
Profit or loss on foreign exchange	(27,551)	-
Administrative costs	1,826	2,887
	<u>(25,725)</u>	<u>2,887</u>
<b>Governance costs</b>		
Legal fees	-	1,200
Accountancy fees	6,300	2,700
Independent Examiners fees	2,880	3,120
	<u>9,180</u>	<u>7,020</u>
Total resources expended	<u>33,640</u>	<u>746,200</u>
<b>Net income/(expenditure) before gains and losses</b>	<u>554,610</u>	<u>(200,886)</u>

This page does not form part of the statutory financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**Detailed Statement of Financial Activities  
For The Year Ended 5 April 2023**

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	2023	2022
	£	£
<b>Realised recognised gains and losses</b>		
Realised gains/(losses) on fixed asset investments	<b>(122,211)</b>	-
Realised gains/(losses) on investment property	-	30,477
Unrealised gains/losses on investments	<b>(14,302)</b>	(59,196)
<b>Net income/(expenditure)</b>	<b><u>418,097</u></b>	<b><u>(229,605)</u></b>

This page does not form part of the statutory financial statements



**THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

England & Wales - Charity number 1184405

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# Accounts

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**REGISTERED CHARITY NUMBER: 1184405**

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 5 APRIL 2022  
FOR  
THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

Hilden Park Accountants Limited  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL  
RESEARCH FOUNDATION**

**CONTENTS OF THE FINANCIAL STATEMENTS  
For The Year Ended 5 April 2022**

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# THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## REPORT OF THE TRUSTEES

For The Year Ended 5 April 2022

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The trustees present their report with the financial statements of the charity for the year ended 5 April 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### OBJECTIVES AND ACTIVITIES

Under the terms of the original Trust Deed, the trustees have discretion to promote, advance and support charities, charitable organisations, charitable purposes and charitable causes including but not limited to:

The protection and promotion of the health of the public by the provision of grants to support biomedical research in the fields of autoimmunity, inflammation, infectious diseases and ageing especially focussed on the development of practical applications in the form of new targeted treatments.

The trustees must use the income and may use the capital of the charity in promoting the objectives.

The trustees, having regard to the Public Benefit Guidance published by the Charity Commission in accordance with Section 17 of the Charities Act 2011, consider that the purposes and activities of the charity satisfy the requirements of the public benefit test set out in section 4 of the same Act.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### ACHIEVEMENT AND PERFORMANCE

The Foundation entered an agreement in 2021 with Connect Immune Research, a consortium of national medical research charities comprising primarily of Versus Arthritis, The Multiple Sclerosis Society, Juvenile Diabetes Research Fund, along with the British Society for Immunology to fund research into the common causes of autoimmunity. This "Targeting shared mechanisms in immune-mediated inflammatory diseases" initiative provides the opportunity to think and research differently in autoimmunity by working across disease areas in the translational space. Building on decades of research conducted in individual disease areas, it was timely to invest in a cross-disease approach to identify potential new treatments for people living with autoimmune conditions.

With initial funding of up to £1million agreed by the Chernajovsky Foundation, a core group of partners across medical research funding bodies were brought together. These core organisations also agreed to contribute financially as well as in kind. Versus Arthritis contributed up to £200,000 and administered peer review according to the Association of Medical Research Charities guidelines. The Multiple Sclerosis Society and Juvenile Diabetes Research Foundation contributed up to £50,000 each, and The British Society for Immunology provided secretariat.

The overall ambition is to raise funding commitments of up to £5 million in total across all partners for investment over a 5-year period. The initial funding pot of £1,300,000 was to be used to fund a maximum of 13 high-quality, innovative, potentially high-risk, translational pilot projects of up to £100,000 each for 12 months. When complete, the most promising can then be taken forward with more substantial funding.

A scientific committee of Professors Paul-Peter Tak, Chris Buckley, Louise Modis, Luke O'Neil and Yuti Chernajovsky set up an international scientific meeting on May 5th 2021 to identify promising areas for translational research. However, it was agreed amongst funding partners to not be prescriptive on the funding call.

# THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## REPORT OF THE TRUSTEES

For The Year Ended 5 April 2022

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We were requested by Nature Immunology to write a commentary paper on the ideas behind the funding initiative and key outcomes of the scientific meeting. This was published on 21st October 2021.

An independent international scientific panel meeting, chaired by Professor Luke O'Neill, Trinity College Dublin, convened in January 2022 to assess the research applications. A total of thirty-one applications were received. Following triage on remit, 16 applications were sent for external review and 10 were recommended for funding.

