

Charity Registration No. 309698

**EPA CEPHALOSPORIN FUND**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2021**

# EPA CEPHALOSPORIN FUND

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Trustees

Professor A N Barclay, DPhil  
Professor J Errington, FRS, FMedSci  
Professor Sir John Walker, FRS, FMedSci  
Professor Penny Handford, Dphil  
Professor A R Green, PhD  
Professor Anton van der Merwe

### Charity number

309698

### Auditor

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

### Bankers

CAF Bank Ltd  
25 King Hill Avenue  
West Malling  
Kent  
ME19 4JQ

### Solicitors

Knights Solicitors  
27 Park End Street  
Oxford  
OX1 1HU

### Investment advisors

Schroder (Cazenove) Personal Investment Management  
30 Gresham Street  
London  
EC2V 7QN

OU Endowment Management  
27 Park End Street  
Oxford  
OX1 1HU

---

# EPA CEPHALOSPORIN FUND

## CONTENTS

---

	<b>Page</b>
Trustees report	1 - 4
Statement of Trustees responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9 - 10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 24

---

# EPA CEPHALOSPORIN FUND

## TRUSTEES REPORT

*FOR THE YEAR ENDED 5 APRIL 2021*

---

The Trust presents its report and financial statements for the year ended 5 April 2021.

The financial statements have been prepared in accordance with the accounting policies, 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 Trustees' objects are the education and / or research in the medical, biological and chemical sciences within the University of Oxford and its Colleges, the Royal Society of London and King Edward VI School, Southampton. Research grants are made for the benefit of both current and future research, with mankind being the eventual beneficiary.

The Trustees' policies are to assess the current trends and needs in the research work being carried out and to make grants where appropriate. Many grant applications are considered each year. Substantial funds are needed to provide adequately for research, and the Trustees are aware of the need to select grants that will realise both the short term and long term objectives of the Trust fund. Planning for possible future developments is essential if successful research is to be achieved. Any capital withdrawal needs the consent of all Trustees.

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

### **Significant activities**

Twice a year the Trustees review grant applications made to them, on the basis of performance and in the context of funding available from other sources. Grants may be conditional or deferred subject to further information; and outcome reports are required before grant payments are made. The Trust's grants for the year are summarised in the accounts. Major grant commitments have been made and the Trustees are aware of the need to control and monitor cash flow so that ongoing and future research can be financed. A record is kept of applications withdrawn, ineligible or judged unsuitable.

The Trust's investments are managed by third parties and the funds available and performance are carefully reviewed on a regular basis.

### **Public benefit**

The Trustees confirm that they have paid due regard to the Charity Commissioner's guidance on public benefit in deciding which activities they should support. The Trust, as stated in its objects, provides research grants in the medical, biological and chemical sciences. In the achievements and performance section the Trustees have further explained their activities. The public are the beneficiaries from the success of the grants in research and education and in the support of the University of Oxford Museum of Natural History.

### **Achievements and performance**

The Trustees have continued to assess and decide on grant applications at regular meetings, with provision for urgent bids below a set ceiling to be decided on the basis of Trustees' consultation between meetings if necessary. Grantees' outcome reports indicate that, in addition to the larger grants for equipment or specific salary funding, the Trustees' aims of helping valid pump-priming or bridging finance applications have been very useful. Trustees have continued to support the University Science Departments and Colleges and the Oxford University Museum of Natural History, an important set of collections open to the public free of charge; funds have been awarded for the continuation of their internship scheme and for the conservation and re-housing of specific collections. They also support the Museum of the History of Science by funding educational exhibitions on the History of Medicine.

# **EPA CEPHALOSPORIN FUND**

## **TRUSTEES REPORT (CONTINUED)**

**FOR THE YEAR ENDED 5 APRIL 2021**

---

They have continued to support King Edward VII School in Southampton (one of the named beneficiaries of the Trust) and in particular to provide fellowships for students.

In 2014-5 the fund initiated the endowment of a research professorship at the Royal Society to be named the Royal Society EP Abraham Professor with a payment of £3M with a further £0.5M to follow over the next 2 years. This post is currently filled by Professor Benjamin Simons at the Department of Applied Mathematics and Theoretical Physics at the University of Cambridge.

