

Charity Registration No. 309659

THE EDWARD PENLEY ABRAHAM RESEARCH FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor Gillian Griffiths Professor Henry Woudhuysen FBA Professor Peter Cook (Appointed 2 November 2020) Professor Matthew Freeman Professor Mark Greene
Charity number	309659
Auditor	Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP
Bankers	CAF Bank Ltd West Malling Kent ME19 4JQ
Solicitors	Mark Taylor Knights Midland House West Way Botley Oxford OX2 0PH
Investment advisors	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU Schroder Investment Management Limited 1 London Wall Place London EC2Y 5AU Ballie Gifford Calton Square 1 Greenside Row Edinburgh EH1 3AN Lansdowne Partners (LLP) 15 Davies Street London W1K 3AG UBS Wealth Management 5 Broadgate EC2M 2AN

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

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THE EDWARD PENLEY ABRAHAM RESEARCH FUND

TRUSTEES REPORT

FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their report and financial statements for the year ended 5 April 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Trust's objectives are the furtherance of medical, biological, and chemical research at the Sir William Dunn School of Pathology and Lincoln College Oxford and more broadly within the University of Oxford and its associated Colleges. Trustees award grants in the context of the trust deed and available resources, to support current and future research.

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

The Trustees' policies are to assess the current trends and needs in the research being carried out and to make grants where appropriate to current circumstances and their assessment of future needs. A number of grant applications are considered each year. The accumulated income-generating capital of the fund was built up through royalties in its earlier years and latterly income has resulted from investments; substantial funds are needed to provide adequate support for research.

The Trust was funded by the late Sir Edward Abraham on 17 March 1967 to help further education and research in specific fields of science.

The Trust received royalties from his previous research in the early years but now relies on income from its endowment fund to make its grants. The intention being to build a significant enough fund to be able to make regular important contributions to scientific education, and research.

The Charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity. The Trust Fund is an Expendable Endowment Fund and the Trustees have absolute discretion for the use of income for the furtherance of the objects of the Charity but there can be no use of capital without the unanimous consent of the Trustees.

If the Trustees see no reason to the contrary, they may give support to research in the medical, biological and chemical sciences within the University of Oxford and its Colleges, in addition to the Sir William Dunn School of Pathology and Lincoln College.

The Trustees has assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees make grants where appropriate in response to eligible applications they receive in the context of available resources; some grants may be conditional or deferred subject to the provision of further information. The Trustees grants for the year are summarised in the accounts. Major grant commitments are outstanding, and Trustees are aware of the need to control and monitor cash flow so that ongoing and future research can be financed. The Trust investments are managed by third parties and the funds available and resulting performance are reviewed on a regular basis. The unanimous agreement of all Trustees is needed before any capital may be withdrawn.

Public benefits

The Trustees confirm that they have paid due regard to the Charity Commission's guidance on public benefit in deciding which activities they should undertake; the public will be the ultimate beneficiary of scientific research work carried out in the Sir William Dunn School of Pathology.

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Financial review

The Statement of Financial Activities shows net deficit for the year of £8,586,535. There were net investment gains of £59,980,527. The reserves stand at £123,936,257. Governance costs amounted to £18,172.

The Trust is not dependent on donations or the services of unpaid volunteers. Its investments are held to produce income for grants agreed by the Trustees, who continue to monitor the performance of Investment Managers on a regular basis. Future Grants commitments provided for amounted to £12,152,926. Grants paid were £3,007,249 and those awarded in the year were £10,099,686. Adjustments to previous grants awarded amounted to a decrease of £49,995.

Funds available

The Trust spends very little on administration expenses.

The Trustees through their grants and longer-term commitments, feel satisfied that the Trust has achieved its objectives in the year, but are mindful of the need to preserve an appropriate planning strategy for both cash flow and timing of future grants.

The available reserves are sufficient to meet all commitments to date.

The Trustees fund grant payments from investment income. They have committed to large grants for future payment, of which £12,152,926 remains outstanding. The Trustees' practice is to consider all reasonable requests submitted by eligible applicants within the charity's objects. Trustees review the risks of the Trust at each meeting. Where applicable, in addition to the ongoing reporting process, the Trust's investment managers will be contacted or attend meetings.

