



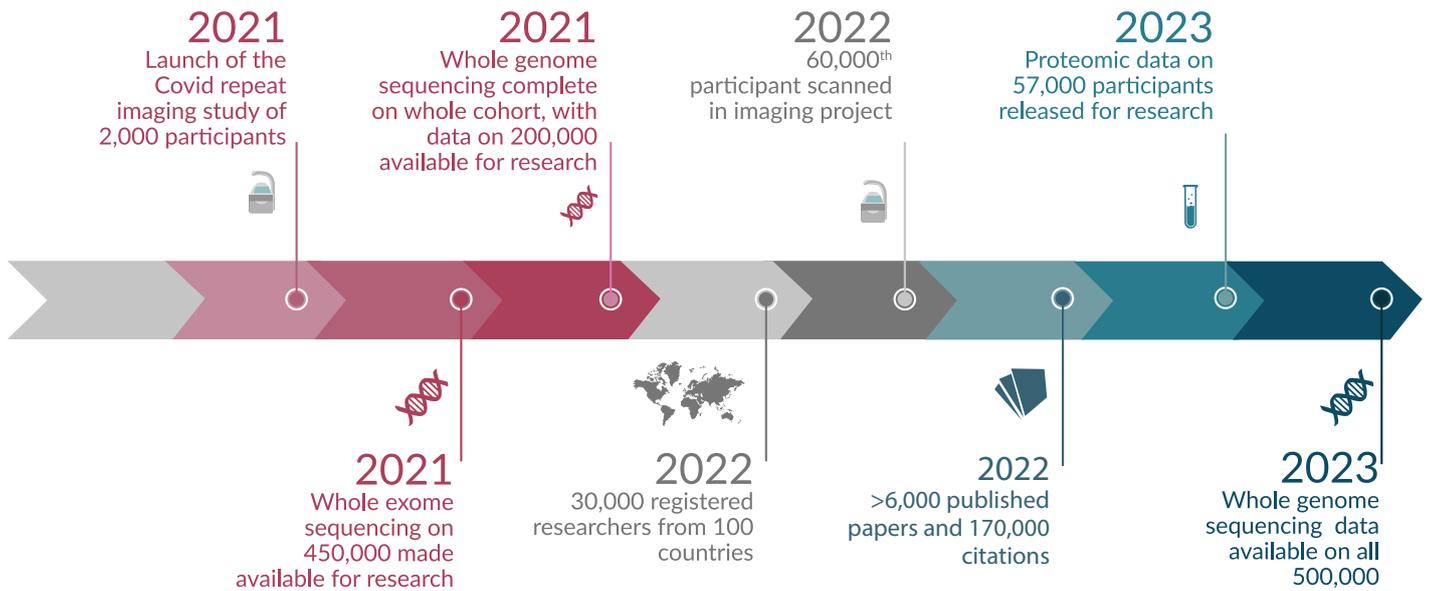
Enabling scientific discoveries that improve human health

UK Biobank Limited **(Limited by Guarantee)**

Report and Consolidated Financial Statements **30 September 2022**

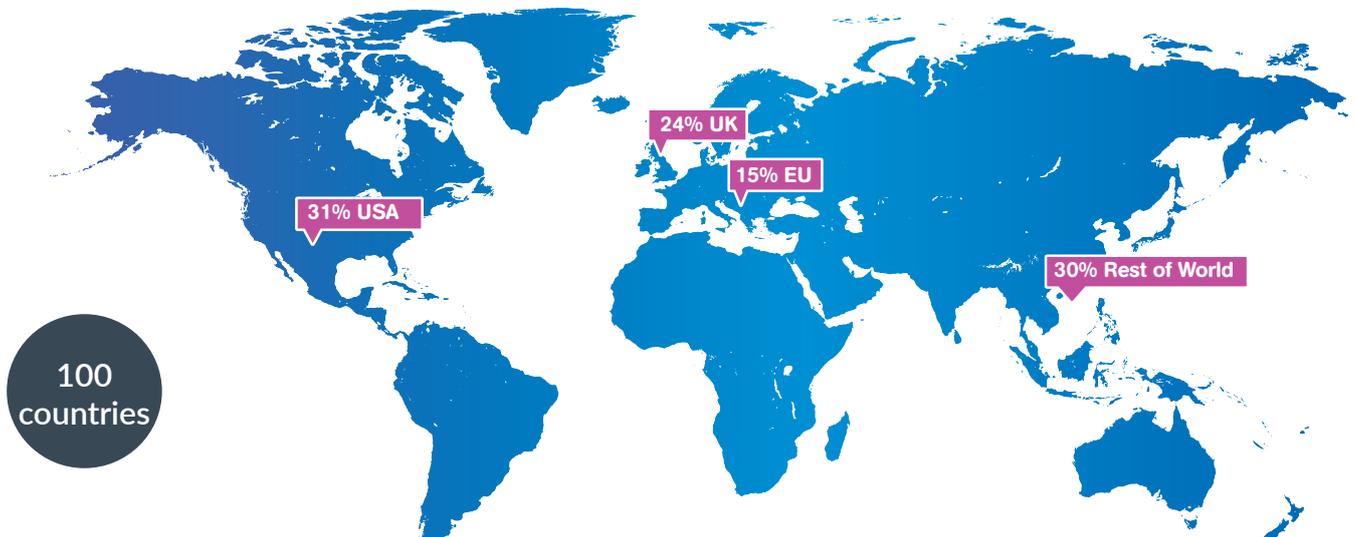
Company Registration number 04978912
Registered Charity in England and Wales number 1101332
Registered Charity in Scotland number SC039230

TIMELINE



A TRULY GLOBAL RESOURCE

Over 30,000 registered researchers worldwide



18.5K
followers

“Whats being discussed here seemed inconceivable a few years ago, demonstrating what incredible vision underpinned UK Biobank. The future is already here”

“Feels like every other talk at #ASHG22 (The American Society of Human Genetics Conference) uses @uk_biobank data. Its hard to think of any other resource that compares to its impact.”



AMBITIOUS LONGITUDINAL IMAGING



UK Biobank is truly a unique resource for global health researchers, and the MRC is proud to be one of its founding funders. Access to the resource is growing exponentially alongside impactful results, and this funding will continue to enable scientific discoveries for population health to emerge. UK Biobank's achievement in becoming a significant global asset for the health and life sciences is a result of the dedication of its staff and participants – to whom we owe a debt of gratitude, and we would like to congratulate them all."

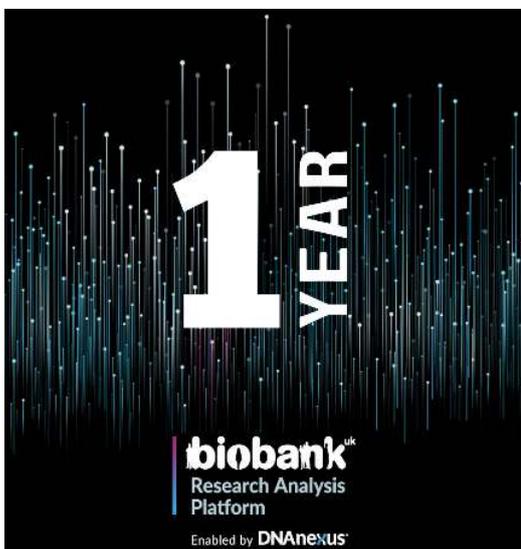
Professor John Iredale, Interim Executive Chair MRC



**60,000
PARTICIPANTS
IMAGED**

**OVER 2,500
RESEARCHERS
USING THE RAP**

**£30M PROJECT
ANNOUNCED
TO REPEAT
IMAGE 60K
PARTICIPANTS**



"The UK Biobank RAP provided a reliable and transparent service, ideal to develop, test and benchmark my scientific software. It enabled our research group to manage whole genome sequencing data of hundreds of thousands of individuals and to perform computationally demanding tasks that would be very limited or impossible in traditional systems."

Dr Simone Rubinacci, Department of Computational Biology, University of Lausanne, Switzerland

**OVER 6,000 PUBLISHED PAPERS
AND OVER 179,000 CITATIONS**

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LEGAL AND ADMINISTRATIVE INFORMATION

REGISTRATIONS

Registered Charity in England and Wales number 1101332
Registered Charity in Scotland number SC039230
Registered Company number 04978912

REGISTERED OFFICE

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DIRECTORS AND TRUSTEES

Professor the Lord Kakkar - Chair
Professor Martin Bobrow - Vice Chair
Dominic Dodd
Professor Sir Michael Ferguson (appointed 1 June 2022)
Professor Ruth Gilbert
Doug Gurr
Tariq Khokhar
Professor Anneke Lucassen
Professor Sir Alex Markham
Dr Joe McNamara
Nicola Perrin (appointed 1 June 2022)
Dame Nancy Rothwell

EXECUTIVE MANAGEMENT TEAM

Professor Sir Rory Collins - Chief Executive and Principal Investigator
Professor Naomi Allen - Chief Scientist
John Busby - Chief Operating Officer
Dr Mark Effingham - Deputy Chief Executive Officer
Gareth Gregory - Chief Finance Officer
Rob McGeechan – Interim Chief Information Officer (ceased 31 December 2021)
Mahesh Pancholi - Chief Information Officer (appointed 4 January 2022)
Jonathan Sellors - General Counsel and Company Secretary
Dr Simon Sheard - Operations Director
Dr Alan Young - Systems Architect

BANKERS

HSBC Bank plc
4 Hardman Square, 2nd Floor, Spinningfields, Manchester, M3 3EB
Barclays Bank plc
38 Market Street, Crewe, CW1 2ET
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INDEPENDENT AUDITOR

KPMG LLP
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SOLICITOR

Eversheds Sutherlands LLP
Two New Bailey, 6 Stanley Street, Salford, M3 5GX

STRATEGIC REPORT

This report provides a review of the activities and business for UK Biobank Limited ('UK Biobank') and its wholly owned trading subsidiary, UK Biocentre Limited (collectively 'the group') for the year ended 30 September 2022. It outlines the group's development and performance for the financial year, the financial position at the end of the year and UK Biobank's plans for the future. The report also describes the risks facing the group and how these risks are managed.

1. BUSINESS AND ACTIVITY REVIEW

About UK Biobank

UK Biobank is a large-scale biomedical database and research resource containing anonymised genetic, lifestyle and health information from half a million UK participants.

UK Biobank's database, which includes blood samples, heart and brain scans and genetic data of the volunteer participants, is globally accessible to approved researchers who are undertaking health-related research that is in the public interest.

UK Biobank recruited 500,000 people aged between 40-69 years in 2006-2010 from across the UK. With their consent, they provided detailed information about their lifestyle, physical measures and had blood, urine and saliva samples collected and stored for future analysis.

UK Biobank's research resource is a major contributor in the advancement of modern medicine and treatment, enabling better understanding of the prevention, diagnosis and treatment of a wide range of serious and life-threatening illnesses – including cancer, heart diseases and stroke. Since the UK Biobank resource was opened for research use in April 2012, over 27,000 researchers from 90+ countries have been approved to use it and more than 3,000 peer-reviewed papers that used the resource have now been published.

UK Biobank is generously supported by its founding funders the UK Medical Research Council (MRC) and Wellcome, as well as the British Heart Foundation, Cancer Research UK, the National Institute of Health Research (NIHR), UK Research and Innovation (UKRI). The organisation has over 200 dedicated members of staff, based in multiple locations across the UK.

Activities

UK Biobank undertakes 'core' activities (met primarily by unrestricted funds) to provide access to existing samples and data for health-related research, and activities (met by restricted funding) to further enhance the data and samples we hold.

A. Core activities to provide access to UK Biobank data and samples

'Core' funding has enabled the recruitment of participants, the secure management of the consented data relating to these participants, the linkage of the resource to participant healthcare records and the opening of the resource to the research community for the purposes of health research. This funding has been provided in four key phases, summarised below:

- **Initial recruitment (2006-2010)** - £66.0m to support the recruitment of 500,000 participants and develop an ethical framework.
- **2010-2017** - £35.0m to further enhance the resource, make it available to the medical research community, and undertake repeat assessments on 20,000 participants.
- **2017-2022** - £31.7m to expand the linkages to health-related records for all participants and to create 'research-ready' health outcomes to support longitudinal research.
- **2022-2029** - £52.0m of core funding for research, administrative and operational costs to run UK Biobank during this period. The award includes a number of conditions that must be satisfied to access the proportion of funding from 1 July 2024.

STRATEGIC REPORT

Core Funding of UK Biobank as at 30 September 2022

| Funder | Unrestricted | | | | Restricted | | | | Total |
|---------------------------------------|---------------------------------|-------------------------|-------------------------|-------------------------|--------------|------------------|--------------------|------------|--------------|
| | Initial Recruitment 2006 - 2010 | 7 years to 30 June 2017 | 5 years to 30 June 2022 | 7 years to 30 June 2029 | Total | World Class Labs | Additional Funding | Total | |
| | £m | £m | £m | £m | £m | £m | £m | £m | |
| UKRI MRC | 28.6 | 16.9 | 12.4 | 22.3 | 80.2 | 0.9 | 3.4 | 4.3 | 84.5 |
| Wellcome | 28.6 | 16.9 | 12.4 | 22.3 | 80.2 | - | - | - | 80.2 |
| Department of Health | 6.6 | 1.2 | - | - | 7.8 | - | - | - | 7.8 |
| North West Development Agency | 0.5 | - | - | - | 0.5 | - | - | - | 0.5 |
| Scottish Government | 0.5 | - | - | - | 0.5 | - | - | - | 0.5 |
| Welsh Assembly | 0.2 | - | - | - | 0.2 | - | - | - | 0.2 |
| British Heart Foundation | 1.0 | - | 3.2 | 3.2 | 7.4 | - | - | - | 7.4 |
| Cancer Research UK | - | - | 2.5 | 2.5 | 5.0 | - | - | - | 5.0 |
| National Institute of Health Research | - | - | 1.2 | 1.7 | 2.9 | - | - | - | 2.9 |
| Total | 66.0 | 35.0 | 31.7 | 52.0 | 184.7 | 0.9 | 3.4 | 4.3 | 189.0 |

Unrestricted funding and costs:

Core unrestricted funding received and recognised during the year ended 30 September 2022 was £4.9m (2021: £7.0m), with a further £1.9m of funding in respect of the financial year, received in early October 2022. There were no goods and services donated this year (2021: £4.9m) and income was generated from Access fees of £2.0m (2021: £2.3m). In respect of these funding sources, UK Biobank acquired assets to the value of £0.1m (2021: £0.1m), incurred expenditure on staffing and other costs, excluding depreciation, of £11.2m (2021: £11.9m) and no donated goods and services were used (2021: £4.9m).

Restricted funding and costs

Funding of £0.4m (2021: £nil) was recognised during the year ended 30 September 2022 to support increased energy and maintenance costs. In addition funding of £0.8m (2021: £nil) was received to fund capital expenditure for the financial year of £0.8m (2021: £nil).

Access to UK Biobank data and samples

In addition to our core funding, UK Biobank receives income from fees to access our data and samples.

UK Biobank's access protocols are designed to ensure that data are released only to *bona fide* researchers for health-related research in the public interest. All participant data released to approved researchers are provided on a de-identified basis and, in addition, researchers are contractually prohibited under UK Biobank's material transfer agreement from attempting to re-identify participants.

UK Biobank's access procedures do not discriminate between academic, charitable or commercial applicants or between national or international applicants: all applicants are treated in the same way, are subject to the same access criteria and (with certain articulated exceptions for students and applicants for low/middle income countries) pay the same access fees. This strategy has led to substantial investment in enhancing the UK Biobank resource from industrial sources (as noted in the following section).

In 2021, UK Biobank introduced a new set of Data Access Fees to take account of changes in the costs of enabling access. These fees provide access to UK Biobank data for an initial 36 month period, after which, access can be extended for an equivalent sum per annum. Access charges continue to be on a cost recovery basis and, during the year, research access

STRATEGIC REPORT

income of £2.0m (2021: £2.3m) was received for approved research access requests for data and samples held within the resource.

Data Access Fee income under the new fee structure is now recognised over the period of access (typically 36 months) it relates to, with fees for future periods deferred. In line with this treatment, in addition to the £1.0m of fee income recognised during the year, £7.2m of fees are included in creditors as deferred income, representing £6.3m of sales to be recognised in future periods, and £0.9m of invoiced Access Fees that have yet to pay or sign an MTA.

UK Biobank’s Material Transfer Agreement (MTA) was also updated at the same time to reflect both the changes in application processes and procedures that UK Biobank has put in place to facilitate use of the data by researchers and the changes in prevailing legislation and regulatory guidance (particularly as regards data protection). The underlying arrangements in the MTA remain as before, namely that researchers are obliged to publish their findings and return their results to UK Biobank and the provisions governing IP rights are effectively unchanged.

