

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

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<b>Trustees</b>	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)
<b>Medical director</b>	Tim Spector
<b>Charity number</b>	1186102
<b>Company number</b>	12266787
<b>Principal address</b>	St Martin's Court 10 Paternoster Row London EC4M 7EJ
<b>Registered office</b>	St Martin's Court 10 Paternoster Row London EC4M 7EJ
<b>Auditors</b>	Bourner Bullock 114 St Martin's Lane Covent Garden London WC2N 4BE
<b>Bankers</b>	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
<b>Solicitors</b>	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

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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) (2<sup>nd</sup> 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

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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

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### **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.

### **Mr N S Pike**

Trustee

Date:

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

***FOR THE YEAR ENDED 5 APRIL 2024***

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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

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#### **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

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#### **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**

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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
		£	£	£	£	£
<b><u>Income from:</u></b>						
Donations and legacies	3	445	-	4,176,670	4,177,115	760,319
Investments	4	178,915	-	-	178,915	69,586
<b>Total income</b>		179,360	-	4,176,670	4,356,030	829,905
<b><u>Expenditure on:</u></b>						
Raising funds	5	5,556	-	-	5,556	7,397
Charitable activities	6	-	323,838	1,040,237	1,364,075	1,691,854
<b>Total expenditure</b>		5,556	323,838	1,040,237	1,369,631	1,699,251
<b>Net incoming/(outgoing) resources before transfers</b>		173,804	(323,838)	3,136,433	2,986,339	(869,346)
Gross transfers between funds		67,605	79,715	(147,320)	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		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
<b>Fund balances at 5 April 2024</b>	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)

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## STATEMENT OF FINANCIAL POSITION

AS AT 5 APRIL 2024

	Notes	2024 £	£	As restated 2023 £	£
<b>Current assets</b>					
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	
<b>Current liabilities</b>	15	(993,873)		(755,296)	
Net current assets			5,845,253		2,858,854
<b>Income funds</b>					
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 on .....and 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 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	22		(1,020,609)		(1,019,937)
<b>Investing activities</b>					
Acquisition of investments		(500,482)			
Proceeds from disposal of investments		873,300		(188,576)	
Investment income received		178,915		69,586	
<b>Net cash (used in)/generated from investing activities</b>			551,733		(118,990)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(468,876)		(1,138,927)
Cash and cash equivalents at beginning of year			840,574		1,979,501
<b>Cash and cash equivalents at end of year</b>			371,698		840,574

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 5 APRIL 2024

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#### 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) (2<sup>nd</sup> 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

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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

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#### 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>
<b>Grants receivable for core activities</b>				
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
	5,556	7,397

### 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
	1,364,075	1,691,854
<b>Analysis by fund</b>		
Unrestricted funds - designated	323,838	507,386
Restricted funds	1,040,237	1,184,468
	1,364,075	1,691,854

# 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>
<b>Employment costs</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
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**

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### 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/>	<hr/>
	993,873	755,296
	<hr/>	<hr/>

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				Movement in funds				
	Balance at 6 April 2022	As restated			As restated Balance at 6 April 2023	Incoming resources	Resources expended	Transfers	Balance at 5 April 2024
		Incoming resources	Resources expended	Transfers					
	£	£	£	£	£	£	£	£	£
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					
	As restated Balance at 6 April 2022	Resources expended	Transfers	As restated Balance at 5 April 2023	Resources expended	Balance at 5 April 2024
	£	£	£	£	£	£
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>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)
<b>Cash absorbed by operations</b>	<b>(1,020,609)</b>	<b>(1,019,937)</b>