

**UNAUDITED REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

FOR

**KIDNEY RESEARCH YORKSHIRE LIMITED
(FORMERLY KNOWN AS THE YORKSHIRE
KIDNEY RESEARCH FUND LIMITED)**

**REGISTERED COMPANY NUMBER 05205363
REGISTERED CHARITY NUMBER 1106412**

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**KIDNEY RESEARCH YORKSHIRE LIMITED
(FORMERLY KNOWN AS THE YORKSHIRE
KIDNEY RESEARCH FUND LIMITED)**

**REGISTERED COMPANY NUMBER 05205363
REGISTERED CHARITY NUMBER 1106412**

BUSINESS INFORMATION

| | |
|----------------------------------|---|
| DIRECTORS: | Julian L. Wiley D. Ian Firth Bill Griffiths |
| COMPANY SECRETARY | Rachel Dunhill MAAT ACA |
| PATRONS: | Baroness Haleh Afshar OBE FAcSS Prof. Alex M. Davison, R D, M D, F R C P Trevor Gurney, F C A Danni Hewson Tim Hogarth The Hon. Simon Howard Sir Ben Kingsley Professor Graham A Leslie CBE Hon DBA Matthew Lewis The Lord St. Oswald Jeremy Paxman Kevin Sinfield Christine Talbot |
| CHAIR: | Julian L. Wiley |
| ADMINISTRATOR: | Mo Ashbridge |
| TREASURER: | Bill Griffiths |
| REGISTERED OFFICE: | St Peg's Mill Brighouse HD6 4AH |
| BANKERS: | Yorkshire Bank PLC Leeds Central 94-96 Briggate Leeds, LS1 6NP |
| INVESTMENT FUND MANAGERS: | Brewin Dolphin Limited 1 The Avenue Spinningfields Square Manchester, M3 3AP |
| INDEPENDENT EXAMINER: | Victoria Craven ACA RSM UK Tax and Accounting Ltd 5 th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL |

**KIDNEY RESEARCH YORKSHIRE LIMITED
(FORMERLY KNOWN AS THE YORKSHIRE
KIDNEY RESEARCH FUND LIMITED)**

REPORT OF THE TRUSTEES

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 30 September 2017.

Reference and administrative details

| | |
|------------------------------|---|
| <u>Charity number:</u> | 1106412 |
| <u>Company number:</u> | 05205363 |
| <u>Registered Office:</u> | St. Peg's Mill Brighouse HD6 4AH |
| <u>Independent Examiner:</u> | Victoria Craven ACA RSM UK Tax and Accounting Ltd 5 th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL |
| <u>Bankers:</u> | Yorkshire Bank PLC 94-96 Briggate Leeds, LS1 6NP |

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year end were as follows:

| | |
|-------------------|---|
| Elected Trustees | Julian L Wiley D. Ian Firth Rachel Dunhill MAAT ACA Bill Griffiths |
| Company Secretary | Rachel Dunhill MAAT ACA |

Structure, Governance and Management

Governing Document

Kidney Research Yorkshire Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 13 August 2004. It is registered as a charity with the Charity Commission.

Anyone can become a member of the Company. Each member agrees to contribute such amount as is required (not exceeding £10) in the event of the charity winding up.

**KIDNEY RESEARCH YORKSHIRE LIMITED
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**REPORT OF THE TRUSTEES
Continued**

Appointment of trustees

The trustees are appointed by the Board of Trustees and serve for three years after which period they may put themselves forward for re-appointment. The Articles of Association states that the number of trustees shall not be less than three but shall not be subject to a maximum.

Prior to the AGM, all members are circulated with details of any person (other than a trustee retiring by rotation) who is recommended by the trustees for appointment as a trustee or in respect of whom notice has-been given to the Charity of the intention to propose him at the meeting for appointment or reappointment as a trustee.

Trustee induction and training

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of trustees administers the charity. The board, together with the members, meet monthly. The trustees may appoint one or more sub-committees consisting of two or more trustees for the purpose of performing any function or duty which is deemed necessary for the running of the charity.

Risk management

The trustees examine the major risks that the charity faces each financial year when preparing and updating the strategic plan. Through regular trustees meetings the Fund can monitor the situation and control these risks to mitigate any impact that they may have on the Fund's future.

