

THE CHRONIC DISEASE RESEARCH FOUNDATION

England & Wales · Charity number 1186102

Details

Other names	CDRF
Status	Registered
Legal form	Charitable company
Company number	12266787
Registered	2019-11-01
Register	View on the Charity Commission register

Contact

Address	Collyer Bristow St. Martins Court 10 Paternoster Row London EC4M 7EJ
Phone	07795177093
Email	info@cdrf.org.uk
Website	www.cdrf.org.uk

Activities

Objects: THE PROMOTION OF RESEARCH INTO THE CAUSES OF, AND CURE FOR, CHRONIC DISEASES INCLUDING (BUT WITHOUT LIMITING THE GENERALITY OF THE FOREGOING) COMMON DISEASES THAT HAVE A STRONG GENETIC INFLUENCE; AND SUCH OTHER CHARITABLE PURPOSES AS THE BOARD IN ITS ABSOLUTE DISCRETION FROM TIME TO TIME THINKS FIT.

Activities: The CDRF, an independent medical research charity, funds a range of research programs that aim to discover the cause of common chronic diseases such as heart disease, arthritis, migraine, asthma, dementia. The CDRF runs many projects at the Department of Twin Research, St Thomas' Hospital. It is hoped the research will contribute to the development of future diagnostic tests and treatments.

Classification

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

Geography

- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£214,353	£946,991	-	-
2024-04-05	£4,356,030	£1,369,631	£5,845,253	1
2023-04-05	£791,330	£1,374,056	£3,145,474	1
2022-04-05	£480,972	£1,819,685	-	-
2021-04-05	£3,218,211	£690,348	£5,066,913	0

Trustees

Name	Role	Appointed
Mark Daniel Benjamin Simon	Chair	2019-09-09
Dr Andrew John Walley		2023-05-11
Dr Elena Georgieva Bochukova		2019-10-17
Jonathan Ross		2022-11-21
MICHAEL BENAIM		2019-10-16
Nicholas Pike		2019-10-16

THE CHRONIC DISEASE RESEARCH FOUNDATION

England & Wales - Charity number 1186102

Accounts

Charity registration number 1186102

Company registration number 12266787 (England and Wales)

**THE CHRONIC DISEASE RESEARCH FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2025**

THE CHRONIC DISEASE RESEARCH FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Benaim Dr E Bochukova Mr N S Pike Mr M D B Simon Mr J M H Ross Dr A J Walley (Appointed 11 May 2023)
Medical director	Tim Spector
Charity number	1186102
Company number	12266787
Principal address	St Martin's Court 10 Paternoster Row London EC4M 7EJ
Registered office	St Martin's Court 10 Paternoster Row London EC4M 7EJ
Auditors	Bourner Bullock 114 St Martin's Lane Covent Garden London WC2N 4BE
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Collyer Bristow LLP St Martin's Court 10 Paternoster Row London EC4M 7EJ

THE CHRONIC DISEASE RESEARCH FOUNDATION

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THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 5 APRIL 2025

The trustees present their annual report and financial statements for the year ended 5 April 2025.

The financial statements have been prepared following the accounting policies set out in note 1 to the financial statements and comply with the Foundation's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts following the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (2nd Edition, effective January 2019)".

Objectives and activities

The Foundation's objectives are to provide funds for projects, fellowships, and equipment to researchers studying the genetic basis for common chronic diseases in developed countries and to support studies using twins to uncover clues about diseases' causes and risk factors.

The trustees have considered the guidance issued by the Charity Commission when deciding what activities the Foundation should undertake.

Grants are generally awarded to the Department of Twin Research and Genetic Epidemiology, King's College London (KCL), and the Foundation's trustees monitor the results of each study. These studies advance the medical profession as a whole and, as such, benefit all areas of society.

When the Foundation makes an award, it reserves the right to terminate it without notice. In such a case, the Foundation will reimburse the Institution for expenditures appropriately and reasonably incurred under the award up to the termination date. Still, it will not be responsible for claims for compensation for which the Institution may be liable as an employer.

Achievements and performance

The following awards are ongoing or have commenced in the past twelve months:

Award CDRF-17/2018 – "Microbiome Laboratory + Sequencing funds". In 2018/2019, the Foundation received from the Denise Coates Foundation £701,673 to fund the establishment of a Microbiome Laboratory, plus £650,000 (plus an additional 5% administration fee) to perform DNA extraction of stored samples and support the cost of sequencing those. To date an amount of £1,236,430 has been expensed. As at 5 April 2025 there is £115,243 is left to pay.

Award CDRF-18/2019 – "Targeting the gut microbiome and its metabolites to improve cardiovascular outcomes". To date an amount of £225,395 has been expensed. There is £156,075 left to pay: the project will run until December 2027.

Award CDRF-19/2019 – "Using the faecal metabolomics and serum glycomics to unravel the microbiome inflammatory pathways causative of cardiovascular disease". Up to April 2025, £673,693 has been expensed. The award will run until May 2026, and there is £30,996 left to pay.

Award CDRF-23/2020 – "The COVID Symptoms Study: The Genetics of Long COVID-19". The £573,094 funding for this project comprised £502,983 from the COVID Symptom Study appeal, plus £50,111 special grant from the DCF, plus £20,000 from the annual DCF grant. A total of £553,013 has been expensed up to April 2025. There is £20,081 to pay.

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 5 APRIL 2025

Award CDRF-25/2023 – “TwinsUK Imaging: A Resource for Ageing Research”. This is a five-year project funded by the Denise Coates Foundation. The first year’s funding of £617,180 has been paid. Up to April 2025 £1,219,730 has been expensed. The total budget for the project and will be paid over five years is £4,490,199. There is 3,670,469 left to pay.

Award CDRF-26/2022 – “Enhancing the TwinsUK biobank with a new Laboratory Information Management System (LIMS)”. This recent award has a budget of £242,724 donated by the DCF. The award will run until December 2025. A total of £111,602 has been expensed up to April 2025.

Award CDRF-27/2023 – “Impact of diet and plant diversity on presumed markers of cardiometabolic health”. This award’s budget of £210,829 is funded from the annual DCF and will run until December 2026.

Award CDRF-28/2023 – “Understanding the Role of the Microbiome in Low Back Pain”. The budget for this award is £175,331, and the project will run until October 2027.

Award CDRF-29/2024 – “The relationship between Diet, Gut Microbiome, Exercise and Sarcopenic Obesity”. The project’s budget is £270,961, and it will run until January 2028.

Award CDRF-30/2024- “Changes in gut microbiome composition and links to frailty and inflammaging”. The project’s budget is £212,901, and it will run until October 2026.

Award CDRF-31/2025- “Genetic Epidemiology of Inverse”. The project’s budget is £185,191 and it will run until December 2028.

In May 2021, the Denise Coates Foundation committed to funding the Foundation with an annual donation of £300,000, plus a 5% administration fee and KCL overheads, for a period of five years. In May 2022, the DCF and the CDRF mutually agreed to reduce this annual donation to £100,000, plus a 5% administration fee and KCL overheads. The annual amount was paid in October 2024. In May 2024, the CDRF and the DCF mutually agreed to increase this annual donation to £500,000 per year. There is one year remaining to fulfil the five-year commitment made for the years 2021-2025.

Additionally, the Denise Coates Foundation has committed to a further five-year annual donation from 2026 to 2030, amounting to £500,000 each year, along with a 5% administration fee and a 5% overheads fee for KCL.

Financial review

The year’s results show a deficit of £732,638 (2024: £2,986,339 surplus). The closing Net Assets were £5,112,615 (2024: £5,845,253).

The trustees’ policy regarding free reserves is to set a minimum for such reserves equal to approximately six months’ projected management and administrative expenditure. The trustees aim to achieve this through prudent resource management.

Using this reserves policy, the Foundation needs to have reserves of above £16,000 based on the 2024/25 administration costs. At the end of the year, unrestricted funds amount to £543,110, which is well above this level.

Excess funds will be carried forward for future grant awards at the trustees’ discretion.

The Foundation’s primary income source is donations and bequests. For general purposes, the Foundation raised £1,101 (2024: £445) in donations from private donors and investment income of £62,542 (2024: £178,915).

The Memorandum and Articles of Association govern the trustees’ investment policy, permitting available funds to be invested in various securities and assets. The trustees’ investment policy aims for safety commensurate with immediate and planned spending requirements. Accordingly, funds are held as cash balances and not invested.

THE CHRONIC DISEASE RESEARCH FOUNDATION

The trustees will continue to manage the Foundation's investments in conformity with the policy and its constitution. They are averse to risk, and surplus funds will be held on deposit.

The Foundation's cash-flow situation is comfortable, but the trustees want to invest excess funds wisely. Currently, extra funds are held in the Flagstone Charity Platform, which pays an average interest of 4.91% p.a. The trustees are responsible for managing the risks faced by the Foundation.

All significant risks to which the Foundation is exposed have been reviewed, and systems have been established to mitigate them.

Structure, governance and management

The Foundation is a company limited by guarantee established by its Memorandum and Articles of Association. It is registered with the Charity Commission under charity number 1186102 and with Companies House under company number 12266787.

The incorporated charity took over the activities of the previously unincorporated charity on 17 March 2020.

The Foundation's governing instrument is its Memorandum and Articles of Association, which allow for any activities covered by the Foundation's objectives with no specific restrictions.

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

Mr M Benaim
Dr E Bochukova
Mr N Pike
Mr J M H Ross
Mr D Simon
Dr A J Walley

Appropriately qualified people are selected according to requirements at the time of appointment, such as scientific or medical knowledge in the field of research in which the Foundation is interested, as well as legal and commercial expertise. As part of the induction programme, the trustees are provided with a copy of the Memorandum and Articles of Association and a copy of the past three years' accounts. The Foundation's Medical Director explains the Foundation's aims and goals to newly appointed Trustees.

The trustees, who are appointed under the terms of the Memorandum and Articles of Association, are responsible for managing the Foundation. The trustees meet regularly to discuss and implement policy.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Auditor

In accordance with the company's articles, a resolution proposing that Bournier Bullock be appointed as auditor will be put to a General Meeting.

Disclosure of information to the auditor

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

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies.

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

Mike Benaim

Mr M Benaim

Trustee

Date: 13 October 2025

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2024

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

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

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

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITORS REPORT

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Opinion

We have audited the financial statements of The Chronic Disease Research Foundation (the 'Foundation') 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 significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

THE CHRONIC DISEASE RESEARCH FOUNDATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting regulations, Company Law, Tax and Pensions legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

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

Russell Joseph FCA (Senior Statutory Auditor)
For and on behalf of Bourner Bullock (Statutory Auditor)
Chartered Accountants
114 St Martin's Lane
Covent Garden
London
WC2N 4BE

Date: 13th October 2025
Date:.....

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2025

	Notes	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Income from:						
Donations and legacies	3	1,101	-	150,710	151,811	4,177,115
Investments	4	62,542	-	-	62,542	178,915
Total income		63,643	-	150,710	214,353	4,356,030
Expenditure on:						
Raising funds	5	448	-	-	448	5,556
Charitable activities	6	56,764	96,420	793,359	946,543	1,364,075
Total expenditure		57,212	96,420	793,359	946,991	1,369,631
Net incoming/(outgoing) resources before transfers		6,431	(96,420)	(642,649)	(732,638)	2,986,399
Gross transfers between funds		(96,420)	96,420	-	-	-
Net (expenditure)/income for the year/ Net movement in funds		(89,989)	-	(642,649)	(732,638)	2,986,399
Fund balances at 6 April 2024	17,18	633,079	29,036	5,183,138	5,845,253	2,858,854
Fund balances at 5 April 2025	17,18	543,090	29,036	4,540,489	5,112,615	5,845,253

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

All income and expenditure derive from continuing activities.

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT 5 APRIL 2025

	<u>Notes</u>	2025		2024	
		£	£	£	£
Current assets					
Investments	12	947,168		2,400,758	
Cash at bank and in hand		1,436,310		371,698	
Debtors	13	<u>3,223,992</u>		<u>4,066,670</u>	
		5,607,470		6,839,126	
Current liabilities	14	<u>(494,855)</u>		<u>(993,873)</u>	
Net current assets			<u>5,112,615</u>		<u>5,845,253</u>
Income funds					
Restricted funds	17		4,540,489		5,183,138
Unrestricted funds:					
Designated funds	18	29,036		29,036	
General unrestricted funds		<u>543,090</u>		<u>633,079</u>	
			572,126		662,115
			<u>5,112,615</u>		<u>5,845,253</u>

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

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

Mike Benaim
.....

Mr M Benaim
Trustee

Company Registration No. 12266787
Charity Registration No. 1186102

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	21		(451,524)		(1,020,609)
Investing activities					
Acquisition of investments		(125,432)		(500,482)	
Proceeds from disposal of investments		1,579,026		873,300	
Investment income received		62,542		178,915	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from investing activities			1,516,136		551,773
Net cash used in financing activities			<u> </u>		<u> </u>
			-		-
Net (decrease)/increase in cash and cash equivalents			1,064,612		(468,876)
Cash and cash equivalents at beginning of year			<u>371,698</u>		<u>840,574</u>
Cash and cash equivalents at end of year			<u><u>1,436,310</u></u>		<u><u>371,698</u></u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2025

1 Accounting policies

Charity information

The Chronic Disease Research Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is St Martin's Court, 10 Paternoster Row, London, EC4M 7EJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Foundation's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (2nd edition, effective January 2019)". The Foundation is a Public Benefit Entity as defined by FRS 102.

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

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

The Chronic Disease Research Foundation is a member of the umbrella organisation, the Association of Medical Research Charities.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Foundation is legally entitled to it after performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Foundation has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from grants is recognised when the Foundation has entitlement to the funds, any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably and is not deferred.

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

1.5 Expenditure

Grants provided are, in the main, awarded to various departments of Kings College London (KCL). The research and fulfilment of the project is undertaken by KCL, with the results of each study being monitored by the Foundation's trustees. The results of these studies advance the medical profession as a whole and as such benefit all areas of society.

When the Foundation makes an award, it reserves the right, without notice, to terminate it should it so wish. In such a case, the Foundation will reimburse the Institution for expenditure properly and reasonably incurred under the award up to the termination date but will not be responsible for claims for compensation for which the Institution may be liable as an employer.

Grants are recognised in the accounts when the Foundation is committed to making the payment, based on the requirements of each grant agreement.