The contribution of the Foundation to the funding of the recommended grants is £725,634. These are being administered by Versus Arthritis.

The previously funded 7 PhD studentships are now entering their second year. Assessment of progress has been through written reports and presentations by supervisors and students either in person or via Zoom. All were considered by the trustees as progressing satisfactorily.

Incoming resources for the period amounted to £545,314 (2021: £717,947). Reserves will continue to be maintained to provide future incoming resources and awarded as grants when appropriate charitable institutions and causes are identified or when costs become payable.

The trustees' overall investment objective as stated in the investment management agreement is to maintain a multi-asset portfolio and achieve a balance of income and capital growth. The charity operates an ethical investment policy.

The performance of the trust investment portfolio is considered at regular intervals with the investment manager and is benchmarked against various market indices (including the FTSE WMA and Stock Market Balanced Index) to ensure the funds held are performing well. This manager, which is regulated by the Financial Conduct Authority in the United Kingdom, manages the investments within the restrictions set out in the investment management agreement. Any issues are addressed with the trustees as and when they arise. The trustees were satisfied with the performance of the investments during the period. Investments at the period end had a market value of £1,698,087 (2021: £1,717,865).

It is the trustees' policy not to retain reserves as the charity's overheads are low.

### FUTURE PLANS

During the coming 2022/23 financial year the trustees plan to continue to support the PhD projects awarded from the first call and the grants awarded under the Autoimmune Research Initiative. Progress of the PhD studentships will be assessed by trustees through written reports and verbal presentations.

The trustees plan to organise a scientific meeting for July 2023 covering a day and a half. The aim is for the researchers participating in the "Targeting shared mechanisms in immune-mediated inflammatory diseases initiative" to present their results, plans for future work, and have time to discuss their therapeutic significance and to make potential new collaborations. On second day we plan to have all 7 PhD students funded by the Foundation to present their work.

By bringing together all scientists funded by the Foundation, we aim to build a community, assess their progress, and encourage the building of new collaborations.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

**REPORT OF THE TRUSTEES**

**For The Year Ended 5 April 2022**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The charity is an unincorporated registered charity, constructed under a Trust Deed dated 9 July 2019. The trustees hold the capital and income of the charity's Trust Fund upon trust to apply the income and, as far as may be necessary, the capital for the purposes set out in clause 2.2 of the Trust Deed.

The minimum number of trustees required by the Trust Deed is 3 and the maximum is 5. Future trustees must be appointed by resolution of the trustees and must hold office for at least three years from the date of their appointment. As required by the Trust Deed, the trustees meet no less than twice a year. Except where otherwise provided, every issue may be determined by a simple majority of votes cast at a meeting of the trustees but a resolution which is writing and signed by all the trustees is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document and will be treated as passed following receipt of the necessary written approval.

Every trustee has one vote on each issue. In the event of a tie, the chairman shall have the deciding vote.

The trustees have not adopted any policies or procedures for the induction and training of trustees.

When making decisions, the trustees assess the risks to which the charity might be exposed. The trustees carry out due-diligence on charitable institutions before grants are made and document all major decisions. As part of the grant-making process, the trustees agree to follow up with the donee to ensure that funds have been applied for the agreed purpose. This could be by way of a progress report, personal visit by one of the trustees or completion of an event. Donation receipts are obtained from each donee.

# THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## REPORT OF THE TRUSTEES

For The Year Ended 5 April 2022

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### REFERENCE AND ADMINISTRATIVE DETAILS

**Registered Charity number**

1184405

**Principal address**

PO Box 1198  
Whitstable  
Kent  
CT5 9DW

**Trustees**

Dr Lorna Chernajovsky  
Professor Yuti Chernajovsky  
Professor Paul-Peter Tak

**Independent Examiner**

Hilden Park Accountants Limited  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

**REPORT OF THE TRUSTEES**

**For The Year Ended 5 April 2022**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

**Disclosure of information to independent examiner**

In so far as the trustees are aware, at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the independent examiner in connection with preparing their report, of which the charity's independent examiner is unaware; and
- the trustees, having made enquiries of fellow trustees and the charity's independent examiner that they ought to have individually taken, have each taken all steps that they are obliged to take as trustees in order to make themselves aware of any relevant independent examination information and to establish that the independent examiner is aware of that information.