This work has continued to identify relatively few minor risks. Particular attention has focussed on asset management and the variability of donation and legacies received. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

Objectives and activities for the public benefit

The objects of the charity are to advance knowledge through research and to relieve sickness by the promotion and support of scientific clinical and transplant research in Yorkshire to benefit children and adults suffering from kidney disease. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The charity achieves its objectives by issuing grants to promote or carry out research and publishing and distributing information.

The main objectives for the year continue to be the promotion of the charity and the raising of the public's awareness as to activities of the charity.

The strategies employed to achieve the charity's objectives are:

- Issuing grants to projects involved in renal research
- Publishing and distributing half yearly newsletters which give up to date information about the charity and news of the latest developments in kidney research
- Holding annual social and other events to promote the charity

Grant making policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish.

**KIDNEY RESEARCH YORKSHIRE LIMITED
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**REPORT OF THE TRUSTEES
Continued**

The charity invites applications for grants in renal research to be carried out in universities and hospitals across Yorkshire and the Humber. Most grants are awarded for up to three years though these can be extended to support the next stage in the research process. Applications made in the correct format are reviewed to ensure that the research criteria are being met and it is then peer reviewed to ensure that the project is worthy of support.

Currently applications are received by "word of mouth" however advertising in the specialist press will be considered if grant money is available and no appropriate applications are received.

Details of how to apply for grants together with the relevant forms are available at the Charity's website.

Volunteers

With the exception of one administrator, all trustees and members of the charity are volunteers. The Fund is grateful for the unstinting efforts of these volunteers who are involved in service provision and fundraising.

Achievements and performance (*report by Dr A.F. Mooney BMedSci (Hons) BMBS PhD FRCP – Scientific Advisor to Kidney Research Yorkshire*)

I am delighted to present the research report for Kidney Research Yorkshire for 2016/7. The years 2012 to 2015, were exceptional in terms of outputs from previously supported scientific work, but I think the last 12 months have continued the solid performance experienced thereafter. With changes in the timing of submission of reports for the AGM, it is actually only 7 months since the previous report, so there has been less time for progress than usual between these reports, and several points are repeated almost verbatim. On 30th September 2017, the researchers actively utilising Kidney Research Yorkshire research grants are Dr Andrew MacDonald and Dr Anna Winterbottom.

Dr MacDonald's programme has received three 12-month awards from Kidney Research Yorkshire which have enabled him to develop a large volume of preliminary data from basic scientific models of BK virus pathogenicity to kidney cells and kidneys, seeking novel methods to interrupt this pathogen's effects on kidney transplants. Publications are awaited, but as the Kidney Research Yorkshire funding is completed, I believe he is now in a position to apply for external funding. His position is strengthened by the development of a clinical link with Dr Welberry-Smith to test real clinical specimens in his experiments. If successful, this would represent the ideal execution of the Fund's proposed model of pump-priming for competitive external grants.

The second researcher supported currently by Kidney Research Yorkshire is Dr Anna Winterbottom. Building on the huge success of the Yorkshire Dialysis Decision Aid (YoDDA), she is developing the Yorkshire Dialysis vs Conservative Management Decision Aid (YoDCA), to support the decision between whether to receive dialysis or not for patients with advanced kidney disease. This is a sensitive, but extremely pertinent subject in contemporary renal medicine practice. The subject is an area of active research in several UK centres but this project is at the vanguard. Already, a paper outlining the work has been submitted to *Journal of Kidney Care*, and a further paper is in draft following the literature review around the subject performed by Dr Winterbottom. Ethical committee submission has been made with approval expected imminently to move on to the second part of the study.

Dr Shammi Chinnappa, a previous Kidney Research Yorkshire grant recipient did indeed publish his first scientific paper in the prestigious European journal *Nephrology, Dialysis and Transplantation*. He has also undertaken his *viva voce* examination for his PhD which he passed subject to amendments with an expectation that his PhD will be awarded within the next 2 months. Having described sub-clinical cardiac changes in chronic kidney disease (CKD) patients, his work is of great interest to the renal and cardiac scientific and clinical communities. A further paper describing the reversal of these changes by renal transplantation is ready for immediate re-submission to another journal, and more papers will be completed and submitted thereafter.