### **Financial review**

The Statement of Financial Activities shows net surplus, after investment gains, for the year of £22,873,888 (2020: net deficit of £8,075,686). There were net investment gains of £20,226,663 (2020: losses of £8,887,812). Total funds stand at £100,087,000 (2020: £77,213,112). Governance costs amounted to £16,878 (2020: £16,261).

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 £2,698,995 (2020: £2,357,435). Grants paid were £525,796 (2020: £2,404,523) and those awarded in the year were £861,920 (2020: £1,042,279). Adjustments to previous grants awarded amounted to £37,583 (2020: £Nil).

### **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.

### **Reserves policy**

The Trustees review their reserves policy on an annual basis, as agreed at their meeting on 1 April 2003. The Trustees aim to retain sufficient unrestricted reserves to ensure the long term sustainability of the Charity, without expending the expendable endowment fund unless necessary, and to allow it the flexibility to practically consider all grant applications of any reasonable value.

The Trustees review the risks of the Trust at each meeting. Major risks would involve the Trusts Investments and the grants to be approved. The Trustees meet the Trust's Investment Managers regularly to review the portfolio management.

The Trustees have 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.

### **Future developments**

The Trustees believe that the careful handling of the funds to date should continue in the foreseeable future but they will always look at any major scientific development in the Trust's fields and assist if they believe appropriate for both the current and future beneficiaries.

# **EPA CEPHALOSPORIN FUND**

## **TRUSTEES REPORT (CONTINUED)**

***FOR THE YEAR ENDED 5 APRIL 2021***

---

### **Structure, governance and management**

The Trust was founded by the late Sir Edward Abraham on 18 May 1970 to help further education and research in specific fields of science. The Trust received royalties from his research in the early years but now relies on income from expendable endowment to make its grants, the intention being to maintain a significant enough fund to enable regular important contributions to be made to scientific education and research.

The governing document is the Trust deed and constitutes an unincorporated charity. The Trust Fund is an expendable endowment fund. Trustees have absolute discretion for the use of income for the furtherance of the objects of the charity, provided the Trustees restrict the application of the income and capital to such research and education in the University of Oxford (including its Colleges, Halls, and Societies), The Royal Society of London, King Edward VI School, Southampton, unless they consider there is a good reason to the contrary. There can be no use of capital without the unanimous consent of the Trustees.

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

Professor A N Barclay, DPhil  
Professor J Errington, FRS, FMedSci  
Professor Sir John Walker, FRS, FMedSci  
Professor P Handford, Dphil  
Professor A R Green, PhD  
Professor Anton van der Merwe

### **Recruitment and appointment of new trustees**

Trustees are appointed by existing Trustees up to a maximum of 6. Trustees are selected with expertise to cover the types of applications to the Trust. The Trustees are persons who command high respect and eminence in their respective careers in education and research development.

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 instructions on administration and organisation and details of previous minutes, grants outstanding, financial procedures, risk assessment, Charity Commission leaflet CC3 (A) and a copy of the trust deed.

### **Organisational structure**

The day to day management and administration are conducted in the Trust Office at the Sir William Dunn School of Pathology by the Administrator to the Trust Ms Rachel Faulkes. The Trustees' major policy decisions are made at Trust meetings by the Trustees. Other decisions taken between meetings are confirmed at Trust meetings. The Trustees ask for additional expert opinions where necessary.

The quoted portfolio is managed mainly by Oxford University Endowment Management with a portion managed by Schroder (Cazenove) Personal Investment Management Limited.

### **Risk management**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

# EPA CEPHALOSPORIN FUND

## TRUSTEES REPORT (CONTINUED)

**FOR THE YEAR ENDED 5 APRIL 2021**

---

The Trustees' report was approved by the Trustees.



.....  
Professor A N Barclay, DPhil

Trustee

Dated: ..... 12 Oct 2021

# **EPA CEPHALOSPORIN 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 it 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.

