

The Rosalind Franklin Institute

Strategic Report and
Financial Statements
2022-2023

Contents

Legal and Administrative Information	4
Chair's foreword	5
Director's foreword	6
Objectives and Activities	8
Franklin strategic goals	9
Performance in 2022-2023	10
In year goals and progress	12
Highlights 2022-2023	14
Key science outputs	14
Collaborations and partnerships	16
Community engagement	18
Future plans 2023-2024	20
Equality Diversity and Inclusion	22
Sustainability	25
Risks and uncertainties	26
Structure, Governance and Management	28
Financial Review	32
Statement of Trustees' Responsibilities	34
Financial Statements	35
Independent auditor's report to the Trustees of the Rosalind Franklin Institute	35
Statement of financial activities including income and expenditure account for the year ended 31 March 2023	38
Statement of Cash Flows for the year ending 31 March 2023	39
Balance sheet as at 31 March 2023	40
Notes to the Financial Statements For the year ended 31 March 2023	41

The Rosalind Franklin Institute Limited
(A Charitable Company Limited by Guarantee)

Annual and strategic report and financial statements Year Ended 31 March 2022

Legal and Administrative Information

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's governing document, 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)" (effective 1 January 2019).

Our Directors

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

- Dame Dr Vivienne Cox CBE (Chair)
- Dr Gillian Burgess
- Professor Stephen Caddick
- Professor Helen Cooper
- Mr Stephen Dauncey
- Professor Nora de Leeuw
- Professor Mathias Gautel
- Dr Barbara Ghinelli
- Professor Ewan McKendrick
- Professor James H Naismith
- Dr David Rees (June 2022)
- Professor Nigel Titchener-Hooker

The Rosalind Franklin Institute
Strategic Report and Financial Statements 2022-2023

Charity number 1179810
Company number 11266143

Registered office:
Rosalind Franklin Institute
Building R113 Rutherford Appleton Laboratory
Harwell Campus
Didcot
Oxfordshire
England
OX11 0QX

Auditor:
Richardsons
30 Upper High Street
Thame
Oxfordshire,
OX9 3EZ

Bankers:
Barclays Bank PLC, Marcham Road, Abingdon,
OX14 1UB

Solicitors:
Keystone Law 48 Chancery Ln, Holborn, London,
WC2A 1JF



In our fifth year,
we should proudly
reflect on the work
we have done so
far, and on the
exciting challenges
ahead

Chair's foreword

It is our pleasure to present this report for the year 2022-2023.

The Franklin continues to thrive post pandemic, with science in all our themes gaining momentum, and with our collaborations and partnerships gathering pace and producing impactful work for the UK.

In our fifth year, we should proudly reflect on the work we have done so far, and on the exciting challenges ahead, in maintaining the ambition and adventure which have secured the Franklin in its position in our field.

We were immensely proud to share good news on our future funding in February, joined by the new Secretary of State for the newly formed Department for Science, Innovation and Technology. The formation of this new department underlines the importance of science to the UK, and we believe that the Franklin personifies well the intersection between these three domains – of science, technology and innovation.

The year closes with a key moment for the Franklin, as we commercialise our potential therapy against Sars-CoV-2. This demonstrates and validates the power of our technology platforms and sets a high bar for success for Franklin projects.

As ever, myself and the Board pass on our thanks to our funders and member community for their support, challenge and guidance over the course of this year. We also pass on our thanks to our Institute Director as he enters his final year with the Franklin as Director. We will mark this more fully in our report next year and during the year, but the Franklin would not be the exceptional place it is, with the distinctive culture it has, without Jim's personal contribution.

Director's foreword

Welcome to our strategic report and accounts for 2022-2023.

This has been another very successful year. The Franklin is continuing to attract both funding and praise. We are a crucial part of multiple consortiums including one which spans the EU. The work on nanobodies has been commercialised and our partnerships with Industry are a key feature of how we work.

Working in this way is not easy. It requires open mindedness, selflessness, and constant learning. This year we have challenged ourselves to create strategy which will maintain the high level of ambition which has typified the Franklin over the last five years, and also to create a structure which will support our scientists, particularly our emerging leaders, to develop as the best leaders, scientists and colleagues that they can be.



This year has seen the Franklin begin to evolve beyond theme domains to focus on making a difference to the biomedical problems we face as a society; antimicrobial resistance, brain disease and inflammation. These are complex challenges that will not yield to a single technology. By setting out to tackle grand challenges, we can shape our technology development.

The novelty and ambition in our technology development requires new ways of working. This year our team working with our external advisors, the board funders and external stakeholders refreshed our institute strategy. This builds on our success, maintains the high level of ambition and delivers an environment that enables our emerging leaders to develop.

As Dame Vivienne Cox noted, we were proud to welcome the Secretary of State from the Department of Science Innovation and Technology to the Franklin this year. The new Department will shape science in the UK. The Nurse review on research landscape envisages a rebalancing of funding with longer term research institutes such as the Franklin playing a bigger role.

I have to draw your attention to the restatement of the accounts from 2021-2022. The restatement has arisen because of change in the accounting for work in progress on an electron microscope.

The Franklin is defined by its development of unique instrumentation, often of very high value. The change, although of no practical consequence, does result in a large shift in our surplus. Further details of the prior year adjustment can be found in notes 1.3 and 21 in the accounts.

The Franklin is about change and my journey as its Director is coming to an end. It has been the privilege of my career and I wish to record my deepest thanks to the Board, co-workers from science and ops and our funders.

Our approach, to apply technologies to the most important problems is the right one – it allows us to challenge our technology to their limits, and ensures their applications will have the greatest impact.

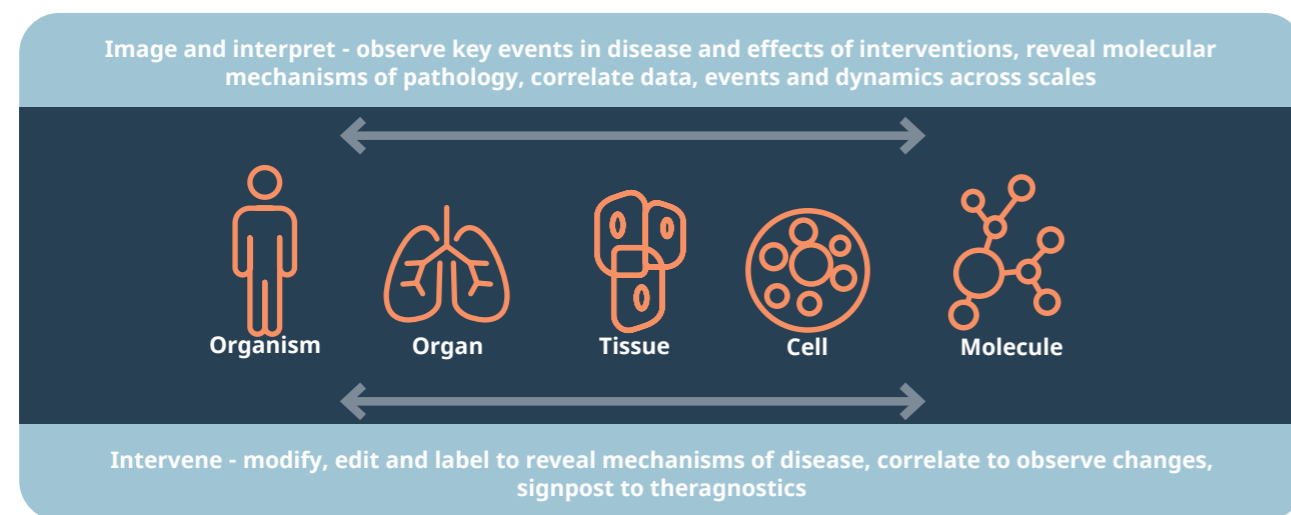


Objectives and Activities

The Rosalind Franklin Institute is devoted to addressing important challenges in life sciences 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.

In our first phase, we have described our mission as 'seeing life in context' through the five dimensions of space (x,y,z), time, and chemistry.

As we enter our second phase, we refine this vision to encompass the idea of 'Atomic Pathology' - the ability to image, interpret and intervene to understand life on an atom to organism scale.



