

**NORTHWICK PARK INSTITUTE FOR MEDICAL RESEARCH
(Trading as THE GRIFFIN INSTITUTE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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**THE GRIFFIN INSTITUTE
LEGAL AND ADMINISTRATIVE INFORMATION**

| | |
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| Honorary President | John Griffin |
| Trustees | Professor Robin Kennedy MBBS FRCS – Chair Mr Bruce Mauleverer QC FCI Arb MA – Vice Chair Ms Kate Forster Chartered FCIPD Professor Anthony Goldstone CBE FRCP Dr Gavin Jell MSc PhD PG Cert Ed Mr Mark (Bertie) Leigh Professor Vivek Mudera PhD Ms Bonella Ramsay Mr Hugo Robinson MA FCA - Treasurer |
| Company number | 03445616 |
| Charity number | 1129348 |
| Principal address and registered office | Northwick Park and St Mark's Hospitals Y Block Watford Road Harrow HA1 3UJ |
| Auditor | Knox Cropper LLP 65/68 Leadenhall Street London EC3A 2AD |
| Bankers | Lloyds Bank PLC 286-288 Station Road Harrow HA1 2EB |
| Solicitors | Bates Wells 10 Queen Street Place London EC4R 1BE |



THE GRIFFIN INSTITUTE

CONTENTS

| | |
|--|----------------|
| Trustees Report | 1 - 14 |
| Independent Auditor's Report | 15 - 17 |
| Statement of Financial Activities | 18 - 19 |
| Balance sheet | 20 |
| Cash Flow Statement | 21 |
| Notes to the financial statements | 22 – 37 |



**THE GRIFFIN INSTITUTE
TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022**

OBJECTS, OBJECTIVES AND ACTIVITIES

The objects of the Charity are:

The advancement of education and the preservation and protection of the health of the public by the promotion of medical research into, and education in areas of, medical science and the publication of the useful results thereof.

Our Vision is to Transform Patient Health by improving and extending lives

Our Mission Statement:

To use our passion, expertise, and facilities to deliver excellence in translational scientific research and high-quality surgical training for the benefit of patients.

We aim to deliver our mission through:

| 1. Pioneering research & development: | 2. Expanding our preclinical centre for research: | 3. Surgical Training: |
|--|--|---|
| <ul style="list-style-type: none">• Promote pioneering research to find solutions for chronic health conditions in regenerative medicine and transplantation including:<ul style="list-style-type: none">○ Developing a novel wound healing portfolio○ Creating functional tissues/organs to address disease and the transplantation shortage○ Improving quality of life for sufferers of gut disorders○ Developing non-synthetic breast reconstruction implants using natural proteins | <ul style="list-style-type: none">• A well-equipped and experienced preclinical centre for contract research offering:<ul style="list-style-type: none">○ Full spectrum of animals (Rodent & Farm)○ Advanced facilities and surgical expertise in most areas○ GLP or non-GLP studies to facilitate innovative surgical technology, advanced design of medical devices and novel biomaterials○ Collaboration with key stakeholders including Academics, NHS Trusts, SMEs, and commercial partners to promote and expand the centre | <ul style="list-style-type: none">• To become a leading Minimally Invasive Surgery (MIS) training centre that promotes advanced training, and contributes to assessment and accreditation:<ul style="list-style-type: none">○ To conduct educational research to support learning and accreditation |



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Griffin Institute has committed to the following core values

- Quality
- Ethical behaviour
- Respect
- Innovation
- Integrity
- Inclusion
- Teamwork

In all areas The Griffin Institute will be Creative, Collaborative and Caring

ACHIEVEMENTS AND PERFORMANCE

Summary of the year: -

- 1) 2021/22 has seen a period of growth in both training and preclinical research but the level of growth has been below predicted. This is partly because some clients have not yet returned post-COVID (Creo and Cook), and partly as Intuitive usage has been less than predicted. As a result, we are dependent on the outcome of the support from the London North West Trust with regards to the rental arrears.
- 2) We have remained open despite COVID-19. Our staff have remained positive and shown commitment to the success of the Institute although staff turnover has been high. We have developed a code of practice for the safety of staff, trainees and visiting scientists.
- 3) We have had an additional theatre/laboratory built for minimally invasive surgery (also known as laparoscopic, keyhole, MIS surgery) training, funded by an advance from Medtronic. This has significantly increased training involving Medtronic, whilst also providing training for Olympus and Ethicon. We have an undertaking from Olympus to repatriate training to TGI and make a £250K advance for a new training theatre. We also have a new contract with Ethicon
- 4) Thanks to a charitable donation we have built a new histology laboratory which greatly improves working conditions.
- 5) We have progressed R&D in wound healing and progressed the project work with the second-generation Paste. These projects will now be academically reviewed to assess future potential.
- 6) We have partnered with RAFT and helped progress their breast scaffold project and there is potential for us to take this forward via acquiring the IP in a trading company.
- 7) We retain a good relationship with our landlord, London North West University Hospitals NHS Trust (the NHS Trust) and reached agreement on a payment plan for rent arrears that have increased during the COVID-19 pandemic and also an agreement for 22/23 rent.
- 8) However, we have had concerns over quality, with critical concerns arising from the GLP Inspection and two adverse surgical events. This has been addressed by the appointment of an experienced theatre manager, enhanced QA support including consultancy for validation protocols, and the Directorate are producing a quality action plan.



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Impact of COVID-19

We shared our expert resources to help and support the NHS with equipment and consumables for research as we fought together at the very frontline of this global crisis at Northwick Park Hospital. We also supported our local and overseas students, by teaching and supervising their work remotely, ensuring they could continue with their research.

We are now at the forefront of helping the NHS with their backlog in surgical training.

The pandemic has adversely affected all hospital services, reducing surgery and training opportunities and adding to the substantial backlog that the NHS is facing. This has impacted on surgical activities in general and cancer treatments specifically. In May 2020 there were 36% fewer treatments than in May 2019. Patients who have to wait longer for their surgery, present at a later stage of their disease, and this is technically challenging, with a higher chance of complications. It is recommended that such operations are carried out using MIS procedures, however, the current surgical workforce in England is not ready to cope with this demand.

Surveys from The Royal College of Surgeons England and others have shown that the pandemic has reduced training opportunities by 50% across all specialities. This raises the sobering prospect of a shortage of fully qualified surgeons in the near future to deal with the huge demand of patients with more complex needs.

Investing in advanced surgical training in the UK should be a top priority, not only to ensure patient safety but also to enhance the efficiency of the NHS, contributing to the conclusions of the report "Getting It Right First Time", namely: the reduction of complications and length of hospital stay with training, which will ultimately lead to a reduction in the cost of NHS services.

Recognising the national educational need, TGI has continued to provide advanced surgical training in MIS skills, including robotic and endoscopic surgery.

RESEARCH AND DEVELOPMENT

We aim to carry out the best scientific research across the UK and support our surgeons and researchers of the future through our work. We have a strong partnership ethic to our work, and we aim to deliver viable products to work within healthcare systems through collaborating with other research and academic institutions.

During the year we continued to expand the scope of R&D, working closely with RAFT on the Breast Reconstruction Project.

PROJECTS

Breast Reconstruction Project:

Approximately 50,000 women are diagnosed with breast cancer each year in the UK, approximately 40% of whom will undergo a mastectomy. Currently methods for breast reconstruction have unpredictable outcomes. In conjunction with RAFT, we are working to develop a breast implant from natural proteins, which are already present in the breast and will be used in conjunction with the patient's own fat and stem cells. Pre-clinical trials were undertaken in order to prepare for commercialisation.



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Orthopaedics:

Hip replacements are one of the most successful surgeries in improving patient quality of life. However, revision hip replacements due to loosening of the implant and bone defects, account for 10% of interventions, adding an extra burden to the NHS and causing adverse impact on the patient's life. We are working on how to regenerate new bone, to improve clinical performance and prevent future problems.

Tendon rupture is a common clinical problem. This injury is usually painful and can seriously affect the ability to walk. Surgical repair is a standard care but challenging, hence TGI is working to develop an off the shelf novel solution for bone-tendon junctions, for better surgical outcomes.

