
The Mathilda and Terence Kennedy Institute of Rheumatology Trust

Report of the Trustees and Financial Statements

For the Year Ended 30 September 2009

Trustees' Report for the year ended 30 September 2009

Company Information

The Mathilda and Terence Kennedy Institute of Rheumatology Trust

Registered Office

65 Aspenlea Road
Hammersmith W6 8LH
Tel: 020-8383-4407
Fax: 020-8563-0399
Registered Charity Number: 260059
Registered Company Number: 963832

President

Sir David Sieff

Vice Presidents

Sir Richard Butler
Mr Oliver Dawson
Dame Mary Glen Haig
Dame Simone Prendergast
Mrs Lois Sieff
Mrs Bella Sunley

Board of Trustees

Sir Richard Butler (resigned 31st March 2009) (Chairman to 7 October 2008)
Mr. James Davis (Chairman from 7 October 2008)
Professor Richard Batchelor (Deputy Chairman)
Dr. Colin Barnes
Miss Nicola Davies, QC
Professor Hill Gaston
Dame Mary Glen Haig (resigned 31 March 2009)
Dr. John Green
Mr. Rodney Hornstein
Mrs Jennifer Johnson
Professor Sir Ravinder Maini
Mr David Paterson
Dame Simone Prendergast (resigned 31 March 2009)
Mrs. Bella Sunley (resigned 31 March 2009)

Honorary Director

Professor M. Feldmann

Officers/Advisers

Mr. R.I. Wallace (General Business Manager/Chief Financial Officer)
Mr. C.R.L. Boden (Secretary to 7 October 2008)
Mrs M.S. Preston (Secretary from 7 October 2008)
Mr. B.C.W. Cleves (Accountant to 31 March 2009)

Independent Auditors

Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 7AD

Bankers

Lloyds TSB Bank plc
25 King Street
Hammersmith
London W6 9HW

Investment Advisers

Thomas Miller Investment
International House
26 Creechurch Lane
London EC3A 5BA

Legal Advisers

Hempsons
40 Villiers Street
London WC2N 6NJ

Cooper & Dunham LLP
30 Rockefeller Plaza
New York, N.Y. 10112
USA

Stone King Sewell
16 St John's Lane
London EC1M 4BS

Wragge & Co
3 Waterhouse Square
142 Holborn London EC1N 2SW

Board Committees

General Purposes Committee (GPC)

The purpose of the GPC is to advise The Board of Trustees on a wide range of matters including research grants and intellectual property and to be responsible for the relationships with the Arthritis Research Campaign and Imperial College. This Committee has appointed a working party to consider where the Trust should direct its resources in the future.

Professor Richard Batchelor (Chair)
Dr. Colin Barnes
Miss Nicola Davies, QC
Mr. James Davis
Professor Hill Gaston
Professor Sir Ravinder Maini

Ex Officio:

Professor Marc Feldmann
Mr. Colin Boden (to 7 October 2008)
Mrs Susan Preston (from 7 October 2008) (Secretary)
Mr. Rod Wallace

Finance and Investment Committee (F&IC)

The purpose of the F&IC is to formulate the Trust's financial and investment policies, to agree these with the Board of Trustees, and to be responsible for implementation of the agreed policies. Whilst Mr Oliver Dawson is no longer a Trustee, he has agreed to remain on this committee so that his advice would still be available to Trustees.

Mr. Rodney Hornstein (Chair)
Mr. James Davis
Mr. Oliver Dawson
Dr. John Green
Mr David Paterson

Ex Officio:

Mrs Susan Preston (Secretary)
Mr. Rod Wallace

TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2009

The Trustees, who are also Directors of the company for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 30 September 2009.

The information with respect to Trustees, Directors, officers, and advisers set out on pages 2 and 3 forms part of this report. The financial statements have been prepared in accordance with current statutory requirements, the Memorandum and Articles of Association, applicable accounting standards in the United Kingdom and the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities', revised in October 2005, the Charities Act 1993 and 2006 and the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Mathilda and Terence Kennedy Institute of Rheumatology Trust ('the Trust') is both a registered charity (no. 260059) and a company limited by guarantee (registration no. 963832). Its Board of Trustees operates within the powers conferred on it by the Memorandum and Articles of Association, established in 1969 and revised in 1997, 2000, 2003, 2007, and 2009.

At a Special General Meeting of Trustees, held in July 2009, the following changes were made to the Articles of Association: the permissible number of Vice-Presidents was increased and the requirement for them to be Trustees was removed; and the minimum number of Trustees was reduced to eight, from ten. The Meeting also accepted the resignation of PWC as auditors and appointed Kingston Smith as the Trust's new auditors. The current President, Vice-Presidents and members of the Board of Trustees are set out at page 2.

The Trustees meet regularly throughout the year both in the forum of a Board of Trustees and in Board Committees and working parties. The Board of Trustees met four times, the General Purposes Committee three times and the Finance & Investment Committee five times, the frequency of the latter's meetings reflecting the growing size of the Trust's investment portfolio and the importance of its management during a period of unprecedented market turbulence.

At the Annual General Meeting (AGM) in March 2009, the Chairman reluctantly accepted the resignations of Sir Richard Butler, Dame Mary Glen Haig, Dame Simone Prendergast and Mrs Bella Sunley and thanked the retiring Trustees for the tremendous contribution they had made to the Trust over a very considerable number of years. In particular, the Chairman thanked Sir Richard for his enlightened leadership of the Trust over a period of twenty two years. The AGM also approved the re-election of three Trustees due to retire by rotation under the Trust's Articles of Association, and the re-election of Mr James Davis as Chairman and Professor Richard Batchelor as Deputy Chairman.