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**REPORT OF THE TRUSTEES
Continued**

Following this work, there are plans for a NIHR-funded EME grant application in the spring for a trial of beta-blockers in CKD patients. He also has ethical approval to approach patients from his original study who have been subsequently transplanted to acquire more data on the reversibility of cardiac dysfunction by transplantation. I believe the Kidney Research Yorkshire committee will have an increasing role in advising as part of Patient and Public Involvement (PPI) in trials - particularly those they have provided funding for - and this represents an archetypal example. Dr Chinnappa also worked on a basic scientific series of experiments in models of uraemia and heart disease and he is exploring a collaboration between Edinburgh and Leeds Universities to develop this work further as well. I believe the return on this relatively small investment in Dr Chinnappa's work has been extremely high, and Dr Chinnappa remains a faithful supporter of the Fund.

Dr Robin Jeffrey previously received Kidney Research Yorkshire support as part of the "Born in Bradford" study. I believe he intended to apply for Kidney Research UK funding in 2017, but I am not aware how this has developed since the last AGM. I think the committee should consider contacting Dr Jeffrey for an update, and strongly consider supporting further work if appropriate.

Dr Nick Hornigold maintains a research interest in CKD, scarring, and the role of Hic-5, while working on a project related to prostate cancer. Over the last 18 months, he has completed a large piece of work for which he originally applied for (and acquired though it was suspended) Kidney Research Yorkshire funding. He showed that although we could demonstrate effects of Hic-5 on mesangial cells in culture flasks on the cellular machinery which executes cells, it was not possible to demonstrate this *in vivo*, perhaps due to the rapidity of the changes. As above, he has a "suspended" Kidney Research Yorkshire project grant in place. I believe the committee will need to determine whether this could resume, as his current funding will cease in the first quarter of 2018.

I believe the rigour of review of research outputs has benefitted significantly from the re-design of the grants award process. I believe an example was the measured and considered response to a grant submission in the autumn round. I also think there is now an improved ability to review progress against milestones following grant award, though this will need on-going review.

As previously, I continue to believe the Fund should formally make contact with Dr Welberry-Smith in his efforts to establish a body of researchers resembling an Institute within the University. I believe the Fund should look to new consultant appointments in Leeds for opportunities to support their establishment of new research avenues, and ways of working together, particularly bearing in mind that this will represent the new generation of renal researchers in Yorkshire, and in time, advisors to the Fund.

I believe that Kidney Research Yorkshire continues to provide opportunities for improving lives of kidney patients that would not otherwise exist, and would encourage all committee members to remember this and be proud of their efforts and achievements.

**KIDNEY RESEARCH YORKSHIRE LIMITED
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**REPORT OF THE TRUSTEES
Continued**

Financial Review

Total unrestricted income for the year was £111,586. Voluntary income has decreased by 68% mainly due to a lack of legacies received in the year. Other Trading Activity has increased significantly due to increased receipts at the annual dinner dance and increased fundraising activity. Investment income has decreased marginally by 5%.

The net movement in funds for the year shows a deficit of £30,815 (2016 – surplus of £181,788).

Investment powers and policy

As at 30 September 2017 the investment portfolio managed by Brewin Dolphin was valued at £1,255,274. This value represents an increase of 1%. Total income received from dividends in the year was £33,642.

The investment held in the COIF investment fund was valued at £129,782 at 30 September 2017, an increase of 12% in the year.

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. The charity is largely dependent upon donations, legacies and fundraising activities: in 2016-7, these made up 67% of total income. These donations, legacies and fundraising activities cannot be relied upon for future income. Sufficient reserves are therefore held to ensure that not only can the charity cover its expenses for the foreseeable future but also that grants can continue to be issued should other income not be forthcoming.

In addition, although an annual limit is put upon the total value of grants approved, the charity is keen to retain sufficient reserves such that should a large grant application be received that the charity considers worthwhile, it would be in a position to support the research.

The actual reserves at 30 September 2017 were £1,060,760 of which £38,099 was restricted.

Plans for future periods

The charity is constantly inviting applications from credible research teams in Yorkshire and the Humber.

As the charity is now entering its tenth year as a project based charity, and is well known by renal researchers in the area, it is hoped that some major applications will be received in the coming year.

For 2018 the two grant application windows during which the charity will accept grant applications will be from April-June and October-December each year. In the intervening months applications submitted in the previous application window will be considered with grants being approved and announced in September and March. The annual amount of grant to be awarded will be up to £100,000, with a further £50,000 being considered in exceptional circumstances.

The Charity's Trustees have been exploring the introduction of various novel fundraising initiatives. These have been considered essential with a decline in legacy income and donations. New fundraising initiatives in 2016-7 and planned for 2018 have included Lunch events, Boot Fairs, Raffles and fundraising partnerships with commercial organisations. The Charity has continued to organise an annual dinner dance each autumn which has delivered increased revenues as a result of improved fundraising initiatives and reduced costs.

