

Working together to drive change for kidney patients.

Annual report and accounts 2021/22

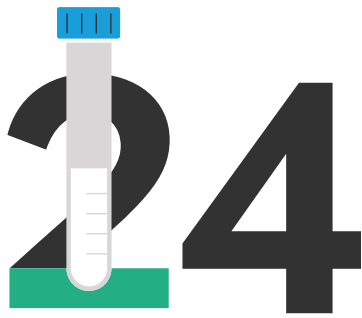


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Change is even more urgent now.



Welcome to our report of 2021/22 – a year when we built back from the toughest of times, re-launched our research programme, innovated and moved forward at pace with our plans.

We brought together world experts in Alport syndrome, a rare kidney condition, to accelerate discovery. We held our first funding competition to develop research entrepreneurs. We established a new policy team and stepped up our lobbying of UK parliaments for positive change. We secured important changes to the way people's risk of kidney disease should be assessed. And we embarked on exciting new collaborations to increase the rate of progress.

All of this has been achieved thanks to the commitment from our supporters and partners who, galvanised by the stark inequalities faced by kidney patients during the pandemic, stepped forward in support of our mission. We have really felt the strength and power of your loyalty and commitment, and it's been truly heartwarming.

While much of the world went back to 'normal', the reality for many kidney patients was very different. Covid-19 remains a threat to life for those who are immunosuppressed and have not responded well to vaccinations. The ongoing situation means our work to transform treatments matters even more now. And while the mental health burden of kidney disease was already in our sights, the pandemic made action on this even more urgent.

We were delighted to return to some face-to-face events and one of our first opportunities came at the Survivors Unfiltered exhibition, featuring inspiring portraits of people with kidney disease. However, our get-togethers took place with fewer kidney patients and their families than before, because not everyone felt safe to attend. We will continue to hold a mix of in-person and virtual events, to make sure everyone has the opportunity to get involved with the charity.

Our higher-than-projected income enabled us to almost match pre-pandemic levels of research funding. However, a large proportion of our income came from generous gifts in people's Wills and it's not clear why it was such an extraordinary year for legacies. Given the uncertain financial environment in which we're operating, not least the impact of the cost of living crisis, we must continue to work hard to ensure our income sources are diverse and sustainable.

We hope that an emerging income stream may stem from the UK Government's renewed commitment to UK research and development – pledged to reach £20 billion by 2025. We welcome that vision and will work tirelessly to ensure kidney research is among the priorities.

In the past year we've made great progress in our research activity. We're doing things in new, leaner ways and making really exciting progress. The kidney community is more united than ever, and our supporters are standing with us as we work to accelerate research and make it count for patients, towards the day when everyone lives free from kidney disease.

Sandra Currie
Chief executive

We deal with a lot of charities – there's a whole spectrum between average to outstanding. Without a doubt, in our top two or three relationships that we've ever made is Kidney Research UK, because of your integrity, respect and desire to win.

Sir Will Adderley, Stoneygate Trust

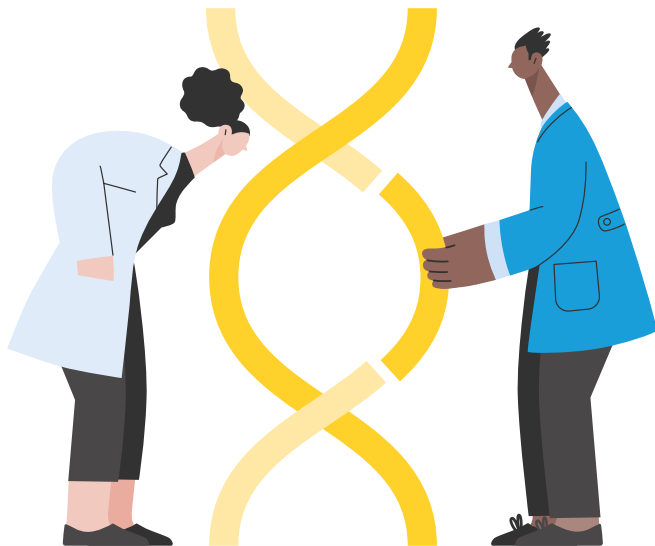


The year in numbers...

our achievements.

£7.4 million

spent on research, awareness and education to end kidney disease



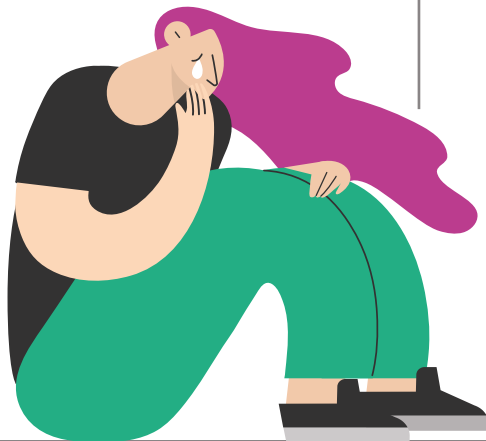
40

new research grants



130

kidney patients took our political e-action to demand better mental health support



Over

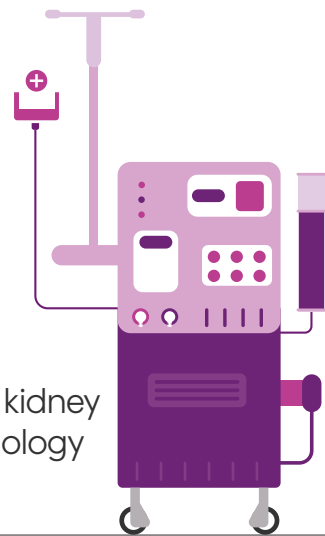
2,000

transplant patients recruited to the MELODY study into Covid-19 vaccine responses



£210,000

invested in advances in kidney health technology



Over

7,500

people gave a regular donation



352

volunteers worked with us



664,451

website visits – a 50% increase on the previous year

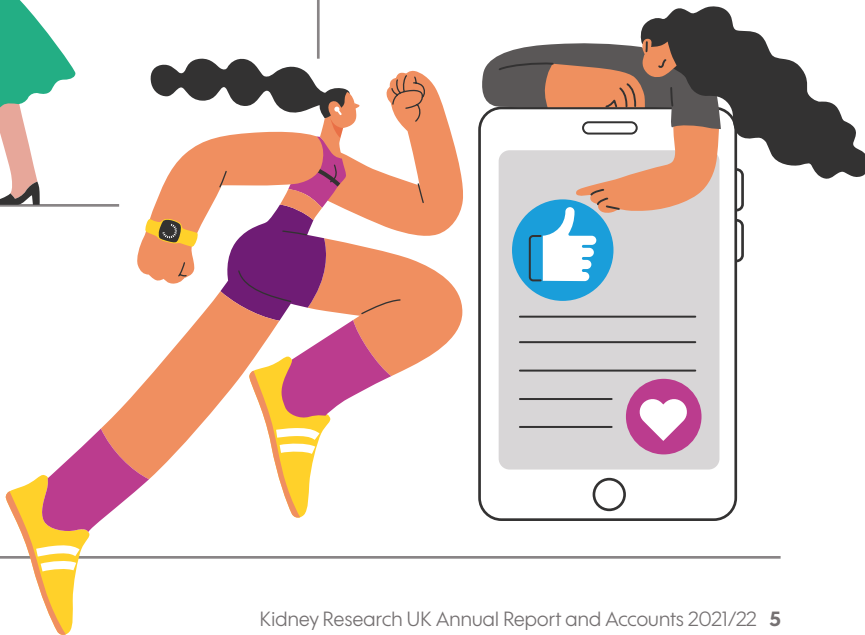


237

gifts were received from people's Wills

867,414

likes, comments and reactions across our social media platforms



What we did last year to...

Accelerate discovery.

In October 2021, we published our research strategy – setting out our ambition to continue to fund high quality kidney research, while being a catalyst that triggers kidney research with new investment, new capacity, new ideas and new energy.



We launched our first Kidney MedTech Competition, in partnership with IN-PART (experts at linking scientists with companies), to find and help researchers with great ideas for using and developing technology to improve kidney health.



Funding research

We restarted our programme of research funding, after an enforced pause during the height of the Covid-19 pandemic. Thanks to the generosity of our supporters, and by leveraging investment from others, we committed £6.4 million to kidney research. This almost matched pre-pandemic levels but was not enough to fund all the research we wanted to – we had to turn down 27 excellent applications, totalling £4.8 million.

Our Transforming Treatments campaign launched – inspiring supporters by demonstrating the urgent need for improvements to treatments such as dialysis and transplantation. By March 2022, the campaign had raised £180,000. This has helped us to fund vital research, such as Dr Tim Bowen's project to develop a urine test to show how newly transplanted kidneys are functioning – aiming to avoid the need for a biopsy.



Dr Tim Bowen

A mindset for faster progress

Our funds are not limitless. To translate research into positive change for patients, we need more investment. To secure that we must widen and strengthen our relationships and networks. We're now a strategic partner of Accelerate@Babraham and the 2022 charity partner of the BioIndustry Association (BIA).

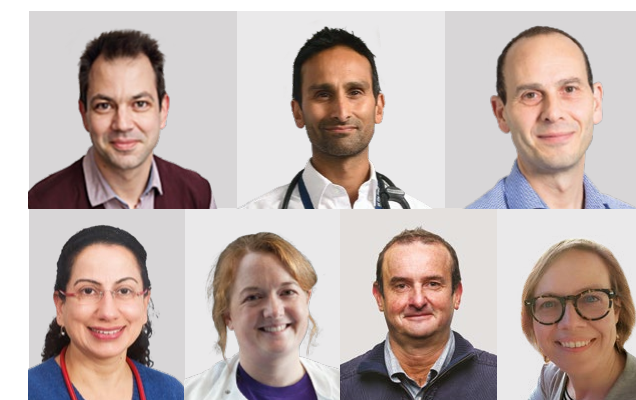
Accelerate@Babraham provides support to researchers to develop their discoveries into an end product. Our involvement means we can attract high-flying researchers from other disciplines, and

support current kidney researchers keen to make their work count.

Our partnership with the BIA – the trade body for the life science sector – gives us a link to hundreds of companies. When our researchers need investment to translate their discovery into a medical advancement, we're now well-placed to make introductions.

We launched our first Kidney MedTech Competition, in partnership with IN-PART (experts at linking scientists with companies), to find and help researchers with great ideas for using technology to improve kidney health. Twelve shortlisted projects pitched in a Dragons' Den-style process with seven £30,000 awards up for grabs, with the money to be used to develop their ideas and entrepreneurial skills.

Dr Neeraj (Bean) Dhaun and his team at University of Edinburgh were among the winners, with their novel eye-scanning technology aiming to detect kidney disease earlier (see page 9).



MedTech competition winners

Informed by real experiences

To achieve the most rapid and meaningful benefit for patients, we’re making sure kidney research is grounded in the reality of life with kidney disease. Scores of kidney patients and family members contributed time and skills to shape kidney research, for instance by reviewing funding applications with us.

And we’re delighted that patients have become even more involved in reviewing ongoing research and in advising researchers how to work more effectively with patients in clinical studies.

Tejal Patel, whose father had kidney disease, is one of our lay advisors: “At every research meeting I have been to, having someone whose life has been affected by kidney disease in the room is incredible. Our opinions matter and are listened to. Only patients and their families can relay what we are going through and it’s vital that we are heard.”

Kidney Voices for Research – our online community for patients interested in research – doubled in strength, to nearly 1,000 members.

Boost for Alport syndrome research

Alport syndrome is a genetic disorder that causes chronic kidney disease among other problems. Like many rare diseases, Alport research has suffered from a lack of focused funding.

We’re changing that. We have brought together three of the world’s top Alport researchers, and secured £2.55 million from The Stoneygate Trust, to create the Stoneygate and Kidney Research UK Alport Research Hub.

The Hub comprises dedicated laboratory space and research funding at the University of Manchester, and will support a network of researchers. This coordinated approach should bring about major improvements in the treatment of Alport in 5–10 years.