Support/governance costs are those that related to the running of the Foundation and fulfilling its statutory obligations. These costs are recognised when incurred.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

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

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

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

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

1.9 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

3 Donations and legacies

	Unrestricted funds general 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Donations and gifts	1,101	-	1,101	445
Grants	-	150,710	150,710	4,176,670
	<u>1,101</u>	<u>150,710</u>	<u>151,811</u>	<u>4,177,115</u>
Grants receivable for core activities				
Denise Coates Foundation	-	110,000	110,000	758,039
Michael Mosley Fundraiser	-	40,710	40,710	-
	<u>-</u>	<u>150,710</u>	<u>150,710</u>	<u>758,039</u>

4 Investments

	Unrestricted funds general 2025 £	As restated Unrestricted funds general 2024 £
Interest receivable	<u>62,542</u>	<u>178,915</u>

5 Raising funds

	Unrestricted funds general 2025 £	Unrestricted funds general 2024 £
Investment management	<u>448</u>	<u>5,556</u>
	<u>448</u>	<u>5,556</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

6 Charitable activities

	Charitable Expenditure 2025 £	As restated Charitable Expenditure 2024 £
Grant funding of activities (see note 7)	879,778	1,307,744
Share of support costs (see note 8)	39,694	37,349
Share of governance costs (see note 8)	27,071	18,982
	<hr/>	<hr/>
	946,543	1,364,075
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds – general	56,764	-
Unrestricted funds - designated	96,420	323,838
Restricted funds	793,359	1,040,237
	<hr/>	<hr/>
	946,543	1,364,075
	<hr/>	<hr/>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

7 Grants payable

	Charitable Expenditure 2025 £	Charitable Expenditure 2024 £
Grants to institutions:		
Role of the cardi-metabolic health associated faecal metabolome (award 10)	-	51,456
Utilising Omega 3 and Fibre to improve metabolic health: a proof of concept nutritional intervention study targeting the Gut Microbiome (award 11)	-	(2,739)
Influence of the gut microbiome on inter-individual differences in blood pressure at fasting and in response to a combined glycaemic and lipaemic test meal challenge (award 15)	-	28,059
Microbiome Laboratory (award 17)	205,391	140,951
The COVID Symptom study Application: Research Platform and Biobank (award 22)	-	262,639
Gut Microbiome and Cardiovascular outcomes (award 18 & 19)	88,486	70,116
Denise Coates Foundation Long Covid study (award 23)	-	(18,516)
TwinsUK Imaging: A resource for ageing research- five-year project (award 25)	401,913	663,523
Enhancing the TwinsUK biobank with a new Laboratory Information Management system (award 26)	87,568	32,540
Impact of diet and plant diversity on presumed markers of cardiometabolic health (award 27)	10,660	50,198
The role of the Microbiome in Low back pain (award 28 & 29)	54,482	29,517
Changes in gut microbiome composition and links to frailty and inflammaging (Award 30)	24,247	-
Genetic Epidemiology of Inverse Comorbidity (Award 31)	7,031	-
	<u>879,778</u>	<u>1,307,744</u>

All of the above grants were made to Kings College, London (KCL). The previous year's grants were all to KCL.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

8 Support costs

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff costs	20,644	-	20,644	37,213	-	37,213
Support costs - Direct	-	-	-	73	-	73
Support costs - PPS and Computer	-	-	-	63	-	63
Audit fees	-	6,750	6,750	-	6,750	6,750
Accountancy	-	4,050	4,050	-	2,648	2,648
Legal and professional	-	9,000	9,000	-	2,880	2,880
Management expenses	-	3,133	3,133	-	5,447	5,447
Bank charges	-	60	60	-	60	60
Consultancy costs	19,050	-	19,050	-	-	-
PPS and computer	-	959	959	-	888	888
Sundry	-	3,119	3,119	-	309	309
	<u>39,694</u>	<u>27,071</u>	<u>66,765</u>	<u>37,349</u>	<u>18,982</u>	<u>56,331</u>

Governance costs includes payments to auditors of £6,750 for audit fees (2024: £6,750) and £2,000 for other services (2024: £2,000).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration, reimbursement of expenses or benefits from the Foundation during the year.

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	<u>1</u>	<u>1</u>
Employment costs	2025	2024
	£	£
Wages and salaries	18,500	36,078
Social security costs	1,683	240
Other pension costs	461	895
	<u>20,644</u>	<u>37,213</u>

There were no employees whose annual remuneration was more than £60,000.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Current asset investments

	2025 £	2024 £
Unlisted investments	947,168	2,400,758

Investments represent cash held on long term deposits including unpaid accrued interest.

13 Debtors

	2025 £	2024 £
Grants receivable	3,223,992	4,066,670

14 Current liabilities

	2025 £	2024 £
Social security and other taxation	-	2,074
Trade payables	-	9,067
Accruals	494,855	982,732
	<u>494,855</u>	<u>993,873</u>

Accruals includes £486,105 (2024: 973,986) towards project expenditure incurred but not invoiced until after the year end.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

15 Contingent liabilities

At the end of the year, the Foundation has agreed to make further grants of up to £1,491,525 (2024: £5,066,370) to various projects. The timing of these payments is not yet known and are subject to meeting requirements of the grant before being paid.

Some of the grants received contain a claw-back clause if all of the grant conditions are not followed. The trustees do not anticipate that these clauses should be enacted and will do everything in their power to ensure that the terms are adhered to.

16 Retirement benefit schemes

Defined contribution schemes

The Foundation operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Foundation in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £0 (2024: £895).

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

17 Restricted funds

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

	Movement in Funds				Movement in Funds				
	Balance at 6 April 2023	Incoming resources	Resources expended	Transfers	Balance at 6 April 2024	Incoming resources	Resources expended	Transfers	Balance at 5 April 2025
	£	£	£	£	£	£	£	£	£
Urinary microbiome	478	-	-	-	478	-	-	-	478
Laboratory	454,059	-	(140,950)	-	313,109	-	(205,392)	-	107,717
Microbiome research projects	697,155	100,000	(76,777)	-	720,378	100,000	-	-	820,378
Gut microbiome	336,724	-	(70,116)	-	266,608	-	(88,486)	-	178,122
Administration	-	203,651	(56,331)	(147,320)	-	10,000	(10,000)	-	-
Twins UK Imaging: Ageing research	462,885	3,873,019	(663,522)	-	3,672,382	-	(401,913)	-	3,270,469
Michael Mosley Fundraiser	-	-	-	-	-	40,710	-	-	40,710
LIMS	242,724	-	(32,541)	-	210,183	-	(87,568)	-	122,615
	<u>2,194,025</u>	<u>4,176,670</u>	<u>(1,040,237)</u>	<u>(147,320)</u>	<u>5,183,138</u>	<u>150,710</u>	<u>(793,359)</u>	<u>-</u>	<u>4,540,489</u>

The Urinary Microbiome fund relates to the restricted income and expenditure towards a project relating to the Urinary microbiome and its relation to morbidity in older people. Funding for the project included £10,000 (2024: £10,000) to be used towards the foundations administration costs.

The Laboratory fund consists of amounts received with the restricted purpose of funding the cost of equipping and operating a laboratory for 4 years.

The Microbiome research projects fund is for the support of activities relating to the study of the Microbiome and aging.

The Gut microbiome fund relates to projects evaluating the effect of gut microbiomes on cardiovascular outcomes.

The Administration fund relates to the amounts that have been received with the purpose of being used to cover the foundations administration costs.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

The Twins UK Imaging fund is for funding research on ageing.

The Michael Mosley Fund is for funding research on obesity.

The LIMS fund is for the cost of the new Laboratory Information Management System.

Transfers during the current year of Administration funds to the unrestricted funds for amounts that have been received with the purpose of being used to cover the foundations administration costs.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds						
	Balance at 6 April 2023	Resources expended	Transfers	Balance at 5 April 2024	Resources expended	Transfers	Balance at 5 April 2025
	£	£	£	£	£	£	£
Coronavirus symptom study	262,639	(262,639)	-	-	-	-	-
Long Covid study	10,520	18,516	-	29,036	-	-	29,036
Diet and plant diversity	-	(50,198)	50,198	-	(10,660)	10,660	-
Microbiome and low back pain	-	(29,517)	29,517	-	(54,482)	54,482	-
Microbiome and inflammation	-	-	-	-	(24,247)	24,247	-
Genetic epidemiology of Inverse Comorbidity	-	-	-	-	(7,031)	7,031	-
	<u>273,159</u>	<u>(323,838)</u>	<u>79,715</u>	<u>29,036</u>	<u>(96,420)</u>	<u>96,420</u>	<u>29,036</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

The Coronavirus Symptom Study fund contains amounts raised toward the symptom study work being carried out throughout the pandemic. These donations were to be used towards Covid-19 research as required, with any surplus funds being available for general use within CDRF.

The transfers from to Diet and plant diversity and Microbiome and low back pain designated funds relate to transfers from the unrestricted funds as a contribution towards the expenditure incurred during the year.

19 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted Funds	Designated funds	Restricted funds	Total
	2025	2025	2025	2025	2024	2024	2024	2024
	£	£	£	£	£	£	£	£
Fund balances at 5 April 2025 are represented by:								
Current assets/(liabilities)	543,090	29,036	4,540,489	5,112,615	633,079	29,036	5,183,138	5,845,253
	<u>543,090</u>	<u>29,036</u>	<u>4,540,489</u>	<u>5,112,615</u>	<u>633,079</u>	<u>29,036</u>	<u>5,183,138</u>	<u>5,845,253</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

20 Related party transactions

Transactions with related parties

During the year the Foundation entered into the following transactions with related parties:

During the year, £9,000 (2024: £2,880) was charged by Collyer Bristow for administration and other legal services. Mr M D B Simon, Trustee, is a partner of Collyer Bristow.

Expenditure in the year includes £234,225 (2024: £189,669) to projects of which Professor Tim Spector (Medical Director) is the lead researcher. A further £158,493 (2024: £1,035,248) has been approved for payment to projects led by Professor Spector.

In June 2018, the Foundation was granted an option agreement, to buy 43,242 shares in Zoe Limited (formerly Zoe Global Limited), at any point in the subsequent 15 years. The Foundation's Medical Director, Professor Tim Spector, is one of the founders of Zoe Limited. At the end of the year, the trustees have estimated the value of these share options using a share option pricing model as being no more than £4,900. As Zoe Limited is still a relatively new company and the Foundation does not expect to exercise its options within the foreseeable future, the Trustees regard it as prudent not to include any valuation in the accounts for these share options at the present time. The trustees will re-assess the situation at each subsequent yearend.

21 Cash generated from operations

	2025	2024
	£	£
Surplus/(Deficit) for the year	(732,638)	2,986,399
Adjustments for:		
Investment income recognised in statement of financial activities	(62,542)	(178,915)
Movements in working capital:		
(Increase)/decrease in trade and other receivables	842,678	(4,066,670)
(Decrease)/increase in trade and other payables	(499,022)	238,577
Cash absorbed by operations	(451,524)	(1,020,609)

THE CHRONIC DISEASE RESEARCH FOUNDATION

England & Wales - Charity number 1186102

Accounts

Charity registration number 1186102

Company registration number 12266787 (England and Wales)

**THE CHRONIC DISEASE RESEARCH FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2024**

THE CHRONIC DISEASE RESEARCH FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Benaim Dr E Bochukova Mr N S Pike Mr M D B Simon Mr J M H Ross Dr A J Walley (Appointed 11 May 2023)
Medical director	Tim Spector
Charity number	1186102
Company number	12266787
Principal address	St Martin's Court 10 Paternoster Row London EC4M 7EJ
Registered office	St Martin's Court 10 Paternoster Row London EC4M 7EJ
Auditors	Bourner Bullock 114 St Martin's Lane Covent Garden London WC2N 4BE
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Collyer Bristow LLP St Martin's Court 10 Paternoster Row London EC4M 7EJ

THE CHRONIC DISEASE RESEARCH FOUNDATION

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THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 5 APRIL 2024

The trustees present their annual report and financial statements for the year ended 5 April 2024.

The financial statements have been prepared following the accounting policies set out in note 1 to the financial statements and comply with the Foundation's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts following the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (2nd Edition, effective January 2019)".

Objectives and activities

The Foundation's objectives are to provide funds for projects, fellowships, and equipment to researchers studying the genetic basis for common chronic diseases in developed countries and to support studies using twins to uncover clues about diseases' causes and risk factors.

The trustees have considered the guidance issued by the Charity Commission when deciding what activities the Foundation should undertake.

Grants are generally awarded to the Department of Twin Research and Genetic Epidemiology, King's College London (KCL), and the Foundation's trustees monitor the results of each study. These studies advance the medical profession as a whole and, as such, benefit all areas of society.

When the Foundation makes an award, it reserves the right to terminate it without notice. In such a case, the Foundation will reimburse the Institution for expenditures appropriately and reasonably incurred under the award up to the termination date. Still, it will not be responsible for claims for compensation for which the Institution may be liable as an employer.

Achievements and performance

The following awards are ongoing or have commenced in the past twelve months:

Award CDRF-10/2017 – "Exploring the Cardio-metabolic health associated with the faecal metabolome". The amount of £162,442 was expensed up to April 2024. There is £nil left to pay.

Award CDRF-17/2018 – "Microbiome Laboratory + Sequencing funds". In 2018/2019, the Foundation received from the Denise Coates Foundation £701,673 to fund the establishment of a Microbiome Laboratory, plus £650,000 (plus an additional 5% administration fee) to perform DNA extraction of stored samples and support the cost of sequencing those. The amount of £1,038,115 was expensed to April 2024. There is £313,558 left to pay.

Award CDRF-18/2019 – "Targeting the gut microbiome and its metabolites to improve cardiovascular outcomes". The amount of £175,105 was expensed up to April 2024. There is £214,048 left to pay: the project will run until December 2027.

Award CDRF-19/2019 – "Using the faecal metabolomics and serum glycomics to unravel the microbiome inflammatory pathways causative of cardiovascular disease". Up to April 2024, £643,179 has been expensed. The award will run until May 2026, and there is £61,510 left to pay.

Award CDRF-22/2020- "The COVID Symptoms Study Application: Research platform and Biobank". Up to April 2024 £1,272,448 has been expensed. There is £nil left to pay.

Award CDRF-23/2020 – "The COVID Symptoms Study: The Genetics of Long COVID-19". The £573,094 funding for this project comprised £502,983 from the COVID Symptom Study appeal, plus £50,111 special grant from the DCF, plus £20,000 from the annual DCF grant. A total of £553,013 has been expensed up to April 2024. The project will run until August 2024, with £20,081 to pay.

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 5 APRIL 2024

Award CDRF-25/2023 – “TwinsUK Imaging: A Resource for Ageing Research”. This is a five-year project funded by the Denise Coates Foundation. The first year’s funding of £617,180 has been paid. Up to April 2024 £817,818 has been expensed. The total budget for the project and will be paid over five years is £4,490,199. There is 3,672,382 left to pay.

Award CDRF-26/2022 – “Enhancing the TwinsUK biobank with a new Laboratory Information Management System (LIMS)”. This recent award has a budget of £242,724 donated by the DCF. The award will run until December 2024. A total of £32,541 has been expensed up to April 2024.

Award CDRF-27/2023 – “Impact of diet and plant diversity on presumed markers of cardiometabolic health”. This award’s budget of £210,829 is funded from the annual DCF and will run until December 2026.

Award CDRF-28/2023 – “Understanding the Role of the Microbiome in Low Back Pain”. The budget for this award is £175,331, and the project will run until October 2027.

Award CDRF-29/2024 – “The relationship between Diet, Gut Microbiome, Exercise and Sarcopenic Obesity”. The project’s budget is £270,961, and it will run until January 2028.

In May 2021, the Denise Coates Foundation pledged to fund the Foundation with an annual donation of £300,000 (plus a 5% administration fee and KCL overheads fee) for five years. In May 2022, the DCF and the CDRF mutually agreed to reduce this annual amount to £100,000 (plus 5% administration and KCL overheads fee). The yearly amount was paid in October 2023. There are two more years of funding left to pay.

The total commitments over the next 12 months are £1,475,616. Sufficient funds are available to cover the cost of these awards.

Financial review

The year’s results show a surplus of £2,986,339 (2023: As restated £869,346 deficit). The closing Net Assets were £5,845,253 (2023: As restated £2,858,854).

The trustees’ policy regarding free reserves is to set a minimum for such reserves equal to approximately six months’ projected management and administrative expenditure. The trustees aim to achieve this through prudent resource management.

Using this reserves policy, the Foundation needs to have reserves of above £16,000 based on the 2023 administration costs. At the end of the year, unrestricted funds amount to £633,079, which is well above this level.

Excess funds will be carried forward for future grant awards at the trustees’ discretion.

The Foundation’s primary income source is donations and bequests. For general purposes, the Foundation raised £445 (2023: £2,280) in donations from private donors and investment income of £178,915 (As restated 2023: £69,586).

The Memorandum and Articles of Association govern the trustees’ investment policy, permitting available funds to be invested in various securities and assets. The trustees’ investment policy aims for safety commensurate with immediate and planned spending requirements. Accordingly, funds are held as cash balances and not invested.

The trustees will continue to manage the Foundation’s investments in conformity with the policy and its constitution. They are averse to risk, and surplus funds will be held on deposit.

The Foundation’s cash-flow situation is comfortable, but the trustees want to invest excess funds wisely. Currently, extra funds are held in the Flagstone Charity Platform, which pays an average interest of 4.91% p.a. The trustees are responsible for managing the risks faced by the Foundation.

