

The Rosalind Franklin Institute

Strategic Report and Financial Statements

2020-2021

Charity number 1179810

Company number 11266143

Registered office:

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R113 Rutherford Appleton
Laboratory
Harwell Campus
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Oxfordshire
England
OX11 0QX

Auditor:

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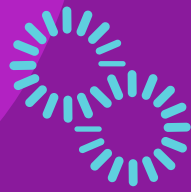
Bankers:

Barclays

Solicitors:

Royds Withy King,
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Legal and Administrative Information

Our Directors

The Directors of the charitable company are its Trustees for the purposes of charitable law

- Dr Vivienne Cox CBE (Chair)
- Dr Gillian Burgess
- Professor Stephen Caddick
- Professor Helen Cooper (Appointed 1st February 2021)
- Mr Stephen Dauncey
- Professor Nora de Leeuw (Appointed 26th November 2020)
- Professor Mathias Gautel (Appointed 30th November 2020)
- Dr Barbara Ghinelli
- Professor Ewan McKendrick
- Professor James H Naismith
- Professor Nigel Titchener-Hooker
- Dr Anthony Wood
- Dr Jennifer Jennings (Resigned 11th December 2020)
- Professor Andrew Livingston (Resigned 30th September 2020)
- Professor Peter Smith (Resigned 30th September 2020)

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This year has seen a vindication of the vision of the team behind the Franklin Institute – to create technologies which would not push forward incremental changes, but huge leaps.



Directors' foreword

The accounts for the year 2020-2021 tell a story of progress and achievement. We have delivered a beautiful, efficient, and purposeful building. This is the home where we are delivering advances at a pace commensurate with the challenges in human health we face.

I would like to thank all of the teams who have worked to create the new Franklin hub – our team members, our funders at the Engineering and Physical Sciences Research Council, the delivery team at Harwell of the Science and Technology Facilities Council, Mace, IBI and AECOM. Every square metre has a purpose, the on time on budget delivery is a huge and rare achievement even without Covid-19.

This year has seen a vindication of the vision of the team behind the Franklin Institute – to create technologies which would not push forward incremental changes, but huge leaps. We were delighted by the endorsement of Wellcome through the Electrifying Life Sciences project - a £25m grant which will realise the dream of molecular level cell pathology. Our work on nanobodies is a source of pride not only for its scientific excellence, but because it exemplified Franklin research at its best – working with purpose to make a real difference to human health.

We have seen the partnerships between the Franklin and our industry collaborators – at ThermoFisher Scientific, JEOL, Bruker, Ionoptika and others, begin to deliver extraordinary tools which will be housed at the hub. These partnerships with industry are the hallmark of all our work here, whether with instrumentation specialists in the development phase or pharmaceutical and medtech firms in the delivery and maturation phase, we are determined to deliver maximum impact across the UK's nations.

Exceptional technologies need exceptional people to deliver and use them, and this year has seen the numbers at the Franklin grow, as we are joined by new colleagues across the board. We are one team here with parity of esteem across all roles. This team has produced incredible work in the face of huge adversity this year. I also wish to thank all our advisors. This thank you stands as a token for the credit each person deserves.

The coming year marks the close of the first phase of the Franklin, and the start of the next. We are developing with industry and academic colleagues ambitious plans for the future. We look forward to sharing them and putting them into action.

Professor James H Naismith FRS FRSE FMedSci

Chairs' foreword

These annual accounts for the year 2020-2021 are delivered at an exciting time for the Franklin, as the long journey to creating our purpose-built home draws to an end, and a new stage of our development commences.

No-one has escaped from the impact of Covid-19 in this last year. We celebrate the successes we have had in 2020 in delivering projects against this backdrop, and I want to take this opportunity to thank our staff – some of whom are vulnerable, many who have families based overseas who have seen long separations, and many more who have families at home who have seen huge disruption to education and work. It is thanks to our staff that we have delivered remarkable and globally important science in these challenging times, as well as creating an exceptional long-term home for our technologies.

Our ability to pivot our research programmes so swiftly to the emerging pandemic was not a function of luck, but a function of the way the Franklin is funded, of the collaborations we have nurtured, and a verification of the utility of our technologies in development. We did not foresee being put to the test at this stage of our development, but we have been tested, and we are all incredibly proud of the way our teams – both science and operational, have responded.

As we plan for our next phase we double down on our commitment to utility. The G7 presented a 100-

day challenge – to create viable therapeutics against emerging pandemic threats in 100-days. To do this requires organisations like ours; organisations who will work across disciplines, collaborate broadly and wisely, and use the absolute best tools available to science.

The board supporting the Franklin has seen three new directors join this year: Professors Nora de Leeuw from Leeds University, Helen Cooper from Birmingham University and Mathias Gautel from Kings College London. We welcome them all and thank our departing board members for the contributions they have made. The expertise of our members has been a key factor in the successes of the early years of the Franklin.

We also celebrated, albeit remotely, the centenary of our namesake in 2020. Her work on viruses gained a new resonance this year and celebrating her life and legacy with her family and those who knew her was wonderful. As we move forward with planning for our next generation of technologies, and bring together teams in the hub for the first time, we hope to continue to honour her through our work.

Dr Vivienne Cox CBE



Our ability to pivot our research programmes so swiftly to the emerging pandemic was not a function of luck, but a function of the way the Franklin is funded

Franklin strategic goals

Our strategic goals encapsulate our drive to deliver world class science, build a legacy to be proud of, and secure long term success for our world changing research programmes.

Delivering World Class Science

Adventure:

Franklin projects have significant risk, balanced by significant pay off if successful

Novelty:

Franklin technologies are globally original and ground breaking in their design and application

Engagement:

Franklin projects engage multiple partners from academic and industry and there is demonstrable support for their development

Utility:

Franklin technologies will be sought after by industrial and academic communities, generating research and economic benefits

Building a legacy to be proud of

Training the next generation in collaborative science:

PhD, PDRA, Placements, Public engagement

Leverage:

Optimise the effectiveness of existing government investment in science infrastructure

Become a global Centre of Excellence:

for technology development and innovation, seed a new life science cluster, and enhance the UK skills base

Value our people:

Create an environment which develops staff to their full potential, supports career progression, and centres equality and diversity in STEM

Securing future success

Diversifying income:

- recurrent funding
- earned income
- partner contributions
- external funding
- charitable donations

Foster 'many-to-many' links:

across academia and industry, acting as a national focal point

Expand global network:

Establishing international partnerships. Position Franklin on global stage

Technology maturation:

Build bridges to clinical, robust IP and commercialisation planning for appropriate technologies

Performance in 2020-2021

Our Key Performance Indicators reflect the distinct position of our institute. Internally, we measure standard indicators on project management (including intellectual Property), finance, and engagement as a part of the normal course of governance. Strategic indicators are outlined below against our strategic goals.

World class science:

1. The Franklin will deliver to maturity at least one 'factor of ten' initiative recognised by SAB and community in each five year period. This will be unambiguous and will have reach into our communities.

Indicators in 2020-2021 – The SAB met, supported by TAP meetings in each theme, and approved both the quality and progress of our research programmes.

As part of this process, the SAB recommended, and we have implemented, the theme of 'Infection and the bodies response to it' as a unifying science driver which will test our technologies and provide opportunities for cross theme collaboration.

Securing our future success:

2. The nature of high risk long term research requires long term core funding. However, we expect to secure 25 % of the operating budget for the Franklin from other sources by 2026 (direct Industry funding, auditable in kind contributions from Industry, grants from charitable organisations and other UKRI funding).
3. The Franklin will establish collaborations across the UK. We aim to secure five new multi-centre collaborations each year. We will ensure these are geographically dispersed.

Indicators in 2020-2021: The success of the Electrifying Life Sciences grant in 2020-2021, combined with successful establishment of grants in Next Generation Chemistry means this target has been surpassed in this financial year. Our multi-centre collaborations for this year are primarily in instrument development, but we expect these to mature into utilisation and commercialisation as technologies develop.

4. Training and skills development in our community is essential in ensuring the success of our programmes as they mature. We will embed training programmes for industry and academic colleagues and collaborators alongside our projects at the earliest stage, with a KPI in number of individuals from both industry and academia exposed to training and learning linked to our

technologies. Training will range from undergraduate projects and placements to advanced skills development for established researchers in industry and academia, to technical training for engineers and support staff. We will monitor the types and balance of training offered between different communities.

Indicators in 2020-2021: Training and placements will commence in parallel with occupation of the hub in 2021-2022, and we expect to report figures from this indicator in our next accounts.

Building a legacy to be proud of:

5. Our goal is that every person (from student to science lead to support and professional functions) who works at the Franklin will do the best work of their career here. We will graduate ten PhD scientists a year from 2025. These students will stand out as future leaders in innovative Industries and in academia. As a KPI we will monitor the next destinations of our students.

Indicators in 2020-2021: We were pleased to start recruitment of our first student cohort in 2020 and will welcome students in October 2021. Recruitment has been successful, with a high-quality cohort developing.

6. As a dynamic research institute, we would expect to see a higher turnover of staff (around 10 % per year) as our people move on to the next steps in their careers. As a KPI we will monitor the turnover of our scientific workforce and their next destinations. At an all-staff level (including non-scientific staff) we will monitor the next steps with a goal of 90 % to have positive next destinations (employed at the same or high level, new training or personal development or desired life changes (retirement, career break).

