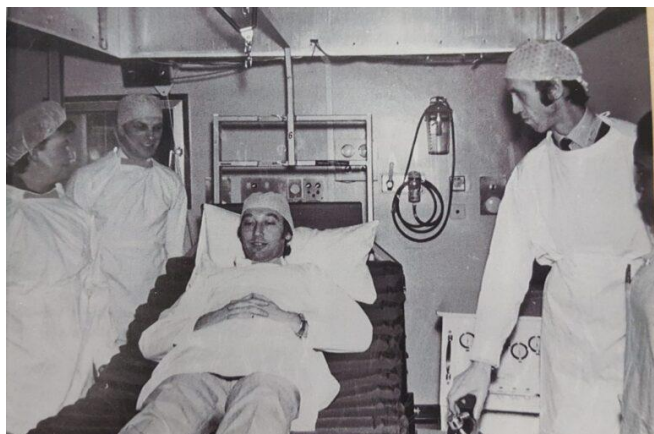


# RAFT – Restoration of Appearance and Function Trust

Registered Charity 299811



Unaudited Report and Accounts  
for the year ended 30 June 2021



# RAFT - Restoration of Appearance and Function Trust

## Annual Report and Accounts for year ended 30 June 2021

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*Cover photo – one of our founders Prof John Scales, inspired by the hovercraft, invented the low-loss air bed*

# RAFT - Restoration of Appearance and Function Trust

## Annual Report and Accounts for year ended 30 June 2021

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### Officers and Advisers

**Charity registration** Registered in England and Wales; number 299811

**Principal office** 475 Salisbury House  
London Wall  
London  
EC2M 5QQ

**Chief Patron** HRH The Duchess of Kent GCVO

**Trustee** RAFT Trustees Limited

**Board of the Trustee**

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Niccolò Caderni	<i>Chairman</i>
Mick Jackson	<i>Deputy Chairman</i>
Clifford Tompsett	<i>Honorary Treasurer</i>
Jonathan Angell	
Norbert Kang	
Graeme Rimmer	
Dafydd Wright	

<b>Executive Team</b>	Elena Garcia	<i>Chief Executive Officer and Director of Research</i>
	Nick Latham	<i>Chief Financial Officer</i>

**Banker** Barclays Bank plc  
54 High Street  
Ruislip,  
HA4 7AT

**Independent Examiner** Julie Mutton FCA  
Onslow House  
Onslow Street  
Guildford GU1 4TL

**Solicitor** Dechert LLP  
160 Queen Victoria Street  
London, EC4V 4QQ

**Website** [www.raft.ac.uk](http://www.raft.ac.uk)

# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

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### Chairman's Statement

The year ended June 2021 saw the completion of our long-standing project on breast tissue reconstruction and saw significant advances in our other projects, namely bone tissue regeneration and keloids matrices.

We were well placed in the state of the art facilities at the Griffin Institute at St Mark's Hospital and University College, London and thus able to make significant scientific advances against a backdrop of Covid induced restrictions and continuing financial challenges throughout the charitable sector.


Over thirty years ago, our founders set up RAFT as a centre of excellence for scientific research in reconstructive medicine, but we all know that, to fulfil our aim of ultimate benefit to patients, we need to translate our scientific findings into products and procedures that are approved by the competent medical regulatory bodies and can find their way into everyday's medical practices. Our job now is to enable this next process.

Better to achieve this objective, in December 2021 the Trustees, fully aware that the skills needed to bring technologies to the market are different from those needed to create those technologies in the first place, decided that our charitable objectives were best served by transferring our patents and know-how to The Griffin Institute, a highly regarded and likeminded charity, for them to progress this next phase of bringing research to patients. This transfer of assets took place in March 2022, and our work at RAFT is now mostly accomplished. Therefore, in accordance with our Trust document and applicable charity legislation, we will apply to the Charity Commission to dissolve the Charity. We are confident that this can be achieved in an orderly fashion and we expect to be able to meet all our liabilities in this final stage. Any remaining cash will be donated to the Griffin Institute to be used to further research in regenerative medicine.

Throughout its illustrious past RAFT has achieved some incredible milestones and I am immensely proud to have played a small part in building this unique legacy. None of this could have been achieved without the unique combination of amazingly talented and dedicated staff (both scientific and support), together with the unbound generosity of our donors. The quality of our science and the kindness of our friends enabled RAFT to alleviate suffering and improve quality of life for so many patients.

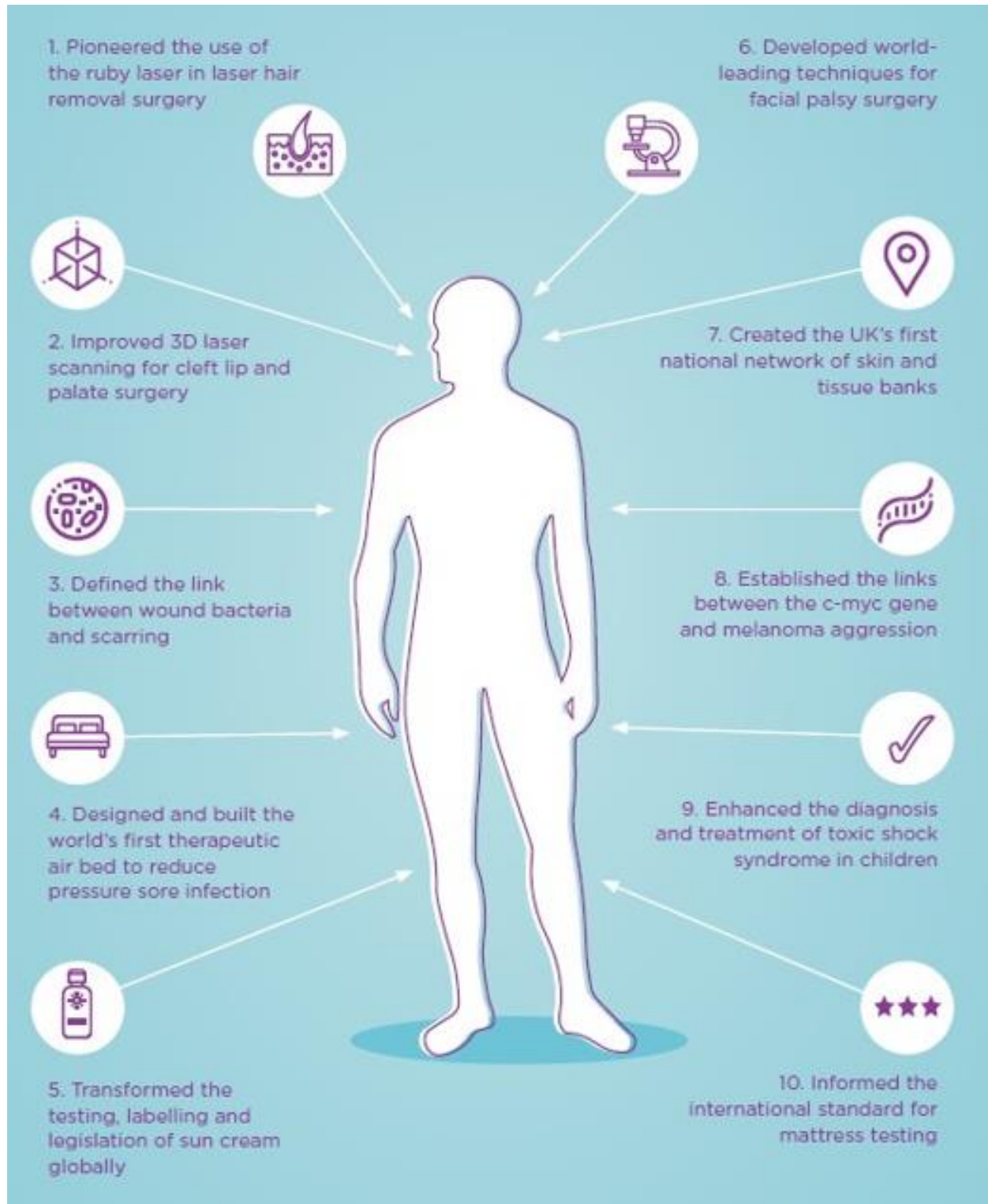
My heartfelt thanks go out to all those who have supported us either by their generous funding or help in other ways, whether large foundations or individuals. Collectively, we can all look back with pride.