Our Charitable Objectives

The charitable objectives 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

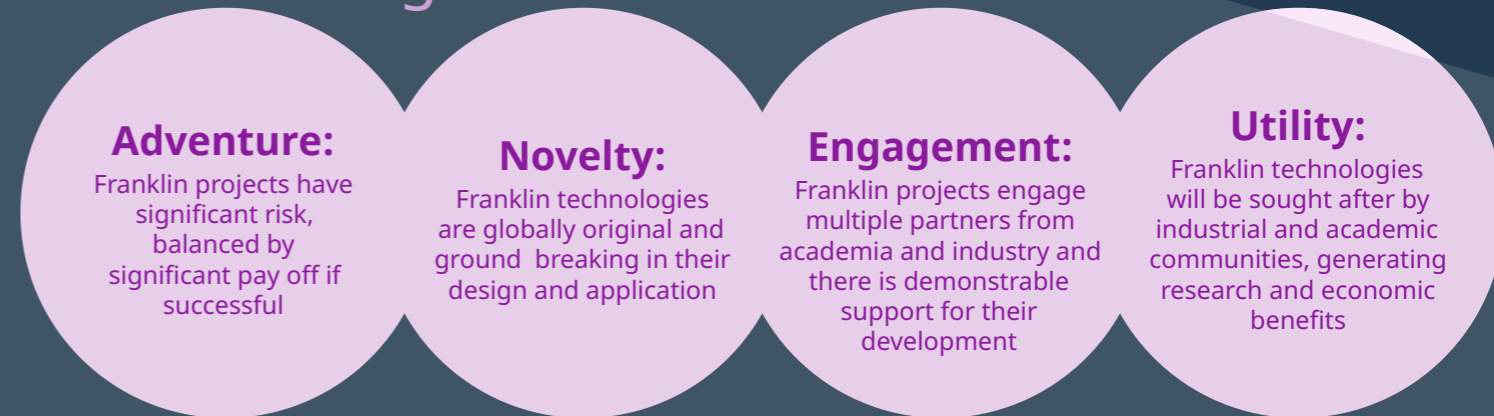
Income

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. Income is also generated through project based industrial collaborations. Future income may include further income from industrial collaboration, and income from licence revenue.

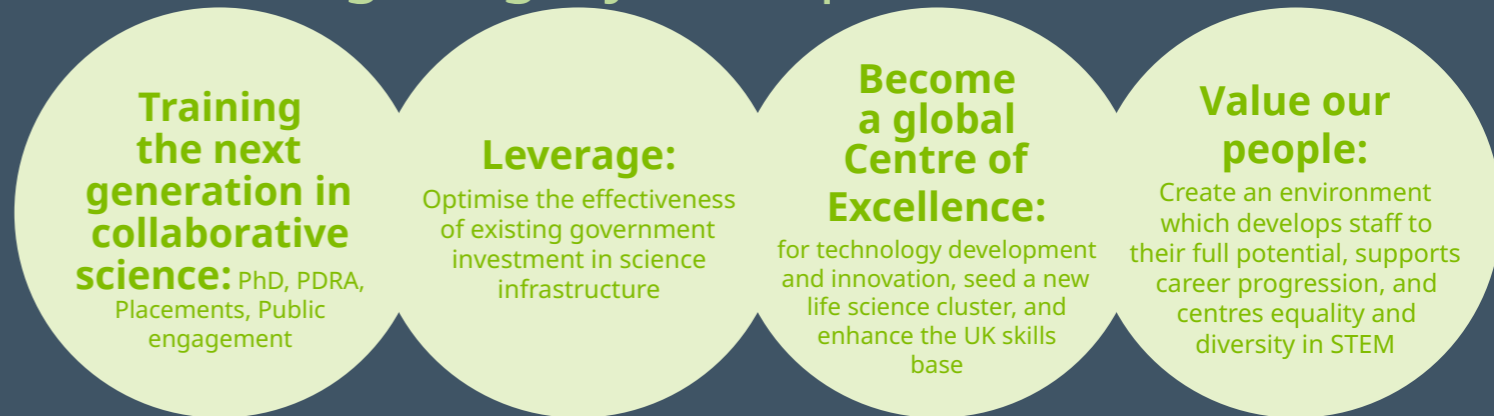
Franklin strategic goals

The Franklin was conceived to deliver technologies to industrial and academic communities which will advance our ability to see life in transformative, not incremental, ways. These advances will enhance human health through the development of new drugs, improved diagnostics, and better understanding of disease. This fundamental aim underpins our three strategy strands - to deliver world class science, build a legacy to be proud of, and secure our future success.

Delivering world class science



Building a legacy to be proud of



Securing future success



Performance in 2022-2023

Our performance against our strategy is reported against KPIs. For the years 2020-2021 and 2021-2022, and 2022-2023 these goals have remained the same. In 2023-2024 we will agree long term KPIs with our funders which will inform our five year review cycle.

World class science: Maturing technologies

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 of progress:

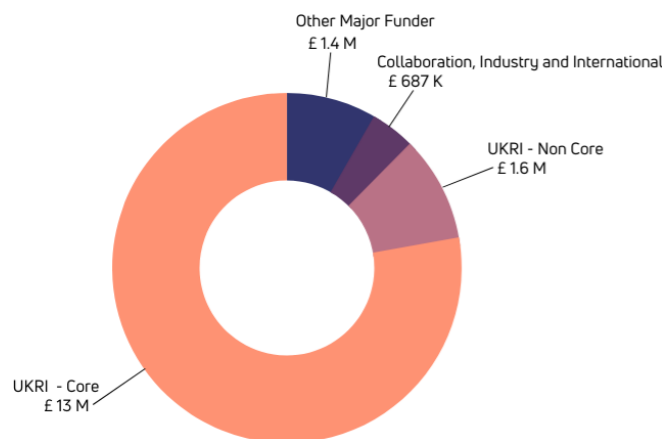
- Outputs resulting from the Electrifying Life Sciences programme cement this workflow at the forefront of the technique globally. New collaborations and technologies will flow from this programme.
- Nanobodies against Covid – nanobodies against SARS-CoV-2 are now commercialised and will be entering their next development phase in 2023.

Securing our future success: Funding sources

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).

Indicators of progress:

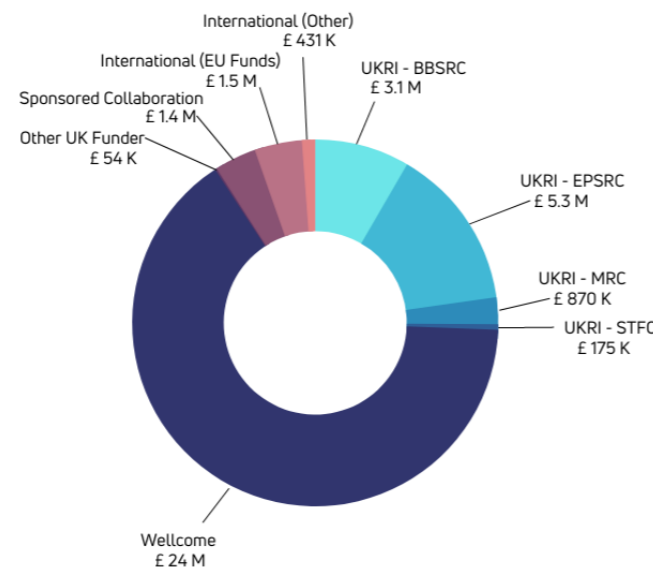
- We have achieved this goal for the current five-year



Analysis of income showing a breakdown of funding sources from 1st April 2022 to 31st March 2023

period, with the Electrifying Life Sciences project and multiple grants across chemistry accounting for a significant portfolio of work. In future years we aim to increase the proportion of contribution across all themes.

- Fundraising has been successful in both raising funds and building consortia, with new strategic grants in collaboration with NATA as part of their Manufacturing and Delivery challenges, and new funding from Wellcome LEAP and Chan Zuckerberg Initiative as part of global consortia.



Value of grants from externally funded projects that were active as of 31st March 2023.

Collaboration

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 of progress:

We have achieved this in 2022-2023 with collaborations including;

- Establishing a partnership with a US start-up company, to whom we have commercialised our

potent SARS CoV 2 nanobodies. We will continue to work with them in 2023 to further optimise these nanobodies.

- PET imaging – the Franklin has worked with local partners, the Mary Lyons Centre, on a new proposed cyclotron installation and begun to work closely with the UK PET network on our plans to establish a new PET innovation centre. This work reflects our commitment to work with the scientific community to ensure that our technologies are of maximum benefit.
- The AI team are playing a critical role in the international Wellcome Leap In Utero programme which aims to find ways to reduce stillbirth rates by half in just three years.
- NATA challenges – the Franklin is engaged in two large consortium grants in a strategically important areas, which aim to address manufacturing and delivery challenges with nucleic acid therapies.
- Following the successful conclusion of our first collaboration with Novo Nordisk, we now established a second collaboration with them in the area of post-translational protein modifications.

Training and skills

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 of progress:

- We have placed our first long term skills development fellow, Stephen Carter from Glasgow University. Stephen will develop skills and refine techniques in electron imaging during his placement.
- Internal – A learning and development programme has been rolled out to all staff and students, with personalised coaching and leadership elements. In 2023, we will identify our first cohort of associate investigators, young researchers with significant potential to develop autonomous research careers. The Franklin will support these researchers as they

move towards a fully independent academic career or into industry.

- We have also partnered with Chaperone to offer all of our staff the opportunity to have individual sessions with experienced career consultants on a variety of topics.

Building a legacy to be proud of: PhD students

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 our first cohort of PhD scientists in 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 of progress:

- Two cohorts of Franklin DTP students are now in place. 2021 cohort students are now undertaking projects in collaboration with Edinburgh, Glasgow, Manchester, Warwick, Oxford, Leeds and UCL. 2022 cohort students will transfer to projects in October 2023.
- Additionally, several students are undertaking projects at the Franklin who are based with other UKRI, Wellcome and EU funded DTP and training schemes. These collaborations strengthen our link to the academic community and enable access to Franklin technology to a wider range of students.