Indicators in 2020-2021: Recruitment has been the focus in 2020-2021, with teams forming and growing around the themes. Supported by a growing operations team, we have not seen significant turnover at this stage. As staff numbers grow, expected to reach over 120 by the end of the year to 31 March 2022, we will be able to provide data on onward destinations in the next accounts.



Future plans for 2021-2022

By shifting our focus to molecular processes, we allow much earlier intervention.

- In 2021-2022 we will fully occupy the Hub building, bringing together under one roof the technologies developed across our five themes.
- In operations, we will scale our systems and teams to support the science delivery.
- Science themes will prioritise cross theme activity and collaborations as technologies enter the development phase.
- Ideation and engagement will begin for the beyond state-of-the-art technologies proposed in our next phase.
- We welcome our first cohort of PhD students in October 2021. These students will be the first of a long-term scheme, graduating researchers with national collaborators into interdisciplinary roles in academia and industry. Their skills in using and developing imaging tools in life science will make them a huge skills asset for the UK.

- We will start maturing our phase one technologies – identifying routes to commercialise, transfer into national asset or develop further within the Franklin or a partner lab.
- In 2020, we devised an ambitious plan for Phase Two of the Franklin and began the planning stages for its delivery. Phase two will continue the vision of the Franklin as an internationally important research institute for life science.

The Next Phase of The Rosalind Franklin Institute:

- Pandemic preparedness: bringing cutting edge imaging tools to bear on emerging pandemic threats, meeting the 100 day challenge for first generation therapies against 'Disease X'. The economic, social and health impacts of rapidly spreading respiratory virus has been seen – the potential to have treatments available could save the UK economy billions of pounds in lost productivity, save tens of thousands of lives, and protect the next generation from disruptions to education.

- Create a new field of science: Atomic level pathology, identifying markers of diseases at earlier stages, enabling cheaper, better and more effective therapies. Infectious diseases and linked inflammatory disorders, including auto-immune conditions, account for a huge burden of morbidity and mortality, and are poorly understood and difficult to accurately diagnose early. By shifting our focus to molecular processes, we allow much earlier intervention.
- A national research cyclotron to drive the creation of new PET diagnostic agents. Complex diseases such as neurodegenerative conditions, obesity, cardiovascular and pulmonary disease need better and earlier diagnostics. Earlier intervention makes medicines cheaper and more effective and prolongs healthy life. We propose to leverage the UK leading position in chemistry in the cell to drive a new era of PET diagnostics – building on the learning from atomic pathology to identify targets, these diagnostics can take that impact into the clinic.

- Embed and develop AI tools for imaging – automating the mundane to achieve the extraordinary. For the UK to maintain our disproportionate inward investment in life sciences R&D, the UK must be more productive per researcher than in competing nations. By competing on scale alone, we revert to the mean. AI offers this productivity advantage.
- Co-locate industry and support the generation of innovation efforts for the UK and act as a beacon for inward investment and collaboration with the UK and the institute's academic partners. This effect has already been demonstrated with ThermoFisher Scientific and will be repeated with the second phase of technologies. The eco-system effect in life science is well recognised – and can be seen globally in San Diego and Boston. We offer the UK the nucleus for a cluster of this magnitude, combined with our national partnerships which will ensure skills and benefits from the Franklin are felt across the UK.

Research Activity

Projects are underway across the five Franklin Research Themes, led by the science directors. Funding for capital projects is awarded through standard governance procedures, which test projects against the Franklin research values and seek external views on their transformational capacity. Collaborations and partnerships with industry and academic partners are in place in each theme, with additional funding sought through grants.

All funding for capital projects indicated is allocated from The Franklin core funding, which runs to 2021. Grants are either allocated directly, or via member universities.

Wave one technologies are linked by a unifying goal to understand life in five dimensions - the three dimensional shape, chemistry, and movement (in time) of biological systems.

This understanding will enable the observation of drug entry and action in cells, bring insights into the chemistry of disease, and the ability to edit and alter the molecules of life in the cell.



Wave one technologies are linked by a unifying goal to understand life in five dimensions

2020-2021 Research Highlights

The Franklin Joins the Fight Against Covid-19

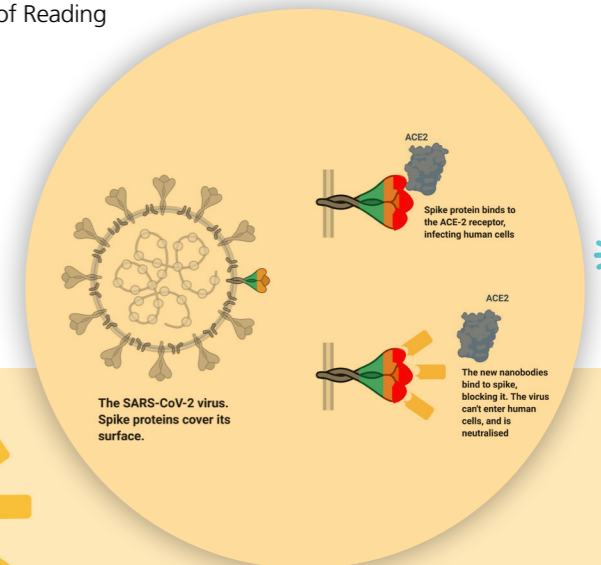
For us at the Franklin, in common with researchers across the world, in March 2020 our work pivoted to face the global pandemic.

The Franklin's work on protein tools known as nanobodies – explored as part of the PPUK initiative for their value as a stabilising tool for imaging protein complexes, became the epicenter of our new research activity in structural biology. Using library screening to generate new nanobody reagents, in less than 100 days, the team had created antiviral agents and published a world leading paper (in top 1% of all outputs on Altmetric). In parallel, new nanobodies were developed by injecting llama (in collaboration with Reading University) with spike protein – this inoculation creates natural nanobodies which are extracted by a simple blood sample from the llama.

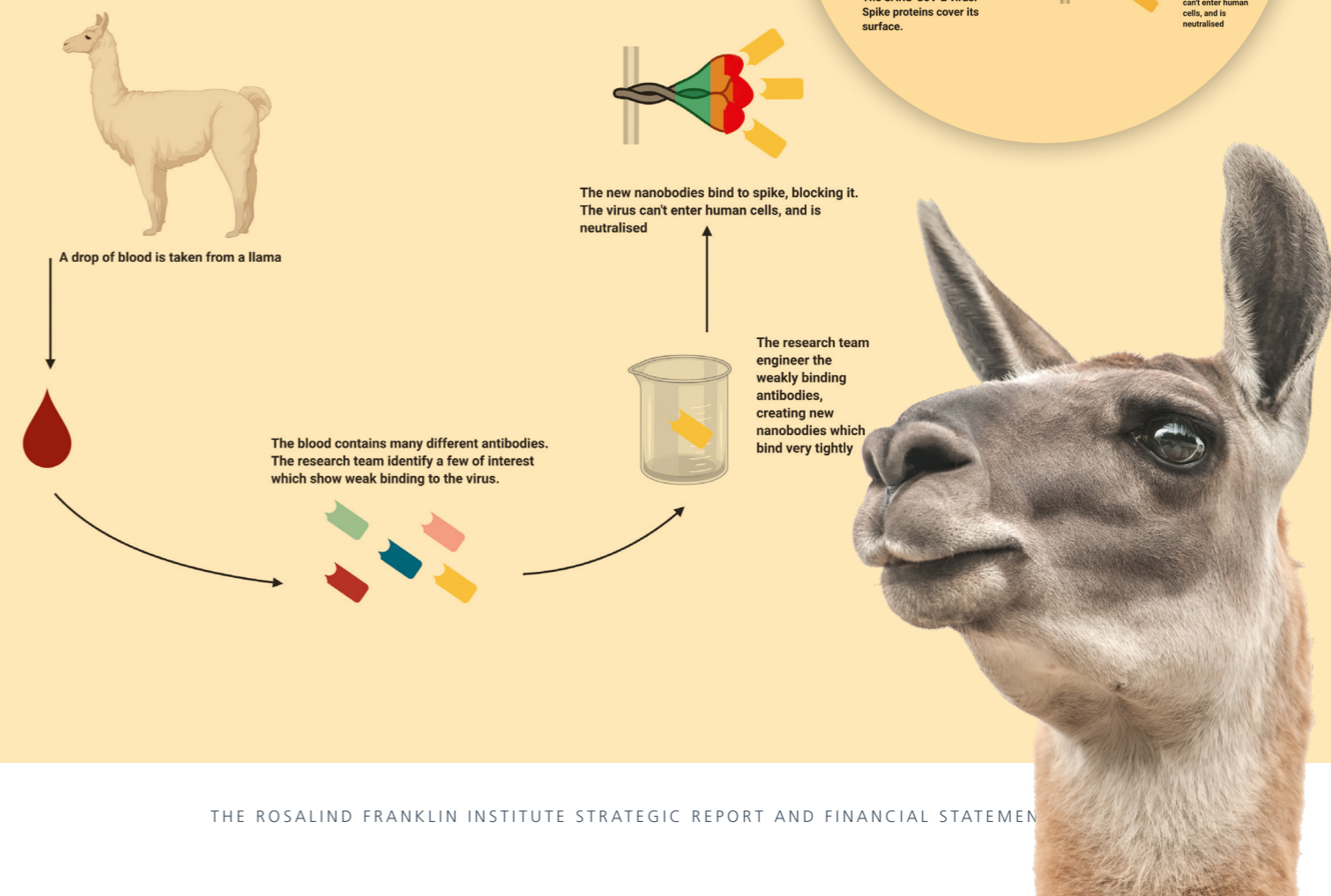
These agents were selected for cross reactive capability, and new injectable and inhaled (topical) therapeutic candidates are now in animal testing.