In order to further raise the profile of the Charity, especially in our local region, the Trustees elected to change the name of the Charity in 2017 from Yorkshire Kidney Research Fund to Kidney Research Yorkshire.

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**REPORT OF THE TRUSTEES
Continued**

Trustees' responsibilities in relation to the financial statements

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 charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- 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 and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation; and have been prepared in accordance with the requirements of the Charities Act 2011, Companies Act 2006 and United Kingdom Generally Accepted Accounting Practices (applicable to smaller entities).

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) 2008 Regulations and the provisions of the trust deed.

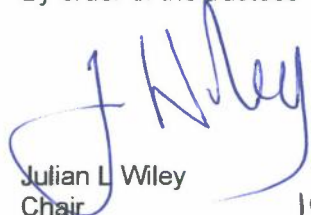
The trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of the small companies regime under part 15 of the Companies Act 2006.

Independent Examiners

A resolution will be proposed at the Annual General Meeting that RSM UK Tax and Accounting Ltd be reappointed as Independent Examiners for the charity for the ensuing year.

By order of the trustees


Julian L. Wiley
Chair 10/5/18

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

KIDNEY RESEARCH YORKSHIRE LIMITED (FORMERLY KNOWN AS THE YORKSHIRE KIDNEY RESEARCH FUND LIMITED)

I report to the trustees on my examination of the financial statements of Kidney Research Yorkshire Limited ('the company') for the year ended 30 September 2017, which are set out on pages 10 to 20.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

RSM UK Tax and Accounting Ltd

Victoria Craven ACA
The Institute of Chartered Accountants in England and Wales
Chartered Accountant
ON BEHALF OF RSM UK TAX AND ACCOUNTING LIMITED
Chartered Accountants
5th Floor
Central Square
29 Wellington Street
Leeds
LS1 4DL

Date: 21/5/18

**KIDNEY RESEARCH YORKSHIRE LIMITED
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**UNAUDITED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
for the Year Ended 30 September 2017**

| | Notes | Unrestricted Funds | Restricted Funds | Total 2017 | Total 2016 |
|--|-------|--------------------|------------------|---------------|---------------|
| | | £ | £ | £ | £ |
| INCOME: | | | | | |
| Donations and legacies | 2 | 16,847 | - | 16,847 | 52,347 |
| Other trading activities | 3 | 57,578 | - | 57,578 | 29,181 |
| Investments | 4 | 37,161 | - | 37,161 | 37,988 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL INCOME | | 111,586 | - | 111,586 | 119,516 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| EXPENDITURE: | | | | | |
| Costs of raising funds | 5 | 36,144 | - | 36,144 | 28,548 |
| Expenditure on charitable activities | 7 | 188,196 | 17,000 | 205,196 | 64,950 |
| Other | 10 | 147 | - | 147 | 72 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL EXPENDITURE | | 224,487 | 17,000 | 241,487 | 93,570 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Net (expenditure)/income and Net movement in funds before gains and losses on investments | | (112,901) | (17,000) | (129,901) | 25,946 |
| Net gains on investments | | 99,086 | - | 99,086 | 155,842 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Net (expenditure)/income and net movement in funds for the year | | (13,815) | (17,000) | (30,815) | 181,788 |
| Total funds brought forward | | 1,036,476 | 55,099 | 1,091,575 | 909,787 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total funds carried forward | | 1,022,661 | 38,099 | 1,060,760 | 1,091,575 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |

The notes on pages 13-23 form part of the financial statements

These unaudited financial statements have been subjected to an independent examination.
See report on page 9.

**KIDNEY RESEARCH YORKSHIRE LIMITED
(FORMERLY KNOWN AS THE YORKSHIRE
KIDNEY RESEARCH FUND LIMITED)
REGISTERED COMPANY NUMBER 05205363**