All significant risks to which the Foundation is exposed have been reviewed, and systems have been established to mitigate them.

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 5 APRIL 2024

Structure, governance and management

The Foundation is a company limited by guarantee established by its Memorandum and Articles of Association. It is registered with the Charity Commission under charity number 1186102 and with Companies House under company number 12266787.

The incorporated charity took over the activities of the previously unincorporated charity on 17 March 2020.

The Foundation's governing instrument is its Memorandum and Articles of Association, which allow for any activities covered by the Foundation's objectives with no specific restrictions.

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

Mr M Benaim
Dr E Bochukova
Mr N Pike
Mr J M H Ross
Mr D Simon
Dr A J Walley

Appropriately qualified people are selected according to requirements at the time of appointment, such as scientific or medical knowledge in the field of research in which the Foundation is interested, as well as legal and commercial expertise. As part of the induction programme, the trustees are provided with a copy of the Memorandum and Articles of Association and a copy of the past three years' accounts. The Foundation's Medical Director explains the Foundation's aims and goals to newly appointed Trustees.

The trustees, who are appointed under the terms of the Memorandum and Articles of Association, are responsible for managing the Foundation. The trustees meet regularly to discuss and implement policy.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Auditor

In accordance with the company's articles, a resolution proposing that Bourner Bullock be appointed as auditor will be put to a General Meeting.

Disclosure of information to the auditor

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

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies.

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

Mr N S Pike

Trustee

Date:

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2024

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

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

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

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITORS REPORT

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Opinion

We have audited the financial statements of The Chronic Disease Research Foundation (the 'Foundation') for the year ended 5 April 2024 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2024 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

THE CHRONIC DISEASE RESEARCH FOUNDATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

THE CHRONIC DISEASE RESEARCH FOUNDATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting regulations, Company Law, Tax and Pensions legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Use of our report

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

Russell Joseph ACA (Senior Statutory Auditor)
For and on behalf of Bournier Bullock (Statutory Auditor)
Chartered Accountants
114 St Martin's Lane
Covent Garden
London
WC2N 4BE

Date:.....

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2024

Current financial year

		Unrestricted	Unrestricted	Restricted	Total	Total
		funds	funds	funds		As restated
	Notes	general	designated			
		2024	2024	2024	2024	2023
		£	£	£	£	£
<u>Income from:</u>						
Donations and legacies	3	445	-	4,176,670	4,177,115	760,319
Investments	4	178,915	-	-	178,915	69,586
Total income		179,360	-	4,176,670	4,356,030	829,905
<u>Expenditure on:</u>						
Raising funds	5	5,556	-	-	5,556	7,397
Charitable activities	6	-	323,838	1,040,237	1,364,075	1,691,854
Total expenditure		5,556	323,838	1,040,237	1,369,631	1,699,251
Net incoming/(outgoing) resources before transfers		173,804	(323,838)	3,136,433	2,986,339	(869,346)
Gross transfers between funds		67,605	79,715	(147,320)	-	-
Net (expenditure)/income for the year/ Net movement in funds		241,409	(244,123)	2,989,113	2,986,399	(869,346)
Fund balances at 6 April 2023	18, 19	391,670	273,159	2,194,025	2,858,854	3,728,200
Fund balances at 5 April 2024	18, 19	633,079	29,036	5,183,138	5,845,253	2,858,854

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

All income and expenditure derive from continuing activities.

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2024

Prior financial year (As restated)

	Notes	As restated			Total
		Unrestricted funds general	Unrestricted funds designated	Restricted funds	
		2023	2023	2023	2023
		£	£	£	£
<u>Income from:</u>					
Donations and legacies	3	2,280	-	758,039	760,319
Investments (As restated)	4	69,586	-	-	69,586
Total income		<u>71,866</u>	<u>-</u>	<u>758,039</u>	<u>829,905</u>
<u>Expenditure on:</u>					
Raising funds	5	7,397	-	-	7,397
Charitable activities	6	-	507,386	1,184,468	1,691,854
Total expenditure		<u>7,397</u>	<u>507,386</u>	<u>1,184,468</u>	<u>1,699,251</u>
Net incoming/(outgoing) resources before transfers		64,469	(507,386)	(426,429)	(869,346)
Gross transfers between funds		(71,680)	(492,480)	564,160	-
Net (expenditure)/income for the year/ Net movement in funds		<u>(7,211)</u>	<u>(999,866)</u>	<u>137,731</u>	<u>(869,346)</u>
Fund balances at 6 April 2022		<u>398,881</u>	<u>1,273,025</u>	<u>2,056,294</u>	<u>3,728,200</u>
Fund balances at 5 April 2023		<u><u>391,670</u></u>	<u><u>273,159</u></u>	<u><u>2,194,025</u></u>	<u><u>2,858,854</u></u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT 5 APRIL 2024

	Notes	2024 £	£	As restated 2023 £	£
Current assets					
Investments	12	2,400,758		2,773,576	
Cash at bank and in hand		371,698		840,574	
Debtors	14	4,066,670		-	
		6,839,126		3,614,150	
		(993,873)		(755,296)	
Current liabilities	15				
Net current assets			5,845,253		2,858,854
Income funds					
Restricted funds	18		5,183,138		2,194,025
<u>Unrestricted funds - general</u>					
Designated funds	19	29,036		273,159	
General unrestricted funds		633,079		391,670	
			662,115		664,829
			5,845,253		2,858,854

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

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

.....

Mr N S Pike
Trustee

Company Registration No. 12266787
Charity Registration No. 1186102

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2024

	Notes	2024 £	£	As restated 2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	22		(1,020,609)		(1,019,937)
Investing activities					
Acquisition of investments		(500,482)			
Proceeds from disposal of investments		873,300		(188,576)	
Investment income received		178,915		69,586	
Net cash (used in)/generated from investing activities			551,733		(118,990)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(468,876)		(1,138,927)
Cash and cash equivalents at beginning of year			840,574		1,979,501
Cash and cash equivalents at end of year			<u>371,698</u>		<u>840,574</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2024

1 Accounting policies

Charity information

The Chronic Disease Research Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is St Martin's Court, 10 Paternoster Row, London, EC4M 7EJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Foundation's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (2nd edition, effective January 2019)". The Foundation is a Public Benefit Entity as defined by FRS 102.

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

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

The Chronic Disease Research Foundation is a member of the umbrella organisation, the Association of Medical Research Charities.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Prior period errors

During the year it was identified that investment interest was earned, and costs incurred during the financial year ending 05 April 2023 but not accrued.

The impact of this error on the statement of financial position is an understatement of current liabilities and current asset investments.

The impact of this error on the statement of financial activities is an understatement of unrestricted income and expenditure on charitable activities (Restricted and designated funds).

Current liabilities as at 05 April 2023 amounting to £430,100 have been restated to £755,296.

Current asset investments as at 05 April 2023 amounting to £2,735,000 have been restated to £2,773,576.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

Investment income as at 05 April 2023 amounting to £31,011 has been restated to £69,586.

Charitable expenditure (Restricted fund) as at 05 April 2023 amounting to £1,002,106 has been restated to £1,184,468.

Charitable expenditure (Designated fund) as at 05 April 2023 amounting to £364,553 has been restated to £507,386.

During the year it was identified that a transfer was made of £200,165 from unrestricted funds to designated funds relating to Award 22 and this was not recorded in the financial statements for the year ended 05 April 2022. As at 05 April 2022 unrestricted funds of £198,716 were restated to £398,881 and unrestricted designated funds of £1,473,190 were restated to £1,273,025.

1.5 Income

Income is recognised when the Foundation is legally entitled to it after performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Foundation has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from grants is recognised when the Foundation has entitlement to the funds, any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably and is not deferred.

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

1.6 Expenditure

Grants provided are, in the main, awarded to various departments of Kings College London (KCL). The research and fulfilment of the project is undertaken by KCL, with the results of each study being monitored by the Foundation's trustees. The results of these studies advance the medical profession as a whole and as such benefit all areas of society.

When the Foundation makes an award, it reserves the right, without notice, to terminate it should it so wish. In such a case, the Foundation will reimburse the Institution for expenditure properly and reasonably incurred under the award up to the termination date but will not be responsible for claims for compensation for which the Institution may be liable as an employer.

Grants are recognised in the accounts when the Foundation is committed to making the payment, based on the requirements of each grant agreement.

Support/governance costs are those that related to the running of the Foundation and fulfilling its statutory obligations. These costs are recognised when incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

1.8 Financial instruments

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

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

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

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

1.10 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

3 Donations and legacies

	Unrestricted funds general 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Donations and gifts	445	-	445	2,280
Grants	-	4,176,670	4,176,670	758,039
	<u>445</u>	<u>4,176,670</u>	<u>4,177,115</u>	<u>760,319</u>
Grants receivable for core activities				
Denise Coates Foundation	-	4,176,670	4,176,670	758,039
	<u>-</u>	<u>4,176,670</u>	<u>4,176,670</u>	<u>758,039</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

4 Investments

	Unrestricted funds general 2024	As restated Unrestricted funds general 2023 £
Interest receivable	178,915	69,586

5 Raising funds

	Unrestricted funds general 2024	Unrestricted funds general 2023 £
Investment management	5,556	7,397
	<u>5,556</u>	<u>7,397</u>

6 Charitable activities

	Charitable Expenditure 2024 £	As restated Charitable Expenditure 2023 £
Grant funding of activities (see note 7)	1,307,744	1,631,098
Share of support costs (see note 8)	37,349	30,814
Share of governance costs (see note 8)	18,982	29,942
	<u>1,364,075</u>	<u>1,691,854</u>
Analysis by fund		
Unrestricted funds - designated	323,838	507,386
Restricted funds	1,040,237	1,184,468
	<u>1,364,075</u>	<u>1,691,854</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

7 Grants payable

	Charitable Expenditure 2024 £	As restated Charitable Expenditure 2023 £
Grants to institutions:		
Role of the cardi-metabolic health associated faecal metabolome (award 10)	51,456	36,318
Utilising Omega 3 and Fibre to improve metabolic health: a proof of concept nutritional intervention study targeting the Gut Microbiome (award 11)	(2,739)	-
A statistical framework for personalised nutrition recommendations based on genetic and anthropometric data (award 12)	-	15,230
Influence of the gut microbiome on inter-individual differences in blood pressure at fasting and in response to a combined glycaemic and lipaemic test meal challenge (award 15)	28,059	49,741
Assessing the role of long and short-term food choices on gut microbiome-induced visceral fat mass accumulation (award 16)	-	47,134
Microbiome Laboratory (award 17)	140,951	125,750
TwinsUK Covid-19 Research Project (award 21)	-	173,332
The COVID Symptom study Application: Research Platform and Biobank (award 22)	262,639	334,054
Gut Microbiome and Cardiovascular outcomes (award 18 & 19)	70,116	161,477
Denise Coates Foundation Long Covid study (award 23)	(18,516)	504,307
TwinsUK 30th Anniversary	-	29,460
TwinsUK Imaging: A resource for ageing research- five-year project (award 25)	663,523	154,295
Enhancing the TwinsUK biobank with a new Laboratory Information Management system (award 26)	32,540	-
Impact of diet and plant diversity on presumed markers of cardiometabolic health (award 27)	50,198	-
The role of the Microbiome in Low back pain (award 28 & 29)	29,517	-
	<u>1,307,744</u>	<u>1,631,098</u>

All of the above grants were made to Kings College, London (KCL). The previous year's grants were all to KCL.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

8 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Staff costs	37,213	-	37,213	30,713	-	30,713
Support costs - Direct	73	-	73	73	-	73
Support costs - PPS and Computer	63	-	63	28	-	28
Audit fees	-	6,750	6,750	-	10,584	10,584
Accountancy	-	2,648	2,648	-	4,074	4,074
Legal and professional	-	2,880	2,880	-	12,682	12,682
Management expenses	-	5,447	5,447	-	1,792	1,792
Bank charges	-	60	60	-	100	100
PPS and computer	-	888	888	-	684	684
Sundry	-	309	309	-	26	26
	<u>37,349</u>	<u>18,982</u>	<u>56,331</u>	<u>30,814</u>	<u>29,942</u>	<u>60,756</u>
Analysed between Charitable activities	<u>37,349</u>	<u>18,982</u>	<u>56,331</u>	<u>30,184</u>	<u>29,942</u>	<u>60,756</u>

Governance costs includes payments to auditors of £6,750 for audit fees (2023: £10,584) and £2,000 for other services (2023: £4,074).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration, reimbursement of expenses or benefits from the Foundation during the year.

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	<u>1</u>	<u>1</u>
Employment costs	2024	2023
	£	£
Wages and salaries	36,078	30,000
Social security costs	240	-
Other pension costs	895	713
	<u>37,213</u>	<u>30,713</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

10 Employees (Continued)

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Current asset investments

	2024 £	As restated 2023 £
Unlisted investments	2,400,758	2,773,576

Investments represent cash held on long term deposits including unpaid accrued interest.

13 Contingent Assets

During the prior year, Denise Coates Foundation had agreed to make further grants to the Foundation of up to £4,396,670 for the TwinsUK Imaging: A Resource for Ageing Research 5-year project, as well as for long term funding for a Microbiome and Ageing study. The timing of these payments is detailed in the agreements received from the Denise Coates Foundation, with funding for the ageing project for years 2 to 5 being conditional upon certain targets being met.

During the year, these conditions were removed such that the Denise Coates Foundation became committed to payment of these grants in full. The contingent asset at the end of the year is £NIL and grants receivable (Note 14) recognised of £4,066,670.

14 Debtors

	2024 £	2023 £
Grants receivable	4,066,670	-

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

15 Current liabilities

	2024 £	As restated 2023 £
Social security and other taxation	2,074	139
Trade payables	9,067	15,230
Accruals	982,732	739,927
	<hr/> 993,873	<hr/> 755,296

Accruals includes £973,986 (2023: As restated £726,732) towards project expenditure incurred but not invoiced until after the year end.

16 Contingent liabilities

At the end of the year, the Foundation has agreed to make further grants of up to £5,066,370 (2023: As restated £1,846,263) to various projects. The timing of these payments is not yet known and are subject to meeting requirements of the grant before being paid.

Some of the grants received contain a claw-back clause if all of the grant conditions are not followed. The trustees do not anticipate that these clauses should be enacted and will do everything in their power to ensure that the terms are adhered to.

17 Retirement benefit schemes

Defined contribution schemes

The Foundation operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Foundation in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £895 (2023: £713).

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

18 Restricted funds

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

	Movement in funds				As restated Balance at 6 April 2023 £	Movement in funds		Transfers £	Balance at 5 April 2024 £
	Balance at 6 April 2022 £	Incoming resources £	As restated Resources expended £	Transfers £		Incoming resources £	Resources expended £		
Urinary microbiome	478	-	-	-	478	-	-	-	478
Laboratory	579,809	-	(125,750)	-	454,059	-	(140,950)	-	313,109
Microbiome research projects	813,645	100,000	(148,423)	(68,067)	697,155	100,000	(76,777)	-	720,378
Gut microbiome	430,134	-	(161,477)	68,067	336,724	-	(70,116)	-	266,608
Administration	-	40,859	(60,756)	19,897	-	203,651	(56,331)	(147,320)	-
Long Covid study	232,228	-	(504,307)	272,079	-	-	-	-	-
Twins UK 30 Anniversary	-	-	(29,460)	29,460	-	-	-	-	-
Twins UK Imaging: Ageing research	-	617,180	(154,295)	-	462,885	3,873,019	(663,522)	-	3,372,382
LIMS	-	-	-	242,724	242,724	-	(32,541)	-	210,183
	<u>2,056,294</u>	<u>758,039</u>	<u>(1,184,468)</u>	<u>564,160</u>	<u>2,194,025</u>	<u>4,176,670</u>	<u>(1,040,237)</u>	<u>(147,320)</u>	<u>5,183,138</u>

The Urinary Microbiome fund relates to the restricted income and expenditure towards a project relating to the Urinary microbiome and its relation to morbidity in older people. Funding for the project included £10,000 (2023: £10,000) to be used towards the foundations administration costs.

