

Kidney Research UK

Annual report

2022–2023



kidney disease ends here.

Cover image features Dr Farah Latif from Cardiff University, who is investigating how a common viral infection impacts people who have had a kidney transplant

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Our family's year shows research is needed more than ever

My daughter Mimi and I have been on the most difficult journey any family can experience. Over a year ago we lost Steve – my husband, Mimi's dad.

Steve had had two kidney transplants in the course of his life. The first had freed him from the chains of dialysis as a teenager and lasted over 30 years.

Looking at Steve, you'd never know he'd been so ill in his childhood. He was very active. He'd always be helping friends out. He was the go-to person for everyone. He loved the simple things in life, the colour of a flower, the big blue sky. He was an amazing, gentle person who was so grateful to be alive.

But even Steve's miracle kidney couldn't last forever. The time came when he had to go onto dialysis again. It was a real slog, which went on for two years. Then hope lifted again when he received another transplant in 2019. The operation and recovery went well, we had Steve back again.

But, among the many medications that Steve had to take every day was an anti-rejection medication which comes with an increased risk of cancer.

He would regularly have lumps removed from his back. At the end of 2021 the lumps spread and eventually he had cancer in his brain. By May 2022, there was nothing more the doctors could do.

It's been very, very difficult losing Steve, having fought alongside him for so long. It's something we'll probably never recover from.

I spoke about our story when I was asked to host the charity's inaugural Andy Cole Fund Gala Dinner. It was the first time I'd put on any lipply since we'd lost Steve, but I knew I was doing it for the right reasons.

Stories are what I do for a living and I know they have the power to change lives. This impact report is very much Kidney Research UK's story of the past year. The breakthroughs and progress the charity has made gave Steve hope and continue to give me hope. It really is inspiring. And none of it would be possible without your support.

Thank you

Nina Nannar
Arts editor, ITV News

Building foundations to make an even bigger impact



Welcome to our report of 2022/23. This year we have continued to advance knowledge of kidney disease by investing in research, by driving forward innovation and by expanding our collaboration and partnership working. By investing £11.6 million on research, awareness, and education we are continuing to accelerate growth that will bring benefit to patients both now and in the future.

Discovery remains high on our priority list. We funded a range of research across the year that will yield new and innovative approaches for the future. We have seen major advances emerge from studies the charity funded years ago, showing the importance of keeping the flow of funding to researchers at every stage. Maintaining that pipeline is a key focus area for us.

We are beginning to see the impact of increased activity influencing policy and opening productive dialogue with UK governments, NHS colleagues and a number of partners who share a combined mission to halt the predicted growth in kidney disease. Evidence is the essential foundation to the case for change. This year we have delivered clear and compelling information that can be used to make change happen. Some of that evidence will emerge in the 2023/24 financial year from two commissioned independent reports: *Kidney disease: A UK public health emergency* and *Addressing the mental health challenges of life with kidney disease: The case for change*, which indicate the financial and the immense personal burden that kidney disease has on those affected.

Our fundraising continues to thrive, with some significant new supporters joining those already committed and active in support of our work. All of this is essential in the drive to ensure that everyone living with kidney disease in the UK has access to the most effective treatment.

By working together with the very best experts in industry, academia and the charitable sector we are deepening our understanding of kidney disease. We are now in a stronger position to accelerate our focus on the critical area of prevention, tackling the worrying growth in the number of people at risk.

Of course, we are now in a new budget year, with new challenges and with even bigger ambitions in our priority areas.

With the loyalty shown by our supporters we will continue to make great strides. Funding often acts as a springboard for bigger collaborations, taking ideas from initial stages through to patient benefit. Initial research triggers further questions and research that builds on our investment.

We can play our vital part in creating change thanks to the contributions made by so many. Those who, like our ambassador Nina Nannar, share their very personal stories and urge us to find answers to their questions; those researchers and clinical teams who work with our funding to make a difference; those across the UK who help, by donating, by adding their voice, by standing alongside us. Together, we can elevate kidney disease so it becomes a major health priority and is funded accordingly.

Sandra Currie
Chief executive

Our impact in 2022/23



What we did last year to...

Accelerate discovery

We increased our research investment this year to £9.84m, maximising opportunities to increase the pace and impact of positive change on kidney health, through collaboration, funding and innovation.

Driving dialysis advances

Dialysis is one of the most challenging forms of treatment for kidney failure and we are determined to accelerate improvements through our work including initiatives such as our MedTech competition.

Our funding will enable researchers at Keele University and the University of Bristol to develop training and resources to help dialysis patients better understand their treatment options, while a team at Queen Mary University is creating a wearable device to monitor the condition of patients' fistulas (the large blood vessel is surgically created to connect to the haemodialysis machine).

In addition, Edinburgh based company Javelo Health will create new safety lines for children to protect and strengthen the connection between their blood vessels and the dialysis machine.

Boosting diversity in research studies

To truly understand kidney disease, we need to involve those most at risk in research. Last year, our multi award-winning peer educator initiative helped increase representation of marginalised groups within kidney research studies in a landmark project.

Working with the Northern Care Alliance NHS Foundation Trust, our peer educators met with people of all ethnicities from poorer areas of Greater Manchester. These conversations, including many in dialysis units, have already led to more people signing up to receive information and invitations to get involved in future research studies.

As trusted members of the communities, our trained volunteers' interactions help to break down misconceptions and allay fears around participating in research.



Our long association with Professor Mike Nicholson's work is yielding results in transplantation

Transplant hope for minorities

We strive for discoveries that have the potential to bring about monumental changes for patients. Last year saw a major breakthrough when Kidney Research UK-funded researchers at the University of Cambridge successfully altered the blood type of three deceased donor kidneys.

Professor Mike Nicholson and PhD student Serena MacMillan used a normothermic perfusion machine to flush blood infused with an enzyme through the kidneys which removed the original blood type markers, converting the organs to the most common O blood type.

Changing a kidney's blood type to the universal O could make access to kidney transplants fairer as O blood type kidneys can be used for people with any blood group. This could be particularly impactful for people from minority ethnic groups who are more likely to have the rarer B blood type which is currently more difficult to match.

Gaining knowledge through our biobank

Last year, NURTuRE – the first kidney biobank covering England, Scotland and Wales – increased its volume of samples and data and continued to raise its profile nationally and internationally.

Created through a Kidney Research UK facilitated collaboration with industry and academia, NURTuRE is a unique resource designed to support innovation in kidney research by linking biological samples and clinical data from patients with chronic kidney disease (CKD) and idiopathic nephrotic syndrome (INS). Recruitment to these patient cohorts is complete and enrolment to the acute kidney injury (AKI) cohort is to begin in late 2023.

A new website and a data warehousing system is in development to allow many more carefully approved national and international kidney studies.

Work we initially funded 20 years ago, led by Sir Peter Ratcliffe, helped towards the development of a new treatment for anaemia



What we did last year to...

Make it count

We sought more ways to speed up progress – pushing forward promising innovations, engaging decision makers and sharing vital new evidence – so that discoveries can be rapidly translated into better treatments and practices.

New treatment recommended for kidney patients with anaemia

We strive to find better treatments for kidney patients. And an exciting new recommended treatment for anaemia in adults with CKD can be traced directly back to preliminary research work led by our former trustee and Nobel prize winner Professor Sir Peter Ratcliffe.

Anaemia is a common and serious complication of CKD which can cause debilitating fatigue. But the new medication, roxadustat, now offers a simplified and tolerable treatment for patients who are not receiving dialysis.

It works by stimulating the body to increase the production of red blood cells (often disrupted by kidney disease).

Recommended last year by the National Institute for Health and Care Excellence (NICE) and available as an oral tablet, this treatment should reduce the need for iron and hormone injections.

Investing in innovation

We are helping ensure researchers are given the skills and knowledge to translate their research into new treatments that are available to patients.

In 2022/23, we again supported Kalium Health with a £175,000 investment, as we had also previously done in 2021/22. We are part of a consortium of investors, enabling them to secure a total of £1.18 million to complete the product development and marketing strategy for a hand-held patient potassium sensor.

Working with the 'Edinburgh Innovations' team at the University of Edinburgh we also launched a pilot co-funded innovation competition and awarded two grants to help develop ideas with commercial potential.