Approved by order of the board of trustees on 14/12/22 and signed on its behalf by:

  
.....  
Professor Yuti Chernajovsky / Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

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**Independent examiner's report to the trustees of The Lorna & Yuti Chernajovsky Biomedical**

I report to the charity trustees on my examination of the accounts of The Lorna & Yuti Chernajovsky Biomedical (the Trust) for the year ended 5th April 2022.

**Responsibilities and basis of report**

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

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

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the Independent Examiner's statement.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Andrew Appleton FCCA  
Association of Chartered Certified Accountants  
Hilden Park Accountants Limited  
Chartered Accountants  
Hilden Park House  
79 Tonbridge Road  
Hildenborough  
Tonbridge  
Kent  
TN11 9BH

Date: 16 December 2022

THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES  
For The Year Ended 5 April 2022

	Notes	5/4/22 Unrestricted fund £	5/4/21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Investment income	2	24,523	21,789
Other income	3	<u>520,791</u>	<u>696,158</u>
<b>Total</b>		<u>545,314</u>	<u>717,947</u>
<b>EXPENDITURE ON</b>			
Raising funds		10,659	487
<b>Charitable activities</b>	4		
General grants		725,634	785,090
Other		<u>9,907</u>	<u>18,250</u>
<b>Total</b>		<u>746,200</u>	<u>803,827</u>
Net gains/(losses) on investments		<u>(28,719)</u>	<u>84,433</u>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(229,605)</b>	<b>(1,447)</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		<u>2,172,867</u>	<u>2,174,314</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>1,943,262</b></u>	<u><b>2,172,867</b></u>

The notes form part of these financial statements

THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

STATEMENT OF FINANCIAL POSITION  
5 April 2022

	Notes	5/4/22 Total funds £	5/4/21 Total funds £
<b>FIXED ASSETS</b>			
Investments	8	1,698,087	1,717,865
<b>CURRENT ASSETS</b>			
Debtors	9	77,123	351,522
Cash at bank		<u>1,463,744</u>	<u>854,595</u>
		1,540,867	1,206,117
<b>CREDITORS</b>			
Amounts falling due within one year	10	(1,295,692)	(751,115)
<b>NET CURRENT ASSETS</b>		<u>245,175</u>	<u>455,002</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,943,262</u>	<u>2,172,867</u>
<b>NET ASSETS</b>		<u>1,943,262</u>	<u>2,172,867</u>
<b>FUNDS</b>			
Unrestricted funds		<u>1,943,262</u>	<u>2,172,867</u>
<b>TOTAL FUNDS</b>		<u>1,943,262</u>	<u>2,172,867</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 14 December 2022 and were signed on its behalf by:

  
Yuti Chernajovsky - Trustee

The notes form part of these financial statements

THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

STATEMENT OF CASH FLOWS  
For The Year Ended 5 April 2022

	Notes	5/4/22 £	5/4/21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>616,621</u>	<u>761,665</u>
Net cash provided by operating activities		<u>616,621</u>	<u>761,665</u>
<b>Cash flows from investing activities</b>			
Purchase of fixed asset investments		(1,050,907)	(1,601,021)
Sale of fixed asset investments		1,070,685	1,012,595
Sale of investment property		30,477	(76,458)
Sale of social investments		(59,196)	76,458
Interest received		122	348
Dividends received		<u>1,227</u>	<u>2,300</u>
Net cash used in investing activities		<u>(7,592)</u>	<u>(585,778)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
Cash and cash equivalents at the beginning of the reporting period	2	<u>854,595</u>	<u>678,708</u>
Cash and cash equivalents at the end of the reporting period	2	<u>1,463,624</u>	<u>854,595</u>

The notes form part of these financial statements

THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

NOTES TO THE STATEMENT OF CASH FLOWS  
For The Year Ended 5 April 2022

<b>1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
	5/4/22	5/4/21	
	£	£	
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	<b>(229,605)</b>	<b>(1,447)</b>	
<b>Adjustments for:</b>			
Losses/(gain) on investments	28,719	(84,433)	
Interest received	(122)	(348)	
Dividends received	(1,227)	(2,300)	
Decrease in debtors	274,399	107,478	
Increase in creditors	<u>544,457</u>	<u>742,715</u>	
<b>Net cash provided by operations</b>	<b><u>616,621</u></b>	<b><u>761,665</u></b>	
<b>2. ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
	5/4/22	5/4/21	
	£	£	
Notice deposits (less than 3 months)	1,463,744	854,595	
Overdrafts included in bank loans and overdrafts falling due within one year	<u>(120)</u>	<u>-</u>	
<b>Total cash and cash equivalents</b>	<b><u>1,463,624</u></b>	<b><u>854,595</u></b>	
<b>3. ANALYSIS OF CHANGES IN NET FUNDS</b>			
	At 6.4.21	Cash flow	At 5.4.22
	£	£	£
<b>Net cash</b>			
Cash at bank	854,595	609,149	1,463,744
Bank overdraft	<u>-</u>	<u>(120)</u>	<u>(120)</u>
	<u>854,595</u>	<u>609,029</u>	<u>1,463,624</u>
<b>Total</b>	<b><u>854,595</u></b>	<b><u>609,029</u></b>	<b><u>1,463,624</u></b>