The Laboratory fund consists of amounts received with the restricted purpose of funding the cost of equipping and operating a laboratory for 4 years.

The Microbiome research projects fund is for the support of activities relating to the study of the Microbiome and aging.

The Gut microbiome fund relates to projects evaluating the effect of gut microbiomes on cardiovascular outcomes.

The Administration fund relates to the amounts that have been received with the purpose of being used to cover the foundations administration costs.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

The Long Covid research fund and Coronavirus Symptom study contain grants given specifically to investigate Covid-19 and the long term effects.

The Twins UK 30th anniversary fund was for a one off expense during the prior year.

The Twins UK Imaging fund is for funding research on ageing.

The LIMS fund is for the cost of the new Laboratory Information Management System.

Transfers during the prior year for Urinary microbiome, Twins UK 30th Anniversary and Administration relate to transfers from unrestricted funds to account for additional expenditure incurred. There was a redeployment of funds from Long Covid research to the new LIMS award.

Transfers during the current year of Administration funds to the unrestricted funds for amounts that have been received with the purpose of being used to cover the foundations administration costs.

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds						Balance at 5 April 2024 £
	As restated Balance at 6 April 2022 £	Resources expended £	Transfers £	As restated Balance at 5 April 2023 £	Resources expended £	Transfers £	
Coronavirus symptom study	770,025	(507,386)	-	262,639	(262,639)	-	-
Long Covid study	503,000	-	(492,480)	10,520	18,516	-	29,036
Diet and plant diversity	-	-	-	-	(50,198)	50,198	-
Microbiome and low back pain	-	-	-	-	(29,517)	29,517	-
	<u>1,473,190</u>	<u>(507,386)</u>	<u>(492,480)</u>	<u>273,159</u>	<u>(323,838)</u>	<u>79,715</u>	<u>29,036</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

The Coronavirus Symptom Study fund contains amounts raised toward the symptom study work being carried out throughout the pandemic. These donations were to be used towards Covid-19 research as required, with any surplus funds being available for general use within CDRF.

The transfers from to Diet and plant diversity and Microbiome and low back pain designated funds relate to transfers from the unrestricted funds as a contribution towards the expenditure incurred during the year.

20 Analysis of net assets between funds

	Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £	As restated Unrestricted funds 2023 £	Designated funds 2023 £	As restated Restricted funds 2023 £	As restated Total 2023 £
Fund balances at 5 April 2024 are represented by:								
Current assets/(liabilities)	633,079	29,036	5,183,138	5,845,253	391,670	273,159	2,194,025	2,858,854
	<u>633,079</u>	<u>29,036</u>	<u>5,183,138</u>	<u>5,845,253</u>	<u>391,670</u>	<u>273,159</u>	<u>2,194,025</u>	<u>2,858,854</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

21 Related party transactions

Transactions with related parties

During the year the Foundation entered into the following transactions with related parties:

During the year, £2,880 (2023: £12,682) was charged by Collyer Bristow for administration and other legal services. Mr M D B Simon, Trustee, is a partner of Collyer Bristow.

Expenditure in the year includes £189,669 (As restated 2023: £209,202) to projects of which Professor Tim Spector (Medical Director) is the lead researcher. A further £1,035,248 (As restated 2023: £1,124,467) has been approved for payment to projects led by Professor Spector and this is contained in Contingent liabilities.

In June 2018, the Foundation was granted an option agreement, to buy 43,242 shares in Zoe Limited (formerly Zoe Global Limited), at any point in the subsequent 15 years. The Foundation's Medical Director, Professor Tim Spector, is one of the founders of Zoe Limited. At the end of the year, the trustees have estimated the value of these share options using a share option pricing model as being no more than £4,900. As Zoe Limited is still a relatively new company and the Foundation does not expect to exercise its options within the foreseeable future, the Trustees regard it as prudent not to include any valuation in the accounts for these share options at the present time. The trustees will re-assess the situation at each subsequent year end.

22 Cash generated from operations

	2024	As restated 2023
	£	£
Surplus/(Deficit) for the year	2,986,399	(869,346)
Adjustments for:		
Investment income recognised in statement of financial activities	(178,915)	(69,586)
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(4,066,670)	-
(Decrease)/increase in trade and other payables	238,577	(81,005)
Cash absorbed by operations	<u>(1,020,609)</u>	<u>(1,019,937)</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

England & Wales - Charity number 1186102

Accounts

Charity registration number 1186102

Company registration number 12266787 (England and Wales)

THE CHRONIC DISEASE RESEARCH FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

Plummer Parsons 

CHARTERED ACCOUNTANTS & STATUTORY AUDITOR

THE CHRONIC DISEASE RESEARCH FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Benaim Dr E Bochukova Mr N S Pike Mr M D B Simon Mr J M H Ross Dr A J Walley	(Appointed 21 November 2022) (Appointed 11 May 2023)
Charity number	1186102	
Company number	12266787	
Principal address	St Martin's Court 10 Paternoster Row London EC4M 7EJ	
Registered office	St Martin's Court 10 Paternoster Row London EC4M 7EJ	
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT	
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Solicitors	Collyer Bristow LLP St Martin's Court 10 Paternoster Row London EC4M 7EJ	

THE CHRONIC DISEASE RESEARCH FOUNDATION

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THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 5 APRIL 2023

The trustees present their annual report and financial statements for the year ended 5 April 2023.

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 Foundation's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Foundation's objects are to provide funds for projects, fellowships and equipment to researchers studying the genetic basis for the common chronic diseases for developed countries and to support studies using twins to uncover clues about diseases' causes and risk factors.

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

In the main, grants are awarded to the Department of Twin Research and Genetic Epidemiology, King's College London (KCL), with the results of each study being monitored by the Foundation's trustees. The results of these studies advance the medical profession as a whole and, as such, benefit all areas of society.

When the Foundation makes an award, it reserves the right, without notice, to terminate it should it so wish. In such a case, the Foundation will reimburse the Institution for expenditures appropriately and reasonably incurred under the award up to the termination date. Still, it will not be responsible for claims for compensation for which the Institution may be liable as an employer.

Achievements and performance

During the COVID-19 pandemic, many CDRF-funded projects were delayed owing to laboratory and research facility closures. Many projects were given no-cost extensions during this period. With the lifting of restrictions, research operations resumed back to normal. During the past financial year following projects were completed and fully paid:

Award CDRF-11/2017- "Utilising Omega 3 and Fibre to improve metabolic health: a proof of concept nutritional intervention study targeting the Gut Microbiome." The annual donation of the Denise Coates Foundation funded this project. The total amount of the award, £169,264, has been paid.

Award CDRF-12/2017 – "A statistical framework for personalised nutrition recommendations based on genetic and anthropometric data." The fellowship was funded by the annual donation of the DCF for £87,844.

Award CDRF-16/2019 – "Novel computational and multivariate approaches to exploring diet-microbiome relations". The annual DCF donation funded this award for £142,923.

Award CDRF-21/2020 – "TwinsUK Covid-19 Research Project". The DCF annual grant and a special donation from the Denise Coates Foundation for immediate research into COVID-19 funded this award.

Award CDRF-24/2022 – "TwinsUK 30th Anniversary Engagement Programme". TwinsUK celebrated its 30th Anniversary. The Foundation funded a series of events to commemorate this occasion and acknowledge the contribution of the TwinsUK cohort to the many research projects run by the Department of Twin Research and Genetic Epidemiology, King's College London (KCL). The amount was £29,460.

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

The following awards are ongoing or have commenced in the past twelve months:

Award CDRF-10/2017 – “Exploring the Cardio-metabolic health associated with the faecal metabolome”. The amount of £82,918 was paid to April 2023. There is £81,233 left to pay, and the project will run until April 2024.

Award CDRF-15/2018 – “Influence of the gut microbiome on inter-individual differences in blood pressure at fasting and in response to a combined glycaemic and lipaemic test meal challenge”. The amount of £120,308 was paid to April 2023. There is £29,690 left to pay.

Award CDRF-17/2018 – “Microbiome Laboratory + Sequencing funds”. The Foundation received from the Denise Coates Foundation in 2018/2019 an award of £701,673 to fund the establishment of a Microbiome Laboratory, plus £650,000 (plus an additional 5% administration fee) to perform DNA extraction of stored samples and support the cost of sequencing those. The amount of £936,732 was paid to April 2023. The award will run until December 2023.

Award CDRF-18/2019 – “Targeting the gut microbiome and its metabolites to improve cardiovascular outcomes”. The amount of £121,545 was paid up to April 2023. There is £269,607 left to pay: the project will run until December 2024.

Award CDRF-19/2019 – “Using the faecal metabolomics and serum glycomics to unravel the microbiome inflammatory pathways causative of cardiovascular disease”. Up to April 2023, £643,179 has been paid. The award will run until May 2026, and there is £61,509 left to pay.

Award CDRF-22/2020 – “The COVID Symptom Study Application: Research Platform and Biobank”. The award amount of £1,272,387 is funded by £1,252,387 from the COVID Symptom Study appeal and £20,000 from the annual DCF grant. The amount of £960,462 was paid to April 2023. There is £311,924 left to pay, and the project will run until March 2024.

Award CDRF-23/2020 – “The COVID Symptoms Study: The Genetics of Long COVID-19”. The £573,094 funding for this project comprised £502,983 from the COVID Symptom Study appeal, plus £50,111 special grant from the DCF, plus £20,000 from the annual DCF grant. A total of £562,576 has been paid to April 2023. The project will run until March 2024, with £10,518 left to pay.

Award CDRF-25/2023 – “TwinsUK Imaging: A Resource for Ageing Research”. This is a five-year project funded by the Denise Coates Foundation. The first year’s funding of £617,180 has been paid. Subsequent years’ funding will depend on meeting annual research targets and milestones. If the targets are achieved, the total budget for the project will be £4,490,199.

Award CDRF-26/2022 – “Enhancing the TwinsUK biobank with a new Laboratory Information Management System (LIMS)”. This recent award has a budget of £242,724 donated by the DCF. The award will run until December 2024.

Award CDRF-27/2023 – “Impact of diet and plant diversity on presumed markers of cardiometabolic health”. This award’s budget of £210,829 is funded from the annual DCF and will run until December 2026.

In May 2021, the Denise Coates Foundation pledged to fund the Foundation for an annual donation of £300,000 (plus a 5% administration fee and KCL overheads fee) for five years. In May 2022, it was mutually agreed between the DCF and the CDRF to reduce this annual amount to £100,000 (plus 5% administration and KCL overheads fee). The yearly amount was paid in October 2022. There is a further three years of funding left to pay.

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

The total commitments over the next 12 months are £1,855,000. There are sufficient funds available to cover the cost of these awards.

Financial review

The results for the year show a deficit of £582,726 (2022: £1,338,713 deficit). The closing Net Assets were £3,145,474 (2022: £3,728,200).

The trustees' policy regarding free reserves is to set a minimum for such reserves equal to approximately six months' projected management and administrative expenditure. The trustees aim to achieve this by prudent management of resources.

Using this reserves policy, the Foundation needs to have reserves of above £16,000 based on the 2022 administration costs. At the end of the year, unrestricted funds amount to £152,930, which is well in excess of this level.

Excess funds will be carried forward for future grant awards at the trustees' discretion.

The Foundation's primary income source is donations, bequests, and a small interest income. The Foundation raised £2,280 in donations from private donors for general purposes.

The Memorandum and Articles of Association govern the trustees' investment policy, permitting available funds to be invested in various securities and assets. The trustees' investment policy aims for safety commensurate with immediate and planned spending requirements. Accordingly, funds are held as cash balances and not invested.

The trustees will continue to manage the Foundation's investments in conformity with the policy and its constitution. They are averse to risk, and surplus funds will be held on deposit.

The Foundation's cash-flow situation is comfortable, but the trustees want to invest excess funds wisely. Currently, extra funds are held in the Flagstone Charity Platform, which pays an average interest of 3.51%p.a.

The trustees are responsible for the management of the risks faced by the Foundation.

All major risks to which the Foundation is exposed have been reviewed and systems have been established to mitigate these risks.

Structure, governance and management

The Foundation is a company limited by guarantee and was established by its Memorandum and Articles of Association. It is registered with the Charity Commission under charity number 1186102 and is registered with Companies House under the company number 12266787.

The incorporated charity took over the activities of the previously unincorporated charity on 17 March 2020.

The Foundation's governing instrument is its Memorandum and Articles of Association, which allow for any activities covered by the Foundation's objectives with no specific restrictions.

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

Mr M Benaim

Dr E Bochukova

Dr J Bristow

(Resigned 24 October 2022)

Mr N S Pike

Mr M D B Simon

Mr J M H Ross

(Appointed 21 November 2022)

Dr A J Walley

(Appointed 11 May 2023)

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

Appropriately qualified people are selected according to requirements at the time of appointment, such as scientific or medical knowledge in the field of research in which the Foundation is interested, as well as legal and commercial knowledge. As part of the induction programme, the trustees are provided with a copy of the Memorandum and Articles of Association and a copy of the past three years' accounts. The aims and goals of the Foundation are explained to newly appointed Trustees by the Foundation's Medical Director.

The management of the Foundation is the responsibility of the trustees, who are appointed under the terms of the Memorandum and Articles of Association. The trustees meet regularly to discuss and implement policy.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

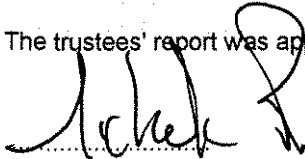
Auditor

In accordance with the company's articles, a resolution proposing that Plummer Parsons be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

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

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



Mr N S Pike

Trustee

Dated: 15/11/23

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2023

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

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

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

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Opinion

We have audited the financial statements of The Chronic Disease Research Foundation (the 'Foundation') for the year ended 5 April 2023 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2023 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Foundation 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 Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, Charities Act 2011, employment law, Data Protection Act and GDPR. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as FRS 102 and the Charities Statement of Recommended Practice (SORP). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent activities in the financial statements (including the risk of override of controls), and assessed that the principal risks could relate to posting journal entries to artificially increase income or reduce expenditure, related party transactions, management bias in accounting estimates and judgmental areas of the financial statements such as the allocation of support cost expenditure. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations; and
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation, as well as throughout the year.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

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

Use of our report

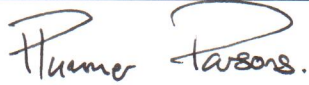
This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Plummer Parsons



17 November 2023

**Chartered Accountants
Statutory Auditor**

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Plummer Parsons is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2023

Current financial year

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Income from:						
Donations and legacies	3	2,280	-	758,039	760,319	431,043
Investments	4	31,011	-	-	31,011	49,929
Total income		33,291	-	758,039	791,330	480,972
Expenditure on:						
Raising funds	5	7,397	-	-	7,397	3,707
Charitable activities	6	-	364,553	1,002,106	1,366,659	1,815,978
Total expenditure		7,397	364,553	1,002,106	1,374,056	1,819,685
Net incoming/(outgoing) resources before transfers		25,894	(364,553)	(244,067)	(582,726)	(1,338,713)
Gross transfers between funds		(71,680)	(492,480)	564,160	-	-
Net (expenditure)/income for the year/ Net movement in funds		(45,786)	(857,033)	320,093	(582,726)	(1,338,713)
Fund balances at 6 April 2022		198,716	1,473,190	2,056,294	3,728,200	5,066,913
Fund balances at 5 April 2023		152,930	616,157	2,376,387	3,145,474	3,728,200

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

All income and expenditure derive from continuing activities.