We continue to support researchers through initiatives such as our MedTech competitions which, in just two years, have provided 24 researchers with intensive commercialisation training, supporting ten research projects with commercial potential.

Raising awareness among parliamentarians

Raising awareness of kidney disease among politicians is crucial to make it a priority for government and the NHS, paving the way for greater investment in research and improved access to innovative treatments.

We met with parliamentarians one-to-one, at meetings and events, engaged with parliamentary committees and provided in-depth evidence in response to government consultations.

In Westminster, we co-hosted a reception attended by over 75 politicians. In Scotland, we published a policy report on kidney disease, spoke to over 50 MSPs at a stand in Parliament, and organised a ministerial roundtable. And we rallied our supporters, resulting in over 320 individuals contacting their MPs to ask them to support the earlier detection of kidney disease.

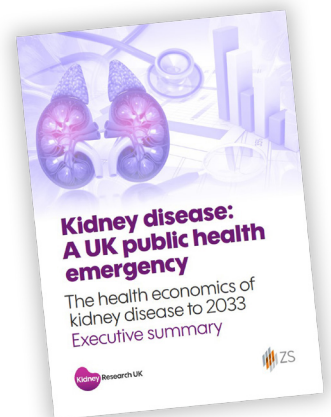
Revealing a public health emergency

It is vital that everyone understands the true cost of kidney disease, so in autumn 2022, work started on a major new report into the economic impact of kidney disease in the UK.

The last significant review focused on England and was published in 2012 but has continued to impact health policy.

The new report was independently produced by ZS Associates, a consulting firm with specialist health economics expertise. Sponsorship from five industry partners helped fund the work, with 30 stakeholders, including NHS clinicians, academics, researchers and patients being consulted, and an advisory steering group of leading experts overseeing the report through to completion.

The report was a major focus for the financial year and was published in June 2023. It reveals the true economic impact of kidney disease, makes some stark predictions for the next ten years and reveals why we're calling for urgent government action.





Our kidney community encompasses patients, families, researchers and professionals caring for kidney patients, like renal nurse Rachel Cox, pictured.

Building our community

We have seen the number of members of our Kidney Voices for Research Group reach 1,800. This online kidney patient community is vital to our work as patients are the experts living with kidney disease and their insights inform and shape our research portfolio.

Our researcher engagement project made good progress in identifying priorities for focus. And our face-to-face recruitment for regular givers and lottery players added over 3,000 supporters to our kidney community.

We launched key philanthropic partnerships with generous donors and organisations including Kidney Wales, Kidney Research Yorkshire and the PKD Charity, allowing us to fund even more research to benefit patients.

Social media played a vital role in building our community, and our posts received nearly 770,000 likes, comments or shares throughout the year.

What we did last year to...

Rally together for change

Together we are stronger. By building our Team Kidney community of patients, volunteers, supporters, partners and researchers we can make our voices heard and progress our mission to end kidney disease.



Making our voices heard

Working with others gives us a louder voice with government and makes it more likely that kidney disease will be prioritised by the NHS and research funders.

We set up the Kidney Policy Forum to bring together patient organisations, industry representatives and professional bodies. Together we are making the case for kidney disease to be a greater priority for the government and NHS.

The Forum looks at upcoming opportunities to influence policy. It has a particular focus on prevention, early diagnosis and health inequalities, and is looking at ways to increase kidney function testing by GPs.

A family focused on change

Our work relies on the tireless efforts of our supporters, who help raise funds and awareness – often while facing their own considerable kidney challenges.

Take the Woodward family, for example. Ever since her daughter Helen was four years old, Sally Woodward knew she would one day need a transplant. It was witnessing the psychological impact kidney disease had on Helen, and on the wider family, which motivated them to help us rally together for change.

Sally's son Henry ran the London Marathon, raising over £5,000 and Sally – a member of our Lay Advisory Group – took part in our London Bridges Walk, raising over £1,700.

And in February 2023, more than 20 years after her initial kidney disease diagnosis, Helen received a kidney from Henry.

Reaching those at risk

To complement this work, we are piloting diverse ways to raise awareness of kidney disease and the importance of early detection.

In London, we funded the 'Hidden CKD' project which is investigating whether a home urine test could help to detect kidney disease earlier and if our peer educators can encourage more people to take part. By the end of March 2023 approximately 300 people from at risk communities have taken the test, almost half of whom have been referred for further support after concerning results.

We have partnered with NHS Wales and Diabetes UK Cymru to run a similar project, aimed at people living with diabetes from South Asian and deprived communities.

Alongside our peer education projects, our growing number of volunteer community ambassadors, 136 across the UK, are spreading the word about kidney health in their local communities.

**Top: Henry donated his kidney to his sister Helen.
Bottom: Proud mum Sally helps Helen celebrate graduating with her medical degree**





What we did last year to...

Strive for excellence

We established and grew partnerships and strengthened our long-term sustainability by investing in the skills and wellbeing of our amazing volunteers and staff members.



Thanks to people donating their time we are able to run profile raising events like our London Bridges Walk

Partnering with industry

Collaboration is crucial. By developing a partnership approach with industry across the life sciences business sector, we can harness expertise and support to accelerate the development of new treatments to ensure they are available to patients sooner.

We welcomed six major pharmaceutical companies to our Industry Partnerships Programme: Astra Zeneca, Astellas, Boehringer, CSL Vifor, GSK and Novartis. By engaging with industry we can develop collaborative research projects, facilitate the acceleration of innovations and ensure patients' voices can be heard by providing their lived experience as evidence to inform the case for regulatory approval for new treatments. This partnership programme also funds our annual Driving Discoveries research conference.

Our Industry Day 2022 event highlighted our unique role in facilitating collaborative opportunities. It has led to the creation of new patient study projects and helped support the drive to raise kidney disease up the health policy agenda.

Volunteers like Doug and Annemarie Kerr help spread awareness of kidney disease and develop engagement in local communities



Valuing our volunteers

Our army of volunteers are a vital part of Team Kidney, and their views are crucial to our success.

We conducted an anonymous volunteer survey to identify areas for improvement within the volunteer programme. Actioning the suggestions, we sourced more materials for information stands and continued with popular methods of communication to keep information flowing and to show our volunteers they are valued. Volunteers' Week was celebrated with thank you cards, video calls and social media posts.



Sanjay's drive for change

Team Kidney volunteer Sanjay Mistry is determined to help us accelerate change.

Living with diabetes since his early twenties, Sanjay's kidney disease struck with no warning six years ago. After eighteen months on dialysis, he had to endure the emotional turmoil of having two transplant operations cancelled when surgeons found the donor kidneys were no longer viable. Following a third rush to hospital, Sanjay's transplant finally went ahead.

Sanjay's experiences are sadly shared by many kidney patients – a fact that has fired his drive for change. Now a member of both our Diversity & Inclusion and Lay Advisory groups, last year alone he contributed to our partnership work with Diabetes UK, helped advance expansion of the NURTuRE biobank, interviewed applicants in our latest fellowship round, lobbied parliamentarians, and took part in a diversity panel discussion at our AGM.

Our performance against the year's objectives

Over the past year we have built on existing partnerships and created new ones across the kidney community and beyond, striving to maximise opportunities to increase the pace and impact of positive change on kidney health.

Rally together for change



Achieved

Objective: Raise £11.68 million

- ✓ Generated £14.49 million through a range of income streams including our Transforming Treatments campaign, increased investment in engaging new potential supporters, gala dinners and new charity of the year partnerships.

Objective: Continue to build Team Kidney by attracting more people to support our cause including financial supporters, patient advocates, and volunteers.

- ✓ Increased Kidney Voices for Research membership to 1,800 kidney patients and family members. Added over 7,000 new supporters to our kidney community through our health check campaign. 8,558 people made regular monthly donations and 4,700 people played our lottery.

Objective: Increase awareness raising activity to people at higher risk of kidney disease.

- ✓ Peer educator involvement in landmark study in Lancashire and projects in Scotland and Wales. Growth of community ambassador network.

Partially achieved

Objective: Develop relationships with key partners to support our goal to prevent kidney disease.

- ✓ Increased engagement with health charities, patient groups and pharmaceutical companies.