Projects to enhance UK Biobank data

UK Biobank undertakes a number of enhancement projects funded by restricted funding. This enables additional high value assays and assessments to be undertaken, which provide further data on UK Biobank’s participants for health-related research.

| Project | Funding | Description | Status |
|---------------------------|----------------|---|---|
| Genetic Analysis | £21.0m | Genetic analysis on samples from all 500,000 participants. | Completed in 2017. Data available in the resource. |
| Biomarker Analysis | £9.4m | Biomarker Analysis on samples from all 500,000 participants. | Completed during 2018. Data available in the resource. |
| Imaging | £9.6m | Pilot study of the feasibility of performing a large scale imaging study at Stockport facility. | Pilot completed successfully in 2015. |
| | £33.0m | Establish two further imaging centres in Newcastle and Reading to extend study to 100,000 participants and undertake repeat assessments and biological samples. | Following conclusion of the COVID repeat imaging study in late 2021, and the expiry of the lease of the Bristol site to the NHS in March 2022, all four sites are now open and scanning participants. In October 2022, we scanned our 60,000 th participant. |
| | £8.5m | Accelerating the imaging study by opening a fourth assessment centre in Bristol. | |
| | £2.5m | Repeat imaging of up to 10,000 of the participants. | |
| | £30.0m | Repeat imaging of 60,000 of the participants | This study will commence in January 2023 at the Newcastle centre, with other centres following as they complete base line imaging. |
| | £5.0m | Eye measures and additional sample | This study will run alongside the Repeat imaging of 60,000 of the participants |

STRATEGIC REPORT

| Project | Funding | Description | Status |
|-----------------------------------|----------------|--|--|
| Whole Genome Sequencing | £30.0m | Vanguard Whole Genome Sequencing study of 50,000 participant samples (note the remainder of the cohort is undergoing Whole Genome Sequencing as a sample access application, as set out in section 2 below). | Completed during 2020. Data available in the resource. |
| | £3.0m | Vanguard Informatics for the processing and storage of the data generated from the vanguard Whole Genome Sequencing study. | Completed during 2020. |
| Research Analysis Platform | £20.0m | Establish a Data Platform with storage capacity and analytical capacity for Whole Genome Sequence Data (and all of the other UK Biobank data) for all 500,000 participants (to support the separately funded Whole Genome Sequencing project and access applications). | The Platform became available to all researchers in September 2021. |
| Seroprevalence | £3.0m | Assess the extent of past infection with SARS-CoV-2 (coronavirus) infection and measure antibody persistence over time, in a study of 20,000 UK Biobank participants and their adult children and grandchildren (aged over 18). | Completed during 2020 with an additional sample collected in late 2021. Data available in the resource. |
| Ethics Advisory | £0.4m | Development of a new ethics advisory service for UK Biobank. | Commenced in November 2020 and expected to run for four years. |
| COVID-19 Assay | £0.1m | Sample collections and assay in support of the UK Biobank COVID-19 Repeat Imaging Study. | Completed in 2021 |

STRATEGIC REPORT

The table below provides a breakdown of the funding provided by funders for each enhancement project.

Enhancement Funding of UK Biobank as at 30 September 2022

| Funder | Restricted | | | | | | | | Total |
|--------------------------------------|----------------|--------------------|----------------------------|-------------------------|----------------------------|----------------------|-----------------|----------------|--------------|
| | Genetic Assays | Biochemical Assays | Imaging and Repeat imaging | Whole Genome Sequencing | Research Analysis Platform | Seroprevalence Study | Ethics Advisory | COVID-19 Assay | |
| | £m | £m | £m | £m | £m | £m | £m | £m | |
| Medical Research Council | 10.0 | 4.0 | 41.6 | 33.0 | - | - | - | - | 88.6 |
| UKRI-MRC | - | - | - | - | - | - | 0.2 | - | 0.2 |
| Wellcome | - | 4.0 | 20.6 | - | 20.0 | - | 0.2 | - | 44.8 |
| Department of Health | 10.0 | - | - | - | - | - | - | - | 10.0 |
| Department of Health and Social Care | - | - | - | - | - | 3.0 | - | - | 3.0 |
| British Heart Foundation | 1.0 | 1.0 | 3.0 | - | - | - | - | - | 5.0 |
| Diabetes UK | - | 0.4 | - | - | - | - | - | - | 0.4 |
| Dementias Platform UK | - | - | 2.6 | - | - | - | - | - | 2.6 |
| University of Birmingham | - | - | - | - | - | - | - | 0.1 | 0.1 |
| Chan Zuckerberg Institute | - | - | 15.0 | - | - | - | - | - | 15.0 |
| Calico | - | - | 10.0 | - | - | - | - | - | 10.0 |
| Total | 21.0 | 9.4 | 92.8 | 33.0 | 20.0 | 3.0 | 0.4 | 0.1 | 179.7 |

Enhancement (restricted) funding received during the year ended 30 September 2022 was £14.8m (2021: £8.7m) comprising of the following:

| | 2022 | 2021 |
|---|-------------|------------|
| | £m | £m |
| Imaging | 9.5 | 4.7 |
| Repeat imaging Eye measures and additional sample | 1.7 | - |
| Research Analysis Platform | 3.5 | 3.1 |
| Seroprevalence Study | - | 0.7 |
| Ethics Advisory | 0.1 | 0.1 |
| COVID-19 Assays | - | 0.1 |
| Total | 14.8 | 8.7 |

In addition, goods and services were donated to the value of £0.9m (2021: £1.7m). In respect of this funding UK Biobank acquired assets to the value of £0.3m (2021: £0.1m) for these enhancement projects, incurred expenditure on staffing and other costs, excluding depreciation, of £9.3m (2021: £10.7m), and used donated goods and services of £0.9m (2021: 1.7m).

B. UK Biocentre

In 2011, UK Biobank established UK Biocentre Limited as a wholly owned trading subsidiary. UK Biocentre Limited uses the expertise and skills initially developed in UK Biobank in order to provide biological sample processing, sample archiving and sample analysis services for studies undertaken by the broader medical research community.

UK Biocentre operates the National Institute for Health Research (NIHR) National Biosample Centre, which was opened in 2014 in Milton Keynes. In March 2020, the Department of Health and Social Care contracted with UK Biocentre to provide swab PCR testing as part of the UK's COVID-19 National Testing Programme, which concluded in March 2022.

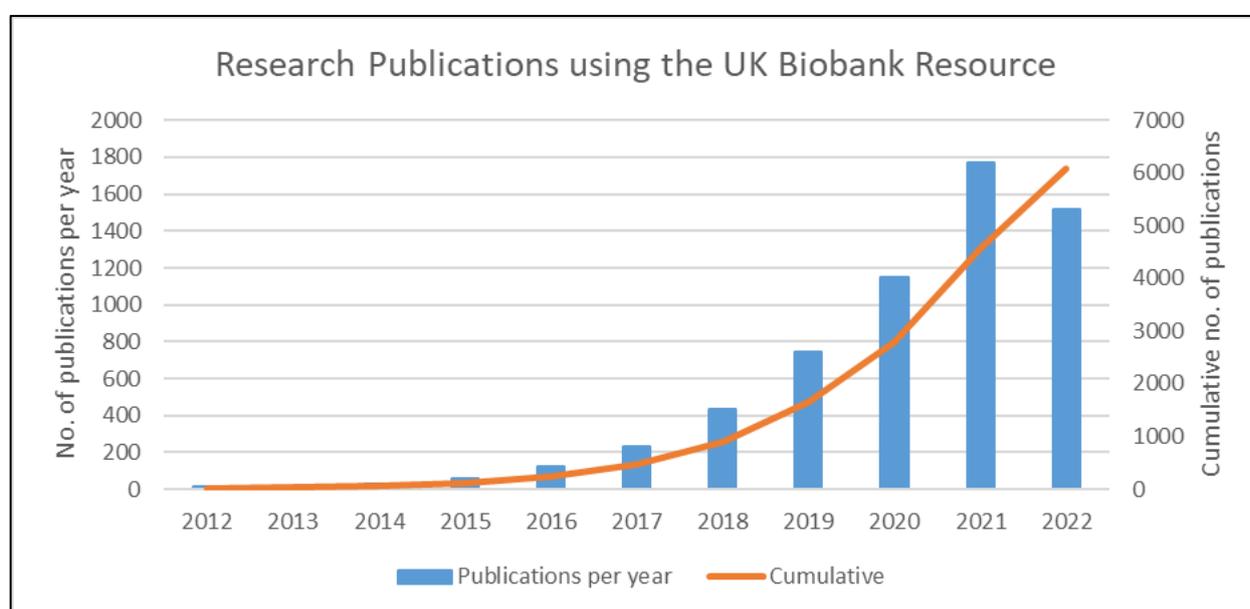
STRATEGIC REPORT

To enable UK Biocentre to operate as an independent company, on 1 October 2022, UK Biobank transferred substantially all of its shares in UK Biocentre to UK Biocentre’s directors, at which point UK Biocentre ceased to be a subsidiary. As this decision was taken during the financial year, and the transaction concluded for nil proceeds, UK Biobank has impaired its investment in UK Biocentre within these accounts, as shown in Note 14 of the financial statements. This has been disclosed as a post balance sheet event at Note 25.

2. ACHIEVEMENTS AND PERFORMANCE

Impact of UK Biobank on research

The combination of the breadth and depth of data held on the 500,000 participants within UK Biobank is unparalleled and presents one of the most powerful medical research resources in the world. As a result of access to UK Biobank data, 6,168 research papers have been published on-line as of the 28 September 2022 (2021: 3,673). A list of publications is available on UK Biobank’s website <https://www.ukbiobank.ac.uk/enable-your-research/publications>.



Note the figure above includes 2022 publication data through to 28 September 2022

During the Covid-19 pandemic alone, 966 research projects have accessed data for Covid-19 research. This generated 265 published papers, which were cited over 7,339 times, and attracted over 74,487 mentions on social media, blogs and mainstream news.

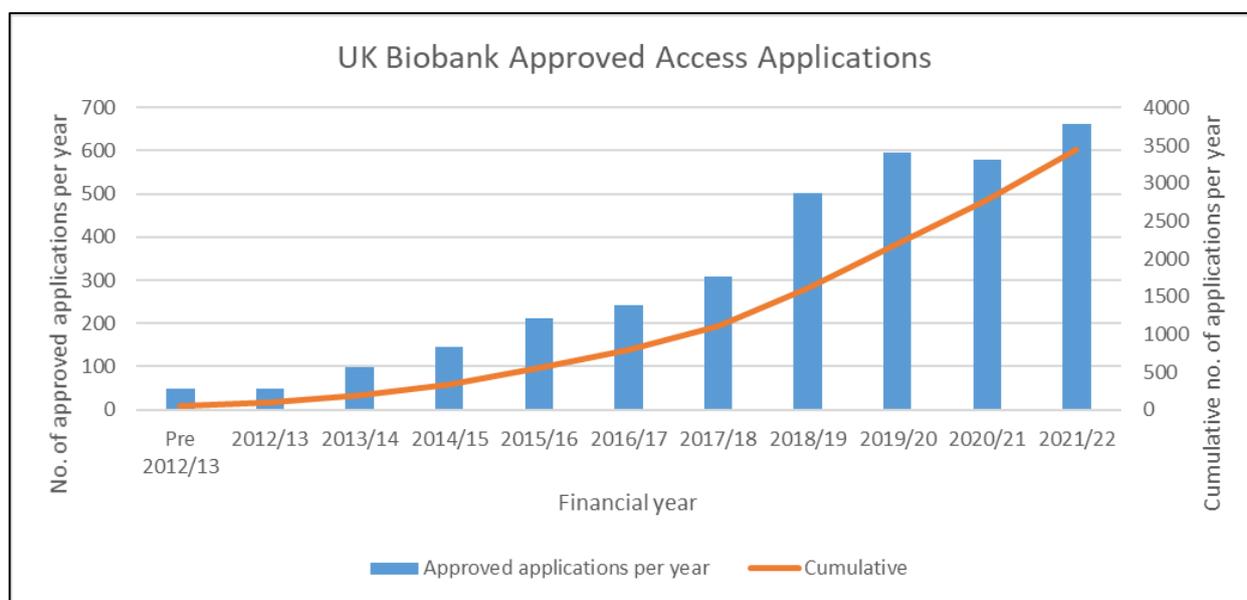
The resource has also supported 530 patent filings from academic and commercial research users for novel methods, imaging and therapeutics globally. UK Biobank’s impact continues to grow exponentially, and these figures provide quantitative evidence of the research it enables, much of which would not otherwise be possible.

Research Data Access applications

UK Biobank’s primary objective is to create a resource that furthers medical research opportunities and, in so doing, leads to improvements in population health. The number of requests by researchers to access the resource is an indicator of how much it is used. In the future, as the resource matures and researchers publish an increasingly large number of papers of increasing importance, the numbers of citations to published research is likely to provide a better indicator of UK Biobank’s contributions to improving the health of the public.

The large majority of research applications are for data held within UK Biobank’s data resource. Since UK Biobank opened its resource for researchers in April 2012, the number of applications for data has increased, particularly with the release of the genotyping data in 2017. During this financial year, these numbers had increased to 3,445 approved research applications. UK Biobank now has over 30,000 approved registered researchers, of which 85% are international researchers based in over 100 countries.

STRATEGIC REPORT



Note figures for the 2020/21 year incorporate a 2-month closure of Access following the introduction of the new Access fee structure

In 2021, UK Biobank introduced a new set of Data Access Fees to take account of changes in the costs of enabling access. Data Access applications were closed for 2 months from April 2021, leading to a small reduction in the number of approved research applications received during 2020/21. During the 2021/22 year, the trend in application growth returned with approved applications reaching their highest level so far.

Research Sample Access applications

The criteria for accessing UK Biobank’s samples are more stringent, because of their depletable nature. UK Biobank has implemented a sample release policy, which sets out an explicit set of requirements that any proposed sample assay needs to meet: these are set out on UK Biobank’s website.

As of 30 September 2022, 16 sample access applications have been completed or are underway (10 from academia; 6 from industry). These applications seek to access samples (blood, saliva, urine, DNA etc.) held by the resource with the purpose of performing research assays. Data created by these research assays are returned to UK Biobank for provision to the wider research community via UK Biobank’s research data access procedures.

During the financial year, the following significant research sample access projects were ongoing:

| Project | Description | Progress made during the year |
|-------------------------------|--|---|
| Whole Exome sequencing | <p>A consortium comprising Regeneron pharmaceuticals Inc. (‘Regeneron’) and GlaxoSmithKline completed exome sequencing of 50,000 participant samples in May 2018. Data on these participants were made available to all approved researchers in March 2019, following a 9-month exclusive access period.</p> <p>Following this, Regeneron formed a further consortium (including Abbvie, Alynlam, AstraZeneca, Biogen, Pfizer and Takeda) to fund and conduct exome sequencing of the remaining participant samples.</p> | <p>Sample shipping was completed in late 2020.</p> <p>Exome data on 300,000 participants was made available in September 2021 coincident with the general availability of the UK Biobank Research Access Platform to all researchers.</p> <p>Data on the full 470,000 participants was made available to researchers via the UK Biobank Research Access Platform in July 2022</p> |

STRATEGIC REPORT

| Project | Description | Progress made during the year |
|---|--|--|
| Metabolomics | Nightingale Health are performing an NMR-metabolomics assay (of ~220 lipids and other circulating metabolites) for all 500,000 participant samples in the UK Biobank cohort. | <p>Sample analysis for phase 1, which included 120,000 samples, was completed in April 2020. These data were made available in March 2021.</p> <p>Sample supply for phase 2 of the project (an additional 180,000 samples) commenced in December 2019, with downstream processing being completed during 2022. The extended timeframe of this phase being due to a temporary pause in sample supply for the project during the COVID-19 pandemic.</p> <p>Linkage of phase 2 was provided to Nightingale in September 2022, with these data scheduled to be made available to the wider research community in July 2023.</p> <p>Sample supply for phase 3 of the project, which will see the remaining 200,000 participants analysed commenced in August 2022 with over 40,000 samples having been supplied by the end of the financial year.</p> |
| Whole Genome Sequencing | Whole Genome Sequencing of the remaining 450,000 participant samples over the course of 3 years is being conducted by the Wellcome Sanger Institute and deCODE genetics on behalf of a Consortium of industry parties comprising of Amgen, AstraZeneca, GlaxoSmithKline and Johnson & Johnson. | <p>Sample supply the project was completed by close of 2021 with over 441,000 samples having been supplied by UK Biobank under the main phase of the project (in addition to the 50,000 samples sequenced under the Vanguard programme which were publically released in November 2021).</p> <p>Data on an initial 200,000 participants is now available to researchers via the UK Biobank Research Access Platform, with data on the full cohort expected to be publicly available in the second half of 2023.</p> |
| Proteomics | <p>Multiplex proteomic profiling will be undertaken on a cohort of 62,000 UK Biobank participants. Initially 1,500 markers will be captured before expanding the panel to 3,000 markers during 2022.</p> <p>The assay is being performed by Olink Proteomics on behalf of a consortium of industry parties comprising of Amgen, AstraZeneca, Biogen, BMS, Calico, Genentech, GlaxoSmithKline, Janssen, Novo Nordisk, Pfizer, Regeneron and Takeda.</p> | <p>Sample supply and downstream proteomic analysis of all 62,000-participant samples is now complete.</p> <p>Data for the 1,500 analyte panel is scheduled for public release in Quarter1 2023 with data for the expansion panel to 3,000 markers expected Quarter 4 2023.</p> |
| Single-Cell RNA (scRNA) Sequencing | This project seeks to characterise gene expression phenotypes using single-cell RNA profiling of peripheral blood mononuclear cells ("PBMC"s) within participants attending UKB imaging centres. | Samples from over 2,500 participants have been supplied to date for downstream single-cell RNA profiling. |

STRATEGIC REPORT

| Project | Description | Progress made during the year |
|--|---|--|
| | The project is being undertaken by researchers from the Wellcome Sanger Institute with 5,000 participants being sequenced during this initial pilot phase. | Sample supply is expected to continue through to February 2023 with informatics work expected to be completed later the same year. |
| Brain Injury After COVID-19 infection Biomarker study | This project seeks to measure plasma biomarkers of brain inflammation and neurodegeneration in participants attending the UK Biobank SARS-CoV-2 Repeat Imaging study in order to investigate the association of SARS-CoV-2 infection with subsequent neurological damage. | All 2,500-participant samples were supplied during 2022 for downstream biomarker analysis. Analysis is scheduled to be completed during Quarter 4 2022 with informatics work expected to be completed during early 2023. |

All of the data resulting from the above sample access projects will be returned to UK Biobank for distribution to medical researchers under UK Biobank’s access protocols after an agreed exclusivity period for research on the assay data combined with other UK Biobank data. The UK Biobank Access Sub-Committee has determined that a standard period of 9 months will apply for all research sample access and enhancement applications that request an exclusivity period. These data will constitute significant enhancements to the data resource.