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2023

Prior financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:					
Donations and legacies	3	10,086	86,501	334,456	431,043
Investments	4	49,929	-	-	49,929
Total income		60,015	86,501	334,456	480,972
Expenditure on:					
Raising funds	5	3,707	-	-	3,707
Charitable activities	6	-	239,382	1,576,596	1,815,978
Total expenditure		3,707	239,382	1,576,596	1,819,685
Net incoming/(outgoing) resources before transfers		56,308	(152,881)	(1,242,140)	(1,338,713)
Gross transfers between funds		(16,223)	(243,040)	259,263	-
Net (expenditure)/income for the year/ Net movement in funds		40,085	(395,921)	(982,877)	(1,338,713)
Fund balances at 6 April 2021		158,631	1,869,111	3,039,171	5,066,913
Fund balances at 5 April 2022		198,716	1,473,190	2,056,294	3,728,200

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT 5 APRIL 2023

	Notes	2023 £	2022 £
Current assets			
Investments	13	2,735,000	2,585,000
Cash at bank and in hand		840,574	1,979,501
		<u>3,575,574</u>	<u>4,564,501</u>
Current liabilities			
	15	(430,100)	(836,301)
Net current assets		<u>3,145,474</u>	<u>3,728,200</u>
Income funds			
Restricted funds	18	2,376,387	2,056,294
<u>Unrestricted funds - general</u>			
Designated funds	19	616,157	1,473,190
General unrestricted funds		152,930	198,716
		<u>769,087</u>	<u>1,671,906</u>
		<u>3,145,474</u>	<u>3,728,200</u>

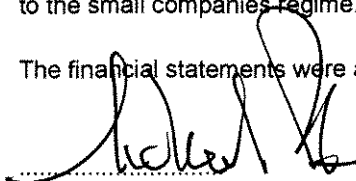
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 5 April 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the Trustees on 15/11/23



Mr N S Pike
Trustee

Company Registration No. 12266787

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	22	(1,019,938)		(640,465)	
Investing activities					
Proceeds from disposal of investments		(150,000)		665,000	
Investment income received		31,011		49,929	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from investing activities		(118,989)		714,929	
Net cash used in financing activities			-		-
		<u> </u>		<u> </u>	
Net (decrease)/increase in cash and cash equivalents		(1,138,927)		74,464	
Cash and cash equivalents at beginning of year		1,979,501		1,905,037	
		<u> </u>		<u> </u>	
Cash and cash equivalents at end of year		<u> </u> <u> </u>		<u> </u> <u> </u>	

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

Charity information

The Chronic Disease Research Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is St Martin's Court, 10 Paternoster Row, London, EC4M 7EJ.

1.1 Accounting convention

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

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

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

The Chronic Disease Research Foundation is a member of the umbrella organisation, the Association of Medical Research Charities.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Foundation is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Foundation has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from grants is recognised when the Foundation has entitlement to the funds, any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably and is not deferred.

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Grants provided are, in the main, awarded to various departments of Kings College London (KCL). The research and fulfilment of the project is undertaken by KCL, with the results of each study being monitored by the Foundation's trustees. The results of these studies advance the medical profession as a whole and as such benefit all areas of society.

When the Foundation makes an award, it reserves the right, without notice, to terminate it should it so wish. In such a case, the Foundation will reimburse the Institution for expenditure properly and reasonably incurred under the award up to the termination date but will not be responsible for claims for compensation for which the Institution may be liable as an employer.

Grants are recognised in the accounts when the Foundation is committed to making the payment, based on the requirements of each grant agreement.

Support/governance costs are those that related to the running of the Foundation and fulfilling its statutory obligations. These costs are recognised when incurred.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

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

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

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

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

1.9 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

3 Donations and legacies

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	2,280	-	2,280	10,086	86,501	-	96,587
Grants	-	758,039	758,039	-	-	334,456	334,456
	<u>2,280</u>	<u>758,039</u>	<u>760,319</u>	<u>10,086</u>	<u>86,501</u>	<u>334,456</u>	<u>431,043</u>
Grants receivable for core activities							
Denise Coates Foundation	-	758,039	758,039	-	-	334,456	334,456
	<u>-</u>	<u>758,039</u>	<u>758,039</u>	<u>-</u>	<u>-</u>	<u>334,456</u>	<u>334,456</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

4 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	31,011	49,929

5 Raising funds

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
<u>Investment management</u>	7,397	3,707
	<u>7,397</u>	<u>3,707</u>

6 Charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Grant funding of activities (see note 7)	1,305,903	1,761,921
Share of support costs (see note 8)	32,479	31,330
Share of governance costs (see note 8)	28,277	22,727
	<u>1,366,659</u>	<u>1,815,978</u>
Analysis by fund		
Unrestricted funds - designated	364,553	239,382
Restricted funds	1,002,106	1,576,596
	<u>1,366,659</u>	<u>1,815,978</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

7 Grants payable

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Grants to institutions:		
Role of urinary microbiome in relation to Morbidity in Older People (award 9)	-	121,443
Role of the cardi-metabolic health associated faecal metabolome (award 10)	8,251	26,500
Utilising Omega 3 and Fibre to improve metabolic health: a proof of concept nutritional intervention study targeting the Gut Microbiome (award 11)	-	56,183
A statistical framework for personalised nutrition recommendations based on genetic and anthropometric data (award 12)	15,230	24,056
Gut microbiome modulation of fasting glucose homeostasis and postprandial glycaemic response in TwinsUK and PREDICT: towards personalised diet for healthy aging (award 13)	-	20
Influence of the gut microbiome on inter-individual differences in blood pressure at fasting and in response to a combined glycaemic and lipaemic test meal challenge (award 15)	49,741	40,138
Assessing the role of long and short-term food choices on gut microbiome-induced visceral fat mass accumulation (award 16)	47,134	-
Microbiome Laboratory (award 17)	125,750	70,190
TwinsUK Covid-19 Research Project (award 21)	173,332	-
The COVID Symptom study Application: Research Platform and Biobank (award 22)	191,221	532,736
Gut Microbiome and Cardiovascular outcomes (award 18 & 19)	161,477	595,645
Targeted metabolomics of urine samples to understand the role of the gut microbiota in food polyphenol metabolism (award 20)	-	9,990
Denise Coates Foundation Long Covid study (award 23)	504,307	285,020
TwinsUK 30th Anniversary	29,460	-
	<u>1,305,903</u>	<u>1,761,921</u>

All of the above grants were made to Kings College, London (KCL). The previous year's grants were all to KCL.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	30,713	-	30,713	30,713	-	30,713
Support costs - Direct	1,738	-	1,738	617	-	617
Support costs - PPS and Computer	28	-	28	-	-	-
Audit fees	-	10,584	10,584	-	11,118	11,118
Accountancy	-	4,074	4,074	-	3,624	3,624
Legal and professional	-	12,682	12,682	-	7,262	7,262
Management expenses	-	127	127	-	483	483
Bank charges	-	100	100	-	149	149
PPS and computer	-	684	684	-	161	161
Sundry	-	26	26	-	(70)	(70)
	<u>32,479</u>	<u>28,277</u>	<u>60,756</u>	<u>31,330</u>	<u>22,727</u>	<u>54,057</u>
Analysed between Charitable activities	<u>32,479</u>	<u>28,277</u>	<u>60,756</u>	<u>31,330</u>	<u>22,727</u>	<u>54,057</u>

Governance costs includes payments to the auditors of £10,584 for audit fees (2022 £11,118) and £4,074 for other services (2022 £3,624).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration, reimbursement of expenses or benefits from the Foundation during the year.

10 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
	1	1
	<u>1</u>	<u>1</u>
Employment costs	2023	2022
	£	£
Wages and salaries	30,000	30,000
Other pension costs	713	713
	<u>30,713</u>	<u>30,713</u>

The remuneration paid to Key Management Personnel amounted to £30,713 (2022: £30,713) during the year.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

10 Employees

(Continued)

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Financial instruments

	2023	2022
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	2,735,000	2,585,000

13 Current asset investments

	2023	2022
	£	£
Unlisted investments	2,735,000	2,585,000

Investments represent cash held on long term deposits.

14 Contingent Assets

At the end of the year, the Denise Coates Foundation had agreed to make further grants to the Foundation of up to £4,396,670 for the TwinsUK Imaging: A Resource for Ageing Research 5-year project, as well as for long term funding for a Microbiome and Ageing study. The timing of these payments is detailed in the agreements received from the Denise Coates Foundation, with funding for the ageing project for years 2 to 5 being conditional upon certain targets being met.

The Trustees anticipate that these conditions will be met and will do everything in their power to ensure that the terms are adhered to so that the grants will be received as expected over the coming years.

15 Current liabilities

	2023	2022
	£	£
Other taxation and social security	139	2,582
Trade payables	15,230	726,749
Accruals and deferred income	414,731	106,970
	<u>430,100</u>	<u>836,301</u>

Accruals includes £401,177 (2022: £94,673) towards project expenditure incurred but not invoiced until after the year end.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

16 Contingent liabilities

At the end of the year, the Foundation has agreed to make further grants of up to £2,992,542 (2022: £2,150,993) to various projects. The timing of these payments is not yet known.

Some of the grants received contain a claw-back clause if all of the grant conditions are not followed. The trustees do not anticipate that these clauses should be enacted and will do everything in their power to ensure that the terms are adhered to.

17 Retirement benefit schemes

Defined contribution schemes

The Foundation operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Foundation in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £713 (2022 - £713).

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

18 Restricted funds

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

	Movement in funds				Movement in funds				Balance at 5 April 2023 £
	Balance at 6 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 6 April 2022 £	Incoming resources £	Resources expended £	Transfers £	
Urinary microbiome	120,452	-	(121,443)	1,469	478	-	-	-	478
Laboratory	650,000	-	(70,191)	-	579,809	-	(125,750)	-	454,059
Microbiome research projects	670,532	300,000	(156,887)	-	813,645	100,000	(120,356)	(68,067)	725,222
Gut microbiome	1,025,779	-	(595,645)	-	430,134	-	(161,477)	68,067	336,724
Administration	4,847	34,456	(54,057)	14,754	-	40,859	(60,756)	19,897	-
Coronavirus symptom study	50,313	-	(293,353)	243,040	-	-	-	-	-
Long Covid study	517,248	-	(285,020)	-	232,228	-	(504,307)	272,079	-
Twins UK 30 Anniversary	-	-	-	-	-	-	(29,460)	29,460	-
Twins UK Imaging: Ageing research	-	-	-	-	-	617,180	-	-	617,180
LIMS	-	-	-	-	-	-	-	242,724	242,724
	<u>3,039,171</u>	<u>334,456</u>	<u>(1,576,596)</u>	<u>259,263</u>	<u>2,056,294</u>	<u>758,039</u>	<u>(1,002,106)</u>	<u>564,160</u>	<u>2,376,387</u>

The Urinary Microbiome fund relates to the restricted income and expenditure towards a project relating to the Urinary microbiome and its relation to morbidity in older people. Funding for the project included £10,000 (2022: £30,000) to be used towards the foundations administration costs.

The Laboratory fund consists of amounts received with the restricted purpose of funding the cost of equipping and operating a laboratory for 4 years.

The Microbiome research projects fund is for the support of activities relating to the study of the Microbiome and aging.

The Gut microbiome fund relates to projects evaluating the effect of gut microbiomes on cardiovascular outcomes.

The Administration fund relates to the amounts that have been received with the purpose of being used to cover the foundations administration costs.

The Long Covid research fund and Coronavirus Symptom study contain grants given specifically to investigate Covid-19 and the long term effects.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

18 Restricted funds

(Continued)

The Twins UK 30th anniversary fund was for a one off expense during the year.

The Twins UK Imaging fund is for funding research on ageing.

The LIMS fund is for the cost of the new Laboratory Information Management System.

Transfers during the year for Urinary microbiome, Twins UK 30th Anniversary and Administration relate to transfers from unrestricted funds to account for additional expenditure incurred. There was a redeployment of funds from Long Covid research to the new LIMS award.

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds							Balance at 5 April 2023 £
	Balance at 6 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 6 April 2022 £	Resources expended £	Transfers £	
Coronavirus symptom study	1,366,111	86,501	(239,382)	(243,040)	970,190	(364,553)	-	605,637
Long Covid study	503,000	-	-	-	503,000	-	(492,480)	10,520
	<u>1,869,111</u>	<u>86,501</u>	<u>(239,382)</u>	<u>(243,040)</u>	<u>1,473,190</u>	<u>(364,553)</u>	<u>(492,480)</u>	<u>616,157</u>

The Coronavirus Symptom Study fund contains amounts raised toward the symptom study work being carried out throughout the pandemic. These donations were to be used towards Covid-19 research as required, with any surplus funds being available for general use within CDRF.

The transfers from the Long Covid study designated fund relate to transfers to the restricted Long Covid study as a contribution towards the expenditure incurred during the year.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

20 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 5 April 2023 are represented by:							
Current assets/(liabilities)	152,930	616,157	2,376,387	3,145,474	198,716	1,575,046	1,954,438
	<u>152,930</u>	<u>616,157</u>	<u>2,376,387</u>	<u>3,145,474</u>	<u>198,716</u>	<u>1,575,046</u>	<u>1,954,438</u>
	<u><u>152,930</u></u>	<u><u>616,157</u></u>	<u><u>2,376,387</u></u>	<u><u>3,145,474</u></u>	<u><u>198,716</u></u>	<u><u>1,575,046</u></u>	<u><u>1,954,438</u></u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

21 Related party transactions

Transactions with related parties

During the year the Foundation entered into the following transactions with related parties:

During the year, £12,682 was charged by Collyer Bristow for administration and other legal services. (2022: £7,262). Mr M D B Simon, Trustee, is a partner of Collyer Bristow.

Expenditure in the year includes £181,134 to projects of which Professor Tim Spector (Medical Director) is the lead researcher. A further £1,151,504 has been approved for payment to projects led by Professor Spector and this is contained in Contingent liabilities (2022: £394,975 paid with £681,010 in Contingent liabilities).

In June 2018, the Foundation was granted an option agreement, to buy 43,242 shares in Zoe Limited (formerly Zoe Global Limited), at any point in the subsequent 15 years. The Foundation's Medical Director, Professor Tim Spector, is one of the founders of Zoe Limited. At the end of the year, the trustees have estimated the value of these share options using a share option pricing model as being no more than £4,900. As Zoe Limited is still a relatively new company and the Foundation does not expect to exercise its options within the foreseeable future, the Trustees regard it as prudent not to include any valuation in the accounts for these share options at the present time. The trustees will re-assess the situation at each subsequent year end.

22 Cash generated from operations	2023 £	2022 £
Deficit for the year	(582,726)	(1,338,713)
Adjustments for:		
Investment income recognised in statement of financial activities	(31,011)	(49,929)
Movements in working capital:		
(Increase)/decrease in trade and other receivables	-	272,500
(Decrease)/increase in trade and other payables	(406,201)	475,677
Cash absorbed by operations	(1,019,938)	(640,465)

23 Analysis of changes in net funds

The Foundation had no debt during the year.

THE CHRONIC DISEASE RESEARCH FOUNDATION

England & Wales - Charity number 1186102

Accounts



Plummer Parsons
Chartered Accountants

Charity registration number 1186102

Company registration number 12266787 (England and Wales)

**THE CHRONIC DISEASE RESEARCH FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022**

THE CHRONIC DISEASE RESEARCH FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Benaim Dr E Bochukova Mr N S Pike Mr M D B Simon
Charity number	1186102
Company number	12266787
Principal address	St Martin's Court 10 Paternoster Row London EC4M 7EJ
Registered office	St Martin's Court 10 Paternoster Row London EC4M 7EJ
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Collyer Bristow LLP St Martin's Court 10 Paternoster Row London EC4M 7EJ

THE CHRONIC DISEASE RESEARCH FOUNDATION

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THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 5 APRIL 2022

The trustees present their annual report and financial statements for the year ended 5 April 2022.

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 Foundation's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Foundation's objects are to provide funds for projects, fellowships and equipment to researchers studying the genetic basis for the common chronic diseases for developed countries and to support studies using twins to uncover clues about causes and risk factors of diseases.

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

In the main, grants are awarded to the Department of Twin Research and Genetic Epidemiology, King's College London (KCL), with the results of each study being monitored by the Foundation's trustees. The results of these studies advance the medical profession as a whole and as such benefit all areas of society.