Intestinal Failure (IF):

IF such as Short Bowel Syndrome (SBS) - resulting from repeated surgery and/or Crohn's disease, and congenital malformations of the bowel, is a long-term and complicated disorder that causes malfunction to an extent where necessary nutrients, water and electrolytes cannot be absorbed efficiently. Patients with IF require intravenous supplementation to maintain health and growth. Those who can no longer tolerate this, including children, require a lifesaving bowel transplant. However, standard bowel transplants are limited due to the shortage of donor organs and poor survival outcomes, as well as a graft rejection rate of approximately 60%.

We are currently working with St Mark's Hospital on generating bio-engineered bowel tissue, which can be surgically transplanted onto the patient's remaining intestine and thereby restore function of the bowel.

Wound Healing Solutions:

Our Wound Healing Solutions do not require refrigerated transport and storage, which will considerably reduce costs and allow for easier distribution and application. They will enable people from different demographic and socioeconomic backgrounds to access treatment, promoting greater equality of care.

Dermal Paste:

The cost of chronic wound care is estimated to consume at least 6% of NHS expenditure in the UK, and unfortunately many people are still left with wounds that simply will not heal using current treatment options that may cause distress and very poor quality of life. TGI has developed a skin substitute that has been shown to accelerate wound closure. This research has benefit across many areas, including pressure sores, surgical lacerations and wounds in children and older people who may be unable to tolerate the process of more traditional skin grafts. We have completed the first phase of research on our new wound healing solution, 'Dermal Paste', and we are now working on pre-clinical trials.

Burn Injuries:

Burn injuries are a major epidemiologic issue worldwide. To treat burn injuries, there are three commonly used methods for wound treatment, however, there is a gap between supply and demand of required tissue and there are clinical complications such as graft rejection. The structural and mechanical features of the current skin replacement products are very different from normal skin and are one of the major reasons for their failure. To overcome this issue we are working on an off the shelf epidermal product using components which are already present in the skin.



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Cell Derived Scaffold for Skin Repair:

There are no ideal skin replacement products on the market. The structural and mechanical features of current skin products are very different from normal skin and are one of the major reasons for their commercial failure. TGI is developing, cell free, off the shelf epidermal scaffolds. In this first phase of the project, we will develop a scalable prototype of the epidermal and dermal scaffold by layering cells in different ratios.

Diabetic Wounds/Ulcers:

These are a common complication of diabetes that cannot be managed through diet, exercise, and insulin treatment, and can be extremely difficult to heal. Our skin replacement enriched with healing proteins collected from the patient's own blood, stimulates the cells within the dermis (deeper layer of skin) to lay down new matrices that are essential for wound healing.

Future Plans

During 2022/23 we intend to progress our bowel research, working with St Mark's Hospital, and continue with wound healing research, aiming to find partners so that our products can be delivered into mainstream, healthcare.

Intellectual Property Filed since April 2021

- 1) 2021 Sawadkar, P. and Greco K. Decellularised tissues Status- UK priority application filed April 2021
- 2) 2021 Sawadkar, P. and Greco K. Skin membranes Status- UK priority application filed in May 2021

Publications (current R&D staff highlighted)

- 1) K D Patel, L B Silva, Y Park, T Shakouri, Z Keskin-Erdogan, **P Sawadkar**, K J Cho, J C Knowles, D Y S Chau, H-W Kim, Recent Advances in Drug Delivery Systems for Glaucoma Treatment, Materials Today Nano (2022) 100178.
- 2) **P Sawadkar**, J Wong, V Mudera, A Novel Tenorrhaphy Suture Technique with Tissue Engineered Collagen Graft to Repair Large Tendon Defects, Journal of Visualized Experiments - JoVE (178) (2021).
- 3) O G Frost, N Owji, R Thorogate, C Kyriakidis, **P Sawadkar**, N Mordan, J.C. Knowles, **F Lali**, E Garcia-Gareta, Cell Morphology as a Design Parameter in the Bioengineering of Cell-Biomaterial Surface Interactions, Biomaterials Science 9(23) (2021) 8032-8050.
- 4) **P Sawadkar**, N Mandakhbayar, K D Patel, J O Buitrago, T H Kim, P Rajasekar, **F Lali**, C Kyriakidis, B Rahmani, J Mohanakrishnan, R Dua, K Greco, J H Lee, H-W Kim, J Knowles, E Garcia - Gareta, Three Dimensional Porous Scaffolds Derived from Collagen, Elastin and Fibrin Proteins Orchestrate Adipose Tissue Regeneration, Journal of Tissue Engineering 12 (2021) 20417314211019238.
- 5) N Kohli, V Sharma, A Orera, **P Sawadkar**, N Owji, O G Frost, R J Bailey, M Snow, J C Knowles, G W Blunn, E Garcia-Gareta, Pro-Angiogenic and Osteogenic Composite Scaffolds of Fibrin, Alginate, and Calcium Phosphate for Bone Tissue Engineering, Journal of Tissue Engineering 12 (2021) 20417314211005610.
- 6) P Sorooshian, A D Metcalfe, **F V Lali**, In Vitro Modelling of Disease-Induced Changes in the Diabetic Wound Fibroblast, Journal of Wound Care 30(4) (2021) 300-303.
- 7) **Roudin Sarama**, Yousef Abduldaem, Mab Correia, Cristiane Gil and Karin V Greco, In Vitro Disease Models for Understanding Psoriasis and Atopic Dermatitis, Frontiers in Bioengineering and Biotechnology (2022).

During the year, Professor Nader Francis (Director of Training) contributed to eight publications and one book chapter and Professor Jia Hua (Director of Science) contributed to six publications and two book chapters. A full list of publications is available on the Institute's website: www.griffininstitute.org.uk.



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

PRECLINICAL RESEARCH

We continue to discuss experimental protocols for pre-clinical studies with new potential client groups and are looking at business development opportunities to increase this area of work.

During the year we undertook 47 projects including: -

- 1) In vivo taste assessment of pharmaceutical compounds using a brief access taste aversion (BATA) model.
- 2) Testing efficacy of bone grafting materials for bone regeneration (intended for dentistry)
- 3) Testing a total meniscus replacement for the knee joint aimed at restoring knee biomechanics and providing a smooth surface for articulation.
- 4) The determination of corneal epithelial healing in vivo using contact lenses incorporating epidermal growth factor (EGF) and nerve growth factor (NGF) PODS.
- 5) The evaluation of the diagnostic and surgical guidance potential of a novel dual-modality photoacoustic endoscope.
- 6) Testing a new method for cell transplantation by using high intensity ultrasound to create small cavities in the liver into which stem cell-derived 3D hepatocytes are transplanted.
- 7) Testing the immune response triggered after a subcutaneous injection of a plasmid coding for an antigen formulated with a nano-carrier. To provide information for the development of vaccination strategies against different viral antigens.
- 8) The evaluation of a new device for minimally invasive (percutaneous) creation of AV fistula for haemodialysis.
- 9) To evaluate the newly developed solution for reperfusion and preservation of organs for organ transplant using porcine model
- 10) The evaluation of a haemofiltration cartridge on blood cell number and activation during blood recirculation.
- 11) The evaluation of user interface of a laparoscopic smoke clearing system by laparoscopic surgeons and scrub nurses using porcine cadaver
- 12) A pilot study to evaluate Molecular Envelope Technology in drug uptake to the brain.
- 13) Evaluation of the feasibility, safety, and efficacy of duodenal cryoablation using an ablation system in porcine model
- 14) Testing an electrosurgical generator which is capable of supporting a suite of instruments for microwave needle ablation.
- 15) The validation of the first microcatheter optically based system for measuring blood flow and pressure of the coronary artery.
- 16) The evaluation of a chemotherapy delivery device capable of local administration of chemotherapy for safety in a porcine bowel anastomosis model

We continue to operate some projects under GLP licenced by the MRHA (Medicines and Healthcare Products Regulatory Agency) and retain our certification.

Our long-term preclinical research goal is to contribute to improving patient health and quality of life by being a centre of excellence for pre-clinical research. We will achieve this by:

- Being involved in research strategy and protocol development
- Being part of the research process
- Employing experienced study directors
- Providing a large preclinical facility with our own theatre staff and facilities
- Offering surgical research specialties
- Maintaining Home Office and GLP accreditation
- Providing specialist skills including pathology



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

TRAINING

TGI provides advanced surgical training enabling British surgeons to remain at the forefront of surgical skills development.