Talent retention

As a dynamic research institute, we would expect to see a high 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 of progress:

- Our staff turnover for 2022-2023 was 15.5%, driven largely by turnover in operational areas - 43% of total turnover from ops, despite only around 25% of staff working within that area.
- We are beginning to see staff move into industry careers both within the local eco-system and to roles nationally and internationally, and have seen one staff member transfer to our PhD scheme from an employed role.

In year goals and progress

We will move our Electrifying Life Sciences project to fully operational status with the pFIB and microscope equipment on site, working on samples of increasing complexity and scale



STATUS: ON TRACK

This project is fully on track, with high impact publications and collaborations forming around the technique. The first commercialised equipment from the workflow, led by Thermo Fisher Scientific, is now available.

We will occupy the final labs remaining in the hub, with equipment in our mass spectrometry theme migrating into the building from partner organisations



STATUS: ON TRACK

The hub is now fully occupied across all labs areas.

Our BioCOP project will initiate build, with first results expected by the end of the year



STATUS: EMERGING

Build is still underway, affected by global supply chain issues.

We will focus our efforts on cross theme collaborations, working towards imaging more complex and relevant samples, including tissue level imaging



STATUS: ON TRACK

The Franklin's Wellcome Career Development Fellow, Dr Michael Grange, has pioneered the use of electron tomography in brain. Developing tissue scale imaging is a key part of his plans.

Planning will continue for our next tranche of technologies



STATUS: ON TRACK

Planning for major technologies with our communities of interest continues, with townhall meetings for major investments taking place in this year. Resulting consultation papers inform and further develop our ideas and plans.

We will collaborate with industry across our themes, with distinctive offers for industry at different scales and sizes, generating genuine benefits for the UK life sciences community



STATUS: ON TRACK

We launched a successful SME competition in 2022 which brings Franklin technologies to new industrial communities. Residencies will take place in 2023. Engagement with established industry deepened with new collaboration with Evotec and Novo Nordisk.

We will focus on international collaborations and impact, maximising the benefit of the Franklin to the UK



STATUS: EMERGING

The Franklin has secured partnerships through international consortia supported by Wellcome LEAP and Chan Zuckerberg Initiative, and has commenced on EU funded programmes with EMBL. In 2023 we will pursue strategic relationships with key international peers, following a benchmarking exercise.

We will work to secure the future of the Franklin, particularly in for new capital projects, working closely with our funders UKRI-EPSC and the UK government and with other potential funders



STATUS: ON TRACK

With strong support from our funders at EPSRC, we were proud to announce a five-year funding package which secures the operational and science programme at the Franklin until 2026. Our capital bid will continue community development and validation throughout 2023/24.

Highlights 2022-2023

Key science outputs

Scientists find a new way to chop proteins chemically (April 2022)

A novel and simple way of breaking down proteins by targeting a particular chemical bond has been discovered by a team of researchers from the Rosalind Franklin Institute and Oxford University. The new method appears to mimic an unusual process that takes place in nature and opens up a host of potential opportunities and applications in biology – including the development of therapeutics for disease that target unwanted or damaged proteins.



Nanobodies pandemic toolkit (July 2022)

The rules that control how 'naïve' nanobodies (made entirely in the lab within a few weeks) bind to the virus's spike protein and neutralise the virus have been uncovered by a team from the Franklin. Understanding these rules allows rapid protein engineering in the lab to improve the nanobodies' potency. This means that potential treatments or preventative medicines can be produced even more quickly for future pandemic threats.

Team Nanobodies win a Royal Society of Chemistry Prize (June 2022)

The team, led by Profs Ray Owens and James Naismith, have won the Royal Society Chemistry's Chemistry Biology Interface Division Horizon Prize. The interdisciplinary team was made up of researchers from the Franklin, Oxford University, Diamond Light Source, UK Health Security Agency and Liverpool University. They were awarded the prize for the development of tools for the fight against Covid-19.

Discovery of new covid infection mechanism (June 2022)

An international team led by scientists at the Rosalind Franklin Institute demonstrated that SARS-CoV-2's spike protein can indeed latch on to sugars known as sialic acids found on the surface of human host cells. They were able to confirm this new infection mechanism using extremely precise high-resolution imaging and a new sophisticated method of NMR spectroscopy known as universal saturation transfer analysis (uSTA).

Imaging DNA nanostructures (August 2022)

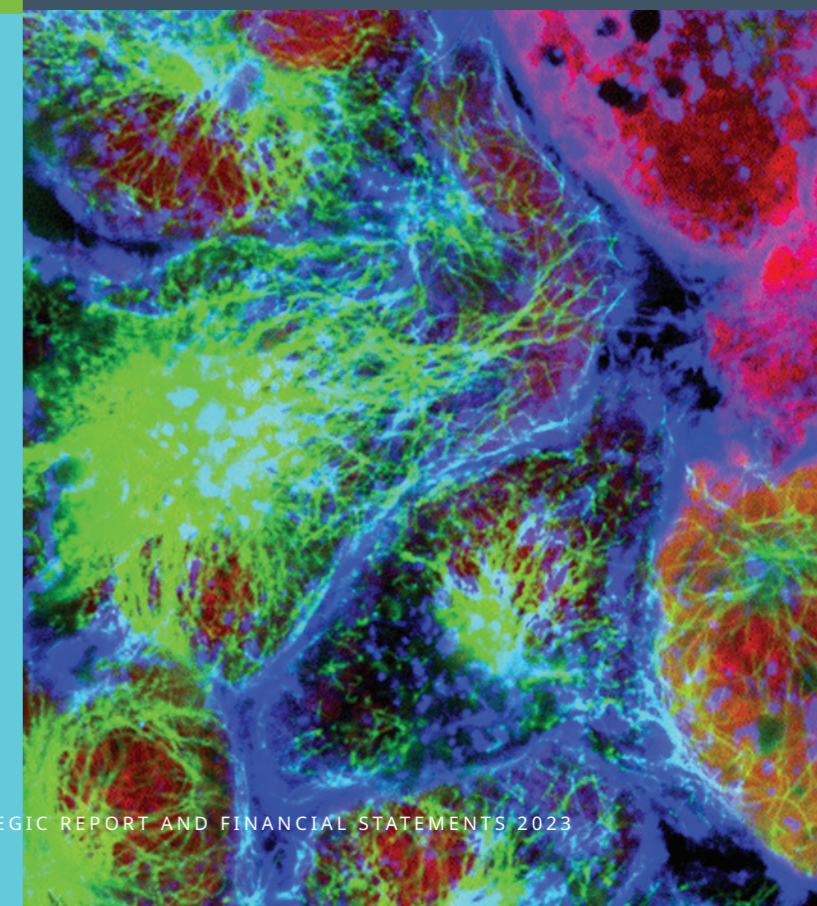
It is possible to produce high quality high contrast images of fine structures with a workflow which is significantly simplified in comparison to other methodologies. This methodology also allows them to reduce electron dose and beam damage.

ELS publications (February 2023)

Franklin researchers working with Thermo Fisher Scientific, used a prototype version of the recently announced "Arctis" microscope, to obtain the structure of a human ribosome to 4.9Å – achieving the highest resolution structure within a mammalian cell.

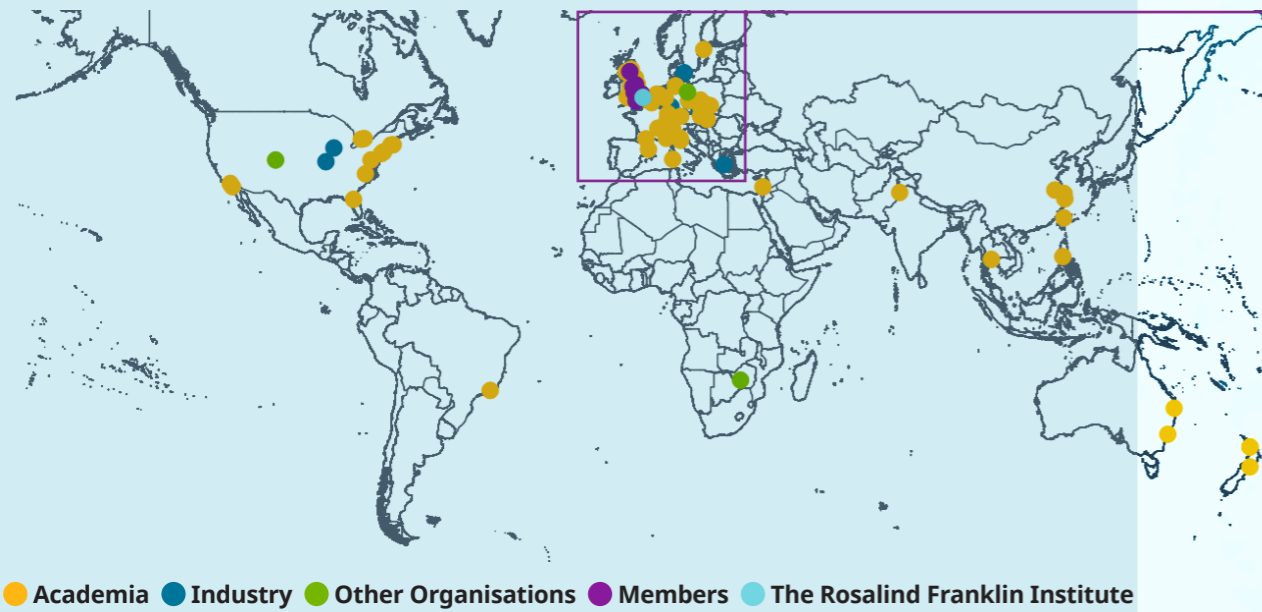
Mass Spec instrument arrived (December 2022)

A new and unique mass spectrometry instrument arrived at the Franklin as a part of our collaboration with the instrument manufacturer, Bruker. This new TIMS MRMS instrument combines trapped ion mobility spectrometry (TIMS) with the magnetic resonance mass spectrometry (MRMS) technique.