Dr Niccolò Caderni  
Chairman  
28<sup>th</sup> April 2022

  
Niccolo Caderni (Apr 28, 2022 14:51 GMT+1)



Ten ways RAFT changed the World



Taken from our Thirtieth Anniversary book in 2018

# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

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### Our Programmes

#### Breast reconstruction

Over 50,000 women in the UK are diagnosed with breast cancer every year. Fewer than half the women in the UK who have a mastectomy choose to have breast reconstruction. These patients have suffered the trauma of cancer and are understandably unwilling to undergo further surgery with an uncertain outcome. Current reconstructive options are far from ideal. The developments at the RAFT Institute offers women the prospect to rebuild a natural feeling breast.



Our programme is to develop an implant built from natural proteins found in breast tissue. It will be used in conjunction with fat supplemented by stem cells to help rebuild the breast and ensure that the fat will stay within the breast reconstruction site rather than dissipating throughout the body. As the breast tissue grows, the implant will be absorbed, leaving behind a natural breast, made with the patient's own body tissue. Once proven, RAFT's solution will allow for a natural feel outcome, with a quicker, less painful recovery time, and a far more cost-effective procedure.

Recent work on this project was undertaken at The Griffin Institute. As with all our programmes we fully fund and control the scientific content. We have now completed the analysis of our first pre-clinical trial and completed the scale-up of the implant to a relevant human size. Once completed, and subject to appropriate funding, the project will be then ready to move towards approval to conduct clinical trials.

#### Bone

Amongst the most common surgical procedures, those involving bone account for approximately 44% of the total. Fractures, bone diseases (e.g. osteoporosis), dental implants, spinal fusion or hip or knee replacements often need bone grafting to stop bone loss and promote healing.

Our aim is to develop a biomaterial implant for bone regeneration to:

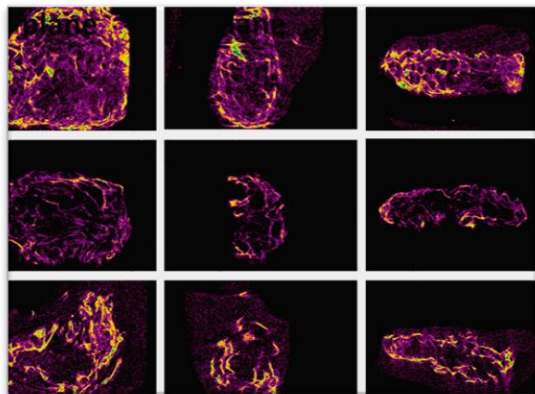
- act as a filler where there is a loss of bone
- encourage the body to make bone naturally

This novel material promotes new bone formation and is biodegradable as new bone forms. We are developing this as a malleable template to regenerate bone naturally over time and can be easily manipulated by the surgeons in the clinic. The use of such a biomaterial would eliminate the need for a second surgery to harvest autografts, significantly reducing costs and surgery times.



# RAFT - Restoration of Appearance and Function Trust

Annual Report of the Trustee for year ended 30 June 2021



The work done in this area will benefit patients in many aspects of surgical and dental treatment.

We have been working with University College London (UCL) and have now completed our in-depth analysis of the ex vivo samples from the pre-clinical trial stage and have a defined product that is ready for commercialisation. We have developed a malleable template that regenerates bone naturally over time and can be manipulated by the surgeons in the clinic. The use of such a biomaterial, SmartCaP®, eliminates the need for a second surgery to harvest autografts, significantly

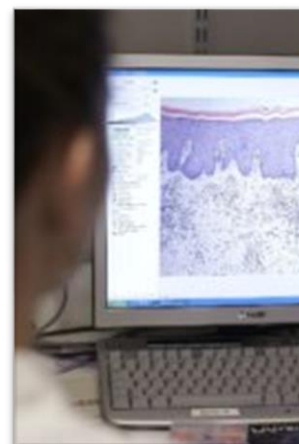
reducing costs and surgery times. The project is now ready to progress to the commercialisation stage. We believe this will benefit patients in many aspects of surgical and dental treatment.

## Wound Healing - Keloids

A keloid scar is a raised, painful growth on the skin, which often occurs after a minor scratch or cut. Keloids are a form of tumour and although not cancerous, can have a serious effect on a person's quality of life. In the UK 3.5 people per 1,000 suffer from keloid scars and, apart from pain and discomfort, the visible scarring can also result in social anxiety and self-esteem issues. Current treatment is risky and can exaggerate the situation. Particularly problematic is the issue of keloid recurrence after surgical removal, which occurs in 70% of patients.

Our aim is to develop a biomaterial-based treatment that prevents keloid recurrence after surgical removal. This product will be highly beneficial to patients and save medical resources. It will not require added hospital time so the potential cost savings in personnel time and aftercare would be significant.

This project was undertaken at The Griffin Institute. Work on this project started by assessing how the cells responsible for keloids interact with the various proteins and components found in skin. We have produced a biomaterial that is specifically designed to prevent keloids from coming back after they are removed by surgery. Having completed the proof of concept process, the next stage will be pre-clinical trials.



# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

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### 3D printing – facial reconstruction



In the UK approximately 60,000 operations to repair skull and jaw bones are carried out each year. Traditionally, metal implants bone grafts and artificial prosthetics are used but have a risk of rejection and other issues requiring multiple operations. 3D printing offers exciting prospects to create custom-fit implants; however, the inks used in 3D printing are far from ideal.

In conjunction with University College London, we have developed a 3D printable ink, supplemented with calcium phosphate for 3D printing of custom-fit implants for facial reconstruction surgery. This novel ink will be able to encourage the body to grow bone naturally as the implant gradually gets absorbed by the body, providing significant benefits to patients and

saving the need for multiple operations as a patient grows older.

Results from our earlier work confirmed the biocompatibility and bone-forming abilities of our ink. This work was done as part of the first PhD project on this programme, which has now been completed. Work done as part of the second PhD looked at optimising the ceramic component of the ink as well as the synthesis of the polymer component of the ink.

### Bionic Limb

Around 5,500 adults and children in the UK are living with an upper limb amputation or have congenital upper limb deficiency and hundreds more amputation procedures take place every year. Current prosthesis for upper-limb amputees often have poor attachment, which causes chaffing, pain, and discomfort. Upper limb amputation is functionally more disabling than lower limb amputation because of the vast number of fine motor skills undertaken by the hand and arm. Limb-loss is extremely traumatic for patients and their families. It can impact on a patient's mental as well as physical health and affect their emotional wellbeing, independence mobility and financial situation.

Our aim was to develop multiplexed implantable device for controlling a prosthetic limb, the goal of which is make upper arm prosthetics completely intuitive.



This project took place at University College London and the work to develop a system for the transfer of neuromuscular signals to a prosthetic device continues. We have also demonstrated the feasibility of wirelessly transferring both data and power between the implant and the external control device.