Early indications show that inhaled agents show potent curative capabilities against multiple strains of SARS-CoV-2. In 2021-2022, we hope to secure partnerships to take these agents into humans, and on into the clinic.

Collaborators: Diamond Light Source, Public Health England, University of Liverpool, University of Oxford, University of Reading



Theme	Leadership	Flagship projects
Artificial Intelligence and Informatics	Dr Mark Basham	AI and machine learning Data management and storage Digital twins
Biological Mass Spectrometry	Professor Zoltan Takats FMedSci and Professor Josephine Bunch	A new hybrid instrument for high resolution imaging High resolution MSI Microscope mode MSI
Correlated Imaging	Professor Angus Kirkland and Dr Judy Kim	Time resolved electron imaging and cryo-ptychography Chromatic correction Liquid cell development Biophotonic Correlative Optical Platform
Next Generation Chemistry for Medicine	Professor Ben Davis FRS FMedSci	Post translational mutagenesis and synthetic biologics Mechanistic proteomics High throughput drug discovery laboratory (with Leeds University)
Structural Biology	Professor James Naismith FRS FRSE FMedSci	Protein Production UK Chameleon – in collaboration with SPT Labtech Electrifying Life Sciences – incorporating Amplus (large volume tomography), C100 detector development for single particle electron microscopy and HEXi (at Diamond Light Source). Supported by Wellcome.



2020-2021 Research Highlights

Electrifying Life Sciences

The Rosalind Franklin Institute, working with partners MRC Laboratory of Molecular Biology (MRC LMB) and Diamond Light Source, was awarded a £25m grant from Wellcome in 2020 to support the development of a trio of electron imaging physical sciences technologies with the capacity to revolutionise how we see life.

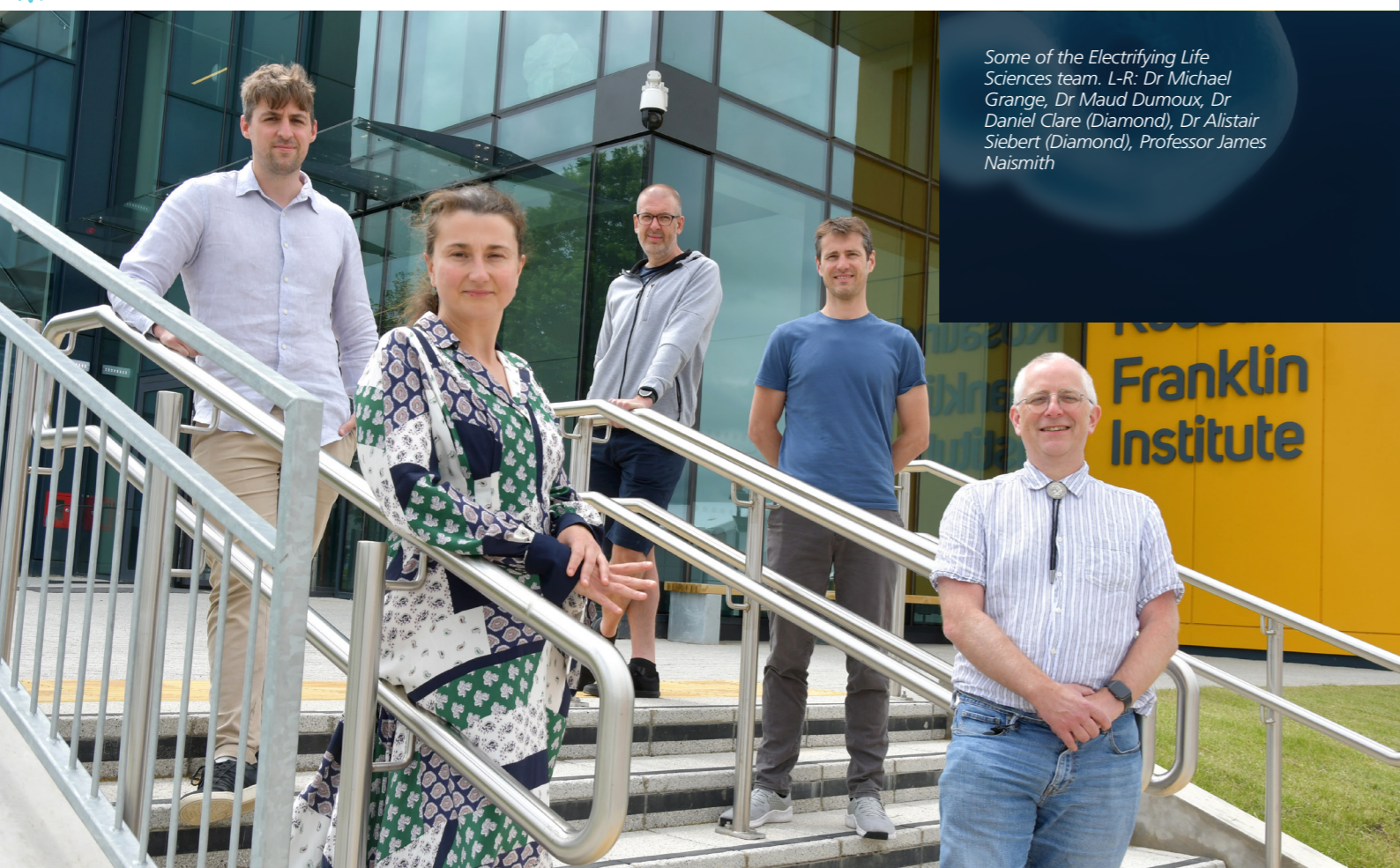
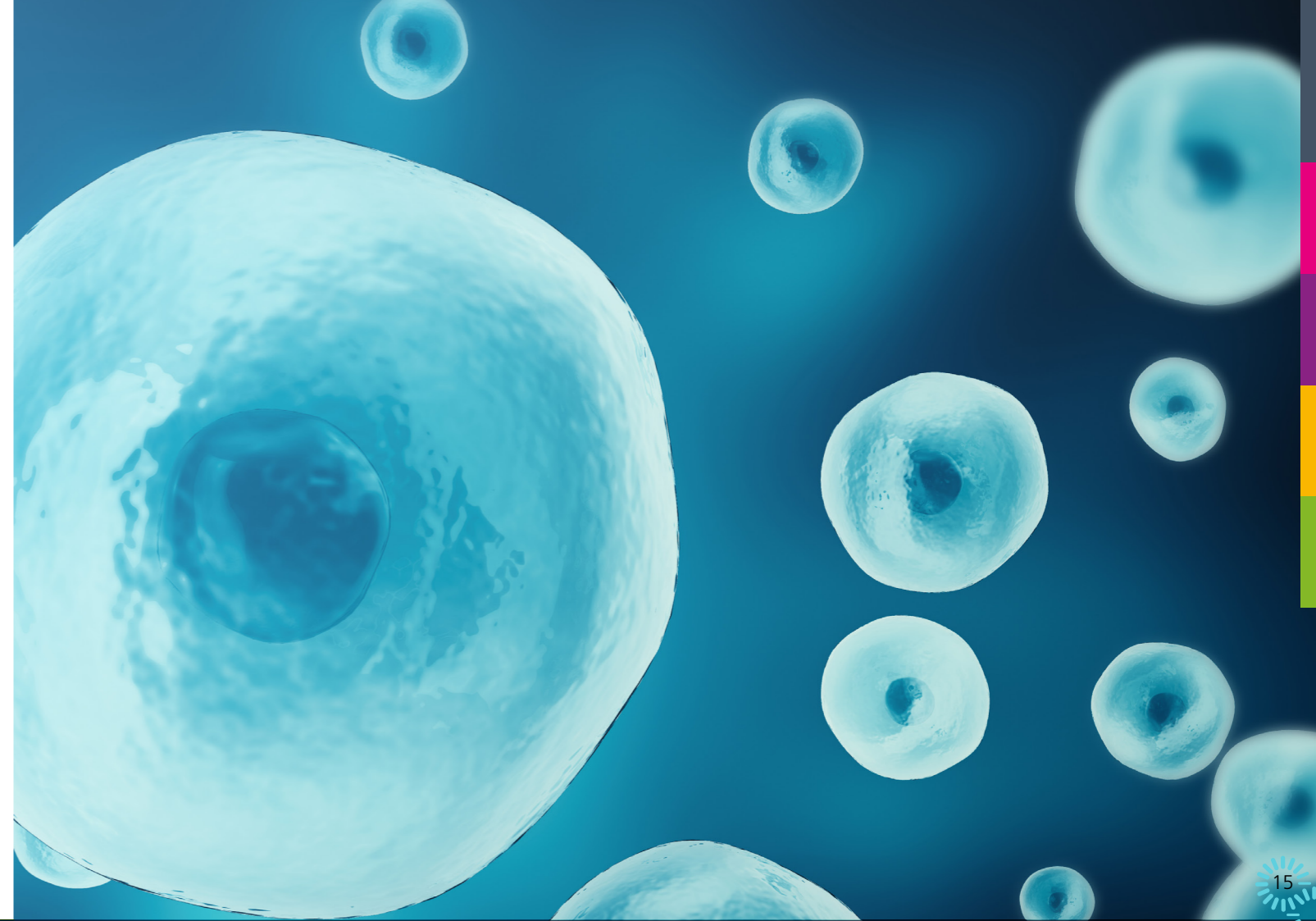
Collectively known as 'Electrifying Life Science,' the electron imaging technologies will create globally unique capabilities for the UK. Together, the team will change by a factor of ten the accessibility and capability of electron cryomicroscopy (cryo-EM), in both tomography and single particle sub-fields. The tools in development are for electron tomography, low energy single particle EM, and a hybrid electron and X-ray instrument for drug discovery.