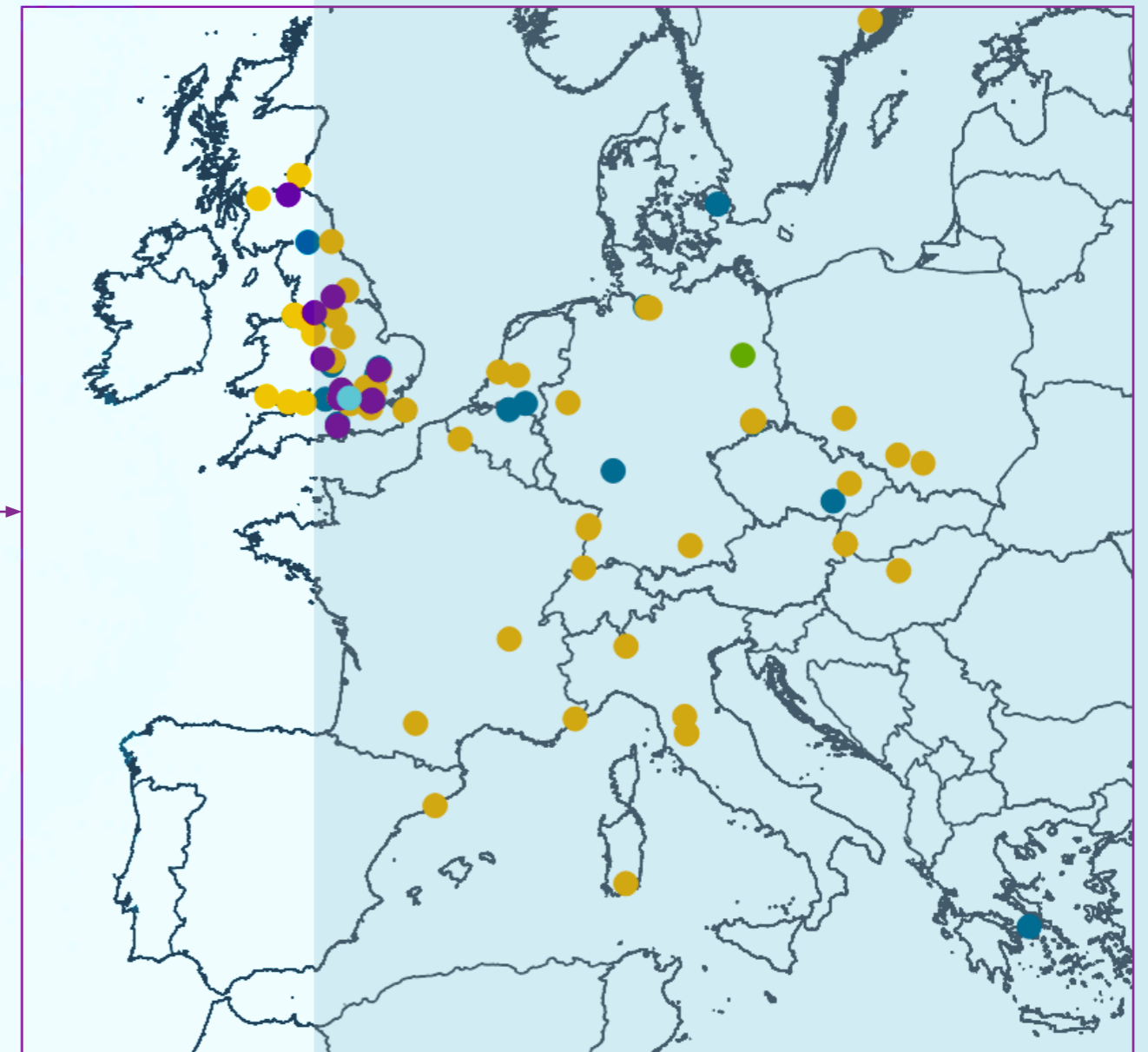


Collaborations and partnerships

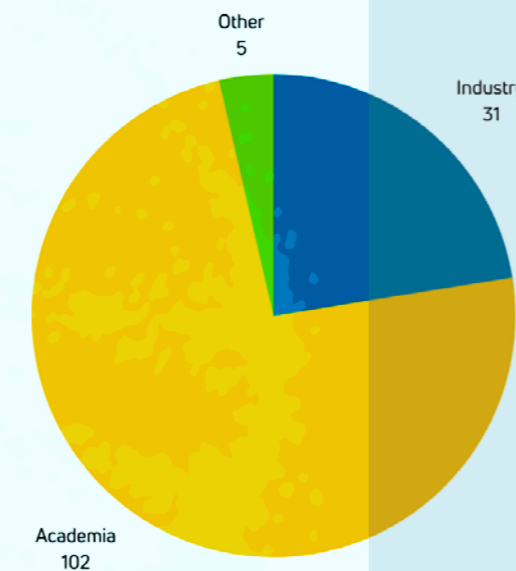
Throughout the year, we had 138 collaborations with new and ongoing partners. A majority of collaborations are with academic institutes, although we have several key collaborations ongoing with industrial partners, both in the pharmaceutical industry, such as Novo Nordisk, AstraZeneca and Evotec, and technology partners, such as Bruker, Thermo Fisher Scientific and SPT Labtech.



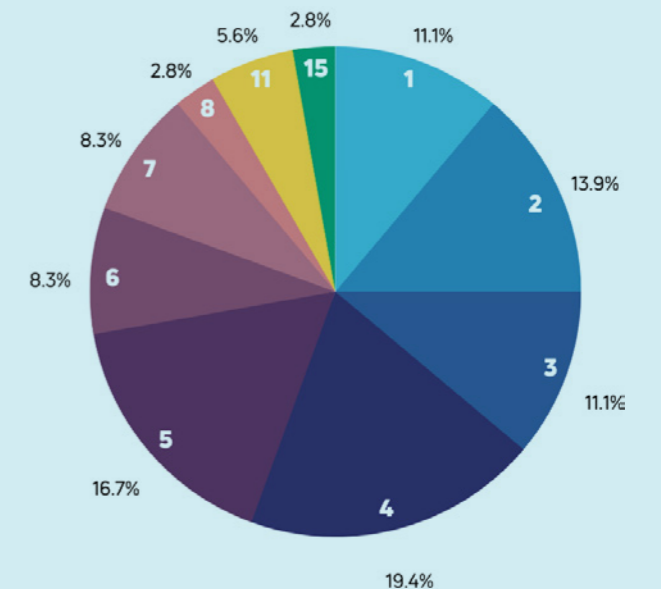
A global map of our collaborators and partnerships that were active between 1st April 2022 and 31st March 2023.



A map of our European partnerships and collaborators that were active between 1st April 2022 and 31st March 2023.



Number of collaborations across Industry, Academia, and other organisations (including charities and hospitals) that were active between 1st April 2022 and 31st March 2023.



The proportion of our publications published between 1st April 2022 and 31st March 2023 that involved external partnerships. Each publication for the year included at least one external partnering organisation.

Community engagement

Structural Biology industry roundtable (June 2022)

We hosted a roundtable for key industry leaders - this meeting helped shape the science vision for structural biology and identify ambitious areas of development for the Franklin. An article outlining this vision for structural biology has since been published in Science In Parliament magazine, co-authored by Dr Harren Jhoti, President and CEO of Astex Pharmaceuticals, Dr Chun-wa Chung, Senior Director Structural Biology and Biophysical Sciences at GlaxoSmithKline, and Dr Maria Flocco, Vice President, Global Head of Mechanistic and Structural Biology at Astra Zeneca.

Royal Society Summer Science Exhibition (July 2022)

We took part in the Royal Society Summer Science Exhibition, which aims to inspire and enthuse visitors of all ages about the potential for science through hands-on interaction and participation, and saw over 6500 visitors in 2022. Our stand talked about our COVID-19 fighting nanobodies, the role of Fifi the llama, and the potential importance of nanobodies for fighting future respiratory viruses.

PET meeting (September 2022)

The UK PET Network Innovation Workshop was hosted at the Franklin with 50 guests. As part of this event, we held a panel discussion to explore the opportunities for a National PET Innovation Centre.

RUEDI: In Vivo Biosciences meeting (September 2022)

The Franklin hosted the biosciences scientific theme town hall event for the RUEDI project with project partners, Liverpool University and STFC Daresbury - to engage the life sciences community with plans for this new national facility.

Nanobody workshop (October 2022)

To promote the development and application of nanobodies, we organised a one-day workshop held at the Franklin with 50 participants from the UK research community.

