

Charity registration number 1186102

Company registration number 12266787 (England and Wales)

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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

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# THE CHRONIC DISEASE RESEARCH FOUNDATION

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# THE CHRONIC DISEASE RESEARCH FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 5 APRIL 2023**

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

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

### **Objectives and activities**

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

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

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

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

### **Achievements and performance**

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

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

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

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

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

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

### FOR THE YEAR ENDED 5 APRIL 2023

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

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

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

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

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

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

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

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

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

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

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2023

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

### Financial review

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

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

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

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

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

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

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

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

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

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

### Structure, governance and management

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

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

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

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

Mr M Benaim

Dr E Bochukova

Dr J Bristow

(Resigned 24 October 2022)

Mr N S Pike

Mr M D B Simon

Mr J M H Ross

(Appointed 21 November 2022)

Dr A J Walley

(Appointed 11 May 2023)

# THE CHRONIC DISEASE RESEARCH FOUNDATION

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

FOR THE YEAR ENDED 5 APRIL 2023

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

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

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

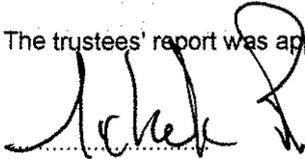
### Auditor

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

### Disclosure of information to auditor

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

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



Mr N S Pike

Trustee

Dated: 15/11/23

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 5 APRIL 2023*

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

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

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

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

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#### Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

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

We have nothing to report in this regard.

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

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

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#### **Responsibilities of trustees**

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

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

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

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

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

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

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

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

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

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

#### **Use of our report**

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

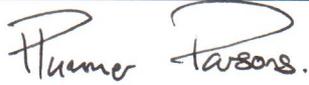
# THE CHRONIC DISEASE RESEARCH FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE CHRONIC DISEASE RESEARCH FOUNDATION

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Plummer Parsons



17 November 2023

**Chartered Accountants  
Statutory Auditor**

18 Hyde Gardens  
Eastbourne  
East Sussex  
BN21 4PT

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2023

### Current financial year

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

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

All income and expenditure derive from continuing activities.

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

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

FOR THE YEAR ENDED 5 APRIL 2023

Prior financial year

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## STATEMENT OF FINANCIAL POSITION

AS AT 5 APRIL 2023

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

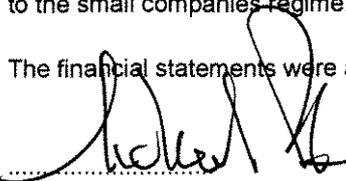
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 5 April 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

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

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

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

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

  
 Mr N S Pike  
 Trustee

Company Registration No. 12266787

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	22	(1,019,938)		(640,465)	
<b>Investing activities</b>					
Proceeds from disposal of investments		(150,000)		665,000	
Investment income received		31,011		49,929	
		<hr/>		<hr/>	
<b>Net cash (used in)/generated from investing activities</b>		(118,989)		714,929	
<b>Net cash used in financing activities</b>			-		-
		<hr/>		<hr/>	
<b>Net (decrease)/increase in cash and cash equivalents</b>		(1,138,927)		74,464	
Cash and cash equivalents at beginning of year		1,979,501		1,905,037	
		<hr/>		<hr/>	
<b>Cash and cash equivalents at end of year</b>		840,574		1,979,501	
		<hr/> <hr/>		<hr/> <hr/>	

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 5 APRIL 2023**

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### **1 Accounting policies**

#### **Charity information**

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

#### **1.1 Accounting convention**

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

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

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

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

#### **1.2 Going concern**

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

#### **1.3 Charitable funds**

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

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

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

#### **1.4 Income**

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

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

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

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

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

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

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

#### 1.6 Cash and cash equivalents

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

#### 1.7 Financial instruments

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

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

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

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

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### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

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

### 1.8 Employee benefits

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

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

### 1.9 Retirement benefits

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

### 2 Critical accounting estimates and judgements

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 3 Donations and legacies

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 4 Investments

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

### 5 Raising funds

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

### 6 Charitable activities

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 7 Grants payable

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 8 Support costs

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

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

### 9 Trustees

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

### 10 Employees

The average monthly number of employees during the year was:

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 10 Employees

(Continued)

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

### 11 Taxation

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

### 12 Financial instruments

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

### 13 Current asset investments

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

Investments represent cash held on long term deposits.

### 14 Contingent Assets

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

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

### 15 Current liabilities

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 5 APRIL 2023*

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### **16 Contingent liabilities**

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

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

### **17 Retirement benefit schemes**

#### **Defined contribution schemes**

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 18 Restricted funds

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

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

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

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

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

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

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 18 Restricted funds

(Continued)

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

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

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

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

### 19 Designated funds

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

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

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

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

### 20 Analysis of net assets between funds

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

# THE CHRONIC DISEASE RESEARCH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

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### 21 Related party transactions

#### Transactions with related parties

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

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

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

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

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

### 23 Analysis of changes in net funds

The Foundation had no debt during the year.