Design and manufacturing of prototypes have been completed and testing is now ongoing. The aim is to work towards developing a final design for the signal amplification circuit and testing its efficacy.



# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

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### Annual Report of The Trustee

The Trustee is pleased to present the Report and Accounts for the year ended 30 June 2021 which have been prepared in accordance with the accounting policies set out in the notes to the accounts.

### Operational

#### Objectives and Activities

The Charity carries out primary research into reconstructive plastic surgery, specifically to improve the treatments available after physical trauma, such as life-threatening burns, wounds, and cancers of the skin. Our aim is to ensure that every patient who suffers a wound or major tissue trauma regains their quality of life, independence, and dignity. The overriding purpose is 'Tissue reconstruction after physical trauma'.

The purposes of the trust are to relieve sickness and trauma by clinical and scientific research and development of reconstructive medicine, surgery, practices, and devices and to educate those in training and practising or otherwise involved in reconstructive procedures and associated disciplines.

- i. to promote clinical and scientific research in reconstructive medicine
- ii. to improve the medical services and procedures available to those requiring reconstructive treatments
- iii. to publish the results and findings of the research
- iv. to promote, develop and translate the results of the research for the benefit of the health and wellbeing of the public

#### Structure, Governance and Management

The Charity is constituted under a Trust Deed dated 22 July 1988. The Trustee of the Charity is RAFT Trustees Limited ("the Trustee"), a limited liability company whose directors are referred to as "Trustees" in this report.

RAFT's charitable mission and ethos is important to the Trustees. Equally important is good governance and the Trustees hold themselves to standards like those of a public company. This includes:

- an independent Board, with strong governance and financial skills, and an interest in the work we do.
- new Trustees are invited and encouraged to attend Board meetings before being appointed. On appointment there is an induction process including a pack with background information and guidelines on duties and responsibilities.

The Board also oversees that fundraising is conducted transparently in accordance with the Trust's ethical standards designed, inter alia, to ensure donors are never pressured or contacted against their will. Most of the charity's donations come from trusts and foundations or high net worth individuals. The charity does not use external organisations to seek donations from individuals and has a complaints policy to ensure that any complaints are addressed promptly and thoroughly.

The Board usually meets four times a year, either in person or more recently by video or telephone link and determines the direction of policy and strategy. The surgical community continues to be well represented, with one plastic surgeon currently on the Board and others as Patrons. In addition, the Board and Executive team are assisted by the Scientific Advisory Committee. Responsibility for the day-to-day management of the Charity is delegated to the Executive Team, who meet regularly with the Chairman. Trustees receive regular updates on the financial status of the charity and progress against agreed priorities.

# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

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### The RAFT Group

The RAFT Group consists of RAFT Enterprises Ltd (REL), a wholly owned subsidiary of RAFT. This limited company undertakes commercial activity in support of RAFT's charitable objectives. There is one other subsidiary, currently dormant and another where an application for striking off is in progress. Details are given in the Notes to the Accounts. When taxable profits are made, they are transferred to the Charity under Gift Aid under the terms of a deed of covenant. Since the year end the charity has set up a new subsidiary, RegeneRaft, to promote the commercialisation of the outcome of the research programmes.

### The future of RAFT

Subsequent to the year end, the Trustees reviewed the position of RAFT and its future. Having regard to RAFT's charitable objectives and the best interests of getting the science to the patients and such matters as:

- the milestones reached on the prime programmes, breast, and bone, means that these programmes be prepared for the commercialisation process. This is not an area of expertise within the organisation, nor necessarily appropriate use of charitable money
- the other programmes had all reached a convenient stopping point
- we no longer had our own premises and laboratory facilities and had reduced our team significantly. This had worked in our favour during the pandemic but would require a significant investment to regain a critical mass

We are incredibly grateful to our sponsors over many years and the significant contributions that they have made, and we are very proud of what RAFT has achieved since its creation in 1988. However, we believe that we should make a dignified exit and in March 2022 transferred some of our Intellectual Property to a similar Charity, Northwick Park Institute for Medical Research, trading as The Griffin Institute, for them to progress the science and commercialisation of what has been achieved so far.

We are also making arrangements to dissolve the charity and it is likely that we will transfer our remaining assets and incredible legacy to likeminded charities and will apply to the Charity Commission to dissolve RAFT.

### Approach to fundraising

We are reliant on fundraising to cover our costs and are incredibly grateful to all our supporters for the contributions they have made. We are registered with the Fundraising Regulator and abide by their codes and regulations.

Our approach to fundraising consists of:

- soliciting donations from charitable trusts, corporate partners, and individuals
- direct marketing appeals to individuals who have already expressed an interest in the work we do
- encouraging people to participate in events to raise funds on our behalf, particularly the London Marathon.
- when times permit, running a number of charitable and informational events, some of which raise funds

We do not use third party professional fundraisers.

RAFT strives for excellence through a safe fundraising environment for all donors. Should we have concerns regarding the vulnerability of a donor, for example, a lack of capacity, then we would not take a donation.

We have a fundraising policy in place. Statements on privacy and complaints policies and process are available on our website. The Trustees are of the view that during the year to 30 June 2021 we have been compliant with those standards and we have not received any complaints.

# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

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### Public benefit

The overriding principle behind the medical research we undertake into tissue and bone reconstruction is to enable patients to regain their quality of life, independence and dignity enabling them to rebuild their lives after major trauma, serious wounds or burns, disease, or birth defects. Further details are included in the programmes section.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

### Financial review

The accounts have been prepared in accordance with FRS102 and the Statement of Recommended Practice on Accounting and Reporting by Charities (effective 1 January 2019). The Statement of Financial Activities shows an overall decrease in funds of £408,641, of which £458,445 was a decrease in unrestricted funds and an increase of £49,804 in restricted funds.

It is not considered that the impending dissolution of the charity has any cause to require adjustment of the carrying values of the assets and liabilities held on the balance sheet at 30 June 2021.

#### Income

Incoming resources is primarily voluntary income to support our programmes. We are very grateful to our committed group of donors and supporters who have continued to support and promote RAFT's activities, many have been involved since the early years.

Total Income for the year was £191,660 (2020: £200,224); we concentrated our resources on implementing the strategy review and developing our commercialisation programme. Fundraising activities were curtailed. In common with other not for profit organisations income has reduced significantly because the global covid pandemic has resulted in a lot of our traditional funders reviewing the situation and reducing or stopping funding for the time being.

Our income from Trusts and Foundations was £100,500 (2020: £77,650) an improvement on last year. Individual donations continue to decline. Donated services received by RAFT amounted to £45,000 in 2021 (2020: £58,000) as providers have faithfully responded to RAFT's requirements for which we are extremely grateful. This sum is included in both income and expenditure in the Statement of Financial Activities.

Income from Fundraising Events doubled this year as the London Marathon returned, albeit later in the year and we had twenty runners completing the virtual event in October 2020.

Historically, Research Services have been provided by REL to SML, to support the commercialisation of Smart Matrix®. This ceased in 2019 as clinical trials have advanced. Income from SML in the year was primarily patent fees incurred on their behalf, amounting to £27,062 in the year (2020: £40,868).

#### Expenditure

Total Expenditure, including fundraising costs, has decreased to £382,941 (2020: £495,633) for the year.

Our research expenditure has reduced in the year to £340,087 (2020: £439,586) as a result of the rationalisation programme implemented in prior years and the projects coming to breakpoints, before the next phase.

Fundraising expenditure continues to be minimal as our limited resources were concentrating on the rationalisation programme and in the latter part of the year the development of the commercialisation model. The cost of fundraising events was similar to the previous year.