Strive for excellence



Achieved

Objective: Continue the development of our governance, people and culture.

- ✓ Staff and volunteer surveys completed. Diversity and Inclusion training.
- ✓ Completed a Trustee board effectiveness review and implemented recommendations.
- ✓ Created a group of diversity champions.
- ✓ Increased training and personal development available to staff, including Lean Six Sigma (continuous improvement) training, and qualification for six staff members.

Partially achieved

Objective: Develop our financial strategy to ensure financial sustainability for the future.

- ✓ Work is progressing. The decision was made to move our investments into a sustainable multi asset fund, and the transfer implemented. A new reserves policy was agreed.

Objective: Take the next steps in our digital transformation including upgrading our finance and supporter data management systems to improve efficiency.

- ✓ Digital transformation work is progressing.

Objective: Review, streamline and simplify processes to make it easier for researchers to apply for funding.

- ✓ Work is progressing, with some changes implemented and more in the pipeline.

Accelerate discovery



Achieved

Objective: Increase our spending on research in all areas including competitions. Spend £9.6m on charitable activities.

- ✓ Invested £11.62m in our charitable activities; £9.87m specifically on new research.
- ✓ Launched Kidney Beam for children – a study to evaluate the impact of online exercise classes for young kidney transplant patients, building on the support the charity has given to the development of the Kidney Beam platform for adults.
- ✓ Funded the development of a urine test to identify rejection in kidney transplant patients early and initiate treatment sooner.

Objective: Drive innovation and collaboration in our priority research areas: transforming treatments, health inequalities and multiple health conditions.

- ✓ Established new research networks for dialysis and renal health data.
- ✓ Re-energised partnerships with Diabetes UK, British Heart Foundation and Juvenile Diabetes Research Foundation.
- ✓ Held events to drive innovation and collaboration, including Industry Day 2022 and our annual researchers' meeting.
- ✓ Supported projects addressing inequalities and increasing representation in research.
- ✓ Funded ground-breaking research showing it is possible to change the blood type of donor kidneys.

Partially achieved

Objective: Develop plans to maximise the potential of the NURTURE biobank. Add to this resource by supporting further development, eg new AKI cohort.

- ✓ Completed recruitment of CKD patients donating their samples, continued to recruit INS patients and progressed plans to collect samples from people with AKI.
- ✓ Profile building continued with two baseline papers in preparation and a new website in development.
- ✓ Further development of plans to manage and optimise the collated data for the benefit of patients.

Make it count



Achieved

Objective: Raise awareness of kidney disease and kidney research among parliamentarians. Gain greater support for research funding from government bodies and the NHS.

- ✓ Increased our evidence base by publishing our Scottish CKD report and developing our mental health report and cost of kidney disease report.
- ✓ Responded to government, committee and political party consultations, attended relevant All-Party Parliamentary Group meetings and parliamentary receptions.
- ✓ One-to-one engagement with MPs and MSPs by staff and supporters.
- ✓ Helped assess the clinical and cost effectiveness of NHS services and overturn a decision by NICE so a treatment for those who contract Covid remains available to kidney patients.
- ✓ Worked with the Association of Medical Research Charities to give evidence on research funding.
- ✓ Obtained Wales NHS funding for our diabetes peer education project.
- ✓ Established the Kidney Policy Forum.
- ✓ Celebrated our involvement in the development of a new treatment for kidney patients with anaemia.

Partially achieved

Objective: Establish a programme that will make a step change in enabling researchers to make every one of their discoveries count.

- ✓ Started a programme to upskill researchers around issues including intellectual property (IP) and commercialisation of research.

Objective: Launch a health economics report on the cost of kidney disease to highlight the need to accelerate improvements and bring about change.

- ✓ Majority of scoping, analysis and consultation preparation completed in 2022/2023. Final report published June 2023.

Our year in numbers

£11.62m

spent on research,
awareness and education

Our weekly lottery entries increased
from 2,000 to 4,700, generating

£181,000

1,798 people jumped out of planes, ran,
walked, cycled, swam, baked, sold and celebrated, raising

£1,089,317 for research. That's almost
30% more people fundraising for Team Kidney than last year!

8,558 people gave us a
regular donation, over 1,000 more
people than the previous year

Over **250** of our academics
and clinicians gifted their time to
peer review research applications

141 gifts were
received from people's Wills

42 new research
grants awarded

Our website was visited
558,105 times

351 volunteers gave us their
time, their skills and their voice

320 people took our
e-actions to get parliamentarians
to tackle kidney disease

We received **759,931**
likes, comments and reactions
across our social media platforms

Our objectives for 2023/24

This year we will continue to build on the great progress we've made and our potential to change patients' lives, by using our skills and resources, and harnessing the power and influence of organisations, individuals and the Team Kidney community.

Accelerate discovery



- Spend £11m across a broader range of research and charitable activities to advance discoveries and improvements in kidney health.
- Drive investment, innovation and strengthen strategic partnerships in our priority research areas: transforming treatments, health inequalities and multiple health conditions.
- Maximise the potential of health and research data, including the NURTURE biobank.

Rally together for change



- Raise over £14m, building new relationships, partnerships and fundraising methods.
- Reach more at-risk people highlighting the importance of kidney health and the impact of kidney disease, to prevent more people developing kidney disease and slowing down disease progression.
- Build and mobilise the Team Kidney community, attracting more support for our cause, including financial supporters, patient advocates, ambassadors, volunteers, and partners.

Make it count



- Raise the profile of kidney disease with parliamentarians and civil servants to make change happen.
- Gain greater support for research funding and prioritisation of kidney disease from government bodies and NHS commissioners using our evidence-based reports.
- Directly involve more patients in research and increase the implementation, equitability, and adoption of research evidence into practice to improve patient outcomes.

Strive for excellence



- Take bigger steps in our digital transformation with a focus on maximising information management tools to deliver organisational efficiencies and effectiveness.
- Develop a more cohesive and flexible model for delivery of research investment that will change outcomes for those affected by kidney disease.
- Continue to develop, implement and monitor our approaches to equality, diversity and inclusion, to sustainability, accessibility and people plans.

Report from the trustees

Financial review

In 2022/23 we faced new post-pandemic pressures, predominantly related to the cost of living and the potential impact it could have on our ability to raise funds. Despite this, we managed to continue to invest more in our research programme, as well as move forward with our plans and ambition to improve the lives of those living with kidney disease. Our supporters and partners continued to amaze us with their commitment and passion and helped us exceed our income target.

2022/23 was another good year for legacy income for the charity at £4.7 million. As legacy income can fluctuate significantly, we continue to work hard to ensure our income sources are diverse and sustainable.

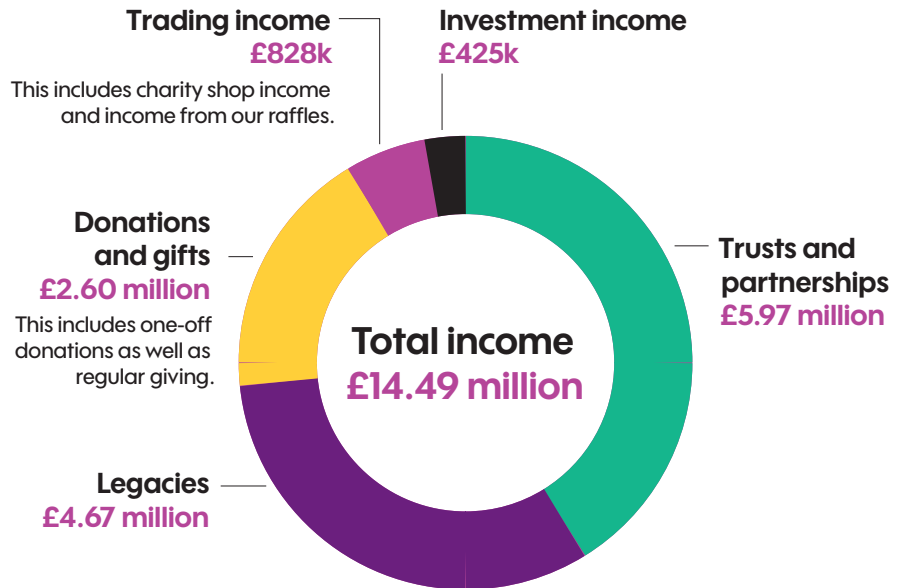
This year did see an overall loss on the investment portfolio held by the charity of £0.36 million which is in contrast to the £0.74 million gain in 2021/22. This loss is an accounting deficit which as in previous years is subject to ongoing assessment of the outlook for the economy and inflation which drives markets, and these perceptions can change rapidly. The ongoing risk of recession, realised higher energy costs, and heightened geopolitical pressures have all contributed to elevated uncertainties leading to these fluctuations. As a consequence, we are continuing to prepare for further volatilities in our investment portfolio.

