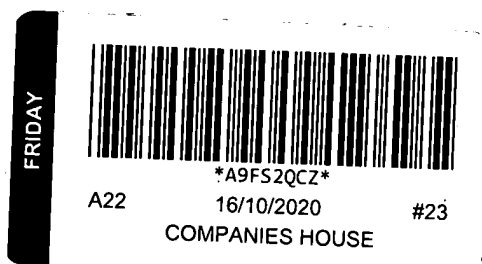


THE RANK PRIZE FUNDS
Financial Statements
for the 14 month period ended
31 December 2019

Charity registration number: 1183866
Company registration number: 11675628



THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Financial Statements

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THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Reference and Administrative Details

Charity registration number 1183866
Company registration number 11675628

Trustees

Mr Stuart Cowen (**Chairman**) – appointed 13/11/18
Professor Donal Bradley CBE FRS – appointed 13/11/18
Professor Cyrus Cooper – appointed 21/01/20
Professor Julia Higgins – appointed 21/01/20
Professor John Mathers PhD, Hon FafN – appointed 13/11/18
Mr Joseph Newton – appointed 13/11/18
Mrs Carol Taylor - appointed 13/11/18
Professor Sir William Wakeham FEng - appointed 13/11/18

Scientific Advisory Committees: Professor John Mathers PhD, Hon FafN (**Chairman**) – appointed 1/07/19
Nutrition (N Fund) Professor Malcolm Bennett FRS - appointed 1/07/19
Professor Simon Bright – appointed 1/07/19 and retired 12/11/19
Professor Peter Gregory FRASE – appointed 1/07/19
Professor Sarah Gurr - appointed 1/07/19
Professor Anne-Marie Minihane - appointed 1/07/19
Professor Susan Ozanne - appointed 1/07/19
Professor Ann Prentice OBE PhD FafN FRSB – appointed 1/07/19
Professor Peter Shewry Dsc – appointed 1/07/19
Professor John Wilding - appointed 1/07/19

Opto-electronics (O Fund) Professor Donal Bradley CBE FRS (**Chairman**) – appointed 1/07/19
Professor Polina Bayvel CBE FRS FEng – appointed 1/07/19
Professor Simon Laughlin FRS – appointed 1/07/19
Professor John Mollon DSc FRS – appointed 1/07/19
Professor Miles Padgett FRS FRSE – appointed 1/07/19
Professor Wilson Sibbett CBE FRS FRSE – appointed 1/07/19
Professor Maurice Skolnick FRS - appointed 1/07/19
Professor Helen Gleeson – appointed 1/07/19
Professor Roberto Cipolla - appointed 1/07/19

Executive Secretary Dr Caroline Bucklow

Registered office 12 Warwick Square
London
SW1V 2AA

Auditor BDO LLP
2 City Place
Beehive Ring Road
Gatwick, RH6 0PA

Bankers NatWest Plc
63-65 Piccadilly, London
W1J 0AJ

Investment managers Investec
30 Gresham Street, London
EC2V 7QN

THE RANK PRIZE FUNDS

14 Month period ended 31 December 2019

Report of the Trustees

The Trustees present their report and the audited financial statements of The Rank Prize Funds ("the Funds") for the 13.5-month period from 13 November 2018 to 31 December 2019. The Trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" ("FRS 102 SORP") in preparing the annual report and financial statements of the Fund.

This is the first accounting period of the Funds. A new company limited by guarantee, named the Rank Prize Funds, was created in 2018 with very similar objects (under guidance from the Charity Commission) as the old Rank Prize Fund (an unincorporated charity registered with the Charity Commission Number 263819), and this new entity was registered with the Charity Commission in June 2019. The assets of the old charity, Rank Prize Fund, were transferred to the new entity on 29 June 2019.

The comparative figures in these financial statements are taken from the last set of financial statements of the old Rank Prize Fund charity which were for an 18-month period. This is to meet the merger accounting requirements of the FRS102 SORP. The current 14-month period figures reflect the six months of activity in the new entity.