Science symposium (November 2022)

The Franklin hosted our inaugural Science Symposium, over 100 guests joined us to hear about the latest Franklin research and fascinating external speakers - including our keynote speaker, Professor Janet Hemingway, Director of the Infection Innovation Consortium (iiCON).



16

Events across
2022/23

211

Academic attendees
across

4

Events

Including:
Our first
Science
Symposium

and
A stand at the
Royal Society
Summer
Science
Exhibition



188

Industry attendees
across

7

Events



Future plans 2023-2024

Building on our plans for 2022-2023, we will deliver in 2023-2024;

Strategy:

- We will continue to embed our strategic work, focussing on the theme of Atomic Pathology, creating technologies which allow us to image, interpret and intervene in pathology.
- We will focus on moving beyond our original themed structure, focussing on applying and combining technologies across scales in key exemplar areas.

Skills and talent:

- Senior recruitment: We will recruit a new Institute Director through a global search in 2023, aiming to have a new Director in post by the start of the 2024/2025 financial year.
- Developing Talented Researchers: We will recruit new global talent into the Franklin as new Investigators, and create a new group of Associate Investigators with dedicated career development opportunities.
- We will house visiting researchers from across the UK with our technologies, enabling training and skills development.

Securing our future:

- We will continue community engagement for our next tranche of technologies and capital plans, ensuring we continue to offer value to the UK research community with the ambition and utility of our plans.
- We will continue to validate our phase one technologies with industry, bringing a greater range of industrial partners to the Franklin.
- We will begin maturing some phase one platforms in a range of ways, including investigating broad community access to key technologies.
- We will work with our members to ensure the Franklin's Board of Trustees are able to draw on the widest and most appropriate set of skills for our next phase of development

We will continue community engagement for our next tranche of technologies and capital plans, ensuring we continue to offer value to the UK research community with the ambition and utility of our plans



Equality Diversity and Inclusion

The Franklin is committed to best practice in ED&I. We want to attract the best talent from around the world, support our staff to express themselves authentically at work, and show young people in our community role models in science and engineering.

Attracting talent:

- We operate recruitment processes which minimise bias through diverse panels, training for interview panel members.
- We proudly participate in the HDR UK Health Data Science Black Internship Programme, bringing talented young researchers into our AI theme. In 2023 we will participate for the third time.
- We have increased our attendance at community events and careers fairs in 2022-2023, making our opportunities transparently available to a wide range of candidates.

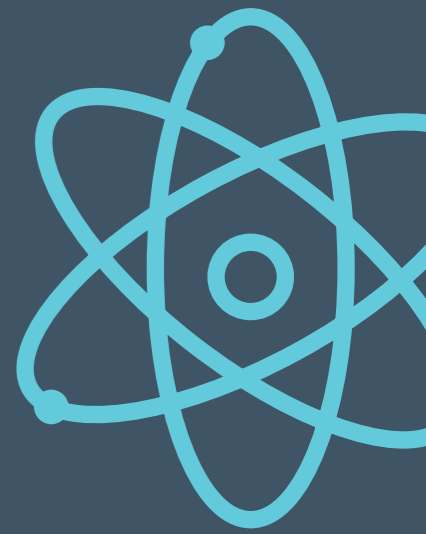
Supporting our staff at work:

- Inclusive events: Our seminars and all hands meetings are always available in a hybrid format, with opportunities given to staff to raise questions anonymously in advance to open participation to all staff regardless of their preferences for interaction style. Staff events are always held in core hours to avoid excluding staff with caring responsibilities.
- Promoting wellbeing: A dedicated social committee has introduced wellbeing events which are inclusive and open to all staff. We encourage staff to attend and get to know others from the organisation and participate in a range of activities.
- Access to welcoming networks: The Harwell campus offers a range of networks for interest and community groups which Franklin staff can join. As a small organisation, we are keen to make the most of our campus environment.

- Our staff is 46%:48% male: female, with the remaining 6% preferring not to say in demographic survey. This near parity masks low representation of women at senior levels in science. Our associate investigator scheme will promote and support women, and we hope will create future leaders. Women are well represented at senior levels in operations. As we grow and demographic trends become clearer, we will report on additional areas in future years.

Diversity in our community:

- We collaborate with local charity Education Business Partnership to offer work experience and school visit events, focussing on under-served communities. In 2022, we welcomed our first work experience students from the Oxford Spires school. Despite Oxford's overall affluence, the catchment for Spires includes wards within the UK's bottom 10% for education and skills, and bottom 20% for income deprivation affecting children. Children in deprived communities are often denied access to skills enhancing opportunities, and we are proud to partner on this scheme.
- In 2022 – 2023, we spoke to ~1400 school students ranging from Year 8 to Year 12. In 2023 during British Science Week, we went to iCollege Integration which provides short term education placements for KS 3 & 4 learners in West Berkshire who are struggling to access a mainstream provision. This provided an opportunity to engage with young people who would typically miss out on opportunities like this due to their absence from mainstream school.



School Engagement 2022/23

1,400

Pupils reached through school visits

7

Work experience students





Our funders UKRI are committed to achieving Net Zero by 2040, a full decade earlier than wider government aims

Sustainability

The Franklin acknowledges the vital importance of sustainable science in the face of the climate emergency. Our funders UKRI are committed to achieving Net Zero by 2040, a full decade earlier than wider government aims. As the Franklin sits on a UKRI campus and is part of the UKRI ecosystem, we align with this goal and fully support this work.

Energy efficiency:

Our new building is efficient by design - the building achieved its 'very good' BREEAM rating for sustainability before opening - and we continue to work with our landlords, STFC, to monitor energy use and environmental impact. We also benefit from their site wide efforts to reduce our carbon impact, including extensive solar panel installation.

Supporting staff to make sustainable choices:

We are working with campus partners to improve access to public transport. All Franklin students have funded bus travel as part of their studentship package.

Role modelling sustainable choices:

All Franklin catering is vegetarian, making small reductions to our carbon footprint and role modelling more sustainable choices.

Waste management and supply chain:

We have recently introduced pipette recycling, glass recycling and polystyrene recycling into our existing waste streams working alongside our waste supplier

Select Environmental. We do not send our waste to disposal but it is sent for Recycling or Recovery of Energy from Waste.

From April 22 to March 23 we have sent 4573kg to waste of which 1011kg was recycled and 3562kg was sent for recovery. 0kg went into landfill.

Developing sustainable procurement practices over the life cycle of the product or service allows the organisation to future proof against scarcity in supply and changes in social, economic, and environmental factors.

We are using the Southern University Purchasing Consortium (SUPC) framework in which the main suppliers have been vetted and are continuously monitored on sustainability. By using framework agreement suppliers, the Franklin are compliant within sustainable procurement regulations. Now more than ever understanding and effectively applying these regulations allows for the appropriate and vital steps to tackle key sustainable issues and ensure transparency and accountability in the procurement process.

Risks and uncertainties

Risks and uncertainties facing the Franklin are driven by internal and external factors. The Audit and risk committee consider key risks, mitigations, and set the appetite for risk across the organisation.

Internal factors:

Growth and single points of failure: Developing future leaders and succession plans for vital technology areas and operational functions is essential to avoid single points of failure.

Response: To an extent, we accept the risk that talented researchers will move into new careers after training with the Franklin. However, where key skills and structures need to be maintained, we have developed a career structure which will develop future leaders and improve retention.

New Investigators will join the Franklin, strengthening our senior and middle management level in science.

Appetite for risk in this domain: Medium

Community engagement: As a small institute, retaining strong community links through periods of high growth is essential.

Response: New members engagement programme has been developed. Opening events to a wide audience and participating in campus and community networks more widely is a priority.

Appetite for risk in this domain: Low

External factors:

High inflation – Increasing pressure from rising prices of all items, consumables and major capital, and increasing wage pressure within a fixed budget envelope.

Response: A new procurement system has created new opportunities to seek best value in all procurement, giving access to a wider range of discounts and frameworks.

Appetite for risk in this domain: Low

Cybersecurity – Global threat and significant risk to Franklin, either a result of direct targeting, or targeting of a significant partner, e.g. UKRI-STFC or a major supplier.

Response: Training and strengthening of internal cybersecurity hygiene factors. Working closely with expert colleagues at UKRI-STFC, our business IT providers.

Appetite for risk in this domain: Very low

Developing future leaders and succession plans for vital technology areas and operational functions is essential to avoid single points of failure

Structure, Governance and Management

The Rosalind Franklin Institute 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 rotational 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, and in line with the Charity Governance Code, as updated in December 2020, a board effectiveness review was undertaken in 2021-2022, with the structure of the review underpinned by its seven principles of Organisational purpose; Leadership; Integrity; Decision making, risk and control; Board Effectiveness; Equality, diversity and inclusion; Openness and accountability.

The results of this review, supported by further skills analysis, have informed a discussion with members on the process for seeking new Trustees, to ensure that the Franklin is able to maintain a high quality board into the future.