In tomography, working with ThermoFisher Scientific, the Franklin is developing techniques for preparing and manipulating complex samples for analysis. Further work will develop AI and machine learning packages to help understand and interpret the huge volumes of data produced.

The team will deliver both novel microscopes (known as 'Dorothy' and 'Hodgkin'), and sample milling devices (known as 'Rosalind' and 'Franklin').

Initial targets in biology for this technology will focus on understanding intracellular pathogens, viral replication, and neurobiology.

Collaborators: Diamond Light Source, MRC-LMB, ThermoFisher Scientific



Some of the Electrifying Life Sciences team. L-R: Dr Michael Grange, Dr Maud Dumoux, Dr Daniel Clare (Diamond), Dr Alistair Siebert (Diamond), Professor James Naismith

The team, working with international collaborators, have succeeded in using light as a trigger for modifying proteins.



Chemistry in the Cell

The chemistry team made significant progress in 2020 towards their goal of performing chemistry within cells with several major publications.

The ability to control cells and their function through protein modification or 'editing' of functional biomolecules could allow reprogramming of significant biological processes, including inflammation.

The team, working with international collaborators, have succeeded in using light as a trigger for modifying proteins.

Published in Nature in 2020, this represents a major advance in post translational modification.

The team also worked closely with Structural Biology on SARS-CoV-2, identifying the role of sugars in the infection process. This has implications for the development of anti-viral therapies, in addition to valuable biological insights.

Collaborators: University of Oxford, Novo Nordisk, Catalysis Hub, University of Glasgow

2020-2021 Research Highlights

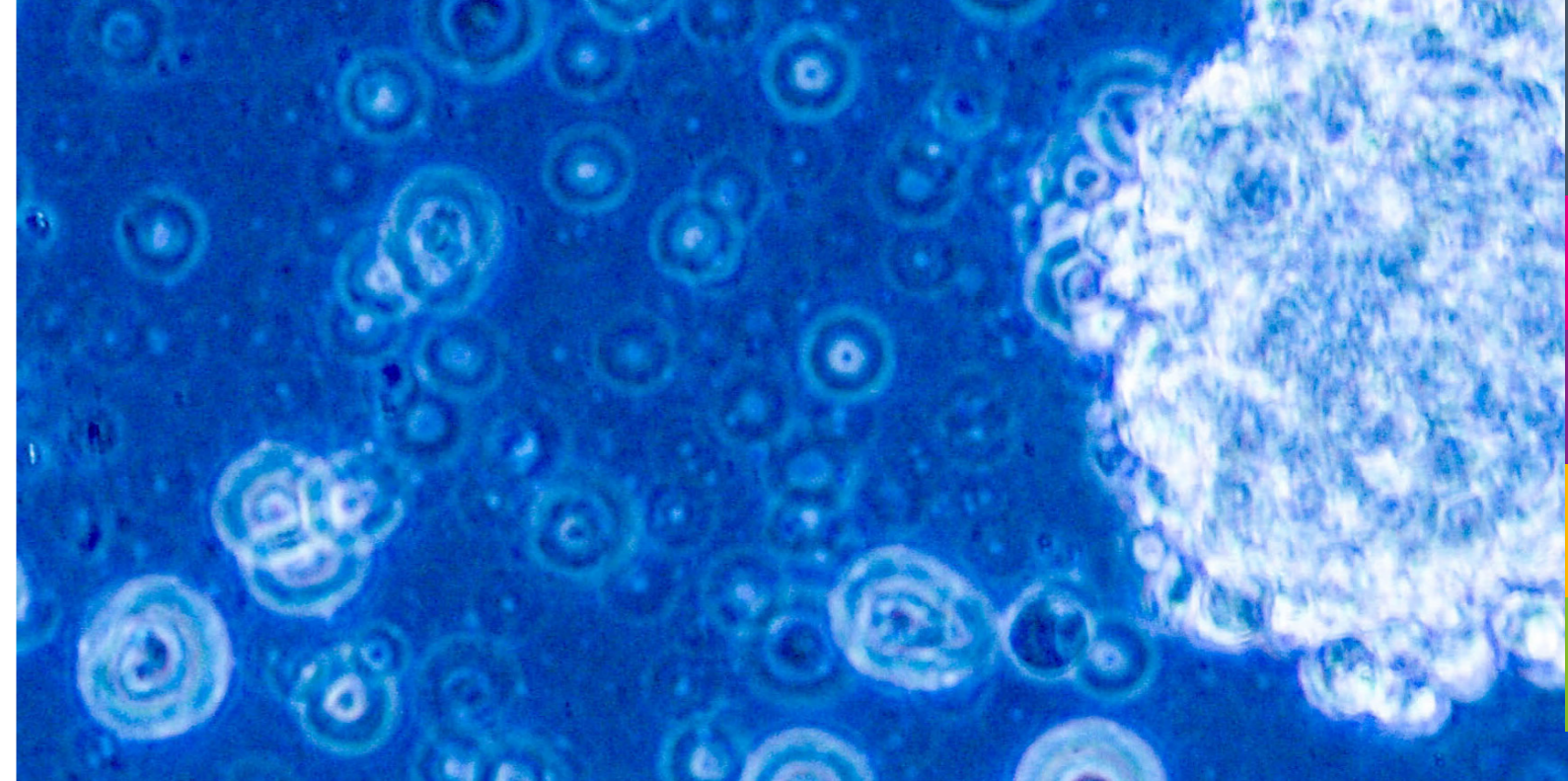
Biological Mass Spectrometry

Major progress has been made across all three flagship technologies in mass spectrometry this year, with progress in our partner laboratories in Manchester, Birmingham, Oxford and at commercial partners.

A new collaboration with Bruker will see the development of the Hybrid Instrument, while Ionoptika have successfully installed their prototype stigmatic imaging secondary ion

mass spectrometry (SIMS) instrument has been moved from development labs in the factory to the University of Oxford for further development.

Collaborators: Imperial College London, National Physical Laboratory, University of Birmingham, University of Oxford, University of Manchester, Bruker, Ionoptika



Dr Felicia Green (L) and Dr Anna Simmonds (R) from the BMS team

Working as part of an international team, the Correlated Imaging group have applied electron ptychography to biological structures for the first time.

Correlated Imaging: BioCOP gets underway and advances in cryo-ptychography

In collaboration with the Kennedy Institute at the University of Oxford, work has begun on Biophotonic Correlative Optical Platform. This system will allow high performance co-incidence and correlation imaging over multiple lengths and time-scales, featuring a combination of fast high-throughput three-dimensional Lattice Light Sheet Microscopy (LLSM), super-resolution 3D Structural Illumination Microscopy (SIM), and minimally invasive long-term imaging of microfluidics organs on a chip at extended spatiotemporal resolution. These features will allow the study of primary immune cell cultures in the context of human health and disease.

Working as part of an international team, the Correlated Imaging group have applied electron ptychography to

biological structures for the first time. This method, published in Nature Communications, allows for superior imaging of biological samples with improved information transfer at all spatial frequencies. In addition to providing higher quality phase data, ptychography potentially requires smaller particle numbers for 3D reconstruction, which means it could be developed further and used in combination with other techniques.

Collaborators: JEOL, University of Oxford, Diamond Light Source

A major milestone in the life of the Franklin was reached in 2021, as the construction of the Hub ended and we began to move operations into our new home. The construction was managed by the Science and Technology Facilities Council on behalf of the Franklin, with architects IBI, construction lead Mace, and project managers AECOM.

Despite the difficulties caused by the pandemic, the construction concluded on time and to specification, with the 5300m² building handed over to our Landlord, STFC, on January 25th 2020.

The first priorities in the Hub were to establish operational laboratories in structural biology for the teams transitioning from the Research Complex at Harwell, who had hosted our research activity since the inception of the Franklin in 2018.

Next, we turned to preparations and fit out for electron microscopy, as our microscopes 'Ruska' and 'Crewe' in correlated imaging entered the final stages of development in Tokyo. Delivering spaces which matched the state-of-the-art microscopes which will occupy them was a huge challenge for the construction and design team. The suites delivered are the most electromagnetically stable on earth, a requirement which will allow the team to perform extraordinary time resolved electron microscopy experiments.

Key building features:

- The building is rated BREAAAM 'Very Good' - reflecting the commitment to sustainability in the design and delivery of the Franklin Hub

- Efficient by design – we calculate that the Hub is the most space efficient public sector research building in the UK.
- Built for science: Our ground floor spaces are entirely devoted to big instrumentation in electron microscopy and biological mass spectrometry, while our 42 chemistry fume hoods are at the top of the building enabling best use of space for ventilation.

The BREEAM status of the hub reflects the Franklin's commitment to sustainability. In 2020-2021, our commitment to minimise travel and offset emissions from essential trips was superseded by the global pandemic, as conferences and meetings moved online. We will continue to monitor travel and will use the advances in video conferencing to continue to minimise travel wherever possible.