The Directors of the charitable company are its Trustees for the purposes of charity law and constitute the "Board". The Trustees who have served during the period and since the year end are listed on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The original Rank Prize Fund charity was constituted by Deed of Trust executed by the late Lord Rank on 16 February 1972, shortly before his death in March of that year. A new charitable company, the Rank Prize Funds, was created to provide the Trustees with greater financial protection. The assets and activities of the old charity transferred across to the new entity on 29 June 2019.

The Rank Prize Funds was established in 2018 as a company limited by guarantee governed by Memorandum and Articles of Association and is a registered charity. It comprises two Funds, the Nutrition Fund and the Opto-electronics Fund (together the Prize Funds).

The two sciences reflect the business interests of the late Lord Rank through his connection with the flour milling, cinema and electronics industries. The Trustees have the power to appropriate resources from one Fund to the other.

Recruitment and appointment of Trustees

Under the provisions of clause 33(6) of the Articles of Association, new Trustees are appointed by the existing Trustees with the proviso that the maximum number of Trustees shall not exceed ten.

Clause 29 of the Articles of Association provides for a minimum number of three Trustees.

The specialist nature of the Funds' work is such that new Trustees are normally identified by the existing Trustees whose own contacts, or contacts through the members of the Scientific Advisory Committees, enable them to identify individuals who possess the necessary skills to oversee the work.

Trustee induction and training

The Trustees all have particular skills that enable them to contribute to the work of the Funds. Those skills are kept up to date by a combination of their participation and reading in their particular areas of expertise and, more generally, by the provision of copies of literature produced by the Charity Commission and other organisations dealing with changes in legislation and current best practice.

New Trustees are provided with background information on the Funds, including copies of the Memorandum and Articles of Association, latest financial information and copies of recent minutes.

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Report of the Trustees

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees are encouraged to attend initiatives financed by the Funds to enable them to understand better those areas of science in which they do not have a particular expertise. In addition, the members of staff are always available to answer questions that arise from time to time.

Risk management

The Trustees review the major risks to which the Funds is exposed and systems have been established to mitigate those risks.

The major risks identified by the Trustees are:

- damage to reputation;
- lack of financial reserves to continue funding the objectives of the Funds;
- lack of human resources to support the activities of the Funds; and
- business interruption due to a coronavirus pandemic.

The Trustees believe that the committee structure that is in place and the quarterly monitoring of financial performance manage these risks.

The ongoing COVID-19 outbreak brings significant uncertainty to the activities of the Funds. The Trustees, committees and Executive Secretary continue to monitor the outbreak, including UK Government advice, and acknowledge that the Funds face a prolonged period of uncertainty. Whilst the evolving nature of the situation means it is not possible to accurately quantify the financial impact, the Funds is in a strong financial position with adequate reserves to absorb any negative impact. Steps have also been taken to minimise the impact on the Funds' activities and the effect this may have on the Funds' beneficiaries. Staff already work remotely and where possible, charitable activities have continued in a digital format, where face-to-face interaction is not possible. See page 9 for further details of our response to COVID-19.

Organisational structure

The Trustees, are advised by two Scientific Advisory Committees (one for each of the Prize Funds) of eminent scientists and academics, who meet formally three times a year. The Chairmen of the Committees are also Trustees of the Fund.

The involvement of the members of the Committees with the sciences of human and animal nutrition, crop husbandry and opto-electronics, either directly or through their extensive contacts, means that the Trustees are kept fully aware of developments in the respective fields.

The Trustees wish to record their thanks to the members of the Committees for their continue commitment to the work of the Fund. In particular, they wish to thank Professor Simon Bright who retired from the Nutrition Committee during the period, with over 10 years' service to the Rank Prize Fund and the new Rank Prize Funds.

The members of staff engaged in the day-to-day administration of the Funds are employed by The Rank Foundation Limited, a registered charity (number 276976) established by the late Lord and Lady Rank, and the Funds reimburses the Foundation for the costs incurred. The Trustees wish to thank the members of staff for their continued help and support during the year.