Over the last several years there has been a rapid increase in technological developments and an uptake of Minimally Invasive Surgical (MIS) procedures such as keyhole, laparoscopic, robotic and endoscopic surgery. This is largely as a result of the recognised benefits for the patient, including reduced post-operative pain, a faster recovery time, and a reduced stay in hospital with a quicker return to normal daily activities.

However, MIS procedures require comprehensive and sustained training to ensure surgeons possess the required skills for patient safety. This has become challenging to fulfil during the pandemic and offering this training in the UK has become more important than ever, given the increasing public and professional scrutiny of surgical performance and patient safety.

TGI is well placed to provide MIS training for our surgical community, and we pride ourselves on our sought-after surgeon training programmes for complex operating procedures. Our training supports the British surgical community to remain at the forefront of global surgical training and skills development, benefiting patient safety and well-being. We have a powerful reputation, attracting participants from all over the UK and beyond.

In addition to our **basic** and **advanced microsurgery** and **endovascular** courses, we offer up-to-date training initiatives in:

Robotic Training

Robotic surgery entails the surgeon using controls in a console to manipulate a surgical robot's arms and is the fastest growing speciality in surgery today. We are proud to have developed a world class robotic training centre at TGI and have collaborated with Intuitive, a global technology leader in minimally invasive surgery and the pioneer of robotic-assisted surgery, to provide technology training on their da Vinci Surgical Systems. This has meant that UK surgeons have been able to undertake training without travelling abroad.

Laparoscopic Training

We have also developed a laparoscopic training centre in partnership with Medtronic, a global leader in healthcare technology, with a global team of 90,000+ people across 150 countries. They are committed to empowering surgeons and healthcare professionals through high-quality clinical education. The laparoscopic training centre of excellence at The Griffin Institute, will help to repatriate the training that used to run in Europe.

Flexible Endoscopy Training

We have recently negotiated a partnership with Olympus, who develop and design world-leading, clinically advanced, precision technologies, to establish a Flexible Endoscopy Training Centre at TGI.



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Griffin Institute's Response to the COVID-19 Pandemic

Virtual Training:

We responded to the pandemic by developing online courses and educational materials for BSc UCL medical students and worked towards launching new courses in the UK.

MIS Training:

By transforming and restructuring our services, using high fidelity models, in compliance with required safety measures, TGI has subsequently remained open during the entire pandemic, offering MIS training to surgeons from the UK and across all specialties.

Key achievements have been:

1. Remained open for the second year of the pandemic, despite its challenges, delivering training to over 850 surgeons across all specialities and fields.
2. Achieving formal accreditation as a training centre by The Royal College of Surgeons (RCS) of England as well as The RCS of Edinburgh.
3. The establishment of TGI as "the Robotic Training Centre" in the UK, training over 270 surgeons on basic and advanced robotic skills during the last year.
4. Refurbishment of an additional MIS training theatre in partnership with Medtronic to support laparoscopic training.
5. Signed contracts with companies to provide regular courses for Endoscopy, Laparoscopy, Robotic and Maxilla Facial respectively, in year 2022.
6. The development of an academic educational research programme, focusing on objective assessment of robotic surgical skills and the application of artificial intelligence to aid identification of surgical errors and near misses in partnership with the WEISS Institute UCL.
7. The strengthening the relationship with UCL through continuing to deliver high quality teaching to an increasing number of under and postgraduate students.
8. The holding of several important strategic meetings/ events to raise the profile and activities of training at TGI, including meeting with a former Health Minister, Head of Health Education England, Quality Assurance of The RCS England a round table discussion at No. 10 Downing Street,

VOLUNTEERS

We have provided work experience to a number of students/interns. Professor Colin Green, Emeritus Scientific Director, continues to give us time and advice and we rely heavily on trustees to steer our direction. During the year we set up a scientific peer review panel chaired by Dr Janet Allen, and we are grateful to the panel members for their time and support.



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

PREMISES

The previous lease with our landlord, the NHS Trust, expired in March 2019. We have been in negotiations with the NHS Trust since then and a new 20-year lease was signed in June 2020. The new lease is over a smaller footprint than the previous lease and it has been agreed with the NHS Trust that we will be compensated for the loss of rental income we previously received from that space via rent rebate which reduces over 5 years. Unlike the previous lease, we are now responsible for paying service charge which increases the total financial burden and the cost of being on site. During 21/22 we have agreed a payment plan with the NHS Trust to allow for the phasing of arrears and this was revised again so that half rent is payable in 22/23.

The NHS Trust has given assurances that they will continue to be supportive of the Institute and that they have no intention to enforce repayment of rent and service charge arrears if funds are not available to the Institute before April 2024.

FUNDRAISING ACTIVITIES

The Fundraising Officer raised £63,750 in grants from charitable trusts/foundations:

Unrestricted: £12,800

Restricted: £50,950

She also worked on preparing fundraising collateral, including proposals, reports, newsletters, and presentations.

London Bridges Walk 2021

This was a joint event held with St Mark's Hospital Foundation. It was organised by TGI, who undertook all administration and event logistics.

The partnership was very successful and the event generated a total of **£68,303**, of which TGI received: £43,220 and St Mark's Hospital Foundation received £25,083.

FUTURE PLANS

Our goals for 22/23 and beyond include

- 1) To reach a revised permanent agreement with the NHS Trust landlord that enables financial viability.
- 2) To be recognised as the leading surgical training centre in the UK, and providing training across the North West London Integrated Health Care System (ICS). To support this to establish a flexible endoscopy training theatre.
- 3) To establish a quality system and culture across Griffin with all research at GLP standard. To support quality by becoming a values-driven organisation.
- 4) To expand training further by establishing a dedicated flexible endoscopy training facility
- 5) To set a future visionary research strategy re transplantation and regeneration, which will ensure that the research and development at TGI is translational in order to benefit patients directly.
- 6) To develop the best staff team within research and training in the UK.



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Our New Capital Project – New Surgical Training Theatres

Demand for our surgical training programmes is ever increasing, we urgently need to refurbish / upgrade our existing building in order to enhance our training capabilities and to expand our range of advanced MIS surgical procedures and have implemented a two-phase programme of improvements.

We have completed Phase 1, (to provide two dedicated training theatres in Robotic and Laparoscopic Surgery) and are now working towards Phase 2, to refurbish an existing area to create additional training facilities.

This will enable us to meet our expanding training needs across all surgical specialities including flexible endoscopy. The new facilities will also support other activities such as medical research and surgical team training, to enhance non-technical skills such as leadership, situation awareness, and communication.

Staffing

We wish to attract, develop, and retain the right people supported by strong leadership. We continue to develop our team of technicians, surgeons and scientists to ensure that we have unparalleled skills within the sector. In January 2023, Alison Rosen our CEO left us and was replaced by Dr Vasiliki Kiparoglou. The Board would like to thank Alison for her work in helping the Institute navigate an extremely challenging period.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Northwick Park Institute for Medical Research (trading as The Griffin Institute) (the **Institute**) is a company limited by guarantee (company number: 03445616) and registered charity (charity number: 1129348). All of the trustees are members of the Institute and guarantee to contribute £10 each in the event of a winding up.

The Secretary of State has given permission to omit the word "Limited" from the company name. The Institute is a registered charity and as such exempt from corporation tax on all activities. The Memorandum and Articles of Association were last amended by special resolution 28 June 2019.