**UNAUDITED BALANCE SHEET
at 30 September 2017**

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2017 £ | Total 2016 £ |
|---|-------|-------------------------|-----------------------|--------------------|--------------------|
| FIXED ASSETS | | | | | |
| Investments | 11 | 1,385,055 | - | 1,385,055 | 1,513,458 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| CURRENT ASSETS | | | | | |
| Debtors | 12 | 1,792 | - | 1,792 | 2,978 |
| Cash at bank and in hand | 13 | 8,388 | 130,981 | 139,369 | 31,943 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Total current assets | | 10,180 | 130,981 | 141,161 | 34,921 |
| CREDITORS Amounts falling due within one year | 14 | (312,218) | (92,882) | (405,100) | (393,975) |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| NET CURRENT ASSETS/ (LIABILITIES) | | (302,038) | 38,099 | (263,939) | (355,439) |
| CREDITORS Amounts falling due after one year | 15 | (60,356) | - | (60,356) | (62,829) |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| NET ASSETS | | 1,022,661 | 38,099 | 1,060,760 | 1,091,575 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| The funds of the charity: | | | | | |
| Restricted income funds | 16 | - | 38,099 | 38,099 | 55,099 |
| Unrestricted income funds | | 1,022,661 | - | 1,022,661 | 1,036,476 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL CHARITY FUNDS | | 1,022,661 | 38,099 | 1,060,760 | 1,091,575 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of Companies Act 2006.

The trustees acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

The notes on page 13-23 form part of these financial statements

These unaudited financial statements have been subjected to an independent examination.
See report on page 9.

**KIDNEY RESEARCH YORKSHIRE LIMITED
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REGISTERED COMPANY NUMBER 05205363**

**UNAUDITED BALANCE SHEET
at 30 September 2017**

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Act relating to small companies and constitute the annual accounts required by the Act and are for circulation to members of the company.

.....
J L Wiley - Trustee

Date:

10/5/18.

The notes on page 13-21 form part of these financial statements

These unaudited financial statements have been subjected to an independent examination.
See report on page 9.

**KIDNEY RESEARCH YORKSHIRE LIMITED
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**UNAUDITED NOTES TO THE ACCOUNTS
30 September 2017**

1. ACCOUNTING POLICIES

Basis of preparation

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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Kidney Research Yorkshire Limited meets the definition of a public benefit entity under FRS 102.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balance and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income.

| | |
|---|----------------|
| Reconciliation of reported net income | £ |
| Net income/(expenditure) as previously stated | 25,946 |
| Adjustment for gains on investment now treated as a component of net income | 155,842 |
| 2016 net income as restated | <u>181,788</u> |

Going Concern

The charity has net current liabilities of £263,939 (2015 - £355,439). The trustees have carried out a detailed review of the charity's resources and have reviewed the financial position of the charity for a period covering the following 12 months and consider that it is appropriate to prepare the accounts on a going concern basis.

Income

Income represents amounts received and receivable by the charity from donations, legacies, investment income and fund raising events.

Income is recognised in the financial statements when the charity has entitlement to the funds, entitlement has been notified, any performance conditions attached to the items of income have been met or are fully within the control of the charity, there is sufficient certainty this receipt of the income is probable and the amount receivable can be measured with reasonable reliability.

The following specific policies are applied to particular categories of income:

Donations and legacies are only recognised when the charity has unconditional entitlement to the income.

Other trading activities represent dinner dance income and fund raising events which are recognised when the gift has been received.

These unaudited financial statements have been subjected to an independent examination.
See report on page 9.

**KIDNEY RESEARCH YORKSHIRE LIMITED
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KIDNEY RESEARCH FUND LIMITED)**

**UNAUDITED NOTES TO THE ACCOUNTS
30 September 2017**

Incoming resources from tax reclaims are recognised at the same time as the gift to which they receive.

Investment income is recognised when receivable. Investment gains and losses includes any gains or losses on the sale of investments and any gains or losses resulting from revaluing investments to market value at the end of the year.

Expenditure

Expenditure is accounted for on an accruals basis and is shown gross of VAT, which is not recoverable. It is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of raising funds include those in relation to the operation of the charity and its investment portfolios.

Charitable activity represents grants, donations and costs primarily associated with the governance of the charity and meeting its statutory requirements.

Grants

Grants are accounted for in the year in which they are approved and communicated to recipient, irrespective of the period covered by the grants. Grants awarded but not yet paid are recorded as grant commitments in the balance sheet. Therefore, important to ensure appropriate accruals made.

Donated services and facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Funds

Unrestricted funds

Unrestricted funds are those funds available to further the fund's charitable objectives at the discretion of the trustees.

Restricted funds

Restricted funds are funds which have been given for a particular purpose and project. The Iceberg Project fund must be used for research work regarding the Algorithm Programme. The balance on the Mary Strang legacy, which is held within restricted funds, is to be used for work in connection with the renal units' paediatric department.