We are in a strong position to commit more reserves to research during 2023/24 to cover our existing grant liabilities of over £18 million and to ensure the stability of the charity in what could be a challenging year with inflation and interest rate uncertainties.



Where our income came from

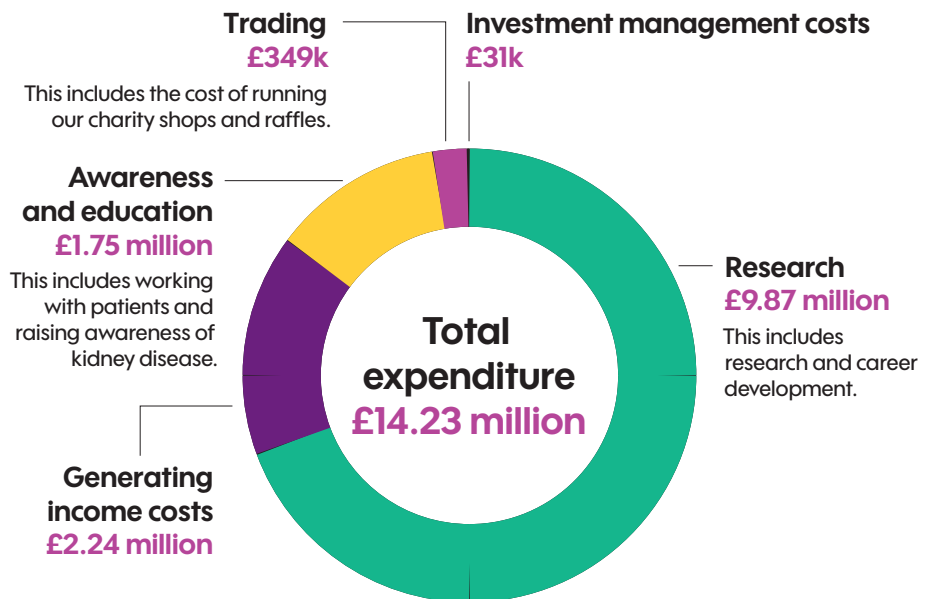
The year saw a very welcome 13% increase in our overall income to £14.5 million. Within this there was an increase in particular in income from trusts and partnerships from £3.7 million to £6.0 million, including multi-year Stoneygate Trust funding. Legacies continue to perform incredibly strongly although we have seen a drop from our record amount in 2021/22.



Where the money is spent

Total expenditure was £14.23 million across research, awareness and education, investment in raising funds and support costs.

Charitable expenditure reached £11.62 million in the year, an increase of 55% in core research, awareness and education spend.



Pence in the pound invested in research and awareness

82 pence
in the pound
in 2022/23

83 pence
in the pound
in 2021/22

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 remained at a similar level to last year as we continue to invest in research.

Investments

As at 31 March 2023 the charity's investment portfolio, together with cash deposits, totalled £17.9 million.

After years of very welcome investment gains, 2022/23 saw a loss of £0.36 million on our investments as investment markets adjusted to the impacts of increasing inflation and interest rates driven by factors such as the war in Ukraine.

Over the full 12 months the investment portfolio posted a total return (capital return plus income generated by the underlying investments) of -2.0% down from +8.9% in the previous period. This demonstrated an underperformance of the target of consumer price index (CPI) inflation +3% per annum, which was +13.4%; however the performance was slightly above the composite, passively invested, benchmark which returned -2.7% and significantly above the average total return of -4.1% achieved by other charities with similar investment profiles.

Income from the actively managed investments amounted to £425k, which is in line with the investment portfolio total return targets. We will continue to manage the investment portfolio in accordance with the charity's stated investment objectives.

Following the initial investment in the minority holding in 2019/20 we made a second investment of £175,000 in Kalium Health Ltd in 2022 as part of an interim funding round of £1.1 million. This increased our shareholding in the company to over 10% and will take the company through to CE marking of their hand-held potassium monitor.

At close of business on 28 September 2023, the last business day before approval of these accounts, the investments have a market value of £17.96 million. This represents a rise in value of £69k since 31 March 2023.

Financial position

Total reserves at the end of the year totalled £13.76 million of which:

- £1.85 million were restricted funds
- £9.4 million were designated funds
- £2.5 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. These funds are intended for operating expenditure not for grant giving. The benchmark for the charity's general funds has been set at 6 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 higher than prior year with large grants received for the Alport Hub project and Stoneygate research.

Additional funds have been designated at the year-end reflecting the intention to increase research funding in pursuit of our strategic priorities and to develop strategic partnerships for the benefit of kidney patients, depending on financial performance in the year.

The general funds at year end are the equivalent of 9.3 months of operating expenditure which is within the 6 to 12 months benchmark. Trustees are satisfied and reassured that available cash reserves and general funds will enable the charity to meet its liabilities when due.

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% per annum. The charity's investment mandate stipulates no direct investment in tobacco-related financial vehicles.

The Finance and Risk Committee reviews the investment mandate regularly and monitors performance and position of the portfolio against agreed benchmarks.

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 recognises the importance and value of good governance and continuous improvement. In 2022, the board met with charity sector experts to embed governance best practice and identify the 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 led the implementation of the board effectiveness action plan and is responsible for the delivery of future reviews. During 2022 the NGC led the recruitment process of our chair elect (due to join the board in June 23 and take office in March 24).

The charity trustee board was composed of 15 trustees at 31 March 2023. 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 a number of sub-committees, the Development Advisory Board, the Research Grants Committee and the Lay Advisory Group, 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

The following people have been members of our board of trustees during the year and to the date of signing:

Trustees	Subcommittee/ DAB member	Appointed/retired
Professor Jeremy Hughes (Chair) MA MB BS PhD FRCPE	RSC, F&R, RC, NGC	
Dr Charles Tomson MA BM BCh FRCP DM	RSC	Retired 28/03/23
Dr Deirdre Jennings BSc, PhD	F&R	
Professor Sunil Bhandari MBChB, FRCP, PhD, M Clin Ed	RSC	
Professor 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 PhD, MBChB, FRCPC	RSC	
Professor Caroline Savage MD, PhD, FRCP, FMedSci	RSC, DAB (chair)	
Angela Watt RN, BA (Hons), MA	RSC	
Ben Digby (Vice Chair) BA (Hons), MSc	NGC (chair), RC	
Lisa Chan BSc, MBA	F&R (chair), RC	
Chris Rolfe BA (Hons), FCA	F&R	Retired 28/08/22
Professor Sir John Cunningham BA, BM BCh, MRCP, FRCP, DM, CVO, KCVO	RSC	
Ian Dodd BA (Hons) ACMA	F & R	Appointed 02/01/23
Professor Simon Davies BSc (Hons) MBBS, MD, FRCP	RSC (chair)	Appointed 01/03/23
Matthew Newcombe-Ellis BA (Hons)	Chair-elect	Appointed 29/06/23