There have been no changes to the objectives and policies of the Institute in the year. Permission was given by Companies House in June 2019 to use the trading name 'The Griffin Institute' in honour of our Honorary President, John Griffin.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

- Professor Robin Kennedy MBBS FRCS – Chair
- Mr Bruce Mauleverer QC, FCIArb MA – Vice Chair
- Dr Janet Allen MD FRSE (resigned 31 December 2021)
- Ms Kate Foster Chartered FCIPD
- Professor Anthony Goldstone CBE FRCP
- Mr Simon Hubbert (resigned 31 December 2021)
- Dr Gavin Jell MSc PhD PG Cert Ed
- Mr Mark (Bertie) Leigh
- Professor Vivek Mudera PhD (resigned 14 September 2022)
- Ms Bonella Ramsay (appointed 15 July 2020)
- Mr Hugo Robinson MA FCA – Treasurer (appointed 27 October 2020)



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

The trustees have the power to delegate tasks to sub-committees as well as the day-to-day management to a chief executive or other managers. The delegated power shall be to manage the Institute by implementing the policy and strategy adopted by and within a budget approved by the trustees and (if applicable) to advise the trustees in relation to such policy, strategy, and budget. The trustees are responsible for setting strategies and policies for the Institute and for ensuring these are implemented. To assist with this work, the trustees have established three committees and one advisory board to supervise the management and supervision of the Institute which are:

- Finance Committee
- Human Resources Committee
- Governance Committee
- Scientific Advisory Board

The Finance Committee is responsible for reviewing and overseeing the financial management of the Institute. It will consider the Institute's financial strategy and budgets (both annual and medium term) and recommend these to the trustees. It will monitor performance against budgets and suggest and monitor action plans where remedial steps are necessary.

The overall purpose of the Human Resources Committee is to actively initiate, help develop, monitor, and evaluate strategic HR actions and policies that will enhance and embed the Institute's reputation as an employer, and enable us to recruit, develop, engage, and retain the best staff, volunteers, and trustees.

The overall purpose of the Governance Committee is to ensure there is an appropriate and effective governance framework which complies with best practice and Charity Commission guidelines and to advise the trustees on matters of governance.

The Scientific Advisory Board has been formed to review the scientific progress of the Institute, provide advice on future direction and assist/facilitate partnerships with academic groups as a way of increasing the profile and funding opportunities for the Institute.

The trustees continue to consider the Charity Commission Code of Governance and during the 2020/21 year, a full review of the code was carried out to ensure we comply with best practice. The day to day running of the Institute is delegated to the CEO and Directorate, consisting of the Director of Training, Director of Surgery and Science, Head of Finance and HR Consultant. A wider team of senior managers also meets on a regular basis.

Trustee recruitment and training

Any person who is willing to act as a trustee, and who would not be disqualified from acting as such, may be appointed to be a Trustee, by the Board's decision.

During the year Mr Simon Hubbert resigned as a Trustee and has not yet been replaced. The current Trustee Board has a range of skills and experience including medical expertise, leadership of public sector health organisations, medical and patent law, HR, finance, and commercial collaboration with private sector medical organisations.

All the trustees have a professional background and are already familiar with the practical work of the Institute. New trustees are also provided with an information pack which includes general charity publications, a briefing note, budget, past minutes, and a copy of the Charity Commission's "Essential Trustee" booklet. An induction meeting is held with the CEO. The Institute will support any formal training requested by its trustees.

The trustees keep the composition of the Trustee Board under constant review and seek to recruit trustees to fill any perceived skills gaps as and when they arise.



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Senior Management Pay

The remuneration of senior management is set by the Trustee Board after benchmarking with similar organisations. The remuneration of other staff is set by the senior management of the charity, albeit that the rewards and benefits strategies are subject to the HR sub committee's oversight.

RISK MANAGEMENT

The trustees are committed to maintaining a robust risk management framework to manage risk appropriately. The Trustee Board committees consider the Institute's strategic and operational risks at each meeting. Once a year, the board formally reviews the risk policy, the risk register, and the approach to risk management.

The risks arising from the COVID-19 pandemic are set out in the following section.

The other significant risk identified by the trustees is the risk of being unable to meet debts as they fall due, particularly to the NHS Trust. To this end the trustees agreed a revised financial plan and then made a proposal for phasing of rent paid to the NHS Trust. Finances are regularly discussed with the NHS Trust and 50% rent was agreed for 22/23.

Other key risks include risk of inflation adding additional pressure and the impact of this will be reviewed by management and may lead to price rises for services.

Trustees also discussed risk of staff not being engaged and retained as staff turnover has been high. Salaries have been adjusted and technical staff moved onto a new scale. We are investing heavily in training and development and focusing on staff retention.

The Board also discussed risks around maintaining quality and the need to improve performance for GLP studies. A new QA report will be recruited in 22/23 and consultants have been retained to address ensuring equipment validation is up to date.

COVID-19

- We continue to operate clear policies so that the workplace is as safe as possible for staff and Institute attendees.
- We are as detailed working hard to close the gap in surgical training due to Covid.

FINANCIAL REVIEW

The financial year to 31 March 2022 was one of significant growth compared to the previous year with the investment in our Training and Contract Research activities generating growth of 77%. Total income was £2.4m (2021: £1.6m).

Expenditure on charitable activities was £3.2m (2021: £3.0m).

The net deficit for the year was £0.9m (2021: £1.3m). While this is clearly disappointing, it represents a significant improvement, reducing last year's deficit by 33% and moving us closer to a break-even position and ultimately one of generating surpluses.

We are making good progress on our long-term plan to turn the Institute around over three years with growth in both training and contract income. Having achieved significant growth in 2021/22, we are anticipating a further year of growth in the coming year to take us to a modest surplus.



THE GRIFFIN INSTITUTE TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Investment

The Institute holds shares in Videregen Ltd and Proterris Inc. These are both unlisted companies that have taken forward pre-clinical research and IP created at the Institute. At present there are no plans to liquidate these investments.

Going concern

In light of the deficit incurred in the year and the net deficit on general unrestricted reserves, the trustees are keeping the financial performance of the Institute under continuous review.

During the year, we agreed a Time to Pay Agreement with HMRC with regard to PAYE arrears which spreads the liability over a period of 65 months. To date, we have met the obligations under this agreement.

Following the year end, we entered into a Payment Plan Agreement with our landlord and biggest creditor, the NHS Trust, which allows us to defer rent and other arrears until April 2022 and then make monthly payments which spreads the liability over a period of 53 months. In the event excess cash is generated above a threshold, accelerated payments will be made.

The trustees continue to closely monitor financial performance and future projections on a monthly basis and are satisfied that with the benefit of the payment arrangements noted above, we have sufficient cash flow to meet our obligations as and when they fall due and for this reason, are satisfied that it is appropriate to prepare the accounts on a going concern basis.

Reserves Policy

The trustees are disappointed to report a further deficit in the year which has taken unrestricted free reserves into negative territory. Our Reserves Policy is to generate and then maintain a sufficient level of reserves to enable normal operating activities to continue over a period of up to six months should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time and we estimate this at £1.2m.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for:

- selecting suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- observe the recommendations of the SORP FRS 102, subject to any material departures disclosed and explained in the financial statements
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping adequate records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. 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 GRIFFIN INSTITUTE
TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's Auditor is unaware; and
- they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

AUDITORS

The Griffin Institute undertook a review of our auditors and have now chosen a firm who are more appropriate for the Institute's size and range of activities. To this end, Knox Cropper LLP have been appointed in accordance with section 487(2) of the Companies Act 2006.

SMALL COMPANY EXEMPTION

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This Report was approved by the Board of Trustees on 25th May 2023 and signed on their behalf by:

Professor Robin Kennedy
Trustee



**The Griffin Institute
Independent Auditors Report
For the year ended 31 March 2022**

Opinion

We have audited the financial statements of Northwick Park Institute for Medical Research trading as The Griffin Institute ('the company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities (incorporating the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as of 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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.

Material uncertainty relating to going concern

We draw your attention to note 24 of these financial statements which indicates that the charitable company is dependent on the support of its principal creditors and its future financial performance to continue to operate. It is holding ongoing discussions to agree the terms of repayment plans. In particular, positive negotiations are continuing with its landlord, London North West University Healthcare NHS Trust, to revise repayment plans for rent arrears and agree future rental payments. At the current year end rent arrears amounted to £1,924,126. The Trust has indicated that they will continue to be supportive of the Institute and currently have no intention to enforce repayment of the arrears until at least April 2024. Budgets and forecasts indicate that a return to profitability is dependent on these negotiations.