Stoneygate and Kidney Research UK Alport Research Hub

Bringing people together for progress

The kidney community can achieve so much more by working together. We are committed to developing productive collaborations and have initiated two new research networks: the UK Dialysis Research Innovation Network and the UK Renal Health Data Research Network. Each is a forum in which researchers, patients, clinicians and other experts share ideas, expertise and resources to advance their area of interest.

We also developed our annual researchers’ meeting into a series of 2-hour online symposia, called Driving Discoveries. Proving very popular, with 265 attendees over the series, these virtual conferences give more researchers the opportunity to participate and encourage junior scientists to present and discuss their research with their peers and seniors.



“Our aim is that kidney health checks can be built into optician appointments.”



“One of the big problems with kidney disease is that it is often not detected until significant damage has been done to the kidneys. A person can go undiagnosed for a long time and even blood tests can fail to pick up the disease in its earlier stages.

“My team is developing completely new ways to check a person’s kidney health, using scans of the back of the eye. We have shown that patients with poor kidney function have changes to part of the eye called the choroid, and that the thickness of the choroid can predict the rate of progression of kidney disease in these patients.

“While everything we are doing is scientifically interesting, it will only be useful if it can improve the lives of patients who are living with kidney disease or identify those people who have kidney disease but don’t yet know it. We realise that commercialisation of our work is a key part of achieving this, but my team and I have not had the time so far to focus on developing the skills needed to take this forward.

“Kidney Research UK’s MedTech Competition was attractive as it offered the opportunity for members of my team to train in these commercial and entrepreneurial skills. I enjoyed completing the application – it was very different from normal grant funding proposals, much shorter and it forced me to consider the ‘elevator pitch’ for our research.

“Winning one of the awards has meant two members of my research team are now part way through the training course. It has been a big shift for them; the process is teaching them to step back from the day-to-day research and look at the project from the outside in.

“Our eventual aim is that kidney health checks can be built into optician appointments, which millions of adults have every year, and that this is integrated into the healthcare system.

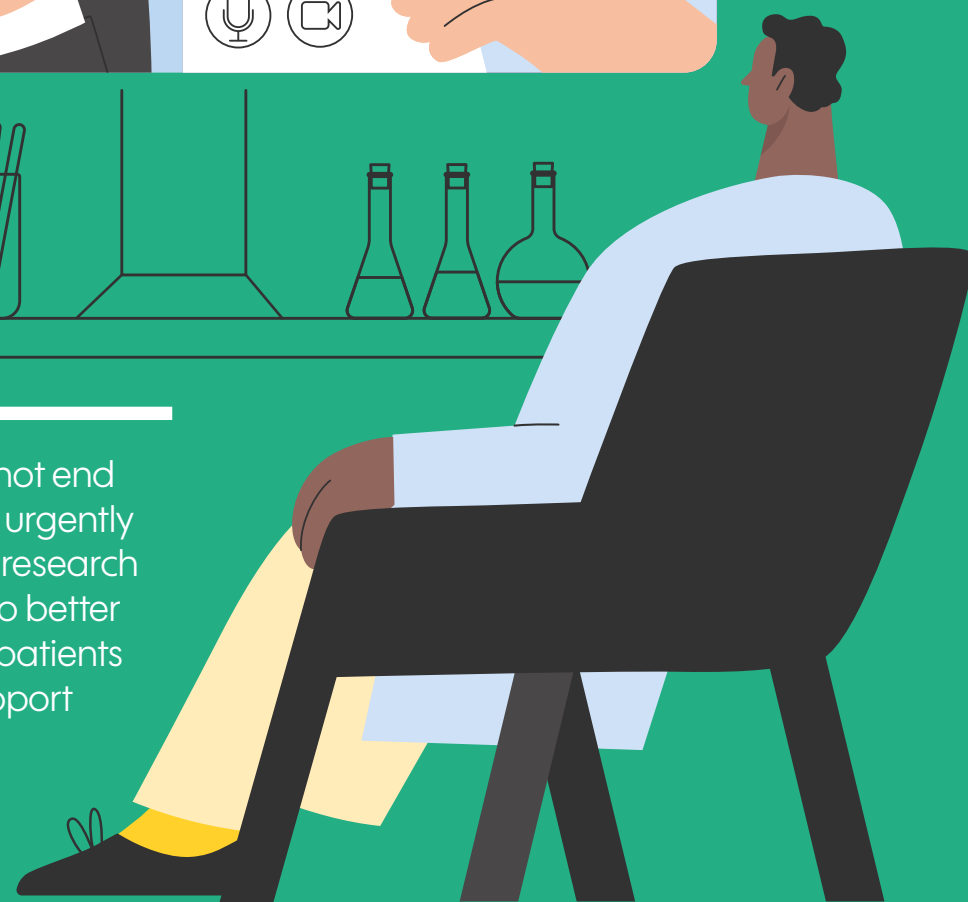
“What Kidney Research UK is doing now by bringing researchers and commercial experts together is important to get advances like this into the community. I have been working in research for over 15 years. If I had had the time and skills to think about commercialisation back then, we might have done things slightly differently, and perhaps been able to make a difference to patients more quickly.”

Dr Neeraj (Bean) Dhaun, consultant nephrologist at the University of Edinburgh

What we did last year to... Make it count.



Discoveries alone cannot end kidney disease. We're urgently pressing to make sure research progress translates into better care, and that kidney patients have access to the support they need.



Together with colleagues at the UK Kidney Association, we successfully pressed for the new Kidney Failure Risk Equation to be included in the NICE guidelines. It will mean patients can better prepare for their treatment journey, rather than crash-landing into dialysis.

Driving change for better care

We have secured two important updates to the treatment guidelines for chronic kidney disease, published by the National Institute for Health and Care Excellence (NICE). Both will improve care for people at risk of kidney failure.

The first change is based on the findings of a study we co-funded, led by Dr Rupert Major at the University of Leicester. Using a new Kidney Failure Risk Equation, researchers showed it was possible to accurately predict patients' risk of needing dialysis or a kidney transplant in 2–5 years, giving GPs a much better gauge for when to refer a patient to a kidney specialist.



Dr Rupert Major:
Changing NICE guidelines
for CKD referrals.

Together with colleagues at the UK Kidney Association, we successfully pressed for the KFRE to be included in the NICE guidelines. It will mean patients can better prepare for their treatment journey, rather than crash-landing into dialysis, like Simon Elmore did (see page 13).

The second change will help people from black ethnic groups receive earlier treatment for chronic kidney disease. Until the update, NICE recommended that doctors apply an adjustment when calculating kidney function in a person from a black ethnic group. This was based on past research, but



We worked with Dr Kate
Bramham and others to
secure the changes to the
NICE guidelines on ethnicity
adjustments.

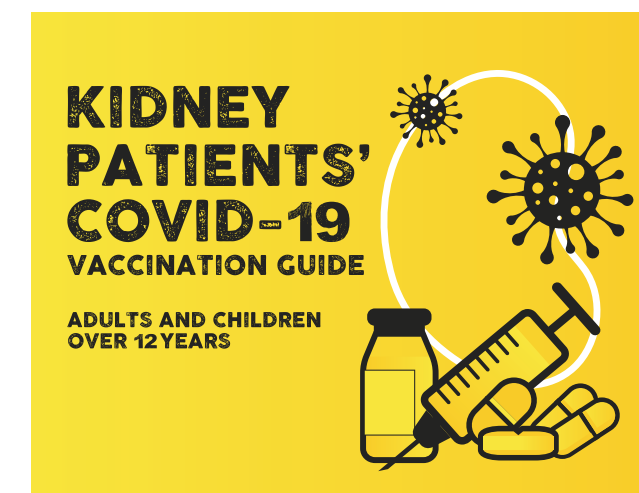


we have been increasingly concerned that it was leading to overestimation of kidney function in black people. This could cause significant delays to diagnosis and treatment.

We worked with others to lobby NICE, and are pleased that the recommendation to adjust for ethnicity has now been removed.

Protecting kidney patients from Covid-19

Since the early stages of the pandemic, we've been at the forefront of funding research to understand how best to protect kidney patients from Covid-19. Our work helped to influence the Joint Committee on Vaccination and Immunisation (JCVI) in its recommendations for priority additional jabs for immunocompromised people – such as those who have had a kidney transplant.



Covid-19 vaccination guidance for people with kidney disease

However, it's unclear exactly how much the Covid-19 vaccines are protecting transplant patients, so we spearheaded a project to find out. The MELODY study recruited thousands of volunteers with organ transplants. Each was asked to take a test at home to check for Covid-19 antibodies – a sign of protection from the virus – after their third vaccination. The results will highlight which patients need to remain cautious and indicate what further measures are needed to make sure all kidney patients are protected.



Dr Michelle Willcombe,
MELODY project lead

Information on how young immunosuppressed people have responded to vaccination and the protection it gives them from infection is lacking, so we are delighted for the additional support so we can include children in MELODY to provide ongoing evidence.

Dr Michelle Willcombe

We continued to work with charities across the kidney community as Kidney Charities Together, to provide consistent and evidence-based advice to people affected by kidney disease. When much of the UK returned to workplaces, we joined forces

with other charities – in a coalition known as Safe At Work – to empower people with long term conditions to know their rights around safe working arrangements.

Support for Kidney Beam expanded

During the peak of the pandemic, we funded the launch of a unique digital service for kidney patients. Kidney Beam provides on-demand exercise, health information and wellbeing classes and programmes. It has proved a lifeline for many hundreds of people with kidney disease, so we brought the kidney community together to pledge the financial support needed to ensure the service continues.

Our ultimate goal is for the NHS to adopt Kidney Beam into routine kidney care, and we must build a strong case to make that happen. That's why we also continued to fund research to assess the impact of the platform on patients' wellbeing.



Farhan Narwaz had been on dialysis for a year when he contracted Covid-19.

"In your head, you think your life is over."

"Unbeknown to me, my kidney function had been declining throughout my late twenties and early 30s. I'd been told I had low iron levels when I gave blood but that was it. My blood pressure was really high and eventually I collapsed after a night out with friends. It was a total shock.

"I woke up in hospital the next day to be told I was starting dialysis. I was just 33 and it was hard to cope with.

"If you know your kidneys are failing, and your family understands what's coming, you are more mentally prepared for going on dialysis. But when it happens out of the blue, you think, 'I'm going to be on dialysis for the rest of my life', because no one knows when they might get a new kidney. In your head, you think your life is over.

"At that point, you can't even take in what the doctor or consultant is saying to you. Unless you've been through it, it's hard to understand the physical state, the emotional state, how it impacts on your family.

"I spent the next three or four years in a deep depression. I'd be on dialysis during the week, then would go out and party over the weekend. I tried to live my life as if nothing had changed. I ballooned to 17 stone because of my fluid intake. I think I was one of the worst patients the Royal Derby has ever had!

"Some years later I heard a talk about transplant sport. To do sport again was a dream of mine, and from that moment on I was determined to be more positive, to get mentally and physically fit enough to receive a transplant. Finally, I had a purpose."

Simon Elmore, kidney transplant patient and kids and teens coordinator at Transplant Sport

Picture credit: Peter Amour



What we did last year to...

Rally together for change.



Our challenge is to wake the world up to kidney disease. We're uniting the kidney community around our common goals, doing more than ever to get kidney disease on the political agenda and campaigning for better kidney healthcare and investment in research.

Getting our voice heard

We established our first in-house policy unit at Kidney Research UK; a team of skilled staff dedicated to pushing kidney disease and kidney research up the national agenda.

Within a few months, we had spoken at a parliamentary roundtable on home dialysis and secured seats in several influential coalitions, including the Inequalities in Health Alliance (England) and Voluntary Health Scotland. We now attend the All-Party Parliamentary Kidney Group alongside MPs and have met with several key political figures, including the Minister for Vaccines and the Shadow Secretary of State for Health and Social Care.

In Scotland we met with parliamentarians of black and minority ethnic heritage. This prompted them to table a motion in Holyrood to raise awareness of kidney disease among the chamber.

Addressing the mental health toll

Kidney disease takes a heavy toll on people's mental health. It's an issue that footballing legend and Kidney Research UK ambassador Andy Cole is passionate about. That's why improving patient wellbeing is a key objective of the Andy Cole Fund, which we launched together in 2020.