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 3. 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, taking into

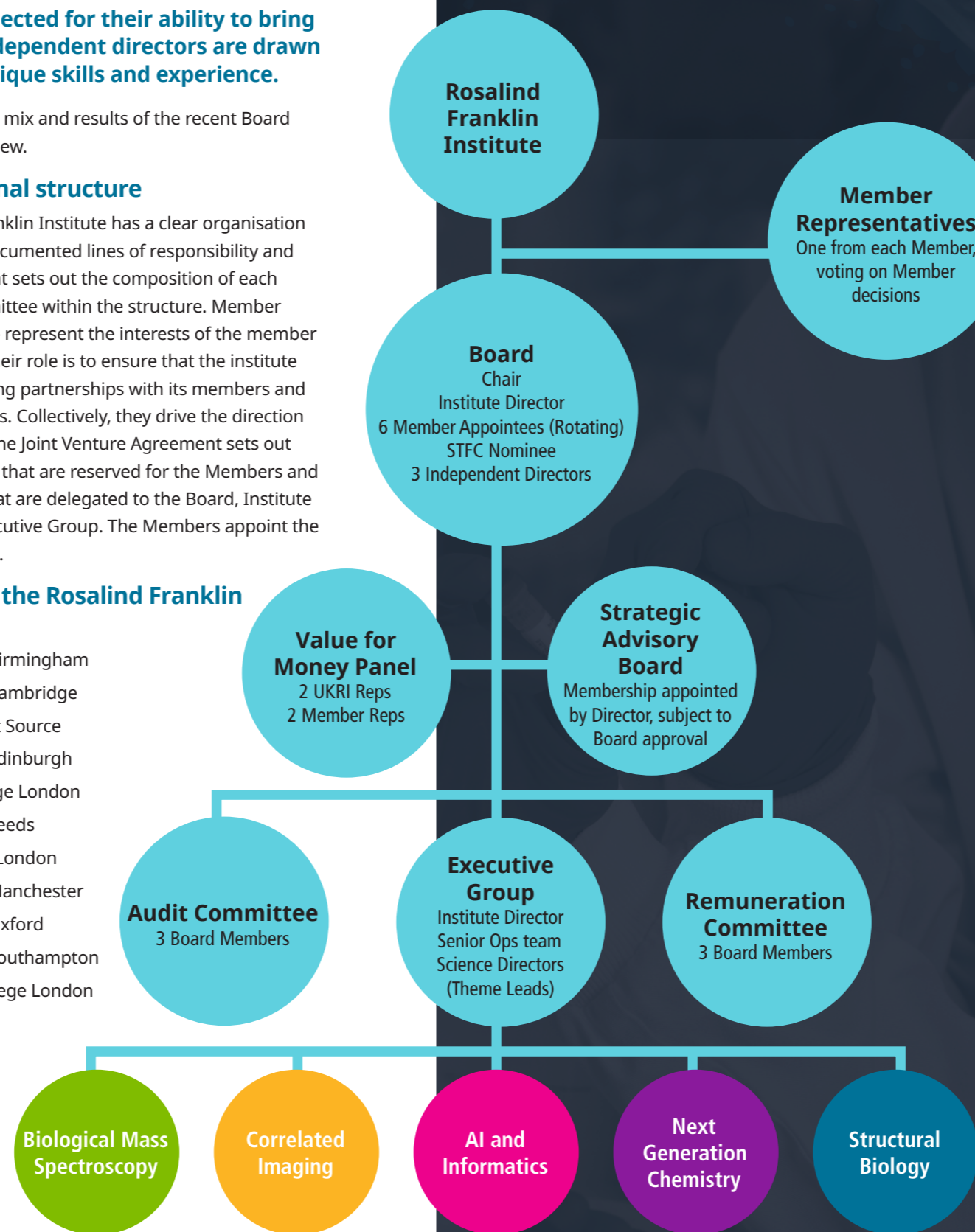
account the skills mix and results of the recent Board Effectiveness review.

Organisational structure

The Rosalind Franklin Institute 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



Structure explained:

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, approval 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/EPSCRC 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 2022-2023 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 at the Franklin via the board. Theme Advisory Panels advise the Science Directors and the Strategic Advisory Board on the quality, progress and impact of current programmes.

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.

Members of the Value for Money Panel

- Dr Andrew Bourne (funder representative), Professor Andy Mount, Professor Peter Smith (stood down 2023), Professor James Naismith

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, the performance reviews and personal development.

Members of the Remuneration Committee

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

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 (to April 2023)

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 for each theme. An annual cycle of meetings is now established, with the SAB contributing significantly to the scientific strategy of the organisation.

Members of the Strategic Advisory Board in 2022-2023:

- a. Professor Sabine Flitsch, Manchester University (chair)
- b. Dr Tom Muir, Princeton University
- c. Dr John Pollard, DarkBlue Tx
- d. Professor Iain Styles, Queens University Belfast
- e. Professor Vicki Wysocki, Ohio State University
- f. Professor Amanda Petford Long, Argonne National Laboratory
- g. Dr Chris Brains, Novartis

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

Chief Operating Officer
Paul McCubbin
Employed Rosalind Franklin Institute

Director of Next Generation 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

Director of Biological Mass Spectrometry
Zoltan Takats
Seconded from Imperial College London

Head of Technology
Gwyndaf Evans
Seconded from Diamond Light Source

Financial Controller
Caroline Rudman
Employed Rosalind Franklin Institute

Director of Strategic Marketing
Laura Holland
Employed Rosalind Franklin Institute

Director of Human Resources
Lydia Armes
Employed Rosalind Franklin Institute

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



Financial Review

For the 12 month period ended 31 March 2023, the Institute recorded a surplus on general unrestricted funds of £2,759,858.

Total income in 2022/23 was £16,758,890, £12,568,937 of which was unrestricted. Unrestricted income was made up of funding from a grant of £12,331,030 from UKRI/EPSRC, and £237,907 of other funding, restricted income is made up of a grant of £1,000,000 from UKRI/ EPSRC, along with other restricted funds of £3,189,953.

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 2023, total expenditure was £19,200,020

Reserves

At the end of the financial year, the retained reserves of the charity were £43,707,889 of which £33,712,578 were restricted and not available for the general purposes of the charity. Of these funds, £33,712,578 has been committed.

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 and more

recently, the war in Ukraine, 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 £9,995,311 of which £6,495,311 are designated to support the reserves policy and other significant committed costs.

Reserves Policy

In accordance with Charity Commission guidance and best practice, the Reserves Policy for the Institute is designed to ensure the stability of the on-going operations of the organisation. The reserves of a charity are defined in relation to the level of both unrestricted and designated funds.

The Institute reviews its Reserves Policy each year, taking into account its planned activities and the need to provide a financial buffer against unexpected events, included the impact of unbudgeted expenses.

In the previous accounting period, the policy was to maintain sufficient reserves to fund Six months of forecast operating expenditure. As at 31 March 2023, adherence to the policy was based on a designated fund comprising the EPSRC operating grant for the quarter to 30 June 2023 plus unrestricted funds of £3.5m (see Note 17).

Investment Policy

At this stage, the investment policy continues to be limited to the management of instant access, liquid funds. Moving forward 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.

Following discussions with UKRI/EPSRC in respect of core funding post March 2023, in accordance with the planned quinquennial review, the institute has now received confirmation of a 3 year increased funding agreement. In addition, the Institute continues to work with both existing and new partners, seeking to diversify income to support new projects in line with charitable objectives.

Going Concern

Whilst future funding of the Institute beyond March 2023 remains under review with UKRI/EPSRC the institute is now in receipt of a 3-year funding agreement

for both recurrent and capital funding, based on this assurance, 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 quarterly reforecasts allow activity to be adjusted to respond to any unexpected variations.

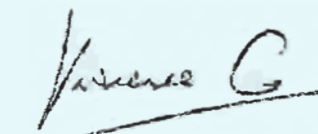
Disclosure of information to auditor

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 strategic report was approved by the Board of Trustees

Dame Dr Vivienne Cox

Chair of Trustees



Date: 19/9/23



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.

Financial Statements

Independent auditor's 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 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 Financial Reporting Standard 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 2022 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 for the

financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, 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.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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:

- 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.

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

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.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to financial reporting, FRS 102, the charities SORP and the Companies Act.

We assessed the risks of material misstatement in respect of fraud through enquiries of management and those charged with governance before the audit began and throughout the audit process. We used analytical review throughout the audit to identify any unusual or unexpected relationships. No movements were identified where there was not a reasonable explanation for the change.

There were no significant fraud risk factors identified in relation to Related Party Transactions due to the nature of Related Parties.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. To gain an understanding of the entity's policies and procedures for compliance with those laws and regulations we made enquires of management and those charged with governance. We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with applicable laws and regulations.

Through discussions with management, we gained an understanding of how instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented. We corroborated our enquiries through review of board minutes. We did not find any instances of contradictory evidence.

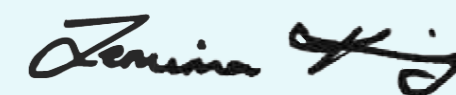
We considered the risk of fraud through management override, and, in response, we incorporated testing of manual journal entries and other adjustments for appropriateness into our audit approach.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. We applied an element of unpredictability in the selection of the nature, timing and extent of audit procedures.

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.