Committee and board key

RSC Research Strategy Committee

F&R Finance and Risk Committee

RC Remuneration Committee

RGC Research Grants Committee

NGC Nominations and Governance Committee

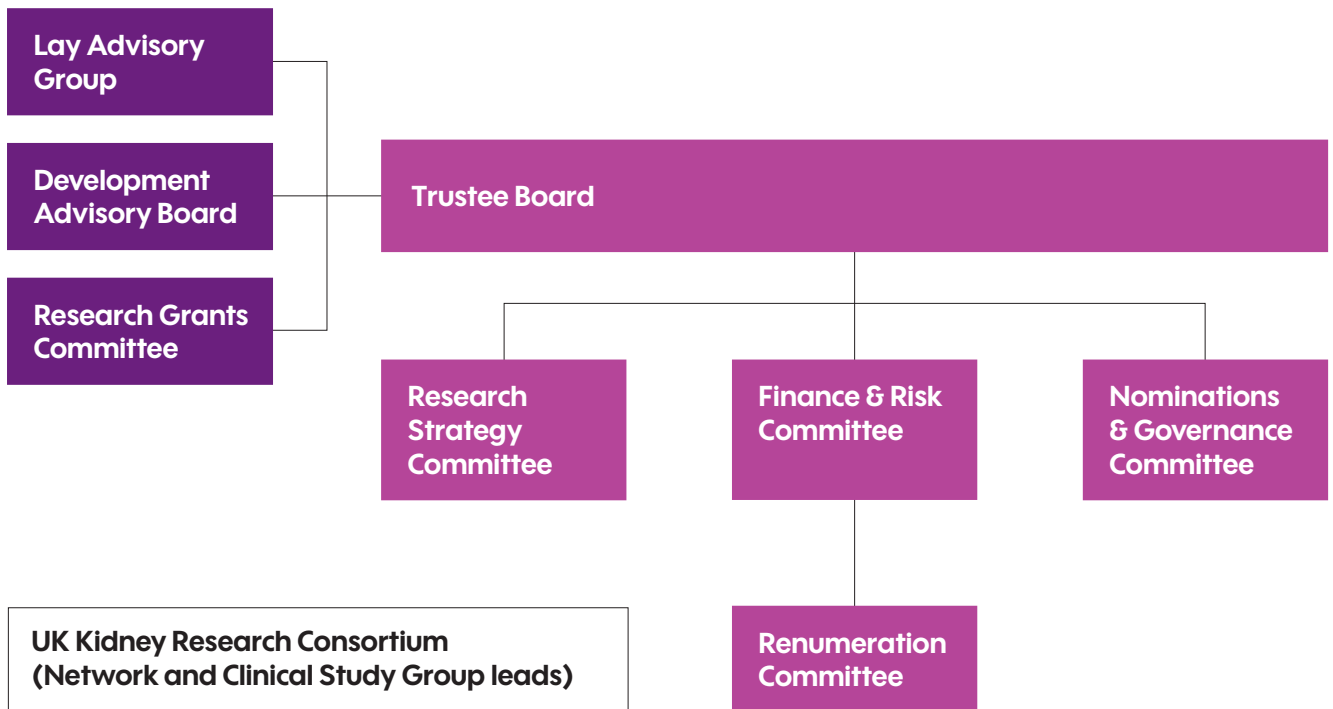
DAB Development Advisory Board

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

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 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.

Trustee board sub committees



Board and sub-committee structure

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

- The Research Strategy Committee sets the strategy for research funding.
- 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.
- The Finance and Risk Committee monitors the charity's 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 Lay Advisory Group drives and strengthens patient and public involvement within the charity.
- The Development Advisory Board makes recommendations on investment and commercialisation opportunities that support the charity's strategic priorities.

Public benefit

In reviewing our aims and objectives, and planning future activities, the Trustees have taken into account the Charity Commission's general guidance on public benefit. The Trustees always ensure that the activities undertaken are in line with the charitable objectives and aims of Kidney Research UK and all our charitable activities are undertaken for the benefit of the public.

Management

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 and policy; income generation and communications; and finance and commercial. The executive directors are supported by the leadership team.

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 CEO for general salary changes.
- Monitoring the remuneration of the Executive Directors benchmarked against independent external data.
- Agreeing the remuneration of the CEO in the context of 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 2022/23. During the past year, we have continued with on-line professional training and development as well as introducing some face-to-face training across the charity. This has included team purpose and communication styles training for all staff, further diversity and inclusion and unconscious bias training for managers and inclusion allies. We have also supported bespoke training for individual job roles to support staff development and some professional training leading to professional qualifications for some individuals.

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 many of 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. We decided last year to repeat the survey in Spring 2022 as we were coming out of the pandemic and wanted to maintain the level of insight about how the workforce was feeling. We are pleased that the results for 2022 show that 97% of our employees are proud to work for Kidney Research UK.

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. Any potential conflicts of interest are carefully managed by the charity. Assessments are based on both scientific quality and the potential impact for patients, as well as the views of patients in terms of the importance of the topic to them. Our Research Grants Committee, or occasionally a bespoke sub-panel, makes funding recommendations to trustees for their approval.

To [view more information on our research strategy](#) please visit the Kidney Research UK website.

Our fundraising approach

The commitment and passion from our financial supporters continued to amaze us throughout the year. We are extremely grateful to all our supporters who have continued to support us financially despite the ongoing concerns around the economy and cost of living.

We saw the return of face-to-face events including our London Bridges Walk, our first ever Kidney Research UK Gala Dinner and the first Andy Cole Fund Gala, giving our Team Kidney community the opportunity to come together and reconnect.

Our fundraisers took on physical challenges from hikes to bikes while others gave to us regularly or played our weekly lottery.

Our volunteers often don't want any recognition or acknowledgement for their efforts, but we continue to be overwhelmed by the generosity of 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 to 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 2022/23 we received 10 complaints, a small proportion of the number of engagements we have with our supporters.

Sustainable governance

In 2022 the trustee board focused on sustainable governance as a priority area for the charity, engaging with experts in the field of climate change. Opportunities were identified through the charity's investments, moving to an environmental, social and governance (ESG) fund, and by reducing the negative environmental impact from our day-to-day operations. The board also agreed to encourage and support research which might mitigate the impact of the climate emergency on kidney health and the environmental impact of the treatment of kidney disease.

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.

Risk management processes in place 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:

Category	Risk	Control
Financial	Rising inflation and interest rates may negatively affect the capital value of investments, charity income and/or increase in overheads and research costs.	<p>Continuously monitor income and expenditure to identify early signs of adverse movement.</p> <p>Monitor research expenditure and applications for signs of an increase in costs and engage with the research community for insight.</p> <p>Readiness to review activities in light of evidence of a reduction in income or increase in expenditure.</p>
Resource capacity	Capacity remains stretched whilst growing teams for projects and growth opportunities, and the process of embedding and inducting new staff.	<p>The charity has a structured approach to staff support and retention.</p> <p>The biennial staff survey provides feedback and highlights areas for improvement.</p> <p>Roles and responsibilities of leavers are reviewed before recruitment of replacements to ensure headcount is used most effectively.</p> <p>Monitoring of pressure points whilst balancing need for cost saving against staff resource.</p> <p>Programme to reallocate tasks and roles considering secondments.</p>
Cyber-attack	Cyber-attack on systems resulting in loss of income, loss of business data or personal data breach.	<p>Phishing attempts identified by staff analysed.</p> <p>Simulated ransomware attack exercises completed.</p> <p>Security software installed to mitigate attacks.</p> <p>Staff remain vigilant.</p>

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 signed on their behalf by:



Jeremy Hughes
Chair

29 September 2023

Independent auditor's report

Opinion

We have audited the financial statements of Kidney Research UK for the year ended 31 March 2023 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 2023 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 for the audit of the financial statements 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 25, 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.

To [view a further description of our responsibilities for the audit of the financial statements](#) please visit the Financial Reporting Council's website. 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.