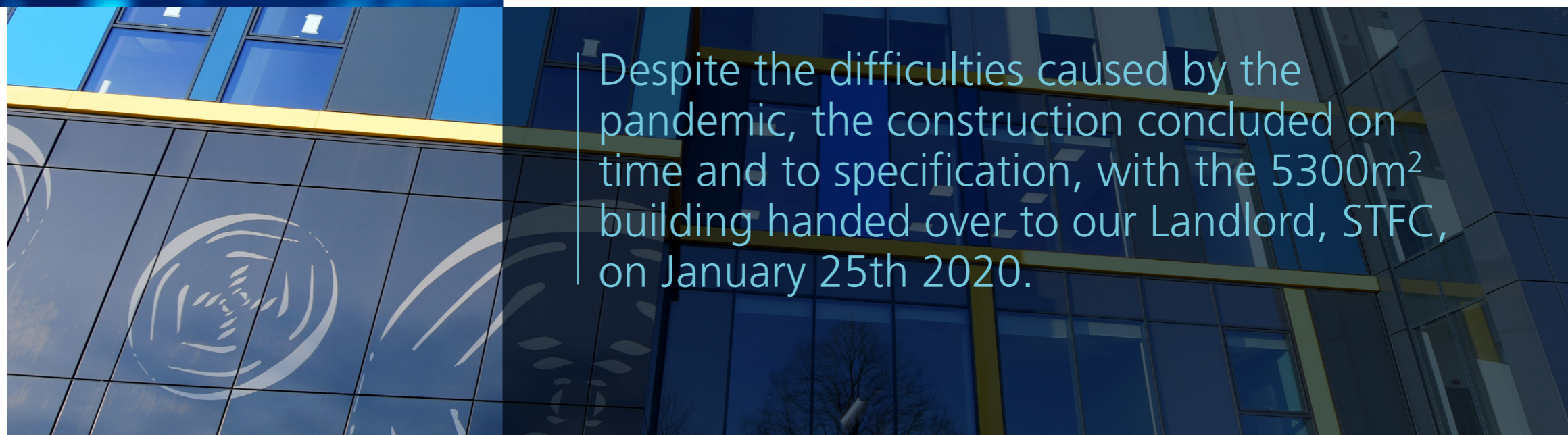
The emissions and environmental impact of the building as we move in will be reported through our landlord STFC. They have provided premises throughout the development of the Franklin both for operations and for laboratories in some areas.

Artificial Intelligence and Informatics

This year has seen the AI theme lay the foundations for the future of the Institute, with a data infrastructure which is deployed and in adoption by the themes.

The infrastructure fulfils the requirements of the UKRI concordat on open research and is fundamental to the Franklin's ambitions for automation and data mining.

Collaborators: The Alan Turing Institute, University of Oxford, University of Nottingham, University of Birmingham, Diamond Light Source.



Despite the difficulties caused by the pandemic, the construction concluded on time and to specification, with the 5300m² building handed over to our Landlord, STFC, on January 25th 2020.

Engagement

Engagement with our communities continued throughout the pandemic, with virtual member engagement meetings in May and November 2020, and engagement with industry taking place at conferences now moved online.

With schools, we continued our work with the Education Business Partnership West Berkshire, who facilitated online sessions with 1000 students in years 8-10 across the region.

In Summer 2020 we were pleased to celebrate the centenary of Rosalind Franklin's birth – a wonderful opportunity to share with our communities the story of her contribution to science and how she inspires our science and scientists today.

We celebrated a coming together of creative and scientific pursuits in our essay writing and image competitions to commemorate the centenary, with the winning image contributed by Stan Botchway of the Central Laser Facility.

Although our in-person celebrations could not take place, we were pleased to launch a three-part podcast on the life, work, and legacy of Rosalind Franklin, with unique and

important contributions from her surviving colleagues and her sister Jenifer Glynn.

Some of our most important contributions have been to the public discourse around the covid-19 pandemic. With trust in science as essential component of a successful public response to the pandemic, our Director has worked closely with the Science Media Centre to establish an authoritative public voice. We were pleased to see the director appear in the global media to talk about a number of issues around the pandemic. Our own work on nanobodies, featured in the research highlights section, attracted a global media audience.

We look forward to resuming in-person engagement in 2021-2022.



Equality, Diversity, and Inclusion

The Franklin's namesake struggled with a poor work environment during the period she worked on DNA. It was a time where women were banned from common rooms at many Universities, and as Jim Watson's book recorded, were subject to dismissive gender stereotyping. Whilst recognising the progress towards equality of esteem for women, we acknowledge there remain systematic barriers to women in science as well as wider society.

In common with other research institutes and Universities our team, especially at senior levels, does not reflect the world we live in. We are committed to doing better.

Recruitment:

- We have improved data collection at recruitment, enabling better reporting on diversity throughout the recruitment pipeline
- Our PhD scheme recruitment is designed to address known sources of inequality in recruitment. Using guidance from Leading Routes, we developed an inclusive recruitment programme. We operate a no-cv process, with full and specific guidance on completing applications. We seek to limit unconscious bias at every opportunity, use diverse selection panels (as in all recruitment).
- Roles are advertised widely, and targeted marketing to underrepresented groups in student societies and UK universities has been a useful strategy. We are also partnering BBSTEM (Black British Stem) to advertise the scheme.
- Recruitment outside of the PhD scheme also adopts many of these practices, and the recent Research

Fellows call used the 'Royal Society Resume for Researchers' format, again to limit bias in selection.

- A future focus on developing female talent to senior levels is required.

At work:

- Wellbeing has been a focus during the pandemic, with staff with caring responsibilities bearing a disproportionate burden during the 'lockdown' period. HR have led discussions with staff, and communications have included signposts to additional support. Support and flexibility have enabled staff with caring responsibilities to manage as well as possible during this period.
- In July 2020, Angela Saini gave a staff seminar on race and the role of race 'science' in shaping misconceptions and entrenching inequalities.
- In 2021-2022, we aim to complete an ENEI TIDE benchmark process, now that staff numbers are high enough to collect and report meaningful data.



Objectives and Activities

The Rosalind Franklin Institute is devoted to addressing important challenges through the development and use of innovative technology. Many of our challenges relate to our ability to see the structures of life more clearly; from novel imaging techniques which will allow us to see better into living systems, to the atomic detail of a drug binding with a target protein. This ability to visualise the inner workings of life, and to draw new understanding from this, is one of the reasons we are named in honour of Rosalind Franklin.

Our Charitable Objectives

The charitable objects of the Rosalind Franklin Institute are for the public benefit:

- 1) the furtherance of education, including without limitation in the fields of the physical sciences, engineering, health and life sciences by means including
 - (a) conducting research and publishing the useful results of such research;
 - (b) collaborating and exchanging knowledge with universities, industry, charities and other not-for-profit organisations, the state and other relevant bodies; and
 - (c) public engagement through educational outreach activities, in each case with a view to advancing the state of our collective knowledge and understanding of such fields of study;
- 2) the promotion and preservation of human health, including without limitation by furthering the progress of scientific discoveries and new technologies arising from research into therapeutic treatments, drugs, diagnostics, other technologies and/or information resources by conducting its own research and development activities and by means of collaboration with universities, industry, charities, the state and other relevant bodies.

Income

The income of the Rosalind Franklin is derived from grants from UKRI, administered by the Engineering and Physical Sciences Research Council (UKRI/EPSC) and grants awarded by other bodies for specific research projects and collaborations. Future income may also include income from contracts with industry.

Structure, Governance and Management

The Rosalind Franklin is governed by its Board of Trustees whose members are also its Directors.

Of the Board members, six Directors are drawn from Member organisations on a rotation basis, with nominees selected for their ability to bring appropriate skills and experience to the Franklin board. Independent directors are drawn from industry and allied fields and are selected for their unique skills and experience. The terms of board membership are set out in our governing Joint Venture agreement.

To ensure good governance in line with best practice, the effectiveness of the board will be reviewed in line with the Charity Governance Code, as updated in December 2020. Its seven principles of Organisational Purpose; Leadership; Integrity; Decision making, risk and control; Board Effectiveness; Equality Diversity and inclusion; Openness and accountability will inform the pillars of our self-evaluation process.

Recruitment and appointment of Trustees

The members of the Board who served during the year and up to the date of the Report are listed on page 4.

The Members of the Board are Directors for the purpose of company law, and Trustees for the purpose of charity law. Under the Joint Venture Agreement and Company's Articles, Independent Board Members are elected to serve on the Board for a period of three years.

The Board seeks to recruit a diverse membership. Periodically, they consider the skills mix of the Board as a means of succession planning. Other than our Independent Non-Executive Chair, Board Members do not receive fees or other remuneration as Directors and Trustees but are entitled to recover expenses as outlined in the notes to the Accounts.

The induction programme seeks to inform Directors of the strategic priorities through a schedule of meetings and briefing documents as appropriate. As per our governance there is an annual rotation of Member Directors and as we receive feedback from 'retirees' we will review and refine this process.