The Trustees have agreed the following Reserves Policy:

1. The Trustees will meet grant requests from income derived from the Expendable Endowment Funds.
2. In exceptional circumstances (for example the desire of the Trustees to fund a major project that meets the objectives of the Fund) the Trustees may agree to utilise part of the capital.
3. Should income be greater than the sum that the Trustees wish to award in response to grant requests, then surplus income will be reinvested. The Trustees are conscious of the need to protect the endowment at a time of financial insecurity.
4. The Reserves Policy is reviewed at each Trustees' meeting.

The Trustees remain committed to maintaining the Expendable Endowment on which future income will be based. The Trustees are considering designating funds towards providing a new chair in the Sir William Dunn School of Pathology for teaching and research purposes. Alongside this, they may also endow other posts in the biomedical sciences. In addition, the Trustees are considering a substantial investment in building refurbishment at the Sir William Dunn School of Pathology. In 2027 Lincoln College will celebrate the 600th anniversary of its foundation. To help mark the anniversary Trustees have agreed a grant of £6.8 million towards the EPA Biomedical and Science Fellowship Endowment which will endow several Fellowships over the next seven years from 2021 to 2028.

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Structure, governance and management

The Trustees who served during the year and up to the date of signature of the financial statements were:

Professor Gillian Griffiths

Professor Henry Woudhuysen FBA

Professor Peter Cook

(Appointed 2 November 2020)

Professor Matthew Freeman

Professor Mark Greene

Professor Sir Richard Gardner

(Resigned 2 November 2020)

There shall not be appointed more than five Trustees. The Rector of Lincoln College and Professor of Pathology in the University of Oxford should be entitled to be appointed a Trustee by virtue of his or her office and on ceasing that office will cease to be a Trustee.

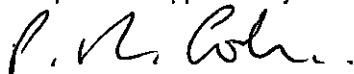
Additional Trustees are appointed by the existing Trustees. By way of induction new Trustees are mentored by one of the existing Trustees and provided with the latest annual report and financial statements, verbal instruction on the administration, organisation, previous minutes, grants outstanding, financial procedures, risk assessment, charity commission leaflet CC3 (A), and copy of the trust deed.

The day-to-day management and administration are conducted at the Sir William Dunn School of Pathology by the Administrator to the Trust, Rachel Faulkes. The Trustees' major policy decisions are made at Trust meetings. Other decisions made between meetings are confirmed at Trust meetings. The quoted investment portfolios are now managed by five fund managers and their performances are individually reviewed at these meetings with a senior representative of those funds in attendance. The Trustees also use the services of a financial advisor: Mr Anthony Brooke, who has extensive experience in banking and financial management. The Trustees are persons who command high respect and eminence in their respective careers in education and research development. The Trustees are conscious of the need to maintain capital and income as far as possible to achieve their objectives.

Retirement of Chairman and Trustee

At the Autumn meeting of Trustees in November 2020 Professor Sir Richard Gardner stepped down as both Chair and Trustee of the Edward Penley Abraham Research Fund. Richard had been a Trustee since 2000 and Chair since 2003. The Trustees thanked Richard warmly for his longevity of service and sterling work during his remarkably long tenure.

The Trustees report was approved by the Board of Trustees.



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Professor Peter Cook

Trustee

Dated: 9 November 2021

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2021

The Trustees 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).

The law applicable to charities in England and Wales 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 of the incoming resources and application of resources of the Charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE EDWARD PENLEY ABRAHAM RESEARCH FUND

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 5 April 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Charity 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 Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE EDWARD PENLEY ABRAHAM RESEARCH FUND

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees 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 Charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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 UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE EDWARD PENLEY ABRAHAM RESEARCH FUND

Use of our report

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



Robert Kirtland (Senior Statutory Auditor)
For and on behalf of Critchleys Audit LLP

Chartered Accountants
Statutory Auditor

Date : 07 December 2021

Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

Critchleys Audit LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2021

Current financial year

	Notes	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>					
Investments	3	1,986,365	-	1,986,365	1,813,985
Other income	4	11,526	-	11,526	11,747
Total income		1,997,891	-	1,997,891	1,825,732
<u>Expenditure on:</u>					
Property costs	5	1,820	-	1,820	16,992
Investment management	5	491,775	-	491,775	461,243
Charitable activities	6	10,090,831	-	10,090,831	1,333,249
Total expenditure		10,584,426	-	10,584,426	1,811,484
Net gains/(losses) on investments	11	-	59,980,527	59,980,527	(15,075,939)
Net (outgoing)/incoming resources before transfers		(8,586,535)	59,980,527	51,393,992	(15,061,691)
Gross transfers between funds		(1,745,368)	1,745,368	-	-
Net movement in funds		(10,331,903)	61,725,895	51,393,992	(15,061,691)
Fund balances at 6 April 2020		-	123,936,257	123,936,257	138,997,948
Fund balances at 5 April 2021		(10,331,903)	185,662,152	175,330,249	123,936,257

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

All income and expenditure derive from continuing activities.