Andy Cole

The fund, which featured in a BBC Radio 4 appeal, raised over £41,000 in 2021/22, with more funds pledged. We directed some of this to campaigning for better access to specialist mental health support as part of routine kidney care. On World Kidney Day we targeted politicians with the findings of our survey of over 1,000 kidney patients¹:

- 67%** had experienced symptoms of depression since their kidney diagnosis
- 27%** said they had considered self-harm or suicide
- 68%** said they had not been offered any mental health support.

Mental health is so important that it was also the focus of our first Kidney Conversations, a new series of online discussion events attended by around 400 people last year. Andy Cole shared his personal story of struggling with mental health due to his kidney condition, while researcher Dr Joe Chilcot gave insights into the latest studies on the psychological impact of kidney disease.

1. Mental health survey was conducted by Kidney Research UK with results analysed for bias and corroborated by SAPIO Research in February 2022



Ayesha's mental health journey



Kidney patients lent their voices to our campaign for better mental health provision by petitioning their political representatives. Over 130 individuals took action and several patients met with their parliamentarians, including Ayesha Edmondson, who is on the waiting list for a kidney transplant and knows the difference mental health support can make:

"I must have said something to my renal nurse during my appointment, about how I was struggling. A few days later I received a call from a member of the renal counselling team. It couldn't have come at a better time. I was spiralling and I didn't know how to stop it. After months of therapy, I had an understanding of how I can cope with my journey. People should have what I had: fantastic support that would change me forever."

Ayesha meeting with Christian Wakeford MP

Making people kidney aware

Waking the world up to kidney disease and kidney health is crucial. Evidence suggests we're starting to make progress – for instance our website users are up by 50% year-on-year – but there is so much more to do.

On World Kidney Day we worked as part of Kidney Charities Together to publicise the stark truth that 1 in 10 people worldwide have kidney disease. In parallel, we shared the results of our survey of over 2,000 UK adults², which showed a shocking lack of public understanding about the importance of the kidneys. Most worrying was that 6 in 10 of those with a major contributing factor for kidney disease did not think they were at risk.

Eight in ten UK adults³ don't know where their kidneys are located and do not know they filter blood.

For the first time, we tested a new approach to raising awareness by trialling a TV advertising campaign in certain postcodes, driving people to our kidney health check. We will be reviewing the results and using them to inform future work in this area.

#TeamKidney inspiring communities

Our volunteer programme has gone from strength-to-strength thanks to extraordinary individuals who are happy to give their time to support our work. We welcomed 78 new community ambassadors to the charity, people who are becoming the face and voice of Kidney Research UK in their area.



Community ambassadors Doug and Annemarie Kerr (top), Louise McFaulds (left) and Kuduz Munongi (right)

Our peer educator programme – volunteers committed to making a difference to kidney health in their own communities – continues to flourish in Scotland, funded by the Scottish Government and driven by volunteers, the team engaged with around 900 people.



Peer educators

In the north of England, the Northern Care Alliance NHS Foundation began working with us and our peer educators to engage people from groups often under-represented in clinical kidney research. Specifically, this involves people living in deprived areas of Salford, Pakistani communities in Oldham and Bangladeshi communities in Rochdale. Our volunteers – who are part of these communities themselves – are encouraging participation by helping to break down misconceptions and fears about what taking part in research is like. It is only by ensuring diversity in research that we can be sure discoveries will benefit everyone.

Incredible support

Every research discovery, every new advance, each person we inspire to 'think kidney' – none of this would be possible without our supporters who give their time, money and voice to our mission to end kidney disease.

We continued to expand the ways in which people can get involved: our first online auction raised over £10,000, while our online Christmas appeal raised £50,000. These joined the wide variety of ways you choose to support us, from playing our lottery to sponsored skydives, to our Step challenges, to remembering us in memory of a loved one. It was particularly wonderful to meet supporters as face-to-face fundraisers returned, such as the London Marathon and our golf day.



Incredible support from Golf Day fundraisers (top) and Land's End to John O-Groats walker Tom Goodwin, aka Kidney Tom (below).

The generosity of families and trusts helped us re-launch our research programme. For instance, The Thompson Family Charitable Trust donated £500,000 to help us fund more fellowships and develop kidney research leaders of the future. And Lady Judith Solomon's family enabled us to establish a new grant award in her memory to tackle the challenges around dialysis. The Stoneygate Trust – our valued partner for seven years – increased support as part of its Covid recovery response, giving us the confidence to push forward our plans in uncertain times.

2, 3. Kidney Research UK and SAPIO Research survey conducted February 2022 including 2,002 UK adults.

Fez Awan, peer educator



Fez was born with kidney failure and has had three kidney transplants. He jumped at the chance to become a Kidney Research UK peer educator and encourage people in his community to participate in kidney research studies.

"I volunteer as I want to make it known that kidney failure can affect anyone at any time. There is no cure and research will mean others will have the best quality of life possible. All research needs to be representative of the patients it affects. I hope my input will help to spread the word to people from diverse backgrounds who do not ordinarily get involved in research. Hopefully more will be willing to come forward to help support research."

What we did last year to... **Strive for excellence.**



We are continually improving the way we do things – becoming an organisation that’s always learning, works quickly and enables our people to be at their best so we can end kidney disease.

Establishing a diverse and inclusive approach across our work remains a priority and this is now published on our website.



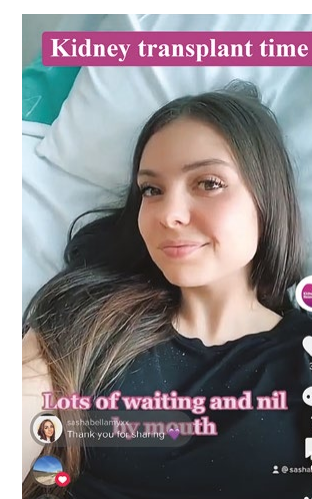
Up-skilling to lead change

We’re equipping our people with the skills and knowledge they need to spot opportunities and influence decision-making that will make a difference for patients. We improved our organisational knowledge with staff attending bespoke training on:

- NHS England’s Rapid Uptake Product programme, which identifies and removes barriers to the use of proven healthcare innovations that haven’t yet ‘caught on’.
- NICE health technology appraisals. This is the way in which decisions are made about which treatments should be available on the NHS.
- Intellectual property (IP). Understanding IP – the ownership of discoveries – is essential for getting research out of university labs and into commercial settings where new medicines or diagnostics are created.

Informed by the experts

Kidney patients are the experts in their own experience. Everything we do with and for people living with kidney disease, is made better by co-designing it with them. Kidney patients were central to the design of our mental health survey (see page 15) and our launch on TikTok. @ttkwarrior, a kidney patient from Wales with over 60,000 followers, helped us to get started on the social media platform and supporters have provided content. @sashabellamyxx filmed a video diary in hospital after her kidney transplant, and Amanda documented her journey after donating a kidney to her son.



@sashabellamyxx on social media

Greener for good

We have moved to eradicate single use plastic in our marketing and fundraising materials. We stopped producing Kidney Research UK balloons, and now provide supporters at events with our recyclable cardboard ‘clappers’ instead of plastic noise sticks.

Our branded running and cycling tops are now all made of recycled plastic, and we share a shipping container with other companies to keep the carbon cost of shipment down. We also partner with an organisation to responsibly reuse our obsolete clothing.



New recycled plastic fundraising shirts.

Diversity

We have begun our journey to becoming a Disability Confident employer by signing up to the government scheme to help us make the most of opportunities provided by employing disabled people. This means we have publicly stated our commitment to inclusive and accessible recruitment practices and support of existing employees. Establishing a diverse and inclusive approach across our work remains a priority and this is now published on our website.

As part of supporting and securing an inclusive culture at the charity we have established a staff team of Inclusion Allies. A highlight of the work was an interactive staff training session on unconscious bias, which prompted useful discussion and helped us to identify where further work is needed.

How did we do in 2021/22?

Our performance against the year's objectives

During a tough year dominated once again by the Covid-19 pandemic, we have worked hard to push forward in every area of our strategy, but we know there is still more to do.

- ✓ Achieved
- Partially achieved
- ✗ Not yet started

Accelerate discovery	Reinstate our research grant funding programme for new grants as well as leveraging new funding through partnerships. Invest £7m in our charitable activities.	✓	Restarted our research programme and secured significant investment through The Stoneygate Trust and some new funding partners. Invested £7.4 million in research, awareness and education.
	Launch our updated research strategy.	✓	Launched in October 2021 (page 6).
	Welcome and encourage innovative research ideas to address key challenges.	✓	Supported innovation e.g. our Kidney MedTech Competition (page 7), Alport Research Hub (page 8) and Salford peer educator project (page 17).
	Support research networks, aligned with our strategic priorities, that stimulate innovation and collaboration.	—	Continued to support existing networks, established the UK Renal Health Data Research Network and by year end preparing to launch the UK Dialysis Research and Innovation Network.
	Work with others to fund and respond to research that protects those living with kidney disease from the effects of Covid-19.	✓	Supported ongoing studies, co-funded the MELODY trial, continued co-funding the PROTECT-V trial and joined the Safe At Work coalition (page 12).
Make it count	Work with researchers to drive their discoveries beyond data to create positive change for patients.	—	NICE guidelines changed following findings from a study we co-funded (page 11) Supported researchers with commercialisation through Accelerate@Babraham and our MedTech Competition (page 7). Continuing to improve organisational knowledge (page 19).
	Expand our capacity to draw on research evidence and advocate for improvements to patient care.	✓	Established a policy unit. Lobbied to address the mental and emotional toll of kidney disease (page 15).
Rally together for change	Raise £9 million, and develop a strategy that harnesses innovation to return to, and exceed, pre-Covid-19 annual income.	✓	Generated £12.8 million and made a start on our income generation strategy for the future. We also introduced some new approaches to fundraising.
	Continue to involve patients and their loved ones in everything we do and ensure their voices are heard where it matters.	✓	Patients have reviewed grant applications, campaigned and educated, including on World Kidney Day (page 15) Membership of Kidney Voices has more than doubled to almost 1,000. Achieved a significant uplift in patient involvement.
	Reach new priority audiences and raise awareness of kidney health and the realities of living with kidney disease, inspiring people to take action.	—	Reached a wider audience base including through direct political engagement, growing the community ambassador programme, launching on TikTok and testing targeted TV advertising. Our Transforming Treatments campaign features hard-hitting messages about the realities of living with kidney disease.
Strive for excellence	'Build back better'. We will apply the lessons we learnt during the pandemic particularly in making best use of digital spaces, opportunities and technologies.	✓	Widened our reach by embracing online events such as Driving Discoveries (page 8) and Kidney Conversations (page 15). Staff working practices are now more flexible, with hybrid working encouraged. Upgraded our IT systems utilising new cloud technology.

Looking ahead.

Our objectives for 2022/23

This year we will build on existing partnerships and create new ones across the kidney community and beyond. We will maximise all opportunities to increase the pace and impact of positive change on kidney health. We will focus our increased investment in research, awareness raising and sustainable income generation.

Accelerate discovery

- Increase our research spend across all areas including new competitions. Spend £9.6m on charitable activities.
- Drive innovation and collaboration in our priority research areas: transforming treatments, multiple health conditions and health inequalities.
- Develop the plan to fulfil the potential of the NURTURE biobank. Add to this resource by supporting further development e.g. new AKI biobank.



Make it count

- Raise awareness of kidney disease and kidney research among parliamentarians. Gain greater support for research funding from government bodies and the NHS.
- Establish a programme that will make a step change in enabling researchers to make every one of their discoveries count.
- Launch a health economics report on the cost of kidney disease to highlight the need to accelerate improvements and bring about change.



Rally together for change

- Raise £11.68m.
- Continue to build #TeamKidney by attracting more people to support our cause, including supporters, patient advocates and volunteers.
- Develop relationships with key partners to support our goal to prevent kidney disease.
- Increase awareness raising activity to people at higher risk of kidney disease.