Linkage to healthcare records

Hospital, cancer and death records

UK Biobank now has complete participant coverage in respect of hospital admission data, death and cancer records. These linked records provide data on health conditions and operations/procedures of the participants, both retrospectively (i.e. before recruitment) and prospectively (i.e. after recruitment). These data are made available (on a de-identified basis) to researchers as part of UK Biobank’s data resource.

During the next financial year, UK Biobank plans to update and streamline the existing processing pipelines that incorporate these datasets into the resource, allowing for an expansion to new healthcare datasets.

COVID-19 research

Throughout the COVID-19 pandemic, UK Biobank has made available rapid and regular updates of linked healthcare records to facilitate COVID-19 research, including regular releases of death data, diagnostic PCR test data, hospital inpatient and critical care data. Primary care data was also made available to UK Biobank for the specific purposes of COVID-19 research through emergency legislation (a COPI notice) that required GP practices in England that use the two main IT systems to release primary care data on UK Biobank participants until 30 June 2022.

The benefit of research access to these data has been demonstrably significant. It has enabled robust research into the clinical, physiological and behavioural risk factors for COVID-19 (such as the role of previous vaccinations, underlying co-morbidities and medications), and how these risk factors compare with other infectious diseases, such as pneumonia and influenza. The longitudinal primary care data are also enabling large-scale population-based assessment of the longer-term health impact of SARS-CoV-2 infection (‘long-COVID’).

Primary healthcare records for general research

Research access to primary care health records for participants living in England remains a challenging process. Advice from leading counsel is that there is a reasonable defensible argument to extend the COPI notice to cover the use of primary care data for all types of research (i.e. not solely COVID-19 research). UK Biobank is actively pursuing this avenue by seeking written endorsement from the Royal College of General Practitioners, Royal College of Physicians and the British Medical Association to the Secretary of State.

STRATEGIC REPORT

Participant withdrawal

UK Biobank's success relies upon the continued support of its participants. Were large numbers to withdraw, there would be a significant impact on the breadth of UK Biobank's data resource, and therefore its likely impact on medical research opportunities.

During the year, 37 participants chose to withdraw from the project (2021: 89 withdrawals) bringing the total to date to 1,164 (2021: 1,127). This represents only 0.2% of the participants and reflects the open and clear communication provided to participants on an ongoing basis by UK Biobank, and the high level of understanding of the participants of the benefits their participation can bring to health research. UK Biobank remains incredibly grateful for the continued altruistic support provided by its dedicated participants.

Enhancement projects

Research Analysis Platform ("RAP")

Wellcome awarded UK Biobank a grant of £20m for a managed informatics platform that will allow researchers to access store and analyse UK Biobank data in-situ, without the need to download these data to their own environments. The RAP is critical to maximise utilisation of the data held within UK Biobank's resource, by helping UK Biobank manage the increasing complexity and scale of data being generated (largely by sample access projects), and to democratise access to those researchers who do not have access to large local computing services (e.g., researchers from low and middle-income countries).

The platform went live to all researchers in September 2021. The platform is being delivered using cloud infrastructure provided by Amazon Web Services (AWS) – using the London AWS node - who are also contributing up to \$500,000 of research credits each year for use by early career researchers and those from low and middle-income countries. With ~500,000 whole exome and ~200,000 whole genome sequences exclusively released on the RAP for in situ analysis; to date ~700 Access Projects are utilising the RAP with over 2,000 Users. Training via workshops and webinars continue to educate and grow the user base. Additional tools and functionality have been added to the RAP to increase its usability.

Imaging

Baseline imaging recommenced as planned in September 2021 at the Stockport, Reading and Newcastle sites, albeit with a reduced throughput due to a combination of staffing issues and additional infection control measures. The Bristol site completed the NHS diagnostic secondment and began imaging for the study again in April 2022. Since re-opening, the study has imaged 10,030 participants. As at 30 September 2022, the study has imaged 59,040 baseline participants, 3,209 Dementia Platform UK repeat imaging participants and the SARS-CoV-2 repeat imaging study ultimately imaged 2,096 participants.

Funding has now been confirmed for a full-cohort repeat imaging study of up to 60,000 participants. This further enhancement is due to begin in early 2023, initially at our Newcastle site, as the number of baseline imaging participants available begins to dwindle. The other sites will move to repeat imaging over the course of the next 2 years. This enhancement will run until 2028/29.

SARS-CoV-2 seroprevalence and antibody persistence

During 2020, UK Biobank performed a study (funded by the Department of Health and Social Care) to assess the extent of SARS-CoV-2 infection across the UK and to determine the persistence of antibodies over a 6-month period among 20,000 individuals (comprising UK Biobank participants and their adult children and grandchildren). This study was extended to include the collection of a final blood sample between December 2021 and February 2022 to assess the persistence of antibodies over an 18-month period. The data will be made available to researchers in November 2022, and UK Biobank will publish results on antibody persistence and risk factors for infection.

Ethics Advisory

Wellcome and UKRI-MRC awarded funding to UK Biobank of £0.40m for "Developing a new ethics advisory service for UK Biobank". This study, which commenced in November 2020, is conducted through the Ethics Advisory Committee and a

STRATEGIC REPORT

research fellow based at University of Oxford who works under the supervision of Professor Anneke Lucassen (who also chairs the Ethics Advisory Committee).

COVID-19 Assay

This study required the collection of an additional sample as part of the UK Biobank COVID-19 (SARS-CoV-2) Repeat Imaging Study for cell line isolation undertaken by the University of Birmingham. The award was for £0.04m for the costs of sample collection that concluded in late 2021. Assays of these samples will be undertaken either as part of a subsequent enhancement or sample access request.

UK Biocentre Limited

During the year, UK Biocentre has continued to deliver services to researchers across a growing number of organisations, most significantly for research groups at the University of Cambridge, the University of Oxford, and NIHR BioResource. The Company has also served the Our Future Health project, which together with the other research services offsets some of the income lost with the end of COVID-19 testing in the year.

Financial review

The consolidated financial position of the Group at the 30 September 2022 is shown in the Consolidated Balance Sheet (on page 33) which shows total Charity funds of £13.2m (2021: £11.5m); £3.7m (2021: £6.1m) held as unrestricted funds and £9.4m (2021: £5.4m) as restricted funds. Of these funds, £6.8m (2021: £7.7m) is held as fixed assets.

The Consolidated Statement of Financial Activities (on page 31) shows expenditure during the year, before taxation of £28.2m (2021: £34.7m) set against funding and other income received of £30.6m (2021: £35.1m).

Detailed financial information relating specifically to UK Biocentre is included in the Consolidated Financial Statements at Note 14: Investments.

Controls over expenditure are paramount to UK Biobank, due to the restrictions on available funds. There is very significant potential to develop UK Biobank's resource further and so carefully managing expenditure and prioritising appropriately the activities undertaken are critical to maximising the value of the resource. In the year, UK Biobank has reported expenditure (including the purchase of fixed assets but excluding depreciation and the decrease in the USS pension deficit provision of £0.6m (2021: increase of £4.5m)) of £22.4m (2021: £25.0m). UK Biobank monitors expenditure via monthly management summaries and a formal quarterly reforecast and reporting process. Responsibility over expenditure is delegated to project and department managers who manage their projects/departments accordingly.

UK Biocentre Limited similarly monitors expenditure closely and, in addition, carefully reviews customer projects against budget expectations as well as revenue levels. Regular meetings assess the performance of the projects and ensure customer expectations are being met, with issues highlighted and, where appropriate, elevated for management review. This control framework underpins the delivery of projects at the standard expected while managing the income and expenditure for individual projects, and across the company as a whole.

During the financial year, UK Biocentre achieved income for the year of £7.6m (2021: £9.5m) which is a decrease of 20% (2021: increase of 138%) on the previous year's income. The year on year performance reflects a shift in the mix of services provided to customers during the year, as UK Biocentre concluded its COVID-19 related services under the National Testing Programme. This activity includes testing fees (recognised in turnover), with most of the activity recognised in other operating income and expenditure (in line with their cost recovery nature). Its profit before taxation for the year of £3.6m (2021: £6.6m) is retained within the company to support its ongoing operations and improve service offerings provided to biomedical researchers.

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Plans for future periods

The next financial year will see the following activities undertaken:

| Project | Future plans |
|-----------------------------------|---|
| Baseline Imaging | Continue to image first time participants at the 4 sites until all participants have received an invitation and reminder and response rates begin to dwindle. |
| Full Cohort Repeat Imaging | Commence the full cohort repeat imaging programme, starting at our Newcastle site. |
| Research Analysis Platform | Continue to refine the platform in response to researcher feedback, adding additional tools and making further data releases available, including the remainder of the ~500,000 Whole Genome Sequences and the Proteomics Data. |
| COVID-19 | <p>Collect a final sample from Seroprevalence project participants to assess the persistence of antibodies over a 12-18 month period following infection</p> <p>Release the data on a SARS-CoV-2 repeat imaging study of approximately 1,000 seropositive cases and 1,000 matched controls, which was completed during 2021.</p> <p>Release the data on a study completed during the financial year that assessed the seroprevalence of previous infection with SARS-CoV-2 for the entire cohort (using a home-based self-test antibody kit).</p> |
| Data linkages | <p>Make further releases of linked health care data – including death, cancer, hospital admissions data – and for COVID-19 research, primary care data and diagnostic test data – available to researchers who have approval to use the resource.</p> <p>Continue to explore solutions to secure access to linked primary care data for the purposes of general research, following expiry of the provisions of the COPI notices in June 2022.</p> |
| Funding | Obtain approval of a business case to UKRI for investment in new infrastructure to include replacement of UK Biobank’s end of life automated sample archive. |

3. PRINCIPAL RISKS AND UNCERTAINTIES

The principal concern of UK Biobank is to maintain its resource in a way that is secure, protects the confidentiality of the participants and maintains the data and samples in a form that is most useful to the scientific community.

The key risks for UK Biobank and UK Biocentre are outlined below. These risks and the actions taken to manage them are reviewed by UK Biobank’s Audit and Risk Committee on a quarterly basis.

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| Risk | Management |
|---|---|
| Samples are stored appropriately and processed accurately | <ul style="list-style-type: none"> • Storage of samples in multiple locations, with use of back-up supplies and on-site power generation capabilities to protect against loss of electric or nitrogen supply. • Standard operating procedures are documented and employees trained to ensure that protocols are followed. • UK Biobank seeks to renew and replace key storage infrastructure when it approaches the end of its life. |
| Data is stored securely and in compliance with data protection regulations | <ul style="list-style-type: none"> • Protocols to back up and secure data. • Independent audits and ‘penetration’ tests to assess data security risks. • Data are made available to researchers in reverse-anonymised form (but only UK Biobank holds the technical means to be able to reverse the anonymization). • UK Biobank is certified with (and operates to) the ISO 27001:2013 information security standard. |
| The value of the UK Biobank resource is maximised | <ul style="list-style-type: none"> • Non-preferential access is provided to samples and data. • UK Biobank works closely with its current and potential funders to secure support for projects that enhance the value of the resource. • Continuing to work with the NHS and wider stakeholders to secure long-term ongoing access to primary care data at scale. |
| Funding or income is sufficient to cover costs | <ul style="list-style-type: none"> • Budgets are agreed each financial year and are approved by each organisation’s Board. • Income and expenditure is reviewed against budget and reforecast each quarter, with variances investigated to enable cost pressures to be mitigated where necessary. • UK Biobank works with funders and industry to identify new funding to meet the increasing costs of running the resource. |
| The impact of energy price rises and volatility is minimised | <ul style="list-style-type: none"> • UK Biobank seeks to benefit from government support where available • UK Biobank uses fixed price contracts and risk-managed purchasing arrangements to minimise energy price volatility and secure economies of scale. |
| UK Biobank’s pension scheme deficit and contributions are affordable | <ul style="list-style-type: none"> • A deficit recovery plan is in place within the USS Pension Scheme with increased contribution rates. These rates are reflected within our financial forecasts. • Regular valuations are undertaken and inform future contribution rates. • The benefits of the pension scheme are amended where necessary to enable contribution rates to remain at affordable levels |
| Managing the implications of the COVID-19 on our people | <ul style="list-style-type: none"> • Assessments continue to be undertaken of the risks to staff health and safety and standard operating procedures are updated to mitigate these. |
| Compliance with human tissue regulations | <ul style="list-style-type: none"> • UK Biobank are licensed by the Human Tissue Authority (HTA) and are required to follow strict protocols to ensure that all biological samples are managed appropriately. |

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| Risk | Management |
|--|--|
| | <ul style="list-style-type: none"> Development of standard operating procedures and training of staff to ensure compliance with HTA licencing and other regulatory requirements. |
| Recruiting and retaining the people and skills needed to achieve our objectives | <ul style="list-style-type: none"> Training programmes are in place to encourage skill development and improve retention Remuneration is regularly benchmarked to ensure it remains competitive |
| Reputational risk | <ul style="list-style-type: none"> Regular communications with UK Biobank participants, whose goodwill is vital to enable the research community to have access to data collected from or about them. Application of the highest possible ethical standards to all activities. |

4. EMPLOYEE AND ENVIRONMENTAL MATTERS

4.1. Employee numbers and remuneration

The Group has established policies for recruitment, training and development of its personnel. It remains committed to achieving excellence in the areas of health, safety, welfare and protection of employees and their working environment and has introduced, over the last few years, improvements in employee benefits, pay and new temporary office accommodation.

The Group seeks to ensure equal opportunities are available for all existing and potential staff and have procedures in place to support disabled staff or staff who require particular adjustments in order to enable them to perform their roles successfully. In addition, the organisation regularly reviews remuneration and benefits offered to employees to ensure that these remain competitive and in line with market trends.

On average over the course of the financial year, the Group employed 366¹ staff (2021: 402)². Of these, 100 (2021: 93) were employed as part of the Core project, with a further 91 (2021: 84) employed on the Imaging project and the Research Analysis Platform project and 175 (2021: 225) employed within UK Biocentre.

UK Biobank splits all employees into grades within the organisation, with employees in identical or equivalent roles with similar responsibilities levels allocated to grades A to H. UK Biobank has more female employees relative to male employees, with this distribution weighted towards the lower graded roles.

UK Biobank has undertaken a review of the gender pay gap of its employees³. We continue to have more male employees on higher salaries in senior roles within the organisation relative to female employees (as shown in the table below).

An analysis of gender pay differences within each grade shows that in three grades, the relative gender pay gap has widened, and in three grades, it has narrowed. Grade F remains unchanged and has the widest gap, and continues to reflect the ongoing higher salaries in the market place for IT and specialist Laboratory Information Management System roles, which are typically performed by a higher proportion of males. Finally, there are no female employees employed directly in the most senior (H) band (one female is seconded to UK Biobank by the University of Oxford).

Overall, the figures reflect that there is no overall trend in gender pay gap, with the seniority/specialism of a role as well as higher proportions of roles being typically performed by male or female employees having most influence on average pay levels for the small number of individuals within each grade.

¹ Excluding the 12 part-time non-executive directors reported on under section 4.3.

² Excluding the 10 part-time non-executive Directors of the Charity reported on under section 4.3 of the Strategic Report

³ This relates only to individuals employed directly by the Charity (excluding non-executive Directors), and not those individuals who are either seconded or contracted to work with the Charity from other organisations

STRATEGIC REPORT

| As at 30 September 2022 | | | | |
|--------------------------------|---------------------------|-----------------------------|-------------------------------|---|
| Employee Grade | Average Salary (£) | Total Male Employees | Total Female Employees | Gender pay gap |
| A (Most Junior) | 23,784 | 3 | 2 | Male employees in this Grade are paid 2% more than females (there was no gender pay gap last year). |
| B ⁴ | 22,848 | 10 | 40 | Male employees paid 11% more than female employees this year (females were paid 8% more than males last year). |
| C | 28,690 | 8 | 19 | The gap between the genders in this bracket has reduced with male employees being paid on average 1% more than females (female employees were paid 10% more last year). |
| D | 33,849 | 25 | 42 | Male employees are paid on average 5% more than female employees (a reduction of 2% from last year). |
| E | 43,509 | 18 | 15 | Female employees paid on average 1% more than male employees (female employees were paid 3% more on average than male employees last year). |
| F | 52,645 | 6 | 11 | Male employees continue to be paid on average 18% more than females at this level (no change vs last year) |
| G | 67,097 | 7 | 7 | Male employees in this Grade are paid 1% more than females (last year there was no gender pay gap). |
| H (Most Senior) | 135,288 | 6 (+1) | 0(+1) | No directly employed female employees in this salary band ⁵ . |
| Average | 38,220 | Total | 83 | 136 |

4.2. Equality, Diversity and inclusion

UK Biobank has policies and procedures in place to ensure that all employees are treated equally. We continue to ensure that all recruitment is done on a structured basis such as to minimise the risk of any unintentional or intentional bias towards one gender or the other. This includes the use of skills based assessment tasks as part of the interview process and pre-determined interview questions adopted alongside pre-determined response grading criteria. We are in the implementation stage of using an Application Tracking System (SAS) to bring about efficiencies in our recruitment process, which will also enable us to capture information throughout the recruitment process in respect of equality, diversity and inclusion (EDI). Through the system, CVs will be anonymised and information standardised to aid in reducing any unconscious bias when selecting candidates by CV only.