Investments

Listed investments are valued at the fair market value ruling at the balance sheet date

These unaudited financial statements have been subjected to an independent examination.
See report on page 9.

**KIDNEY RESEARCH YORKSHIRE LIMITED
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**UNAUDITED NOTES TO THE ACCOUNTS
30 September 2017**

2. DONATIONS AND LEGACIES

| | Unrestricted Funds | Restricted Funds | Total Funds 2017 | Total Funds 2016 |
|-----------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| Donations | 16,847 | - | 16,847 | 19,186 |
| Legacies | - | - | - | 33,161 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 16,847 | - | 16,847 | 52,347 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

There was no restricted income from donations and legacies in 2016.

3. OTHER TRADING ACTIVITIES

| | Unrestricted Funds | Restricted Funds | Total Funds 2017 | Total Funds 2016 |
|---------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| Dinner dance income | 31,453 | - | 31,453 | 25,706 |
| Fund raising events | 26,125 | - | 26,125 | 3,475 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 57,578 | - | 57,578 | 29,181 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

There was no restricted income from other trading activities in 2016.

4. INVESTMENTS

| | Unrestricted Funds | Restricted Funds | Total Funds 2017 | Total Funds 2016 |
|-------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| Investment income | 33,642 | - | 33,642 | 35,318 |
| Bank interest | 2,450 | - | 2,450 | 2,701 |
| Tax refund | 1,069 | - | 1,069 | (31) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 37,161 | - | 37,161 | 37,988 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

There was no restricted income from investments in 2016.

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5. COSTS OF RAISING FUNDS

| | Unrestricted Funds | Restricted Funds | Total Funds 2017 | Total Funds 2016 |
|-------------------------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| Dinner dance costs | 8,947 | - | 8,947 | 7,151 |
| Advertising | 160 | - | 160 | - |
| Fundraising events | 517 | - | 517 | 81 |
| Collection boxes | 121 | - | 121 | 1 |
| Website & e-mail costs | 365 | - | 365 | 105 |
| Rent | 2,795 | - | 2,795 | 2,795 |
| Staff costs | 6,064 | - | 6,064 | 3,899 |
| Travel costs | 379 | - | 379 | 414 |
| Newsletter costs | 3,522 | - | 3,522 | 2,480 |
| Printing, postage and stationery | 775 | - | 775 | 114 |
| Subscriptions | 239 | - | 239 | - |
| Telephone | 813 | - | 813 | 669 |
| Just Giving fees | 216 | - | 216 | 216 |
| Investment management fees (note 6) | 11,231 | - | 11,231 | 10,623 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 36,144 | - | 36,144 | 28,548 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

There were no costs of raising funds from restricted funds in 2016.

6. INVESTMENT MANAGEMENT COSTS

| | Unrestricted Funds | Restricted Funds | Total Funds 2017 | Total Funds 2016 |
|---------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| Brewin Dolphin fees | 11,231 | - | 11,231 | 10,623 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

There were no investment management costs from restricted funds in 2016.

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7. EXPENDITURE ON CHARITABLE ACTIVITIES

| | Unrestricted Funds | Restricted Funds | Total Funds 2017 | Total Funds 2016 |
|----------------------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| Staff costs | 6,064 | - | 6,064 | 3,899 |
| Printing, postage and stationery | 775 | - | 775 | 114 |
| Rent | 2,795 | - | 2,795 | 2,795 |
| Grants awarded (note 8) | 171,096 | 17,000 | 188,096 | 51,472 |
| Governance costs (note 9) | 7,466 | - | 7,466 | 6,670 |
| | <u>188,196</u> | <u>17,000</u> | <u>205,196</u> | <u>64,950</u> |

There were no charitable activity costs from restricted funds in 2016.

8. GRANTS AWARDED TO INDIVIDUALS

Grants awarded in the year charged to the Statement of Financial Activities included:

| | Unrestricted Funds | Restricted Funds | Total Funds 2017 | Total Funds 2016 |
|-------------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| A Macdonald | 51,835 | - | 51,835 | 51,472 |
| Dr Winterbottom | 120,712 | - | 120,712 | - |
| Dr E Will | - | 17,000 | 17,000 | - |
| Grant accruals released | (1,451) | - | (1,451) | - |
| | <u>171,096</u> | <u>17,000</u> | <u>188,096</u> | <u>51,472</u> |

Grants are paid in respect of applications made by individual researchers who, as part of the grant process, confirm the institution with which they are associated with. Institutions are responsible for the management of grants, but the grants remain the responsibility of the individual researcher.