This indicates that a material uncertainty exists that may cast significant doubt on the Institute's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



The Griffin Institute (Incorporated)
Independent Auditors Report continued
For the year ended 31 March 2022

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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



The Griffin Institute (Incorporated)
Independent Auditors Report continued
For the year ended 31 March 2022

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:

- The Charitable Company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charitable company complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Billinghamurst FCA (Senior Statutory Auditor)
for and on behalf of Knox Cropper LLP, Statutory Auditor
65/68 Leadenhall Street
London
EC3A 2AD

Date: 01 June 2023



INCOME AND EXPENDITURE

| | Notes | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total Funds Year Ended 2022 £ | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total Funds Year Ended 2021 £ |
|--|-------|-------------------------|-----------------------|-----------------------|--|-------------------------|-----------------------|-----------------------|--|
| Income From: | | | | | | | | | |
| Donations and Grants | 3 | 61,306 | - | 80,412 | 141,718 | 18,565 | - | 174,415 | 192,980 |
| Charitable Activities | 4 | 2,036,693 | - | - | 2,036,693 | 1,209,333 | - | - | 1,209,333 |
| Investment Income | | 1,191 | - | - | 1,191 | - | - | - | - |
| Rental Income | | 225,432 | - | - | 225,432 | 181,046 | - | - | 181,046 |
| Total Income | | 2,324,622 | - | 80,412 | 2,405,034 | 1,408,944 | - | 174,415 | 1,583,359 |
| Expenditure Upon: | | | | | | | | | |
| Raising Funds | | (22,107) | - | - | (22,107) | (33,702) | - | - | (33,702) |
| Charitable Activities | 5 | (3,096,510) | - | (114,525) | (3,211,035) | (2,450,335) | (349,454) | (195,585) | (2,995,374) |
| Total Expenditure | | (3,118,617) | - | (114,525) | (3,233,142) | (2,484,037) | (349,454) | (195,585) | (3,029,076) |
| Net Position Before Investments | | (793,995) | - | (34,113) | (828,108) | (1,075,093) | (349,454) | (21,170) | (1,445,717) |
| Net Gains/(Losses) on Investments | 12 | (137,819) | - | - | (137,819) | 122,500 | - | - | 122,500 |
| Net Income/(Expenditure) after Gains/(Losses) | | (931,814) | - | (34,113) | (965,927) | (952,593) | (349,454) | (21,170) | (1,323,217) |
| Additional Funds as MI Investments | | - | - | - | - | 127,500 | - | - | 127,500 |
| Transfers Between Funds | | - | - | - | - | 6,323,203 | (6,290,172) | (33,031) | - |
| Net Movements in Funds for Year | | (931,814) | - | (34,113) | (965,927) | 5,498,110 | (6,639,626) | (54,201) | (1,195,717) |
| Net Funds at 1 April 2021 | | 5,719,561 | - | 171,157 | 5,890,718 | 221,451 | 6,639,626 | 225,358 | 7,086,435 |
| Net Funds at 31 March 2022 | | 4,787,747 | - | 137,044 | 4,924,791 | 5,719,561 | - | 171,157 | 5,890,718 |



THE GRIFFIN INSTITUTE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total Funds Year Ended 2022 £ | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total Funds Year Ended 2021 £ |
|--|----------------------------|--------------------------|--------------------------|--|----------------------------|--------------------------|--------------------------|--|
| Net Income and Expenditure after Gains/(losses) | | | | | | | | |
| Attribute to the Charity | (869,679) | - | (34,113) | (903,792) | (890,019) | (349,454) | (21,170) | (1,260,643) |
| Attribute to the Minority Interest | (62,135) | - | - | (62,135) | (62,574) | - | - | (62,574) |
| | <u>(931,814)</u> | <u>-</u> | <u>(34,113)</u> | <u>(965,927)</u> | <u>(952,593)</u> | <u>(349,454)</u> | <u>(21,170)</u> | <u>(1,323,217)</u> |
| Total Funds Carried Forward | | | | | | | | |
| Attribute to the Charity | 4,784,955 | - | 137,044 | 4,921,999 | 5,654,634 | - | 171,157 | 5,825,791 |
| Attribute to the Minority Interest | 2,792 | - | - | 2,792 | 64,927 | - | - | 64,927 |
| | <u>4,787,747</u> | <u>-</u> | <u>137,044</u> | <u>4,924,791</u> | <u>5,719,561</u> | <u>-</u> | <u>171,157</u> | <u>5,890,718</u> |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

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

The notes on pages 22 to 37 form part of these financial statements.



THE GRIFFIN INSTITUTE INCORPORATED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2022

| | | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|---|----|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Fixed Assets | | | | | |
| Tangible Assets | 9 | 7,041,530 | 7,092,830 | 7,041,530 | 7,092,830 |
| Intangible Assets | 10 | 5,000 | 5,000 | - | - |
| Investments in Subsidiaries | 11 | - | - | 5,000 | 5,000 |
| Investments | 12 | 753,904 | 891,723 | 753,904 | 891,723 |
| | | <u>7,800,434</u> | <u>7,989,553</u> | <u>7,800,434</u> | <u>7,989,553</u> |
| Current Assets | | | | | |
| Debtors | 13 | 442,805 | 241,256 | 442,805 | 241,256 |
| Cash at Bank and in Hand | | 710,119 | 462,352 | 709,536 | 337,499 |
| | | <u>1,152,924</u> | <u>703,608</u> | <u>1,152,341</u> | <u>578,755</u> |
| Creditors: Amounts Falling Due Within One Year | 14 | (2,027,760) | (840,894) | (2,027,760) | (840,894) |
| Net Current Assets | | <u>(874,836)</u> | <u>(137,286)</u> | <u>(875,419)</u> | <u>(262,139)</u> |
| Total Assets Less Current Liabilities | | 6,925,598 | 7,852,267 | 6,925,015 | 7,727,414 |
| Creditors: Amounts Falling Due After than One Year | 15 | (2,000,807) | (1,961,549) | (2,000,807) | (1,961,549) |
| Net Assets | | <u>4,924,791</u> | <u>5,890,718</u> | <u>4,924,208</u> | <u>5,765,865</u> |
| Income Funds | | | | | |
| Restricted Funds | 17 | 137,045 | 171,157 | 137,045 | 171,157 |
| Designated Funds | 18 | - | - | - | - |
| General Unrestricted Funds | 19 | 4,784,954 | 5,654,634 | 4,787,163 | 5,594,708 |
| Total Charity Funds | | <u>4,921,999</u> | <u>5,825,791</u> | <u>4,924,208</u> | <u>5,765,865</u> |
| Minority Interest Share of Subsidiary Net Assets | 16 | 2,792 | 64,927 | - | - |
| Total Funds | | <u>4,924,791</u> | <u>5,890,718</u> | <u>4,924,208</u> | <u>5,765,865</u> |

These financial statements were prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Board of Trustees and authorised for issue on 25 May 2023.

Professor Robin Kennedy, Chair of Trustees



THE GRIFFIN INSTITUTE INCORPORATED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

| | 2022 £ | 2021 £ |
|---|-------------------------|-------------------------|
| Cash Flows from Operating Activities | | |
| Cash Generated from/(Used by) Operations | 775,121 | 177,738 |
| Investing Activities | | |
| Purchase of Tangible Fixed Assets | (461,878) | (455,180) |
| Proceeds on Disposal of Tangible Fixed Assets | - | 2,650 |
| Intangible Additions | - | |
| Interest Received | 1,191 | - |
| Net Cash used in Investing Activities | <u>(460,687)</u> | <u>(452,530)</u> |
| Financing Activities | | |
| Loans Received/(Repaid) | (66,667) | 500,000 |
| Net Cash Generated from Financing Activities | <u>(66,667)</u> | <u>500,000</u> |
| Net Increase in Cash and Cash Equivalents | 247,767 | 225,208 |
| Cash and Cash Equivalents at Beginning of Year | 462,352 | 237,144 |
| Cash and Cash Equivalents at End of Year | <u>710,119</u> | <u>462,352</u> |
| Cash Generated from Operations | | |
| Deficit for the Year | (965,927) | (1,195,717) |
| Adjustments for: | | |
| Investment Income | (1,191) | - |
| Fair Value Gains and Losses on Investments | 137,819 | 122,500 |
| Depreciation and Impairment of Tangible Activities | 513,178 | 425,065 |
| Loss on Disposal of Tangible Fixed Assets | - | 26,166 |
| Minority Interest Share of Subsidiary Net Income/Loss | - | (127,500) |
| Movement in Working Capital: | | |
| Decrease/(Increase) in Debtors | (201,549) | 165,182 |
| Increase/(Decrease) in Creditors | 1,292,791 | 762,042 |
| Cash Generated from Operations | <u>775,121</u> | <u>177,738</u> |



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1 Accounting policies

Charity information

Northwick Park Institute for Medical Research (trading as The Griffin Institute (the Institute)) is a private company limited by guarantee incorporated in England and Wales. As a company limited by guarantee each of its members commits to contribute £10 to the company's debts, liabilities and costs in the event of the company being wound up. The registered office is Northwick Park and St Mark's Hospitals, Watford Road, Harrow, Middlesex, HA1 3UJ, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 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 £1.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The Group financial statements consolidate the financial statements of the Charity and its subsidiary undertaking, Griffin Paste Research Limited, which commenced trading in July 2020, for the year.