One of our main people objectives in 2023 is to develop and deploy an Equality, Diversity and Inclusion Strategy and Framework across the whole people life cycle. This will enable UK Biobank to identify areas of improvement that underpin an inclusive culture and place of work for everyone. A project team of key people from the executive management team, Legal and HR has been set up to progress with this work.

Since we have returned to site in February this year post the COVID-19 pandemic, managers have continued to support their staff to identify ways of working that enable them to work most of their time in the office with flexibility to support them achieving a work-life balance.

⁴ One employee in Grade B is gender neutral and therefore, is excluded from the gender pay gap information.

⁵ Employee Grade H is the Executive Management Team. This team includes one female and one males who are not employed by the Charity, but are seconded to the Charity from the University of Oxford (who set their salaries, which are therefore excluded from the gender pay gap review).

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UK Biobank will keep the gender pay gap under review as part of the wider remit of an EDI framework, with a commitment to continually look to reduce it by identifying targets and actions that aim to remove it all together over a reasonable timeframe.

Further details on employees and remuneration are included in the financial statements at Note 9: Staff numbers and costs.

The tables below provide further information on the gender and ethnicity of UK Biobank's workforce as at 30 September 2022.

| | | | |
|------------------|--------------|---------------|--------------|
| | Male | Female | Other |
| Headcount | 83 | 136 | 1 |
| % | 37.7% | 61.8% | 0.5% |

| | | | | |
|------------------|--------------|--------------|--------------|--------------|
| | White | Asian | Black | Other |
| Headcount | 172 | 29 | 14 | 5 |
| % | 78.2% | 13.2% | 6.4% | 2.2% |

UK Biobank strives to ensure diversity within the study team that delivers the resource. Females represent 61.8% of the total workforce. The proportion of UK Biobank's workforce from BAME/other ethnic minority backgrounds is 21.8% with 14.6% of the workforce being born outside of the UK, both of which exceed the levels reported within the 2011 census. A further review against the 2021 Census will take place once this is available during November / December 2022 to help inform and shape the equality, diversity and inclusion action plans for the organisation.

At Board level, 33% of members are female, with gender diversity in individual committees varying depending on the distribution of Board members across those committees. Within the International Scientific Advisory Board, we are aiming for a broader global representation, to reflect our ambitions to democratise access and increase applications from low and middle-income countries.

4.3. Director and executive remuneration

None of UK Biobank's Directors are remunerated or receive any benefits. At the end of the financial year UK Biobank's Board of Directors included eight male Directors and four female Directors.

For UK Biobank to achieve its objectives, it must attract and retain high-performing senior leadership. The Remuneration Committee sets the remuneration of the Executive Management Team following benchmarking of each position by external advisors. Details of their salaries are disclosed in the financial statements at Note 10: Key Management Personnel.

4.4. Pensions

UK Biobank is a member of the Universities Superannuation Scheme ('USS'). The USS is a large defined benefit pension scheme, which provides a pre-determined level of benefit to members of the scheme based on prescribed contributions made by both the employee and the employer. An actuarial valuation of the USS scheme was completed in September 2021 (the "2020 Valuation") which identified a deficit of £14.1bn to £18.4bn in the scheme as at March 2020. Following the conclusion of the 2020 Valuation and in order to address the deficit, contribution rates rose from 30.7% of pay to 31.2% and a consultation was concluded which led to a series of changes to the benefits within the scheme, which led to temporary increase in contributions to 31.4% from 1 April 2022 to 31 March 2024. .

UK Biobank, by being a member of the scheme, is exposed to the deficit within the scheme in the same way that all other member institutions of the USS are exposed. UK Biobank provides for the present value of future contributions it must make under the terms of a recovery plan agreed by the scheme's trustees on 30 September 2022. The provision at 30 September 2022 is £5.8m (2021: £6.2m) (see Note 19 of the financial statements). Further valuations will be undertaken in future years, which may result in future contributions increasing further to ensure that the scheme is able to meet its future obligations (see Note 24 of the financial statements).

STRATEGIC REPORT

4.5. Environmental Matters

The Group recognises that it has a responsibility to manage the impact that its operations have on the environment both now and in the future. UK Biobank is working with our principal funders and will take account of UKRI's environmental principles and commitments (which includes the ambition of reaching 'net zero' carbon emissions by 2040).

During the financial year, UK Biobank has focussed on developing plans and designs for new infrastructure that will help to reduce our future carbon footprint.

APPRECIATIONS

The Directors acknowledge the role of UK Biobank's main funders, the Medical Research Council and Wellcome (as Trustee of the Wellcome Trust) and also the Department of Health and Social Care, British Heart Foundation, Cancer Research UK and the National Institute for Health Research for their ongoing (and generous) funding of the resource and the various enhancements described. The scale of their long-term commitment is directly reflected in these consolidated financial statements. In addition, UK Biobank remains indebted to the extensive network of advisors in the academic community, both within the UK and internationally, who give their time and expertise freely. The Directors also acknowledge the important role of the Group's collaborators at the Universities of Oxford and Cardiff who supplied key services during the year. Most importantly, UK Biobank wishes to acknowledge the altruism of the participants and to thank them for their ongoing contributions to this unique resource

Approved by the Board of Directors on 1 December 2022 and signed on its behalf by:



Professor the Lord Kakkar,
Chair

12 December 2022

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the consolidated financial statements of the charitable company, UK Biobank Limited ('UK Biobank'), for the year ended 30 September 2022.

1. DIRECTORS AND TRUSTEES

The Directors of UK Biobank Limited are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Directors. The Directors who served during the year are listed in the Legal and Administrative information on page 4.

None of the Directors who held office at the end of the period had any disclosable interest in the shares of UK Biobank Limited or its subsidiary undertaking, UK Biocentre Limited.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

2.1. Status

UK Biobank is a charity operating as a company limited by guarantee. It was incorporated in England and Wales on 28 November 2003 and registered as a charity in England and Wales on 30 December 2003 and in Scotland on 5 February 2008.

UK Biobank is established under a Memorandum of Association setting out its objects and powers and is governed under its Memorandum and Articles of Association. The two Members of the Charity are the Medical Research Council and The Wellcome Trust Limited (as Trustee of The Wellcome Trust) ("Wellcome").

2.2. Recruitment of Directors

Under UK Biobank's Articles, Directors may be appointed either by the Members or by the Board (with agreement from the Members). Under the terms of a contract entered into by UK Biobank, the Members are each entitled to appoint one Director representative.

2.3. Engagement with Directors

UK Biobank uses an online portal to distribute Board papers to Directors in a secure and timely manner. The portal also contains a number of key resources for Directors such as the constitutional documents, previous year's annual report and accounts, the current business plan, and the scientific protocol for the creation of the UK Biobank resource. These key resources are made available (together with previous Board packs and minutes) to new Directors as part of their induction.

In addition, all new Directors receive a briefing on their legal obligations under charity and company law and, if necessary, on the background and aims of UK Biobank, as well as meeting with the Chair, other Directors, the Chief Executive and the General Counsel. Training is available to all Directors.

2.4. Organisational structure

The Directors are responsible for the overall management and operation of UK Biobank with the day to day running being delegated to Professor Sir Rory Collins, the Chief Executive and Principal Investigator. He is supported by an executive management team, which contains the appropriate range of skills to ensure the competent management of UK Biobank. The Directors meet at least four times a year.

UK Biobank has three Board Committees that meet on a regular basis:

- The Audit and Risk Committee, was chaired during the year by Mr Dominic Dodd. The committee is responsible for advising the Board on financial and accounting issues, the relationship with external auditors and the management of risk.
- The Access Sub-Committee, which was chaired during the year by Professor Martin Bobrow, is responsible for advising the Board on resource access applications received from the research community.
- The Ethics Advisory Committee, which was chaired during the year by Professor Anneke Lucassen. This committee advises the Board on ethical considerations in respect of UK Biobank.

DIRECTORS' REPORT

UK Biobank also has Remuneration and Nominations Committees, which meet as and when required.

The Directors are included within a Directors and Officers liability insurance policy purchased by UK Biobank at an annual premium of £16,031 (2021: £12,293).

2.5. Relationships with other organisations

UK Biobank has arrangements with employees of the following institutions who constitute the membership of UK Biobank's Strategic Oversight Committee. No remuneration is paid in respect of this membership:

- European Bioinformatics Institute
- Health Data Research UK
- Imperial College London
- London School of Hygiene and Tropical Medicine
- University of Bristol
- University of Cambridge
- University of Glasgow
- University of Manchester
- University of Oxford
- University of Swansea
- Wellcome Sanger Institute

In addition, institutions with which UK Biobank has significant relationships include:

- Cardiff University, which provided the Participant Resource Centre up until 30 June 2022
- The University of Oxford, which provides epidemiological expertise, IT services, data management, storage and enhancements support.

These services are provided under agreements with UK Biobank. Directors or senior management who have involvement with these institutions are as follows:

- Professor Sir Rory Collins, the Chief Executive and Principal Investigator, who is an employee of the University of Oxford and Head of the Nuffield Department of Population Health and BHF Professor of Medicine and Epidemiology.
- Professor Naomi Allen, the Chief Scientist, is an employee of the University of Oxford at the Nuffield Department of Population Health as Professor in Epidemiology.
- Dr Alan Young, who is Systems Architect, and is an employee of the University of Oxford at the Nuffield Department of Population Health as Director of Information Science.
- Jonathan Sellors, who is a Senior Fellow at the Nuffield Department of Population Health at the University of Oxford.
- Professor Anneke Lucassen is a Director of the Centre for Personalised Medicine at the University of Oxford.

Full details of Related Party Transactions are included at Note 23 of the financial statements.

3. OBJECTIVE AND ACTIVITY

3.1. Objects

UK Biobank's main objects, as set out in UK Biobank's Memorandum of Association, are to protect, preserve and advance the health and welfare of human beings and to advance and promote knowledge and education.

DIRECTORS' REPORT

3.2. Aims, objective and strategy to achieve the Charity's objective

UK Biobank's principal objective is to establish and promote a resource for research with the aim of improving the prevention, diagnosis and treatment of illness and promoting health throughout society for public benefit.

3.3. Public benefit

The Directors have considered the Charity Commission's general guidance on public benefit and have complied with the duty in section 17 of the Charities Act 2011.

4. GOING CONCERN

4.1. UK Biobank Limited

The financial statements have been prepared on a going concern basis, which the Directors consider to be appropriate for the following reasons.

During the year, UK Biobank was awarded core funding totalling £52.0m from 1 July 2022 through to 30 June 2029. UK Biobank has committed funding in place to cover its core operations until 30 June 2024. The continuation of funding beyond 30 June 2024 is subject to UK Biobank satisfying a number of award conditions, and the provision of funding beyond 30 June 2027 is subject to a quinquennial review. UK Biobank received £4.9m of core funding in 2021-22.

Beyond core funding, UK Biobank also benefits from Access income, with income in this financial year as set out below:

- Sample Access Fees of £1.0m were earned during the year (£1.2m in 2020/21). Projects are priced on a cost recovery basis and the pricing methodology was reviewed during the year to ensure we continue to recover the costs of undertaking these projects.
- UK Biobank recognised £1.0m in Data Access Fees this year (£1.1m in 2020/21). Data Access fee income is recognised over the period of access. During the year, £7.7m (2021: £1.4m) of fee income was invoiced for approved applications, with £6.3m (2021: £nil) included as deferred income (within Notes 18 and 19) pending recognition over the period of access in future periods and £0.9m (2021: £0.5m) relating to invoices unpaid or material transfer agreements not executed at the year-end.

The Directors therefore consider it highly likely that sufficient funding will be provided to enable UK Biobank to continue to operate for the foreseeable future, and therefore, the financial statements are prepared under the going concern basis.

4.2. UK Biocentre Limited

With net assets of £7.7m (2021: £4.9m) on 30 September 2022, the financial statements have been prepared on a going concern basis, which UK Biocentre's Directors consider to be appropriate for the following reasons.

UK Biocentre's Directors prepared cash flow forecasts which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds for the going concern period and beyond. Scenarios have been developed and assessed that consider the effect of commencing large projects and other growth in business activity on cashflow. These scenarios show that UK Biocentre, as a minimum, can maintain operations and cash flow to continue to meet its liabilities for at least 12 months from the date of approval of the financial statements.

UK Biocentre's Directors have considered the risks and opportunities presented, along with the uncertainties in projecting revenue streams beyond the end of 2023. Forecasts show that a severe but plausible scenario, with a slower than expected project commencement and with limited growth of future business activities, the Company still demonstrates it can meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements. In addition, UK Biocentre's Directors consider the risk of this scenario arising to be highly unlikely based on the points made below.

UK Biocentre's Directors believe that this forecasted downside cash flow scenario is mitigated by opportunities beyond 2023. The large projects the Company is currently engaged in expect to generate new sample processing and storage requirements that increase the demand for the services provided by the Company in the future. Based on present activities

DIRECTORS' REPORT

and the key role the Company plays in supporting studies involving the health of the nation, UK Biocentre's Directors are confident that the research value of the facility and its processing activities, will continue to create value and they are therefore confident of UK Biocentre's value and existence beyond 2023.

Consequently, UK Biocentre's Directors are confident that UK Biocentre will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared their financial statements on a going concern basis.

5. AUDIT INFORMATION

The Directors who were in office at the date of approval of these financial statements have confirmed that, as far as they can reasonably ensure, all relevant audit information has been provided to the Group's auditors; and the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

6. INVESTMENTS

UK Biobank made no investments during the year.

7. RESERVES POLICY

UK Biobank draws down monies from the Members as required, in line with budgets reviewed both by the Board of Directors and by the Members. In these circumstances, there is no requirement for UK Biobank to maintain any free reserves. However, the Directors are satisfied that there are sufficient arrangements for the provision of funding for the Charity to continue to operate for the foreseeable future. This is based on the requirement for UK Biobank to present budgets which reflect not only anticipated spend for the coming twelve months but in addition provide a detailed forecast to the end of the current funding period so that comfort can be gained that all anticipated costs are manageable within agreed funding.

8. AUDITORS

KPMG LLP are the auditors of the Group, however in support of good governance, a tender process is to be completed in early 2023 to select the auditor for the 2022-2023 financial year.

Approved by the Board of Directors on 1 December 2022 and signed on its behalf by:



Professor the Lord Kakkar,
Chair

1-2 Spectrum Way,
Adswold
Stockport
Cheshire
SK3 0SA

12 December 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors Report and the group and parent charitable company's financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they are required to prepare the group and parent charitable company's financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent charitable company and of the group's income and expenditure for that period. In preparing each of the group and parent charitable company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the parent charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

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



Professor the Lord Kakkar
Chair

12 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK BIOBANK LIMITED

Opinion

We have audited the financial statements of UK Biobank Limited ("the charitable company") for the year ended 30 September 2022 which comprise the Group and Parent Charitable Company Statements of financial activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and related notes, including the accounting policies in Note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 30 September 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charitable company or to cease their operations, and as they have concluded that the group and the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the charitable company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK BIOBANK LIMITED

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Group’s high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because of the limited incentives and opportunities to manipulate the way income is recognised.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management journals and unusual cash and income postings.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), distributable profits legislation, taxation legislation, GDPR and the Human Tissue Act and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Group is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK BIOBANK LIMITED

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information, which comprises the Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- the charitable company has not kept adequate and proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 26, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK BIOBANK LIMITED

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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, and to the charitable company's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members, as a body and its trustees, as a body, for our audit work, for this report or for the opinions we have formed.



Ben Lazarus (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

15 Canada Square,
London
E14 5GL

Date: 14 December 2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including Consolidated Income and Expenditure Account)

For the year ended 30 September 2022

| | Notes | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ | Total Funds 2021 £ |
|--|-------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| INCOME: | | | | | |
| Funding | | 4,908,912 | 14,803,087 | 19,711,999 | 15,736,748 |
| Donations | | - | 902,475 | 902,475 | 6,623,041 |
| <i>Income from charitable activities</i> | | | | | |
| Access fees | 4 | 2,034,401 | - | 2,034,401 | 2,265,579 |
| Coronavirus Government support | 4 | - | - | - | 325,357 |
| <i>Income from trading activities</i> | | | | | |
| Commercial trading operations | 4 | 7,266,461 | - | 7,266,461 | 9,194,956 |
| Investments | 5 | 93,306 | - | 93,306 | 4,790 |
| Other | 4 | 67,440 | 501,368 | 568,808 | 927,757 |
| TOTAL INCOME | | 14,370,520 | 16,206,930 | 30,577,450 | 35,078,228 |
| EXPENDITURE | | | | | |
| Charitable activities | 7 | (12,047,839) | (12,115,097) | (24,162,936) | (31,979,575) |
| Commercial trading operations | 14 | (4,018,184) | - | (4,018,184) | (2,737,778) |
| Other | | | | | |
| Other operating income | 8 | 10,058,592 | - | 10,058,592 | 27,655,006 |
| Other operating expenditure | 8 | (10,058,592) | - | (10,058,592) | (27,655,006) |
| TOTAL EXPENDITURE | | (16,066,023) | (12,115,097) | (28,181,120) | (34,717,353) |
| NET INCOME / (EXPENDITURE) BEFORE TAXATION FOR THE FINANCIAL YEAR | | | | | |
| Taxation | 6 | (1,695,503) | 4,091,833 | 2,396,330 | 360,875 |
| | 12 | (687,100) | - | (687,100) | (1,249,172) |
| NET INCOME / (EXPENDITURE) AFTER TAXATION FOR THE FINANCIAL YEAR BEFORE TRANSFERS | | | | | |
| Transfers | 20 | 36,453 | (36,453) | - | - |
| NET INCOME / (EXPENDITURE) FOR THE FINANCIAL YEAR AFTER TRANSFERS | | | | | |
| | | (2,346,150) | 4,055,380 | 1,709,230 | (888,297) |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | 20 | 6,068,459 | 5,392,496 | 11,460,955 | 12,349,252 |
| TOTAL FUNDS CARRIED FORWARD | 20 | 3,722,309 | 9,447,876 | 13,170,185 | 11,460,955 |

No separate Consolidated Statement of Changes in Equity has been presented as all such gains and losses have been included in the Consolidated Statement of Financial Activities for the year.