Strive for excellence

- Take the next steps in our digital transformation including upgrading our finance and supporter data management systems to improve efficiency.
- Review, streamline and simplify our processes so it is easier for researchers to apply for funding.
- Develop our financial strategy to ensure financial sustainability for the future.
- Continue the development of our governance, people and culture.



The year in numbers...

The ongoing challenge.

People from minority ethnic groups are five times more likely to develop kidney failure.⁴ Worldwide, around one in nine people have chronic kidney disease⁵, for which there is no cure.



In the UK....

3.5 million

people have kidney disease⁶

22 people

are diagnosed with kidney failure every day⁷

30,000

people rely on dialysis to stay alive¹¹



5,000

people are on the waiting list for a kidney transplant. Those who receive a transplant, may need another later in life⁸

1 in 4

kidney patients have had thoughts of suicide or self-harm¹²



Worldwide...

850 million

people are living with kidney disease⁹

Kidney failure is the **10th** most common cause of death¹⁰



And yet...

We had to turn down **27** research grants due to lack of funds¹³



4. P J Roderick, V S Raleigh, L Hallam, N P Mallick, Journal of Epidemiology and Community Health 1996;50:334-339

5. Global Kidney Health Atlas - International Society of Nephrology. www.theisn.org/wp-content/uploads/2021/05/GKDATlas_2017_FinalVersion-1.pdf

6. Based on NHS Quality and Outcomes Framework data from England (2019) and Scotland (2016), Wales NHS Renal Services in Wales and the Northern Ireland Kidney Research Fund.

7. 23rd UK Renal Registry annual report. https://ukkidney.org/sites/renal.org/files/23rd_UKRR_ANNUAL_REPORT.pdf

8. NHSBT. For digital: www.nhsbt.nhs.uk

9. International Society of Nephrology. <https://bit.ly/3bdEgiW>

10. World Health Organisation. www.who.int/news-room/fact-sheets/detail/the-top-10-causes-of-death

11. 23rd UK Renal Registry annual report. https://ukkidney.org/sites/renal.org/files/23rd_UKRR_ANNUAL_REPORT.pdf

12. Mental health survey was conducted by Kidney Research UK with results analysed for bias and results by SAPIO Research in February 2022

13. Kidney Research UK

Report from the trustees.

Financial review.

2021/22 was a year when we built back from the toughest of times, re-launched our research programme, innovated, and moved forward at pace with our plans. Our supporters and partners, galvanised by the stark inequalities faced by kidney patients during the pandemic, stepped forward in support of our mission. This is reflected in the results for the year which have seen income exceed pre-pandemic levels and research expenditure almost match them.



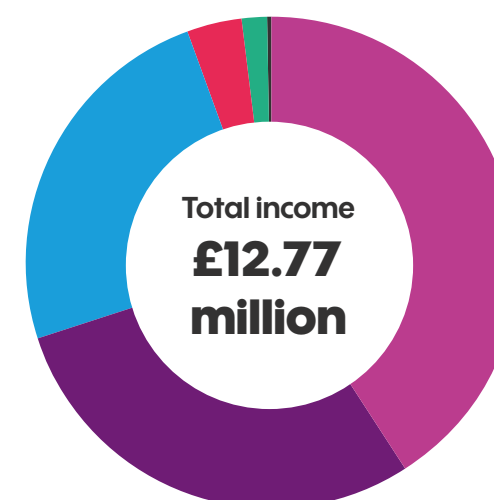
2021/22 was a record year for legacy income for the charity at £5.2 million. Legacy income for the charity sector generally increased by 12.5% during 2021 after it fell in 2020 due to probate delays and disruption related to the Covid-19 pandemic. We expect this to reduce in 2022/23 as 2021/22 was exceptional. In view of this we will continue to develop income sources that are diverse and sustainable.

The £0.74 million gain on our investments is welcome support for the charity's reserves, but trustees are aware that this is an accounting surplus which may not be sustainable as investors' assessment of the outlook for the economy and inflation will drive markets and these perceptions could change rapidly. The risk of recession, higher energy costs, more Covid curbs in China, and heightened geopolitical pressures have all contributed to elevated uncertainties. We are preparing for further volatilities in our investment portfolio.

We are in a strong position to commit more reserves to research during 2022/23, to cover our existing grant liabilities of over £14 million and to ensure the stability of the charity in what could be a challenging year with rising inflation and interest rates, an increase in Covid-19 cases and the war in Ukraine.

Where our income came from

The year saw an 84% increase in income to £12.77 million. Within this the charity recorded its highest ever legacy income at £5.2 million, a 99% increase on the prior year.



Legacies
£5.22 million

Trusts and partnerships
£3.74 million

This includes income from Stoneygate Trust and Thompson Family Charitable Trust as well as income to support our ongoing projects such as NURTURE, the data and kidney biobank collaboration.

Donations and gifts
£3.11 million
This includes one-off donations as well as regular giving.

Trading income
£479k
This includes charity shop income and income from our raffles.

Investment income
£207k

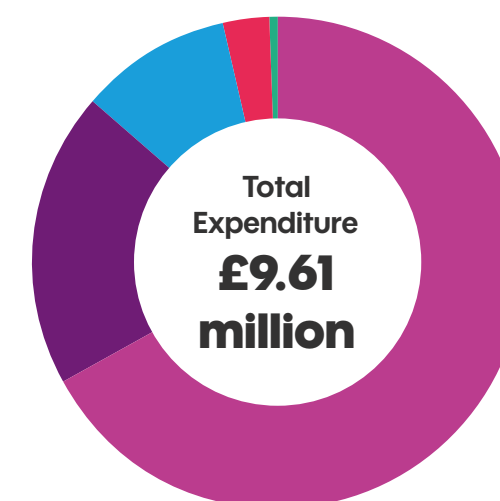
Coronavirus Job Retention Scheme
£12k

Where the money is spent

Total expenditure was £9.61 million across research, awareness and education, investment in raising funds and support costs.

Charitable expenditure reached £7.44 million in the year, an increase of £3.34 million (82%), almost matching pre-pandemic levels.

The cost of raising donations and legacies increased by £326k (21%) compared with the prior year, when activities were restricted to business-critical areas, extensive use of the furlough scheme was made, and the staff team reduced in some areas. It was still below pre-covid levels.



Research
£6.46 million
This includes research and career development.

Generating income
£1.85 million
Awareness and education
£979k
This includes working with patients and raising awareness of kidney disease.

Trading
£300k
This includes the cost of running our charity shops and raffles.

Investment management costs
£28k

Pence in the pound invested in research and awareness in 2021/22:
83 pence

Pence in the pound invested in research and awareness in 2020/21:
75 pence

The charity strives to continuously improve efficiency and to invest as much as possible of each pound in research and raising awareness of kidney disease. We are pleased to report that the pence in the pound was increased to 83 pence in the year as the charity recovered from the impact of Covid-19.



Investments

As at 31 March 2022 the charity’s investment portfolio, together with cash deposits, totalled £18.6 million.

Over the full 12 months the investment portfolio posted a total return (capital return plus income generated by the underlying investments) of +8.9%. This demonstrated an underperformance of the target of CPI inflation +3% p.a., which was +10.0%; it was slightly below the composite, passively invested, benchmark which returned +9.2% but above the average total return of +6.3% achieved by other charities with similar investment profiles.

Income from the actively managed investments amounted to £198k (£207k including bank deposit interest), which is in line with the income target. However, investment income is likely to fall in the coming year due to the effects of rising inflation and interest rates and the war in Ukraine.

In 2019/20 the charity took a minority holding in Kalium Health Ltd, a start-up company focused on developing a hand-held potassium monitoring device, designed to empower patients to manage their health at home. The equity investment is the first of its kind for the charity with patient benefit the primary motive. The charity had previously granted two awards to the research team. The team established a start-up company and attracted significant funding in addition to the charity’s investment to advance the development of the device. The Kalium business plan shows the potential of a significant financial gain, and if this is realised, it will enable the charity to invest in more research. After suitable due diligence on the current position of Kalium Health Ltd, the trustees have agreed to maintain the carrying value at cost.

Financial position

Reserves at the end of the year totalled £13.86 million (2020/21: £9.96 million) of which:

£1.69 million (2020/21: £0.78 million) were restricted funds; £8.96 million (2020/21: £4.70 million) were designated funds; £3.21 million (2020/21: £4.48 million) were general funds. See the reserves policy below for details.

Reserves policy

The charity’s policy is to maintain the following reserves:

- **restricted funds** – funds that have been donated to the charity for a specific purpose.
- **designated funds** – funds identified and already committed for expenditure on research, awareness and education, partnership development and key operational commitments.
- **general funds** – funds available to meet any unforeseen circumstances which the charity may face. The benchmark for the charity’s general funds has been set at 9 to 12 months of operating expenditure, which is intended:

- a) to cover a period of continuity for key operations in the event of an emergency which stops the charity from generating voluntary income; and
- b) to cover the eventual winding up costs of the charity, should closure become necessary.

Restricted funds held at the year-end are more than double those at the end of the previous year. This is because significantly more restricted income was received in the year. We expect the balances to be cleared during the 2022/23 financial year as the projects and research progresses.

Designated funds at the year-end hold a bigger amount for planned expenditure than in the previous year. This reflects the intention to increase research funding in pursuit of our strategic priorities, to develop strategic partnerships for the benefit of kidney patients and to grow our supporter base, depending on financial performance in the year.

Given rising inflation and interest rates, the continuing uncertainty around Covid-19 and the war in Ukraine, general funds are being held at 12 months of operating expenditure in line with the top of the benchmark of 9 to 12 months. The position will be subject to regular review as the operating environment changes. Trustees are satisfied and reassured that available cash reserves and general funds will enable the charity to meet its liabilities when due.

Public benefit

When reviewing aims, objectives and planning future activities, the trustees have considered the Charity Commission’s guidance on public benefit. The trustees ensure that the charity’s activities are in line with the aims of Kidney Research UK.

Investment policy

Reserves are supported by the charity’s investment portfolio which is actively managed by Cazenove Capital. The investment objective is to maximise long term total return while maintaining a level of diversification within an intermediate risk profile. The total return benchmark against which the portfolio is managed is CPI +3% p.a. The charity’s investment mandate stipulates no direct investment in tobacco-related financial vehicles. Given the current economic and geopolitical uncertainties affecting capital markets, we believe CPI +3% p.a. for the coming year could be challenging.

The Finance and Risk Committee reviews the investment mandate regularly and monitors performance and position of the portfolio against agreed benchmarks to ensure the portfolio performance is in line with the charity’s long term objectives.

Structure and governance.

Kidney Research UK is a company limited by guarantee, Company Registration No. 00905963, and is registered with the Charity Commission 252892 (England and Wales) and SC039245 (Scotland). The charity is governed by its Memorandum and Articles of Association. In the event of the charity being wound up, company members must contribute £1. The wholly owned subsidiary company, Kidney Research Enterprises Limited, Company Registration No.02932606 undertakes trading, retail and administrative activities for the benefit of Kidney Research UK.

Kidney Research UK continues to demonstrate its commitment to good governance and continuous

improvement. In 2021, in line with Charity Commission best practice the board initiated a second review of board effectiveness, this included external consultancy. The findings identified key strengths and opportunities to further enhance the trustee board.

The board of trustees is supported by the Nominations and Governance committee (NGC) chaired by the vice-chair of the board to deliver its responsibilities for charity governance standards and appointments to the board, facilitating diversity in the governance structure, and ensuring the right mix of skills and experience. This committee will lead the implementation of the board effectiveness action plan.