Jemima King (Senior Statutory Auditor)
for and on behalf of Richardsons

Chartered Accountants
Statutory Auditor
30 Upper High Street, Thame,
Oxfordshire OX9 3EZ

Statement of financial activities including income and expenditure account for the year ended 31 March 2023

	Notes	Unrestricted funds general 2023	Unrestricted funds designated 2023	Restricted funds 2023	Total 2023	Unrestricted funds general 2022	Unrestricted funds designated 2022	Restricted funds 2022	Total 2022
		£	£	£	£	£	£	£	£
Income and endowments from:									
Charitable activities	3	11,752,214	-	4,966,383	16,718,597	10,639,690	-	4,914,448	15,554,138
Other income	4	40,293	-	-	40,293	28,674	-	-	28,674
Total income		11,792,507	-	4,966,383	16,758,890	10,668,364	-	4,914,448	15,582,812
Expenditure on:									
Raising funds	5	74,624	-	17,991	92,617	119,271	-	9,320	128,591
Charitable activities	6	11,149,201	-	7,958,204	19,107,405	7,301,418	-	6,951,442	14,252,860
Total expenditure		11,223,825	-	7,976,195	19,200,020	7,420,689	-	6,960,762	14,381,451
Net income/ (expenditure) for the year/Net movement in funds									
		568,682	-	(3,009,812)	(2,441,131)	3,247,675	-	(2,046,314)	1,201,361
Gross transfers between funds									
		712,255	1,478,921	(2,191,176)	-	(3,772,782)	2,599,178	1,173,604	-
Net income/ (expenditure) for the year/Net movement in funds									
		1,280,937	1,478,921	(5,200,988)	(2,441,130)	(525,107)	2,599,178	(872,710)	1,201,361
Fund balances at 1 April 2022		2,219,063	5,016,390	38,913,566	46,149,019	2,744,170	2,417,212	36,074,112	41,235,494
Fund balances at 31 March 2023									
		3,500,000	6,495,311	33,712,578	43,707,889	2,219,063	5,016,390	35,201,402	42,436,855

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.

Statement of Cash Flows for the year ended 31 March 2023

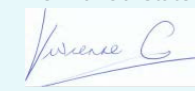
	Notes	£	2023 £	£	2022 £
Cash flows from operating activities					
Cash generated from operations	20		5,370,722		4,425,928
Investing activities					
Purchase of tangible fixed assets		(5,113,193)		(8,126,036)	
Proceeds on disposal of tangible fixed assets		-		-	
Net cash generated from/(used in) investing activities			(5,113,193)		(8,126,036)
Net cash used in financing activities					
			-		-
Net increase in cash and cash equivalents			257,529		(3,700,108)
Cash and cash equivalents at beginning of year			13,782,177		17,482,285
Cash and cash equivalents at end of year			14,039,706		13,782,177

Restated balance sheet

as at 31 March 2023

		2023		2022	
	Notes	£	£	£	£
Fixed Assets					
Tangible Assets	10		31,940,134		33,252,067
Current Assets					
Debtors	11	1,369,704		1,073,862	
Cash at bank and in hand		14,039,706		13,782,177	
			<u>15,409,411</u>		<u>14,856,039</u>
Creditors: amounts falling due within one year	12	(3,641,656)		(1,959,086)	
Net Current Assets			<u>11,767,755</u>		<u>12,896,953</u>
Total Assets Less Current Liabilities			<u>43,707,889</u>		<u>46,149,020</u>
Income Funds					
Restricted Funds	15		33,712,578		38,913,566
Unrestricted Funds:					
Designated Funds	16	6,495,311		5,016,390	
General Unrestricted Funds		<u>3,500,000</u>		<u>2,219,064</u>	
			<u>9,995,311</u>		<u>7,235,454</u>
			<u>43,707,889</u>		<u>46,149,020</u>

The financial statements were approved by the Trustees on 19/9/2023



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

Notes to the Financial Statements

For the year ended 31 March 2023

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 Prior year adjustment

A fixed asset was not recognised on the balance sheet as the payments in respect of it did not flow through the institute and therefore it was missed from the financial records. The asset is due for delivery in Q1 2024. An additional two assets were depreciated when payment was made. The institutes policy is to depreciate once installation and commissioning has been completed and signed off.

1.4 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.

1.5 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.

1.6 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.

1.7 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.

1.8 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.

1.9 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).

1.10 Cash and cash equivalents

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

1.11 Financial instruments

The 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.

1.12 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

	2023	2022
	£	£
Grant income	16,718,597	15,554,138
Analysis by fund		
Unrestricted funds - general	11,752,214	10,639,690
Restricted funds	4,966,383	4,914,448
	16,718,597	15,554,138

4 Other income

	Unrestricted funds general 2023	Unrestricted funds general 2022
	£	£
Net gain on disposal of tangible fixed assets	-	1,800
Other income	40,293	26,874
	40,293	28,674

5 Raising funds

	Unrestricted funds general	Restricted funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Partnerships & business development costs	2,838	-	2,838	36,888
Engagements & Publicity	71,786	17,991	89,777	91,703
	74,624	17,991	92,615	128,591

6 Charitable activities

	Operational expenditure	Operational expenditure
	2023	2022
	£	£
Staff costs	5,752,695	4,140,362
Depreciation and impairment	6,425,125	4,770,707
Entertainment	4,838	1,371
Catering and events	5,323	403
Printing, postage and stationary	20,796	27,992
Recruitment	155,186	165,785
Insurance	56,903	49,450
Rent	934,298	738,260
Secondments and temporary staff	1,363,060	1,292,691
Travel and accommodation	129,494	42,688
IT costs	677,437	239,182
Project costs	2,128,188	1,656,218
Other expenditure	143,546	17,348
Equipment hire	657	904
Repairs, maintenance, and equipment servicing	496,884	319,502
Collaboration costs	72,580	33,767
Building works and repairs	466,033	602,713
	18,833,043	14,099,345
Share of support costs (see note 7)	266,362	143,890
Share of governance costs (see note 7)	8,000	9,625
	19,107,405	14,252,860
Analysis by fund		
Unrestricted funds - general	11,149,201	7,301,418
Restricted funds	7,958,204	6,951,442
	19,107,405	14,252,860

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Accountancy	-	-	-	(1,275)	-	(1,275)
Legal and professional	266,362	-	266,362	145,165	-	145,165
Audit fees	-	8,000	8,000	-	9,625	9,625
Legal and professional	-	-	-	-	-	-
	266,362	8,000	274,362	143,890	9,625	153,515
Analysed between Charitable activities	266,362	8,000	274,362	143,890	9,625	153,515

Governance costs includes payments to the auditors of £8,000 (2022: £9,625) for audit fees. In addition £nil (2022: £nil) was paid for other services.

8 Trustees

V Cox received remuneration of £20,000 (2022: £20,000) during the year ended 31 March 2023 for trustee duties. Social security costs of £1,584 (2022: £1,150) were incurred in relation to this remuneration. Written approval was received from the Charity Commission in respect of this payment.

£192,617 (2022: £182,656) 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.

Two (2022: one) trustees were reimbursed expenses totalling £457 (2022: £113).

9 Employees

The average monthly number of full time equivalent employees during the year was 100 (2022: 73).

Employment costs	2023 £	2022 £
Wages and salaries	4,507,523	3,282,243
Social security costs	500,718	343,517
Other pension costs	688,941	514,602
	<u>5,701,182</u>	<u>4,140,362</u>

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

	2023 Number	2022 Number
£60,000 - £69,999	2	4
£70,000 - £79,999	4	-
£80,000 - £89,999	-	-
£90,000 - £99,999	-	-
£100,000 - £109,999	1	1
£110,000 - £119,999	-	-
£120,000 - £129,999	-	1
£130,000 - £139,999	1	-
£140,000 - £149,999	-	1
£150,000 - £159,999	1	-
	<u>9</u>	<u>7</u>

10 Tangible fixed assets

	Assets under construction £	Scientific equipment £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 April 2022	9,982,760	27,851,494	173,420	248,530	38,256,204
Additions	(4,405,873)	9,460,909	-	58,157	5,113,193
Transfer between funds	-	-	-	-	-
	<u>5,576,887</u>	<u>37,312,403</u>	<u>173,420</u>	<u>306,687</u>	<u>43,369,398</u>
At 31 March 2023					

Depreciation and impairment

At 1 April 2022	-	4,872,377	42,134	89,627	5,004,138
Depreciation charged in the year	-	6,295,295	42,856	86,974	6,425,125
		<u>11,167,672</u>	<u>84,990</u>	<u>176,601</u>	<u>11,429,263</u>
At 31 March 2023					
Carrying amount					
At 31 March 2023	5,576,887	26,144,731	88,430	130,086	31,940,134
At 31 March 2022	9,982,760	22,979,118	131,286	158,903	33,252,067

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	146,454	115,571
Other debtors	144,832	147,687
Prepayments and accrued income	1,078,419	810,604
	<u>1,369,705</u>	<u>1,073,862</u>

12 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Trade creditors		1,576,558	881,868
Other creditors		215,338	183,107
Accruals and deferred income		1,849,760	894,110
		<u>3,641,656</u>	<u>1,959,086</u>

13 Government grants

Deferred income is included in the financial statements as follows:

	2023	2022
	£	£
Deferred income is included within:		
Current liabilities	185,725	102,200
	185,725	102,200

14 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 £688,941 (2022: £514,602).