The notes form part of these financial statements

## THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 5 April 2022

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#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies are recognised when the charity has been notified in writing of both the amount and the settlement date. Investment income is accounted for on an accruals basis.

##### **Expenditure**

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

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. This is accrued once the recipient has been notified of the grant award.

##### **Governance costs**

The charity does not incur support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. Governance costs relate to charitable activities.

##### **Taxation**

The charity is exempt from tax on its charitable activities.

##### **Fund accounting**

The charity has an unrestricted fund created by the assignment of royalties and the income of the Trust is unrestricted. The terms of the Trust allow the capital of the fund to be spent if the Trustees so determine.

Unrestricted income comprises funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 5 April 2022**

**1. ACCOUNTING POLICIES - continued**

**Financial instruments**

Financial instruments are classified and accounted for according to the substance of the contractual agreement as financial assets or financial liabilities.

**2. INVESTMENT INCOME**

	2022	2021
	£	£
UK interest & dividends	1,227	2,300
Overseas interest & dividends	23,174	19,141
UK bank interest	<u>122</u>	<u>348</u>
	<u>24,523</u>	<u>21,789</u>

**3. OTHER INCOME**

	2022	2021
	£	£
Royalties from YEDA	<u>520,791</u>	<u>696,158</u>

By a Deed of Assignment dated 14 August 2019 royalties due to Yuti Chernajovsky were formally assigned to the Trustees until further notice.

**4. CHARITABLE ACTIVITIES COSTS**

	Grant funding of activities (note 5)
General grants	£ <u>725,634</u>

THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 5 April 2022

5. GRANTS PAYABLE

	5/4/22	5/4/21
	£	£
General grants	<u>725,634</u>	<u>785,090</u>

6. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Raising donations and legacies	9,804	-	9,804
Other resources expended	<u>-</u>	<u>9,907</u>	<u>9,907</u>
	<u>9,804</u>	<u>9,907</u>	<u>19,711</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2022 nor for the year ended 5 April 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 5 April 2022 nor for the year ended 5 April 2021.

8. FIXED ASSET INVESTMENTS

Fixed asset investments comprise UK fixed interest securities of £982,981 (2021: £784,293), UK quoted equities of £255,131 (2021: £179,449), overseas fixed interest securities of £0 (2021: £427,477) and overseas equities of £459,975 (2021: £325,646).

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	5/4/22	5/4/21
	£	£
Prepayments and accrued income	<u>77,123</u>	<u>351,522</u>

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 5 April 2022**

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**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	5/4/22	5/4/21
	£	£
Bank loans and overdrafts (see note 11)	120	-
Other creditors	1,289,752	735,215
Accrued expenses	<u>5,820</u>	<u>15,900</u>
	<u><u>1,295,692</u></u>	<u><u>751,115</u></u>

**11. LOANS**

An analysis of the maturity of loans is given below:

	5/4/22	5/4/21
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	<u>120</u>	<u>-</u>

**12. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 5 April 2022.

THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
For The Year Ended 5 April 2022

	5/4/22 £	5/4/21 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Investment income</b>		
UK interest & dividends	1,227	2,300
Overseas interest & dividends	23,174	19,141
UK bank interest	<u>122</u>	<u>348</u>
	<b>24,523</b>	<b>21,789</b>
<b>Other income</b>		
Royalties from YEDA	<u>520,791</u>	<u>696,158</u>
<b>Total incoming resources</b>	<b>545,314</b>	<b>717,947</b>
<b>EXPENDITURE</b>		
<b>Other trading activities</b>		
Bank charges	855	487
<b>Charitable activities</b>		
Grants and donations	725,634	785,090
<b>Support costs</b>		
<b>Finance</b>		
Portfolio charges	9,804	-
<b>Governance costs</b>		
Administrative costs	2,887	3,055
Legal fees	1,200	5,136
Accountancy fees	2,700	7,059
Independent Examiners fees	<u>3,120</u>	<u>3,000</u>
	<u>9,907</u>	<u>18,250</u>
Total resources expended	<u>746,200</u>	<u>803,827</u>
<b>Net expenditure before gains and losses</b>	<b>(200,886)</b>	<b>(85,880)</b>
<b>Realised recognised gains and losses</b>		
Carried forward	<b>(200,886)</b>	<b>(85,880)</b>