# EPA CEPHALOSPORIN FUND

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF EPA CEPHALOSPORIN FUND

---

#### **Opinion**

We have audited the financial statements of EPA Cephalosporin 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.

# EPA CEPHALOSPORIN FUND

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EPA CEPHALOSPORIN FUND

---

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

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 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.

# EPA CEPHALOSPORIN FUND

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EPA CEPHALOSPORIN 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 to act as an auditor of the Charity in terms of section 1212 of the Companies Act 2006.

# EPA CEPHALOSPORIN 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 £
<b>Income from:</b>					
Investment Income	3	3,527,725	-	3,527,725	2,089,135
<b>Expenditure on:</b>					
Investment Management Costs	4	1,702	-	1,702	218,369
<b>Charitable activities</b>					
Administrative costs	5	16,878	-	16,878	16,261
Grants Awarded	5	861,920	-	861,920	1,042,279
<b>Total charitable expenditure</b>		878,798	-	878,798	1,058,540
<b>Total resources expended</b>		880,500	-	880,500	1,276,909
Net gains/(losses) on investments	9	-	20,226,663	20,226,663	(8,887,912)
<b>Net incoming/(outgoing) resources before transfers</b>		2,647,225	20,226,663	22,873,888	(8,075,686)
<b>Net incoming/(outgoing) resources before transfers</b>		2,647,225	20,226,663	22,873,888	(8,075,686)
Gross transfers between funds		(3,142,841)	3,142,841	-	-
Fund balances at 6 April 2020		1,823,565	75,389,547	77,213,112	85,288,798
<b>Fund balances at 5 April 2021</b>		<b>1,327,949</b>	<b>98,759,051</b>	<b>100,087,000</b>	<b>77,213,112</b>

# EPA CEPHALOSPORIN FUND

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

### Prior financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
<b>Income from:</b>					
Investment Income	3	2,089,135	-	-	2,089,135
<b>Expenditure on:</b>					
Investment Management Costs	4	218,369	-	-	218,369
<b>Charitable activities</b>					
Administrative costs	5	16,261	-	-	16,261
Grants Awarded	5	1,042,279	-	-	1,042,279
<b>Total charitable expenditure</b>		1,058,540	-	-	1,058,540
<b>Total resources expended</b>		1,276,909	-	-	1,276,909
Net gains/(losses) on investments	9	-	-	(8,887,912)	(8,887,912)
<b>Net incoming/(outgoing) resources before transfers</b>		812,226	-	(8,887,912)	(8,075,686)
Gross transfers between funds		-	(3,483,963)	3,483,963	-
<b>Net movement in funds</b>		812,226	(3,483,963)	(5,403,949)	(8,075,686)
Fund balances at 6 April 2019		1,011,339	3,483,963	80,793,496	85,288,798
<b>Fund balances at 5 April 2020</b>		1,823,565	-	75,389,547	77,213,112

# EPA CEPHALOSPORIN FUND

## BALANCE SHEET

AS AT 5 APRIL 2021

		2021		2020 (Restated)	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investments	10		98,759,051		78,694,082
<b>Current assets</b>					
Debtors	12	373,590		-	
Cash held		3,653,354		881,745	
		<u>4,026,944</u>		<u>881,745</u>	
<b>Creditors: amounts falling due within one year</b>	13	(1,930,329)		(1,962,715)	
Net current assets/(liabilities)			2,096,615		(1,080,970)
<b>Total assets less current liabilities</b>			<u>100,855,666</u>		<u>77,613,112</u>
<b>Creditors: amounts falling due after more than one year</b>	14		(768,666)		(400,000)
<b>Net assets</b>			<u><u>100,087,000</u></u>		<u><u>77,213,112</u></u>
<b>Funds</b>					
General endowment funds	16		98,759,051		75,389,547
<b>Income funds</b>					
Unrestricted funds			1,327,949		1,823,565
			<u>100,087,000</u>		<u>77,213,112</u>

The financial statements were approved by the Trustees on .....