All income and expenditure are derived from continuing activities.

The notes on pages 37 to 68 form part of these financial statements.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)

For the year ended 30 September 2022

| | Notes | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ | Total Funds 2021 £ |
|---|-------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| INCOME | | | | | |
| Funding | | 4,908,912 | 14,803,087 | 19,711,999 | 15,736,748 |
| Donations | | - | 902,475 | 902,475 | 6,623,041 |
| <i>Income from charitable activities</i> | | | | | |
| Access fees | 4 | 2,034,401 | - | 2,034,401 | 2,265,579 |
| Coronavirus Government support | 4 | - | - | - | 325,357 |
| Investments | 5 | 51,092 | - | 51,092 | 2,647 |
| Other | 4 | 72,880 | 501,368 | 574,248 | 1,119,477 |
| TOTAL INCOME | | 7,067,285 | 16,206,930 | 23,274,215 | 26,072,849 |
| EXPENDITURE | | | | | |
| Charitable activities | 7 | (12,347,841) | (12,115,097) | (24,462,938) | (32,263,200) |
| TOTAL EXPENDITURE | | (12,347,841) | (12,115,097) | (24,462,938) | (32,263,200) |
| NET (EXPENDITURE) / INCOME FOR THE FINANCIAL YEAR BEFORE TRANSFERS | | | | | |
| Transfers | 20 | 36,453 | (36,453) | - | - |
| NET (EXPENDITURE) / INCOME FOR THE FINANCIAL YEAR AFTER TRANSFERS | | (5,280,556) | 4,091,833 | (1,188,723) | (6,190,351) |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | 20 | 1,218,866 | 5,391,247 | 6,610,113 | 12,800,464 |
| TOTAL FUNDS CARRIED FORWARD | 20 | (4,025,237) | 9,446,627 | 5,421,390 | 6,610,113 |

No separate Charity Statement of Changes in Equity has been presented as all such gains and losses have been included in the Statement of Financial Activities for the year

All income and expenditure are derived from continuing activities

The notes on pages 37 to 68 form part of these financial statements.

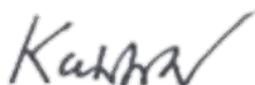
CONSOLIDATED BALANCE SHEET

At 30 September 2022

| | Notes | 2022 | | 2021 | |
|--|-------|---------------------|--------------------|---------------------|-------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible fixed assets | 13 | | 6,760,417 | | 7,686,425 |
| CURRENT ASSETS | | | | | |
| Inventories | 15 | 540,113 | | 632,854 | |
| Debtors | 16 | 8,686,818 | | 6,775,074 | |
| Cash at bank and in hand | | 25,285,527 | | 19,827,929 | |
| | | 34,512,458 | | 27,235,857 | |
| CREDITORS: amounts falling due within one year | 17 | (17,588,498) | | (14,010,412) | |
| NET CURRENT ASSETS | | | 16,923,960 | | 13,225,445 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 23,684,377 | | 20,911,870 |
| CREDITORS: amounts falling due after more than one year | 18 | | (4,548,707) | | (3,218,595) |
| PROVISION FOR LIABILITIES AND CHARGES | 19 | | (5,965,485) | | (6,232,320) |
| NET ASSETS | | | 13,170,185 | | 11,460,955 |
| <i>Represented by:</i> | | | | | |
| ACCUMULATED FUNDS OF THE GROUP | | | | | |
| Unrestricted funds | 20 | | 3,722,309 | | 6,068,459 |
| Restricted funds | 20 | | 9,447,876 | | 5,392,496 |
| TOTAL GROUP FUNDS | | | 13,170,185 | | 11,460,955 |

The notes on pages 37 to 68 form part of these financial statements.

The financial statements on pages 31 to 68 were approved by the Board of Directors on 1 December 2022, and are signed on its behalf by:



Professor the Lord Kakkar
Chair

12 December 2022

Company registration number 04978912
Registered Charity number in England and Wales 1101332
Registered Charity number in Scotland SC039230

CHARITY BALANCE SHEET

At 30 September 2022

| | Notes | 2022 | | 2021 | |
|--|-------|--------------------------|---------------------------|------------------|--------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible fixed assets | 13 | | 5,500,448 | | 6,958,639 |
| Investments | 14 | | - | | 10,000 |
| | | | <u>5,500,448</u> | | <u>6,968,639</u> |
| CURRENT ASSETS | | | | | |
| Inventories | 15 | 47,149 | | 107,121 | |
| Debtors | 16 | 5,772,870 | | 2,761,136 | |
| Cash at bank and in hand | | 13,296,437 | | 7,037,111 | |
| | | <u>19,116,456</u> | | <u>9,905,368</u> | |
| CREDITORS: amounts falling due within one year | 17 | | <u>(9,644,391)</u> | | <u>(4,031,574)</u> |
| NET CURRENT ASSETS | | | <u>9,472,065</u> | | <u>5,873,794</u> |
| TOTAL ASSETS LESS CURRENT LIABILITES | | | <u>14,972,513</u> | | <u>12,842,433</u> |
| CREDITORS: amounts falling due after more than one year | 18 | | (3,791,119) | | - |
| PROVISION FOR LIABILITES AND CHARGES | 19 | | (5,760,004) | | (6,232,320) |
| NET ASSETS | | | <u>5,421,390</u> | | <u>6,610,113</u> |
| <i>Represented by:</i> | | | | | |
| ACCUMULATED FUNDS OF THE CHARITY | | | | | |
| Unrestricted funds | 20 | | (4,025,237) | | 1,218,866 |
| Restricted funds | 20 | | 9,446,627 | | 5,391,247 |
| TOTAL CHARITY FUNDS | | | <u>5,421,390</u> | | <u>6,610,113</u> |

The notes on pages 37 to 68 form part of these financial statements.

The financial statements on pages 31 to 68 were approved by the Board of Directors on 1 December 2022 and are signed on its behalf by:



Professor the Lord Kakkar
 Chair

12 December 2022

Company registration number 04978912
 Registered Charity number in England and Wales 1101332
 Registered Charity number in Scotland SC039230

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 September 2022

| | 2022 | | 2021 | |
|--|-------------|--------------------|-----------|-------------------|
| | £ | £ | £ | £ |
| CASHFLOWS FROM OPERATING ACTIVITIES | | | | |
| Net movement in funds as per the Statement of Financial Activities | | 1,709,230 | | (888,297) |
| <i>Adjustments for:</i> | | | | |
| Interest paid | 3,512 | | - | |
| Interest received | (93,306) | | (4,790) | |
| Depreciation and impairment charge of tangible fixed assets for the year | 2,834,763 | | 3,273,904 | |
| Loss on disposal of tangible fixed assets | 2,823 | | - | |
| Release of contributions for the purchase of tangible fixed assets | (99,338) | | (84,612) | |
| Taxation | 687,100 | | 1,249,172 | |
| Decrease (increase) in stocks | 92,741 | | (301,986) | |
| (Increase) decrease in debtors | (1,911,744) | | 2,371,793 | |
| Increase in creditors | 4,819,928 | | 848,014 | |
| CASH FROM OPERATIONS | | 6,336,479 | | 7,351,495 |
| Interest paid | (3,512) | | - | |
| Taxation paid | (1,533,408) | | - | |
| | | (1,536,920) | | - |
| NET CASH INFLOW FROM OPERATING ACTIVITIES | | 6,508,789 | | 6,463,198 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest received | 93,306 | | 4,790 | |
| Payments to acquire tangible fixed assets | (1,911,578) | | (342,890) | |
| Net cash (out flow) from investing activities | | (1,818,272) | | (338,100) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Contributions for the purchase of tangible fixed assets | 767,081 | | 68,099 | |
| Net cash used in financing activities | | 767,081 | | 68,099 |
| Increase in cash and cash equivalents | | 5,457,598 | | 6,193,197 |
| Cash and cash equivalents at beginning of year | | 19,827,929 | | 13,634,732 |
| Cash and cash equivalents at end of year | | 25,285,527 | | 19,827,929 |

CHARITY CASH FLOW STATEMENT
For the year ended 30 September 2022

| | 2022 | | 2021 | |
|--|--------------------|--------------------|-----------|-------------|
| | £ | £ | £ | £ |
| CASHFLOWS FROM OPERATING ACTIVITIES | | | | |
| Net movement in funds as per the Statement of Financial Activities | | (1,188,723) | | (6,190,351) |
| <i>Adjustments for:</i> | | | | |
| Interest received | (51,092) | | (2,647) | |
| Depreciation and impairment charge of tangible fixed assets for the year | 2,625,232 | | 3,066,935 | |
| Loss on disposal of tangible fixed assets | 2,823 | | - | |
| Impairment expense of fixed asset investment for the year | 10,000 | | - | |
| Release of contributions for the purchase of tangible fixed assets | (16,086) | | - | |
| Decrease in stocks | 59,972 | | 69,637 | |
| (Increase) in debtors | (3,011,734) | | (694,461) | |
| Increase in creditors | 8,180,625 | | 3,382,151 | |
| CASH FROM OPERATIONS | | 7,799,740 | | 5,821,615 |
| NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES | | 6,611,017 | | (368,736) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest received | 51,092 | | 2,647 | |
| Payments to acquire tangible fixed assets | (1,169,864) | | (234,887) | |
| Net cash flow (outflow) from investing activities | | (1,118,772) | | (232,240) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Contributions for the purchase of tangible fixed assets | 767,081 | | - | |
| Net cash used in financing activities | | 767,081 | | - |
| Increase (decrease) in cash and cash equivalents | | 6,259,326 | | (600,976) |
| Cash and cash equivalents at beginning of year | | 7,037,111 | | 7,638,087 |
| Cash and cash equivalents at end of year | | 13,296,437 | | 7,037,111 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

1 STATUTORY INFORMATION

UK Biobank Limited (“the Charity”) is a limited company incorporated in England, limited by guarantee, number 04978912. The registered office is Units 1-2 Spectrum Way, Adswold, Cheshire SK3 0SA

UK Biobank Limited (“the Charity”) is a Registered Charity, registered in England and Wales number 1101332 and in Scotland number SC03230.

2 ACCOUNTING POLICIES

Basis of preparation

The Charity’s financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 - applicable in the United Kingdom and the Republic of Ireland (“FRS 102”) and with the Statement of Recommended Practice “Accounting and Reporting by Charities” FRS 102 as revised in 2019 (“the SORP”) together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2015 and the Charities Accounts (Scotland) Regulations 2006. The Charity has adapted the Companies Act formats to reflect the SORP and the nature of the Charity’s activities.

The financial statements have been prepared on the historical cost convention and in sterling which is the functional currency of the Charity, rounded to the nearest £.

Basis of consolidation

The financial statements of the Charity and its wholly owned subsidiary undertaking, UK Biocentre Limited, as detailed in Note 14, are consolidated on a line-by-line basis. In the consolidated accounts uniform accounting policies have been used. The consolidated entity is referred to as “the Group”.

All inter-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

Going concern

UK Biobank is a charity organisation funded by a series of third party funders to enable biomedical research through UK Biobank’s core activities (that make available information and biomedical samples on half a million participants) and a number of enhancement projects (that further enhance this information). In August 2022, UK Biobank was awarded core funding of up to £52.0m for a period of seven years (running from 1 July 2022- 30 June 2029), subject to satisfaction of a number of grant conditions by 30 June 2024 and a quinquennial review. In addition, UK Biobank also earns income from Data Access and Sample Access Fees.

The directors are satisfied that sufficient funding will be available to enable UK Biobank to continue to operate for the foreseeable future, and therefore, that it remains appropriate to continue to prepare financial statements under the going concern basis.

Public benefit

The Charity meets the definition of a public benefit entity under FRS 102.

NOTES TO THE FINANCIAL STATEMENTSFor the year ended 30 September 2022

2 ACCOUNTING POLICIES (CONTINUED)**Critical accounting judgements and estimations**

Judgements and estimations are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In making these estimates, the Charity makes assumptions concerning the future.

The judgements and estimations made that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

Pension Scheme of the Charity – Universities Superannuation Scheme (“USS”)

FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in profit or loss. The Directors are satisfied that the scheme provided by USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

In addition, because the USS scheme is in deficit and a funding plan has been agreed, section 28 of FRS 102 requires individual employers to recognise a liability for the contributions payable that arise from the agreement to fund the scheme (to the extent that they relate to the deficit) and the resulting expense in the Statement of Financial activities. A deficit modeller was utilised to produce the provision estimates, based on an appropriate discount rate and estimates of staff numbers. Further information is provided on these assumptions in Note 24.

Income

Income receivable is recognised when the Group has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income not meeting these criteria is deferred.

Funding

Funding income, including monies for the purchase of tangible fixed assets, is recognised in full in the Statement of Financial Activities in the year in which it is received.

Donated services and goods

Donated services and goods are recognised as income when the Charity has control over the items, any conditions associated with the donated items have been met, the receipt of the economic benefit from the use by the Charity of the item is probable and the economic benefit can be measured reliably.

On receipt, donated services and goods are recognised in income on the basis of the value of the gift to the Charity, which is the amount that the Charity would have been willing to pay to obtain the goods or services of equivalent economic benefit on the open market; a corresponding amount is also recognised in expenditure in the period of receipt.

Incoming resources from charitable activities

Incoming resources from charitable activities includes income for the use of the Charity’s resource and is recognised as earned. Income is deferred when fees have been received in advance. Data Access fees are recognised on a straight-line basis over the period of access they relate to.

NOTES TO THE FINANCIAL STATEMENTSFor the year ended 30 September 2022

2 ACCOUNTING POLICIES (CONTINUED)***Income from government support***

Government support income is recognised when the Group is entitled to receipt.

Commercial trading operations

Income from commercial trading operations is recognised at the fair value of the consideration received or receivable for sale of goods and/or services in the ordinary nature of the business. Where the goods and/or services are to be provided in a future period the income is deferred. Turnover represents goods sold and services provided to external customers, net of Value Added Tax.

Interest receivable

Interest income and interest receivable includes bank interest, which is recognised in the Statement of Financial activities on an accruals basis.

Other income

Other income is recognised in the year in which it is received or receivable.

Expenditure

Expenditure is recognised as soon as there is a legal or constructive obligation committing the Group to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Charitable activities

Charitable activities expenditure is in relation to the Charity's projects and both the direct costs and support costs relating to these activities. Expenditure is summarised under functional headings on a direct cost basis.

Commercial trading operations

Cost of generating funds comprises those costs incurred in commercial trading activities.

Interest payable

Interest payable and similar charges including bank interest and intercompany interest payable is recognised in the Statement of Financial activities on an accruals basis.

Fund accounting***Unrestricted funds: General funds***

General funds are unrestricted funds, which are expendable for furtherance of the objectives of the Charity without further specified purposes.

Unrestricted funds: Non-charitable trading funds

Non-charitable trading funds are unrestricted funds, which are expendable for furtherance of the objectives of the Charity's group undertaking, UK Biocentre Limited, without further specified purposes.

Unrestricted funds: Capital Replacement Reserve funds

Capital Replacement Reserve funds are unrestricted funds, which will be used for the purchase of asset replacements.

Restricted funds

Restricted funds are to be used for specific purposes laid down by the Donor. Expenditure for those purposes is charged to the fund.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

2 ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and depreciation

Tangible fixed assets are capitalised, including purchase price and any costs of bringing the assets to the working condition for their intended use.

Depreciation is provided in order to write off the cost of tangible fixed assets on a straight-line basis over their estimated useful lives, as follows:

| | |
|--|--|
| Leasehold improvements | over the life of the lease |
| Computer systems | 25% - 33% straight line |
| Laboratory and clinic equipment | 10% - 33% straight line |
| Fixtures, fittings and other equipment | 20% - 25% straight line |
| Sample storage and infrastructure | 4% - straight line or over the life of the lease, whichever is the shorter |
| Motor vehicles | 20% - straight line |

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment is recognised in the Statement of Financial Activities.

Repairs, maintenance and inspection costs of tangible fixed assets are charged to the Statement of Financial Activities as incurred.

Inventories

Inventories consist of stock and work in progress, where work in progress represents costs associated with uninvoiced customer contracts at the year-end. Stocks and work in progress are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location. Net realisable value is based on the estimated selling price less costs expected to be incurred as part of the sale.