Richard Weaver (Senior Statutory Auditor)

**For and on behalf of
Haysmacintyre LLP, Statutory Auditor
10 Queen Street Place, London EC4R 1AG**

Approved on 13 October 2023



Financial statements

Consolidated statement of financial activities

(Incorporating an Income and Expenditure account)
Year to 31 March 2023

Category	Detail	Notes	Unrestricted funds £'000	Restricted funds £'000	2023 £'000	2022 £'000
Income	Donations and legacies	1	7,262	4	7,266	8,331
	Other trading activities	12	828	-	828	479
	Investment income	2	425	-	425	207
	Income from charitable activities	3	1,416	4,556	5,972	3,744
	Coronavirus Job Retention Scheme		-	-	-	12
	Total income		9,931	4,560	14,491	12,773
Expenditure	Costs of generating funds: Raising donations and legacies		2,239	-	2,239	1,848
	Costs of generating funds: Fundraising trading: cost of goods sold and other costs		349	-	349	300
	Costs of generating funds: Investment management costs		31	-	31	28
	Total cost of generating funds		2,619	-	2,619	2,176
	Charitable activities: Research		5,880	3,988	9,868	6,458
	Charitable activities: Awareness and education		1,590	158	1,748	979
	Total charitable activities		7,470	4,146	11,616	7,437
	Total expenditure	4	10,089	4,146	14,235	9,613
Net (expenditure) /income	Net (expenditure)/ income before investments		(158)	414	256	3,160
	Net (losses)/ gains on investments	11	(363)	-	(363)	743
	Net (expenditure)/income for the year		(521)	414	(107)	3,903
Movement in funds	Gross transfers between funds		253	(253)	-	-
	Net movement in funds		(268)	161	(107)	3,903
Fund balances	Brought forward at 1 April 2022		12,173	1,690	13,863	9,960
	Brought forward at 31 March 2023		11,905	1,851	13,756	13,863

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 2023

Category	Detail	Notes	Unrestricted funds £'000	Restricted funds £'000	2023 £'000	2022 £'000
Income	Donations and legacies	1	7,262	4	7,266	8,331
	Other trading activities	12	-	-	-	179
	Investment income	2	425	-	425	207
	Income from charitable activities	3	1,416	4,556	5,972	3,744
	Coronavirus Job Retention Scheme		-	-	-	12
	Total income		9,103	4,560	13,663	12,473
Expenditure	Costs of generating funds: Raising donations and legacies		2,242	-	2,242	1,848
	Costs of generating funds: Investment management costs		31	-	31	28
	Total costs of generating funds:		2,273	-	2,273	1,876
	Charitable activities: Research		5,880	3,988	9,868	6,458
	Charitable activities: Awareness and education		1,590	158	1,748	979
	Total charitable activities		7,470	4,146	11,616	7,437
	Total expenditure		9,743	4,146	13,889	9,313
Net (expenditure) /income	Net (expenditure)/income before investments		(640)	414	(226)	3,160
	Net (losses)/gains on investments	11	(363)	-	(363)	743
	Net (expenditure)/ income for the year		(1,003)	414	(589)	3,903
Movement in funds	Gross transfers between funds		253	(253)	-	-
	Net movement in funds		(750)	161	(589)	3,903
Fund balances	Brought forward at 1 April 2022		11,989	1,690	13,679	9,776
	Brought forward at 31 March 2023		11,239	1,851	13,090	13,679

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 2023

Category	Detail	Notes	Group		Charity	
			2023 £'000	2022 £'000	2023 £'000	2022 £'000
Fixed assets	Tangible assets	10	79	146	78	145
	Investments	11	11,662	11,595	11,662	11,595
	Investments: programme related	11	350	175	350	-
	Investments: shares in subsidiary	11	-	-	150	150
	Total fixed assets		12,091	11,916	12,240	11,890
Current assets	Stocks		58	31	-	-
	Debtors	13	10,046	6,297	9,976	6,570
	Investments	11	5,883	6,828	5,883	6,828
	Cash at bank and in hand		4,151	3,702	3,271	3,029
	Total currents assets		20,138	16,858	19,130	16,427
Liabilities	Creditors: amounts falling due within one year	14	(12,469)	(8,107)	(12,276)	(7,834)
	Net current assets		7,669	8,751	6,854	8,593
Net assets	Total assets less current liabilities		19,760	20,667	19,094	20,483
	Creditors: amounts falling after one year	15	(6,004)	(6,804)	(6,004)	(6,804)
	Net assets		13,756	13,863	13,090	13,679
The funds of the charity	Restricted funds	16	1,851	1,690	1,851	1,690
	Designated funds	17	9,409	8,965	9,409	8,965
	General funds		2,496	3,208	1,830	3,024
	Total charity funds		13,756	13,863	13,090	13,679

The 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 deficit of the charity was £589,000 (2022: surplus £3,903,000).

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 29 September 2023

Consolidated statement of cash flows

Year to 31 March 2023

Category	Detail	Notes	2023 £'000	2022 £'000
Cash flow from operating activities	Net cash provided by (used in) operating activities	A	(265)	1,362
Cash flow from investing activities	Dividends and interest from investments		425	207
	Purchase of tangible fixed assets		(51)	(35)
	Proceeds from the disposal of investments		1,829	3,976
	Investment in Kalium Health Ltd		(175)	-
	Purchase of investments		(3,122)	(3,513)
	Net cash provided by investing activities		(1,094)	635
Cash and cash equivalents	Change in cash and cash equivalents in the year		(1,359)	1,997
	Cash and cash equivalents at 1 April	B	11,392	9,395
	Cash and cash equivalents at 31 March	B	10,033	11,392

Notes to the statement of cash flows for the year to 31 March 2023

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

Category	Detail	2023 £'000	2022 £'000
Movements in funds	Net movement in funds (as per the statement of financial activities)	(107)	3,903
Adjustments	Depreciation charge	46	44
	Gains on investments	363	(743)
	Dividends and interest from investments	(353)	(207)
	Decrease in stocks	(27)	13
	Decrease (increase) in debtors	(3,749)	(2,257)
	Increase (decrease) in creditors	3,562	609
Net cash	Net cash provided by (used in) operating activities	(265)	1,362

B. Analysis of net funds

Category	1 April 2022 £'000	Cash flow £'000	31 March 2023 £'000
Cash at bank and in hand	3,702	449	4,151
Cash held by investment managers (note 11)	7,690	(1,808)	5,882
Total cash and cash equivalents	11,392	(1,359)	10,033

Principal accounting policies

31 March 2023

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 2023; 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 2024, 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.

Donations and 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.

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 included within current assets relate to the income reserve held in the investment portfolio as cash for re-investment.

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.

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 2023

1. Donations and legacies

2023 donations and legacies

Category	Unrestricted funds £'000	Restricted funds £'000	2023 total £'000
Donations, gifts and appeals	2,592	-	2,592
Legacies	4,670	4	4,674
2023 total donations, gifts and legacies	7,262	4	7,266

2022 donations and legacies

Category	Unrestricted funds £'000	Restricted funds £'000	2022 total £'000
Donations, gifts and appeals	3,114	1	3,115
Legacies	5,216	-	5,216
2022 total donations, gifts and legacies	8,330	1	8,331

2. Investment income

2023 investment income

Category	Unrestricted funds £'000	Restricted funds £'000	2023 total £'000
Income from listed investments and cash	253	-	253
Interest receivable	172	-	172
2023 total investment income	425	-	425

2022 investment income

Category	Unrestricted funds £'000	Restricted funds £'000	2022 total £'000
Income from listed investments and cash	197	-	197
Interest receivable	10	-	10
2022 total investment income	207	-	207

3. Income from charitable activities

Category	Unrestricted funds £'000	Restricted funds £'000	2023 total £'000
Grants receivable	1,416	4,556	5,972
2023 Total income from charitable activities	1,416	4,556	5,972
2022 Total income from charitable activities	123	3,621	3,744

4. Expenditure

2023 expenditure

Category	Detail	Grants and project expenditure £'000	Directly allocated costs £'000	Support costs £'000	2023 total £'000
Costs of generating funds	Cost of generating voluntary income	-	1,410	829	2,239
	Fundraising trading: costs of goods sold and other costs	-	195	154	349
	Investment management costs	-	-	31	31
	Total cost of generating funds	-	1,605	1,014	2,619
Charitable activities	Research	7,800	1,065	1,003	9,868
	Education and awareness	300	959	489	1,748
	Total cost of charitable activities	8,100	2,024	1,492	11,616
Total	2023 total expenditure	8,100	3,629	2,506	14,235

2022 expenditure

Category	Detail	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
	Total cost of generating funds	-	1,348	828	2,176
Charitable activities	Research	5,218	675	565	6,458
	Education and awareness	-	682	297	979
	Total cost of charitable activities	5,218	1,357	862	7,437
Total	2022 total expenditure	5,218	2,705	1,690	9,613

Analysis of 2023 support costs

Category	Staff costs £'000	Other overheads £'000	2023 total £'000
CEO/Human resources	399	72	471
Operations	498	1,382	1,880
Governance	124	31	155
2023 Total support costs	1,021	1,485	2,506

Analysis of 2022 support costs

Category	Staff costs £'000	Other overheads £'000	2022 total £'000
CEO/Human resources	292	46	338
Operations	451	753	1,204
Governance	108	40	148
2022 Total support costs	851	839	1,690

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:

Category	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Grant commitments at 1 April	-	14,102	-	13,796
Commitments made in the year	8,352	-	5,114	-
Adjustments and lapsed grant commitments	(384)	-	(378)	-
Grants payable	-	7,968	-	4,736
Grants paid during the year	-	(4,007)	-	(4,430)
Commitments at 31 March	-	18,063	-	14,102
Commitments at 31 March payable within one year (note 14)	-	12,059	-	7,298
Commitments at 31 March payable after more than one year (note 15)	-	6,004	-	6,804
Commitments at 31 March	-	18,063	-	14,102

In the year, 42 (2022: 40) research projects and fellowships were awarded, forming part of these audited financial statements.