All financial statements are made up to 31 March 2022. All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group. The summary financial statements of Griffin Paste Research Limited are shown in note 11.

1.3 Going concern

Although the current financial position and forecasts indicate that a material uncertainty relating to going concern exists, the Trustees consider that it is appropriate to prepare these financial statements on a going concern basis. See note 24 for further details.



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1.4 Funds

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

Designated funds are amounts set aside by the Trustees for a specific project or purpose and do not form part of the Institute's general unrestricted funds.

General unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives unless the funds have been designated for other purposes.

1.5 Incoming resources

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

Donations, legacies, grants and other forms of voluntary income are recognised as incoming resources when the charity has entitlement, any performance conditions have been met or alternatively when received, except insofar as they are incapable of financial measurement.

Incoming resources from charitable activities, where related to performance and specific deliverables, are recognised as the Institute earns the right to consideration by its performance.

Investment income is included when received.

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

1.6 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Cost of generating funds comprises the cost associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the Institute in the delivery of its activities and service for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Institute and include the audit fees and costs linked to the strategic management of the Institute.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage.



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and in the case of donated assets, at market value and are subsequently measured at cost or market value, net of depreciation and any impairment losses.

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

Land and buildings - Straight line basis over the term of the lease

Plant and machinery - 25% per annum on reducing balance basis

Fixtures, fittings & equipment - 25% per annum on reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities for the year.

At each reporting end date, the Institute reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in the statement of financial activities for the year. Transaction costs are expensed as incurred.

1.9 Intangible assets

Intangible assets represent the intellectual property rights and are measured at cost less accumulative amortisation and any accumulative impairment losses.

1.10 Cash and cash equivalents

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

1.11 Financial instruments

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

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

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



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1.12 Basic financial assets

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

1.13 Basic financial liabilities

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

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

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

1.14 Derecognition of financial liabilities

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

1.15 Employee benefits

The Institute operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Institute. The annual contributions payable are charged to the statement of financial activities.

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

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

1.16 Operating leases

Rents applicable to operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the statement of financial activities over the period in which the cost is incurred.



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2 Critical Accounting Estimates and Judgements

In the application of the Institute'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 key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Unlisted investments - the Institute has recognised a carrying value in two unlisted companies in which it has a shareholding. Determining the value of private companies which are not traded on an open market is inherently uncertain. The valuations are based on information such as the share price applying to a recent fundraising and a recently issued IRS 409A valuation certificate. The true value of the investments may be higher or lower and will depend on the success of the companies in exploiting the IP they are currently developing.

Rent arrears for which repayment has been agreed with the landlord over a period greater than one year have been discounted using the effective interest rate for the Institute's borrowing.



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

| 3 Donations & Grants | Unrestricted Funds | Designated Funds | Restricted Funds | Total 2022 |
|---------------------------------|-------------------------------|-----------------------------|-----------------------------|-----------------------|
| | £ | £ | £ | £ |
| Donations & Gifts | | | | |
| Voluntary Donations | 14,655 | - | 21,912 | 36,567 |
| Fundraising Events | 46,651 | - | - | 46,651 |
| | 61,306 | - | 21,912 | 83,218 |
| Grants Analysis | | | | |
| Wolfson Unit | - | - | 1,700 | 1,700 |
| Paste | - | - | 13,000 | 13,000 |
| Wound Healing | - | - | 13,800 | 13,800 |
| Liver and Bowel | - | - | 30,000 | 30,000 |
| | - | - | 58,500 | 58,500 |
| Donations and Gifts | 61,306 | - | 21,912 | 83,218 |
| Grants | - | - | 58,500 | 58,500 |
| | 61,306 | - | 80,412 | 141,718 |
| | | | | |
| | Unrestricted Funds | Designated Funds | Restricted Funds | Total 2021 |
| | £ | £ | £ | £ |
| Donations & Gifts | | | | |
| Voluntary Donations | 14,705 | - | 4,950 | 19,655 |
| Fundraising Events | 3,160 | - | - | 3,160 |
| | 17,865 | - | 4,950 | 22,815 |
| Grants Analysis | | | | |
| RAFT | - | - | 97,355 | 97,355 |
| John Fisher Foundation | - | - | 25,000 | 25,000 |
| James Tudor Foundation | - | - | 13,000 | 13,000 |
| Kirby Laing Foundation | - | - | 10,000 | 10,000 |
| IMET 2000 | - | - | 7,500 | 7,500 |
| Other Grants | 700 | - | 16,610 | 17,310 |
| | 700 | - | 169,465 | 170,165 |
| Donations and Gifts | 17,865 | - | 4,950 | 22,815 |
| Grants | 700 | - | 169,465 | 170,165 |
| | 18,565 | - | 174,415 | 192,980 |



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

| 4 Charitable Activities Income | Unrestricted Funds | Designated Funds | Restricted Funds | Total 2022 |
|---------------------------------------|-------------------------------|-----------------------------|-----------------------------|-----------------------|
| | £ | £ | £ | £ |
| Training Courses and Facilities | 1,134,928 | - | - | 1,134,928 |
| Contract Research Projects | 883,353 | - | - | 883,353 |
| Other Income | 18,412 | - | - | 18,412 |
| | 2,036,693 | - | - | 2,036,693 |

| | Unrestricted Funds | Designated Funds | Restricted Funds | Total 2021 |
|---------------------------------|-------------------------------|-----------------------------|-----------------------------|-----------------------|
| | £ | £ | £ | £ |
| Training Courses and Facilities | 641,727 | - | - | 641,727 |
| Contract Research Projects | 522,041 | - | - | 522,041 |
| Other Income | 45,565 | - | - | 45,565 |
| | 1,209,333 | - | - | 1,209,333 |

5 Charitable Activities Expenditure

| | 2022 | 2021 |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| Direct Costs | 2,145,052 | 1,865,694 |
| Staff Costs | 990,851 | 1,077,043 |
| Support and Governance Costs (note 6) | 75,132 | 52,637 |
| | 3,211,035 | 2,995,374 |

Analysis by fund

| | | |
|--------------------|-----------|-----------|
| Unrestricted Funds | 3,096,510 | 2,450,335 |
| Designated Funds | - | 349,454 |
| Restricted Funds | 114,525 | 195,585 |
| | 3,211,035 | 2,995,374 |



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

| 6 | Support and Governance Costs | 2022 | 2021 |
|----------|-------------------------------------|---------------|---------------|
| | | £ | £ |
| | Audit Fees | 36,596 | 18,381 |
| | Legal and Professional | 38,536 | 34,256 |
| | | <u>75,132</u> | <u>52,637</u> |

7 Net income/(expenditure) for the year

| | 2022 | 2021 |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| This is stated after charging: | | |
| Depreciation | 513,178 | 425,065 |
| Lease rental payments for premises | 513,305 | 513,305 |
| Auditors' Remuneration, | | |
| Prior Year | 21,442 | - |
| Current Year | 15,155 | 18,381 |
| Non-Audit Services | - | - |
| | <u>-</u> | <u>-</u> |

Trustees

No trustees received any remuneration or expenses during the year or previous year.