The day-to-day management of Trust affairs and responsibility for implementing Board decisions are delegated to the Trust's executive team, led by Mr. Rod Wallace, General Business Manager and Chief Finance Officer who is supported by Mrs Sue Preston, who is responsible for the Trust's secretarial and accounting functions. Mr. Wallace reports to the Trust's Chairman, Mr James Davis, on a regular basis and both he and Mrs Preston maintain a close dialogue with Trustees through the activities of the Trust's extensive network of Committee activities. Mr Colin Boden, after nearly 20 years service as Trust Secretary, retired in October 2008 and Mr Brian Cleves, after 18 years as the Trust's financial accountant, retired at the end of March 2009. The Trustees are deeply appreciative of their sustained contribution to the conduct of the Trust's affairs

Having reviewed the new provisions of duty set out in Section 4 of the Charities Act 2006, the Trustees are content that the requirements of the Charity Commission with regard to “public benefit” are wholly met. In particular, Trustees take into consideration at all times how planned activities contribute to the “public benefit” objective. Grants have been made throughout the year only to the Kennedy Institute of Rheumatology Division of Imperial College London to fund research activities of the Division.

AIMS and ACTIVITIES

Since its foundation in 1965, the objects of the Kennedy Trust which are reflected in the Memorandum of Association are to:

- investigate, study, and carry out or procure the carrying out of, research into the causes and means of treatment of rheumatism and allied diseases, and to facilitate the diagnosis of such diseases, and to publish internationally the results of such investigations, study, and research; and
- advance public education and promote teaching and disseminate acquired knowledge in all matters connected with rheumatic and allied diseases.

To further these aims, the Trust transferred all its employees and research activities to the Kennedy Division of Rheumatology (‘the Kennedy Division’) of the Faculty of Medicine of Imperial College London (‘the College’) under the terms of a formal agreement signed on 1 August 2000, and effective from that date.

Since that date, the Trust has continued to operate as an independent registered charity with a range of functions and responsibilities. The principal objectives of Trustees in carrying out these responsibilities and in fulfilling the Trust’s core aims are:

- 1) supporting the work of scientists in the Kennedy Division by means of a continuing programme of grant awards and a commitment to fund new research facilities;
- 2) protecting, developing and extending the life of intellectual property assets created prior to 31 July 2000 and those acquired subsequently;
- 3) maintaining the Kennedy building in Aspenlea Road, London, which is leased to the Trust by the Arthritis Research Campaign (ARC);
- 4) maintaining the robustness of the Trust’s investment portfolio in order to generate sustainable recurring annual grant income at budgeted levels.

To facilitate the achievement of the first - and primary - objective, the Trustees invite Professor Feldmann, Head of the Kennedy Division, to attend quarterly Board meetings and to brief them regularly on his current plans and activities within the Division. He is encouraged to seek financial assistance from the Trust within an annual budget and financial plan set by the Trustees for that purpose. Such requests are, where appropriate, subjected to peer review and if approved by the Board will be sanctioned by the issue of a Grant Award Letter from the Trust to the College.

ACHIEVEMENTS AND PERFORMANCE

Research Funding

The Trustees are committed to supporting an appropriate balance between both infrastructure and science costs of the Kennedy Division's research activities. During the year, Trustees approved thirteen new grants with a total value of £1.5m of which £0.4m was related to infrastructure projects. These grants are set out at Appendix A in the Notes to the Accounts. At the year-end, the portfolio of both existing and new grants supported by Trustees comprised forty four project and programme grants, the latter with a duration of five years. Research grants awarded by the Trust cover a broad cross-section of the research activities undertaken by the Division. A particular area of work supported by Trustees is highlighted below.

Osteoarthritis (OA). This disease is common in hips, knees, hands, feet and spine. Given its prevalence it is surprising how poorly it is understood. Whilst it is well known that disease increases with age and with excessive or abnormal loading or injury of the joints, the molecular processes that lead to cartilage degeneration, pain and bony deformities are unknown. Scientists at the Kennedy Institute started a programme of work four years ago based on the insight that joint injury predisposes to OA. Studies in humans are limited because tissue is only available at the time of surgical joint replacement at which time the disease is in its final stages. An experimental model of the disease in mice is therefore being investigated to identify and unravel the changes occurring in tissues at the molecular level early in the disease. Changes in gene expression in the tissues can be monitored and mice in which candidate key genes have been knocked out or over expressed can be obtained. In this way the degradative and protective molecular pathways in the different joint tissues can be defined.

One important finding has been that mice lacking one intracellular protein that is needed to switch on genes of the inflammatory response are markedly protected. This establishes that the disease is an active cellular process and not simply a passive wearing away of the joint surface. So far extracellular inflammatory mediators involved have evaded identification. Another significant finding is that immobilisation of the joint is also protective, and that many of the genes turned on by the injury are turned down by immobilisation. A further important clue to the degenerative process may lie in the fact that it is more rapid and severe in the males than the females.

Injury should lead to repair and resolution not to degeneration: understanding how injury causes changes in gene expression and finding out how to mount a reparative response rather than a degenerative one will lead to therapy for OA.

Optimal Location for the Trust's Financial Support

During the year, a small group of Trustees, under the leadership of Professor Batchelor, has continued to investigate where the Trust should in future years direct its financial support in order to promote to maximum effect the Trust's aims. The criteria developed by the working party in order to assess the strengths and weaknesses of different location options include: quality of the scientific environment; adjacencies of scientific and clinical facilities; and maintenance of an "Institute" modus operandi. In considering the optimal research location for the Trust's financial support, Trustees are conscious of the balance to be struck between, on the one hand, capital required for investment in premises and facilities and, on the other, capital required to provide recurring revenue investment in research activities over the medium to longer-term.

Summary of Research Funding Expenditure

In total in 2008/09, direct expenditure on existing grants amounted to £2.2m which when combined with expenditure of £0.3m on newly approved grants gave a total expenditure of £2.5m in the year. This level of grant expenditure was somewhat lower than the budgeted sum of £3.0m set for the year for both existing and new grants. These figures are based on the direct costs of grants and do not include support costs allocated to "Research Funding" in the Statement of Financial Activities.