The overall reduction in expenditure reflects the recognition by the Board that the decrease in Foundation and Trust income was largely outside of RAFT's control, especially as the pandemic progresses and levels of

# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

uncertainty remain high. Measures to reduce the cost base were started in the 2019 financial year as part of the strategic review and work continued in reducing the costs and setting up a new business mode during the year.

### **Other costs – net loss on investments**

At 30 June 2021, the Group held 286 'B' shares in Smart Matrix Limited, representing 1.5% of the total shares issued. The Trustees took the view that it was appropriate to write down the shares to £nil as there was significant doubt about the company's ability to raise further funding to continue as a going concern; Subsequent to the year-end Smart Matrix Limited was placed in administration, confirming the uncertainty and the approach taken. At the date of this report it is uncertain if there will be anything other than a minimal return to shareholders. The net effect of this after the release of the deferred tax provision was a net loss of £(216,360).

### **Property disposal**

In 2019, as a result of the strategic review the Trustees took the view the property was no longer appropriate and completed the surrender of the lease to the NHS landlord. This resulted in a surplus of £23,350 in the year ended 30 June 2020.

### **Coronavirus Pandemic**

The coronavirus pandemic, which emerged in 2020 is still ongoing. Albeit the restrictions have eased the impact is still ongoing as society adopts to a different way of living and working. At the time of the approval of these accounts there is still uncertainty about the future. Whilst it has had an impact on our activities and our ability to raise funds, as well as different attitudes and emphasis from our donors, it has not been possible to quantify the financial impact of the pandemic on the Charity.

### **Staffing and support service arrangements**

As part of the strategic review all the employment contracts with one exception, were terminated at various stages during the financial year to June 2020. Additional services have been acquired on a consultancy or contract basis as required. Throughout the year the Executive team has comprised Elena Garcia and Nick Latham.

Elena Garcia has provided her services through arrangements with the Griffin Institute, where she was an employee throughout the period under review. An element of the amounts charged from them include an allocation of her costs relating to RAFT matters, other than the breast and keloid programmes. Nick Latham has charged for his services through a third-party company, of which he is a director and shareholder. This company has also provided services of additional bookkeeping and administration staff (see below).

### **Net income/(expenditure) for the year**

The net expenditure for the year was £(408,641) (2020: £295,409)

The Charities subsidiary, REL, has made a loss in the year of £(219,317) primarily as a result of the investment write down; (2020: loss £(1,093)). Other subsidiary companies have not traded in the year.

Cash balances at 30 June 2021 were £245,357 (2020: £499,748).

### **Executive remuneration**

The remuneration of the Executive Team is approved by the Trustees. No member of the Executive Team is involved in deciding his or her own remuneration. RAFT benchmarks its executive pay against trends in both remuneration surveys and more current data drawn from recruitment consultants.

Following on from the termination of most employment contracts during the previous financial year neither member of the Executive team were employees during this year.

# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

Role	Basis	30 June 2021	30 June 2020
Chief Executive and Director of Research <sup>(1)</sup>	TGI contract	35,269	20,186
	as an employee	-	14,232
Chief Financial Officer <sup>(2)</sup>	service contract	44,453	50,896
	as an employee	-	9,664
Director of Development <sup>(3)</sup>	as an employee	-	6,740
		£79,722	£101,718

- (1) Elena Garcia's services as Chief Executive Officer and Director of Research have been provided through a contract with the Griffin Institute [TGI]. In the previous year, her services were provided as an employee to September 2019 then through a personal contract to January 2020, and subsequently through a contract with the Griffin Institute.
- (2) The services of Nick Latham, the Chief Financial Officer, have been provided through Bedford Street Associates Limited which also provides ancillary bookkeeping and administration services to RAFT. He was an employee until September 2019.
- (3) The Director of Development was not replaced.

No director of the trustee company received any remuneration during the year or reimbursement of expenses detailed in the note 10 to the accounts.

### Going concern

As at 30 June 2021 the group had net assets of £227,802 and £245,357 cash in hand.

The Trustees regularly review the charity's cash flow to ensure that it has sufficient working capital available to sustain its operations. RAFT meets its day-to-day requirements from existing cash resources.

Trustees oversee the following controls to ensure that RAFT maintains liquidity:

- A regular review is undertaken
- Management Accounts including a Balance Sheet, Income and Expenditure Account and Cash Flow Statement are reviewed at each Trustee meeting
- The Treasurer formally reviews financial matters with the Chief Financial Officer regularly, including updating policies and procedures

The overall aim of the Trustees has been to ensure the continuation and development of the scientific research in the most appropriate environment. Having regard to a number of factors the Trustees agreed in December 2021 that it was in the best interests of the science, and in accordance with the charitable objectives of supporting patients, if the commercialisation process was transferred outside the Raft Group. After careful consideration it was decided that the Intellectual Property of the Group should be gifted to a likeminded charity. Accordingly, in March 2022, the Intellectual Property was transferred to the Northwick Park Institute for Medical Research, trading as The Griffin Institute [TGI]. This gift was effected by the transfer of the ownership of the REL sub-group. To allow TGI sufficient time to evaluate and implement a proper programme for the development of the IP, RAFT also gifted a cash sum, amounting to £89,958 to support any ongoing Intellectual Property maintenance costs and for the purposes of research in regenerative medicine.

Following this gift there are minimal assets remaining in the charity and the Trustees have decided that the remaining assets be disposed of in an orderly fashion and the operations ceased. The remaining net assets will be gifted to the most appropriate recipients, and in due course an application will be made to the Charity Commission to dissolve the charity, in accordance with the original Trust Deed and relevant Charity legislation. Accordingly, the accounts are not prepared on the going concern basis.

After careful consideration of these factors, the Trustees have concluded that the assets and liabilities at the balance sheet date are cash, or similar, there is no impairment, or enhancement, of the balance sheet values

# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

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required. The Trust should be able to liquidate its affairs in an orderly fashion and be able to meet its anticipated liabilities in that period.

### Reserves policy

Having regard to the Trustees decision to dissolve the charity in the near future it is not relevant to have a reserves policy other than ensuring the Group can meet all anticipated liabilities to the point of dissolution. Any remaining net assets will be gifted to an appropriate recipient in accordance with the Trust Deed and Charity legislation.

As at 30 June 2021, cash balances in the group totalled £245,357. The group's Net Assets are £227,802, of which £56,087 is allocated to cover Restricted Fund obligations. There were no fixed assets or provisions.

This report was approved by the Trustees. Signed on their behalf on 28<sup>th</sup> April 2022 by:



[Niccolò Caderni \(Apr 28, 2022 14:51 GMT+1\)](#)

Niccolò Caderni  
Chairman

# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

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### Scientific Output

Peer-reviewed scientific papers:

- **Decellularised scaffolds: just a framework? Current knowledge and future directions.** E García-Gareta, Y Abduldaem, P Sawadkar, C Kyriakidis, F Lali, KV Greco. *J Tissue Eng* 2020, 11, 1-18.
- **A synergistic relationship between PCL and natural polymers enhances the physical properties and biological activity of scaffolds.** P Sawadkar, J Mohanakrishnan, P Rajasekar, B Rahmani, N Kohli, L Bozec, E García-Gareta. *ACS Applied Materials & Interfaces* 2020, 12 (12), 13587.
- **Towards the Development of a Novel Ex Ovo Model of Infection to Pre-Screen Biomaterials Intended for Treating Chronic Wounds.** E García-Gareta, J Binkowska, N Kohli, V Sharma. *J Func Biomater* 11 (2), 37.
- **Pre-screening the intrinsic angiogenic capacity of biomaterials in an optimised ex ovo chorioallantoic membrane model.** N Kohli, P Sawadkar, S Ho, V Sharma, M Snow, S Powell, MA Woodruff, L Hook, E García-Gareta. *J Tissue Eng* 2020, 11, 2041731420901621.
- **Synthesis, characterisation and 3D printing of an isosorbide based, light curable, degradable polymer for potential application in maxillofacial reconstruction.** N Owji, A Aldaadaa, JR Cha, T Shakouri, E García-Gareta, HW Kim, JC Knowles. *ACS Biomater Sci Eng* 2020. 6 (5), 2495.
- **Biomimetic in vitro model of cell infiltration into skin scaffolds for pre-screening and testing of biomaterial-based therapies.** R Ballesteros-Cillero, E Davison-Kotler, N Kohli, WS Marshall, E García-Gareta. *Cells* 2019, 8, 917.