Related parties

Ordinarily, the Funds does not have any transactions with directly related parties. The Trustees are advised on the latest scientific developments and best practice by the members of the two Committees, the members of which belong to some of the most prestigious academic and scientific bodies in addition to having a wide network of contacts with those working at the cutting edge of the areas of the Funds' work. However, the Rank Prize Fund from whom the transfer of assets and liabilities were made during the period, is a related party and the new Rank Prize Funds will carry on the aims and objects of the Rank Prize Fund as guided by Lord Rank in 1971.

THE RANK PRIZE FUNDS

14 Month period ended 31 December 2019

Report of the Trustees

OBJECTIVES AND ACTIVITIES

The objectives of the Funds include the advancement and promotion for the public benefit of knowledge, education and learning in all or any of the following sciences:

- Crop husbandry;
- Human nutrition;
- Animal nutrition; and
- The inter-face between optics and electronics and related phenomena.

The first three objectives relate to the Nutrition Fund and the fourth to the Opto-electronics Fund.

Grant making policy

The Trustees are conscious of the limited resources available to them and the consequent need to endeavour to target support towards individuals or initiatives that are likely to make a significant contribution to the furtherance of the two sciences, either by acknowledging past achievements in the hope of encouraging others, or in stimulating interest in a subject which it is considered will be developed for the benefit of mankind. It is not the intention of the Trustees to duplicate the work of other organisations, but rather to complement that work and encourage inter-disciplinary dissemination of knowledge.

The Trustees have decided that these aims can best be achieved in the awarding of prizes in recognition of significant developments in the two areas of science, the organisation and funding of symposia on selected topics for invited participants and, to a lesser extent, in supporting selected research projects in UK universities and research institutions.

The Trustees do not consider unsolicited appeals.

CHARITY AND PUBLIC BENEFIT

The Trustees have referred to the Charity Commission's general guidance on public benefit and can confirm that they have had due regard for, and have complied with, the duty in Section 17 of the Charities Act 2011. The Trustees have considered the full information that follows in this annual report about the Fund's aims, activities and achievements in the many areas of the Fund's areas of interests and support that demonstrates the benefits to beneficiaries, scientific community and therefore the public good that arises from those activities.

ACHIEVEMENTS AND PERFORMANCE

Prizes

Prizes are awarded every two years. The 2020 Rank Prize for Opto-electronics was awarded to Professor T. W. Cronin, and Professor N.J. Marshall for their pioneering discovery of new visual mechanisms for the perception of colour and of circular polarization. The 2020 Rank Prize for Nutrition was awarded to Professor Sir Stephen O'Rahilly, for his pioneering research work to unravel the genetic processes of extreme obesity and to bring the scientific knowledge into clinical practice.

Symposia

The Trustees occasionally support scientific meetings organised in collaboration with UK research institutions, which bring together leaders in defined areas of the two sciences supported, to find ways to identify key challenges at the existing boundaries of their field. The trustees also organise, on a regular basis, small symposia, which are designed to bring together a small number of world authorities in a particular field with younger scientists who are at the start of their careers and currently working in that field.

The subject matter and participants are identified by members of the two Advisory Committees or contacts within the areas to be addressed by the meetings; attendance is by invitation only.

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Report of the Trustees

ACHIEVEMENTS AND PERFORMANCE (continued)

The normal format of Rank Symposia is for some ten leading scientists in a particular field to be invited to meet with twenty or so younger researchers for 2½ days of talks and discussions. All participants are expected to stay for the duration of the meeting.

In an informal atmosphere, all attendees are required to give a presentation on their work or plans and generally there are no published proceedings. It is hoped that by creating such a forum, the younger scientists will be encouraged to explore and develop their skills and make contacts that will help them to push forward the frontiers of their science.

During the period 1 July 2019 to 31 December 2019, a total of four symposia were organised, all of which were held in the Lake District.

The Nutrition Fund symposia covered the following topics:

- **Obesity: From Prevention to Molecular Mechanisms (15-18 July 2019).** The invited participants included clinicians as well as researchers in UK universities and from Australia, Ireland, and the USA. Prizes for the best presentation by a junior speaker were awarded to Ms S. Breiningner (Newcastle University) and to Dr. L. Dearden, University of Cambridge).
- **Chemical Signalling in the Rhizosphere (16-19 September 2019)** The 29 participants included research scientists from UK universities and research Institutes, and institutions in Australia, Denmark, Switzerland and USA. The prize for the best presentation by a junior speaker was shared by Mrs H. Hodgson (John Innes Centre) and Dr. K. Schiessl (Sainsbury Laboratory, University of Cambridge).