Intellectual Property (IP)

On the merger of the Kennedy Institute with Imperial College in 2000, Imperial assumed responsibility for all new IP generated by the Kennedy Division from that date whilst IP existing at that date was retained by the Trust. Thus the Trustees are responsible for a portfolio of IP assets built up by the Kennedy over a period of ten or more years prior to the merger. The Trust's IP portfolio includes at its core the key US and European anti-TNF therapy patents which together are responsible for generating substantial royalty payments.

During the course of the year, and in line with the Trust's policy of defending its IP, securing stronger protection for the patents in its portfolio and ensuring its licensees are held to account on royalty payments, the following progress was made:

- applications filed in previous years to extend and reinforce coverage of the core IP were actively progressed this year through a series of review stages at the US Patent Office. These applications, if granted, will have claims with a life which extends beyond the expiry date of the Trust's current '766 US Patent;
- new divisional applications filed in Europe continue to progress through the examination system of the European Patent Office (EPO). These applications, if granted, will buttress the Trust's anti-TNF patent position in the light of ongoing opposition proceedings at the EPO (see below);
- a provisional opinion by the EPO was announced in July 2009 regarding the granted claims in the Trust's European "adjunctive therapy" patent. The EPO's opinion on this issue is non-binding and will remain so until it receives comments from the Trust and the opponents in January 2010;
- the Trust filed a patent infringement suit in the US District Court of Delaware against Amgen Inc. and Wyeth Inc claiming that sales of their joint product Enbrel infringed its US Patent '766. The complaint was filed on 27 October 2009 and will be served on the parties if no agreement is reached within four months of that date. Following the completion of Wyeth's merger into Pfizer in October 2009, Pfizer has taken control of the Wyeth decision-making process and discussions with the Trust have been renewed;
- following the Trustees decision to initiate arbitration proceedings in order to resolve a dispute on royalties payable by Abbott, an Arbitrator was appointed and Arbitration Hearings took place in New York in February 2009. The result of the arbitration, announced in March 2009, resulted in additional gross royalty payments to the Trust of just over £27m to the end of 2008. Royalty payments for all future periods will be calculated using the principles and methodologies adopted by the Arbitrator.

The net cost of prosecuting and maintaining the existing family of both licensed and unlicensed patents and patent applications, after the reimbursement of patent costs by licensees, amounted to £230k in the year. The budget for these activities was £300k. Total expenditure in the year on other legal matters related to the Trust's IP, amounting to £643k, was charged to the Legal Expense Fund (including £488K on the Abbott Arbitration).

PLANS FOR FUTURE PERIODS

The Trustees are totally committed to supporting the development of a research institute based at a premier medical research university. The Kennedy Division, which is where the Trust's support is currently directed, is such an institute: it is very highly regarded throughout the world and its scientists have received, and continue to receive, international recognition.

The Trustees recognise that the success of future research will require both high quality laboratory and clinical research space as well as a consistently high level of annual research funding. The Trust's financial plans envisage that the Trust will continue to provide significant recurring annual support for research. As discussed above, a small group of Trustees under Professor Batchelor's leadership has been assessing the optimal research location for the Trust's future financial support, and expects to make recommendations to the Board of Trustees in the first half of 2010. As noted in last year's report, income is being reserved to allow sustainable funding of ongoing research at a spending rate of £3m pa.

FINANCIAL REVIEW

Financial Statements

The Trust's grantmaking in the year amounted in total to £1.5m (2008: £1.6m), with £1.1m (2008: £0.5m) awarded to Research Science and £0.4m (2008: £1.1m) for Research Infrastructure. The entire sum was awarded to fund research at the Kennedy Division of Imperial College.

Gross royalty income from sales of the anti-TNF products Remicade and Humira amounted to £60.4m in the year (2008: £25.4m). Of this sum, the Trust retained £34.7m after royalty sharing payments. The total amount of gross royalties this year includes an arbitration award of £27.2m (£15.6m retained by the Trust) for additional royalties payable by Abbott on sales of Humira. The royalties derive from patents licensed to Centocor (Remicade) and sub-licensed to Abbott (Humira) in an agreement originally made in 1992 but whose terms were last amended in 2004. In total, royalty sharing payments of £25.7m (2008: £10.8m) were made in respect of royalty income. Royalties are received from US and European sales of Remicade, US sales of Humira and, as a result of the arbitration, from European sales of Humira.

The costs incurred in prosecuting and maintaining the Trust's patent portfolio in the year, after allowing for reimbursement of patent costs by Centocor, amounted to £0.23m (2008: £0.22m). In addition, expenditure of £643k (2008: £84k) was charged to the Trust's Legal Expense Fund.

The total support costs incurred by the Trust were £204k (2008: £170k) of which £49k was allocated to governance with the balance allocated to the three key activities carried out by the Trust (Research Funding, IP Management, and Investment Management). Governance costs amounted to £132k in total (2008: £101k) which represented 0.5 per cent of total resources expended (2008: 1.2 per cent).

During the year, unsolicited donations of £12k were received (2008: £33k) and investment income from cash and equity assets came to £2.0m (2008: £2.0m).

Net income of £34.0m for the year (2008: £14.6m) was increased by recognised gains of £2.2m on investment assets (2008: loss of £9.3m). to give a net positive movement in funds of £36.2m. As a result, total funds increased from £51.6m at the beginning of the year to £87.8m at 30 September 2009.

RESERVES

Designated Reserves

Following consideration during the year of the nature and purpose of the Trust's designated funds; Trustees continue to support the operation of three major funds: a Legal Expense Fund; a New Research Facility Fund; and a Laboratory Equipment Fund.