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

Prior financial year

	Notes	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>				
Investments	3	1,813,985	-	1,813,985
Other income	4	11,747	-	11,747
Total income		1,825,732	-	1,825,732
<u>Expenditure on:</u>				
Raising funds	5	478,235	-	478,235
Charitable activities	6	1,333,249	-	1,333,249
Total expenditure		1,811,484	-	1,811,484
Net gains/(losses) on investments	11	-	(15,075,939)	(15,075,939)
Net (outgoing)/incoming resources before transfers		14,248	(15,075,939)	(15,061,691)
Gross transfers between funds		(14,248)	14,248	-
Net movement in funds		-	(15,061,691)	(15,061,691)
Fund balances at 6 April 2019		-	138,997,948	138,997,948
Fund balances at 5 April 2020		-	123,936,257	123,936,257

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

All income and expenditure derive from continuing activities.

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

BALANCE SHEET

AS AT 5 APRIL 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Investments	13	185,662,152		127,771,545	
Current assets					
Debtors	15	2,502		2,638	
Cash at bank and in hand		1,935,141		1,374,156	
		<u>1,937,643</u>		<u>1,376,794</u>	
Creditors: amounts falling due within one year	16	<u>(7,889,546)</u>		<u>(4,324,598)</u>	
Net current liabilities			(5,951,903)		(2,947,804)
Total assets less current liabilities			<u>179,710,249</u>		<u>124,823,741</u>
Creditors: amounts falling due after more than one year	17		(4,380,000)		(887,484)
Net assets			<u><u>175,330,249</u></u>		<u><u>123,936,257</u></u>
Capital funds					
Endowment funds - general	18	185,662,152		123,936,257	
Income funds					
Unrestricted funds		(10,331,903)		-	
		<u>175,330,249</u>		<u>123,936,257</u>	

The financial statements were approved by the Trustees on 09/11/21



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 Professor Peter Cook
 Trustee

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	21	(3,515,300)		(3,128,215)	
Investing activities					
Proceeds on disposal of investments		2,089,920		2,124,304	
Investment income received		1,986,365		1,813,985	
Net cash generated from investing activities		4,076,285		3,938,289	
Net cash used in financing activities		-		-	
Net increase in cash and cash equivalents		560,985		810,074	
Cash and cash equivalents at beginning of year		1,374,156		564,085	
Cash and cash equivalents at end of year		1,935,141		1,374,156	

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

Charity information

The Edward Penley Abraham Research Fund is an unincorporated Trust domiciled in England. Its principal address is: University of Oxford, Sir William Dunn School of Pathology, South Parks Road, Oxford, OX1 3RE.

1.1 Basis of accounting

The financial statements have been prepared in accordance with the Charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

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

The Edward Penley Abraham Research Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

1.3 Charitable funds

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

The expendable Endowment Fund is also unrestricted and the reserve policy is that there can be no use of the current value of this fund where this exceeds 10% of the value.

1.4 Income

All income is included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Investment Income

Income from investments is recognised in the year in which it is receivable.

1.5 Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis inclusive of any VAT which cannot be recovered. They are classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

All cost categories are individually apportioned and hence support costs are not shown separately.

The costs comprise of those attributable to managing the investment portfolios and arising investment income.

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies (Continued)

Grants payable

Grants payable have to fall within the terms of the Charity's objects and need approval of the Trustees and the recipient abiding within the terms of reference of the Grant. The Charity had, at the Balance Sheet date, approved grants to be paid in subsequent years. Provision has been made in these financial statements for the Grants as explained in note 14.

Governance costs

Governance costs include those costs, such as Auditors' fees, associated with constitutional and statutory requirements of the charity.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Volunteer services

The Charity does not rely on the support of volunteer services.