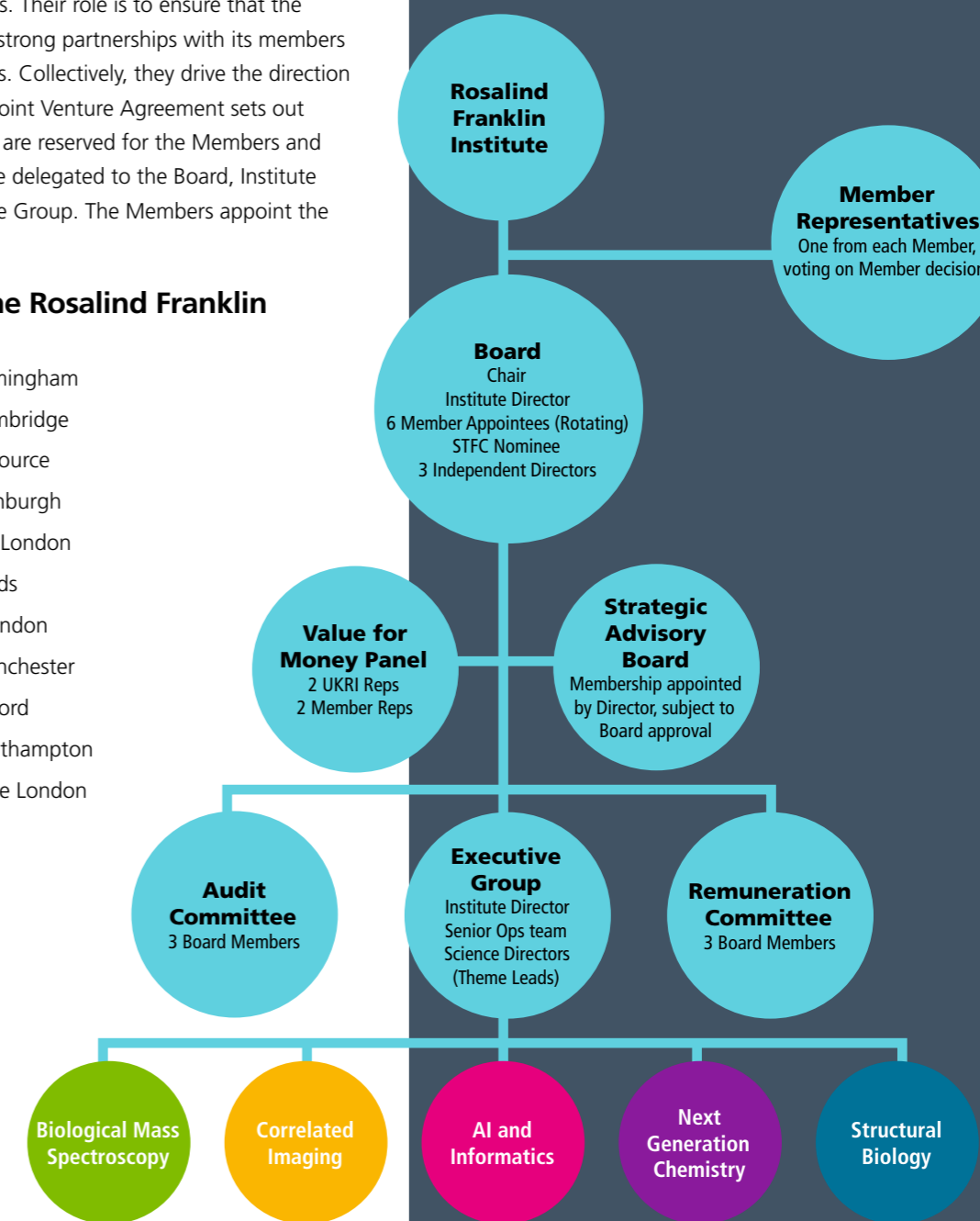
Organisational structure

The Rosalind Franklin has a clear organisation structure with documented lines of responsibility and authority and that sets out the composition of each group and committee within the structure.

Member Representatives - represent the interests of the member organisations. Their role is to ensure that the institute is delivering strong partnerships with its members and delivering its aims. Collectively, they drive the direction of The Franklin. The Joint Venture Agreement sets out several decisions that are reserved for the Members and those matters that are delegated to the Board, Institute Director and Executive Group. The Members appoint the external auditors.

Members of the Rosalind Franklin Institute

- University of Birmingham
- University of Cambridge
- Diamond Light Source
- University of Edinburgh
- Imperial College London
- University of Leeds
- Kings College London
- University of Manchester
- University of Oxford
- University of Southampton
- University College London
- UKRI-STFC



The Board - have primary responsibility for the Franklin (Joint Venture Agreement and Memorandum and Articles). The Board is responsible for setting the aims and strategic direction of the Franklin. They monitor risks, approve the annual business plan, budget and expenditure targets, and monitor the financial results (actual and forecast). The Board has final approval of funding bids and the resourcing of projects.

UKRI/EPSC may nominate a representative to attend Board meetings as an observer, but such representative will not be a Director. The Board meets four times a year to monitor the operations of The Franklin and there is regular contact with Board Members in between meetings.

During the financial year 2020-2021 the Board oversaw all of the organisations finances and activities. Three subcommittees were established by the board prior to this reporting year; The Value for Money Panel, Remuneration committee, and the Audit and Risk Committee. The Strategic Advisory Board also advises on the direction and development of scientific themes via the board.

The Value for Money Panel – considers all major funding proposals prior to them being considered by the Board. They assess their viability and value for money. Only proposals with the support of the Executive Group and relevant Theme Advisory Panels are submitted to the Value for Money panel which is chaired by the Institute Director. Recommendations from the Value for Money Panel are presented to the Board of Trustees for final approval.

Remuneration Committee (RemCom) - has oversight of the preparation of policies and procedures in respect of salaries, emoluments, and conditions of service of employees of The Franklin and as they relate to Equality and Diversity, performance reviews and personal development.

Members of the Remuneration Committee

- Professor Ewan McKendrick (Chair), Dr Gillian Burgess, Professor Andrew Livingstone

Audit and Risk Committee – is responsible for audit, finance and risk management. They review The Franklin's internal controls, risk management processes and compliance with funding and reporting requirements. They monitor the work of the external auditors and the resulting financial statements and receive and review the annual audit report.

Members of the Audit and Risk Committee

- Mr Stephen Dauncey (Chair), Professor Stephen Caddick, Professor Peter Smith

Strategic Advisory Board – has been established to advise the Franklin, via its Board on the development and implementation of the research and development strategy of the institute. Members are independent experts from academia and industry, both national and international. The Board met for the first time in February 2020 and reviewed the current direction and future plans for each theme. An annual cycle of meetings is now established, with the SAB contributing significantly to the scientific strategy of the organisation.

Theme Advisory Panels – each theme has a panel of international experts from across academia (both member and non-member organisations) and industry who contribute to the development and review of the roadmaps, technology, and funding proposals for each theme.

The day-to-day management of The Franklin has been delegated to the Institute Director who works with the Executive Group to deliver The Franklin's operations, activities, and projects.

The Executive Group – the Group is made up of the senior operations team and the science directors. They consider developments across the themes and form part of the decision-making in advancing proposals to the Value for Money Panel. They are responsible for implementing the agreed strategy and policies and report on performance to the Board.



Executive Group Membership

Institute Director and Director of Structural Biology	James Naismith	Seconded from Oxford University
Director of Next Gen Chemistry	Ben Davis	Employed Rosalind Franklin Institute
Director of Correlated Imaging	Angus Kirkland	Seconded from Oxford University
Director of Artificial Intelligence and Informatics	Mark Basham	Employed Rosalind Franklin Institute
Co-Director of Biological Mass Spectrometry	Josephine Bunch	Seconded from National Physical Laboratory and Imperial College London
Co-Director of Biological Mass Spectrometry	Zoltan Takats	Seconded from Imperial College London
Chief Operating Officer	Paul McCubbin	Employed Rosalind Franklin Institute
Director of Communications and Culture	Laura Holland	Employed Rosalind Franklin Institute
Head of Partnerships and Business Development	Roisin NicAmhloibh	Employed Rosalind Franklin Institute
Financial Controller	Catherine Tysoe (April 2020 - February 2021)	Employed Rosalind Franklin Institute
Director of Human Resources	Lydia Armes	Employed Rosalind Franklin Institute
Head of Technology	Gwyndaf Evans	Seconded from Diamond Light Source

Remuneration policy

At the Franklin we are passionate about being a great place to work, creating our own identity which is forward thinking and collaborative in our approach to all we do.

We like to keep things simple, recognising our people for their efforts and keeping our pay and benefits package competitive but appropriate for a government funded Institute.

Our people come from a variety of organisations both public and private and it is important to us that we are able to attract and retain talented people whilst also building and developing high performing and diverse teams.

Risk management

Effective risk management is central to the role of The Franklin Board in providing strategic oversight and stewardship.

Led by the Institute Director and the Chief Operating Officer, the Executive Group is responsible for reporting and managing risks, ensuring they are assessed and mitigated in accordance with our risk policy. Risks are detailed using an organisation-wide risk register which offers a rating score, pre and post mitigation. Significant risks are reported formally to the Audit and Risk Committee and Board as they have the ultimate responsibility for risks.

Examples of risks that the Rosalind Franklin Institute currently faces include;

1. Failing to establish the Franklin as an internationally renowned institute, capable of engaging with industry and global research partners
2. Not securing future funding which allows the Franklin to deliver ambitious capital projects at the forefront of technology.