This page does not form part of the statutory financial statements

**THE LORNA & YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

**For The Year Ended 5 April 2022**

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	5/4/22	5/4/21
	£	£
<b>Realised recognised gains and losses</b>		
Brought forward	(200,886)	(85,880)
Realised gains/(losses) on investment property	30,477	7,975
Unrealised gains/losses on investments	<u>(59,196)</u>	<u>76,458</u>
<b>Net expenditure</b>	<b><u>(229,605)</u></b>	<b><u>(1,447)</u></b>

This page does not form part of the statutory financial statements

**THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION**

England & Wales - Charity number 1184405

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# Accounts

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**THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH  
FOUNDATION**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 5 APRIL 2021**

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

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Statement of cash flows	9
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# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Reference and administrative information

<b>Official charity name</b>	The Lorna and Yuti Chernajovsky Biomedical Research Foundation
<b>Charity Registration number</b>	1184405
<b>Registered office</b>	The Chernajovsky Foundation PO Box 1198 Whitstable CT5 9DW
<b>Trustees</b>	Yuti Chernajovsky PhD FRCP Lorna Chernajovsky PhD Paul Peter Tak MDPHd
<b>Administrators and legal advisers</b>	Cripps Pemberton Greenish Number 22 Mount Ephraim Tunbridge Wells Kent TN4 8AS
<b>Bankers</b>	Coutts & Co 440 Strand London WC2R 0QS
<b>Independent Examiner</b>	Steven Wakefield ACA Dixon Wilson Chartered Accountants 22 Chancery Lane London WC2A 1LS

The trustees are appointed in accordance with the terms of the Trust deed dated 9 July 2019 and have the appropriate knowledge and expertise to manage and administer the charity. The trustees have complied with the guidance issued by the Charity Commission. The charity does not make use of volunteers.

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## TRUSTEES' REPORT

For the year ended 5 April 2021

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### Report of the trustees for the financial year ended 5 April 2021

The trustees present their report and the financial statements of the charity for the period to 5 April 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Trust Deed, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102 SORP 2019).

### Objectives and activities

Under the terms of the original Trust Deed, the trustees have discretion to promote, advance and support charities, charitable organisations, charitable purposes and charitable causes including but not limited to:

The protection and promotion of the health of the public by the provision of grants to support biomedical research in the fields of autoimmunity, inflammation, infectious diseases and ageing especially focussed on the development of practical applications in the form of new targeted treatments.

The trustees must use the income and may use the capital of the charity in promoting the objectives.

The trustees, having regard to the Public Benefit Guidance published by the Charity Commission in accordance with Section 17 of the Charities Act 2011, consider that the purposes and activities of the charity satisfy the requirements of the public benefit test set out in section 4 of the same Act.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### Review of the year

Following the public launch on 23rd October 2019, a public call for PhD studentships was announced requesting charitable organisations to apply for funding following independent peer review. The trustees reviewed 28 applications and chose to fund 7 grants based upon remit, scientific quality, innovation and value for money. The total cost over the full duration of the grants was £785,089. The start dates of some of the grants were delayed because of the impact of Covid.

Instalments for the grants awarded in the 5 April 2021 year have been paid in accordance with the agreements reached with the donee.

The Covid pandemic necessitated that all meetings of trustees and outside organisations were held virtually and the pandemic dominated much of the year. The grant previously awarded to the British Society for Immunology (BSI) to communicate about Covid to scientists, public and policy makers allowed a series of webinars to take place with attendance of an average of over 1000 with the most popular drawing over 2000 people. Sir Patrick Vallance, UK Government Chief Scientific Advisor requested briefings for SAGE from a Covid Task Force set up by the BSI and oral and written evidence was provided to the House of Commons Select Committee on Science and Technology inquiry into Global Disease Outbreaks.

During the year the Foundation entered into discussions with Connect Immune Research, a group of medical research charities comprising of Versus Arthritis, the Multiple Sclerosis Society and Juvenile Diabetes Research Fund to explore ways of working together to fund research aimed at developing new treatments across autoimmune diseases.