The purpose of the Legal Expense Fund is to provide the means to enforce patent rights and license terms, by arbitration or by litigation in the US or European courts as appropriate, and to meet the costs of current and future disputes concerning either the validity of the Trust's patents or the royalties payable to the Trust. It is financed from royalty income (by means of an allocation of 10% of gross royalty income) and is designed to protect future income streams.

The balance on the Legal Expense Fund at 30 September 2009 totalled £15.2m (2008: £9.8m).

The Trustees approved a New Research Facility Fund last year of £10m. Following guidance from Professor Batchelor's study group this year, the Trustees have increased the funds designated for this purpose to £20m at 30 September 2009. In addition, the Laboratory Equipment Fund has been increased to £5m to provide new equipment for the Kennedy Institute, both in the existing laboratories and in any proposed new research facility.

At 30 September 2009, the total monies held in designated funds amounted to £40.2m distributed across the following funds:

	£'m
• Legal Expense Fund	15.2
• New Research Facility	20.0
• Laboratory Equipment Fund	<u>5.0</u>
Total Designated Funds	<u>40.2</u>

Summary of Reserves at 30 September 2009

At 30 September 2009, total Trust funds stood at £87.8m (2008: £51.6m), held in the following types of fund:

	£'m
Endowment funds	1.4
Unrestricted funds	
designated funds	40.2
general funds	<u>46.2</u>
Total	<u>£87.8</u>

The accumulation of reserves in general funds is in line with the new power conferred on Trustees to hold income in reserve. The Trust's policy, discussed with the Charity Commission, is to provide sustainable long-term funding of medical research.

RISK MANAGEMENT

During the year, the Trustees have examined the major strategic, operational and financial risks faced and are satisfied that systems have been established to mitigate the exposure of the Trust to those risks. These risks are identified in a formal Risk Register which also sets out the procedures in place to manage risks.

The Trust manages identified forms of financial risk in the following ways:-

Price Risk – The Trust is exposed to risk in respect of changes to the Sterling US Dollar exchange rate. In general, amounts received in dollars are transferred promptly to sterling in order to eliminate exposure to further movements in the rate of exchange. Where investment assets are held in US Dollars or other foreign currencies, forward exchange contracts in the form of foreign exchange swaps cover most or all of the resulting exposure of those assets to exchange rate movements.

Credit Risk – The creditworthiness of the Trust’s pharmaceutical partners, its major source of income, is considered to be high based on the Trust’s assessment.

Liquidity Risk – The Trust has no long-term borrowings, nor does it operate any overdraft facility arrangements.

Interest Rate Risk – The Trust places surplus cash with its Investment Manager at rates of interest which vary in relation to the movement of money market rates. The balance of funds needed for working capital is held in a current account with its bankers.

The Risk Register is subject to annual review by the Board.

INVESTMENT REVIEW

The Trust's broad investment aims are to generate total returns in excess of inflation over the long-term within a portfolio which is flexible and sensitive to risk. A further objective is to ensure that an appropriate level of liquidity is maintained in the portfolio in order to meet near-term capital expenditure requirements.

Following a review of asset allocation by Thomas Miller Investment (TMI) in January 2009, Trustees agreed a "core" investment portfolio comprising Risk Assets (60%) and Reserve Assets (40%). TMI was appointed to manage the fixed income and cash assets in the portfolio as well as to provide continuing advice on overall asset allocation strategy. The steep falls in equity markets and Absolute Return Funds (ARFs) in the previous year continued in the period to March 2009, leading to a progressive decline in the proportion of Risk Assets in the portfolio. This trend was reinforced by a substantial cash inflow (net £15m) from the Abbott Arbitration Settlement and the Trust's decision to redeem in full its holding in the ARF which was connected to the Madoff investment fraud in New York.

However, whilst the returns on cash were in excess of 5% at the beginning of the year, rates plummeted in the following months as the UK authorities, and others around the world, took steps to respond to the credit crunch and the ensuing economic recession. Given the very low interest rates available in cash with base rates falling to 0.5%, and with the equity weighting falling to 34% (cf. a core weighting of 40%) Trustees agreed to switch a tranche of new money into equity Exchange Traded Funds (ETFs). Over the final quarter of the year, Trustees allocated funds to both UK and overseas equity ETFs as well as re-investing the Ascot/Madoff funds into an existing ARF held by the Trust.

At the end of the year, the Trust's holding of Risk Assets (equities and ARFs) had declined from 67% to 48% with a corresponding increase in Reserve Assets. In overall terms, the value of the Trust's portfolio increased to £82.7m from £50.9m that is by £31.8m, with £28.0m of the increase arising from additional investments and the balance of £3.8m arising from a combination of realised (£0.1m) and unrealised (£3.7m) gains. Losses on foreign exchange hedging contracts of £1.6m reduced the overall net gain on investment assets to £2.2m. Whilst the proportion of Risk Assets fell, their total value increased from £34.3m to £40.2m including a new investment of £3.9m in ETFs. The return generated from cash in the year amounted to £0.6m (2008:£0.9m) with dividend income from equities and fixed income securities increasing to £1.4m from £1.1m in the previous year.

The policy of M&G Charifund does not permit investments in the tobacco industry. Notwithstanding this policy, the Trust does not require its investment managers to take any specific social, environmental or ethical considerations into account in making their investment decisions.

Statement of Trustees' Responsibilities

The trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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

During the year Kingston Smith LLP were appointed auditors and are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

By order of the Board of Trustees.

M. S. Preston
Secretary

R. I. Wallace
General Manager

28 January 2010

Company number: 963832
Charity number: 260059

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MATHILDA AND TERENCE KENNEDY INSTITUTE OF RHEUMATOLOGY TRUST

We have audited the financial statements of The Mathilda and Terence Kennedy Institute of Rheumatology Trust for the year ended 30 September 2009 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

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.