6. Net expenditure for the year

This is stated after charging:

Category	2023 £'000	2022 £'000
Staff costs (note 7)	2,806	2,293
Auditors' remuneration: Statutory audit services	25	19
Auditors' remuneration: Other services	2	2
Depreciation	46	44
Irrecoverable VAT	282	226

7. Employment costs

Employment costs during the year were as follows:

Category	2023 total £'000	2022 total £'000
Wages and salaries	2,266	1,879
Social security costs	246	189
Other pension costs and salary sacrifice	294	225
Total employment costs	2,806	2,293

The figures above include redundancy payments of £0 (2022: £1,632).

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

Area of activity	Average Headcount 2023	Average Headcount 2022	Average FTE 2023	Average FTE 2022
Generation of funds	33	27	28	23
Charitable activities: Research	19	15	17	13
Charitable activities: Awareness and education	19	13	16	12
Governance	1	1	1	1
Total	72	56	62	49

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

Remuneration and benefits	2023 number	2022 number
£60,000 – £70,000	1	1
£70,001 – £80,000	3	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 £403,787 (2022: £377,983).

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 2023 £787 of out of pocket travelling expenses were reimbursed to trustees (2022: £0). During the year the Chief Executive had £832 of expenses reimbursed (2022: £270).

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 (2022: £1 million) and the cost for the year ended 31 March 2023 was £540 (2022: £547).

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.

10. Tangible fixed assets

Group					
Category	Detail	Leasehold land and buildings £'000	Computer software & equipment £'000	Fixtures, fittings & equipment £'000	Totals £'000
Cost	At 1 April 2022	131	219	111	461
	Additions	8	43	-	51
	Disposals	(127)	(180)	(42)	(349)
	At 31 March 2023	12	82	69	163
Depreciation	At 1 April 2022	57	186	72	315
	Charge for year	9	22	15	46
	Depreciation on disposals	(62)	(180)	(35)	(277)
	At 31 March 2023	4	28	52	84
Net book values	At 31 March 2023	8	54	17	79
	At 31 March 2022	74	33	39	146

Charity					
Category	Detail	Leasehold land and buildings £'000	Computer software & equipment £'000	Fixtures, fittings & equipment £'000	Totals £'000
Cost	At 1 April 2022	126	219	109	454
	Additions	8	43	-	51
	Disposals	(126)	(180)	(41)	(347)
	At 31 March 2023	8	82	68	158
Depreciation	At 1 April 2022	53	184	72	309
	Charge for year	9	22	15	46
	Depreciation on disposals	(61)	(180)	(34)	(275)
	At 31 March 2023	1	26	53	80
Net book values	At 31 March 2023	7	56	15	78
	At 31 March 2022	73	35	37	145

Leasehold, fixtures, fittings and equipment includes assets with a net book value of £23,737 at 31 March 2023 (2022: £111,192) in relation to office refurbishment. These assets are depreciated over a period of ten years as set out in the accounting policies.

11. Investments

Category	Detail	2023 £'000	2022 £'000
Group: Listed investments	Market value of listed investments at 1 April	10,732	10,452
	Additions at costs	3,122	3,513
	Disposals at book value (proceeds £1,823k + realised gain £6k)	(1,829)	(3,764)
	Net unrealised investment gains	(363)	531
Market value of listed investments at 31 March		11,662	10,732
Group: Cash	Cash held by investment managers for re-investment	5,883	6,874
	Cash held on deposit	-	817
Group: Unlisted investment	Kalium Health Ltd investment	350	175
Group total		17,895	18,598
Charity	Shares in subsidiary undertaking	150	150
Total		18,045	18,748
Costs of listed investments	Cost of listed investments at 31 March	10,054	8,570
Allocated as follows	Fixed asset investments	12,012	11,770
	Current asset investments	5,883	6,828
Total		17,895	18,598

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. In the year ended 31 March 2023 the original investment in Kalium was transferred from Kidney Research Enterprises Limited to Kidney Research UK. Kidney Research UK then made a second investment in Kalium Health Ltd of £175,000. This increased the Charity's shareholding in Kalium to over 10%. 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 2023, 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 2023:

Investment	Value	Proportion of portfolio
Vanguard S&P 500 UCITS ETF	£739,961	6.8%
Findlay Park American Fund	£745,157	6.8%
Charities Property Fund	£658,555	6.0%

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 2023 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 2023, the aggregate of the share capital and reserves of Kidney Research Enterprises Limited amounted to £334,500 (2022: £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.

Profit and loss account	2023 total £'000	2022 total £'000
Turnover	828	479
Expenses	(349)	(300)
Net profit	479	179
Other interest receivable and similar income	-	-
Profit for the financial year before taxation	479	179
Taxation	-	-
Payment under Gift Aid scheme to Kidney Research UK	(479)	(179)
Profit for the financial year	-	-
Accumulated losses at 1 April 2022	-	-
Accumulated losses at 31 March 2023	-	-

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.

13. Debtors

Group		
Category	2023 £'000	2022 £'000
Taxation recoverable	60	62
Legacies receivable	4,668	3,562
Trade debtors	1,642	493
Other debtors	2,242	1,990
Prepayments and accrued income	1,434	190
Total	10,046	6,297

Charity		
Category	2023 £'000	2022 £'000
Taxation recoverable	41	50
Legacies receivable	4,668	3,562
Trade debtors	1,636	436
Other debtors	2,239	1,990
Prepayments and accrued income	1,292	71
Amount owed by subsidiary undertaking	100	461
Total	9,976	6,570

Included within other debtors is a total of £1,100,695 (2022: £560,566) which relates to grant debtors receivable after one year.

14. Creditors: amounts falling due within one year

Group		
Category	2023 £'000	2022 £'000
Expense creditors	135	195
Social security and other taxation	93	76
Grants payable (note 5)	12,042	7,298
Taxation payable	18	8
Other creditors	-	334
Accruals and deferred income	181	196
Total	12,469	8,107

Charity		
Category	2023 £'000	2022 £'000
Amount owed to subsidiary undertaking	-	-
Social security and other taxation	93	76
Grants payable (note 5)	12,042	7,298
Taxation payable	18	8
Other creditors	14	334
Accruals and deferred income	109	118
Total	12,276	7,834

Included within creditors for the group and charity is deferred income as set out below:

Category	2023 £'000	2022 £'000
Deferred Income brought forward at 1 April 2022	3	3
Additional income deferred during the year	-	-
Brought forward funds released in the year	(3)	-
Deferred income carried forward at 31 March 2023	-	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)