Accruals and deferred income: contributions for the purchase of tangible fixed assets

Contributions for the purchase of tangible fixed assets are from external customers. They are credited to a deferral account and are released to the Statement of Financial Activities in equal annual amounts over the expected useful life of the asset to which they relate as follows:

| | |
|---|------------------------------|
| Leasehold improvements | over the period of the lease |
| Sample storage and processing equipment | 4% - 20% straight line |
| Computer systems | 20% - 33% straight line |
| Fixtures, fittings and equipment | 20% - 25% straight line |
| Motor vehicles | 20% straight line |

Financial instruments

The Company has chosen to adopt Section 11 and Section 12 of FRS 102 in respect of financial instruments,

Basic financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

NOTES TO THE FINANCIAL STATEMENTSFor the year ended 30 September 2022

2 ACCOUNTING POLICIES (CONTINUED)**Trade and other debtors / creditors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Other financial instruments

Other financial instruments are those not considered to be Basic financial instruments.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling on the time of the transaction. Foreign currency balances are translated into sterling at the exchange rate at the balance sheet date. Resulting gains or losses are included in the Statement of Financial Activities.

Leases

Rents payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Rent-free periods or other incentives received for entering into a lease are accounted for over the period of the lease so as to spread the benefit received over the lease term.

Research and development

Research and development expenditure is written off to the Statement of Financial Activities as it is incurred.

Investments

The investment in the subsidiary is held at cost less accumulated impairment losses.

Pension scheme**Charity**

The Charity participates in the Universities Superannuation Scheme. With effect from 1 October 2017, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Charity is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the Charity therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of Financial Activities (including the income and expenditure accounts) represents the contributions payable to the scheme. Since the Charity has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Charity recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

NOTES TO THE FINANCIAL STATEMENTSFor the year ended 30 September 2022

2 ACCOUNTING POLICIES (CONTINUED)***Subsidiary undertaking: UK Biocentre Limited***

UK Biocentre Limited operates a defined contributions scheme for the benefit of its employees. Contributions are recognised in the Statement of Financial Activities when due.

Taxation***Charity***

The Charity is a registered charity and therefore it is exempt from income and corporation tax on income and gains falling within chapter 3 Part 11 Corporation Tax Act 2010 or S256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Subsidiary undertaking: UK Biocentre Limited

The subsidiary undertaking, UK Biocentre Limited, is liable to corporation tax on its income and gains. Gift Aid payments paid to the Charity will reduce the taxable income and gains.

Tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous years. Taxable income or loss for the year differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods.

Deferred tax is provided on timing differences, which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the associated balance sheet date. Deferred tax balances are not discounted. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3 MEMBERS' LIABILITY

The liability of the Members is limited to a maximum of £1 each.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

4 INCOME

The analysis of income by activity and geographical area is as follows:

| | Group | | Charity | |
|--|------------------|------------|------------------|-----------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Unrestricted Funds | | | | |
| <i>Income from charitable activities</i> | | | | |
| Access fees | 2,034,401 | 2,265,579 | 2,034,401 | 2,265,579 |
| Government support: Coronavirus Job Retention Scheme | - | 5,067 | - | 5,067 |
| <i>Income from trading activities</i> | | | | |
| Commercial trading operations (Note 14) | 7,266,461 | 9,194,956 | - | - |
| Other | 67,440 | 48,912 | 72,880 | 240,632 |
| | 9,368,302 | 11,514,514 | 2,107,281 | 2,511,278 |
| Restricted Funds | | | | |
| <i>Income from charitable activities</i> | | | | |
| Government support: Coronavirus Job Retention Scheme | - | 320,290 | - | 320,290 |
| <i>Income from trading activities</i> | | | | |
| Other | 501,368 | 878,845 | 501,368 | 878,845 |
| | 501,368 | 1,199,135 | 501,368 | 1,199,135 |
| Total | 9,869,670 | 12,713,649 | 2,608,649 | 3,710,413 |

During the 2020-21 financial year, the Charity took advantage of the Government support available in response to the Coronavirus pandemic, by using the Coronavirus Job Retention Scheme when staff were furloughed due to the pausing of the imaging programme.

A geographical analysis of income is as follows:

| | Group | | Charity | |
|---------------------------|------------------|------------|------------------|-----------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Unrestricted Funds | | | | |
| United Kingdom | 8,093,604 | 9,915,913 | 836,314 | 938,141 |
| Rest of Europe | 281,224 | 396,836 | 277,493 | 371,372 |
| Rest of the world | 993,474 | 1,201,765 | 993,474 | 1,201,765 |
| | 9,368,302 | 11,514,514 | 2,107,281 | 2,511,278 |
| Restricted Funds | | | | |
| United Kingdom | 501,368 | 1,199,135 | 501,368 | 1,199,135 |
| Total | 9,869,670 | 12,713,649 | 2,608,649 | 3,710,413 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

5 INVESTMENTS

| | Group | | Charity | |
|---------------------------|---------------|-------|---------------|-------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Unrestricted Funds | | | | |
| Investment income | 93,306 | 4,790 | 51,092 | 2,647 |

6 NET MOVEMENT OF FUNDS FOR THE FINANCIAL YEAR

Net movement of funds for the financial year is stated:

| | Group | | Charity | |
|--|------------------|-----------|------------------|-----------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | | |
| After charging: | | | | |
| Auditor's remuneration – Statutory audit services | 58,000 | 48,410 | 38,000 | 33,990 |
| Depreciation and impairment of owned tangible fixed assets: | | | | |
| The Charity | 2,625,232 | 3,066,935 | 2,625,232 | 3,066,935 |
| The subsidiary undertaking | 209,531 | 206,969 | - | - |
| Impairment of fixed asset investment: | - | - | 10,000 | - |
| Loss on disposals of tangible fixed assets: | 2,823 | - | 2,823 | - |
| Operating lease rentals: | | | | |
| Hire of plant and machinery | 239,180 | 294,981 | 24,357 | 22,841 |
| Land and buildings | 755,964 | 737,006 | 667,476 | 332,418 |
| After crediting: | | | | |
| Release of contributions for the purchase of tangible fixed assets (Note 18) | 99,338 | 84,612 | 16,086 | - |

7 EXPENDITURE: CHARITABLE ACTIVITIES

| | Group | | Charity | |
|---------------------------|-------------------|------------|-------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Unrestricted Funds | | | | |
| Staff costs | 7,239,410 | 7,842,373 | 7,239,410 | 7,842,373 |
| Depreciation | 1,104,322 | 1,035,201 | 1,104,322 | 1,035,201 |
| Other costs | 3,704,107 | 8,699,335 | 4,004,109 | 8,982,960 |
| | 12,047,839 | 17,576,909 | 12,347,841 | 17,860,534 |
| Restricted Funds | | | | |
| Staff costs | 2,125,873 | 5,264,199 | 2,125,873 | 5,264,199 |
| Depreciation | 1,520,910 | 2,031,734 | 1,520,910 | 2,031,734 |
| Other costs | 8,468,314 | 7,106,733 | 8,468,314 | 7,106,733 |
| | 12,115,097 | 14,402,666 | 12,115,097 | 14,402,666 |
| Total | 24,162,936 | 31,979,575 | 24,462,938 | 32,263,200 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

8 EXPENDITURE: OTHER

| | Group | | Charity | |
|-----------------------------|---------------------|---------------------|----------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Unrestricted Funds | | | | |
| Other operating income | 10,058,592 | 26,259,035 | - | - |
| Restricted Funds | | | | |
| Other operating income | - | 1,395,971 | - | - |
| Total | 10,058,592 | 27,655,006 | - | - |
| Unrestricted Funds | | | | |
| Other operating expenditure | (10,058,592) | (26,259,035) | - | - |
| Restricted Funds | | | | |
| Other operating expenditure | - | (1,395,971) | - | - |
| Total | (10,058,592) | (27,655,006) | - | - |

Included within Other Operating Income is an amount of £nil (2021: £1,395,971) of Grant income together with an amount of £10,058,592 (2021: £26,259,035) relating to income received by UK Biocentre Limited to deliver COVID-19 testing to the Department of Health and Social Care for expenditure reimbursed on a cost recovery basis. Both amounts have offsetting value included within Other Operating Expenditure.

Department of Health and Social Care: Grant

In March 2019, the Department of Health and Social Care awarded a Grant of £1,700,000 to the UK Biocentre Limited for the 18-month period from 1 October 2018 to 31 March 2020. This funding is restricted, to be used in respect of specific expenditure defined within the Grant Award agreement. In March 2020, a further award of £2,300,000 was granted for the 15-month period from 1 April 2020 to 30 June 2021.

The amount shown as Other Operating Income in the year, amounted to £nil (2021: £1,395,971) and is the restricted Grant income which covers costs incurred during the period from 1 October 2021 to 30 June 2022, with an equivalent amount shown as Other Operating Expenditure.

Included within Contributions for the purchase of tangible fixed assets (Note 18) is restricted Grant income of £nil (2021: £39,903), which covers the costs of assets included within the Grant Award agreement.

Department of Health and Social Care: COVID-19 Project Cost Contribution

From April 2020, as part of the COVID-19 testing contract with the UK Health Security Agency (an executive agency sponsored by the Department of Health and Social Care), a contribution towards operating expenditure has been reimbursed by the UK Health Security Agency.

The amount shown as Other Operating Income in the year amounted to £10,058,592 (2021: £26,259,035), with an amount of £10,058,592 (2021: £26,259,035) shown as Other Operating Expenditure.

Included within Contributions for the purchase of tangible fixed assets (Note 18) is restricted Grant income of £nil (2021: £28,196), which covers the costs of assets reimbursed within the COVID-19 Project agreement

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

9 STAFF NUMBERS AND COSTS

The average number of persons employed by the Charity and the Group, including Directors, during the year analysed by category and by those full-time and part-time was as follows:

| Group | 2022 | | | 2021 | | |
|---|------------------|------------------|--------------|------------------|------------------|--------------|
| | Full-time No. | Part-time No. | Total No. | Full-time No. | Part-time No. | Total No. |
| Directors of the Charity | - | 12 | 12 | - | 10 | 10 |
| Directors of the subsidiary undertaking | - | 8 | 8 | - | 6 | 6 |
| Management | 10 | - | 10 | 9 | - | 9 |
| Charity's projects | 172 | 13 | 185 | 162 | 10 | 172 |
| UK Biocentre Laboratory, Warehouse and Administrative personnel | 161 | 2 | 163 | 213 | 2 | 215 |
| Total | 343 | 35 | 378 | 384 | 28 | 412 |

| Charity | 2022 | | | 2021 | | |
|--------------------|------------------|------------------|--------------|------------------|------------------|--------------|
| | Full-time No. | Part-time No. | Total No. | Full-time No. | Part-time No. | Total No. |
| Directors | - | 12 | 12 | - | 10 | 10 |
| Management | 6 | - | 6 | 5 | - | 5 |
| Charity's projects | 172 | 13 | 185 | 162 | 10 | 172 |
| Total | 178 | 25 | 203 | 167 | 20 | 187 |

The aggregate payroll costs of these persons, excluding Directors, were as follows:

| | Group | | Charity | |
|---------------------------|-------------------|-------------------|------------------|-------------------|
| | 2022 £ | 2021 £ | 2022 £ | 2021 £ |
| Wages and salaries | 14,452,116 | 14,934,743 | 7,721,914 | 6,784,247 |
| Social security costs | 1,568,728 | 1,709,604 | 831,077 | 709,141 |
| Pension contributions | 2,282,589 | 1,981,848 | 1,390,558 | 1,166,810 |
| Pension deficit provision | (578,266) | 4,446,374 | (578,266) | 4,446,374 |
| | 17,725,167 | 23,072,569 | 9,365,283 | 13,106,572 |
| Represented by: | | | | |
| Unrestricted Funds | 15,599,294 | 17,808,370 | 7,239,410 | 7,842,373 |
| Restricted Funds | 2,125,873 | 5,264,199 | 2,125,873 | 5,264,199 |
| Total | 17,725,167 | 23,072,569 | 9,365,283 | 13,106,572 |

Wages and salaries include termination payments for the Group and the Charity of £120,247 (2021: £5,688)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

9 STAFF NUMBERS AND COSTS (CONTINUED)

Charity

Staff costs of £9,365,283 (2021: £13,106,572) are included in "Expenditure: Charitable activities" as shown in Note 7.

Group

Staff costs of £9,365,283 (2021: £13,106,572) for the Charity are included in "Expenditure: Charitable activities" as shown in Note 7. Staff costs of £8,359,884 (2021: £9,965,997) for the subsidiary undertaking are included in Cost of Sales, Administrative Expenses and Other Operating Expenses in Note 14.

The number of employees whose remuneration, excluding social security costs and employer pension contributions, exceeded £60,000 during the year was as follows:

| | Group | | Charity | |
|----------------------|-------------|-------------|-------------|-------------|
| | 2022 No. | 2021 No. | 2022 No. | 2021 No. |
| £60,000 to £70,000 | 17 | 11 | 10 | 6 |
| £70,001 to £80,000 | 5 | 4 | 2 | 1 |
| £80,001 to £90,000 | 4 | 1 | 1 | 1 |
| £90,001 to £100,000 | 3 | 2 | 2 | - |
| £100,001 to £110,000 | 2 | 1 | 2 | 1 |
| £110,001 to £120,000 | 2 | - | - | - |
| £120,001 to £130,000 | - | 3 | - | 2 |
| £130,001 to £140,000 | 4 | 1 | 3 | 1 |
| £150,001 to £160,000 | 1 | 1 | 1 | 1 |
| £160,001 to £170,000 | 1 | 1 | - | - |
| £180,001 to £190,000 | 1 | - | - | - |
| | 40 | 25 | 21 | 13 |

All of these employees accrued pension benefits during the year.

Included in "Expenditure" for the Group and the Charity are costs relating to staff who are not employed directly by the Charity or the Group as follows:

| | Group | | Charity | |
|---------------------------|------------------|------------------|----------------|----------------|
| | 2022 £ | 2021 £ | 2022 £ | 2021 £ |
| Unrestricted Funds | 1,123,053 | 3,336,014 | 465,946 | 572,792 |
| Restricted Funds | 249,882 | 91,146 | 249,882 | 91,146 |
| Total | 1,372,935 | 3,427,160 | 715,828 | 663,938 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

9 STAFF NUMBERS AND COSTS (CONTINUED)

Details of these costs are as follows:

- The Group incurred costs of £1,123,053 (2021: £3,122,811) and the Charity incurred costs of £715,828 (2021: £663,938) for the use of temporary staff and other seconded staff during the year.
- Professor Sir Rory Collins, who is the Chief Executive and Principal Investigator for the Charity, is an employee of the University of Oxford, not an employee of the Charity. Professor Collins is seconded to the Charity for 60% of his time pursuant to agreements entered into between the Charity and the University of Oxford. The cost during the year of his secondment from the University of Oxford was £142,052 (2021: £118,518).
- Professor Naomi Allen, who was Chief Scientist for the Charity during the year, is an employee of the University of Oxford, not an employee of the Charity. Professor Allen is seconded to the Charity for 80% of her time pursuant to agreements entered into between the Charity and the University of Oxford. The cost during the year of her secondment from the University of Oxford was £145,730 (2021: £104,283).
- Dr Alan Young, who was the Systems Architect for the Charity during the year, is an employee of the University of Oxford, not an employee of the Charity. Dr Young is seconded to the Charity for 50% of his time pursuant to agreements entered into between the Charity and the University of Oxford. The cost during the year of his secondment from the University of Oxford was £99,124 (2021: £81,548).

10 KEY MANAGEMENT PERSONNEL

Key Management Personnel of the Charity is defined as being a member of the Executive Management Team who are listed under “Legal and administrative information” on page 4.

The Executive Management Team are employees of the Charity or seconded to the Charity from other organisations. The total employment benefits, including employer pension contributions, of those members who are employed was £1,022,091 (2021: £863,388) and the amount paid for those seconded and agency staff was £421,118 (2021: £463,977).

11 DIRECTORS’ REMUNERATION AND EXPENSES

None of the Directors of the Charity are remunerated or receive any benefits

The Charity has met individual travel and subsistence expenses in the year of £977 incurred by three Directors (2021: £nil) in attending Board, Committee and other meetings.

12 TAXATION

Unrestricted Funds: Taxation arises from commercial trading activities.