People

Trustees The following people have been members of our board of trustees during the year:

Trustees	Subcommittee Member	Appointed/retired
Professor Jeremy Hughes (Chair) MA MB BS PhD FRCPE	RSC, F&R, RC, NGC	
David Prosser MSt (Cantab), MA, FCA	Chair F&R & RC, NGC	Retired 27/4/21
Federica Pizzasegola BSc	F&R	Retired 23/9/21
Dr Charles Tomson MA BM BCh FRCP DM	Chair RSC	
Tom Kelly		Retired 28/9/21
Dr Deirdre Jennings BSc, PhD	F&R	
Professor Sunil Bhandari MBChB, FRCP, PhD, M Clin Ed	RSC	
Dr Jill Norman BSc, PhD	RSC, NGC	
Adrian Akers	F&R	
Dr Adnan Sharif MD MRCP	RSC	
Professor Elizabeth Lightstone MBBS (Hons), MA, PhD, FRCP	RSC, NGC	
Dr David Hughes PhB, MBChB, FRCPCH	RSC	
Professor Caroline Savage MD, PhD, FRCP,FMedSci	RSC	
Angela Watt RN	RSC	
Dr Allan Davidson BSc, PhD, FCA	F&R	Retired 24/6/21
Ben Digby (Vice Chair) BA (Hons), MSc	RC, NGC	Appointed Vice Chair 27/4/21
Lisa Chan BSc, MBA	Chair F&R and RC	
Chris Rolfe BA(Hons), FCA	F&R	Appointed 24/6/21
John Cunningham BA, BM BCh, MRCP, FRCP, DM, CVO, KCVO	RSC	Appointed 28/6/21

- Committee key**
- RSC** Research Strategy Committee
 - RGC** Research Grants Committee
 - F&R** Finance and Risk Committee
 - NGC** Nominations and Governance Committee
 - RC** Remuneration Committee

The past President of the Renal Association attends trustee committee meetings.

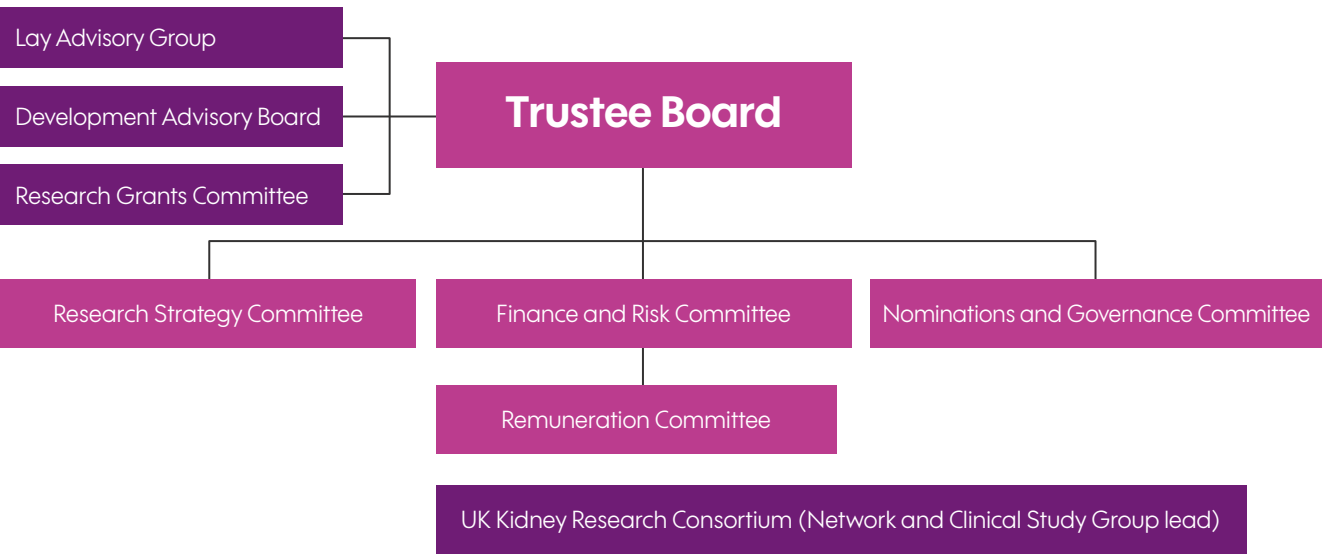
The charity has a trustee board which is currently comprised of 15 trustees. This number may increase for short periods to ensure continuity of knowledge between outgoing and incoming trustees. Skill mix and length of service are monitored through the Nominations and Governance Committee to ensure we keep a good balance on the board and plan succession in a timely way. The board is supported by several sub-committees, and by the Lay Advisory Group, the Development Advisory Board and the Research Grants Committee which report to the trustee board and are integral to supporting the work of the charity. Members of the sub-committees and the Development Advisory Board include trustees, staff and in some instances, external subject-matter experts. The trustee board meets four times a year, with the meetings led by the Chair and supported by the Vice Chair.

Trustees are encouraged to use their specific skills and experience in the charity. Training is provided throughout their service. All instances where a trustee may have a conflict of interest are recorded and dealt with in a transparent way, in accordance with established procedures. The trustees set the strategy of the charity with the Executive Directors and wider team and oversee its implementation.

Trustees initially sit on the board for three years. They can be re-elected for another three years after which they must retire. After a clear minimum gap of three years off the board, trustees may elect them to return for a three-year term – giving a total service to the board of nine years. The three-year gap ensures that the board’s membership has sufficiently changed from their previous period of service.

Sub committees, the Lay Advisory Group, Development Advisory Board and Research Grants Committee work under terms of reference agreed with the board to support the delivery of the strategy.

The Lay Advisory Group drives and strengthens patient and public involvement across every area of the work of the charity.



The Development Advisory Board established in 2021 supports Kidney Research UK’s strategic priorities to accelerate research and make it count for patients sooner. The activities of the Board include:

- Raising investment to increase the ability to fund key areas of unmet need
- Commercialisation of research projects to bridge the "bench to bedside" gap more quickly and efficiently for patient benefit
- Maximising opportunities to raise awareness of kidney disease

The Research Grants Committee, made up of both experts in renal science and patients, reviews grant applications under a rigorous peer review process and recommends which research should be funded.

Trustee board sub committees

- The Research Strategy Committee sets the strategy for research funding.
- The Finance and Risk Committee monitors the charity’s financial planning, performance, governance and risk management.
- The Nominations and Governance Committee is responsible for the charity’s governance standards and appointments to the board, facilitating diversity in the governance structure, and ensuring the right mix of skills and experience.
- The Remuneration Committee oversees the charity’s remuneration policy and its implementation.

The UK Kidney Research Consortium is jointly hosted, supported and steered by a partnership of the UK Kidney Association and Kidney Research UK to ensure the best collaborative clinical research for health in kidney disease.

Management structure

Four executive directors direct the charity on a day-to-day basis. During the financial year, the team comprised the chief executive and executive directors of: research, innovation and policy; communications and income generation; and finance and operations. The executive directors are supported by the leadership team.

Remuneration and staff development

Remuneration

The charity’s policy on remuneration is guided by the following principles:

- Fairness to employees, supporters, and patients.
- Recruitment, motivation, and retention of the appropriate calibre of staff without paying more than necessary.
- Recognition and reward of contribution to the charity.
- Compliance with current legislation, for example, minimum wage.
- Recognition of best practice in the charity sector including transparency to staff and other stakeholders.

The Remuneration Committee meets at least annually and advises on the remuneration policy of the charity. The committee oversees its implementation by:

- Agreeing the charity’s overall approach to remuneration including relative position within the labour market and employee benefits including pension provision, also reviewing the levels of remuneration across the organisation.
- Reviewing from time to time, and at least every three years, pay and benefits trends and benchmark pay rates and benefits, within the voluntary sector.
- Reviewing the annual recommendation from the chief executive for charity performance related and general salary changes.
- Monitoring the remuneration of the executive directors benchmarked against charity performance and independent external data.
- Agreeing the remuneration of the chief executive in the context of charity performance, market rates and benchmarks, personal performance, the scope and complexity of the role and affordability.

Staff development

Continuing from previous years, personal and professional training and development was a goal for 2021/22. During the past year, with limitations imposed by the pandemic, we have continued with on-line professional training and development across the charity. This has included diversity and inclusion and unconscious bias training for all staff, as well as specific bespoke training for individual job roles to support staff development. We have also focused on wellbeing and now have trained mental health first aiders in our team.

Our programme of formal and continuous cyber security training and testing across the charity continued as a focus, being an area of significant risk to the organisation, particularly with the team working remotely during the year.

We continue to work with Birdsong Charity Consulting who run our biennial staff survey and help us to work with staff on any areas identified as needing improvement. In spring 2021, we also included a section relating to the pandemic, so we could understand how it was affecting our team. We are pleased that the results for 2021 show that 98% of our employees felt trusted to do their job when working from home. We are planning to hold an additional survey in spring 2022 (a year earlier than planned) to ensure we have a current understanding of the position in this period of significant change and disruption.

Grant making

We apply an open and transparent approach to grant making. Applications for research funding are formally reviewed by experts in the field and kidney patients under the guidance of the Research Grants Committee. Any potential conflicts of interest are carefully managed by the charity. Assessments are based on both scientific quality and the potential impact for patients. Our Research Grants Committee, or occasionally a bespoke sub-panel, make funding recommendations to trustees for their review and approval.

For more information on our research strategy please refer to our website: www.kidneyresearchuk.org/research/research-strategy

Our fundraising approach

The commitment from our financial supporters has been incredible over the last year.

With Covid-19 still presenting limitations and some supporters feeling uncomfortable about attending face to face events, they continued to find ways to help raise funds for kidney research; from bake sales to golf days or playing our lottery. We are extremely grateful for all their support.

We continue to be overwhelmed by our fundraising volunteers’ generosity in giving their time, voice and money as we strive to accelerate research into kidney disease. Thank you.

As a charity, we are committed to the highest standards of fundraising and work hard to help our supporters support us in their own, individual ways. Whilst our income is generated from many different sources, we ensure all our fundraising activities adhere to the Code of Fundraising Practice and we are registered with both the Fundraising Regulator and Fundraising Preference Service.

We aim to ensure everyone who gives Kidney Research UK a gift of money, time, donated items or supports us in other ways will receive the best possible experience and that we exceed their expectations.

Because we fundraise in many ways and engage with thousands of supporters every year, we work with carefully selected partners and ensure we have robust policies in place to ensure our fundraising ethics are adhered to and reinforced through our fundraising volunteers and staff.

We know that sometimes we don't get things right. Therefore, we encourage supporters to share their ideas on how we can improve and to raise any concerns. We respond to all complaints within two working days and resolve them as soon as possible. We have a robust reporting process enabling us to learn from our supporters where we have not met their expectations and, where appropriate, improve our fundraising practices. During 2021/22 we received nine complaints (2020/21: 16 complaints), a small proportion of the number of engagements we have with our supporters.

Risk management

We are committed to effective risk management as an integral part of ensuring good charity governance. The Finance and Risk Committee oversees our exposure to risk, ensures that we have adequate risk management systems in place and reports on risk to the full Board of Trustees. We limit exposure to risks by following

recognised good practice in ensuring our compliance with the law and other obligations, having clear and meaningful measures to check progress against our goals and having a risk management structure which enables us to act promptly when necessary.

Processes in place regarding risk management include:

- A monthly review by the Executive Directors of risks to the charity as a whole and to significant projects.
- Risks identified through this process are recorded in risk registers under the traffic light system which is an effective method of indicating the relative level of risk exposure. Responsibility for monitoring each risk together with mitigating controls/actions is allocated to an Executive Director.
- The Finance and Risk Committee carries out a quarterly review of the risk register, including movement and mitigation plans and actions. This is considered an effective way for trustees to evaluate significant risks to the charity, to establish the degree to which they are controlled and moderated, and to determine necessary action. This is then presented quarterly to the full Trustee board.
- The Finance and Risk Committee receives reports and recommendations from our external auditors on the effectiveness of controls and recommendations.
- There is a whistleblowing policy in place supported by clear and accessible procedures.