The Opto-electronics Fund symposia covered topics on:

- **Adaptive Optics Retinal Processing (12-15 August 2019)** There were 27 participants from Universities in Austria, France, Germany, Ireland, Spain, UK and USA. The prize for the best presentation by a junior speaker was awarded to Dr. J McGegor.(Rochester University, USA).
- **Parallels between Acoustics and EM Radiation in Structured Materials (28-31 October 2019)** The Symposium was attended by the Chair of Rank Prize Funds trustees and participants came from 10 UK Universities, and institutions in Austria, Germany, Japan, and Spain. The prize for the best presentation by a junior speaker was shared by Mr T Fushimi (Bristol University) and Ms E Glover (Exeter University).

Research

Nutrition:

PhD Studentships in human nutrition:

In the period, the University of Reading received the twelfth studentship for a four year project on "The Association between intakes of SFA, Protein and Calcium from Different Food Sources and Health and Sustainability: the Food Matrix further explored". And the thirteenth studentship was awarded in 2019 to the University of Leeds for a four year project on "Reducing risk of hip fracture using data linkage: integrating diet and socio-economic characteristics in women".

Vacation Studentships:

These studentships enable final year undergraduate students to contribute to ongoing research in UK universities and gain practical experience of work in a research group. Studentships were awarded to the universities of Birmingham, Cambridge, Cardiff, Leeds, Reading and Ulster by the previous charity entity. During the period, a prize for the best student report was awarded to Lisa Rowen, from the University of Ulster.

THE RANK PRIZE FUNDS

14 Month period ended 31 December 2019

Report of the Trustees

ACHIEVEMENTS AND PERFORMANCE (continued)

Rank Lectures:

There were two Rank lectures which took place in 2019: Diabetes UK (Professor John Mathers gave the Harry Keen Memorial Lecture entitled "Personalised nutrition: A route to better public health") and The Nutrition Society (a lecture entitled: "Epigenetic reprogramming regulating adipose tissue plasticity and function" by Professor Christian Wolfrum from the ETH Zurich at the Federation of European Nutrition Societies (FENS) conference in Dublin on 15 - 18 October 2019). And the Committee confirmed sponsorship for two Rank lectures to take place in 2020: The Nutrition Society and NIAB/Monogram meeting. An additional award was approved for an Early Career Researcher Rank Lecture at the NIAB/ECR Excellence session.

Travel Awards:

One award of £8,024 was made to Stéphanie Swarbreck (NIAB), to visit Dr Saoirse Tracy at University College Dublin for training in 3D analysis of root systems architecture, for the project *Using X-ray CT scanning to investigate plant to plant interactions*. A further award of £3,000 was made to support four studentships, to allow ECRs from the UK to attend the International Workshop on Plant Environmental Physiology techniques in Portugal 6-12 September 2020. The awards would be managed by the Plant Environmental Physiology Group and would be advertised in February 2020.

New Lecturer Awards:

This award is intended to support early career researchers in Nutrition in establishing themselves as independent researchers. The grant can be used to fund the direct costs of any aspect of research. In 2019, two awards were made to:

Dr Laura Dixon (Leeds University)

Dr Marjorie Lundgren (Lancaster University)

Forums:

The Rank Prize Funds supports Universities and Research Institutions to run short meetings to develop knowledge in specific areas. In 2019 support was provided by the previous charity entity to the University of Surrey to run a meeting on Vitamin D Food Fortification in the UK: Potential Strategies & Future Perspectives.

During the period, the Nutrition Committee was pleased to receive notification of several papers accepted for publication in peer-reviewed journals by former recipients of the Charity's grants, including one paper resulting from the work of a student who had been awarded a vacation studentship in 2016 and who had gone on to PhD studies, and a paper resulting from the 2018 symposium on Dairy Products and the Life Cycle.