3. Failing to recruit and retain talented people across research and operational roles, causing delays to project delivery and reputational damage.
4. Not having robust systems and support in place to match the growth of the organisation and pace of delivery of key technologies
5. Lack of leadership resilience in key roles – risking key projects and delivery

The Board seek to ensure that risks are mitigated, so far as is reasonably possible by the actions to be implemented and noted in the register. The mitigation for risks noted above includes

1. Engagement with global partners in instrument development is a positive sign that the Franklin is capable of establishing an international presence – strong business development and academic engagement in 2021-22 will target identified strategic stakeholders.
2. Early and positive engagement with UK Research and Innovation on core funding for phase two, and diversified funding through strategic partnerships and grants will provide a balanced portfolio for the future of the Franklin.
3. Prioritising the welfare and development of our staff, preventing burnout and ensuring that the Franklin establishes a reputation as an excellent place to work.
4. Working closely with our landlord STFC on key digital systems, building data management infrastructure which is capable of scaling to meet the high data demands of our technologies. Recruitment into key roles (IT and Building teams) additionally mitigates this.
5. Succession planning and development in both operations and science teams.

Financial Review

For the 12 month period ended 31 March 2021, the Institute recorded a surplus on general unrestricted funds of £1,526,612. Total income in 2020/21 was £28,126,371, £7,598,049 of which was unrestricted. Income is made up of funding from an unrestricted grant of £7,559,572 from UKRI/ EPSRC, funding from a restricted grant of £12,925,004 from UKRI/ EPSRC, other restricted funds of £7,603,318, including a capital contribution from Wellcome Trust, collaboration income from a Member of the Institute, a commercial partner and also an academic partner based overseas.

The UKRI/ EPSRC grants and the collaboration income are awarded in respect of the delivery of specific projects including the purchase of instrumentation.

For the 12 month period ended 31 March 2021, total expenditure was £7,415,216

This review does not include funds paid directly to certain Member Institutions by UKRI/ EPSRC for science projects being delivered as part of our grant portfolio.

Reserves

At the end of the financial year, the retained reserves of the charity were £41,235,494 of which £36,074,112 were restricted and not available for the general purposes of the charity. Of these funds, £36,074,112 has been designated, or otherwise committed, at the end of the reporting period.

The timing of spend of these financial commitments remains under review with our grant funding bodies and relevant suppliers. Whilst purchase orders and collaboration agreements have been entered into, the construction of instrumentation and therefore timing of payments has been impacted by delays due to Covid-19 which were not foreseen at the time of the grant drawdown.

After making an allowance for these restricted, designated funds – the charity holds unrestricted reserves of £5,161,382, of which £2,417,212 are designated.

Reserves Policy

In accordance with Charity Commission guidance and best practice the Reserves Policy for the Institute is to ensure the stability of the on-going operations of the organisation.

The reserves are intended to provide a cushion against unexpected situations, large unbudgeted expenses, and unanticipated losses in funding and is in keeping with the careful management of our charity funds.

It is the policy of the Institute to retain sufficient unrestricted reserves to cover liabilities relating to liquidation and that the

Audit and Risk Committee will monitor the level of reserve required in this respect as the organisation grows and becomes established. A designated fund has been established to cover 4 months of operating costs.

Surplus reserves were held at the end of the financial year due, in part, to the deceleration of spend as the Covid-19 pandemic unfolded. Grant funds are awarded by UKRI/ EPSRC in respect of recurrent spend based on pre-approved and authorised cash flow forecasts.

Investment Policy

At this stage, the investment policy continues to be limited to the management of instant access, liquid funds. Moving forwards, it is anticipated that the investment policy will be developed to facilitate the secure investment of excess cash resources through diversification of the portfolio.

Investments will remain risk averse and non-speculative in line with charitable objectives.

Funding Sources and Sustainability

The principal funding source of the Institute in the year was the award of grant applications. The Institute does not engage in fundraising.

The Institute works in close partnership with funders to ensure that the grant profiles and project funding remain appropriate and support financial sustainability.

Looking ahead, the Institute remains in discussion with UKRI/ EPSRC in respect of core funding post March 2022, in accordance with the planned quinquennial review. In addition, the Institute continues to work with both existing and new partners, seeking to diversify income in order to support new projects in line with charitable objectives.

Going Concern

Whilst future funding of the Institute beyond March 2022 remains under review with UKRI/ EPSRC; having made due enquiries and received adequate assurances from EPSRC, the Board believe that it is appropriate to prepare the accounts on a going concern basis.

The Board consider that the Institute has adequate resources available to cover the working capital requirements of the charity for at least 12 months from the date of signing this report and financial statements. Cash flow forecasts and budget reviews are carried out monthly by the Executive Team and reforecasts allow activity to be adjusted to respond to any unexpected variations.

Statement of Trustees Responsibilities

The trustees, who are also the directors of The Rosalind Franklin Institute for the purpose 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 the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the 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.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Dr Vivienne Cox CBE
Chair of Trustees



Dated: 18/10/2021

Independent Auditors Report to the Trustees of the Rosalind Franklin Institute

Opinion

We have audited the financial statements of The Rosalind Franklin Institute (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT For the year ended 31st March 2021

- 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material

misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dated:

Chartered Accountants

Statutory Auditor

30 Upper High Street, Thame, Oxfordshire
OX9 3EZ

		Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total	Unrestricted funds general	Restricted funds	Total
	Notes	2021	2021	2021	2021	2020	2020	2020
		£	£	£	£	£	£	£
Income and endowments from:								
Charitable activities	3	7,559,574	-	20,528,322	28,087,896	4,726,548	13,922,123	18,648,671
Other income	4	38,475	-	-	38,475	-	74,322	74,322
Total income		7,598,049	-	20,528,322	28,126,371	4,726,548	13,996,445	18,722,993
Expenditure on:								
Raising funds	5	107,736	-	-	107,736	81,504	-	81,504
Charitable activities	6	5,831,485	-	1,475,995	7,307,480	1,660,183	319,878	1,980,061
Total resources expended		5,939,221	-	1,475,995	7,415,216	1,741,687	319,878	2,061,565
Net incoming resources before transfers								
		1,658,828	-	19,052,327	20,711,155	2,984,861	13,676,567	16,661,428
Gross transfers between funds		(2,549,428)	2,417,212	132,216	-	-	-	-
Net (expenditure)/ income for the year/ Net movement in funds		(890,600)	2,417,212	19,184,543	20,711,155	2,984,861	13,676,567	16,661,428
Fund balances at 1 April 2020		3,634,770	-	16,889,569	20,524,339	649,909	3,213,002	3,862,911
Fund balances at 31 March 2021		2,744,170	2,417,212	36,074,112	41,235,494	3,634,770	16,889,569	20,524,339

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

All income and expenditure derive from continuing activities.

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

Balance Sheet

As at 31st March 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	10		26,184,574		11,964,438
Current assets					
Debtors	11	419,856		250,254	
Cash at bank and in hand		17,482,285		8,715,328	
		17,902,141		8,965,582	
Creditors: amounts falling due within one year	12	(2,851,221)		(405,681)	
Net current assets			15,050,920		8,559,901
Total assets less current liabilities			41,235,494		20,524,339
Income funds					
Restricted funds	14		36,074,112		16,889,569
Unrestricted funds					
Designated funds	15	2,417,212		-	
General unrestricted funds		2,744,170		3,634,770	
			5,161,382		3,634,770
			41,235,494		20,524,339

The financial statements were approved by the Trustees on 18/10/2021



Dr V Cox CBE
Chair of Trustees
Company Registration No. 11266143

Statement of Cash Flows

For the year ended 31 March 2021

	Notes	2021		2020	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	19		24,132,882		16,459,290
Investing activities					
Purchase of tangible fixed assets		(15,365,925)		(8,648,424)	
Net cash used in investing activities			(15,365,925)		(8,648,424)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			8,766,957		7,810,866
Cash and cash equivalents at beginning of year			8,715,328		904,462
Cash and cash equivalents at end of year			17,482,285		8,715,328

Notes to the Financial Statements

For the year ended 31 March 2021

1 Accounting policies

Charity information

The Rosalind Franklin Institute is a private company limited by guarantee incorporated in England and Wales. The registered office is Rosalind Franklin Institute Building, R113 Rutherford Appleton Laboratory, Harwell Campus, Didcot, Oxfordshire, OX11 0QX, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Further details on this assessment can be found within the Trustees' Report.

1.3 Charitable funds

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

Designated funds within unrestricted funds are amounts that the trustees have set aside for a particular purpose.

Restricted funds are subject to specific conditions by grant providers 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.

1.4 Incoming resources

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

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings that have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Scientific Equipment	20% Straight Line
Office equipment	25% Straight Line
Computer equipment	33% Straight Line

No depreciation is charged on assets under construction.

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 net income/(expenditure) for the year.

1.7 Fixed asset investments

Entities in which the charity has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting end date, the charity 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).

1.9 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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

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.

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.