(a) Tax on profit on ordinary activities

| | Group | | Charity | |
|--------------------------------------|----------------|------------------|----------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Current taxation | | | | |
| UK Corporation tax @ 19% (2021: 19%) | 505,284 | 1,164,352 | - | - |
| Total current tax charge | <u>505,284</u> | <u>1,164,352</u> | <u>-</u> | <u>-</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

12 TAXATION (CONTINUED)

(a) Tax on profit on ordinary activities (continued)

| | Group | | Charity | |
|--|----------------|------------------|----------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Deferred taxation | | | | |
| Originating and reversal of timing differences | 181,816 | 104,132 | - | - |
| Timing differences not recognised | - | (19,312) | - | - |
| Total deferred tax credit | 181,816 | 84,820 | - | - |
| Taxation on loss on ordinary activities | 687,100 | 1,249,172 | - | - |

(b) Factors affecting tax charge for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (19%). The difference is explained below:

| | Group | | Charity | |
|---|----------------|------------------|----------|----------|
| | 2022 | 2021 | 2022 | 2108 |
| | £ | £ | £ | £ |
| Current taxation reconciliation | | | | |
| Profit on ordinary activities before taxation | 3,575,053 | 6,551,226 | - | - |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%) | 679,260 | 1,244,733 | - | - |
| <i>Effects of</i> | | | | |
| Expenses not deductible for tax purposes | 4,015 | 935 | - | - |
| Income not taxable for tax purposes | (3,286) | (2,916) | - | - |
| Fixed assets ineligible depreciation | (36,525) | 740 | - | - |
| Re-measurement of deferred taxation to average rate of 19% (2021: 19%) | 43,636 | 5,680 | - | - |
| Taxation charge | 687,100 | 1,249,172 | - | - |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

12 TAXATION (CONTINUED)

(c) Deferred tax

The deferred tax included in the Provision for Liabilities and Charges (see Note 19) is as follows:

| | Group | | Charity | |
|---|------------------|----------|----------------|------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Included in liabilities | (205,481) | (23,665) | - | - |
| Fixed asset timing differences | (217,974) | (61,364) | - | - |
| Short term timing differences | 12,493 | 37,699 | - | - |
| Losses and other deductions | - | - | - | - |
| Provision for deferred tax | (205,481) | (23,665) | - | - |
| At the beginning of the year | (23,665) | 61,155 | - | - |
| Charge to the Statement of Financial Activities | (181,816) | (84,820) | - | - |
| At end of the year | (205,481) | (23,665) | - | - |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

13 TANGIBLE FIXED ASSETS

| Group | Leasehold Improve- ments | Computer systems | Laboratory and clinic equipment | Fixtures, fittings and other equipment | Sample storage and infra- structure | Motor vehicles | Total |
|---------------------------|--------------------------------|---------------------|---------------------------------------|---|--|-------------------|-------------|
| | £ | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | | |
| At | | | | | | | |
| 1 October 2021 | 7,831,673 | 3,094,494 | 13,830,632 | 125,509 | 5,678,080 | 35,764 | 30,596,152 |
| Additions | 93,865 | 244,738 | 998,835 | 148,211 | 425,929 | - | 1,911,578 |
| Disposals | (9,825) | (846) | (1,219,845) | - | (229) | - | (1,230,745) |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| At | | | | | | | |
| 30 September 2022 | 7,915,713 | 3,338,386 | 13,609,622 | 273,720 | 6,103,780 | 35,764 | 31,276,985 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Depreciation | | | | | | | |
| At | | | | | | | |
| 1 October 2021 | 5,315,881 | 2,366,519 | 10,896,523 | 103,345 | 4,194,494 | 32,965 | 22,909,727 |
| Charge for the year | 915,890 | 424,411 | 1,035,945 | 34,489 | 346,959 | 2,799 | 2,760,493 |
| Impairment expense | - | - | 74,270 | - | - | - | 74,270 |
| Disposals | (7,027) | (846) | (1,219,845) | - | (204) | - | (1,227,922) |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| At | | | | | | | |
| 30 September 2022 | 6,224,744 | 2,790,084 | 10,786,893 | 137,834 | 4,541,249 | 35,764 | 24,516,568 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Net Book Value | | | | | | | |
| At | | | | | | | |
| 30 September 2021 | 2,515,792 | 727,975 | 2,934,109 | 22,164 | 1,483,586 | 2,799 | 7,686,425 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| At | | | | | | | |
| 30 September 2022 | 1,690,969 | 548,302 | 2,822,729 | 135,886 | 1,562,531 | - | 6,760,417 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

The impairment expense relates to decommissioning of Laboratory equipment, in preparation for disposal in autumn 2022, with residual value fully impaired.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

13 TANGIBLE FIXED ASSETS (CONTINUED)
Charity

| | Leasehold Improve- ments | Computer systems | Laboratory and clinic equipment | Fixtures, fittings and other equipment | Sample storage and infra- structure | Motor vehicles | Total |
|----------------------------|--------------------------------|---------------------|---------------------------------------|---|--|-------------------|------------------|
| | £ | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | | |
| At 1 October 2021 | 7,560,501 | 2,771,294 | 12,893,657 | 58,215 | 5,678,080 | 13,995 | 28,975,742 |
| Additions | 69,865 | 190,151 | 386,098 | 97,821 | 425,929 | - | 1,169,864 |
| Disposals | (9,825) | (846) | (1,219,845) | - | (229) | - | (1,230,745) |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| At 30 September 2022 | 7,620,541 | 2,960,599 | 12,059,910 | 156,036 | 6,103,780 | 13,995 | 28,914,861 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Depreciation | | | | | | | |
| At 1 October 2021 | 5,277,237 | 2,178,467 | 10,309,396 | 46,313 | 4,194,494 | 11,196 | 22,017,103 |
| Charge for the year | 895,936 | 363,497 | 920,812 | 20,959 | 346,959 | 2,799 | 2,550,962 |
| Impairment expense | - | - | 74,270 | - | - | - | 74,270 |
| Disposals | (7,027) | (846) | (1,219,845) | - | (204) | - | (1,227,922) |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| At 30 September 2022 | 6,166,146 | 2,541,118 | 10,084,633 | 67,272 | 4,541,249 | 13,995 | 23,414,413 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Net Book Value | | | | | | | |
| At 30 September 2021 | 2,283,264 | 592,827 | 2,584,261 | 11,902 | 1,483,586 | 2,799 | 6,958,639 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| At 30 September 2022 | 1,454,395 | 419,481 | 1,975,277 | 88,764 | 1,562,531 | - | 5,500,448 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

The impairment expense relates to decommissioning of Laboratory equipment, in preparation for disposal in autumn 2022, with residual value fully impaired.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

14 INVESTMENTS

Charity

| | Shares in Group undertaking £ |
|--------------------------|----------------------------------|
| As at 1 October 2021 | 10,000 |
| Impairment of investment | (10,000) |
| | - |
| As at 30 September 2022 | - |

UK Biocentre Limited was incorporated in England on 4 May 2011, company number 07618653 and registered office. Units 1 & 2, Spectrum Way, Adswold, Stockport, Cheshire SK3 0SA. UK Biocentre Limited commenced trading on incorporation and the nature of its business is the provision of sample storage and processing services for biomedical research studies. Its share capital consisted of ordinary shares which are 100% owned by the Charity.

To enable UK Biocentre to operate as an independent company, on 1 October 2022, UK Biobank transferred substantially all of its shares in UK Biocentre Limited to its directors, at which point UK Biocentre Limited ceased to be a subsidiary. As this decision was taken during the financial year, and the transaction concluded for nil proceeds, UK Biobank has impaired its investment in UK Biocentre Limited within these accounts.

A reconciliation of the results of UK Biocentre Limited with the amounts shown in the group financial statements is as follows:

| | 2022 | | 2021 | |
|--|---------------------|--------------------|--------------|-------------|
| | £ | £ | £ | £ |
| Turnover: Commercial trading operations | | 7,556,463 | | 9,484,958 |
| Consolidation adjustment | | (290,002) | | (290,002) |
| | | 7,266,461 | | 9,194,956 |
| Expenditure: Commercial trading operations | | | | |
| Cost of sales | (2,520,198) | | (1,946,517) | |
| Administration costs | (1,499,911) | | (989,358) | |
| Consolidation adjustments | 5,440 | | 198,097 | |
| | | (4,014,669) | | (2,737,778) |
| Interest receivable | | 42,214 | | 2,143 |
| Interest payable and similar charges | | (3,515) | | - |
| Expenditure: Other | | | | |
| Other operating Income (Note 8) | 10,058,592 | | 27,655,006 | |
| Other operating Expenses (Note 8) | (10,058,592) | | (27,655,006) | |
| | | - | | - |
| Net profit reported in group financial statements | | 3,290,491 | | 6,459,321 |
| Add consolidation adjustments | | 284,562 | | 91,905 |
| Net profit for the period reported in UK Biocentre Limited. | | 3,575,053 | | 6,551,226 |
| Taxation | | (687,100) | | (1,249,172) |
| Retained in UK Biocentre Limited | | 2,887,953 | | 5,302,054 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

14 INVESTMENTS (CONTINUED)

Income and expenditure relating to commercial trading operations are attributable to the one principal activity of UK Biocentre Limited.

At the balance sheet date, the aggregate amounts of UK Biocentre Limited's assets, liabilities, share capital and reserves were as follows:

| | 2022 | 2021 |
|---|------------------|------------------|
| | £ | £ |
| Fixed assets | 1,259,969 | 727,786 |
| Current assets | 15,396,002 | 17,330,489 |
| Creditors: amounts falling due within one year | (7,944,107) | (9,978,838) |
| Creditors: amounts falling due after more than one year | (963,069) | (3,218,595) |
| | <u>7,748,795</u> | <u>4,860,842</u> |
| <i>Represented by:</i> | | |
| Share capital and reserves | <u>7,748,795</u> | <u>4,860,842</u> |

15 INVENTORIES

| | Group | | Charity | |
|-------------------------------|----------------|----------------|---------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Raw materials and consumables | 540,113 | 632,854 | 47,149 | 107,121 |
| | <u>540,113</u> | <u>632,854</u> | <u>47,149</u> | <u>107,121</u> |

16 DEBTORS

| | Group | | Charity | |
|--|------------------|------------------|------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Trade debtors | 6,351,671 | 2,499,193 | 3,965,111 | 1,430,374 |
| Other taxation and social security costs | 95,868 | 2,937,958 | 95,868 | 156,364 |
| Other debtors | 728,392 | 448,555 | 684,519 | 285,030 |
| Prepayments and accrued income | 1,510,887 | 889,368 | 1,027,372 | 889,368 |
| | <u>8,686,818</u> | <u>6,775,074</u> | <u>5,772,870</u> | <u>2,761,136</u> |

Total debtors include the following, which are due after more than one year.

| | Group | | Charity | |
|---------------|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Other debtors | 283,751 | 283,751 | 283,751 | 283,751 |
| | <u>283,751</u> | <u>283,751</u> | <u>283,751</u> | <u>283,751</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group | | Charity | |
|--|-------------------|-------------------|------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Trade creditors | 3,838,437 | 2,617,732 | 1,829,612 | 773,655 |
| Other taxation and social security costs | 372,115 | 2,689,715 | - | - |
| Accruals and deferred income | 13,377,946 | 8,702,965 | 7,814,779 | 3,257,919 |
| | <u>17,588,498</u> | <u>14,010,412</u> | <u>9,644,391</u> | <u>4,031,574</u> |

18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Group | | Charity | |
|---|------------------|------------------|------------------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Accruals and deferred income | 4,548,707 | 3,194,930 | 3,791,119 | - |
| Other tax and social security costs (Note 19) | - | 23,665 | - | - |
| | <u>4,548,707</u> | <u>3,218,595</u> | <u>3,791,119</u> | <u>-</u> |

Included within accruals and deferred income are creditors which fall due after more than five years for the Group £893,058 (2021: £1,425,355) and for the Charity £469,272 (2021: £nil).

Accruals and deferred income of the Group include £1,143,953 (2021: £476,210) and for the Charity £750,995 (2021: £nil) for contributions for the purchase of tangible fixed assets which are analysed as follows:

| | Group | | Charity | |
|---|------------------|----------------|----------------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| At beginning of year | 476,210 | 492,723 | - | - |
| Received in year | 767,081 | 68,099 | 767,081 | - |
| Released to the Statement of Financial Activities | (99,338) | (84,612) | (16,086) | - |
| At end of year | <u>1,143,953</u> | <u>476,210</u> | <u>750,995</u> | <u>-</u> |
| <i>Represented by:</i> | | | | |
| Amounts falling due within one year | 135,553 | 82,211 | 54,729 | - |
| Amounts falling due between two and five years | 868,084 | 393,999 | 696,266 | - |
| Amounts falling due after five years | 140,316 | - | - | - |
| | <u>1,143,953</u> | <u>476,210</u> | <u>750,995</u> | <u>-</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

19 PROVISION FOR LIABILITES AND CHARGES

| Group | Deferred Taxation | Obligations to fund deficit on USS pension | Total |
|---|----------------------|--|------------------|
| At beginning of year | - | 6,232,320 | 6,232,320 |
| Previously disclosed in creditors: amounts falling due after more than one year (Note 18) | 23,665 | - | 23,665 |
| Charge in the year to the Statement of Financial Activities (Note 12) | 181,816 | (472,316) | (290,500) |
| At the end of the year | 205,481 | 5,760,004 | 5,965,485 |
| | | | |
| Charity | Deferred Taxation | Obligations to fund deficit on USS pension | Total |
| At beginning of year | - | 6,232,320 | 6,232,320 |
| Charge in the year to the Statement of Financial Activities | - | (472,316) | (472,316) |
| At the end of the year | - | 5,760,004 | 5,760,004 |

The obligation to fund the deficit on the Universities Superannuation Scheme (“USS”) arises from the contractual obligations with the USS to fund deficit payments in accordance with the deficit recovery plan. This provision takes into account estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. For further information, see Note 24.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

20 ANALYSIS OF FUNDS

| | At beginning of year £ | Income £ | Expenditure £ | Transfers £ | At end of year £ |
|------------------------------------|------------------------------|--------------------------|----------------------------|-----------------|---------------------------------|
| Group | | | | | |
| Unrestricted funds | | | | | |
| General | 312,996 | 6,808,243 | (12,047,839) | 36,453 | (4,890,147) |
| Non charitable trading funds | 5,255,463 | 7,308,675 | (4,705,284) | - | 7,858,854 |
| Capital replacement reserve | 500,000 | 253,602 | - | - | 753,602 |
| | <u>6,068,459</u> | <u>14,370,520</u> | <u>(16,753,123)</u> | <u>36,453</u> | <u>3,722,309</u> |
| Restricted funds | | | | | |
| Imaging Enhancement Project | 4,186,202 | 9,523,986 | (6,187,425) | - | 7,522,763 |
| Eye Measures and Additional Sample | - | 1,747,920 | (60,761) | - | 1,687,159 |
| Whole Genome Sequencing Project | 372,416 | - | (190,854) | - | 181,562 |
| Research Analysis Platform | 744,325 | 3,550,478 | (4,243,285) | - | 51,518 |
| Seroprevalence Study | 58,670 | 902,475 | (924,692) | (36,453) | - |
| Ethics Advisory | 30,883 | 55,595 | (81,604) | - | 4,874 |
| COVID-19 Assay | - | 6,153 | (6,153) | - | - |
| Additional Funding | - | 420,323 | (420,323) | - | - |
| | <u>5,392,496</u> | <u>16,206,930</u> | <u>(12,115,097)</u> | <u>(36,453)</u> | <u>9,447,876</u> |
| Total | <u><u>11,460,955</u></u> | <u><u>30,577,450</u></u> | <u><u>(28,868,220)</u></u> | <u><u>-</u></u> | <u><u>13,170,185</u></u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

20 ANALYSIS OF FUNDS (CONTINUED)

| | At beginning of year £ | Income £ | Expenditure £ | Transfer £ | At end of year £ |
|------------------------------------|------------------------------|--------------------------|----------------------------|-----------------|--------------------------------|
| Charity | | | | | |
| Unrestricted funds | | | | | |
| General | 718,866 | 6,813,683 | (12,347,841) | 36,453 | (4,778,839) |
| Capital replacement reserve | 500,000 | 253,602 | - | - | 753,602 |
| | <u>1,218,866</u> | <u>7,067,285</u> | <u>(12,347,841)</u> | <u>36,453</u> | <u>(4,025,237)</u> |
| Restricted funds | | | | | |
| Imaging Enhancement Project | 4,184,953 | 9,523,986 | (6,187,425) | - | 7,521,514 |
| Eye Measures and Additional Sample | - | 1,747,920 | (60,761) | - | 1,687,159 |
| Whole Genome Sequencing Project | 372,416 | - | (190,854) | - | 181,562 |
| Research Analysis Platform | 744,325 | 3,550,478 | (4,243,285) | - | 51,518 |
| Seroprevalence Study | 58,670 | 902,475 | (924,692) | (36,453) | - |
| Ethics Advisory | 30,883 | 55,595 | (81,604) | - | 4,874 |
| COVID-19 Assay | - | 6,153 | (6,153) | - | - |
| Additional Funding | - | 420,323 | (420,323) | - | - |
| | <u>5,391,247</u> | <u>16,206,930</u> | <u>(12,115,097)</u> | <u>(36,453)</u> | <u>9,446,627</u> |
| Total | <u><u>6,610,113</u></u> | <u><u>23,274,215</u></u> | <u><u>(24,462,938)</u></u> | <u><u>-</u></u> | <u><u>5,421,390</u></u> |

Unrestricted funds

Included within unrestricted funds for the Group and the Charity is a Capital Replacement Reserve, which will be used to purchase replacement assets.

Restricted funds

Details of the restricted funds for the Group and the Charity are as follows:

Imaging Enhancement Project

Funding of £53,637,679 has been secured to undertake an imaging study across 100,000 participants as well as a series of repeat assessments on these same participants, including 10,000 repeat imaging assessments. Funding for COVID-19 Support following the pandemic was awarded by UKRI-MRC in February 2022 of £4,186,534.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

20 ANALYSIS OF FUNDS (CONTINUED)

Imaging Enhancement Project (continued)

The Funders supporting this project are as follows:

| | Total funding |
|------------------------------|----------------------|
| | £ |
| Medical Research Council | 27,446,340 |
| Wellcome | 20,621,339 |
| The British Heart Foundation | 3,000,000 |
| Dementias Platform UK | 2,570,000 |
| UKRI-MRC | 4,186,534 |
| | 57,824,213 |
| | <hr/> <hr/> |

This funding is administered as follows:

| | £ |
|--------------------------|-------------------|
| Wellcome | 42,567,679 |
| Medical Research Council | 12,686,534 |
| Dementias Platform UK | 2,570,000 |
| | 57,824,213 |
| | <hr/> <hr/> |

As at 30 September 2022 £51,585,571 (2021: £42,562,952) of these funds had been received by the Charity.