Opto-electronics:

Rank Lectures:

The Rank Lecture on Vision was given by Professor Philippe Schyns at The European Conference on Visual Perception in Leuven, Belgium, in August 2019.

Vacation Studentships:

In 2019 nine awards were made by the previous charity entity: Aberdeen University, Bath University (two awards), Heriot Watt University, Sheffield University (two awards), Southampton University (two awards), University of St Andrews. The prize for the best studentship report was awarded during the period to Toby Mitchell from Southampton University.

FINANCIAL REVIEW

Prizes are awarded every two years and multi-year grants are recognised in the year in which they are awarded. This means that there is no direct relationship between the direct charitable expenditure from one period to the next.

THE RANK PRIZE FUNDS

14 Month period ended 31 December 2019

Report of the Trustees

FINANCIAL REVIEW (continued)

Income arising from investments for the period ending December 2019 amounted to £370k (period ending June 2019: £1,084k) comprising £192k (period ending June 2019: £563k) attributable to the Nutrition Fund and £178k (period ending June 2019: £521k) attributable to the Opto-electronics Fund.

The value of the investment portfolios overall increased by £385k which is an increase of 1.8% from when the investments were transferred to the Funds from the old entity on 29 June 2019. In the prior 18-month period to June 2019, the value of the overall portfolios increased by £395k, an increase of 1.8%. In the period ending December 2019, the Nutrition Fund increased by £199k (period ending June 2019: £206k) and Opto-electronics Fund increased by £186k (period ending June 2019: £189k). With the outbreak of COVID-19 after the year end, markets have seen increased volatility which has significantly affected the value of our investments. See note 16 on page 24 for more details.

Investment policy

The work of the Funds is financed from widely diversified investment portfolios that are managed by the investment advisers within guidelines agreed with the Trustees. Each Prize Fund has its own portfolio which is broadly the same in constitution with differences being accounted for by differing patterns of expenditure by the two Prize Funds.

The main investment objectives are to protect both capital and income from the effects of inflation, thereby providing funds to respond to identified needs whilst also securing the capital base for the long-term future. To fulfil this objective, the Trustees adopted a long term target of an inflation adjusted return of 4% which was reviewed in January 2019 and adjusted to 3.5% to which the Trustees believe will enable a consistent level of expenditure whilst conserving the investment base.

The performance of the investment advisers is being measured against a customised benchmark both on an annual and rolling three-year basis. Since the year end, the investments have decreased significantly. See note 16 for details.

In deciding upon investments, the Funds' investment advisers adopt a Socially Responsible Investment policy whereby direct investment in tobacco companies and online betting companies is precluded. The Trustees also reserve the right to exclude investment in companies that carry out activities contrary to the Funds' aims or those which may damage the Funds' reputation.

Reserves policy

At 31 December 2019, the Funds held reserves of £22.4m (June 2019: £21.9m); £11.4m (June 2019: £11.2m) in the Nutrition Fund and £11.0m (June 2019: £10.7m) in the Opto-electronics Fund. These reserves are the result of the appreciation of the original capital and accumulated income since the Funds was established. The reserves are all designated to either the Nutrition Fund or the Opto-electronic Fund to ensure that each Fund can manage its own activities without impacting the other.

At each meeting the Trustees reviewed the level of reserves in order to ensure it is appropriate to meet the needs of the Funds. While a specific target was not set, they considered the current level necessary to maintain continued grant giving and to meet future commitments. An expenditure rate of 3.5% of the investment portfolio was used to preserve the level of reserves, as explained in the investment policy above. With the current impact of COVID-19, this expenditure rate, together with the investment policy above, will be carefully reviewed over the next year.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these Financial Statements. The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Funds to continue as a going concern for at least the next twelve months.

THE RANK PRIZE FUNDS

14 Month period ended 31 December 2019

Report of the Trustees

FINANCIAL REVIEW (continued)

The Trustees have made this assessment after reviewing the Funds' forecasts and budgets, which are regularly reviewed with respect to the ongoing COVID-19 outbreak. The Funds has sufficient funds, held in investments, to cover both its existing grant creditors and the annual operating costs of the Funds. The investments are held across a range of shares and bonds, and the Trustees consider these to be liquid with daily dealing available on all of the investments held at year end. Furthermore, the Funds hold a cash balance of £847k at the year end which would adequately cover the Funds' commitments described above.