Respective Responsibilities of Trustees and Auditors

The trustees' (who are also the directors of the charitable company for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implication for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 30 September 2009 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information provided in the Trustees' Annual Report is consistent with the financial statements.

Kingston Smith LLP
Senior Statutory Auditor
for and on behalf of Kingston Smith LLP,
Statutory Auditor

Devonshire House
60 Goswell Road
London EC1M 7AD
23.03.2010

Statement of Financial Activities for the Year ended 30th Sept. 2009 (including Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Endowment Funds £'000	2009 Total Funds £'000	2008 Total Funds £'000
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Donations		12	0	12	33
Activities for generating funds					
Royalty income	15a	60,413	0	60,413	25,430
License fee Income		3	0	3	6
Investment income	9b	2,000	0	2,000	2,028
Incoming resources from charitable activities					
Reimbursement of patent costs		194	0	194	125
Total incoming resources		62,622	0	62,622	27,622
Resources expended					
Costs of generating funds					
Royalty sharing	16	25,736	0	25,736	10,832
Investment Advice		93	0	93	79
Charitable activities					
Research Science Funding	16,17	906	0	906	556
Research Infrastructure Funding	16	639	0	639	1,060
Intellectual property protection	16,17	1,093	0	1,093	403
Governance costs	16,17	132	0	132	101
Total resources expended		28,599	0	28,599	13,031
Net income for the year		34,023	0	34,023	14,591
Total Recognised Gains/(Losses) on Investment Assets	10	2,200	(60)	2,140	(9,277)
Net movement in funds		36,223	(60)	36,163	5,314
Total Funds brought forward		50,223	1,407	51,630	46,316
Total funds carried forward		86,446	1,347	87,793	51,630

All incoming resources and resources expended are derived from continuing activities. There are no gains and losses other than those reflected above. The notes on pages 23 to 38 form part of these financial statements.

Balance Sheet as at 30th September 2009

	Note	30 September 2009 £'000	30 September 2008 £'000
Fixed assets			
Tangible fixed assets	8	0	0
Investments	9	69,789	34,290
		69,789	34,290
Current assets			
Debtors	11	10,527	9,709
Short term deposits		12,761	17,000
Cash at bank and in hand		7,844	660
		31,132	27,369
Creditors (amounts falling due within one year):			
Sundry creditors and accruals	12	8,318	4,103
Grant payments due within one year	13	2,957	3,128
		(11,275)	(7,231)
Net current assets		19,857	20,138
Total assets less current liabilities		89,646	54,428
Creditors (amounts falling due after more than one year)	13	(1,853)	(2,798)
Net assets		87,793	51,630
Funds			
Unrestricted – designated	3,7	40,241	23,828
Unrestricted – general	3,6	46,205	26,395
Unrestricted Total	3	86,446	50,223
Endowment	3,4,5	1,347	1,407
Total funds		87,793	51,630

The financial statements were approved by the Board of Trustees on 28 January 2010 and signed on its behalf by:

James Davis
Chairman

Professor J R Batchelor
Vice Chairman

Cash Flow Statement Year Ended 30th September 2009

	Year Ended 30 Sept 2009 £'000	Year Ended 30 Sept 2008 £'000
Net cash inflow from operating activities (Note a)	36,042	8,462
Returns on investments and servicing of finance (Note b)	2,179	1,583
Financial Investment (Note b)	(35,272)	(7,570)
	<hr/>	<hr/>
Increase / (decrease) in cash	2,949	2,475
	<hr/>	<hr/>

Reconciliation of net cash flow to movement in net funds (note c)

Increase / (decrease) in cash	2,949	2,475
	<hr/>	<hr/>
Change in net funds	2,949	2,475
Net funds brought forward	17,660	15,185
	<hr/>	<hr/>
Net funds carried forward	20,609	17,660
	<hr/>	<hr/>

Notes to the cash flow statement

a Reconciliation of net income for the year to net cash inflow from operating activities

	2009 £'000	2008 £'000
Net income for the year	34,024	14,591
Realised (Losses)/Gains	(1,633)	0
Disposals at Market Value	3,546	0
Investment income	(2,000)	(2,028)
Decrease / (increase) in debtors	(994)	(3,338)
Increase in creditors	3,099	(763)
Net cash inflow from operating activities	36,042	8,462

b Analysis of cash flows for headings netted in the cash flow statement

	2009 £'000	2008 £'000
Returns on investments and servicing of finance		
Bank interest	855	790
Listed investments	1,324	793
Net cash inflow for returns on investments and servicing of finance	2,179	1,583
Financial investment		
Investments with investment managers	(35,272)	(7,570)
Net cash outflow for financial investment	(35,272)	(7,570)

c Analysis of changes in net funds

	30 September 2008 £'000	Cash flows £'000	30 September 2009 £'000
Cash at bank and on Short Term Deposit	17,660	2,949	20,609

1. Accounting Policies

Basis for accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of fixed asset investments and in accordance with applicable United Kingdom accounting standards, the Companies Act 2006 and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", revised 2005.

FRS18, "Accounting Policies", issued in December 2000, requires the Board to consider whether the accounting policies adopted in the financial statements are those judged to be the most appropriate to the charitable company's circumstances, are reviewed regularly and changed as appropriate. Having reviewed the charitable company's accounting policies the Board are satisfied they are the most appropriate.

The principal accounting policies, which have been applied consistently, are set out below.

Income

Income derived from grant making bodies or donors for specific projects is credited to Restricted Funds.

Income received without restrictions attached is credited to Unrestricted Funds and used by the Trustees for the general purposes of the Trust.

Funds

The Trust maintains the following types of fund;

(a) Endowments

Comprises two long-established endowment funds (The Kennedy Endowment and Maynard Jenour funds) whose capital value is invested in UK authorised unit trusts and is not available for expenditure. The resulting income must be utilised by the Trustees in pursuit of the Trust's charitable objectives and is included as unrestricted income.