When the Foundation makes an award, it reserves the right, without notice, to terminate it should it so wish. In such a case, the Foundation will reimburse the Institution for expenditure properly and reasonably incurred under the award up to the termination date. Still, it will not be responsible for claims for compensation for which the Institution may be liable as an employer.

Achievements and performance

From April 2021 to April 2022, many awards were given no-cost extensions. The laboratories and research facilities lockdown during the Covid-19 pandemic caused these delays.

The Foundation received £500,000 from the Denise Coates Foundation in April 2020 to fund immediate research into Covid-19. These monies were used to fund the CDRF-21/2020 "TwinsUK COVID-19 Research Project" award. The total for this award is £519,996, and £346,664 has been paid to April 2022.

In April 2020, the Foundation launched a campaign to fund the Covid Symptom Study. The Covid Symptom study comprised an app developed by Zoe Global Ltd (now Zoe Limited), which collected data from citizen scientists, and data analysis by KCL researchers. The monies from the campaign were used to fund two awards: CDRF-22/2020 "The COVID Symptom Study Application: Research Platform and Biobank", and CDRF-23/2020 "The COVID Symptoms Study: The Genetics of Long COVID-19".

CDRF-22/2020 "The COVID Symptom Study Application" Research Platform and Biobank" award will run over 3.5 years. The award amount of £1,272,387 is funded by £1,252,387 from the COVID Symptom Study appeal and £20,000 from the annual DCF grant. The amount of £573,898 was paid to April 2022.

The award CDRF-23/2020 "The COVID Symptoms Study: The Genetics of Long COVID-19", will run over 3.5 years. A total of £1,020,248 is funded by £503,000 from the COVID Symptom Study appeal, plus £497,248 from a further individual DCF grant, plus £20,000 from the annual DCF grant. A total of £285,020 had been paid to April 2022.

The Foundation received from the Denise Coates Foundation in 2018/2019 an award of £701,673 to fund the establishment of a Microbiome Laboratory, plus £650,000 (plus an additional 5% administration fee) to perform DNA extraction of stored samples and support the cost of sequencing those samples - CDRF-17/2018. The amount of £731,335 was paid to April 2022. The award will run until December 2023.

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

In addition, the Foundation received an award of £321,088 (plus an administration fee of 5%) from the Denise Coates Foundation for the fellowship, CDRF-18/2019 "Targeting the gut microbiome and its metabolites to improve cardiovascular outcomes". This award will run until November 2023. The amount of £63,702 was paid to April 2022.

The Foundation received an award of £704,687 (plus an administration fee of 5%) from the Denise Coates Foundation for the project, CDRF-19/2019 "Using the faecal metabolomics and serum glycomics to unravel the microbiome inflammatory pathways causative of cardiovascular disease". The award will run until December 2024, and so far, £494,865 has been paid for this award.

The Denise Coates Foundation had pledged to fund the Foundation for a further five years, an annual amount of £300,000 per annum (plus an administration fee of 5%). The Year 1 Grant was paid on 1st October 2021. This amount pledged decreased as agreed with the Foundation so that from October 2022 the annual amount will be £110,000 including the 5% administration fee and 5% KCL overheads cost.

These funds have been used for the following grants:

- CDRF-10/2017 "Exploring the cardio-metabolic health associated with the faecal metabolome" – £162,422. The amount of £48,168 was paid to April 2022.
- CDRF-11/2017 "Utilising omega-3 and fibre to improve metabolic health" – £169,234 over 4.5 years. A no-cost extension was given for this award due to delays caused by the Covid-19 lockdown. This award was fully paid to April 2022.
- CDRF-12/2017 "A statistical framework for personalised nutrition recommendations based on genetic and anthropometric data" – £87,844 over 3 years. A no-cost extension was given for this award due to delays caused by the Covid-19 lockdown; £44,287 was paid to April 2022.
- CDRF-13/2018 "Gut microbiome modulation of fasting glucose homeostasis and postprandial glycaemic response in TwinsUK and PREDICT: Towards personalised diet for healthy ageing" – £147,494 over 3 years. The total amount was paid to April 2022.
- CDRF-15/2018 "Influence of the gut microbiome on inter-individual differences in blood pressure at fasting and in response to a combined glycaemic and lipaemic test meal challenge" – £149,999 over four years. The amount of £72,199 was paid to April 2022.
- CDRF-16/2018 "Assessing the role of long and short-term food choices on gut microbiome-induced visceral fat mass accumulation" – an amount of £142,923. The amount of £95,789 was paid to April 2022.
- CDRF-20/2020 "Targeted metabolomics of urine samples to understand the role of the gut microbiota in food polyphenol metabolism" – an amount of £9,990. This award has been fully paid.

The total commitments over the next 12 months are £1,855,000. There are sufficient funds available to cover the cost of these awards.

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2022

Financial review

The results for the year show a deficit of £1,338,713 (2021: £2,527,863 surplus). The closing Net Assets were £3,728,200 (2021: £5,066,913).

The trustees' policy regarding free reserves is to set a minimum for such reserves equal to approximately six months' projected management and administrative expenditure. The trustees aim to achieve this by prudent management of resources.

Using this reserves policy, the Foundation needs to have reserves of above £16,000 based on the 2021 administration costs. At the end of the year, unrestricted funds amount to £198,716, which is well in excess of this level.

Excess funds will be carried forward for future grant awards at the trustees' discretion.

The Foundation's primary income source is donations, bequests, and a small interest income. The Foundation raised £84 in donations from private donors for general purposes, and a donation received during the year of £10,000 which was raised from the sale of face masks.

The trustees' investment policy is governed by the Memorandum and Articles of Association, permitting available funds to be invested in various securities and assets. The trustees' investment policy aims for safety commensurate with immediate and planned spending requirements. Accordingly, funds are held as cash balances and not invested.

The trustees will continue to manage the Foundation's investments in conformity with the policy and its constitution. They are averse to risk, and surplus funds will presently be held on deposit.

The Foundation's cash-flow situation is comfortable, but the trustees want to invest excess funds wisely. Currently, extra funds are held in the Flagstone Charity Platform, which paid an average interest of 0.80% p.a.

The trustees are responsible for the management of the risks faced by the Foundation.

All major risks to which the Foundation is exposed have been reviewed and systems have been established to mitigate these risks.

Structure, governance and management

The Foundation is a company limited by guarantee and was established by its Memorandum and Articles of Association. It is registered with the Charity Commission under charity number 1186102 and is registered with Companies House under the company number 12266787.

The incorporated charity took over the activities of the previously unincorporated charity on 17 March 2020.

The Foundation's governing instrument is its Memorandum and Articles of Association which allow for any activities covered by the Foundation's objectives, with no specific restrictions.

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

Mr M Benaim

Dr E Bochukova

Dr J Bristow

(Resigned 24 October 2022)

Mr N S Pike

Mr M D B Simon

Dr E Stonehill

(Resigned 1 November 2021)

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 5 APRIL 2022*

Appropriately qualified people are selected according to requirements at the time of appointment, such as scientific or medical knowledge in the field of research in which the Foundation is interested, as well as legal and commercial knowledge. As part of the induction programme, the trustees are provided with a copy of the Memorandum and Articles of Association and a copy of the past 3 years' accounts. The aims and goals of the Foundation are explained to newly appointed Trustees by the Foundation's Medical Director.

The management of the Foundation is the responsibility of the trustees who are appointed under the terms of the Memorandum and Articles of Association. The trustees meet regularly to discuss and implement policy.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Auditor

In accordance with the company's articles, a resolution proposing that Plummer Parsons be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

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

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

Mr N S Pike

Trustee

Dated: 21 November 2022

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2022

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

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

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

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Opinion

We have audited the financial statements of The Chronic Disease Research Foundation (the 'Foundation') for the year ended 5 April 2022 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2022 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Foundation 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 Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, Charities Act 2011, employment law, Data Protection Act and GDPR. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as FRS 102 and the Charities Statement of Recommended Practice (SORP). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

We evaluated management's incentives and opportunities for fraudulent activities in the financial statements (including the risk of override of controls), and assessed that the principal risks could relate to posting journal entries to artificially increase income or reduce expenditure, related party transactions, management bias in accounting estimates and judgmental areas of the financial statements such as the allocation of support cost expenditure. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations; and
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation, as well as throughout the year.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

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

Use of our report

This report is made solely to the 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Plummer Parsons

7 December 2022

**Chartered Accountants
Statutory Auditor**

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Plummer Parsons is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2022

Current financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:						
Donations and legacies	3	10,086	86,501	334,456	431,043	3,200,683
Investments	4	49,929	-	-	49,929	17,528
Total income		<u>60,015</u>	<u>86,501</u>	<u>334,456</u>	<u>480,972</u>	<u>3,218,211</u>
Expenditure on:						
Raising funds	5	3,707	-	-	3,707	46,662
Charitable activities	6	-	239,382	1,576,596	1,815,978	643,686
Total expenditure		<u>3,707</u>	<u>239,382</u>	<u>1,576,596</u>	<u>1,819,685</u>	<u>690,348</u>
Net incoming/(outgoing) resources before transfers		56,308	(152,881)	(1,242,140)	(1,338,713)	2,527,863
Gross transfers between funds		(16,223)	(243,040)	259,263	-	-
Net income/(expenditure) for the year/ Net movement in funds		<u>40,085</u>	<u>(395,921)</u>	<u>(982,877)</u>	<u>(1,338,713)</u>	<u>2,527,863</u>
Fund balances at 6 April 2021		<u>158,631</u>	<u>1,869,111</u>	<u>3,039,171</u>	<u>5,066,913</u>	<u>2,539,050</u>
Fund balances at 5 April 2022		<u><u>198,716</u></u>	<u><u>1,473,190</u></u>	<u><u>2,056,294</u></u>	<u><u>3,728,200</u></u>	<u><u>5,066,913</u></u>

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

All income and expenditure derive from continuing activities.

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2022

Prior financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:					
Donations and legacies	3	299	1,915,773	1,284,611	3,200,683
Investments	4	17,528	-	-	17,528
Total income		17,827	1,915,773	1,284,611	3,218,211
Expenditure on:					
Raising funds	5	-	46,662	-	46,662
Charitable activities	6	-	-	643,686	643,686
Total expenditure		-	46,662	643,686	690,348
Net incoming/(outgoing) resources before transfers		17,827	1,869,111	640,925	2,527,863
Net income/(expenditure) for the year/ Net movement in funds		17,827	1,869,111	640,925	2,527,863
Fund balances at 6 April 2020		140,804	-	2,398,246	2,539,050
Fund balances at 5 April 2021		158,631	1,869,111	3,039,171	5,066,913

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT 5 APRIL 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Trade and other receivables	12	-		272,500	
Investments	13	2,585,000		3,250,000	
Cash at bank and in hand		1,979,501		1,905,037	
		<u>4,564,501</u>		<u>5,427,537</u>	
Current liabilities					
	14	(836,301)		(360,624)	
Net current assets			<u>3,728,200</u>		<u>5,066,913</u>
Income funds					
Restricted funds	17		2,056,294		3,039,171
<u>Unrestricted funds - general</u>					
Designated funds	18	1,473,190		1,869,111	
General unrestricted funds		<u>198,716</u>		<u>158,631</u>	
			<u>1,671,906</u>		<u>2,027,742</u>
			<u>3,728,200</u>		<u>5,066,913</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 5 April 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the Trustees on 21 November 2022

Mr N S Pike
Trustee

Company Registration No. 12266787

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	21		(640,465)		1,761,869
Investing activities					
Proceeds from disposal of investments		665,000		(3,250,000)	
Investment income received		49,929		17,528	
		<hr/>		<hr/>	
Net cash generated from/(used in) investing activities			714,929		(3,232,472)
Net cash used in financing activities			<hr/>		<hr/>
			-		-
Net increase/(decrease) in cash and cash equivalents			74,464		(1,470,603)
Cash and cash equivalents at beginning of year			1,905,037		3,375,640
			<hr/>		<hr/>
Cash and cash equivalents at end of year			1,979,501		1,905,037
			<hr/> <hr/>		<hr/> <hr/>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022

1 Accounting policies

Charity information

The Chronic Disease Research Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is St Martin's Court, 10 Paternoster Row, London, EC4M 7EJ.

1.1 Accounting convention

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

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

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

The Chronic Disease Research Foundation is a member of the umbrella organisation, the Association of Medical Research Charities.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Foundation is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Foundation has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Foundation has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Grants provided are, in the main, awarded to various departments of Kings College London (KCL). The research and fulfilment of the project is undertaken by KCL, with the results of each study being monitored by the Foundation's trustees. The results of these studies advance the medical profession as a whole and as such benefit all areas of society.

When the Foundation makes an award, it reserves the right, without notice, to terminate it should it so wish. In such a case, the Foundation will reimburse the Institution for expenditure properly and reasonably incurred under the award up to the termination date but will not be responsible for claims for compensation for which the Institution may be liable as an employer.

Grants are recognised in the accounts when the Foundation is committed to making the payment, based on the requirements of each grant agreement.

Support/governance costs are those that related to the running of the Foundation and fulfilling its statutory obligations. These costs are recognised when incurred.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

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

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

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

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

1.9 Retirement benefits

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

2 Critical accounting estimates and judgements

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

3 Donations and legacies

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	10,086	86,501	-	96,587	299	1,915,773	-	1,916,072
Grants	-	-	334,456	334,456	-	-	1,284,611	1,284,611
	<u>10,086</u>	<u>86,501</u>	<u>334,456</u>	<u>431,043</u>	<u>299</u>	<u>1,915,773</u>	<u>1,284,611</u>	<u>3,200,683</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

4 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	49,929	17,528

5 Raising funds

	Unrestricted funds general 2022 £	Unrestricted funds designated 2021 £
<u>Fundraising and publicity</u>		
Fees deducted from online donations received	-	46,662
<u>Investment management</u>	3,707	-
	<u>3,707</u>	<u>46,662</u>

6 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Grant funding of activities (see note 7)	1,761,921	580,872
Share of support costs (see note 8)	31,330	-
Share of governance costs (see note 8)	22,727	62,814
	<u>1,815,978</u>	<u>643,686</u>
Analysis by fund		
Unrestricted funds - designated	239,382	-
Restricted funds	1,576,596	643,686
	<u>1,815,978</u>	<u>643,686</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

7 Grants payable

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Grants to institutions:		
Role of urinary microbiome in relation to Morbidity in Older People (award 9)	121,443	-
Role of the cardi-metabolic health associated faecal metabolome (award 10)	26,500	-
Utilising Omega 3 and Fibre to improve metabolic health: a proof of concept nutritional intervention study targeting the Gut Microbiome (award 11)	56,183	57,989
A statistical framework for personalised nutrition recommendations based on genetic and anthropometric data (award 12)	24,056	-
Gut microbiome modulation of fasting glucose homeostasis and postprandial glycaemic response in TwinsUK and PREDICT: towards personalised diet for healthy aging (award 13)	20	17,832
Influence of the gut microbiome on inter-individual differences in blood pressure at fasting and in response to a combined glycaemic and lipaemic test meal challenge (award 15)	40,138	-
Assessing the role of long and short-term food choices on gut microbiome-induced visceral fat mass accumulation (award 16)	-	15,368
Microbiome Laboratory (award 17)	70,190	-
TwinsUK Covid-19 Research Project (award 21)	-	346,664
The COVID Symptom study Application: Research Platform and Biobank (award 22)	532,736	143,019
Gut Microbiome and Cardiovascular outcomes (award 18 & 19)	595,645	-
Targeted metabolomics of urine samples to understand the role of the gut microbiota in food polyphenol metabolism (award 20)	9,990	-
Denise Coates Foundation Long Covid study (award 23)	285,020	-
	<u>1,761,921</u>	<u>580,872</u>

All of the above grants were made to Kings College, London (KCL). The previous year's grants were all to KCL.