PLANS FOR FUTURE PERIODS

In early 2020 the Trustees presented the two prizes of £80,000 to recipients in the fields of Nutrition and Optoelectronics at the biennial Prize Giving ceremony. The Nutrition prize was awarded to Professor Sir Stephen O'Rahilly for his pioneering research work to unravel the genetic processes of extreme obesity and to bring the scientific knowledge into clinical practice. The prize for Optoelectronics was awarded to Professor T. W. Cronin, and Professor N.J. Marshall for their pioneering discovery of new visual mechanisms for the perception of colour and of circular polarization.

The Trustees are continuing support for the symposia with six meetings planned during 2020, as at the beginning of the year. Grants for Vacation Studentships will be offered by both Committees in addition to the usual support for the Rank Lectures. The Nutrition Committee will also be supporting Travel Awards, the New Lecturer Awards and PhD Studentships. Details of all the initiatives, including application forms, can be found on the Funds' website www.rankprize.org.

In light of the recent COVID-19 outbreak shortly after the year end, we have had to react quickly to adapt to the rapidly changing environment.

The COVID-19 pandemic and the restrictions imposed led to the postponement of all the planned Nutrition symposia and one Optoelectronics symposium. The Optoelectronics Committee held one virtual symposium in July 2020 and a second virtual symposium is planned to take place in October 2020. If circumstances allow, the five postponed symposia will take place in 2021, together with four further symposia and two shorter meetings to follow up the virtual symposia.

The travel grant awarded to Stéphanie Swarbreck (NIAB), to visit Dr Saoirse Tracy at University College Dublin for training in 3D analysis of root systems architecture, for the project *Using X-ray CT scanning to investigate plant to plant interactions*, was modified to allow a "virtual visit", with some of the funding diverted to additional technical support at Dublin University. The International Workshop on Plant Environmental Physiology techniques due to take place in Portugal, 6-12 September 2020, was unfortunately postponed and it was agreed to roll over the funding to 2021, when it was hoped the Workshop would take place.

The 2020 summer vacation studentships programmes were disrupted by the closure of university laboratories and suspension of teaching for much of the summer. However the majority of studentships went ahead with projects modified to allow the work to take place remotely.

A special COVID-19 Response Fund totalling £200,000 (£100,000 each for Optoelectronics and Nutrition) was established, to provide financial support for final year PhD students whose studies had been interrupted by the pandemic, with the aim of enabling them to complete their studies and pursue careers in research. Universities were invited to nominate students who were unable to access funds from other sources, to receive awards of £2,500 or £5,000. 30 applications were received on behalf of students studying at 22 different UK Universities.

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Report of the Trustees

TRUSTEES' RESPONSIBILITIES

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

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

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

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

The Trustees who were in office on the date of approval of these Financial Statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Small Company Rules

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board of Trustees



Stuart Cowen
Chairman of the Trustees

Date: 12 October 2020

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RANK PRIZE FUNDS

Opinion

We have audited the financial statements of The Rank Prize Funds ("the Charitable Company") for the 14 month period ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 December 2019 and of its incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the financial statements, other than the financial statements and our auditor's report thereon. The other information comprises: The Report of the Trustees. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RANK PRIZE FUNDS (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, 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, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an 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 and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Fiona Condron (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick

Date: 14 October 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Statement of Financial Activities

	Note	14 Month period ended 31 December 2019 Designated Funds			18 Month period ended 30 June 2019 Designated Funds		
		N Fund £'000	O Fund £'000	Total £'000	N Fund £'000	O Fund £'000	Total £'000
Income from:							
Investments	2	192	178	370	563	521	1,084
Total Income		192	178	370	563	521	1,084
Expenditure on:							
Raising funds		23	21	44	61	59	120
Charitable activities	3	202	93	295	500	401	901
Total expenditure		225	114	339	561	460	1,021
Net gains on investments	10	220	207	427	267	247	514
Net income / Net movement in funds		187	271	458	269	308	577
Reconciliation of funds:							
Total funds brought forward		11,167	10,741	21,908	10,898	10,433	21,331
Total funds carried forward		11,354	11,012	22,366	11,167	10,741	21,908

All income and expenditure derives from continuing activities.