In support of the development of the Autoimmune Translational Research Initiative, the Foundation agreed to part fund a post at the BSI for £15,000 for 12 months to facilitate and drive the initiative.

Incoming resources for the period amounted to £717,948. Reserves will be maintained to provide future incoming resources and awarded as grants when appropriate charitable institutions and causes are identified or when costs become payable.

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## TRUSTEES' REPORT

For the year ended 5 April 2021

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### Structure, governance and management

The charity is an unincorporated registered charity, constructed under a Trust Deed dated 9 July 2019. The trustees hold the capital and income of the charity's Trust Fund upon trust to apply the income and, as far as may be necessary, the capital for the purposes set out in clause 2.2 of the Trust Deed.

The minimum number of trustees required by the Trust Deed is 3 and the maximum is 5. Future trustees must be appointed by resolution of the trustees and must hold office for at least three years from the date of their appointment. As required by the Trust Deed, the trustees meet no less than twice a year. Except where otherwise provided, every issue may be determined by a simple majority of the votes cast at a meeting of the trustees but a resolution which is in writing and signed by all the trustees is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document and will be treated as passed following receipt of the necessary written approval.

Every trustee has one vote on each issue. In the event of a tie, the chairman shall have the deciding vote.

The trustees have not adopted any policies or procedures for the induction and training of trustees.

### Reserves policy

It is the trustees' policy not to retain reserves as the charity's overheads are low.

### Plans for the future

During the coming financial year 2021/22 the trustees plan to support the PhD projects awarded from the first call.

The trustees will develop further the Autoimmune Research Initiative with charity partners which aims to use common pathological processes in autoimmune diseases as targets to develop novel therapeutics that can be beneficial across many diseases. An international scientific expert meeting is planned for 5th May 2021 to aid priority setting for translational research following brain-storming by leaders in the field.

It is aimed to have a two phased grant support with initial funding of competitive pilot grants to provide proof of principle. On completion of the pilot studies, the most promising will be selected for further investment.

The charity will explore avenues of collaboration with other medical research charities in other areas with an aim of building overarching programmes of translational research across multiple disciplines.

### Achievements and performance

The trustees' overall investment objective as stated in the investment management agreement is to maintain a multi-asset portfolio and achieve a balance of income and capital growth. The charity does operate an ethical investment policy.

The performance of the Trust investment portfolio is considered at regular intervals with the investment manager and is benchmarked against various market indices (including the FTSE WMA Stock Market Balanced Index) to ensure that the funds held are performing well. This manager, which is regulated by the Financial Conduct Authority in the United Kingdom, manages the investments within the restrictions set out in the investment management agreement. Any issues are addressed with the trustees as and when they arise. The trustees were satisfied with the performance of the investments during the period. Investments at the period end had a market value of £1,717,865.

### Risk management

When making decisions, the trustees assess the risks to which the charity might be exposed. The trustees carry out due diligence on charitable institutions before grants are made and document all major decisions. As part of the grant making process, the trustees agree to follow up with the donee to ensure that funds have been applied for the agreed purpose. This could be by way of a progress report, personal visit by one of the trustees or completion of an event. Donation receipts are obtained from each donee.

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# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## TRUSTEES' REPORT

For the year ended 5 April 2021

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### Statement of responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

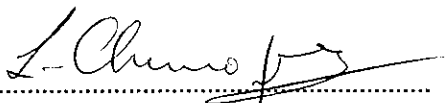
### Disclosure of information to Independent Examiner

In so far as the trustees are aware, at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the independent examiner in connection with preparing their report, of which the charity's independent examiner is unaware; and
- the trustees, having made enquiries of fellow trustees and the charity's independent examiner that they ought to have individually taken, have each taken all steps that they are obliged to take as trustees in order to make themselves aware of any relevant independent examination information and to establish that the independent examiner is aware of that information.

Yuti Chernajovsky

For and on behalf of the trustees



Dated ..... 4/2/22 .....

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## INDEPENDENT EXAMINER'S REPORT

**FOR THE YEAR ENDED 5 APRIL 2021**

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### **Independent examiner's report to the trustees of the Chernajovsky Foundation**

I report to the trustees on my examination of the accounts of the Trust for the year ended 5 April 2021.