Academic book chapters:

- **Biomaterials for Organ and Tissue Regeneration: New Technologies and Future Prospects;** Chapter: **Composite materials for musculoskeletal tissue engineering.** PSP Poh, MA Woodruff, E García-Gareta. Editors: Nihal Vrana, Helena Knopf-Marques, and Julien Barthes. Elsevier Limited (Oxford, UK). ISBN: 0081029071 / 9780081029077. Published on 20<sup>th</sup> March 2020.

Patents:

- WO2020035703A1, PCT/GB2019/052313: Tissue Scaffold. PCT filing Date: 17<sup>th</sup> Aug 2019.

Conference presentations:

- **“In Vivo Comparison of 3 Dermal Scaffolds using the Porcine Animal Model of Acute Wound Healing”** Stuart John Brown, Vaibhav Sharma, Elena García-Gareta, Lilian Hook. 30<sup>th</sup> annual conference of the European Society for Biomaterials – September 2019, Dresden (Germany).
- **“Conceptual and Practical Considerations in The Development of a Keloid Scar-Inhibiting Dermal Replacement Scaffold”** Stuart John Brown, Elena García-Gareta. 30<sup>th</sup> annual conference of the European Society for Biomaterials – September 2019, Dresden (Germany).
- **“A Novel Pro-Angiogenic Fibrin-Alginate Technology for Repair and Regeneration of Multiple Tissues”** Vaibhav Sharma, Stuart Brown, Nupur Kohli, Lilian Hook, Elena García-Gareta. 30<sup>th</sup> annual conference of the European Society for Biomaterials – September 2019, Dresden (Germany).
- **“Simultaneous power transfer and bidirectional serial communication for implantable electronics”** De Jager, K., Mentink, M., Lancashire, H., Taylor, S., and Vanhoestenbergh, A. In BioMedEng 2019.
- **“Stimulation induced biopotential amplifier saturation due to common mode voltage”** Caplan, I., de Jager, K., Al’Joboori, Y., Duffell, L., Vanhoestenbergh, A., and Loureiro, R. In BioMedEng 2019.
- **“Characterisation of a multi-channel multiplexed emg recording system: towards realising variable electrode configurations”** De Jager, K., Mentink, M., Lancashire, H., Al-Ajam, Y., Taylor, S., Vanhoestenbergh, A. In BIOCAS 2019.

# RAFT - Restoration of Appearance and Function Trust

## Annual Report of the Trustee for year ended 30 June 2021

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### **Statement of Trustee's responsibilities**

The Trustee is responsible for preparing the Annual Report of the Trustee and the Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the charity and the group for that period.

In preparing these accounts, the Trustee is required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity and group will continue in business.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the accounts comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of the charity and the group and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# RAFT - Restoration of Appearance and Function Trust

## Annual Report and Accounts for year ended 30 June 2021

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### **Independent Examiner's Report to the Trustees of RAFT – Restoration of Appearance and Function Trust**

I report to the trustees on my examination of the accounts of RAFT – Restoration of Appearance and Function Trust for the year ended 30 June 2021, which comprise the consolidated Statement of financial activities, the consolidated and charity balance sheets, the consolidated cashflow statement and the notes to the accounts, including a summary of significant accounting policies.

#### **Respective responsibilities of trustees and examiner and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns to report but would like to draw attention to the disclosures in note 1(b), Going Concern, and note 21, Subsequent events, which explain the post year end transfer of some of the Group's assets to a third party, and the intended future dissolution of the charity, in order to enable a proper understanding of the accounts to be reached.

  
Julie Mutton (Apr 28, 2022 15:51 GMT+1)

Name: Julie Mutton  
Fellow of The Institute of Chartered Accountants in England & Wales

Address: Smith & Williamson LLP  
Onslow House  
Onslow Street  
Guildford GU1 4TL

28<sup>th</sup> April 2022

# RAFT - Restoration of Appearance and Function Trust

## Annual Report and Accounts for year ended 30 June 2021

### Consolidated Statement of Financial Activities

Year ended 30 June 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and endowments from:					
<b>Donations and legacies</b>	2	82,561	70,000	<b>152,561</b>	150,566
<b>Charitable activities:</b>					
Fundraising events	3	11,767	-	<b>11,767</b>	5,664
<b>Other trading activities:</b>					
Research services	4	27,157	-	<b>27,157</b>	40,868
Other income		28	-	<b>28</b>	2,208
<b>Investments</b>	5	147	-	<b>147</b>	918
<b>Total income</b>		<b>121,660</b>	<b>70,000</b>	<b>191,660</b>	200,224
<b>Expenditure on:</b>					
<b>Raising funds</b>	6	4,747	7,000	<b>11,747</b>	9,288
<b>Charitable activities:</b>					
Fundraising events	3	3,663	-	<b>3,663</b>	6,618
Research	7	125,721	214,366	<b>340,087</b>	439,586
<b>Other trading activities:</b>					
Research services	4,7	27,444	-	<b>27,444</b>	40,141
<b>Total expenditure</b>		<b>161,575</b>	<b>221,366</b>	<b>382,941</b>	495,633
Net loss on investments	9	(217,360)	-	<b>(217,360)</b>	-
<b>Net expenditure for the year</b>		<b>(257,275)</b>	<b>(151,366)</b>	<b>(408,641)</b>	(295,409)
<b>Other recognised gains:</b>					
Disposal of fixed assets		-	-	-	23,350
<b>Transfers between funds</b>		<b>(201,170)</b>	<b>201,170</b>	-	-
<b>Net movement in funds</b>		<b>(458,445)</b>	<b>49,804</b>	<b>(408,641)</b>	(272,059)
Total funds brought forward		630,160	6,283	<b>636,443</b>	908,502
<b>Total funds carried forward</b>		<b>£ 171,715</b>	<b>£ 56,087</b>	<b>£ 227,802</b>	£ 636,443

# RAFT - Restoration of Appearance and Function Trust

## Annual Report and Accounts for year ended 30 June 2021

### Consolidated and Charity Balance Sheets

30 June 2021

	Note	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
<b>Fixed assets</b>					
Tangible fixed assets	12	-	1,000	-	1,000
Investments	13	-	271,700	4	4
		-	272,700	4	1,004
<b>Current assets</b>					
Trade and other debtors	14	21,983	3,558	25,647	5,270
Prepayments and accrued income		603	8,000	603	8,000
Bank accounts and cash balances		245,357	499,745	244,857	499,050
		267,943	511,303	271,107	512,320
<b>Creditors:</b>					
Amounts falling due within one year					
Trade creditors		9,774	10,019	9,774	10,017
Other creditors including tax and social security	15	813	485	813	485
Accruals and deferred income		29,554	74,675	27,951	72,885
		40,141	85,179	38,538	83,387
<b>Net current assets</b>		227,802	426,124	232,569	428,933
<b>Total assets less current liabilities</b>		227,802	698,824	232,573	429,937
<b>Provisions for liabilities:</b>	16	-	62,381	-	8,041
<b>Total net assets</b>		£ 227,802	£ 636,443	£ 232,573	£421,896
<b>The funds of the charity:</b>					
Unrestricted funds	17	171,715	630,160	176,486	415,613
Restricted income funds	17	56,087	6,283	56,087	6,283
<b>Total funding provided</b>		£ 227,802	£ 636,443	£ 232,573	£421,896