8. Staff Costs and Numbers

| | 2022 | 2021 |
|---|----------------|------------------|
| | £ | £ |
| Gross salaries - Institute Staff | 797,027 | 794,195 |
| Gross salaries – Seconded Staff | 90,254 | 153,541 |
| Employer National Insurance Contributions | 73,993 | 86,634 |
| Pension Costs | 29,577 | 42,673 |
| | <u>990,851</u> | <u>1,077,043</u> |

The average monthly head count of employees are as follows:

| | 2022 | 2021 |
|-----------------|-------------|-------------|
| | No. | No. |
| Institute Staff | 28 | 19 |
| Seconded Staff | 1 | 3 |
| | <u>29</u> | <u>22</u> |

The Institute's key management personnel comprises the trustees and senior management team. The total emoluments paid to key management personnel were £183,892 (2021: £177,995)



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

The number of employees whose gross benefit fell between the following bands:

| | 2022 No. | 2021 No. |
|-------------------|---------------------|---------------------|
| £60,001 - £70,000 | - | 1 |
| £70,001 - £80,000 | 1 | 1 |
| | <u>1</u> | <u>2</u> |

9 Tangible Fixed Assets

Group and Charity

| | Leasehold Improvements | Plant & Machinery | Fixtures, Fittings & Equipment | Total |
|-----------------------|-----------------------------------|----------------------------------|---|-------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2021 | 8,949,693 | 1,571,970 | - | 10,521,663 |
| Additions | 414,958 | 46,920 | - | 461,878 |
| Disposals | - | - | - | - |
| Transfers | - | - | - | - |
| At 31 March 2022 | <u>9,364,651</u> | <u>1,618,890</u> | <u>-</u> | <u>10,983,541</u> |
| Depreciation | | | | |
| At 1 April 2021 | 2,035,712 | 1,393,121 | - | 3,428,833 |
| Charge for the year | 460,355 | 52,823 | - | 513,178 |
| Disposals | - | - | - | - |
| At 31 March 2022 | <u>2,496,067</u> | <u>1,445,944</u> | <u>-</u> | <u>3,942,011</u> |
| Net Book Value | | | | |
| At 31 March 2022 | <u>6,868,584</u> | <u>172,946</u> | <u>-</u> | <u>7,041,530</u> |
| At 31 March 2021 | <u>6,913,981</u> | <u>178,849</u> | <u>-</u> | <u>7,092,830</u> |

10 Intangible Fixed Assets

Group

Cost

| | |
|---------------|--------------|
| At April 2021 | 5,000 |
| Additions | - |
| At March 2022 | <u>5,000</u> |

The intangibles relate to patents as part of Griffin Paste Research.



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11 Fixed Asset Investments
in Subsidiaries

The profit and loss and balance sheet of Griffin Paste Research, in which the charity has an investment at the balance sheet date of 50% (2021: 50%) of the share capital of Griffin Paste Research Limited is as follows:

| | 2022 | 2021 |
|---|------------------|------------------|
| | £ | £ |
| Profit and loss | | |
| Turnover | - | - |
| Expenditure | (124,270) | (125,147) |
| Loss | <u>(124,270)</u> | <u>(125,147)</u> |
| Balance sheet | | |
| Intangible Fixed Assets | 5,000 | 5,000 |
| Current Assets | 583 | 124,853 |
| Total Net Assets | <u>5,583</u> | <u>129,853</u> |
| Called up Share Capital - Griffin Paste Research Ltd | 100 | 100 |
| Share Premium | 254,900 | 254,900 |
| Profit and Loss | <u>(249,417)</u> | <u>(125,147)</u> |
| | <u>5,583</u> | <u>129,853</u> |
| The Charity's share of Net Assets is | 2,792 | 64,927 |

Griffin Paste Research Ltd (company number 12500698, registered office Y Block, Northwick Park & St Marks Hospitals, Watford Road, Harrow, HA1 3UJ) commenced trading on 1 July 2020 and its turnover, expenditure and profit/(loss) are summarised as follows:

Administrative Expenses:
£124,270



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

| 12 Fixed Asset Investments | Unlisted Investments £ | Total £ |
|-------------------------------------|---------------------------------------|--------------------|
| Cost or valuation | | |
| At 1 April 2021 | 891,723 | 891,723 |
| Revaluations | (137,819) | (137,819) |
| At 31 March 2022 | <u>753,904</u> | <u>753,904</u> |
| Carrying amount | | |
| At 31 March 2021 | <u>891,723</u> | <u>891,723</u> |
| At 31 March 2022 | <u>753,904</u> | <u>753,904</u> |
| | 2022 £ | 2021 £ |
| Investments at Fair Value Comprise: | | |
| Videregen Ltd | 726,681 | 864,500 |
| Proterris Inc | 27,223 | 27,223 |
| | <u>753,904</u> | <u>891,723</u> |

Details of the Institute's unlisted investments at 31 March 2022 are as follows:

| Name of Undertaking & Location | Nature of business | Class of shares | % Held |
|--------------------------------|--|-----------------|--------|
| Videregen Ltd - UK | Development of Stem Cell Organ Regeneration medicine | Ordinary Shares | 13.30% |
| Proterris Inc - USA | Clinical Development of Therapeutic Applications | Common Stock | 0.47% |

As disclosed in note 2, the valuation of unlisted investments is based on information such as share price applying to a recent fundraising and a recently issued IRS 409A valuation certificate. The most recent valuations for the above holdings were provided directly by Videregen Ltd and Proterris Inc.

| 13 Debtors | 2022 £ | 2021 £ |
|--------------------------------|-------------------|-------------------|
| Trade Debtors | 362,495 | 203,270 |
| Prepayments and Accrued Income | <u>80,310</u> | <u>37,986</u> |
| | <u>442,805</u> | <u>241,256</u> |



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14 Creditors: Amounts Falling Due Within One Year

| | Group 2022 | Group 2021 | Charity 2022 | Charity 2021 |
|----------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ |
| Trade creditors | 494,948 | 234,885 | 494,948 | 234,885 |
| CBILS Loan (note 15) | 100,000 | 75,000 | 100,000 | 75,000 |
| Other creditors | 367,331 | 268,443 | 367,331 | 268,443 |
| Accruals & Deferred Income | 1,065,481 | 262,566 | 1,065,481 | 262,566 |
| | <u>2,027,760</u> | <u>840,894</u> | <u>2,027,760</u> | <u>840,894</u> |

15 Creditors: Amounts Falling Due After More Than One Year

| | Group 2022 | Group 2021 |
|-----------------------------|-----------------------|-----------------------|
| | £ | £ |
| Trade creditors (see below) | 1,667,474 | 1,390,599 |
| CBILS Loan (see below) | 333,333 | 425,000 |
| Other creditors | - | 145,950 |
| | <u>2,000,807</u> | <u>1,961,549</u> |

Trade creditors falling due after more than one year relate to an agreed repayment plan for rent arrears due to the Institute's landlord, London North West University Healthcare NHS Trust. In accordance with the terms of the agreement, rent arrears as at 31 March 2021 and 50% of rent payable for the year ended 31 March 2022 has been deferred until 1 April 2023 when a repayment plan was to be agreed. The repayment plan is currently being renegotiated with no clear dates for repayment set at this point in time. The liability has been discounted by one year using the effective interest rate for the Institute's borrowing as at 31 March 2022.

The CBILS loan is repayable over 5 years and its interest is charged at 1.18% pa over base rate. It is repayable by July 2026.