### **Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). You are satisfied that an audit is not required for this year under charity law and that an independent examination is needed.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5) (b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

### **Independent examiner's statement**

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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

- 1 - accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- 2 - the accounts do not accord with those records; or
- 3 - the accounts do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.
- 4 - the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

STEVEN WAKEFIELD ACA  
Dixon Wilson  
22 Chancery Lane  
London  
WC2A 1LS



Date: 5 February 2022

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES

*For the year ended 5 April 2021*

	Notes	2021 £	2020 £
<b><u>Income and endowments from:</u></b>			
Investment income	2	21,789	5,891
Royalties	3	696,158	2,303,600
<b>Total income</b>		<u>717,947</u>	<u>2,309,491</u>
<b><u>Expenditure on:</u></b>			
Raising funds	4	487	1,230
Charitable activities	5	803,340	26,678
<b>Total expenditure</b>		<u>803,827</u>	<u>27,908</u>
Net gains/( losses) on investments		84,433	(107,269)
<b>Net (expenditure)/income</b>		<u>(1,447)</u>	<u>2,174,314</u>
<b>Reconciliation of funds</b>			
Funds brought forward		2,174,314	-
<b>Funds carried forward</b>		<u><u>2,172,867</u></u>	<u><u>2,174,314</u></u>

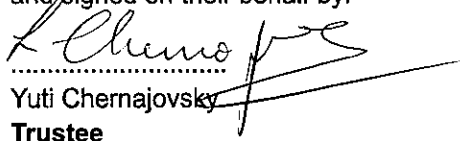
# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## BALANCE SHEET

AS AT 5 APRIL 2021

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Investments	6		1,717,865		1,045,006
<b>Current assets</b>					
Debtors	7	351,522		459,000	
Cash at bank and in hand		854,595		678,708	
			<u>1,206,117</u>	<u>1,137,708</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(751,115)</u>		<u>(8,400)</u>	
Net current assets			455,002		1,129,308
<b>Total assets less current liabilities</b>			<u>2,172,867</u>		<u>2,174,314</u>
<b>The Funds of the Charity</b>					
Unrestricted funds			2,172,867		2,174,314
			<u>2,172,867</u>		<u>2,174,314</u>

The financial statements on pages 7 to 15 were approved by the Trustees on 4/2/22 and signed on their behalf by:

  
 Yuti Chernajovsky  
 Trustee

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## STATEMENT OF CASH FLOWS

*for the year ended 5 April 2021*

---

	2021	2020
	£	£
<b>Net movement in funds</b>	<b>(1,447)</b>	<b>2,174,314</b>
Less		
Income from investments	(21,790)	(5,891)
Income from Royalties	(696,158)	(2,303,600)
Net losses on investments	(84,433)	107,269
Decrease in debtors	107,478	(459,000)
Increase in creditors	742,715	8,400
	<b>46,365</b>	<b>(478,508)</b>
<b>Net cash used in operating activities</b>		
dividends and interest	717,948	2,309,491
proceeds from sale of investments	1,012,595	31,690
purchase of investments	(1,601,021)	(1,183,965)
	<b>129,522</b>	<b>1,157,216</b>
<b>Net cash used by financing activities</b>		
change in cash and cash equivalents	175,887	678,708
cash and cash equivalents brought forward	678,708	-
changes in cash value due to exchange rate movements	-	-
cash and cash equivalents carried forward	<b>854,595</b>	<b>678,708</b>

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 5 April 2021*

---

### 2 Accounting policies

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

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Account and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective on 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

#### 1.1 Going concern

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern, and that there are no key assumptions that affect items in the accounts.

#### 1.2 Funds structure

The charity has an unrestricted fund created by the assignment of royalties and the income of the Trust is unrestricted. The terms of the Trust allow the capital of the fund to be spent if the Trustees so determine.

Unrestricted income comprises funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

#### 1.3 Income recognition

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

Donations and legacies are recognised when the charity has been notified in writing of both the amount and the settlement date.

Dividends are accounted for on an ex-dividend accruals basis. Interest on deposits and fixed interest securities are accounted for on an accruals basis.

#### 1.4 Support and governance costs

The charity does not incur support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Governance costs relate to charitable activities.

#### 1.5 Expenditure recognition

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

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. This is accrued once the recipient has been notified of the grant award.

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*For the financial year ended 5 April 2021*

### 2 Accounting policies

(Continued)

#### 1.6 Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value. Listed investments are subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Unlisted investments are subsequently measured at fair value, unless fair value cannot be measured reliably, in which case they are measured at cost less impairment. The Trust does not acquire put options, derivatives or other complex financial instruments. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the period.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub-sectors.

#### 1.7 Foreign currencies

Transactions in foreign currencies are recognised at the rate of exchange at the date of the transaction. Monetary assets and liabilities are translated into sterling at the exchange rate on the balance sheet date. All exchange differences are recognised through the statement of financial activities.