1.6 Tangible fixed assets

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2%
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1.7 Fixed asset investments

Assets held for investment purposes are valued at market value at the balance sheet date. Traded securities are valued at their market quotation as the year end date.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less. Cash held as part of a fixed asset investment portfolio are presented as part of fixed asset investments.

1.9 Taxation

The Charity is exempt from tax on its charitable activities.

Value Added Tax is not recoverable by the Charity and as such is included in the relevant costs in the Statement of Financial Activities.

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

1.10 Other financial instruments

a) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

b) Other debtors

Other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing rate of interest.

1.11 Fund Accounting

Funds held by the Charity are either:

a) Unrestricted funds: These are funds which can be used in accordance with the charitable objects at the discretion of the Trustees; or

b) The expendable endowment fund is also unrestricted and the reserve policy is that there can be no use of the current value of this fund where this exceeds 10% of the value.

2 Critical accounting estimates and judgements

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

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

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

3 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Dividends	1,962,583	1,784,225
Income tax reclaim	23,466	27,625
Interest	316	2,135
	<u>1,986,365</u>	<u>1,813,985</u>

4 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Rent	<u>11,526</u>	<u>11,747</u>

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Property costs</u>		
Property maintenance and insurance	<u>1,820</u>	<u>16,992</u>
Investment management	<u>491,775</u>	<u>461,243</u>
	<u>493,595</u>	<u>478,235</u>

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

6 Charitable activities

	Expenses	Grants	Total	Expenses	Grants	Total
	2021	Awarded	2021	2020	Awarded	2020
	£	£	£	£	£	£
Staff costs	22,968	-	22,968	46,830	-	46,830
Governance costs	18,172	-	18,172	25,445	-	25,445
	<u>41,140</u>	<u>-</u>	<u>41,140</u>	<u>72,275</u>	<u>-</u>	<u>72,275</u>
Grant funding of activities (see note 7)	-	10,049,691	10,049,691	-	1,260,974	1,260,974
	<u>41,140</u>	<u>10,049,691</u>	<u>10,090,831</u>	<u>72,275</u>	<u>1,260,974</u>	<u>1,333,249</u>

7 Grants payable

	Grants	Grants
	Awarded	Awarded
	2021	2020
	£	£
Grants to institutions:		
Other	10,049,691	1,260,974
	<u>10,049,691</u>	<u>1,260,974</u>

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

7 Grants payable (Continued)

Grants Payable

	2021 £	2020 £
268 Postdoc funding – Dunn School	-	177,540
270 Access to the cryoEM centre – Dunn School	-	96,000
271 Support Grant – Dunn School	-	100,000
272 Scientific projects officer – Dunn School	-	225,000
273 Support Grant – Dunn School	-	12,000
274 Support Grant – Dunn School	-	160,000
275 Confocal Microscope – Dunn School	-	350,000
276 Underwritten salary costs – Dunn School	-	367,601
277 Research Grant – Dunn School	-	5,000
269 Purchase of equipment – Dunn School	133,505	-
278 OxVax: Establishment – Dunn School	28,216	-
279 Support Grant – Dunn School	134,433	-
280 Salary support – Dunn School	99,455	-
281 2027 EPA Biomedical and Science Fellowship Endowment	6,800,000	-
282 Salary support – Dunn School	154,635	-
283 Salary support – Dunn School	142,807	-
284 Salary support – Dunn School	243,976	-
286 Coronavirus mitigation award	800,000	-
285 Salary support – Dunn School	1,200,000	-
287 Post-doctoral extension awards	132,274	-
288 Support Grant – Dunn School	50,000	-
289 Salary support – Dunn School	180,385	-
	<u>10,099,686</u>	<u>1,493,141</u>

Adjustments to grants during the year were as follows:

	2021 £	2020 £
166 Support Grant – Dunn School	-	1
200 Studentships – Dunn School	-	(19,634)
218 Support Grant – Dunn School	-	(1,511)
226 Anniversary Dinner – Dunn School	-	(4,533)
231 Award – Dunn School	-	(3,449)
233 Support Grant – Dunn School	-	(175,000)
244 Support Grant – Dunn School	-	(24,117)
245 Support Grant – Dunn School	-	(109)
246 Support Grant – Dunn School	-	115
248 Support Grant – Dunn School	-	(2,986)
251 Blue plaque ceremony – penicillin – Dunn School	-	(944)
213 Support Grant – Dunn School	(50,000)	-
250 Equipment upgrade - Dunn School	5	-
	<u>(49,995)</u>	<u>(232,167)</u>
	<u>10,049,691</u>	<u>1,260,974</u>

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

8 Governance costs

	2021 £	2020 £
Other expenses	718	5,013
Office insurance	833	466
Trustees' insurance	482	-
Legal and professional fees	8,325	9,186
Bank charges	69	129
Auditors' remuneration	6,374	4,791
Trustees' expenses	<u>393</u>	<u>5,860</u>
	<u>17,194</u>	<u>25,445</u>

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

Trustee indemnity insurance was paid at a cost of £833 (2020: £nil).