There were no grants made out of restricted funds in 2016.

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9. GOVERNANCE COSTS

| | Unrestricted Funds | Restricted Funds | Total Funds 2017 | Total Funds 2016 |
|----------------------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| AGM costs | 58 | - | 58 | - |
| Staff costs | 1,974 | - | 1,974 | 1,269 |
| Printing, postage and stationery | 253 | - | 252 | 37 |
| Insurance | 549 | - | 549 | 674 |
| Rent | 910 | - | 910 | 910 |
| Independent examination | 3,722 | - | 3,723 | 3,720 |
| Payroll administration | - | - | - | 47 |
| Filing fee | - | - | - | 13 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 7,466 | - | 7,466 | 6,670 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

There were no governance costs from restricted funds in 2016.

10. OTHER RESOURCES EXPENDED

| | Unrestricted Funds | Restricted Funds | Total Funds 2017 | Total Funds 2016 |
|-------------------|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| Software licences | 147 | - | 147 | 72 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 147 | - | 147 | 72 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

There were no other resources expended from restricted funds in 2016.

11. INVESTMENTS

| | 2017 £ | 2016 £ |
|------------------------------|-----------|-----------|
| Yorkshire Bank annual bond | - | 150,000 |
| Quoted investments (note 12) | 1,385,055 | 1,363,458 |
| | <hr/> | <hr/> |
| | 1,385,055 | 1,513,458 |
| | <hr/> | <hr/> |

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11. INVESTMENTS (continued)

| Quoted investments | 2017 £ | 2016 £ |
|---|-----------|-----------|
| Market value at 1 October 2016 | 1,336,861 | 1,157,205 |
| Less: Disposals at market value | (148,576) | (705,846) |
| Add: Acquisitions at cost | 66,668 | 766,986 |
| Net gain on revaluation at 30 September 2017 | 93,278 | 118,516 |
| | <hr/> | <hr/> |
| Market value at 30 September 2017 | 1,348,231 | 1,336,861 |
| Cash held in investment portfolio | 36,824 | 26,597 |
| | <hr/> | <hr/> |
| Total investments at 30 September 2017 | 1,385,055 | 1,363,458 |
| | <hr/> | <hr/> |
| Historical cost at 30 September 2017 | 1,145,106 | 1,215,668 |
| | <hr/> | <hr/> |

Investments are analysed as follows:

| | 2017 | | 2016 | |
|---------------------------|----------------------|------------|----------------------|------------|
| | Market value £ | % of Total | Market value £ | % of Total |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Comprised: | | | | |
| Absolute Return | 76,077 | 5.49% | 74,038 | 5.43% |
| Asia Pacific Equities | 54,644 | 3.95% | 45,752 | 3.36% |
| Emerging Markets Equities | 20,672 | 1.49% | 15,976 | 1.17% |
| UK Equities | 499,617 | 36.07% | 482,816 | 35.41% |
| European Unit Trusts | - | 0.00% | 31,820 | 2.33% |
| European Equities | 32,516 | 2.35% | - | 0.00% |
| USA Unit Trusts | - | 0.00% | 193,143 | 14.17% |
| Other | - | 0.00% | 48 | 0.00% |
| COIF | 129,782 | 9.37% | 116,231 | 8.52% |
| Global Investments | 69,020 | 4.98% | 64,704 | 4.75% |
| Japanese Equities | 33,787 | 2.44% | 30,668 | 2.25% |
| Property | 17,724 | 1.28% | 29,102 | 2.13% |
| UK Bonds | 227,321 | 16.41% | 252,563 | 18.53% |
| N American Equities | 187,070 | 13.51% | - | 0.00% |
| Other | | | | |
| Cash | 36,824 | 2.66% | 26,597 | 1.95% |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| SUB TOTAL | 1,385,055 | 100.00% | 1,363,458 | 100.00% |
| | <hr/> | <hr/> | <hr/> | <hr/> |

There are no individual investments that make up more than 5% of the market value of the total portfolio as at 30 September 2017.