(b) Unrestricted

(i) General

Uncommitted reserves that are currently available to the Trustees for expenditure on the general purposes of the Trust, as they deem appropriate.

(ii) Designated

Designated funds comprise monies set aside by the Trustees out of unrestricted funds for specific purposes. It includes a number of funds as detailed in note 7, which may be utilised by the Trustees for other purposes, when required.

Investments

Listed investments are shown in the balance sheet at their market value. Both realised and unrealised movements in market value from one year-end to another are recognised in the Statement of Financial Activities. The market value of both UK and overseas listed investments is determined by the closing middle market prices on the relevant stock exchange at the balance sheet date.

1. Accounting Policies....cont'd

Realised and unrealised gains and losses on investments are dealt with in the fund in which the investment, on which the gain or loss arose, was held. Investment income is accounted for on an accruals basis.

Impairment

Where a reduction in the value of an investment is caused by a general fall in prices, the loss is taken through the SOFA as an unrealised loss. If however, the fall in value is not considered to be a temporary diminution in value then a provision for impairment is taken through the SOFA and separately disclosed if material.

Equipment

Expenditure for laboratory equipment, fixtures and fittings, is capitalised at cost and depreciated unless it is mainly consumable in nature, in which case it is written off in the statement of financial activities as incurred.

Depreciation

Depreciation on tangible assets is provided on a straight line basis at the rates set out below. A full year's depreciation is charged in the year of acquisition.

Laboratory Equipment - 33 1/3%

Computer Equipment - 20%

The Kennedy Building, including fixtures and fittings, is the property of the ARC.

Assets with a cost below £500 are not capitalised.

Royalty Income, License Fees and Reimbursement of Patent Costs

Income from license and royalty agreements, and related revenue share obligations to the Inventors and other parties, is recognised throughout the year when there is reasonable assurance of receipt. An estimate (based on previous receipts) is included, if notification has not been received subsequently from the licensee, at the balance sheet date. Licence agreements also provide for reimbursement of patent costs in certain cases.

Donations

Donations are unsolicited and are recognised as income only when received.

Donated services and facilities

The Trust occupies a building on an operating lease from ARC for which no rental is charged. The Trust has an agreement with Imperial College that allows the Kennedy Division of Imperial College to use the building for research, no rental being charged. Neither of these transactions are included as donated services and facilities in the accounts as the amount of the benefit is not readily quantifiable.

1. Accounting Policies....cont'd

Resources Expended

All expenditure is accounted for on an accruals basis and is classified under the relevant activity within the Statement of Financial Activities.

Royalty sharing payments

Royalty sharing payments are calculated by applying a formula for the distribution of royalty income agreed by the Trustees and the ARC which reflects current UK university practice. Such payments are accrued in line with the corresponding income.

Research grants

Grants are awarded to support the research activities of the Kennedy Division of Imperial College and are included in the financial statements at the time of issue of the Grant Award Letter for the full amount of the grant. Depending on the duration of the grant, payments are made over a period of up to five years and amounts remaining are shown as liabilities in the balance sheet.

Governance Costs

Governance costs include expenditure on compliance with constitutional and statutory requirements and strategic management of the Trust and the direct costs attributable to those requirements.

Support Costs

Support costs are general management and administration costs of the charity which are not directly attributable to a specific Trust activity. Support costs are apportioned to Trust activities on either a time spent or other basis as appropriate.

Foreign Currencies

Foreign currency assets and liabilities are expressed in sterling at exchange rates ruling at the year end. Transactions in the normal course of business are expressed at the rates ruling at the dates of the transactions. Gains and losses arising are taken to the Statement of Financial Activities.

Pension Costs

Contributions are made by the Trust to a defined contribution scheme and all costs are charged to the Statement of Financial Activities in the year to which they relate.

Tax and VAT

The Trust is a registered charity and accordingly is exempt from taxation on its charitable activities which fall within the scope of section 505 (1) of the Taxes Act 1988 and section 256 of the Taxation of Chargeable Gains Act 1992. Irrecoverable VAT is written off as part of the expense to which it relates.

2. *Company Status*

The Trust is a Company limited by guarantee, the liability of the 10 members who are the Trustees being limited to £1 each.

3. *Funds/Reserves*

	Note	2009 £'000	2008 £'000
Endowment			
Maynard Jenour fund	4	91	95
Kennedy Endowment fund	5	1,256	1,312
		1,347	1,407
Unrestricted			
General fund	6	46,205	26,395
Designated funds	7	40,241	23,828
		86,446	50,223
Total Funds		87,793	51,630

Included in funds is a revaluation reserve of £3,721K (2008:£1,233k)

4. *Maynard Jenour Fund*

	2009 £'000	2008 £'000
Balance brought forward	95	133
Movement in the market value of investments	(4)	(38)
Balance carried forward	91	95

The income from the Maynard Jenour Fund is applied to fund grants to support clinical research.

5. Kennedy Endowment Fund

	2009	2008
	£'000	£'000
Balance brought forward	1,312	1,836
Movement in the market value of investments	(56)	(524)
	<hr/>	<hr/>
Balance carried forward	1,256	1,312

The income from the Kennedy Endowment Fund is used to support the Trust's research activities.

6. General Fund

	2009	2008
	£'000	£'000
Balance brought forward	26,395	26,780
Net income/(expenditure) for the year	34,023	14,591
Movement in the market value of investments not relating to specific funds	3,720	(8,715)
Realised Losses	(1,520)	0
Expenditure from designated funds	643	125
Transfers from / (to) designated funds	(17,056)	(6,386)
	<hr/>	<hr/>
Balance carried forward	46,205	26,395

7. Designated funds

	30 Sept 2008	Expenditure	Transfer to/from General fund	30 September 2009
	£'000	£'000	£'000	£'000
ARC Equipment Fund	54	0	0	54
Legal Expense Fund	9,774	(643)	6,056	15,187
New Research Facility Fund	10,000	0	10,000	20,000
Laboratory Equipment Fund	4,000	0	1,000	5,000
	23,828	(643)	17,056	40,241

These designated funds represent unrestricted amounts which the Trustees have allocated for specific purposes. The Trustees can reallocate these funds as required.