Category	2023 £'000	2022 £'000
Grants payable (note 5)	6,004	6,804

16. Restricted Funds

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

Category	At 1 April 2022 £'000	Income £'000	Expenditure & grants committed £'000	Transfers £'000	At 31 March 2023 £'000
Organ Donation Awareness Project: Scottish Government	(28)	(55)	(27)	-	-
The Renal Association	(11)	-	11	-	-
Iron & Muscle: Vifor Inc	(289)	275	14	-	-
Estimated glomerular filtration rate (eGFR) graphs for early identification of chronic kidney disease: Health Foundation (ASSIST-CKD)	(10)	-	10	-	-
Making Every Kidney Count	(100)	-	100	5	5
Melody Study	(1)	-	1	-	-
Stoneygate Paediatrics	(1)	-	1	-	-
Health Economics Report	-	95	(95)	-	-
Kidney Fund	-	40	(40)	-	-
Kids Kidney Research	65	3	-	-	68
Andy Cole Fund	75	122	(79)	-	118
Stoneygate – Research & Innovation Grants	102	1,572	(1,572)	(102)	-
NURTuRE – Undisclosed Pharmaceutical funding via National Renal Translation Research Enterprise – Collaboration Research & Innovation Grants	988	-	(729)	-	259
Vifor	-	-	-	-	-
Transplantation Activity	9	-	(9)	-	-
PKD Research	1	150	-	(151)	-
Fellows Day & Alumni	24	-	-	-	24
Cytomegalovirus (CMV) Study	45	-	-	-	45
The Thompson Family Charitable Trust	500	-	(500)	-	-
Staff/Pavia	123	50	(173)	-	-
NURTuRE AKI	148	-	(82)	-	66
Kids Kidney Research	-	-	-	-	-
La Medica	11	-	-	-	11
Alports Hub	-	1,530	(410)	-	1,120
Scottish Policy Project	-	19	(12)	-	7
PKD Beam	-	15	(15)	-	-

Category	At 1 April 2022 £'000	Income £'000	Expenditure & grants committed £'000	Transfers £'000	At 31 March 2023 £'000
Kidney Research Yorkshire	-	120	(120)	-	-
Kidney Wales	-	79	(79)	-	-
Lady Solomon	-	175	(175)	-	-
Cymru Diabetes	-	73	-	-	73
The Sutherland Family	-	90	(90)	-	-
Childrens Kidney Books	-	9	(9)	-	-
Industry Partnerships Programmes	-	75	(35)	-	40
Various below £10,000	39	13	(32)	(5)	15
Total Restricted Funds	1,690	4,560	(4,176)	(253)	1,851

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 2023/24, due to contractual terms.

17. Designated funds

Category	At 1 April 2022 £'000	New designations £'000	Released/ utilised in year £'000	At 31 March 2023 £'000
Partnership Development Fund	1,631	-	90	1,541
Property Fund	85	50	43	92
Research and Awareness Fund	6,549	5,950	5,453	7,046
Staff Resourcing, Remuneration, Recruitment & Retention Fund	300	300	300	300
Supporter Acquisition	400	400	370	430
Total designated funds	8,965	6,700	6,256	9,409

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.

18. Analysis of net assets between funds

Group

Fund balances at 31 March 2023 are represented by:

Category	Unrestricted funds £'000	Restricted funds £'000	2023 total £'000
Tangible fixed assets	79	-	79
Fixed asset investments	12,012	-	12,012
Current assets	18,287	1,851	20,138
Creditors: amounts falling due within one year	(12,469)	-	(12,469)
Creditors: amounts falling due after one year	(6,004)	-	(6,004)
Total net assets	11,905	1,851	13,756

Charity

Fund balances at 31 March 2023 are represented by:

Category	Unrestricted funds £'000	Restricted funds £'000	2023 total £'000
Tangible fixed assets	78	-	78
Fixed asset investments	12,162	-	12,162
Current assets	17,279	1,851	19,130
Creditors: amounts falling due within one year	(12,276)	-	(12,276)
Creditors: amounts falling due after one year	(6,004)	-	(6,004)
Total net assets	11,239	1,851	13,090

19. Operating leases

At 31 March 2023 the charity had total future minimum commitments under non-cancellable operating leases as follows:

Group – land and buildings

Operating lease payments which fall due:

Category	2023 £'000	2022 £'000
Within one year	94	162
Between two and five years	358	550
Thereafter	375	-
Total	827	712

Charity – land and buildings

Operating lease payments which fall due:

Category	2023 £'000	2022 £'000
Within one year	56	119
Between two and five years	328	477
Thereafter	375	-
Total	759	596

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 £294,333 (2022: £222,939) were made, with £29,844 (2022: £21,036) payable at the year end.

22. Related Party Transactions

During the year donations of £14,173 (2022: £15,046) were received from trustees. Grants were awarded to a trustee or an institute with which they are related as follows. These grants were awarded strictly on the basis that the named trustee was not part of the decision-making process.

Trustee	Institute	Amount
Prof Liz Lightstone	Imperial College London	£87,175
Dr Jill Norman	University College London,	£573,389
John Cunningham	University of Cambridge	£94,050
Prof Jeremy Hughes	Edinburgh University	£318,767

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 £4,361,043 (2022: £1,662,467). At the end of each financial year, Kidney Research Enterprises Limited gift aids its profits up to Kidney Research UK this amounted to £479,000 for the year (2022: £178,607).

There were no other related party transactions in the year which require disclosure (2022: none).

23. Prior year Statement of Financial Activities 31 March 2022

Category	Details	Notes	Unrestricted funds £'000	Restricted funds £'000	2022 £'000	2021 £'000	
Income	Donations and 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	Costs of generating funds: Costs of raising donations and legacies		1,848	-	1,848	1,522	
	Costs of generating funds: Fundraising trading: cost of goods sold and other costs		300	-	300	238	
	Costs of generating funds: Investment management costs		28	-	28	23	
	Total cost of generating funds		2,176	-	2,176	1,783	
	Charitable activities: Research		3,791	2,667	6,458	3,225	
	Charitable activities: Awareness and education		933	46	979	868	
	Total cost of charitable activities		4,724	2,713	7,437	4,093	
	Total expenditure	4	6,900	2,713	9,613	5,876	
	Net income	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	
Movement of funds	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	
	Brought forward at 31 March 2022		12,173	1,690	13,863	9,960	

24. Prior year Statement of Restricted funds 31 March 2022

Category	At 1 April 2021 £'000	Income £'000	Expenditure & grants committed £'000	Transfers £'000	At 31 March 2022 £'000
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)
Kidney Beam – Stoneygate	(83)	124	(41)	-	(0)
Kids Kidney Research	64	1	-	-	65
Andy Cole Fund	34	41	-	-	75
Improving transplant opportunities for patients who are sensitised (ITOPS) study – 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
Strategy of Acuseal vs Fistula First (StAFF) and Plain Angioplasty vs Viabhan First (PAVia)	-	250	(127)	-	123
NURTuRE AKI	-	150	(2)	-	148
Kids Kidney Research	-	86	(86)	-	-
Pruritus Survey	-	33	(33)	-	-

Category	At 1 April 2021 £'000	Income £'000	Expenditure & grants committed £'000	Transfers £'000	At 31 March 2022 £'000
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

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.

25. Prior year Statement of Designated funds

Category	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 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

Fund balances at 31 March 2022 are represented by:

Category	Unrestricted funds £'000	Restricted funds £'000	2022 total £'000
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

Key people

Ambassadors

Andy Cole

Bruno Loubet

Ed Drake

Frances Edmonds

Dame Jacqueline Wilson

Julia Watson

Kate Ford

Lauren Laverne

Lawrence Keough

Matthew Amroliwala

Nina Nannar

Nina Wadia OBE

Dame Patricia Routledge

Richard Pitman

Stefan Booth

Chief executive

Sandra Currie

Company secretary

Peter Knight (resigned 12 May 2023)

Graham Jones (appointed 17 July 2023)

Auditor

Haysmacintyre LLP

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Bankers

Barclays Bank

PO Box 885, Mortlock House, Vision Park, Histon, Cambridge CB24 9DE

Investment advisers

Cazenove Capital Management Ltd

1 London Wall Place, London EC2Y 5AU

Solicitors

Mills & Reeve

Botanic House, 100 Hills Road,
Cambridge CB2 1PH

Greenwoods

Monkstone House, City Road,
Peterborough PE1 1JE

Thank you

We are grateful to all those who have given us their support over the past year, including the following groups and individuals:

Baillie Gifford
Industry partners
I Bruton
C Worsley
Kidney Research Yorkshire
Mr Chris Rolfe
The BioIndustry Association
The Stoneygate Trust

Financial Ombudsman Service
I Arnatt
I Redhead
PKD Charity
Kidney Wales
Mrs Jean Adderley
The Solomon family
The Sutherland family

Kidney Research UK

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