16 Minority Interest Share of Subsidiary Net Assets

| | Group Total £ |
|----------------------------------|--------------------------|
| Cost or valuation | |
| At 31 March 2021 | 64,927 |
| Share capital issued | - |
| Share premium issued | - |
| Net income/(loss) for the period | (62,135) |
| At 31 March 2022 | <u>2,792</u> |



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

| 17 | Restricted Funds | Balance At 1 April 2021 £ | Income £ | Expenditure £ | Transfers £ | Balance At 31 March 2022 £ |
|-----------|--|--|---------------------|--------------------------|------------------------|---|
| | Wolfson Unit | 850 | 1,700 | (2,550) | - | - |
| | Dr L Turner-Stokes | 46,519 | 17,912 | (11,635) | - | 52,796 |
| | Tropical Diseases Prevention Unit | - | - | - | - | - |
| | Course administration service | 2,044 | - | - | - | 2,044 |
| | Mr Lamont OBS and Gynae Research Funds | 21,727 | - | - | - | 21,727 |
| | Dr Mouyis | 3,967 | - | - | - | 3,967 |
| | Wound Healing Project | 29,871 | 11,800 | (31,211) | - | 10,460 |
| | RAFT | 61,229 | - | (64,753) | - | (3,524) |
| | Bowel | - | 30,000 | (2,974) | - | 27,026 |
| | Capital Equipment | 4,950 | 19,000 | (1,402) | - | 22,548 |
| | | <u>171,157</u> | <u>80,412</u> | <u>(114,525)</u> | <u>-</u> | <u>137,044</u> |
| | Restricted Funds | | | | | |
| | | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers £ | Balance At 31 March 2021 £ |
| | Wolfson Unit | 88,207 | 8,060 | (95,417) | - | 850 |
| | Dr L Turner-Stokes | 46,519 | - | - | - | 46,519 |
| | Tropical Diseases Prevention Unit | 6,999 | - | (6,999) | - | - |
| | Course administration service | 3,796 | - | (1,752) | - | 2,044 |
| | Mr Lamont OBS and Gynae Research Funds | 21,727 | - | - | - | 21,727 |
| | Dr Mouyis | 3,967 | - | - | - | 3,967 |
| | Wound Healing Project | 23,225 | 64,050 | (30,767) | (26,637) | 29,871 |
| | RAFT | 30,918 | 97,355 | (60,650) | (6,394) | 61,229 |
| | Capital Equipment | - | 4,950 | - | - | 4,950 |
| | | <u>225,358</u> | <u>174,415</u> | <u>(195,585)</u> | <u>(33,031)</u> | <u>171,157</u> |



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18 Designated Funds

| | Balance at 1 Apr 2021 £ | Incoming Resources £ | Resources Expended £ | Transfers £ | Balance at 31 Mar 2022 £ |
|------------------------|----------------------------------|----------------------------|----------------------------|--------------------|-----------------------------------|
| Group & Charity | | | | | |
| Leasehold Improvements | - | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | | |
| | Balance at 1 Apr 2020 £ | Incoming Resources £ | Resources Expended £ | Transfers £ | Balance at 31 Mar 2021 £ |
| Group & Charity | | | | | |
| Leasehold Improvements | 6,639,626 | - | (349,454) | (6,290,172) | - |
| | <u>6,639,626</u> | <u>-</u> | <u>(349,454)</u> | <u>(6,290,172)</u> | <u>-</u> |

19 Unrestricted Funds

| | Balance at 1 April 2021 £ | Incoming Resources £ | Resources Expended £ | Transfers £ | Balance at 31 Mar 2022 £ |
|--|------------------------------------|----------------------------|----------------------------|------------------|-----------------------------------|
| Group | | | | | |
| General Unrestricted Funds | 5,654,634 | 2,324,621 | (3,194,301) | - | 4,784,954 |
| Minority Interest Share of Sub Net Income | 64,927 | - | (62,135) | - | 2,792 |
| | <u>5,719,561</u> | <u>2,324,621</u> | <u>(3,256,436)</u> | <u>-</u> | <u>4,787,746</u> |
| | | | | | |
| | Balance at 1 Apr 2020 £ | Incoming Resources £ | Resources Expended £ | Transfers £ | Balance at 31 Mar 2021 £ |
| General Unrestricted Funds | 221,451 | 1,531,444 | (2,421,464) | 6,323,203 | 5,654,634 |
| Minority Interest Share of Sub Net Income | - | - | (62,573) | 127,500 | 64,927 |
| | <u>221,451</u> | <u>1,531,444</u> | <u>(2,484,037)</u> | <u>6,450,703</u> | <u>5,719,561</u> |
| | | | | | |
| | Balance at 1 April 2021 £ | Incoming Resources £ | Resources Expended £ | Transfers £ | Balance at 31 Mar 2022 £ |
| Charity | | | | | |
| General Unrestricted Funds | 5,594,708 | 2,324,621 | (3,132,166) | - | 4,787,163 |
| | <u>5,594,708</u> | <u>2,324,621</u> | <u>(3,132,166)</u> | <u>-</u> | <u>4,787,163</u> |
| | | | | | |
| | Balance at 1 April 2020 £ | Incoming Resources £ | Resources Expended £ | Transfers £ | Balance at 31 Mar 2021 £ |
| General Unrestricted Funds | 221,451 | 1,533,944 | (2,483,890) | 6,323,203 | 5,594,708 |
| | <u>221,451</u> | <u>1,533,944</u> | <u>(2,483,890)</u> | <u>6,323,203</u> | <u>5,594,708</u> |



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

20 Analysis of Net Assets Between Funds

| Group | Unrestricted funds £ | Designated Funds £ | Restricted Funds £ | Total £ |
|---|-------------------------------------|-----------------------------------|-----------------------------------|--------------------|
| Fund balances held at 31 March 22 are represented by: | | | | |
| Tangible assets | 7,041,530 | - | - | 7,041,530 |
| Intangible assets | 5,000 | - | - | 5,000 |
| Investments | 753,904 | - | - | 753,904 |
| Current assets/(liabilities) | (1,011,880) | - | 137,044 | (874,836) |
| Long term Liabilities | (2,000,807) | - | - | (2,000,807) |
| | <u>4,787,747</u> | <u>-</u> | <u>137,044</u> | <u>4,924,791</u> |

| Group | Unrestricted funds £ | Designated Funds £ | Restricted Funds £ | Total £ |
|---|-------------------------------------|-----------------------------------|-----------------------------------|--------------------|
| Fund balances held at 31 March 21 are represented by: | | | | |
| Tangible assets | 7,092,830 | - | - | 7,092,830 |
| Intangible assets | 5,000 | - | - | 5,000 |
| Investments | 891,723 | - | - | 891,723 |
| Current assets/(liabilities) | (308,443) | - | 171,157 | (137,286) |
| Long term Liabilities | (1,961,549) | - | - | (1,961,549) |
| | <u>5,719,561</u> | <u>-</u> | <u>171,157</u> | <u>5,890,718</u> |

21 Operating Lease Commitments

| | 2022 £ | 2021 £ |
|----------------------------|-------------------|-------------------|
| Within one year | 256,653 | 608,557 |
| Between One and Two Years | 513,305 | 690,096 |
| Between Two and Five Years | - | 698,028 |
| | <u>769,958</u> | <u>1,996,681</u> |

Operating lease commitments represent the lease agreement with the Institute's landlord, London North West University Healthcare Trust Limited, and reflect the payment commitments up to the five year break clause. The lease is for 20 years with break clauses every five years.



**THE GRIFFIN INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22 Operating Lease Income

The Institute has entered into a number of leases with subtenants which provides for future minimum lease income under non-cancellable operating leases, which fall due as follows:

| | 2022 | 2021 |
|----------------------------|----------------|----------------|
| | £ | £ |
| Within one year | 187,944 | 179,515 |
| Between two and five years | 180,608 | 356,584 |
| | <u>368,552</u> | <u>536,099</u> |

23 Analysis of Changes in Net Debt

| | Balance at 1 April 2021 | Cash flows | Balance at 31 March 2022 |
|------------------------------|--|-------------------|---|
| | £ | £ | £ |
| Cash and cash equivalents | 462,352 | 247,767 | 710,119 |
| Borrowings | | | |
| Due within one year | (75,000) | (25,000) | (100,000) |
| Due after more than one year | (425,000) | 91,667 | (333,333) |
| | <u>(37,648)</u> | <u>314,434</u> | <u>276,786</u> |

24 Material Uncertainty relating to Going Concern

The ability of The Griffin Institute to remain a going concern is dependent on the continued support of its landlord, the London North West University Health Care NHS Trust (NHS Trust), its other material creditors and its ability to generate future income and control expenditure in line with its forecasts for the foreseeable future, being at least for a period of 12 months from the date of approval of these financial statements. The Institute is in ongoing negotiations with its creditors to agree achievable repayment plans and actively approaching potential funders for future income generation. It is also in the process of expanding its training facilities with potential capital funding from funders. Revised forecasts are prepared and reviewed by Trustees on a regular basis.

The NHS Trust has given assurances that they will continue to be supportive of the Institute and that they have no intention to enforce repayment of rent and service charge arrears if funds are not available to the Institute before April 2024. As at the 31 March 2022 the arrears amounted to £1,924,126.