.....  
Professor A N Barclay, DPhil  
Trustee

# EPA CEPHALOSPORIN FUND

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2021

---

		2021		2020 (Restated)	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	19		(917,810)		(2,344,218)
<b>Investing activities</b>					
Purchase of investments		(100,000)		-	
Proceeds on disposal of investments		261,694		891,465	
Investment income received		3,527,725		2,089,135	
<b>Net cash generated from investing activities</b>			3,689,419		2,980,600
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			2,771,609		636,382
Cash and cash equivalents at beginning of year			881,745		245,363
<b>Cash and cash equivalents at end of year</b>			<u>3,653,354</u>		<u>881,745</u>

# EPA CEPHALOSPORIN FUND

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

---

### 1 Accounting policies

#### Charity information

The E P A Cephalosporin Fund is a charity 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 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 2015) - (Charities SORP (FRS 102)), and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The E P A Cephalosporin 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 note.

#### 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

#### 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.

# EPA CEPHALOSPORIN FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

---

### 1 Accounting policies

(Continued)

#### 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.

#### Costs of generating funds

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

#### Charitable activities:

#### 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.

#### Governance costs

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

#### Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are converted at the year-end exchange rate. All exchange differences are reflected in the income and expenditure account.

#### Volunteer services

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

#### Taxation

The Charity is exempt from tax on its charitable activities.

#### Value Added Tax

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

#### 1.6 Investments

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

#### 1.7 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.

# EPA CEPHALOSPORIN FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

---

1 Accounting policies (Continued)

### 1.8 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 Charity 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.

### 1.9 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) Designated funds: These are funds that are used for particular purposes within the objects of the Charity.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### 1.10 Funds

There are three types of Funds. The Expendable Endowment was set up under an order issued by the Charities Commissioners for England and Wales under the power given in Section 26 of the Charities Act dated 7 April 2003. A Designated Reserve Fund contains funds set aside for a specific purpose. The Unrestricted Fund is available for general use.

## 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees is 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.

# EPA CEPHALOSPORIN FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

### 3 Investment Income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest received	296	1,476
Dividends and interest	3,527,429	2,087,659
	<u>3,527,725</u>	<u>2,089,135</u>

### 4 Investment Management Costs

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Portfolio management	1,702	218,369
	<u>1,702</u>	<u>218,369</u>

### 5 Charitable Activities

	Administrative costs 2021 £	Grants Awarded 2021 £	Total 2021 £	Administrative costs 2020 £	Grants Awarded 2020 £	Total 2020 £
Governance costs	16,878	-	16,878	16,261	-	16,261
Grant funding of activities (see note 6)	-	861,920	861,920	-	1,042,279	1,042,279
	<u>16,878</u>	<u>861,920</u>	<u>878,798</u>	<u>16,261</u>	<u>1,042,279</u>	<u>1,058,540</u>

# EPA CEPHALOSPORIN FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

---

6 Grants payable

	<b>Grants Awarded 2021 £</b>	<b>Grants Awarded 2020 £</b>
Grants to institutions:	861,920	1,042,279
	<u>861,920</u>	<u>1,042,279</u>
	<u><u>861,920</u></u>	<u><u>1,042,279</u></u>

# EPA CEPHALOSPORIN FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

### 6 Grants payable (Continued)

	2021 £	2020 £
Department of Biochemistry – Bridging support	-	39,354
Department of Biochemistry – Post doctoral support (x2)	-	56,058
Department of Biochemistry – Purchase Octet system for analysis	-	171,870
Department of Chemistry – Inorganic – Salary support	-	70,237
Department of PS# – Field emission scanning electron microscope	-	159,166
Department of PS# – Shaking incubator system	-	16,919
Linacre College – Widening participation scholarships	-	386,175
OUMNH α – Public engagement	-	92,500
WIMM* – Establishing an imaging mass cytometry platform	-	50,000
Department of Biochemistry – Specific RNAs	69,763	-
Department of Chemistry – Inorganic – Developing Biocatalysis	72,774	-
OUMNH α – Project IMAGOS	126,979	-
Department of Biochemistry – Expanding Access	28,160	-
Department of Biochemistry – Histone in genome stability	32,558	-
Department of Biochemistry – Cryo-EM structure determination	50,184	-
Department of Biochemistry – Purchase protein crystal imaging system	69,194	-
DCHI** – Focused ion beam and scanning electron microscope	366,495	-
DPAG – Support for year two of a postdoc	39,906	-
Department of Biochemistry – Defining the role of PARPs in the DNA	32,252	-
Department of Pharmacology – Equipment request	<u>11,238</u>	-
	<u>899,503</u>	<u>1,042,279</u>