#### 1.8 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets or financial liabilities.

#### 1.9 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

#### 1.10 Taxation

The charity is exempt from taxation under sections 521 to 536 of the Income Tax Act 2007.

### 2 Investments

	2021	2020
	£	£
UK fixed interest	873	-
UK dividends	1,427	-
UK bank interest	349	2,291
Overseas fixed interest	14,276	2,827
Overseas dividends	4,865	773
	<u>21,790</u>	<u>5,891</u>

Investment income for the year was attributable to the Unrestricted Income Fund

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*For the financial year ended 5 April 2021*

### 3 Other income

	2021	2020
	£	£
Royalties from YEDA	696,158	2,303,600

By a Deed of Assignment dated 14 August 2019 royalties due to Yuti Chernajovsky were formally assigned to the Trustees until further notice

### 4 Raising Funds

Expenditure on raising funds during the year consisted wholly of investment management fees and was bank charges which are attributable to the Unrestricted Fund.

	2021	2020
	£	£
Bank fees	487	1,229

### 5 Analysis of expenditure on charitable activities

	2021	2020
	£	£
Accountancy services	7,059	2,400
Legal fees	5,137	7,588
Administrative costs	3,055	10,319
Audit	-	6,000
Independent examination fee	3,000	-
Trustee travel expenses	-	371
	<u>18,251</u>	<u>26,678</u>
Grants and donations	785,089	-
	<u>803,340</u>	<u>26,678</u>

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*For the financial year ended 5 April 2021*

### 6 Grants and donations

Grants and donations paid to charitable causes and institutions:

	2021	2020
		£
British Immunology Society	20,000	-
University of Surrey - Maluquer de Motes and Gutierrez	83,500	-
University of Surrey - Mc Vey and Pandha	95,981	-
MS Society - Pingen	106,764	-
BSRA - McGettrick and Edwards	143,790	-
Sheffield University - Wilson, Toth, Ballantuono and Richards	98,138	-
Birmingham University - Dhruv Parekh and David Thicket	142,908	-
WHRI - Perretti and Cooper	94,008	-
	<b>785,089</b>	<b>-</b>

### 6 Investments

	2021	2020
		£
<b>Quoted investments</b>		
Fair value brought forward at 6 April 2020	1,045,006	-
Additions at cost	1,601,021	1,183,965
Disposal proceeds	(1,012,595)	(31,690)
Net gains/losses on investments	7,975	(15,361)
Unrealised gains on investments	76,458	(91,908)
<b>Fair value at 5 April 2021</b>	<b>1,717,865</b>	<b>1,045,006</b>

**Investments at fair value consist of:**

#### **UK holdings**

Fixed interest securities	784,293	822,938
Quoted equities	179,449	88,357

#### **Overseas holdings**

Fixed interest securities	428,477	-
Quoted equities	325,646	133,711

<b>Fair value at 5 April 2021</b>	<b>1,717,865</b>	<b>1,045,006</b>
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The net losses on investment assets during the period were attributable to the Unrestricted Fund

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

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<b>7 Debtors</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Accrued income	-	349
Accrued income from YEDA	351,522	458,651
	<u>351,522</u>	<u>459,000</u>
	<u><u>351,522</u></u>	<u><u>459,000</u></u>
<b>8 Creditors: amounts falling due within one year</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations and grants	735,215	-
Independent examination fee	3,000	-
Audit fee	6,000	6,000
Accountancy fee	6,900	2,400
	<u>751,115</u>	<u>8,400</u>
	<u><u>751,115</u></u>	<u><u>8,400</u></u>
<b>9 Related party transactions</b>		

The trustees are authorised by the Trust Deed to pay professional charges to trustees engaged in a professional capacity on the instructions of the other trustees.

# THE LORNA AND YUTI CHERNAJOVSKY BIOMEDICAL RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

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### 10 Financial assets and liabilities

The following are financial assets and liabilities that qualify as basic financial instruments and are initially recognised at transaction value and subsequently measured at their fair value.

<b>Financial assets</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>
Accrued investment income	36,570	349
Accrued income from YEDA	351,523	458,651
	<u>388,093</u>	<u>459,000</u>
	<u><u>388,093</u></u>	<u><u>459,000</u></u>
<b>Financial Liabilities</b>		
Donations and grants payable	735,214	-

The following are financial assets that qualify as basic financial instruments and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

<b>Financial assets</b>		
Investments	1,717,865	1,045,006