The accounts were approved by the Board of Trustees and signed on their behalf by:



Niccolò Caderni (Apr 28, 2022 14:51 GMT+1)

Niccolò Caderni, Director of RAFT Trustees Ltd, Chair  
28<sup>th</sup> April 2022

# RAFT - Restoration of Appearance and Function Trust

## Annual Report and Accounts for year ended 30 June 2021

### NOTES TO THE ACCOUNTS

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#### Notes to the Accounts

##### 1. Accounting policies

RAFT is registered as a charity (Number 299811) with the Charity Commission. It is domiciled and incorporated in England, with its registered office at 475 Salisbury House, London Wall, London EC2M 5QQ. The charity meets the definition of a public benefit entity under FRS102.

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

##### (a) Basis of preparation

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice. Investments are included at market value, or cost if market value is not determinable. The company's functional currency is GBP sterling.

##### (b) Going Concern

The Trustees have prepared the accounts on the assumption that the Charity will be able to meet all its obligations and proceed to an orderly dissolution. On a consolidated basis the charity had net assets of £227,802 at year-end.

The overall aim of the Trustees has been to ensure the continuation and development of the scientific research in the most appropriate environment. Having regard to a number of factors the Trustees agreed in December 2021 that it was in the best interests of the science, and in accordance with the charitable objectives of supporting patients, if the commercialisation process was transferred outside the Raft Group. After careful consideration it was decided that the Intellectual Property of the Group should be gifted to a likeminded charity. Accordingly, in March 2022, the Intellectual Property was transferred to the Northwick Park Institute for Medical Research, trading as The Griffin Institute [TGI]. This gift was effected by the transfer of the ownership of the REL sub-group. To allow TGI sufficient time to evaluate and implement a proper programme for the development of the IP, RAFT also gifted a cash sum, amounting to £89,958 to support any ongoing Intellectual Property maintenance costs and for the purposes of research in regenerative medicine.

Following this gift there are minimal assets remaining in the charity and the Trustees have decided that the remaining assets be disposed of in an orderly fashion and the operations ceased. The remaining net assets will be gifted to the most appropriate recipients, and in due course an application will be made to the Charity Commission to dissolve the charity, in accordance with the original Trust Deed and relevant Charity legislation. Accordingly, the accounts are not prepared on the going concern basis.

##### (c) Group accounts

These accounts consolidate the results of the charity and its wholly owned subsidiaries, RAFT Enterprises Limited (registered in England and Wales: 02482872), Smart Matrix Intellectual Property Limited (registered in England and Wales: 09267906) and RAFT Ventures Limited (registered in England and Wales: 09091336), on a line-by-line basis.

##### (d) Income

All incoming resources are included in income when the charity is legally entitled to the income, the conditions for receipt have been met, the amount can be quantified with reasonable accuracy and there is reasonable assurance of receipt.

# RAFT - Restoration of Appearance and Function Trust

## Annual Report and Accounts for year ended 30 June 2021

### NOTES TO THE ACCOUNTS

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#### 1. Accounting policies (continued)

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported separately.

- **Fundraising events** - Ticket income from events is recognised in the period when the event takes place. Sponsorship income is recognised over the period of time to which the sponsorship relates
- **Other trading activities** - Income from the commercial trading operations of RAFT Enterprises Limited is included in income in the period in which the sale is made.
- **Donated services and goods** - Donated services and goods are included at the value to the charity where this can be quantified.

#### (e) Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for the goods or service. Rental payments are charged to income on a straight-line basis over the period to which they relate. Charitable activities include all expenditure relating to the objects of the charity, including research activities and related support and management costs.

##### **(i) Staff costs allocation**

Staff costs are allocated between expenditure for raising funds, fundraising events, trading activities and charitable activities according to the cost of staff working directly on the relevant area.

##### **(ii) Repairs and maintenance**

Expenditure is written off in the period in which it is incurred. A major repair or refurbishment, which gives rise to a significant and continuing economic benefit to the charity by extending the useful life of the asset, is capitalised.

##### **(iii) Overhead allocation**

Administration and management costs comprise those overhead expenses which, whilst mainly related to the charitable activities, are not wholly so attributable.

##### **(iv) Pension costs**

Retirement benefits for certain employees are funded by defined contributions from the group. Payments are made to pension provision companies. The group's contributions are treated as expended in the period in which they become payable.

##### **(v) Patent costs**

All expenditure on development is written off in the year it is incurred where the trustee does not consider there is sufficient certainty that future revenues generated will exceed historic expenditure.

#### (f) Tangible fixed assets and depreciation

Tangible assets are stated at cost less depreciation. Assets are depreciated, to write their cost down to estimated residual value. Depreciation is normally charged in equal annual instalments over their anticipated useful lives, as follows:

Leasehold building	4%
Laboratory equipment	33.3%
Office equipment	33.3%

Donated assets are capitalised at fair market value.

#### (g) Significant judgements

The valuation of RAFT Enterprises Limited's shareholding in Smart Matrix Limited requires significant judgements to be made.

The Group classifies certain one-off charges or credits that have a material impact on the Group's financial results as exceptional items. These are disclosed separately to provide further understanding of the financial performance of the Group.

# RAFT - Restoration of Appearance and Function Trust

## Annual Report and Accounts for year ended 30 June 2021

### NOTES TO THE ACCOUNTS

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#### 1. Accounting policies (continued)

##### (h) Investments

Fixed asset investments are stated at market value at the balance sheet date if market value can reasonably be determined. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the period.

##### (i) Cash and cash equivalents

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

##### (j) Financial assets and liabilities

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

Trade debtors, trade creditors and amounts due from the subsidiary company are recognised initially at transaction price. These obligations are intended to be settled within one year and are therefore not discounted using the effective interest method. Transaction cost represents their fair value.

##### (k) Equity instruments

There were no equity instruments issued in the year.

##### (l) Fund accounting

Funds held by the charity are either:

- **Unrestricted funds** - these are funds which can be used in accordance with the charitable objects at the discretion of the trustee.
- **Restricted funds** - these funds, which arise from grants or donations made for a specific purpose, can only be used for that particular purpose within the objects of the charity. Restrictions arise when stipulated by the donor or grantor or where funds are raised for a specified purpose. The balances of the funds represent the unspent balances.

2. Donations and legacies	Unrestricted	Restricted	2021	2020
	£	£	£	£
Trusts and foundations	30,500	70,000	<b>100,500</b>	77,650
Donations by individuals	5,181	-	<b>5,181</b>	12,309
Gift Aid	1,880	-	<b>1,880</b>	2,607
Donated services	45,000	-	<b>45,000</b>	58,000
	<b>£82,561</b>	<b>£70,000</b>	<b>£152,561</b>	£150,566

A number of trustees continue to make occasional donations, but no trustee sought to influence expenditure choices through their donations.