Derecognition of financial liabilities

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Charitable activities

	2021	2020
	£	£
Grant income	28,087,896	18,648,671
Analysis by fund		
Unrestricted funds - general	7,559,574	4,726,548
Restricted funds	20,528,322	13,922,123
	<u>28,087,896</u>	<u>18,648,671</u>

4 Other income

	Unrestricted funds general 2021 £	Restricted funds 2020 £
Other income	38,475	54,322
Members' contributions		20,000
	<u>38,475</u>	<u>74,322</u>

5 Raising funds

	Unrestricted funds general 2021 £	Total 2020 £
Partnerships & business development costs	28,944	35,150
Engagements & Publicity	78,792	46,354
	<u>107,736</u>	<u>81,504</u>

6 Charitable activities

	Operational Expenditure 2021 £	Operational Expenditure 2020 £
Staff costs	2,450,701	730,333
Depreciation and impairment	1,145,789	298,666
Entertainment	-	222
Catering and events	(8,868)	44,960
Printing, postage and stationary	14,319	7,786

Recruitment	98,035	84,757
Insurance	22,271	17,790
Rent	271,318	111,632
Secondments and temporary staff	889,441	444,145
Travel and accommodation	12,610	33,404
IT costs	121,138	47,432
Project costs	1,903,942	123,504
Other expenditure	10,202	1,083
Equipment hire	614	568
Sponsorship	-	800
Repairs, maintenance and equipment servicing	17,035	-
Collaboration costs	157,500	-
Building works and repairs	15,911	-
	7,121,958	1,947,082
Share of support costs (see note 7)	179,622	9,039
Share of governance costs (see note 7)	5,900	23,940
	7,307,480	1,980,061
Analysis by fund		
Unrestricted funds - general	5,831,485	1,660,183
Restricted funds	1,475,995	319,878
	7,307,480	1,980,061

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Accountancy	8,161	-	8,161	5,130	-	5,130
Legal and professional	171,461	-	171,461	3,909	-	3,909
Audit fees	-	4,200	4,200	-	3,600	3,600
Legal and professional	-	1,700	1,700	-	20,340	20,340
	179,622	5,900	185,522	9,039	23,940	32,979
Analysed between Charitable activities	179,622	5,900	185,522	9,039	23,940	32,979

Governance costs includes payments to the auditors of £4,200 (2020: £3,600) for audit fees. In addition £3,425 (2020: £3,825) was paid for other services.

8 Trustees

V Cox received remuneration of £20,000 (2020: £20,000) during the year ended 31 March 2021 for trustee duties. Social security costs of £1,547 (2020: £1,569) were incurred in relation to this remuneration. Written approval was received from the Charity Commission in respect of this payment.

£162,997 (2020: £88,255) was paid to the University of Oxford in respect of secondment payments for J Naismith. These payments were made for his duties as director of the Institute and not his trusteeship.

None of the trustees (or any persons connected with them) received any benefits from the charity during the year.

One (2020: two) trustee was reimbursed expenses totalling £337 (2020: £3,964).

9 Employees

The average monthly number of full time equivalent employees during the year was 42 (2020: 12).

	2021	2020
	£	£
Employment costs		
Wages and salaries	1,940,477	571,226
Social security costs	204,514	63,233
Other pension costs	305,710	95,874
	<u>2,450,701</u>	<u>730,333</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021	2020
	Number	Number
£60,000 - £69,999	3	1
£70,000 - £79,999	-	1
£80,000 - £89,999	1	1
£90,000 - £99,999	1	1
£100,000 - £109,999	-	-
£110,000 - £119,999	-	-
£120,000 - £129,999	1	-
£130,000 - £139,999	1	-
	<u>1</u>	<u>1</u>

10 Tangible fixed assets

	Assets under con- struction £	Scientific Equipment £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 April 2020	6,746,229	5,447,560	12,105	58,350	12,264,244
Additions	15,133,279	199,635	205	32,806	15,365,925
	<u>21,879,508</u>	<u>5,647,195</u>	<u>12,310</u>	<u>91,156</u>	<u>27,630,169</u>
At 31 March 2021	<u>21,879,508</u>	<u>5,647,195</u>	<u>12,310</u>	<u>91,156</u>	<u>27,630,169</u>
Depreciation and impairment					
At 1 April 2020	-	288,543	3,094	8,169	299,806
Depreciation charged in the year	-	1,116,093	3,057	26,639	1,145,789
	<u>-</u>	<u>1,404,636</u>	<u>6,151</u>	<u>34,808</u>	<u>1,445,595</u>
At 31 March 2021	<u>-</u>	<u>1,404,636</u>	<u>6,151</u>	<u>34,808</u>	<u>1,445,595</u>
Carrying amount					
At 31 March 2021	<u>21,879,508</u>	<u>4,242,559</u>	<u>6,159</u>	<u>56,348</u>	<u>26,184,574</u>
At 31 March 2020	<u>6,746,229</u>	<u>5,159,017</u>	<u>9,011</u>	<u>50,181</u>	<u>11,964,438</u>

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	94,697	34,688
Other debtors	163,074	81,846
Prepayments and accrued income	162,085	133,720
	<u>419,856</u>	<u>250,254</u>

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,914,191	86,320
Other creditors	129,110	34,538
Accruals and deferred income	807,920	284,823
	<u>2,851,221</u>	<u>405,681</u>

13 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to Statement of Financial Activity in respect of defined contribution schemes was £305,710 (2020: £95,874).

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 April 2020	Incoming resources	Total resources expended	Transfers between funds	Balance at 31 March 2021
	£	£	£	£	£
Collaboration - AI: RSE Swarm	-	66,042	(75,923)	9,881	-
Collaboration - COVID PHE	-	100,196		(82,704)	17,492
Collaboration - Novo Nordisk	-	145,877			145,877
Core & Central	4,813,910	10,925,006	(1,145,790)	(7,371,368)	7,221,758
Covid testing project	-	-	(82,704)	82,704	-
SB: Vertex/SB: Technion	-	36,435	37	8,528	45,000
BBSRC C-C N	-	119,560			119,560
BBSRC T6P	-	138,590			138,590
Resolute	-	42,678	(29,928)	-	12,750
Hub fit out	-	2,000,000	(6,797)	(71,358)	1,921,845
STFC AI PoC 2020	-	-	(1,741)	1,741	-
WT ELS	-	6,838,595	(47,935)	(6,600,000)	190,660
WT HDF	-	115,345	(85,216)	(30,129)	-
Fixed asset purchases	11,964,439	-		14,220,136	26,184,575
Prepayments	111,220	-		(35,215)	76,005
	<u>16,889,569</u>	<u>20,528,324</u>	<u>(1,475,997)</u>	<u>132,216</u>	<u>36,074,112</u>

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Incoming resources	Balance at 1 April 2020	Transfers	Balance at 31 March 2021
	£	£	£	£
Designated fund towards operating costs	-	-	2,417,212	2,417,212
	-	-	2,417,212	2,417,212

Unrestricted funds have been designated to cover four months of future operating costs.

16 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:							
Tangible assets	-	-	26,184,574	26,184,574	59,192	11,905,246	11,964,438
Current assets/ (liabilities)	2,744,170	2,417,212	9,889,538	15,050,920	3,575,578	4,984,323	8,559,901
	<u>2,744,170</u>	<u>2,417,212</u>	<u>36,074,112</u>	<u>41,235,494</u>	<u>3,634,770</u>	<u>16,889,569</u>	<u>20,524,339</u>

17 Capital commitments

At 31 March 2021 the charity had capital commitments of £9,293,602 (2020: £13,733,114) in relation to fixed asset purchases.

18 Related party transactions

The joint venture was formed on 20th March 2018 and the following entities are the members of the Institute:

- The Chancellor, Masters and Scholars of the University of Cambridge
- The Chancellor, Masters and Scholars of the University of Oxford
- Imperial College of Science, Technology and Medicine
- King's College London
- University College London
- The University Court of the University of Edinburgh
- The University of Birmingham
- The University of Leeds
- The University of Manchester
- The University of Southampton
- Science and Technology Facilities Council
- The Rosalind Franklin Institute

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Diamond Light Source Limited

During the year, Diamond Light Source Limited contributed £Nil (2020: £20,000) in order to enter the joint venture agreement. Income in relation to a secondment agreement amounting to £25,342 (2020: £17,186) was invoiced to the member. As at 31 March 2021, £34,596 (2020: £17,186) was outstanding and as such is included in trade debtors. Costs amounting to £129,154 (2020: £29,435) were charged by the member during the year of which £Nil (2019: £Nil) was outstanding at the year end.

The University of Oxford

During the year, the University of Oxford, a member of the joint venture, invoiced £390,479 (2020: £287,756) in relation to secondment services provided and £257,843 (2020: £Nil) in relation to project related costs. As at 31 March 2021, £263,607 (2020: £14,784) was due to be paid to the University and as such is included in trade creditors.

In addition to this, £Nil (2020: £600) sponsorship was paid to the University during the year.

Imperial College London

During the year, Imperial College London, a member of the joint venture, invoiced £155,182 (2020: £Nil) in relation to secondment services provided. As at 31 March 2021, £Nil (2020: £Nil) was due to be paid to the University.

The University of Leeds

During the year, the University of Leeds, a member of the joint venture, invoiced £42,646 (2020: £Nil) in relation to project related costs. As at 31 March 2021, £Nil (2020: £Nil) was due to be paid to the University and as such is included in trade creditors.

Science and Technology Facilities Council

During the year, the Science and Technology Facilities Council, a member of the joint venture, invoiced £30,385 (2020: £Nil) in relation to secondment services provided and £933,400 (2020: £142,572) in relation to project related costs. As at 31 March 2021, £9,242 (2020: £Nil) was due to be paid to the Council and as such is included in trade creditors.

In addition to this, the charity received £44,051 (2020: £Nil) in grant income from the Science and Technology Facilities Council. As at 31 March 2021, £13,796 (2020: £Nil) was outstanding and as such is included in trade debtors.

19 Cash generated from operations	2021	2020
	£	£
Surplus for the year	20,711,155	16,661,428
Adjustments for:		
Depreciation and impairment of tangible fixed assets	1,145,789	298,666
Movements in working capital:		
(Increase)/decrease in debtors	(169,602)	2,769,908
Increase/(decrease) in creditors	2,445,540	(3,270,712)
Cash generated from operations	24,132,882	16,459,290



The Rosalind
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