Principal risks identified and mitigating controls

The principal risks identified are as follows:

Risk	Control
Financial <ul style="list-style-type: none">• Rising inflation and interest rates and the war in Ukraine results in a reduction income and/or an increase in overheads and research costs.	<ul style="list-style-type: none">• Continuously monitor income and expenditure to identify early signs of adverse movement.• Monitor research expenditure and applications for signs of an increase in costs and engage with the research community for insight.• Readiness to review activities in light of evidence of a reduction in income or increase in expenditure.
Resource capacity <ul style="list-style-type: none">• Skills gap for a key/specialist role, due to a leaver or family leave, including length of time to recruit, or for long term sickness.• Capacity remains stretched whilst finalizing the re-shaped and growing team, to cover business as usual, projects and growth opportunities, and the process of embedding and inducting new staff.	<ul style="list-style-type: none">• The charity has a structured approach to staff support and retention.• The biennial staff survey provides feedback and highlights areas for improvement.• Roles and responsibilities of leavers are reviewed before recruitment of replacements to ensure headcount is used most effectively.• Monitoring of pressure points whilst balancing need for cost saving against staff resource.• Programme to reallocate tasks and roles considering secondments.• Review longer term capacity requirements needed to deliver the new strategy.
Cyber-attack <ul style="list-style-type: none">• Cyber-attack on systems resulting in loss of income, loss of business data or personal data breach.	<ul style="list-style-type: none">• Analysis of phishing attempts identified by staff.• Simulated ransomware attack exercises completed.• Security software installed to mitigate attacks.• Staff remain vigilant.

Statement of trustees' responsibilities.

The trustees (who are also the directors of Kidney Research UK for the purposes 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 charity and the group and of the income and expenditure, of the group for that period.

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 Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Ireland (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

The trustees' report, which incorporates the requirements of the strategic report, was approved by the trustees and signed on their behalf by:



Jeremy Hughes
Chair
30 September 2022

Independent auditor's report.



Opinion

We have audited the financial statements of Kidney Research UK for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Balance Sheets, the Consolidated Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 group's and the parent charitable company's affairs as at 31 March 2022 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 section of our report. We are independent of the group 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 group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and the Foreword. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which incorporated the strategic and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees’ Annual Report (which incorporates the strategic report and the directors’ report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the group and parent charitable company; or
- the group and parent charitable company 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 for the financial statements

As explained more fully in the trustees’ responsibilities statement as set out on page 31, 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 group’s and parent 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 group or the parent 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.

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.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, and 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 the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, and other factors such as compliance with legislation in relation to sales tax and payroll tax and fundraising regulations.

We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the risk of improper revenue recognition, in particular through posting inappropriate journals to revenue recognition, and the risk of management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management’s controls designed to prevent and detect irregularities;
- Consideration of the appropriateness of management’s assessment of whether unlisted investments held by Kidney Research Enterprises Limited are impaired;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including reviewing the appropriateness of judgements made in relation to revenue recognition.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the group and parent charitable company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the group and parent 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.

Steven Harper

Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP,
Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 07/10/2022

Financial statements.



Consolidated statement of financial activities.

(incorporating an Income and Expenditure account)

Year to 31 March 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	2022 £'000	2021 £'000
Income from:					
Donations & Legacies	1	8,330	1	8,331	5,362
Other trading activities	12	479	-	479	340
Investment income	2	207	-	207	251
Income from charitable activities	3	123	3,621	3,744	684
Coronavirus Job Retention Scheme		12	-	12	314
Total income		9,151	3,622	12,773	6,951
Expenditure from:					
Costs of generating funds					
Costs of raising donations and legacies		1,848	-	1,848	1,522
Fundraising trading: cost of goods sold and other costs		300	-	300	238
Investment management costs		28	-	28	23
		2,176	-	2,176	1,783
Charitable activities					
Research		3,791	2,667	6,458	3,225
Awareness and education		933	46	979	868
		4,724	2,713	7,437	4,093
Total expenditure	4	6,900	2,713	9,613	5,876
Net income before investments		2,251	909	3,160	1,075
Net gains on investments	11	743	-	743	1,667
Net income for the year		2,994	909	3,903	2,742
Gross transfers between funds		-	-	-	-
Net movement in funds		2,994	909	3,903	2,742
Fund balances brought forward at 1 April 2021		9,179	781	9,960	7,218
Fund balances brought forward at 31 March 2022		12,173	1,690	13,863	9,960

All of the group's activities were derived from continuing operations during the above two financial periods. All recognised gains and losses are included in the above consolidated statement of financial activities. Full prior year comparatives are included in note 23.

Charity only statement of financial activities.

(incorporating an Income and Expenditure account)
Year to 31 March 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	2022 £'000	2021 £'000
Income from:					
Donations & Legacies	1	8,330	1	8,331	5,362
Other trading activities	12	179	-	179	102
Investment income	2	207	-	207	251
Income from charitable activities	3	123	3,621	3,744	684
Coronavirus Job Retention Scheme		12	-	12	314
Total income		8,851	3,622	12,473	6,713
Expenditure from:					
Costs of generating funds					
Costs of raising donations and legacies		1,848	-	1,848	1,520
Investment management costs		28	-	28	23
		1,876	-	1,876	1,545
Charitable activities					
Research		3,791	2,667	6,458	3,225
Awareness and education		933	46	979	868
		4,724	2,713	7,437	4,093
Total expenditure		6,600	2,713	9,313	5,636
Net income before investments					
Net gains on investments	11	743	-	743	1,667
Net income for the year		2,994	909	3,903	2,744
Gross transfers between funds					
		-	-	-	-
Net movement in funds		2,994	909	3,903	2,744
Fund balances brought forward at 1 April 2021					
		8,995	781	9,776	7,032
Fund balances brought forward at 31 March 2022		11,989	1,690	13,679	9,776

All of the charity's activities were derived from continuing operations during the above two financial periods. All recognised gains and losses are included in the above statement of financial activities.

Balance sheet.

As at 31 March 2022

	Notes	Group*		Charity	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
Fixed assets					
Tangible assets	10	146	155	145	152
Investments	11	11,770	10,340	11,595	10,165
Investments - shares in subsidiary	11	-	-	150	150
Total fixed assets		11,916	10,495	11,890	10,467
Current assets					
Stocks		31	45	-	-
Debtors	13	6,297	4,041	6,570	3,906
Investments	11	6,828	7,353	6,828	7,353
Cash at bank and in hand		3,702	2,328	3,029	2,284
Total current assets		16,858	13,767	16,427	13,543
Liabilities					
Creditors: amounts falling due within one year	14	(8,107)	(8,856)	(7,834)	(8,788)
Net current assets		8,751	4,911	8,593	4,755
Total assets less current liabilities					
		20,667	15,406	20,483	15,222
Creditors: amounts falling after one year	15	(6,804)	(5,446)	(6,804)	(5,446)
Net assets		13,863	9,960	13,679	9,776
The funds of the charity					
Restricted funds	16	1,690	781	1,690	781
Designated funds	17	8,965	4,703	8,965	4,703
General funds		3,208	4,476	3,024	4,292
Total Charity funds		13,863	9,960	13,679	9,776

*These financial statements consolidate the results of the charity and its wholly owned subsidiary, Kidney Research Enterprises Limited. As shown on the charity only statement of financial activities, the net income of the charity was £3,903,000 (2021: £2,742,000).

Approved and authorised for issue by the Board of Trustees and signed on their behalf by:

Jeremy Hughes
Chair of Kidney Research UK
Company Registration Number: 00905963 (England and Wales)

Approved on: 30 September 2022

Consolidated statement of cash flows.

Year to 31 March 2022

	Notes	2022 £'000	2021 £'000
Cash flow from operating activities:			
Net cash provided by (used in) operating activities	A	1,362	(81)
Cash flow from investing activities:			
Dividends and interest from investments		207	251
Purchase of tangible fixed assets		(35)	0
Proceeds from the disposal of investments		3,976	6,261
Purchase of investments		(3,513)	(4,161)
Net cash provided by investing activities		635	2,351
Change in cash and cash equivalents in the year		1,997	2,270
Cash and cash equivalents at 1 April	B	9,395	7,125
Cash and cash equivalents at 31 March	B	11,392	9,395

Notes to the statement of cash flows for the year to 31 March 2022

A. Reconciliation of net movement in funds to net cash provided by (used in) operating activities

	2022 £'000	2021 £'000
Net movement in funds (as per the statement of financial activities)	3,903	2,742
Adjustments for:		
Depreciation charge	44	71
Gains on investments	(743)	(1,667)
Dividends and interest from investments	(207)	(251)
Decrease in stocks	13	13
Decrease (increase) in debtors	(2,257)	1,247
Increase (decrease) in creditors	609	(2,236)
Net cash provided by (used in) operating activities	1,362	(81)

Consolidated statement of cash flows.

Year to 31 March 2022

B. Analysis of net funds

	1 April 2021 £'000	Cash flow £'000	31 March 2022 £'000
Cash at bank and in hand	2,328	1,374	3,702
Cash held by investment managers (note 11)	7,067	623	7,690
Total cash and cash equivalents	9,395	1,997	11,392

Principal accounting policies.

31 March 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 March 2022; the accounts are presented in pounds sterling and are rounded to the nearest thousand.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102 2nd edition effective from January 2019) (the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- estimating the liability for multi-year grant commitments;
- estimating the probability of the receipt of legacy income and estimating the amount to be received.

Assessment of going concern

The trustees have assessed the financial position and have concluded there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern for the foreseeable future (being at least one year from the date of approving these financial statements). The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due and the most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2023, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information). In relation to the continuing impact of the COVID-19 pandemic, Trustees are content that the level of the General Fund reserves provides sustainability for the charity to meet its existing commitments.

Income recognition

Income is recognised in the period in which the charity has entitlement, the receipt is probable and the amount of income can be measured reliably. Income comprises donations, income from trading activities, income from charitable activities and investment income.

Principal accounting policies.

31 March 2022

Donations & legacies

Legacies are included in the statement of financial activities when probate is granted, the charity is entitled to the legacy and the executors have established there are surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued where the receipt is considered probable. Where the donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Donated goods

Donated goods are normally distributed very soon after receipt by the charity. The cost of valuing all donated goods upon receipt by the charity outweighs the benefit to the users of the accounts of providing this information. Consequently, donated goods are included within income when sold or distributed and no value is placed on stock of such items at the year end.

Grants from government and other agencies have been included as income from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use.

Investment Income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure recognition

Expenditure comprises direct costs and support costs, accounted for on an accruals basis. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising, the costs associated with fundraising trading activity and an allocation of support costs.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include grants and awards made for research and direct and support costs in respect to education and awareness including governance costs.
- Grants payable by the charity are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the financial statements.
- The provision of a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable and the effect of the discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the charity. The effect of discounting is immaterial.
- The pension charge represents payments to a defined contribution scheme which are charged to the statement of financial activities in the period to which they relate.

All expenditure is stated inclusive of irrecoverable VAT.

Principal accounting policies.

31 March 2022

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs, including staff related costs, and governance costs are apportioned based on the staff time spent on each activity.

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|------------------------------------|-------------------------------|
| • Leasehold land buildings | Over the life of the lease |
| • Computer software and equipment | 33.3% per annum based on cost |
| • Fixtures, fittings and equipment | 15% per annum based on cost |
| • Office refurbishment cost | 10% per annum based on cost |

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Investments are included within the current assets where it is anticipated that they may need to be utilised to meet grant commitments. Investments equating to 50% of grants payable within one year are therefore included as current assets.

Unlisted Investments

Where a reliable basis cannot be determined for the fair value of the investment, due to the investment being unlisted, the investment is held at cost less impairment in line with the provisions of section 11 of FRS 102.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits, with cash placed on deposit for more than one year disclosed as a fixed asset investment.

Principal accounting policies.

31 March 2022

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. Long term liabilities have not been discounted to the present value of the future cash payments on the basis that such discounting is material.

Stocks

Stocks for resale are valued at the lower of cost and net realisable value.

Fund accounting

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions. The designated funds are monies or assets set aside out of general funds and designated for specific purposes by the trustees. General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity’s charitable objects.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Notes to the financial statements.

31 March 2022

1. Donations and Legacies

	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000
Donations, gifts & appeals	3,114	1	3,115
Legacies	5,216	-	5,216
2022 Total funds	8,330	1	8,331
	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000
Donations, gifts & appeals	2,686	59	2,745
Legacies	2,617	-	2,617
2021 Total funds	5,303	59	5,362

2. Investment income

	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000
Income from listed investments and cash	197	-	197
Interest receivable	10	-	10
2022 Total funds	207	-	207
	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000
Income from listed investments and cash	233	-	233
Interest receivable	18	-	18
2021 Total funds	251	-	251

3. Income from charitable activities

	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000
Grants receivable	123	3,621	3,744
2022 Total funds	123	3,621	3,744
2021 Total funds	23	661	684

Notes to the financial statements.