**RAFT - Restoration of Appearance and Function Trust**  
**Annual Report and Accounts for year ended 30 June 2021**  
**NOTES TO THE ACCOUNTS**

<b>3. Fundraising events</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Events income	<b>11,767</b>	5,664
Less: events expenditure	<b>(3,663)</b>	(6,618)
	<hr/>	<hr/>
Net contribution from fundraising events	<b>£ 8,104</b>	£ (954)

<b>4. RAFT Enterprises Limited: - trading activities</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Income from research services	<b>27,157</b>	40,868
Less: research services expenditure	<b>(27,444)</b>	(40,141)
	<hr/>	<hr/>
Gross income	<b>(287)</b>	727
Less: administration and management costs	<b>(1,670)</b>	(1,820)
	<hr/>	<hr/>
Realised profit for the year	<b>(1,957)</b>	(1,093)
Less: deficit on investments net of tax provision	<b>(217,360)</b>	-
	<hr/>	<hr/>
Net deficit for the year	<b>£ (219,317)</b>	£ (1,093)

Smart Matrix Intellectual Property Limited and RAFT Ventures Limited were dormant throughout the year, and in 2019. Application to strike off RAFT Ventures Limited was submitted after the year end.

The assets engaged in the charity's three wholly owned subsidiaries are:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Fixed asset investments	-	271,700
Current assets	<b>1,308</b>	1,160
Current liabilities	<b>(1,600)</b>	(1,790)
Inter-company balances with parent charity	<b>(4,473)</b>	(2,177)
Long-term liabilities – deferred tax on revaluation	-	(54,336)
	<hr/>	<hr/>
Net (liabilities)/assets	<b>£ (4,765)</b>	£ 214,557

RAFT Enterprises Limited's object is to carry on trading activities for the benefit of RAFT. Smart Matrix Intellectual Property Limited's object is to commercialise intellectual property which benefits RAFT through its shareholding and royalty income. RAFT Ventures Limited is dormant, and an application has been submitted after the year end to strike off this company. All three companies are registered in England & Wales.

**RAFT - Restoration of Appearance and Function Trust**  
**Annual Report and Accounts for year ended 30 June 2021**  
**NOTES TO THE ACCOUNTS**

<b>5. Investment income</b>	<b>2021</b>	2020
	£	£
Bank interest	<b>147</b>	918

<b>6. Fundraising costs</b>	<b>2021</b>	2020
	£	£
Staff costs	-	5,340
Consultancy and contract services	<b>11,739</b>	3,948
Other costs	<b>8</b>	-
	<b>£11,747</b>	£9,288

<b>7. Research, research services and other costs</b>	<b>2021</b>	2020
	£	£
Research staff	<b>37,500</b>	99,765
External scientific services	<b>139,958</b>	98,770
Support staff	-	14,099
Tuition fees and conferences	<b>(627)</b>	1,075
Scientific materials and equipment costs	-	3,991
Communication costs	-	246
IT costs	<b>2,646</b>	14,055
Office costs	<b>863</b>	1,648
Travel costs	-	2,580
Other costs	<b>1,191</b>	3,329
Insurance	<b>3,892</b>	7,682
Depreciation	<b>1,000</b>	41,550
Intellectual property costs	<b>68,636</b>	72,229
Consultancy and contract services	<b>65,219</b>	52,001
Other professional fees	<b>3,420</b>	1,835
Donated professional services	<b>45,000</b>	58,000
Rationalisation costs	<b>(6,389)</b>	-
Governance costs (note 8)	<b>5,222</b>	6,872
	<b>£367,531</b>	£479,727

Shown as:	<b>2021</b>	2020
	£	£
Research	<b>340,087</b>	439,586
Research services	<b>27,444</b>	40,141
	<b>£367,531</b>	£479,727



**RAFT - Restoration of Appearance and Function Trust**  
**Annual Report and Accounts for year ended 30 June 2021**  
**NOTES TO THE ACCOUNTS**

<b>8. Governance costs</b>	<b>2021</b>	2020
	£	£
Independent Examination: current year	<b>3,500</b>	3,500
prior year	-	1,500
Fees paid to company related to the independent examiner	<b>1,670</b>	1,820
Other trustee costs	<b>52</b>	52
	<b>£5,222</b>	£6,872

<b>9. Net loss on investments</b>	<b>2021</b>	2020
	£	£
Investment written off	<b>271,700</b>	-
less: release of taxation provision	<b>(54,340)</b>	-
	<b>£ 217,360</b>	£-

<b>10. Information regarding directors and employees</b>	<b>2021</b>	2020
	£	£
(a) Staff costs during the period were		
Wages and salaries	<b>37,500</b>	129,030
Social security costs <i>(covered by employer's allowance)</i>	-	10,811
Other pension costs	-	878
	<b>£37,500</b>	£140,719

No member of staff received emoluments over £60,000 (2020: none).

(b) The average number of persons employed during the year was 1 (2020: 4). At the year-end there was one employee; staffing and support service arrangements are detailed in the Trustees report.

(c) Executive remuneration

Total compensation received by the members of the Executive Team as employees was £nil (2020: £30,636). More details of the executive remuneration and ongoing staffing arrangements can be found in the Trustees report.

(d) Trustees

No director of the trustee company, or person related or connected by business to them, has received any remuneration from the Trust during the year (2020: £nil). No trustee was reimbursed for any expenses (2020: £nil).

**11. Taxation**

RAFT is a registered charity and therefore exempt from taxation under CTA 2010 to the extent that funds are applied for charitable purposes. As a result of this, and the donation by gift aid of its entire net profit by the subsidiary, no liability arises to corporation tax on any surplus arising in the financial period. Under FRS102, a deferred taxation liability was recognised on investment revaluation. At 30 June 2021 the investment valuation was impaired to £nil and the related deferred tax liability was reversed.

RAFT - Restoration of Appearance and Function Trust  
**Annual Report and Accounts for year ended 30 June 2021**  
**NOTES TO THE ACCOUNTS**

**12. Fixed assets**

Group and charity	Laboratory equipment £	Total £
<b>Cost or valuation:</b>		
At 1 July 2020	18,084	18,084
Disposals	-	-
<b>At 30 June 2021</b>	<b>£18,084</b>	<b>£18,084</b>
	£	£
<b>Depreciation:</b>		
At 1 July 2019	17,084	17,084
Charge for the period	1,000	1,000
Disposals	-	-
<b>At 30 June 2020</b>	<b>£18,084</b>	<b>£18,084</b>
<b>Net book value:</b>		
At 30 June 2021	£ -	£ -
At 30 June 2020	£1,000	£1,000

There were no capital commitments at the end of the year (2020: £nil).

**13. Investments**

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
At 1 July 2020	<b>271,700</b>	271,700	<b>4</b>	4
Amounts written down	<b>(271,700)</b>	-	-	-
<b>At 30 June 2021</b>	<b>£ -</b>	£271,700	<b>£4</b>	£4

The group investment is in Smart Matrix Limited. The Charity investment is in its wholly owned subsidiary, RAFT Enterprises Limited.

At 30 June 2021, the Group held 286 'B' shares in Smart Matrix Limited, representing 16% of the B shares issued, 1.5% of the total issued. The investments are recognised at fair value in accordance with FRS102 after due consideration by the Trustees. The Trustees took the view that it was appropriate to write down the shares to £nil as at that date there was significant doubt about the company's ability to raise further funding to continue as a going concern. Subsequent, to the year-end Smart Matrix Limited was placed in administration, confirming the uncertainty and the approach taken. At the date of this report it is uncertain if there will be anything other than a minimal return to shareholders.