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THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

8 Support costs	Support costs	Governance costs	2022	2021
	£	£	£	£
Staff costs	30,713	-	30,713	-
Support costs - Direct	617	-	617	-
Audit fees	-	11,118	11,118	7,332
Accountancy	-	3,624	3,624	3,014
Legal and professional	-	7,262	7,262	24,202
Management expenses	-	483	483	28,119
Bank charges	-	149	149	147
PPS and computer	-	161	161	-
Sundry	-	(70)	(70)	-
	<u>31,330</u>	<u>22,727</u>	<u>54,057</u>	<u>62,814</u>
Analysed between				
Charitable activities	<u>31,330</u>	<u>22,727</u>	<u>54,057</u>	<u>62,814</u>

Governance costs includes payments to the auditors of £11,118 for audit fees (2021 £7,332) and £3,624 for other services (2021 £3,014).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration, reimbursement of expenses or benefits from the Foundation during the year.

10 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
	1	-
	<u>1</u>	<u>-</u>
Employment costs	2022	2021
	£	£
Wages and salaries	30,000	-
Other pension costs	713	-
	<u>30,713</u>	<u>-</u>

The remuneration paid to Key Management Personnel amounted to £30,713 (2021: £nil) during the year.

There were no employees whose annual remuneration was more than £60,000.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

11 Financial instruments	2022	2021
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	2,585,000	3,250,000
	<u> </u>	<u> </u>
12 Trade and other receivables	2022	2021
	£	£
Amounts falling due within one year:		
Other receivables	-	272,500
	<u> </u>	<u> </u>
13 Current asset investments	2022	2021
	£	£
Unlisted investments	2,585,000	3,250,000
	<u> </u>	<u> </u>
Investments represent cash held on long term deposits.		
14 Current liabilities	2022	2021
	£	£
Other taxation and social security	2,582	-
Trade payables	726,749	351,096
Accruals and deferred income	106,970	9,528
	<u> </u>	<u> </u>
	<u>836,301</u>	<u>360,624</u>

Accruals includes £94,673 (2021: £Nil) towards project expenditure incurred but not invoiced until after the year end.

15 Contingent liabilities

At the end of the year, the Foundation has agreed to make further grants of up to £2,150,993 (2021: £4,502,430) to various projects. The timing of these payments is not yet known.

Some of the grants received contain a claw-back clause if all of the grant conditions are not followed. The trustees do not anticipate that these clauses should be enacted and will do everything in their power to ensure that the terms are adhered to.

16 Retirement benefit schemes

Defined contribution schemes

The Foundation operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Foundation in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £713 (2021 - £Nil).

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

17 Restricted funds

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

	Movement in funds				Movement in funds				Balance at 5 April 2022 £
	Balance at 6 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 6 April 2021 £	Incoming resources £	Resources expended £	Transfers £	
Urinary microbiome	120,452	-	-	-	120,452	-	(121,443)	1,469	478
Laboratory	650,000	-	-	-	650,000	-	(70,191)	-	579,809
Microbiome research projects	571,717	250,000	(91,189)	(59,996)	670,532	300,000	(156,887)	-	813,645
Gut microbiome	1,025,779	-	-	-	1,025,779	-	(595,645)	-	430,134
Administration	30,298	37,363	(62,814)	-	4,847	34,456	(54,057)	14,754	-
Coronavirus symptom study	-	500,000	(489,683)	39,996	50,313	-	(293,353)	243,040	-
Long Covid study	-	497,248	-	20,000	517,248	-	(285,020)	-	232,228
	<u>2,398,246</u>	<u>1,284,611</u>	<u>(643,686)</u>	<u>-</u>	<u>3,039,171</u>	<u>334,456</u>	<u>(1,576,596)</u>	<u>259,263</u>	<u>2,056,294</u>

The Urinary Microbiome fund relates to the restricted income and expenditure towards a project relating to the Urinary microbiome and its relation to morbidity in older people. Funding for the project included £30,000 (2021: £23,200) to be used towards the foundations administration costs.

The Laboratory fund consists of amounts received with the restricted purpose of funding the cost of equipping and operating a laboratory for 4 years.

The Microbiome research projects fund is for the support of activities relating to the study of the Microbiome and aging.

The Gut microbiome fund relates to projects evaluating the effect of gut microbiomes on cardiovascular outcomes.

The Administration fund relates to the amounts that have been received with the purpose of being used to cover the foundations administration costs.

The Long Covid research fund and Coronavirus Symptom study contain grants given specifically to investigate Covid-19 and the long term effects.

Transfers during the year for Urinary microbiome and Administration relate to transfers from unrestricted funds to account for additional expenditure incurred.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds			Balance at 5 April 2022 £
	Incoming resources £	Resources expended £	Balance at 6 April 2021 £	Incoming resources £	Resources expended £	Transfers £	
Coronavirus symptom study	1,412,773	(46,662)	1,366,111	86,501	(239,382)	(243,040)	970,190
Long Covid study	503,000	-	503,000	-	-	-	503,000
	<u>1,915,773</u>	<u>(46,662)</u>	<u>1,869,111</u>	<u>86,501</u>	<u>(239,382)</u>	<u>(243,040)</u>	<u>1,473,190</u>

The Coronavirus Symptom Study fund contains amounts raised toward the symptom study work being carried out throughout the pandemic. These donations were to be used towards Covid-19 research as required, with any surplus funds being available for general use within CDRF.

The transfers from the Long Covid study designated fund relate to transfers to the restricted Long Covid study as a contribution towards the expenditure incurred during the year.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

19 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 5 April 2022 are represented by:								
Current assets/(liabilities)	198,716	1,575,046	1,954,438	3,728,200	158,631	1,869,111	3,039,171	5,066,913
	<u>198,716</u>	<u>1,575,046</u>	<u>1,954,438</u>	<u>3,728,200</u>	<u>158,631</u>	<u>1,869,111</u>	<u>3,039,171</u>	<u>5,066,913</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

20 Related party transactions

Transactions with related parties

During the year the Foundation entered into the following transactions with related parties:

During the year, £7,262 was charged by Collyer Bristow for administration and other legal services. (2021: £24,202). Mr M D B Simon, trustee, is a partner of Collyer Bristow.

Expenditure in the year includes £394,975 to projects of which Professor Tim Spector (Medical Director) is the lead researcher. A further £681,010 has been approved for payment to projects led by Professor Spector and this is contained in Contingent liabilities (2021: £91,189 paid with £874,843 in Contingent liabilities).

In June 2018, the Foundation was granted an option agreement, to buy 43,242 shares in Zoe Global Limited (now Zoe Limited), at any point in the subsequent 15 years. The Foundation's Medical Director, Professor Tim Spector, is one of the founders of Zoe Global Limited. At the end of the year, the trustees have estimated the value of these share options using a share option pricing model as being no more than £3,900. As Zoe Limited is still a relatively new company and the Foundation does not expect to exercise its options within the foreseeable future, the trustees regard it as prudent not to include any valuation in the accounts for these share options at the present time. The trustees will re-assess the situation at each subsequent year end.

21 Cash generated from operations	2022	2021
	£	£
(Deficit)/surplus for the year	(1,338,713)	2,527,863
Adjustments for:		
Investment income recognised in statement of financial activities	(49,929)	(17,528)
Movements in working capital:		
Decrease/(increase) in trade and other receivables	272,500	(272,500)
Increase/(decrease) in trade and other payables	475,677	(475,966)
Cash (absorbed by)/generated from operations	(640,465)	1,761,869

22 Analysis of changes in net funds

The Foundation had no debt during the year.

THE CHRONIC DISEASE RESEARCH FOUNDATION

England & Wales - Charity number 1186102

Accounts



Plummer Parsons
Chartered Accountants

Charity Registration No. 1186102

Company Registration No. 12266787 (England and Wales)

THE CHRONIC DISEASE RESEARCH FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

THE CHRONIC DISEASE RESEARCH FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Benaim Dr E Bochukova Dr J Bristow Mr N S Pike Mr M D B Simon Dr E Stonehill
Charity number	1186102
Company number	12266787
Principal address	140 Brompton Road Knightsbridge London SW3 1HY
Registered office	140 Brompton Road Knightsbridge London SW3 1HY
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Collyer Bristow LLP 140 Brompton Road Knightsbridge London SW3 1HY

THE CHRONIC DISEASE RESEARCH FOUNDATION

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THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 5 APRIL 2021

The trustees present their report and financial statements for the year ended 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 Foundation's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Foundation's objects are to provide funds for projects, fellowships and equipment to researchers studying the genetic basis for the common chronic diseases for developed countries and to support studies using twins to uncover clues about causes and risk factors of diseases

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

In the main, grants are awarded to the Department of Twin Research and Genetic Epidemiology, King's College London (KCL), with the results of each study being monitored by the Foundation's trustees. The results of these studies advance the medical profession as a whole and as such benefit all areas of society.

When the Foundation makes an award, it reserves the right, without notice, to terminate it should it so wish. In such a case, the Foundation will reimburse the Institution for expenditure properly and reasonably incurred under the award up to the termination date. Still, it will not be responsible for claims for compensation for which the Institution may be liable as an employer.

Achievements and performance

The Foundation received £500,000 from the Denise Coates Foundation in April 2020 to fund immediate research into Covid-19. These monies were used to fund CDRF-21/2020 TwinsUK COVID-19 Research Project.

In April 2020, the Foundation launched a campaign to fund the Covid Symptom Study. The Covid Symptom study comprised an app developed by Zoe Global Ltd (now Zoe Limited), which collected data from citizen scientists who contributed to the data bank, and an analysis of the compiled information conducted by KCL researchers. The campaign raised £1,950,773. This is shown as designated funds in the accounts. These monies were used to fund two awards: CDRF-22/2020 The COVID Symptom Study Application: Research Platform and Biobank and CDRF-23/2020 The COVID Symptoms Study: The Genetics of Long COVID-19.

In addition, the Foundation received £497,248 from the Denise Coates Foundation to fund research into Long-COVID. These monies were allocated to the award CDRF-23/2020 The COVID Symptoms Study: The Genetics of Long COVID-19.

The Foundation received an award of £464,801 (plus an administration fee of 5%) in 2014/2015 from the Denise Coates Foundation for the project CDRF-9/2016 "The urinary microbiome and its relation to morbidity in older people". A total of £342,881 was paid for the project to April 2021 to Kings College London. This is shown as restricted funds in the accounts. A no-cost extension was given for this award due to delays caused by the Covid-19 lockdown.

The Foundation received from the Denise Coates Foundation in 2018/2019 an award of £701,673 to fund the establishment of a Microbiome Laboratory, plus £650,000 (plus an additional 5% administration fee) to perform DNA extraction of stored samples and fund the cost of sequencing those samples - CDRF-17/2018. The amount of £469,561 was paid to April 2021. The awards will run until August 2022.

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

In addition, the Foundation received an award of £321,088 (plus an administration fee of 5%) in 2019 from the Denise Coates Foundation for the fellowship, CDRF-18/2019 "Targeting the gut microbiome and its metabolites to improve cardiovascular outcomes" equivalent to £80,272 per annum. This award will run until November 2023.

In 2019 the Foundation received an award of £704,687 (plus an administration fee of 5%) from the Denise Coates Foundation for the project, CDRF-19/2019 "Using the faecal metabolomics and serum glycomics to unravel the microbiome inflammatory pathways causative of cardiovascular disease". The award will run until December 2024.

From April 2020 to April 2021, many awards were given no-cost extensions caused by the lockdown of laboratories and research facilities during the Covid-19 pandemic.

The Denise Coates Foundation had pledged to fund the Foundation an annual amount of £250,000 over a five-year period per annum (plus an administration fee of 5%). The Year 5 Grant was paid on 1 April 2021.

These funds have been used for the following grants:

- CDRF-10/2017 "Exploring the cardio-metabolic health associated with the faecal metabolome" – an amount of £162,422 over 4.5 years. Equivalent to £32,987 per annum. The amount of £19,505 was paid to April 2021.
- CDRF-11/2017 'Utilising omega 3 and fibre to improve metabolic health' – an amount of £169,234 over 4.5 years. A no-cost extension was given for this award due to delays caused by the Covid-19 lockdown. The amount of £144,453 was paid to April 2021.
- CDRF-12/2017 "A statistical framework for personalised nutrition recommendations based on genetic and anthropometric data" – an amount of £87,844 over 3 years. Equivalent to £29,281 per annum. A no-cost extension was given for this award due to delays caused by the Covid-19 lockdown, The amount of £48,557 was paid to April 2021.
- CDRF-13/2018 "Gut microbiome modulation of fasting glucose homeostasis and postprandial glycaemic response in TwinsUK and PREDICT: Towards personalised diet for healthy ageing" – an amount of £147,494 over 3 years. The total amount of £147,776 was paid to April 2021.
- CDRF-15/2018 "Influence of the gut microbiome on inter-individual differences in blood pressure at fasting and in response to a combined glycaemic and lipaemic test meal challenge" – an amount of £149,999 over 4 years. The amount of £32,061 was paid to April 2021.
- CDRF-16/2018 "Assessing the role of long and short-term food choices on gut microbiome-induced visceral fat mass accumulation" – an amount of £142,923. The amount of £95,789 was paid to April 2021.
- CDRF-20/2020 "Targeted metabolomics of urine samples to understand the role of the gut microbiota in food polyphenol metabolism" – an amount of £9,990. A pilot study. The art of this project has been delayed due to the Covid pandemic. No monies were paid until April 2021.
- CDRF-21/2020 "TwinsUK Covid-19 Research Project!. An amount of £19,996 was awarded from the annual DCF grant. This is in addition to the £500,000 donated by the DCF for immediate research into Covid-19. The total amount for the award is £519,996. A no-cost extension was granted for this award until April 2022. The amount of £346,664 was paid to April 2021.

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

- CDRF-22/2020 "The COVID Symptom Study Application: Research Platform and Biobank!". An amount of £20,000 was awarded from the annual DCF grants. This is in addition to the £1,252,000 which was allocated from the Covid Symptom Study Appeal. The total amount for the award, which will run over 3.5 years, is £1,272,387. The amount of £143,019 was paid to April 2021.
- CDRF-23/2020 "The COVID Symptoms Study: The Genetics of Long COVID-19". An amount of £20,000 was awarded from the annual DCF grants. This is in addition to the £503,000 allocated from the Covid Symptom Study Appeal and the £497,248 donated by the DCF. The total amount for the award is £1,020,248, which will run over 3.5 years. No monies have been paid to April 2021.

The total commitments over the next 12 months are £2,262,373. There are sufficient funds available to cover the cost of these awards.

Financial review

The results for the year show a surplus of £2,527,863 (2020: £999,095). The closing Net Assets were £5,066,913 (2020: £2,539,050).

The trustees' policy regarding free reserves is to set a minimum for such reserves equal to approximately three months' projected management and administrative expenditure. The trustees aim to achieve this by judicious management of resources.

Using this reserves policy, the Foundation needs to have reserves of above £13,720 based on the 2020 administration costs. At the end of the year, unrestricted funds amount to £158,631, which is well in excess of this level.

Excess funds will be carried forward to be used for future grant awards at the trustees' discretion.

The Foundation's primary source of income is grants received, along with a small amount of interest income.

The Foundation raised £300 in donations from private donors for general purposes, and a donation of £10,000 which was raised from the sale of face masks.

The trustees' investment policy is governed by the Memorandum and Articles of Association which permit the funds available to be invested in a wide range of securities and assets.

The trustees' investment policy is to aim for safety commensurate with immediate and planned spending requirements. Accordingly, funds are held as cash balances and not invested.

The trustees will continue to manage the Foundation's investments in conformity with the policy and its constitution. They are averse to risk and surplus funds will presently be held on deposit.

The Foundation's cash-flow situation is comfortable, but the trustees want any excess funds to be invested wisely and will be considering the option of investing the funds. Currently excess funds are held in the Shawbrook 60-day account which pays interest at 0.50% p.a. and the Shawbrook 1-year fixed saver which pays interest at 1.39% p.a.

The trustees are responsible for the management of the risks faced by the Foundation.