31 March 2022

4. Expenditure

	Grants and project expenditure £'000	Directly allocated costs £'000	Support costs £'000	2022 Total £'000
Costs of generating funds				
Cost of generating voluntary income	-	1,172	676	1,848
Fundraising trading: costs of goods sold and other costs	-	176	124	300
Investment management costs	-	-	28	28
	-	1,348	828	2,176
Charitable activities				
Research	5,218	675	565	6,458
Education and awareness	-	682	297	979
	5,218	1,357	862	7,437
2022 Total funds	5,218	2,705	1,690	9,613

	Grants and project expenditure £'000	Directly allocated costs £'000	Support costs £'000	2021 Total £'000
Costs of generating funds				
Cost of generating voluntary income	-	900	622	1,522
Fundraising trading: costs of goods sold and other costs	-	129	109	238
Investment management costs	-	-	23	23
	-	1,029	754	1,783
Charitable activities				
Research	2,253	486	486	3,225
Education and awareness	56	536	276	868
	2,309	1,022	762	4,093
2021 Total funds	2,309	2,051	1,516	5,876

Notes to the financial statements.

31 March 2022

4. Expenditure cont'd

	Staff costs £'000	Other overheads £'000	2022 Total £'000
CEO/Human resources	292	46	338
Operations	451	753	1,204
Governance	108	40	148
Total support costs	851	839	1,690
	Staff costs £'000	Other overheads £'000	2021 Total £'000
CEO/Human resources	251	18	269
Operations	635	472	1,107
Governance	98	43	141
Total support costs	984	533	1,517

5. Grants payable

The charity makes grants to both individuals and institutions in accordance with its grant making policy set out in the trustees' report. A reconciliation of the grants payable and grants commitments figures shown in these financial statements is as follows:

	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Grant commitments at 1 April	-	13,796	-	15,897
Commitments made in the year	5,114	-	2,843	-
Adjustments and lapsed grant commitments	(378)	-	(989)	-
Grants payable	-	4,736	-	1,854
Grants paid during the year	-	(4,430)	-	(3,955)
Commitments at 31 March	-	14,102	-	13,796
Commitments at 31 March are payable as follows:				
Within one year (note 14)	-	7,298	-	8,350
After more than one year (note 15)	-	6,804	-	5,446
	-	14,102	-	13,796

In the year, 40 (2021: 15) research projects and fellowships were awarded, forming part of these audited financial statements.

An analysis of awards by host institution can be found on the Charity's website at <https://www.kidneyresearchuk.org/about-us/annual-review-and-accounts>

Notes to the financial statements.

31 March 2022

6. Net expenditure for the year

This is stated after charging:

	2022 £'000	2021 £'000
Staff costs (note 7)	2,293	2,207
Auditors' remuneration		
- Statutory audit services	19	14
- Other services	2	2
Depreciation	44	68
Irrecoverable VAT	226	175

7. Employment costs

Employment costs during the year were as follows:

	2022 Total £'000	2021 Total £'000
Wages and salaries	1,879	1,816
Social security costs	189	172
Other pension costs and salary sacrifice	225	219
	2,293	2,207

The figures above include redundancy payments of £1,632 (2021: £23,666).

The average number of employees and average full-time equivalent during the year, analysed by time expended on the following activities, was as follows:

Group and Charity:	Ave Headcount 2022 Number	Ave Headcount 2021 Number	Ave FTE 2022 Number	Ave FTE 2021 Number
Generation of funds	27	31	23	27
Charitable activities				
- Research	15	14	13	13
- Awareness and education	13	14	12	12
Governance	1	1	1	1
	56	60	49	53

Notes to the financial statements.

31 March 2022

The number of employees who earned £60,000 or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2022 Number	2021 Number
£60,000 - £70,000	1	4
£70,001 - £80,000	3	-
£100,001 - £110,000	1	1

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees and the Executive Management Team of four. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £377,983 (2021: £344,819).

8. Trustees' expenses and remuneration

None of the trustees received remuneration in respect of their services as trustees during either year. During the year ended 31 March 2022 there were no out of pocket travelling expenses reimbursed to trustees (2021: £0). During the year the Chief Executive had no expenses reimbursed (2021: £0).

In accordance with normal commercial practice, the charity has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on charity business. The insurance policy provides cover up to £1 million (2021: £1 million) and the cost for the year ended 31 March 2022 was £547 (2021: £442).

9. Taxation

Kidney Research UK is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. The subsidiary, Kidney Research Enterprises Limited, donates its taxable profits, if any, to Kidney Research UK each year (note 12) under deed of covenant.

Notes to the financial statements.

31 March 2022

10. Tangible fixed assets

Group	Leasehold land and buildings £'000	Computer software & equipment £'000	Fixtures, fittings & equipment £'000	Totals £'000
Cost				
At 1 April 2021	136	184	121	441
Additions	-	35	-	35
Disposals	(5)	-	(10)	(15)
At 31 March 2022	131	219	111	461
Depreciation				
At 1 April 2021	48	173	65	286
Charge for year	14	13	17	44
Depreciation on disposals	(5)	-	(10)	(15)
At 31 March 2022	57	186	72	315
Net book values				
At 31 March 2022	74	33	39	146
At 31 March 2021	88	11	56	155

Charity	Leasehold land and buildings £'000	Computer software & equipment £'000	Fixtures, fittings & equipment £'000	Totals £'000
Cost				
At 1 April 2021	126	184	109	419
Additions	-	35	-	35
At 31 March 2022	126	219	109	454
Depreciation				
At 1 April 2021	39	171	55	265
Charge for year	14	13	17	44
At 31 March 2022	53	184	72	309
Net book values				
At 31 March 2022	73	35	37	145
At 31 March 2021	87	13	54	152

Leasehold, fixtures, fittings and equipment includes assets with a net book value of £111,192 at 31 March 2022 (2021: £155,043) in relation to office refurbishment. These assets are depreciated over a period of ten years as set out in the accounting policies.

Notes to the financial statements.

31 March 2022

11. Investments

Group	2022 £'000	2021 £'000
Listed investments		
Market value of listed investments at 1 April	10,452	10,885
Additions at costs	3,513	4,161
Disposals at book value (proceeds £3,971k + equalisation £5k - realised gain: £212k)	(3,764)	(5,709)
Net unrealised investment gains	531	1,115
Market value of listed investments at 31 March	10,732	10,452
Cash held by investment managers for re-investment	6,874	6,252
Cash held on deposit	817	816
Unlisted investment		
Kalium Health Ltd investment	175	175
	18,598	17,695
Charity		
Shares in subsidiary undertaking	150	150
	18,748	17,845
Cost of listed investments at 31 March	8,570	9,802
	2022 £'000	2021 £'000
Allocated as follows:		
Fixed asset investments	11,770	10,340
Current asset investments	6,828	7,353
	18,598	17,693

During the year ended 31 March 2020, Kidney Research Enterprises Limited made an investment of £174,944 in Kalium Health Ltd to support research into potassium monitoring technology. The shares are unlisted, and the Directors consider that it is not possible to reliably determine the fair value of the investment. At 31 March 2022, no impairment has been identified by the Directors and accordingly the investment is held at cost in the balance sheet.

The investments held are in British government stocks and collective UK and global investments. They are managed by Cazenove Capital Management Ltd.

The following investments made up more than 5% of the portfolio at 31 March 2022:

Charity Equity Income Fund	£608,920	5.4%
Vanguard S&P 500 UCITS ETF	£782,661	6.9%
Findlay Park American Fund	£748,318	6.6%
Charities Property Fund	£714,827	6.3%

Notes to the financial statements.

31 March 2022

12. Shares in subsidiary undertaking

The charity has one wholly owned subsidiary, Kidney Research Enterprises Limited (Company number: 02932606), which is incorporated in England and Wales. At 31 March 2022 Kidney Research UK owned the entire called up ordinary share capital of 334,500 ordinary £1 shares in Kidney Research Enterprises Limited. At 31 March 2022, the aggregate of the share capital and reserves of Kidney Research Enterprises Limited amounted to £334,500 (2021: £334,500).

The subsidiary's principal activity is to undertake trading and retail activities for the benefit of Kidney Research UK. Kidney Research Enterprises Limited donates its taxable profit, if any, to Kidney Research UK. A summary of the subsidiary's results is shown below. Audited financial statements will be filed with the Registrar of Companies.

	2022 Total £'000	2021 Total £'000
Profit and loss account		
Turnover	479	340
Expenses	(300)	(238)
Net profit	179	102
Other interest receivable and similar income		
Profit for the financial year before taxation	179	102
Taxation		
Payment under Gift Aid scheme to Kidney Research UK	(179)	(102)
Profit for the financial year	-	-
Accumulated losses at 1 April	-	-
Accumulated losses at 31 March	-	-

The trustees are satisfied that the activities of the subsidiary are essential to the charity; for the acquisition of new supporters and volunteers through the lottery, events and retail products, for obtaining donations, which are reflected in the financial statements of the charity and for providing administration operations.

Notes to the financial statements.

31 March 2022

13. Debtors

Group	2022 £'000	2021 £'000
Taxation recoverable	62	64
Legacies receivable	3,562	2,258
Trade debtors	493	120
Other debtors	1,990	1,355
Prepayments and accrued income	190	244
	6,297	4,041

Charity		
Taxation recoverable	50	56
Legacies receivable	3,562	2,258
Trade debtors	436	100
Other debtors	1,990	1,355
Prepayments and accrued income	71	137
Amount owed by subsidiary undertaking	461	-
	6,570	3,906

Included within other debtors is a total of £560,566 (2021: £977,918) which relates to grant debtors receivable after one year.

14. Creditors: amounts falling due within one year

Group	2022 £'000	2021 £'000
Expense creditors	195	188
Social security and other taxation	76	62
Grants payable (note 5)	7,298	8,350
Taxation payable	8	1
Other creditors	334	119
Accruals and deferred income	196	136
	8,107	8,856

Charity		
Amount owed to subsidiary undertaking	-	198
Social security and other taxation	76	62
Grants payable (note 5)	7,298	8,350
Taxation payable	8	1
Other creditors	334	119
Accruals and deferred income	118	58
	7,834	8,788

Notes to the financial statements.

31 March 2022

14. Creditors: amounts falling due within one year cont'd

Included within the above is deferred income as set out below:

	2022 £'000	2021 £'000
Deferred Income brought forward at 1 April 2021	3	3
Additional income deferred during the year	-	-
Brought forward funds released in the year	-	-
Deferred income carried forward at 31 March 2022	3	3

This income is deferred due to receiving income in prior years that has been realised this year.

15. Creditors: amounts falling due after more than one year

Group and Charity	2022 £'000	2021 £'000
Grants payable (note 5)	6,804	5,446

Notes to the financial statements.

31 March 2022

16. Restricted Funds

The income funds of the charity include restricted funds comprising the following donations & grants to be applied for specific purposes:

	At 1 April 2021 £'000	Income £'000	Expenditure & grants committed £'000	Transfers £'000	At 31 March 2022 £'000
Organ Donation Awareness Project					
- Scottish Government	(7)	9	(30)	-	(28)
The Renal Association	(11)	-	-	-	(11)
Iron & Muscle					
- Vifor Inc	(290)	281	(280)	-	(289)
eGFR graphs for early identification of chronic kidney disease					
- Health Foundation (ASSIST-CKD)	(10)	-	-	-	(10)
Making Every Kidney Count	(100)	-	-	-	(100)
Melody Study	-	75	(76)	-	(1)
Stoneygate Paediatrics	-	400	(401)	-	(1)
Restricted funds in deficit	(418)	765	(787)	-	(440)

Notes to the financial statements.