The ARC Equipment Fund is for the future purchase of equipment and capital assets for use by the Kennedy Division.

Funds derived from royalty income include specific amounts approved by the Trustees to fund a new research facility (£20m) and new laboratory equipment (£5m). In addition, the Trustees continue to set aside a significant amount of royalty income in a Legal Expense Fund (10% of gross royalty income), which is utilised to ensure compliance with license agreements and in the event of possible litigation to defend the Trust's patent rights world-wide.

Payments out of the Legal Expense Fund include £487,650 in relation to the arbitration hearings which took place in New York in early 2009.

Any balance remaining on the Legal Expense Fund at the end of the relevant period will be distributed pro rata to the beneficiaries percentage of royalty income.

8. Tangible Fixed Assets

	Laboratory Equipment	Total
	£'000	£'000
Cost		
At 1 October 2008	17	17
Disposal of assets	0	0
<hr/>		
At 30 September 2009	17	17
<hr/>		
Depreciation		
At 1 October 2008	17	17
Disposal of assets	0	0
<hr/>		
At 30 September 2009	17	17
<hr/>		
Net Book Amount		
At 30 September 2008 and 30 September 2009	0	0
<hr/>		

9. Investments**(a) Investments held with investment managers**

	2009 £'000	2008 £'000
Movement on investments:		
Market value brought forward	34,290	35,997
Net additions at cost	35,272	7,570
Disposals at Market Value	(3,546)	0
Realised Loss on Disposal	(75)	0
Net investment (losses)/gains	3,848	(9,064)
Impairment of Investment	0	(213)
Market value carried forward	69,789	34,290
Historic cost of investments	66,068	34,229
Cumulative unrealised gains	3,721	61
	69,789	34,290

Represented by:

	30 September 2009 £'000	30 September 2008 £'000
Investments not designated to funds:		
UK authorised unit trusts	15,779	16,487
Overseas listed securities	10,537	9,176
Overseas Unlisted Securities	8,657	7,221
Fixed Interest Securities	29,611	0
Mutual Funds	3,858	0
Assets representing the Maynard Jenour Fund:		
UK authorised unit trusts	91	95
Assets representing the Kennedy Endowment Fund:		
UK authorised unit trusts	1,256	1,311
	69,789	34,290

The impairment last year relates to a post Balance Sheet event. It represents the expected impact on the Trust's investments of the alleged "Madoff" investment fund fraud as detailed in the Trustees report.

Realised Losses of £1,633k arise from contracts taken out to hedge the Trust's US Dollar investments.

(b) Investment Income

	2009 £'000	2008 £'000
Bank Interest	588	956
Listed Investments	1,412	1,072
Total investment income	2,000	2,028

All income generated from investments held within endowments are recognised in the Statement of Financial Activities as unrestricted investment income.

10. Recognised Gains/Losses on Investment Assets

	Note	Unrestricted Funds	Endowment Funds	2009 Total Funds	2008 Total Funds
		£'000	£'000	£'000	£'000
Realised gains/(losses) on Investment assets		(1,633)	0	(1,633)	0
Disposal of Investments		(75)	0	(75)	0
Total Realised Gains/(Losses) on Investment Assets		(1,708)	0	(1,708)	0
Unrealised gains/(losses) on investment assets					
· General Fund	6	3,908	0	3,908	(8,715)
· Maynard Jenour Fund	4	0	(4)	(4)	(38)
· Kennedy Endowment fund	5	0	(56)	(56)	(524)
Total unrealised gains/(losses) on investment income		3,908	(60)	3,848	(9,277)
Total Recognised Gains/(Losses) on Investment Assets		2,200	(60)	2,140	(9,277)

11. Debtors

	30 September 2009 £'000	30 September 2008 £'000
Royalty accrued income	9,958	9,022
Other accrued income	567	670
Sundry Debtors	2	17
Total debtors	10,527	9,709

12. Sundry Creditors and Accruals

	30 September 2009 £'000	30 September 2008 £'000
Royalties Payable	6,807	3,835
Accruals	207	116
Other Creditors	1,300	149
Taxation and Social Security	4	3
Total creditors	8,318	4,103

13. Grant Commitments

The balance of grants payable is as follows:

	30 September 2009 £'000	30 September 2008 £'000
Payments falling due within one year	2,957	3,128
Payments falling due after one year and less than five	1,853	2,798
Total Grants payable	4,810	5,926

14. Analysis of Net Assets as at 30 September 2009

	Unrestricted Funds £'000	Endowment Funds £'000	Total £'000
Fixed Assets:			
Tangible fixed assets	0	0	0
Investments	68,443	1,347	69,790
Current assets:			
Debtors	10,527	0	10,527
Short term deposits	12,761	0	12,761
Cash at bank and in hand	7,843	0	7,843
	99,574	1,347	100,921
Current liabilities:			
Long term liabilities	11,275	0	11,275
	1,853	0	1,853
	86,446	1,347	87,793

15 (a). Gross Royalty Income for the Year

The gross royalty income for the year of £60,413k includes £27,200k obtained as a result of the arbitration with Abbott

15 (b). Net Income for The year

Net income for the year is arrived at after charging the following:

	Year Ended 30 September 2009 £'000	Year Ended 30 September 2008 £'000
Auditors remuneration (for audit services only)-2008/09	19	0
Additional Fee for 2006/7	0	14
Auditors remuneration (for audit services only)-2007/08	16	18
Additional Fee for 2007/8	9	0
Non-audit services for 2007/8	18	1
Exchange rate (losses)/gains	(1,762)	(12)
Impairment of Investment (see Note 9)	0	(213)

Non-Audit services are for accounts formatting and tax advice.