All major risks to which the Foundation is exposed have been reviewed and systems have been established to mitigate these risks.

THE CHRONIC DISEASE RESEARCH FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Structure, governance and management

The Foundation is a company limited by guarantee and was established by its Memorandum and Articles of Association. It is registered with the Charity Commission under charity number 1186102 and is registered with Companies House under the company number 12266787.

The incorporated charity took over the activities of the previously unincorporated charity on 17 March 2020.

The Foundation's governing instrument is its Memorandum and Articles of Association which allow for any activities covered by the Foundation's objectives, with no specific restrictions.

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

Mr M Benaim

Dr E Bochukova

Dr J Bristow

Mr N S Pike

Mr M D B Simon

Dr E Stonehill

Appropriately qualified people are selected according to requirements at the time of appointment, such as scientific or medical knowledge in the field of research in which the Foundation is interested, as well as legal and commercial knowledge. As part of the induction programme, the trustees are provided with a copy of the Memorandum and Articles of Association and a copy of the past 3 years' accounts. The aims and goals of the Foundation are explained to newly appointed Trustees by the Foundation's Medical Director.

The management of the Foundation is the responsibility of the trustees who are appointed under the terms of the Memorandum and Articles of Association. The trustees meet regularly to discuss and implement policy.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Auditor

Plummer Parsons were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

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

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

Mr M Benaim

Trustee

Dated: 1 November 2021

Mr N S Pike

Trustee

Dated: 1 November 2021

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2021

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

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

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

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Opinion

We have audited the financial statements of The Chronic Disease Research Foundation (the 'Foundation') for the year ended 5 April 2021 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2021 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Foundation 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 Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

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

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, Charities Act 2011, employment law, Data Protection Act and GDPR. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as FRS 102 and the Charities Statement of Recommended Practice (SORP). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

We evaluated management's incentives and opportunities for fraudulent activities in the financial statements (including the risk of override of controls), and assessed that the principal risks could relate to posting journal entries to artificially increase income or reduce expenditure, related party transactions, management bias in accounting estimates and judgmental areas of the financial statements such as the allocation of support cost expenditure. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations; and
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation, as well as throughout the year.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

THE CHRONIC DISEASE RESEARCH FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

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

Use of our report

This report is made solely to the 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.

Plummer Parsons

1 November 2021

**Chartered Accountants
Statutory Auditor**

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Plummer Parsons is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2021

Current financial year

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income from:</u>						
Donations and legacies	3	299	1,915,773	1,284,611	3,200,683	1,339,946
Investments	4	17,528	-	-	17,528	24,740
Total income		<u>17,827</u>	<u>1,915,773</u>	<u>1,284,611</u>	<u>3,218,211</u>	<u>1,364,686</u>
<u>Expenditure on:</u>						
Raising funds	5	-	46,662	-	46,662	-
Charitable activities	6	-	-	643,686	643,686	365,591
Total resources expended		<u>-</u>	<u>46,662</u>	<u>643,686</u>	<u>690,348</u>	<u>365,591</u>
Net income for the year/ Net movement in funds		17,827	1,869,111	640,925	2,527,863	999,095
Net income for the year/ Net movement in funds		17,827	1,869,111	640,925	2,527,863	999,095
Fund balances at 6 April 2020		140,804	-	2,398,246	2,539,050	1,539,955
Fund balances at 5 April 2021		<u>158,631</u>	<u>1,869,111</u>	<u>3,039,171</u>	<u>5,066,913</u>	<u>2,539,050</u>

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

All income and expenditure derive from continuing activities.

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	379	1,339,567	1,339,946
Investments	4	24,740	-	24,740
Total income		25,119	1,339,567	1,364,686
<u>Expenditure on:</u>				
Charitable activities	6	-	365,591	365,591
Total resources expended		-	365,591	365,591
Net income for the year/ Net movement in funds		25,119	973,976	999,095
Fund balances at 6 April 2019		115,685	1,424,270	1,539,955
Fund balances at 5 April 2020		140,804	2,398,246	2,539,050

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

All income and expenditure derive from continuing activities.

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT 5 APRIL 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Trade and other receivables	12	272,500		-	
Investments	13	3,250,000		-	
Cash at bank and in hand		1,905,037		3,375,640	
		<u>5,427,537</u>		<u>3,375,640</u>	
Current liabilities	14	(360,624)		(836,590)	
Net current assets			5,066,913		2,539,050
			<u>5,066,913</u>		<u>2,539,050</u>
Income funds					
Restricted funds	16		3,039,171		2,398,246
<u>Unrestricted funds - general</u>					
Designated funds	17	1,869,111		-	
General unrestricted funds		158,631		140,804	
		<u>2,027,742</u>		<u>140,804</u>	
			5,066,913		2,539,050
			<u>5,066,913</u>		<u>2,539,050</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 5 April 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the Trustees on 1 November 2021

Mr M Benaim
Trustee

Mr N S Pike
Trustee

Company Registration No. 12266787

THE CHRONIC DISEASE RESEARCH FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	21		1,761,869		1,044,501
Investing activities					
Proceeds on disposal of investments		(3,250,000)		-	
Investment income received		17,528		24,740	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from investing activities			(3,232,472)		24,740
Net cash used in financing activities			<u> </u>		<u> </u>
			-		-
Net (decrease)/increase in cash and cash equivalents			(1,470,603)		1,069,241
Cash and cash equivalents at beginning of year			3,375,640		2,306,399
Cash and cash equivalents at end of year			<u> </u>		<u> </u>
			<u> </u>		<u> </u>
			1,905,037		3,375,640

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

Charity information

The Chronic Disease Research Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 140 Brompton Road, Knightsbridge, London, SW3 1HY.

1.1 Accounting convention

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

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

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

The Chronic Disease Research Foundation is a member of the umbrella organisation, the Association of Medical Research Charities.

1.2 Going concern

At the date of this report, there exists considerable uncertainty regarding the potential impact of the Coronavirus and the economic consequences, both within the U.K. and overseas, which may result from government policies to contain the spread. The duration and geographical extent of any possible lockdown or future government policies are unknown. Whilst we are unable to predict what the economic consequences may be and the impact on the charity's future ability to continue trading, we have continued to use the going concern basis as appropriate in the preparation of these accounts.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Foundation.

1.4 Income

Income is recognised when the Foundation is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Foundation has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Foundation has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Expenditure

Grants provided are, in the main, awarded to various departments of Kings College London (KCL). The research and fulfilment of the project is undertaken by KCL, with the results of each study being monitored by the Foundation's trustees. The results of these studies advance the medical profession as a whole and as such benefit all areas of society.

When the Foundation makes an award, it reserves the right, without notice, to terminate it should it so wish. In such a case, the Foundation will reimburse the Institution for expenditure properly and reasonably incurred under the award up to the termination date but will not be responsible for claims for compensation for which the Institution may be liable as an employer.

Grants are recognised in the accounts when the Foundation is committed to making the payment, based on the requirements of each grant agreement.

Support/governance costs are those that related to the running of the Foundation and fulfilling its statutory obligations. These costs are recognised when incurred.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

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

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

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

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

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

3 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	299	1,915,773	-	1,916,072	379	-	379
Grants	-	-	1,284,611	1,284,611	-	1,339,567	1,339,567
	<u>299</u>	<u>1,915,773</u>	<u>1,284,611</u>	<u>3,200,683</u>	<u>379</u>	<u>1,339,567</u>	<u>1,339,946</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

4 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	17,528	24,740

5 Raising funds

	Unrestricted funds designated 2021 £	Total 2020 £
<u>Fundraising and publicity</u>		
Fees deducted from online donations received	46,662	-
	<u>46,662</u>	<u>-</u>

6 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Grant funding of activities (see note 7)	580,872	305,348
Share of governance costs (see note 8)	62,814	60,243
	<u>643,686</u>	<u>365,591</u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

7 Grants payable

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Grants to institutions:		
Role of urinary microbiome in relation to Morbidity in Older People (award 9)	-	108,682
Utilising Omega 3 and Fibre to improve metabolic health: a proof of concept nutritional intervention study targeting the Gut Microbiome (award 11)	57,989	-
A statistical framework for personalised nutrition recommendations based on genetic and anthropometric data (award 12)	-	16,976
Gut microbiome modulation of fasting glucose homeostasis and postprandial glycaemic response in TwinsUK and PREDICT: towards personalised diet for healthy aging (award 13)	17,832	57,808
Changes in peripheral blood mononuclear cell (PBMC) immunophenotypes during immunotherapy for stage 4 melanoma (award 14)	-	9,400
Influence of the gut microbiome on inter-individual differences in blood pressure at fasting and in response to a combined glycaemic and lipaemic test meal challenge (award 15)	-	32,061
Assessing the role of long and short-term food choices on gut microbiome-induced visceral fat mass accumulation (award 16)	15,368	80,421
TwinsUK Covid-19 Research Project (award 21)	346,664	-
The COVID Symptom Study Application: Research Platform and Biobank (award 22)	143,019	-
	<u>580,872</u>	<u>305,348</u>

All of the above grants were made to Kings College, London (KCL). The previous year's grants were all to KCL, aside from the grant of £9,400 which was made to an NHS Trust.

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THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

8 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Audit fees	-	7,332	7,332	-	7,200	7,200
Accountancy	-	3,014	3,014	-	5,500	5,500
Legal and professional	-	24,202	24,202	-	29,077	29,077
Management expenses	-	28,119	28,119	-	18,376	18,376
Bank charges	-	147	147	-	90	90
	-	62,814	62,814	-	60,243	60,243
Analysed between						
Charitable activities	-	62,814	62,814	-	60,243	60,243

Governance costs includes payments to the auditors of £7,332 for audit fees (2020 £7,200) and £3,014 for other services (2020 £5,500).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration, reimbursement of expenses or benefits from the Foundation during the year.

10 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Total	-	-

11 Financial instruments

	2021	2020
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	3,250,000	-

12 Trade and other receivables

	2021	2020
	£	£
Amounts falling due within one year:		
Other receivables	272,500	-

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

13 Current asset investments

	2021 £	2020 £
Unlisted investments	3,250,000	-

Investments represent cash held on long term deposits.

14 Current liabilities

	2021 £	2020 £
Trade payables	351,096	822,958
Accruals and deferred income	9,528	13,632
	<u>360,624</u>	<u>836,590</u>

Trade creditors includes £232,112 towards the cost of a new Microbiome Laboratory at Kings College London. The work has been completed, but details of the amounts payable are yet to be received. A creditor has therefore been included for the anticipated remaining amount.

Accruals includes £NIL (2020: £4,272) towards project expenditure incurred but not invoiced until after the year end.

Contingent liabilities

At the end of the year, the Foundation has agreed to make further grants of up to £4,502,430 (2020: £2,270,669) to various projects. The timing of these payments is not yet known.

Some of the grants received contain a claw-back clause if all of the grant conditions are not followed. The trustees do not anticipate that these clauses should be enacted and will do everything in their power to ensure that the terms are adhered to.

15 Retirement benefit schemes

The Foundation operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Foundation in an independently administered fund.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

16 Restricted funds

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

	Movement in funds				Movement in funds				Balance at 5 April 2021 £
	Balance at 6 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 6 April 2020 £	Incoming resources £	Resources expended £	Transfers £	
Urinary microbiome	207,346	-	(108,682)	21,788	120,452	-	-	-	120,452
Laboratory	650,000	-	-	-	650,000	-	-	-	650,000
Microbiome research projects	540,171	250,000	(196,666)	(21,788)	571,717	250,000	(91,189)	(59,996)	670,532
Gut microbiome	-	1,025,779	-	-	1,025,779	-	-	-	1,025,779
Administration	26,753	63,788	(60,243)	-	30,298	37,363	(62,814)	-	4,847
Coronavirus symptom study	-	-	-	-	-	500,000	(489,683)	39,996	50,313
Long Covid study	-	-	-	-	-	497,248	-	20,000	517,248
	<u>1,424,270</u>	<u>1,339,567</u>	<u>(365,591)</u>	<u>-</u>	<u>2,398,246</u>	<u>1,284,611</u>	<u>(643,686)</u>	<u>-</u>	<u>3,039,171</u>

The Urinary Microbiome fund relates to the restricted income and expenditure towards a project relating to the Urinary microbiome and its relation to morbidity in older people. Funding for the project included £23,200 to be used towards the foundations administration costs.

The Laboratory fund consists of amounts received with the restricted purpose of funding the cost of equipping and operating a laboratory for 4 years.

The Microbiome research projects fund is for the support of activities relating to the study of the Microbiome and aging.

The Gut microbiome fund relates to projects evaluating the effect of gut microbiomes on cardiovascular outcomes.

The Administration fund relates to the amounts that have been received with the propose of being used to cover the foundations administration costs.

The Long Covid research fund contains grants given specifically to investigate the long term effects of Covid-19.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Balance at 5 April 2021 £
	Balance at 6 April 2020 £	Incoming resources £	Resources expended £	
Coronavirus symptom study	-	1,412,773	(46,662)	1,366,111
Long Covid study	-	503,000	-	503,000
	<u>-</u>	<u>1,915,773</u>	<u>(46,662)</u>	<u>1,869,111</u>

The Coronavirus Symptom Study fund contains amounts raised toward the symptom study work being carried out throughout the pandemic. These donations were to be used towards Covid-19 research as required, with any surplus funds being available for general use within CDRF.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 5 April 2021 are represented by:							
Current assets/(liabilities)	158,631	1,869,111	3,039,171	5,066,913	140,804	2,398,246	2,539,050
	<u>158,631</u>	<u>1,869,111</u>	<u>3,039,171</u>	<u>5,066,913</u>	<u>140,804</u>	<u>2,398,246</u>	<u>2,539,050</u>
	<u><u>158,631</u></u>	<u><u>1,869,111</u></u>	<u><u>3,039,171</u></u>	<u><u>5,066,913</u></u>	<u><u>140,804</u></u>	<u><u>2,398,246</u></u>	<u><u>2,539,050</u></u>

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

19 Related party transactions

Transactions with related parties

During the year the Foundation entered into the following transactions with related parties:

During the year, £24,202 was charged by Collyer Bristow for administration and other legal services. (2020: £29,077, of which £8,802 was outstanding). Mr M D B Simon, trustee, is a partner of Collyer Bristow.

Expenditure in the year includes £91,189 to projects of which Professor Tim Spector (Medical Director) is the lead researcher. A further £874,843 has been approved for payment to projects led by Professor Spector and this is contained in Contingent liabilities (2020: £295,948 paid with £2,270,669 in Contingent liabilities).

In June 2018, the Foundation was granted an option agreement, to buy 43,242 shares in Zoe Global Limited (now Zoe Limited), at any point in the subsequent 15 years. The Foundation's Medical Director, Professor Tim Spector, is one of the founders of Zoe Global Limited. At the end of the year, the trustees have estimated the value of these share options using a share option pricing model as being no more than £3,900. As Zoe Limited is still a relatively new company and the Foundation does not expect to exercise its options within the foreseeable future, the trustees regard it as prudent not to include any valuation in the accounts for these share options at the present time. The trustees will re-assess the situation at each subsequent year end.

20 Merger accounting

On 17 March 2020, the company took over the activities of the unincorporated Chronic Disease Research Foundation (charity number: 1055375). These activities are being continued in full and the provision in relation to merger accounting have been applied in accordance with the FRS102 SORP. As such, the accounts of the previous charity have been included as comparatives, to demonstrate the continuation of activities.

THE CHRONIC DISEASE RESEARCH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

21 Cash generated from operations	2021	2020
	£	£
Surplus for the year	2,527,863	999,095
Adjustments for:		
Investment income recognised in statement of financial activities	(17,528)	(24,740)
Movements in working capital:		
(Increase) in trade and other receivables	(272,500)	-
(Decrease)/increase in trade and other payables	(475,966)	70,146
Cash generated from operations	<u>1,761,869</u>	<u>1,044,501</u>
22 Analysis of changes in net funds		
The Foundation had no debt during the year.		