	2021 £	2020 £
Trustees' expenses	393	5,860

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Trust administrator	<u>1</u>	<u>1</u>
Employment costs	2021	2020
	£	£
Wages and salaries	15,624	13,976
Social security costs	5,383	12,513
Other pension costs	1,961	20,341
	<u>22,968</u>	<u>46,830</u>

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

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

11 Net gains/(losses) on investments

	Endowment funds general 2021 £	Endowment funds general 2020 £
Gain/(loss) on sale of investments	59,980,527	(15,075,939)

12 Tangible fixed assets

	Freehold property £
Cost	
At 6 April 2020	151,267
At 5 April 2021	151,267
Depreciation and impairment	
At 6 April 2020	151,267
At 5 April 2021	151,267
Carrying amount	
At 5 April 2021	-
At 5 April 2020	-

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2020	127,771,545
Valuation changes	59,980,527
Disposals	(2,089,920)
At 5 April 2021	185,662,152
Carrying amount	
At 05 April 2021	185,662,152
At 05 April 2020	127,771,545

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

13	Fixed asset investments		(Continued)
14	Debtors		
		2021	2020
	Amounts falling due within one year:	£	£
	Other debtors	2,502	2,638
		<u>2,502</u>	<u>2,638</u>
15	Creditors: amounts falling due within one year		
		2021	2020
		£	£
	Grants payable	7,772,926	4,222,999
	Other creditors	116,620	101,599
		<u>7,889,546</u>	<u>4,324,598</u>
16	Creditors: amounts falling due after more than one year		
		2021	2020
		£	£
	Other creditors	4,380,000	887,484
		<u>4,380,000</u>	<u>887,484</u>

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

17 Endowment funds

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds					Movement in funds					
	Balance at 6 April 2019	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 6 April 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 5 April 2021
	£	£	£	£	£	£	£	£	£	£	£
Expendable endowment	138,997,948	-	-	14,248	(15,075,939)	123,936,257	-	-	1,745,368	59,980,527	185,662,152
	138,997,948	-	-	14,248	(15,075,939)	123,936,257	-	-	1,745,368	59,980,527	185,662,152

THE EDWARD PENLEY ABRAHAM RESEARCH FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

18 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 5 April 2021 are represented by:						
Investments	- 185,662,152	185,662,152		- 127,771,545	127,771,545	
Current assets/ (liabilities)	(5,951,903)	-	(5,951,903)	-	(2,947,804)	(2,947,804)
Long term liabilities	(4,380,000)	-	(4,380,000)	-	(887,484)	(887,484)
	<u>(10,331,903)</u>	<u>185,662,152</u>	<u>175,330,249</u>	<u>-</u>	<u>123,936,257</u>	<u>123,936,257</u>

19 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

Professor GM Griffiths, Profesor HR Woudhuysen and Professor MJA Freeman are also trustees of the Guy Newton Research Fund, a related charity.

The Guy Newton Research Fund and the Edward Penley Abraham Research Fund hold joint investments with Sandaire Limited and UBS. As at 5 April 2021 the Edward Penley Abraham Research Fund was entitled to 91.91% of the Sandaire & UBS funds. All investment income and associated costs have been apportioned on the above basis.

20 Cash generated from operations

	2021	2020
	£	£
Surplus/(deficit) for the year	51,393,992	(15,061,691)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,986,365)	(1,813,985)
(Gain)/loss on disposal of investments	(59,980,527)	15,075,939
Movements in working capital:		
Decrease/(increase) in debtors	136	(2,638)
Increase/(decrease) in creditors	7,057,464	(1,325,840)
Cash absorbed by operations	<u>(3,515,300)</u>	<u>(3,128,215)</u>

21 Analysis of changes in net funds

The Charity had no debt during the year.