16. Analysis of Total Resources Expended

	Direct Costs £'000	Support Costs £'000	Total Year ended 30 September 2009 £'000	Total Year ended 30 September 2008 £'000
Royalty sharing payments	25,736	0	25,736	10,832
Costs of Generating Funds	59	34	93	79
Intellectual Property protection	1,004	89	1,093	403
Research Infrastructure Funding	607	32	639	1,060
Research Science Funding	906	0	906	556
Governance	83	49	132	101
Total Resources Expended	28,395	204	28,599	13,031

17. Support Costs

The total support costs incurred by the Trust amount to £204k (2008: £172k). An analysis of the main categories of expenditure included within support costs and the apportionment of these costs to the key activities undertaken by the Trust is set out in the table below.

	Research £'000	Intellectual Property £'000	Governance £'000	Investment £'000	2009 Total £'000	2008 Total £'000
Staff and consultancy costs	28	86	46	33	193	151
Office and general costs	4	3	3	1	11	20
Total	32	89	49	34	204	172

The remainder of the staff and consultancy costs have been allocated to direct costs, rather than included as support costs above.

18. *Payments to Trustees, Staff Costs and Consultancy Costs*

The members of the Board of Trustees receive no emoluments for their service in that capacity. A total of £3,326 (2008: £14,507) was paid to 5 Trustees (2008: 7) in reimbursed travel expenses. The 2008 figure included trips to the US made on behalf of the Trust in connection with Royalty matters. Staff costs and consultancy costs are set out in the table below.

Staff Costs and Consultancy Costs

	Year ended 30 September 2009 £'000	Year ended 30 September 2008 £'000
Staff salaries	160	94
National Insurance	19	11
Pension costs	14	8
Total staff costs	193	113
Consultancy costs	22	20
Other costs	0	17
Total staff and consultancy costs	215	150

Staff salaries comprise the General Business Manager and Chief Finance Officer who is employed on a contract with a fixed number of days and a Secretary to the Board who was appointed at the end of September 2008.

The salary of the highest paid employee was £117K (2008 – 93K).

Average staff numbers during the year comprise 2 part-time (1.6 full time equivalent) member of staff (2008:0.8 full time equivalent). Average numbers retained as consultants during the year include 2 part-time consultants (2008: 3) responsible for fulfilling the functions of Secretary, Financial Accountant and Building Management Adviser. All these consultant posts terminated during the year.

19. *Financial Risk Management*

The Trust manages identified forms of financial risk as described in the Trustees Report under the heading Risk Management).

20. Related Party Transactions

The Trust awarded Imperial College research grants totalling £1.5M in the year (2008: £1.6M). The Trust received £9K (2008: £10K) from the Maisie Lewis Fund, proceeds from which are used to support fellowship grants. Professor Maini is a trustee of this charity.

Professor Sir Ravinder Maini was, as an employee of the Kennedy Institute, responsible with Professor Feldmann for the invention which subsequently led to the generation of royalty income. Under a royalty distribution arrangement agreed with ARC, and in line with current UK university practice, he and Professor Feldmann are entitled to an equal share of the awards to inventors portion of royalty income.

Following Professor Maini's appointment as a Trustee of the Trust, Charity Commission approval was obtained for the continuing payment of his share of the royalty income. In 2008/9 £6,812K (2008 - £2,859K) was receivable by Prof. Maini. The balance outstanding at the year end was £1,802K (2008 - £1,051K).

21. Financial Commitments and Contingent Liabilities

The Trustees are committed to funding, at least in part, the expansion of the Kennedy Division. A significant part of the Trust's income will be expended on sustaining the funding of new programmes of research and, in due course, the financing of a new research building and associated facilities.

Resources are being set aside in designated funds. Refer to note 7 for details of designated funds.

As explained in note 7, any balance outstanding on the Legal Expense Fund at the end of the relevant patent period will be distributed pro rata to the beneficiaries percentage of royalty income. This maximum payable as at 30 September 2009 was £6,545K (2008 - £4,849K).

The Trust's local currency is pounds sterling but it holds significant US Dollar investments. As a result, the Trust is subject to foreign currency exchange risk due to exchange rate movements between pounds sterling and US dollars. The Trust seeks to reduce this risk by entering into forward contracts.

The Trust has forward contracts with the following fair values at the end of the year.

	2009 £'000	2008 £'000
Fair value of forward contracts	<u>477</u>	<u>(455)</u>

Appendix A – Grants awarded during the year

1. Project Title	2. Start Date	3. End Date	4. Value £
Collaborative ENU screen with MRC Harwell	01/01/2009	31/12/2010	250,000
Replacement Equipment for Tissue Culture Rooms	01/11/2008	31/10/2009	226,000
Optimisation of CIA Model	01/05/2009	30/04/2010	47,214
Upgrade of Confocal Microscope	01/02/2009	31/01/2010	96,547
Clinical Research Fellow – Sir Richard Butler	01/04/2009	31/03/2011	130,000
Leptin Dysregulation in Rheumatoid Arthritis	01/03/2009	31/03/2010	50,000
KIR Proteomics and Mass Spectrometry	01/05/2009	30/04/2011	124,000
System for Collaborative Translational Research	01/04/2009	31/03/2011	142,000
Clinical Research Fellow – Matrix Biology	01/09/2009	31/10/2010	62,000
Clinical Research Fellow – Matrix Biology	01/09/2009	31/10/2010	62,000
Clinical Research Fellow – Cytokine Biology	01/09/2009	31/10/2010	68,000
Bella Sunley Fellowship	01/08/2009	31/07/2010	130,000
Technical Support for OA Programme	01/09/2009	31/08/2011	88,324
			<u>1,476,085</u>