31 March 2022

16. Restricted Funds cont'd

	At 1 April 2021 £'000	Income £'000	Expenditure & grants committed £'000	Transfers £'000	At 31 March 2022 £'000
Kidney Beam					
- Stoneygate	(83)	124	(41)	-	(0)
Kids Kidney Research	64	1	-	-	65
Andy Cole Fund	34	41	-	-	75
ITOPS					
- Garfield Weston	125	-	-	(125)	-
Stoneygate					
Research & Innovation Grants	(717)	934	(115)	-	102
ADMIRE	-	-	(125)	125	-
NuRTURE – Undisclosed Pharmaceutical funding via National Renal Translation Research Enterprise – Collaboration Research & Innovation Grants	1,399	-	(411)	-	988
Vifor	12	-	(12)	-	-
Transplantation Activity	60	-	(51)	-	9
Alexion	17	-	(17)	-	-
PKD Research	51	100	(150)	-	1
Masonic Trust	76	-	(76)	-	-
Answers for aHus Campaign	79	-	(79)	-	-
Fellows Day & Alumni*	26	6	(8)	-	24
CMV Study	-	45	-	-	45
BEIS Covid Support Fund	-	496	(496)	-	-
The Thompson Family Charitable Trust	-	500	-	-	500
PONAC	-	250	(127)	-	123
NuRTURE AKI	-	150	(2)	-	148
Kids Kidney Research	-	86	(86)	-	-
Pruritus Survey	-	33	(33)	-	-
La Medica	-	11	-	-	11
Eveson Trust Fund	-	25	(25)	-	-
Covid Vaccination Fund	18	35	(53)	-	-
Various below £10,000	38	20	(19)	-	39
Restricted funds in surplus	1,199	2,857	(1,926)	-	2,130
Total Restricted Funds	781	3,622	(2,713)	-	1,690

*Please refer to Kidney Research UK website for further details
The above figures represent only the restricted element of grant funding utilised in the year. Additional amounts may have been reflected as unrestricted income or as deferred income or may be utilised in previous/future years.

Restricted income has been secured in the year but will not be accounted for until 2022/23, due to contractual terms.
Expenditure has been made in 2021/22 against future income resulting in negative restricted fund balances. The income, when recorded in 2022/23 will clear the negative balances.

Notes to the financial statements.

31 March 2022

17. Designated funds

	At 1 April 2021 £'000	New designations £'000	Released/ utilised in Year £'000	At 31 March 2022 £'000
Partnership Development Fund	-	1,631	-	1,631
Property Fund	35	50	-	85
Research and Awareness Fund	4,668	5,701	(3,820)	6,549
Staff Resourcing, Remuneration, Recruitment & Retention Fund	-	300	-	300
Supporter Acquisition	-	400	-	400
Total designated funds	4,703	8,082	(3,820)	8,965

The Partnership Development Fund represents monies set aside by the trustees for co-developing and co-funding partnerships.

The Property Fund represents monies set aside by the trustees to meet end of lease expenses and expenditure on properties.

The Research and Awareness Fund represents monies which have been set aside from unrestricted funds by the trustees for research project commitments.

The Staff Resourcing, Remuneration, Retention and Recruitment Fund represents monies set aside for adjustments to take into account the current climate, increase in recruitment costs and any unknown factors.

The Supporter Acquisition Fund represents monies set aside by the trustees for digital transformation and acquisition phase 2: building the fund to deliver the next round of activity.

Notes to the financial statements.

31 March 2022

18. Analysis of net assets between funds

Group	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000
Fund balances at 31 March 2022 are represented by:			
Tangible fixed assets	146	-	146
Fixed asset investments	11,770	-	11,770
Current assets	14,728	2,130	16,858
Creditors: amounts falling due within one year	(7,667)	(440)	(8,107)
Creditors: amounts falling due after one year	(6,804)	-	(6,804)
Total net assets	12,173	1,690	13,863

The total unrealised gains as at 31 March 2022 constitute movements on revaluation and amount to £2,162,000 (2021: £650,000 (as restated)).

Charity	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000
Fund balances at 31 March 2022 are represented by:			
Tangible fixed assets	145	-	145
Fixed asset investments	11,745	-	11,745
Current assets	14,297	2,130	16,427
Creditors: amounts falling due within one year	(7,394)	(440)	(7,834)
Creditors: amounts falling due after one year	(6,804)	-	(6,804)
Total net assets	11,989	1,690	13,679

The total unrealised gains as at 31 March 2022 constitute movements on revaluation and amount to £2,012,000 (2021: £500,000 (as restated)).

Notes to the financial statements.

31 March 2022

19. Operating leases

At 31 March 2022 the charity had total future minimum commitments under non-cancellable operating leases as follows:

Group	Land and buildings	
	2022 £'000	2021 £'000
Operating lease payments which fall due:		
Within one year	162	162
Between two and five years	550	593
Thereafter	-	119
	712	874

Charity	Land and buildings	
	2022 £'000	2021 £'000
Operating lease payments which fall due:		
Within one year	119	119
Between two and five years	477	596
Thereafter	-	-
	596	715

20. Liability of members

The Charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

21. Pensions

The charitable company operates a defined contribution pension scheme. During the year contributions totalling £222,939 (2021: £219,152) were made, with £21,036 (2021: £17,332) payable at the year end.

22. Related Party Transactions

During the year donations of £15,046 (2021: £83,762) were received from trustees. Grants awarded to a trustee or an institute with which they are related are highlighted as follows:

Trustee	Institute	Amount
Prof Liz Lightstone	Imperial College London	£457,312
Dr Jill Norman/	University College London,	
John Cunningham	Royal Free Hospital and UCL Medical School	£206,219
John Cunningham	University of Cambridge	£56,688
Prof Jeremy Hughes	Edinburgh University	£46,493
Dr Charles Tomson	Newcastle Upon Tyne NHS Foundation Trust	£435,479

Transactions between Kidney Research UK and its wholly owned trading subsidiary, Kidney Research Enterprises Limited are determined by an agreed methodology of inter-company recharges based on the resources available across both entities. The intercompany recharge from Kidney Research Enterprises Limited to Kidney Research UK for the year was £1,662,467 (2020/21: £1,315,805). At the end of each financial year, Kidney Research Enterprises Limited gift aids its profits up to Kidney Research UK this amounted to £178,607 for the year (2020/21: £101,964).

Notes to the financial statements.

31 March 2022

22. Related Party Transactions cont'd

There were no other related party transactions in the year which require disclosure (2021: none).

23. Prior year Statement of Financial Activities 31 March 2021

	Notes	Unrestricted funds £'000	Restricted funds £'000	2021 £'000	2020 £'000
Income from:					
Donations & Legacies	1	5,303	59	5,362	6,006
Other trading activities	12	340	-	340	557
Investment income	2	251	-	251	441
Income from charitable activities	3	23	661	684	2,945
Coronavirus Job Retention Scheme		314	-	314	-
Total income		6,231	720	6,951	9,949
Expenditure from:					
Costs of generating funds					
Costs of raising donations and legacies		1,522	-	1,522	1,825
Fundraising trading: cost of goods sold and other costs		238	-	238	395
Investment management costs		23	-	23	33
		1,783	-	1,783	2,253
Charitable activities					
Research		1,711	1,514	3,225	6,436
Awareness and education		812	56	868	1,278
		2,523	1,570	4,093	7,714
Total expenditure	4	4,306	1,570	5,876	9,967
Net income / (expenditure) before investments					
Net gains / (losses) on investments	11	1,667	-	1,667	(989)
Net (expenditure) income for the year		3,592	(850)	2,742	(1,007)
Gross transfers between funds					
Net movement in funds		3,592	(850)	2,742	(1,007)
Fund balances brought forward at 1 April 2020					
		5,587	1,631	7,218	8,225
Fund balances brought forward at 31 March 2021		9,179	781	9,960	7,218

Notes to the financial statements.

31 March 2022

24. Prior year Statement of Restricted funds 31 March 2021

	At 1 April 2020 £'000	Income £'000	Expenditure / transfers & grants committed £'000	Transfers £'000	At 31 March 2021 £'000
Organ Donation Awareness Project					
- Scottish Government	(10)	20	(17)	-	(7)
The Renal Association	(11)	-	-	-	(11)
Iron & Muscle					
- Vifor Inc	(376)	165	(79)	-	(290)
eGFR graphs for early identification of chronic kidney disease					
- Health Foundation (ASSIST-CKD)	(10)	31	(31)	-	(10)
Making Every Kidney Count	(100)	-	-	-	(100)
Kidney Beam	-	62	(145)	-	(83)
Stoneygate Research & Innovation Grants					
- Stoneygate	-	10	(727)	-	(717)
Restricted funds in deficit	(507)	288	(999)	-	(1,218)

Notes to the financial statements.

31 March 2022

24. Prior year Statement of Restricted funds 31 March 2021 cont'd

	At 1 April 2020 £'000	Income £'000	Expenditure / transfers & grants committed £'000	Transfers £'000	At 31 March 2021 £'000
Kids Kidney Research	246	64	(246)		64
Andy Cole Fund	-	34	-	-	34
ITOPS - Garfield Weston	-	-	125	-	125
NuRTURE – Undisclosed Pharmaceutical funding via National Renal Translation Research Enterprise – Collaboration	1,660	99	(360)	-	1,399
Vifor	-	12	-	-	12
Transplantation Activity	-	98	(38)	-	60
Alexion	-	17	-	-	17
PKD Research	-	51	-	-	51
Masonic Trust	76	-	-	-	76
Answers for aHus Campaign	79	-	-	-	79
Fellows Day & Alumni*	32	(3)	(3)	-	26
Various below £10,000	45	60	(49)	-	56
Restricted funds in surplus	2,138	432	(571)	-	1,999
Total Restricted Funds	1,631	720	(1,570)	-	781

* Please refer to Kidney Research UK website for further details
The above figures represent only the restricted element of grant funding utilised in the year. Additional amounts may have been reflected as unrestricted income or as deferred income or may be utilised in previous/future years.

Restricted income has been secured in the year but will not be accounted for until 2021/22, due to contractual terms.
Expenditure has been made in 2020/21 against this future income resulting in negative restricted fund balances. The income, when recorded in 2021/22 will clear the negative balances.

Notes to the financial statements.

31 March 2022

25. Prior year Statement of Designated funds

	At 1 April 2020 £'000	New designations £'000	Released/ utilised in Year £'000	At 31 March 2021 £'000
Research and Awareness Fund	1,877	4,667	1,876	4,668
Property Fund	35	-	-	35
Total designated funds	1,912	4,667	1,876	4,703

The Research and Awareness Fund represents monies which have been set aside from unrestricted funds by the trustees for research project commitments

The Property Fund represents monies set aside by the trustees to meet end of lease expenses and expenditure on properties.

26. Prior year Statement of Analysis of net assets between funds

Group	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000
Fund balances at 31 March 2021 are represented by:			
Tangible fixed assets	155	-	155
Fixed asset investments	10,340	-	10,340
Current assets	9,315	4,452	13,767
Creditors: amounts falling due within one year	(5,901)	(2,955)	(8,856)
Creditors: amounts falling due after one year	(4,730)	(716)	(5,446)
Total net assets	9,179	781	9,960

The total unrealised gains at 31 March 2021 constitute movements on revaluation and amount to £650,000 (as restated) (2020: £2,533,000).

Ambassadors

Andrew Cole
Bruno Loubet
Ed Drake
Frances Edmonds
Dame Jacqueline Wilson
Julia Watson
Kate Ford
Lauren Laverne
Lawrence Keogh
Lucy Davis
Matthew Amroliwala
Nina Wadia
Dame Patricia Routledge DBE
Richard Pitman
Stefan Booth

Chief executive

Sandra Currie

Company secretary

Anne-Marie McCarthy
(retired 30 March 2022)
Peter Knight
(appointed 30 March 2022)

Auditor

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10 Queen Street Place
London EC4R 1AG

Bankers

Barclays Bank
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Histon, Cambridge, CB24 9DE

Investment advisers

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1 London Wall Place, London EC2Y 5AU

Solicitors

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Peterborough PE1 1JE

Kidney Research UK

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Company registration number 00905963 (England and Wales)
Charity registration numbers 252892 (England and Wales)
SC 039245 (Scotland)

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