\* Weatherall Institute of Molecular Medicine

\*\* Dorothy Crowfoot Hodgkin Institute

\*\*\* Oxford Botanic Garden & Arboretum

α Oxford University Museum of Natural History

# Department of Plant Sciences

#### Adjustments to grants during the year were as follows:

	2021 £	2020 £
Department of Biochemistry – Expanding user access to NMR	(30,306)	-
Department of Zoology – Support	(7,168)	-
Department of Biochemistry – Post doctoral support (x2)	<u>(109)</u>	-
	<u>(37,583)</u>	-
	<u>861,920</u>	<u>1,042,279</u>

The above adjustments all relate to underspends on completed grants.

# EPA CEPHALOSPORIN FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

### 7 Trustees

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

	2021 £	2020 £
Trustees' expenses	-	1,904

### 8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administrative	0	0

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

### 9 Net gains/(losses) on investments

	Endowment funds general 2021 £	Endowment funds general 2020 £
Gain/(loss) on sale of investments	20,226,663	(8,887,912)

### 10 Fixed asset investments

	Investments £
<b>Cost or valuation</b>	
At 6 April 2020	78,694,082
Additions	100,000
Valuation changes	20,226,663
Disposals	(261,694)
At 5 April 2021	98,759,051
<b>Carrying amount</b>	
At 05 April 2021	98,759,051
At 05 April 2020	78,694,082

## EPA CEPHALOSPORIN FUND

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

---

<b>11 Financial instruments</b>	<b>2021</b>	<b>2020</b>
	£	£
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	98,759,051	78,694,082
	<u>98,759,051</u>	<u>78,694,082</u>
<b>12 Debtors</b>		
	<b>2021</b>	<b>2020</b>
<b>Amounts falling due within one year:</b>	£	£
Other debtors	373,590	-
	<u>373,590</u>	<u>-</u>
<b>13 Creditors: amounts falling due within one year</b>		
	<b>2021</b>	<b>2020</b>
	£	£
Grants payable	1,924,891	1,957,435
Other creditors	5,438	5,280
	<u>1,930,329</u>	<u>1,962,715</u>
<b>14 Creditors: amounts falling due after more than one year</b>		
	<b>2021</b>	<b>2020</b>
	£	£
Grants payable	768,666	400,000
	<u>768,666</u>	<u>400,000</u>