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| | | |
|--|---------------|---------------|
| 12. DEBTORS | 2017 £ | 2016 £ |
| Tax refund | 1,069 | - |
| Prepayments and accrued income | 723 | 2,978 |
| | <hr/> 1,792 | <hr/> 2,978 |
| 13. CASH AT BANK | 2017 £ | 2016 £ |
| Current Accounts | 138,455 | 13,033 |
| Deposit Accounts | 871 | 18,867 |
| Petty cash | 43 | 43 |
| | <hr/> 139,369 | <hr/> 31,943 |
| 14. CREDITORS – Amounts falling due within one year | 2017 £ | 2016 £ |
| Other creditors | 20,591 | 20,821 |
| Grants committed | 377,016 | 364,231 |
| Accruals and deferred income | 7,025 | 8,923 |
| Other tax & social security | 468 | - |
| | <hr/> 405,100 | <hr/> 393,975 |
| 15. CREDITORS – Amounts falling due after one year | 2017 £ | 2016 £ |
| Grants committed | 60,356 | 62,829 |
| | <hr/> 60,356 | <hr/> 62,829 |

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16. RESTRICTED INCOME FUNDS

The income includes restricted funds as reported in the Statement of Financial Activities as follows:

| | Balance at 01/10/16 £ | Income £ | Expenditure £ | Balance at 30/09/17 £ |
|----------------------|-----------------------------|-------------|------------------|-----------------------------|
| Icebirg Project | 46,081 | - | 17,000 | 29,081 |
| Legacy – Mary Strang | 9,018 | - | - | 9,018 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 55,099 | - | 17,000 | 38,099 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

| | Balance at 01/10/15 £ | Income £ | Expenditure £ | Balance at 30/09/16 £ |
|----------------------|-----------------------------|-------------|------------------|-----------------------------|
| Icebirg Project | 46,081 | - | - | 46,081 |
| Legacy – Mary Strang | 9,018 | - | - | 9,018 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 55,099 | - | - | 55,099 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

17. ALLOCATION OF SUPPORT COSTS AND OVERHEADS

| | Total Allocated £ | Governance 14% £ | Costs of generating voluntary income 43% £ | Charitable activities 43% £ |
|------------------------|-------------------------|------------------------|--|--------------------------------------|
| Cost type | | | | |
| Staff costs | 14,102 | 1,974 | 6,064 | 6,064 |
| Rent | 6,500 | 910 | 2,795 | 2,795 |
| Postage and stationery | 1,803 | 253 | 775 | 775 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 22,405 | 3,137 | 9,634 | 9,634 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

These unaudited financial statements have been subjected to an independent examination.
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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted Funds £ | Restricted Funds £ | 2017 Total £ | 2016 Total £ |
|------------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Fixed asset investments | 1,382,145 | - | 1,382,145 | 1,509,843 |
| Current assets | 105,972 | 130,981 | 144,071 | 38,536 |
| Current liabilities | (405,100) | (92,882) | (405,100) | (393,975) |
| Long term liabilities | (60,356) | - | (60,356) | (62,829) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net assets as at 30 September 2017 | 1,022,661 | 38,099 | 1,060,760 | 1,091,575 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | Unrestricted Funds £ | Restricted Funds £ | 2016 Total £ | 2015 Total £ |
| Fixed asset investments | 1,509,843 | - | 1,509,843 | 1,327,576 |
| Current assets | (16,563) | 55,099 | 38,536 | 156,885 |
| Current liabilities | (393,975) | - | (393,975) | (481,976) |
| Long term liabilities | (62,829) | - | (62,829) | (92,698) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net assets as at 30 September 2016 | 1,036,476 | 55,099 | 1,091,575 | 909,787 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

19. TRANSACTIONS WITH TRUSTEES OR CONNECTED PERSONS

J L Wiley, a trustee of the charity, is also a director of Wiley Accessories Limited. During the year the Wiley Accessories Limited provided the charity with free use of office facilities valuing £6,500 (2016 - £6,500). The income has been recognised within donations and the expenditure within rent in the statement of financial activities.

No emoluments or expenses were paid to trustees during the current or previous year.

The trustees of the charity have ultimate control of the charity.

20. CAPITAL COMMITMENTS

There are no outstanding capital commitments as at 30 September 2017.

21. STAFF COSTS

The average number of part-time employees during the year was 1 (2016 - 1). The total staff costs paid in the year were £14,102 (2016 - £9,067).

All employee time was involved in providing either support to the governance of the charity or support services to charitable activities.

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22. TAXATION

As a charity, Kidney Research Yorkshire Limited is exempt from tax on income falling within Part 11 of the Corporation Tax Act 2010 and on the gains falling within s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the charity.

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