Repeat Imaging Project

Funding of £30,000,000 was secured in February 2022 to carry out the Repeat Imaging Project, re-imaging 60,000 participants. The funders contributing to this project are as follows:

| | Total funding |
|---------------------------------------|----------------------|
| | £ |
| Medical Research Council | 10,000,000 |
| Chan Zuckerberg Initiative Foundation | 10,000,000 |
| Calico Life Sciences LLC | 10,000,000 |
| | 30,000,000 |
| | <hr/> <hr/> |

As at 30 September 2022 £nil (2021: £nil) of these funds had been received by the Charity.

Eye Measures and Additional Sample

Funding of £5,000,000 was secured in November 2021 to support the Repeat Imaging Project of 60,000 participants, by undertaking additional sample collection and optical coherence tomography as additional imaging technology enhancements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

20 ANALYSIS OF FUNDS (CONTINUED)

Eye Measures and Additional Sample (continued)

| | |
|---------------------------------------|--|
| | Total funding |
| | £ |
| Chan Zuckerberg Initiative Foundation | 5,000,000 |
| | <hr style="border-top: 3px double #000;"/> |

The Chan Zuckerberg Initiative Foundation awarded this funding. As at 30 September 2022 £1,747,920 (2021: £nil) of these funds had been received by the Charity with further instalments scheduled for December 2022 and December 2025 to complete the project.

Whole Genome Sequencing Project

Funding of £30,000,000 was secured in March 2018 to undertake the Whole Genome Sequencing Project of 50,000 samples. In November 2018, further funding of £4,800,000 was awarded for informatics and data storage relating to the sequencing of these 50,000 participant genomes.

| | |
|--------------------------|--|
| | Total funding |
| | £ |
| Medical Research Council | 34,800,000 |
| | <hr style="border-top: 3px double #000;"/> |

The Medical Research Council administers this funding. As at 30 September 2022 £33,020,000 (2021: £33,020,000) of these funds had been received by the Charity and no further funds are required to complete the project.

Research Analysis Platform

As part of the initiative to complete Whole Genome Sequencing of the whole cohort, the Charity was awarded a grant of £20,000,000 in October 2019 to establish a Research Analysis Platform with storage capacity for these data.

| | |
|----------|--|
| | Total funding |
| | £ |
| Wellcome | 20,000,000 |
| | <hr style="border-top: 3px double #000;"/> |

Wellcome administers this funding. As at 30 September 2022 £6,434,432 (2021: £3,359,229) of these funds had been received by the Charity.

In addition to the above funding the Sequencing Consortium are to contribute £272,500 to cover additional data management and associated costs.

Seroprevalence Study

In June 2020, the Department of Health and Social Care awarded £3,000,000 to the Charity to carry out a Seroprevalence Study on a proportion of the population infected with the coronavirus that causes COVID-19, by measuring antibody levels in the UK population.

| | |
|--------------------------------------|--|
| | Total funding |
| | £ |
| Department of Health and Social Care | 3,000,000 |
| | <hr style="border-top: 3px double #000;"/> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

20 ANALYSIS OF FUNDS (CONTINUED)

Seroprevalence Study (continued)

The Department of Health and Social Care administers this funding. As at 30 September 2022 £2,859,962 (2021: £2,589,962) of these funds had been received by the Charity with £nil (2021: £nil) owing to the Charity at the year-end. The project concluded within this financial year. The fund balance at the 30 September 2022 of £36,453, representing the fixed assets acquired and used by the project are now held for general purposes and have been transferred to unrestricted funding at 30 September 2022.

Ethics Advisory

In January 2020, the Charity was awarded £400,000 to develop an ethics advisory service for the Charity.

| | Total Funding |
|----------|----------------------|
| | £ |
| Wellcome | 200,000 |
| UKRI-MRC | 200,000 |
| | 400,000 |
| | 400,000 |

Wellcome administers this funding. As at 30 September 2022 £149,124 (2021: £93,529) of these funds had been received by the Charity.

COVID-19 Assay

In February 2021, the Charity commenced a study to collect samples for a COVID-19 Assay, on a cost recovery basis up to a maximum of £40,000.

| | Total funding |
|--------------------------|----------------------|
| | £ |
| University of Birmingham | 40,000 |
| | 40,000 |
| | 40,000 |

As at 30 September 2022 £40,000 (2021: £40,000) of these funds had been received by the Charity, with £4,229 (2021: £10,381) held for future costs.

Additional Funding

Funding of £3,400,000 was secured in September 2022 to provide reimbursement of expenses relating to increased energy costs for liquid nitrogen and electricity, costs associated with the maintenance and repair of the sample store, and costs associated with the preparation of the UKRI Infrastructure development. This funding is expected to provide support through to 2024.

| | Total funding |
|----------|----------------------|
| | £ |
| UKRI-MRC | 3,400,000 |
| | 3,400,000 |
| | 3,400,000 |

UKRI-MRC administers this funding and as at 30 September 2022 £nil (2021: £nil) of these funds had been received by the Charity. Recoverable costs incurred to 30 September 2022 were £420,323, which were owing to the Charity at 30 September 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

21 ALLOCATION OF THE CHARITY'S NET ASSETS

The net assets are held as follows:

| | Unrestricted 2022 £ | Restricted 2022 £ | Total 2022 £ | Total 2021 £ |
|---|---------------------------|-------------------------|--------------------------|--------------------|
| Group | | | | |
| Fixed assets | 3,804,030 | 2,956,387 | 6,760,417 | 7,686,425 |
| Net current assets less current liabilities | 9,290,696 | 7,633,264 | 16,923,960 | 13,225,445 |
| Accruals and deferred income | (3,852,441) | (696,266) | (4,548,707) | (3,194,930) |
| Provisions for liabilities and charges | (5,519,976) | (445,509) | (5,965,485) | (6,255,985) |
| | <u>3,722,309</u> | <u>9,447,876</u> | <u>13,170,185</u> | <u>11,460,955</u> |
| | £ | £ | £ | £ |
| Charity | | | | |
| Fixed assets | 2,544,061 | 2,956,387 | 5,500,448 | 6,968,639 |
| Net current assets less current liabilities | 1,840,050 | 7,632,015 | 9,472,065 | 5,873,794 |
| Accruals and deferred income | (3,094,853) | (696,266) | (3,791,119) | - |
| Provisions for liabilities and charges | (5,314,495) | (445,509) | (5,760,004) | (6,232,320) |
| | <u>(4,025,237)</u> | <u>9,446,627</u> | <u>5,421,390</u> | <u>6,610,113</u> |
| | £ | £ | £ | £ |

22 COMMITMENTS

- a) There was capital expenditure of £1,312,067 (2021: £35,580) for the Group and £696,711 (2021: £35,580) for the Charity, contracted for, but not provided for in the financial statements at the end of the financial year.
- b) The total future minimum payments under non-cancellable operating leases are as follows:

| | Group | | Charity | |
|--|-------------------------|-------------------|-------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Not later than one year | 1,179,480 | 1,364,705 | 610,185 | 360,856 |
| Later than one year and not more than five years | 2,976,749 | 5,091,305 | 1,419,408 | 1,289,720 |
| Later than five years | 3,448,547 | 6,634,642 | 644,984 | 872,126 |
| | <u>7,604,776</u> | <u>13,090,652</u> | <u>2,674,577</u> | <u>2,522,702</u> |

The operating lease payments charged to the Statement of Financial Activities during the year in respect of these non-cancellable operating leases was £995,144 (2021: £1,031,987) for the Group and £691,833 (2021: £355,259) for the Charity.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

23 RELATED PARTY TRANSACTIONS

Related party transactions are detailed below. There have been no provisions made against any of the transactions at the year-end and no amounts have been written off in respect of these transactions during the year.

Medical researchers access to the Charity's resource

During the year, medical researchers have requested and obtained access to the Charity's resource with fees relating to this financial year as follows:

| | 2022 | 2021 |
|------------------------|-----------|-----------|
| | £ | £ |
| Research data access | 997,834 | 1,082,676 |
| Research sample access | 1,036,567 | 1,182,903 |
| | 2,034,401 | 2,265,579 |
| | 2,034,401 | 2,265,579 |

Research data access

Researchers can apply for access to the data generated from the Charity's resource who are charged a fee based on a standard pricing policy. The amount owing at the year-end in respect of these fees was £888,614 (2021: £238,833) with sales in advance of £5,678,880 (2021: £nil) and payment in advance of £604,475 (2021: £248,750). Related party income within this category are included in the analysis below.

Research sample access

These fees relate to bespoke work for medical researchers using the Charity's resource. The amount owing at the year-end in respect of this income was £24,718 (2021: £152,262) with income in advance of £467,413 (2021: £977,791). Related party income within this category are included in the analysis below.

Wellcome and the Medical Research Council

Wellcome and the Medical Research Council are both Members of the Charity and entitled to appoint a Director to the Board. During the year, Tariq Khokhar, Head of Data for Science and Health at Wellcome and Dr Joseph McNamara, Head of Cohort Strategy at the Medical Research Council were both Directors and Trustees of the Charity, representing these Members.

Unrestricted funds

In February 2017, it was agreed to extend the projects funding by five further years from 1 July 2017 to 30 June 2022 with a total grant award of £31,700,000 to cover this period. In September 2022, the Charity's project funding was further extended by seven further years from 1 July 2022 to 30 June 2029 with a total grant award of £52,020,000 to cover this period. This funding is provided by Wellcome and the Medical Research Council with contributions from the National Institute of Health Research, the British Heart Foundation and Cancer Research UK.

The objectives of this funding remain consistent with those laid out within the Strategic report on pages 5 to 21.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

23 RELATED PARTY TRANSACTIONS (CONTINUED)

Wellcome and the Medical Research Council (continued)

Funding received during the year was as follows:

| | 2022 | 2021 |
|---------------------------------------|-----------|-----------|
| | £ | £ |
| Wellcome | 1,914,476 | 2,743,192 |
| Medical Research Council | 1,914,476 | 2,743,192 |
| National Institute of Health Research | 196,356 | 281,353 |
| British Heart Foundation | 490,891 | 703,383 |
| Cancer Research UK | 392,713 | 562,706 |
| | 4,908,912 | 7,033,826 |
| | 4,908,912 | 7,033,826 |

Restricted funds

Specific enhancement projects referred to in detail in Note 20 are based on agreements as follows:

- Wellcome, the Medical Research Council and the Charity will enter into Variation Agreements to the Joint Venture Agreement, agreed in January 2004. Wellcome administers the funding pertaining to these agreements, and
- The Medical Research Council together with the UKRI and Wellcome will enter directly into agreements with the Charity, and administer this funding themselves.

Funding received by the Charity during the year for these projects are as follows:

| | 2022 | 2021 |
|------------------------------------|------------|-----------|
| | £ | £ |
| Imaging Enhancement Project | | |
| Medical Research Council | 7,033,391 | 1,541,061 |
| Wellcome | 1,718,271 | 2,772,379 |
| British Heart Foundation | 253,461 | 408,952 |
| Dementias Platform UK | 17,496 | 17,496 |
| | 9,022,619 | 4,739,888 |
| | 9,022,619 | 4,739,888 |
| Research Analysis Platform | | |
| Wellcome | 3,277,978 | 3,075,203 |
| | 3,277,978 | 3,075,203 |
| Ethics Advisory | | |
| Wellcome | 27,797 | 46,765 |
| UKRI-MRC | 27,798 | 46,764 |
| | 55,595 | 93,529 |
| | 55,595 | 93,529 |
| Total | 12,356,192 | 7,908,620 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

23 RELATED PARTY TRANSACTIONS (CONTINUED)

Wellcome Trust

In addition, the Charity is able to use the facilities of Wellcome for meetings and related services. The charge during the year for the use of these facilities was £nil (2021: £1,878) and the amount owing to Wellcome at the year-end was £nil (2021: £nil) with accrued costs of £2,500 (2021: £nil).

UKRI-MRC

The amount owing to the Charity by UKRI-MRC at the year-end was £2,581,834 (2021:£889,500) for unrestricted and restricted funding with advanced sales of £1,701,992 (2021:£nil).

University of Oxford

Professor Sir Rory Collins, who is the Chief Executive and Principal Investigator of the Charity, is an employee of University of Oxford where he holds the positions of Head of the Nuffield Department of Population Health and BHF Professor of Medicine and Epidemiology.

Professor Anneke Lucassen is a Director and Trustee of the Charity, and is Director of the Centre for Personalised Medicine at the University of Oxford. During the year, the University of Oxford supported the Ethics Advisory project to address ethical issues for the Charity (Note 20)

During the year the services provided and the charges to or by the Charity for those services were as follows:

| | 2022 | 2021 |
|---|------------------|-----------|
| | £ | £ |
| <i>Sales</i> | | |
| Research sample access - Cardiac monitoring | 234,790 | 81,602 |
| Recharge of salaries | 67,440 | 48,912 |
| Research data access | 25,579 | 9,850 |
| | 327,809 | 140,364 |
| <i>Purchases</i> | | |
| Developing, producing, delivering and maintaining the Charity's data and Access IT Systems and supporting researcher access to the resource | 1,350,995 | 1,021,138 |
| Expert consultants advice | 118,074 | 111,527 |
| Recharge of salaries | 478,200 | 312,231 |
| Recharge of travel costs and consumables | - | 1,500 |
| | 1,947,269 | 1,446,396 |

The amount owing to the University of Oxford at the year-end was £11,250 (2021: £nil) with accrued costs of £379,052 (2021: £62,670) and prepaid costs of £nil (2021: £34,697). The amount owing by the University of Oxford at the year-end was £53,206 (2021: £38,856) and sales in advance of £121,171 (2021: £nil) and cash held for applications in progress £9,000 (2021: £14,500) had been recognised by UK Biobank.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

23 RELATED PARTY TRANSACTIONS (CONTINUED)

University of Southampton

Professor Anneke Lucassen was previously Professor of Clinical Genetics within Medicine at the University of Southampton. During the 2020-21 financial year, the University of Southampton supported the Ethics Advisory project to address ethical issues for the Charity (Note 20), with charges from the University of Southampton to the Charity for these support services as follows:

| | 2022 | 2021 |
|--|------|--------|
| | £ | £ |
| Recharge of salaries and support costs | - | 60,806 |
| Recharge of consumables | - | 1,840 |
| | - | 62,646 |
| | - | 62,646 |

The amount owing to the University of Southampton at the year-end was £nil (2021: £nil) with accrued costs of £nil (2021: £13,207).

Thrombosis Research Institute

Professor The Lord Ajay Kakkar is the Chair of the Charity and a Trustee, is also a Director of the Thrombosis Research Institute, which has two active UK Biobank Data Access applications. The amount included in Access sales is £250 (2021: £nil) with sales in advance of £8,750 (2021:£nil), cash held for applications in progress of £10,000 (2021:£nil) and the amount owing at the year-end of £nil (2021: £nil).

University of Manchester

Dame Nancy Rothwell is a Director and Trustee of the Charity, is also President and Vice-Chancellor of The University of Manchester. The University of Manchester has several active UK Biobank Data Access applications. The amount included in Access sales is £5,259 (2021: £3,750) with sales in advance of £24,741 (2021:£nil) and the amount owing at the year-end of £4,800 (2021: £300).

24 PENSIONS

Charity

The contributions paid by the Charity and included in expenditure in the Statement of Financial Activities are £1,390,558 (2021: £1,166,810) as shown in Note 9. Deficit recovery contributions due within one year for the institution are £589,824 (2021: £265,741).

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2020 (the valuation date), which was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

24 PENSIONS (CONTINUED)

At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the Scheme's technical provisions was £80.6 billion (if the recommended benefit changes are implemented), or £84.9 billion (if the recommended benefit changes are not implemented). This indicates a shortfall of £14.1 billion or £18.4 billion, a funding ratio of 83% or 78% respectively.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles (which can be found at <https://www.uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles>).

| | |
|--|--|
| Consumer Prices Index ("CPI") assumption | Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% pa to 2030, reducing linearly by 0.1% pa to a long-term difference of 0.1% pa from 2040 |
| Pension increases (subject to a floor of 0%) | CPI assumption plus 0.05% |
| Discount rate | Fixed interest gilt yield curve plus: <ul style="list-style-type: none"> • Pre-retirement: 2.75% p.a. • Post retirement: 1.0% |

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

| | |
|----------------------------------|--|
| | 2020 valuation |
| Mortality base table | 101% of S2PMA "light" for males and 95% of S3PFA for females |
| Future improvements to mortality | CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females |

The current life expectancies on retirement at age 65 are:

| | 2022 | 2021 |
|-----------------------------------|------|------|
| Males currently aged 65 (years) | 23.9 | 24.6 |
| Females currently aged 65 (years) | 25.5 | 26.1 |
| Males currently aged 45 (years) | 25.9 | 26.6 |
| Females currently aged 45 (years) | 27.3 | 27.9 |

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

| | 2022 | 2021 |
|---------------------------|-------|-------|
| Discount rate | 5.96% | 1.70% |
| Pensionable salary growth | | |
| Year 1 & 2 | 5.00% | 2.00% |
| Thereafter | 2.00% | 2.00% |

During the 2021/2022 year, the Charity took actuarial advice when setting the discount rate used in the calculation of its pension provision.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2022

24 PENSIONS (CONTINUED)

Group

The total pension cost for the Group was £2,282,589 (2021: £1,981,848). The outstanding contributions at the 30 September 2022 were £49,971 (2021: £137,578).

25 POST BALANCE SHEET EVENTS

To enable UK Biocentre to operate as an independent company, on 1 October 2022, UK Biobank transferred substantially all of its shares in UK Biocentre Limited to its directors, at which point UK Biocentre Limited ceased to be a subsidiary. As this decision was taken during the financial year, and the transaction concluded for nil proceeds, UK Biobank has impaired its investment in UK Biocentre Limited within these accounts, as shown in Note 14 of the financial statements.