---

# EPA CEPHALOSPORIN FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2021

15	No	Reconciliation of movement in grants during the year	Grant	B/fwd 2020	New 2020/21	Adjustments	Paid 2019/20	C/fwd 2021
266		Department of Biochemistry – Contribution to facility for nanobodies etc.		50,000	-	-	-	50,000
277		Department of Experimental Psychology – retinal imaging for the eye		30,000	-	-	-	30,000
279		Department of Biochemistry – Confocal microscopy systems		75,000	-	-	-	75,000
294		OUMNH – Summer internship programme		61,383	-	-	(12,608)	48,775
298		Department of Chemistry – Chemical Biology Facility		500,000	-	-	-	500,000
CF 303		Department of Biochemistry – High field solution State NMR		30,306	-	(30,306)	-	-
CF 315		Department of Zoology – Support for completion of projects		68,467	-	(7,169)	(61,298)	-
CF 320		King Edward School – Bursaries and refurbishment		500,000	-	-	(100,000)	400,000
CF 327		Department of Chemistry (inorganic) – Salary support		70,237	-	-	(70,237)	-
CF 328		Department of Biochemistry – Octet system for analysis		171,870	-	-	(171,870)	-
CF 329		Department of Biochemistry – Bridging support		39,353	-	-	(39,353)	-
CF 331		Department of Biochemistry – Post-doc support		28,005	-	(7)	(27,998)	-
CF 332		OUMNH – public engagement with research – First Animals exhibition		92,500	-	-	-	92,500
CF 333		Department of Biochemistry – Post-doc support		28,053	-	(102)	(27,951)	-
CF 334		Department of Plant Sciences – Shaking incubator system		16,919	-	-	-	16,919
CF 335		Department of Plant Sciences – Field emission scanning electron scope		159,166	-	-	-	159,166
CF 336		WIMM – Establishing an imaging mass cytometry platform		50,000	-	-	-	50,000
CF 338		Linacre College – Widening participation scholarships		386,175	-	-	-	386,175
CF 341		Department of Biochemistry – Specific RNAs		-	69,763	-	-	69,763
CF 342		Department of Chemistry – Inorganic – Developing Biocatalysis		-	72,774	-	-	72,774
CF 343		OUMNH α – Project IMAGOS		-	126,979	-	(3,243)	123,736
CF 344		Department of Biochemistry – Expanding Access		-	28,160	-	-	28,160
CF 345		Department of Biochemistry – Histone in genome stability		-	32,558	-	-	32,558
CF 346		Department of Biochemistry – Cryo-EM structure determination		-	39,839	-	-	39,839
CF 346e		Department of Biochemistry – Cryo-EM structure determination		-	10,345	-	-	10,345
CF 349		Department of Biochemistry – Purchase protein crystal imaging system		-	69,194	-	-	69,194
CF 351		DCHI** – Focused ion beam and scanning electron microscope		-	366,495	-	-	366,495
CF 352		DPAG – Support for year two of a postdoc		-	39,906	-	-	39,906

# EPA CEPHALOSPORIN FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 5 APRIL 2021

15 Reconciliation of movement in grants during the year				(Continued)	
CF 354	Department of Biochemistry – Defining the role of PARPs in the DNA	-	-	32,252	32,252
CF 355	Department of Pharmacology – Equipment request	-	-	11,238	(11,238)
		2357435	899503	37583	525796
					2693557

### 16 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.

Balance at 6 April 2019	Movement in funds			Balance at 6 April 2020	Movement in funds			Balance at 5 April 2021	
	Incoming resources	Resources expended	Transfers		Incoming resources	Resources expended	Transfers		
£	£	£	£	£	£	£	£	£	
80,793,496	-	-	-	75,389,547	-	-	3,142,841	20,226,663	98,759,051
80,793,496	-	-	-	75,389,547	-	-	3,142,841	20,226,663	98,759,051

The Charity's Fund was converted on 7 April 2003 into an Expendable Endowment Fund as ordered by the Charity Commissioners for England and Wales.

## EPA CEPHALOSPORIN FUND

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 5 APRIL 2021

#### 17 Analysis of net assets between funds

	Unrestricted funds		Endowment funds		Total		Unrestricted funds		Restricted funds		Endowment funds		Total	
	2021	£	2021	£	2021	£	2020	£	2020	£	2020	£	2020	£
Fund balances at 5 April 2021 are represented by:														
Investments	-		98,759,051		98,759,051		-		-		78,694,082		78,694,082	
Current assets/(liabilities)	2,096,615		-		2,096,615		2,223,565		-		(3,304,535)		(1,080,970)	
Long term liabilities	(768,666)		-		(768,666)		(400,000)		-		-		(400,000)	
	1,327,949		98,759,051		100,087,000		1,823,565		-		75,389,547		77,213,112	

## EPA CEPHALOSPORIN FUND

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

---

#### 18 Related party transactions

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

19 Cash generated from operations	2021 £	2020 £
Surplus/(deficit) for the year	22,873,888	(8,075,686)
Adjustments for:		
Investment income recognised in statement of financial activities	(3,527,725)	(2,089,135)
(Gain)/loss on disposal of investments	(20,226,663)	8,887,912
Movements in working capital:		
(Increase)/decrease in debtors	(373,590)	370,503
Increase/(decrease) in creditors	336,280	(1,437,812)
<b>Cash absorbed by operations</b>	<u>(917,810)</u>	<u>(2,344,218)</u>

#### 20 Analysis of changes in net funds

The Charity had no debt during the year.