15. Restricted funds

	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers between funds	Balance at 31 March 2023
	£	£	£	£	£
Core - BioCOP	205,428	(545)	(392,355)	187,472	-
OLS - Helical Tomography	230,769	-	(230,769)	-	-
Core - CAPEX	2,647,053	-	(2,609,702)	94,037	131,388
Core - Furniture	39,734	-	-	(39,734)	-
Core - HTD	106,226	-	-	(106,226)	-
Core - Scientific Equipment	604,595	-	(584,100)	(20,495)	-
External	-	-	-	-	-
External - AI - EPSRC Digital Infrastructure	-	217,872	(217,871)	(1)	-
External - AI ALC 'OptiD'	-	50,000	(50,044)	4	(40)
External - NGC BBSRC 'T6P'	398,382	260,697	(266,592)	(188,636)	203,851
External - NGC EPSRC 'Catalysis Hub'	25,639	36,670	(7,800)	(36,105)	18,404
External - NGC EU 'ARDAT'	-	152,438	(97,450)	(54,988)	-
External - NGC EU 'bOPEN'	-	71,037	(53,753)	(17,284)	-
External - SB BBSRC 'C-C N'	216,413	55,670	(113,787)	(104,442)	53,855
External - SB BBSRC 'Discovery Platform'	120,657	323,829	(287,764)	(76,048)	80,673
External - SB WT Disease X	-	221,606	(209,223)	(942)	11,440
External - SB WT 'ELS'	-	948,128	(1,057,697)	66,558	(43,011)
External - SB WT 'HDF'	-	217,881	(216,173)	(18,226)	(16,518)
External - STFC C100	736,969	-	(467,743)	-	269,226
Core - CI Phase 3, Optical Column	-	-	(1,297)	1,297	-
Core - EPSRC DTP Studentships 2021	-	266,190	(208,118)	14,998	73,070

Core - EPSRC DTP Studentships 2022	-	136,347	(109,981)	-	26,366
Core - EPSRC DTP Studentships 2023	-	-	-	-	-
Core - SB Amplus 2	-	-	-	-	-
Core - EPSRC CAPEX Oct 22 to Mar 25	-	1,000,000	(1,105,631)	105,631	-
External - AI Wellcome Leap In Utero	-	18,955	(18,955)	-	-
External - CI EPSRC 'RUEDI'	-	183,953	(169,716)	(14,237)	-
External - EPSRC Open Access Block Award	-	7,993	(7,993)	-	-
External - NGC BBSRC '18F'	-	336,599	(127,147)	-	209,452
External - NGC BBSRC Australia	-	6,427	-	-	6,427
External - NGC EPSRC Isobiotics	-	159	(159)	-	-
External - NGC EPSRC 'Max Planck'	-	69,862	(69,862)	-	-
External - SB BSet 'LSHTM'	-	9,900	(9,900)	-	-
External - SB IAA Warwick 2022-3	-	5,000	(1,752)	-	3,248
External - SB WT Michael Grange Brain	-	717	(717)	-	-
External - SB WT OU Cell Biology student	-	46,000	(2,562)	-	43,438
External - STFC - Building Contingency	-	323,000	(310,758)	(12,242)	-
Fixed asset purchases	33,252,067	-	-	(1,311,933)	31,940,134
Prepayments	329,635	-	-	371,541	701,176
	38,913,567	4,966,383	(9,007,369)	(1,160,003)	33,712,578

16 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:

	Balance at 1 April 2022	Incoming resources	Transfers	Balance at 31 March 2023
	£	£	£	£
Designated fund towards operating costs	2,915,099	-	584,901	3,500,000
STFC Plant & Equipment replacement provision	500,000	-	800,000	1,300,000
Contribution to emergency CapEx purchases	815,424	-	459,887	1,275,311
Contribution to hub fit out costs	500,867	-	(150,867)	350,000
C100	285,000	-	(285,000)	-
Amplus 2	-	-	70,000	70,000
	5,016,390	-	1,478,921	6,495,311

Unrestricted funds have been designated to cover three months of future operating costs. Full operating reserves are made up of free funds and designated funds.

17 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Restricted funds	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:								
Tangible assets	-	-	31,940,134	31,940,134	-	-	33,252,067	33,252,067
Current assets/ (liabilities)	3,500,000	6,495,311	1,772,444	11,767,755	2,219,063	5,016,390	5,661,499	12,896,953
	3,500,000	6,495,311	33,712,578	43,707,889	2,219,063	5,016,390	38,913,566	46,149,020

18 Capital commitments

At 31 March 2023 the charity had capital commitments of £414,204 (2022: £4,479,398) in relation to fixed asset purchases.

19 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

Income in relation to a secondment agreement amounting to £14,774 (2022: £27,449) was invoiced to the member. As at 31 March 2023, £nil (2022: £6,154) is outstanding. Costs amounting to £133,309 (2022: £nil) were charged by the member during the year in relation to secondment services provided, and £52,971 (2022: £745,562) in relation to project-related costs, of which £nil (2022: £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 £677,054 (2022: £312,302) in relation to secondment services provided, and £210,372 (2022: £152,621) in relation to project-related costs. As at 31 March 2023, £6,944 (2022: £39,512) was due to be paid to the University and as such is included in trade creditors. The Rosalind Franklin Institute invoiced the member £96,708 (2022: £nil) of project-related costs, of which £50,708 was outstanding at the year end and as such included in trade debtors)

Imperial College London

During the year, Imperial College London, a member of the joint venture, invoiced £213,738 (2022: £129,258) in relation to secondment services provided and £nil (2022: £467.18) in relation to other costs. As at 31 March 2022, £nil (2021: £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 £15,710 (2022: £nil) in relation to secondment services provided and £13,103 (2022: £118,527) in relation to project related costs. As at 31 March 2023, £nil (2021: £nil) was due to be paid to the University.

Science and Technology Facilities Council

During the year, the Science and Technology Facilities Council, a member of the joint venture, invoiced £528,629 (2022: £694,998) in relation to project-related costs, £25,413 (2022: £10,066) in relation to capital expenditure, £1,101,342 (2022: £555,686) in relation to rent and utilities, and £559,714 (2022: £nil) for data storage & compute. As at 31 March 2023, £1,364 (2022: £1,364) was due to be paid to the Council. In addition to this, the charity received £3,410 (2022: £nil) in secondment costs and £41,679 (2022: £224,789) in grant income from the Science and Technology Facilities Council. As at 31 March 2023, £3,999 (2022: £34,158) was outstanding and as such is included in trade debtors.

The University of Manchester

During the year, the University of Manchester, a member of the joint venture, invoiced £nil (2022: £90,000) in relation to project related costs and £4,596 (2022: £nil) in relation to student fees. As at 31 March 2023, £nil (2022: £nil) was due to be paid to the University.

The University of Edinburgh

During the year, the University of Edinburgh, a member of the joint venture, invoiced £6,096 (2022: £1,500). As at 31 March 2023, £4,596 (2022: £nil) was due to be paid to the University.

20 Cash generated from operations

	2022	2022
	£	£
Deficit for the year	(2,441,131)	1,201,361
Adjustments for:		
Gain on disposal of tangible fixed assets	-	-
Depreciation and impairment of tangible fixed assets	6,425,125	4,770,707
Movements in working capital:		
(Increase) in debtors	(295,843)	(654,005)
(Decrease)/increase in creditors	1,599,045	(994,335)
Increase in deferred income	83,525	102,200
Cash generated from operations	5,370,722	4,425,928

21 Prior period adjustment

Changes to the balance sheet

	As previously reported	Adjustment	As restated a 31 Mar 2022
	£	£	£
Current assets			
Scientific equipment – construction in progress	7,482,760	2,500,000	9,982,760
Accumulated depreciation	(6,084,541)	1,212,165	(4,872,376)

Capital and reserves

Reserves	42,436,855	3,712,165	46,149,020
----------	------------	-----------	------------

Changes to the profit and loss account

	As previously reported	Adjustment	As restated
	£	£	£
Period ended 31 March 2022			
Income from charitable activities	15,554,138	2,500,000	18,054,138
Depreciation	14,252,860	1,212,165	13,040,695
Surplus for the financial period	1,201,361	3,712,165	4,913,526

Reconciliation of changes in equity

	1 st April 2021	31 March 2022
	£	£
Adjustments to prior year		
Reserve funds	41,235,494	46,149,020
Total adjustments		3,712,165
Equity as previously reported		42,436,855
Equity as adjusted		46,149,020

Analysis of the effect upon equity

Other reserves

Reconciliation of changes in surplus for the previous financial period

	2022
	£
Adjustments to prior year	
Depreciation	1,212,165
Adjustment to income	2,500,000
Total adjustments	3,712,165
Surplus as previously reported	1,201,361
Surplus as adjusted	4,913,526

A fixed asset was not recognised on the balance sheet as the payments in respect of it did not flow through the institute and therefore it was missed from the financial records, the asset is due for delivery in Q1 2024. An additional 2 assets were depreciated when payment was made, as the institutes policy is to depreciate once installation and commissioning has been completed and signed off.

Notes



Notes

Lined area for notes with horizontal blue dotted lines.



www.rfi.ac.uk | [@RosFrankInst](https://twitter.com/RosFrankInst) | info@rfi.ac.uk