RAFT - Restoration of Appearance and Function Trust  
**Annual Report and Accounts for year ended 30 June 2021**  
**NOTES TO THE ACCOUNTS**

<b>14. Trade and other debtors</b>	<b>Group</b>		<b>Charity</b>	
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>436</b>	227	<b>18</b>	18
Other debtors	<b>20,000</b>	-	<b>20,000</b>	
VAT	<b>1,547</b>	3,331	<b>1,156</b>	3,075
Amount due from subsidiary company	<b>-</b>	-	<b>4,473</b>	2,177
	<b>£21,983</b>	£3,558	<b>£25,647</b>	£5,270

<b>15. Other creditors</b>	<b>Group</b>		<b>Charity</b>	
including tax and social security	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
PAYE	<b>813</b>	485	<b>813</b>	485
	<b>£ 813</b>	£485	<b>£813</b>	£485

<b>16. Provisions for liabilities</b>	<b>Group</b>		<b>Charity</b>	
	Other provisions	Deferred taxation	<b>Total</b>	Other provisions
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance brought forward	8,041	54,340	<b>62,381</b>	8,041
Utilised in the year	(1,652)	-	<b>(1,652)</b>	(1,652)
Released in year	(6,389)	(54,340)	<b>(60,729)</b>	(6,389)
	<b>£ -</b>	<b>£ -</b>	<b>£ -</b>	<b>£ -</b>

Provision had been made in prior periods to cover abnormal costs relating to staff, including redundancy costs, as well as costs to decommission office and laboratory premises. Those not utilised during the year have been released.

RAFT - Restoration of Appearance and Function Trust  
**Annual Report and Accounts for year ended 30 June 2021**  
**NOTES TO THE ACCOUNTS**

17. Movements in funds	Balance 1 July 2020	Income	Expenditure	Loss on investments	Transfers	Balance 30 June 2021
<b>Unrestricted funds:</b>	£	£	£	£	£	£
General funds	630,160	121,660	(161,575)	(217,360)	(201,170)	171,715
<b>Total unrestricted funds:</b>	<b>630,160</b>	<b>121,660</b>	<b>(161,575)</b>	<b>(217,360)</b>	<b>(201,170)</b>	<b>171,715</b>
<b>Restricted funds:</b>						
Adipose breast reconstruction	-	50,000	(133,760)	-	123,030	<b>39,270</b>
Bone regeneration	-	20,000	(85,062)	-	78,140	<b>13,078</b>
Bionic limb	6,283	-	(2,544)	-	-	<b>3,739</b>
<b>Total restricted funds</b>	<b>6,283</b>	<b>70,000</b>	<b>(221,366)</b>	<b>-</b>	<b>201,170</b>	<b>56,087</b>
<b>Total funds:</b>	<b>£ 636,443</b>	<b>£191,660</b>	<b>£(382,941)</b>	<b>£(217,360)</b>	<b>-</b>	<b>£227,802</b>

A restricted fund is established for each main research project so that donors can designate the specific project they wish their donation to be applied to. All research projects meet RAFT's charitable objectives and are continuously reviewed to ensure that they will deliver direct patient benefit. RAFT commercialises its research outcomes provided this would not compromise availability of its discoveries to any group of patients. Income from commercialisation is promptly reinvested in new research projects.

**18. Analysis of group net assets by fund**

	Unrestricted funds £	Restricted funds £	Total 30 June 2021 £
Tangible fixed assets	-	-	-
Investments	-	-	-
Net current assets	171,715	56,087	<b>227,802</b>
Provisions	-	-	-
	<b>£ 171,715</b>	<b>£56,087</b>	<b>£227,802</b>

# RAFT - Restoration of Appearance and Function Trust

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#### 19. Related party transactions

The charity sold £27,444 (2020: £40,141) of services to its subsidiary RAFT Enterprises Limited (REL) during the year. As at 30 June 2021, the charity is owed £4,473 by REL (2020: £2,177). Pursuant to a Deed of Covenant REL transferred realised profits of £Nil (2020: Nil) to the charity under the Gift Aid scheme.

During the year, Smart Matrix Limited, a company in which RAFT Enterprises Limited holds voting rights, was recharged by the RAFT Group for services agreed under the Services Agreement. These totalled £27,062 (2020: £40,868). At 30 June 2021 Smart Matrix owed RAFT Group £418 (2020: £210).

RAFT Enterprises Limited holds 286 'B' shares in Smart Matrix Limited.

One director of the Trustee of RAFT had interests in Smart Matrix Limited as follows:

	1 July 2020		30 June 2021	
	Ordinary Shares	% Of Total	Ordinary Shares	% Of Total
Mick Jackson	176	1.0%	176	0.9%

Mick Jackson continues to hold 176 shares.

Since September 2019, the services of Nick Latham, the Chief Financial Officer, have been provided through a third-party consultancy, Bedford Street Associates Limited, he is a director and shareholder of that company. The total paid in the year to Bedford Street Associates was £55,479 (2020: 65,028) including time-based costs for Nick Latham and another for ancillary bookkeeping and administration services. The services of the Chief Executive Officer, Elena Garcia, have been provided through a contract with the Griffin Institute £35,269 (2020: £20,186). Elena Garcia is not a director or shareholder.

#### 20. Subsidiary undertakings

The following were subsidiary undertakings of RAFT at the balance sheet date:

Name	Class of share	Holding	Aggregate investment £
RAFT Enterprises Limited *	Ordinary	100%	4
Smart Matrix Intellectual Property Limited~	Ordinary	100%	1
RAFT Ventures Limited ~	Ordinary	100%	100

\* - subsidiary undertaking of RAFT

~ - subsidiary undertaking of RAFT Enterprises Limited.

#### 21. Subsequent Events

In March 2022, the Group's Intellectual Property was transferred to the Northwick Park Institute for Medical Research, trading as The Griffin Institute [TGI]. This gift was effected by the transfer of the ownership of the REL sub-group. To allow TGI sufficient time to evaluate and implement a proper programme for the development of the IP, RAFT also gifted a cash sum, amounting to £89,958 to support any ongoing Intellectual Property maintenance costs and for the purposes of research in regenerative medicine. The remaining net assets will be gifted to the most appropriate recipients, and in due course an application will be made to the Charity Commission to dissolve the charity, in accordance with the original Trust Deed and relevant Charity legislation.

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**22. Consolidated statement of financial activities: Prior year comparatives by fund type:**

	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and endowments from:			
<b>Donations and legacies</b>	106,705	43,861	150,566
<b>Charitable activities:</b>			
Fundraising events	5,664	-	5,664
<b>Other trading activities:</b>			
Research services	40,868	-	40,868
Other income	2,208	-	2,208
<b>Investments</b>	918	-	918
<b>Total income</b>	<b>156,363</b>	<b>43,861</b>	<b>200,224</b>
Expenditure on:			
<b>Raising funds</b>	4,902	4,386	9,288
<b>Charitable activities:</b>			
Fundraising events	6,618	-	6,618
Research	150,394	289,192	439,586
<b>Other trading activities:</b>			
Research services	40,141	-	40,141
<b>Other expenditure:</b>			
Provision for property outgoings	-	-	-
<b>Total expenditure</b>	<b>202,055</b>	<b>293,578</b>	<b>495,633</b>
Net gain on investments	-	-	-
<b>Net expenditure for the year</b>	<b>(45,692)</b>	<b>(249,717)</b>	<b>(295,409)</b>
<b>Other recognised gains:</b>			
Disposal of fixed assets	23,350	-	23,350
<b>Transfers between funds</b>	<b>(143,737)</b>	<b>143,737</b>	-
<b>Net movement in funds</b>	<b>(166,079)</b>	<b>(105,980)</b>	<b>(272,059)</b>
Total funds brought forward	796,239	112,263	908,502
<b>Total funds carried forward</b>	<b>630,160</b>	<b>6,283</b>	<b>636,443</b>