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

The notes on pages 16 to 25 form part of these financial statements.

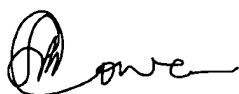
THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Statement of Cash Flows

	Note	December 2019			June 2019		
		N Fund £'000	O Fund £'000	Total £'000	N Fund £'000	O Fund £'000	Total £'000
Fixed assets							
Tangible assets	9	-	-	-	-	-	-
Investments	10	11,242	10,544	21,786	11,043	10,358	21,401
		11,242	10,544	21,786	11,043	10,358	21,401
Current assets							
Debtors	11	107	95	202	133	124	257
Cash at bank and in hand		343	504	847	297	423	720
		450	599	1,049	430	547	977
Creditors: amounts falling due within one year	12	(279)	(131)	(410)	(284)	(164)	(448)
Net current assets		171	468	639	146	383	529
Total assets less current liabilities		11,413	11,012	22,425	11,189	10,741	21,930
Creditors: amounts falling due after more than one year	13	(59)	-	(59)	(22)	-	(22)
Net assets		11,354	11,012	22,366	11,167	10,741	21,908
Charity Funds							
Designated funds		11,354	11,012	22,366	11,167	10,741	21,908

Included within designated funds is £6,232k (June 2019: £5,943k) which relates to the revaluation of the investments. £3,221k (June 2019: £3,072k) relates to the Nutrition Fund and £3,011k (June 2019: £2,871k) relates to the Opto-electronic fund.

The financial statements were approved and authorised for issue by the Board on Signed 12 October 2020. on behalf of the Board of Trustees



Stuart Cowen
Chairman

The notes on pages 16 to 25 form part of these financial statements.

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Statement of Cash Flows

	Note	14 Month period to December 2019	18 Month period to June 2019
Cash flow from operating activities	14	(285)	(1,051)
Net cash flow used in operating activities		(285)	(1,051)
Cash flow from investing activities			
Receipts from sales of tangible fixed assets		-	10
Payments to acquire investments		(1,908)	(3,750)
Receipts from sales of investments		1,735	3,871
Dividends and interest received from investments		370	1,084
Net cash flow provided by investing activities		197	1,215
Cash flow from financing activities		-	-
Change in cash and cash equivalents in the year		(88)	164
Cash and cash equivalents at the beginning of the period		1,182	1,018
Cash and cash equivalents at the end of the period		1,094	1,182
Cash and cash equivalents consists of:			
Cash at bank and in hand		847	720
Cash balances held by custodian for reinvestment	10	247	462
Cash and cash equivalents at the end of the period		1,094	1,182

No reconciliation of net debt has been prepared as the Funds holds only cash and cash equivalents.

The notes on pages 16 to 25 form part of these financial statements.

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Notes to the Financial Statements

1 Accounting policies

(a) General information and basis of preparation

This is the first accounting period of the Funds. A new company limited by guarantee was created in 2018 and a new charitable entity, the Rank Prize Funds, with very similar objects (under guidance from the Charity Commission) as the old Rank Prize Fund was registered with the Charity Commission in 2019. The assets and liabilities of the old charity, Rank Prize Fund, were transferred to this entity on 29 June 2019. See note 15 for details. As there have not been any significant changes in the class of beneficiaries, the purposes for holding the funds or the constitution of the Trustee board on this transfer, the Trustees have adopted the provisions of merger accounting in preparing the first set of financial statements of the Rank Prize Funds.

The Funds constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (SORP FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Funds and rounded to the nearest thousand pounds.

Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Funds to continue as a going concern for at least the next twelve months from the date of approval of these accounts.

The Trustees have made this assessment after reviewing the Funds' forecasts and budgets, which are regularly reviewed with respect to the ongoing disruption caused by the COVID-19 outbreak. The Trustees have considered the risk of disruption to the investment markets as a result of the COVID-19 outbreak, including the liquidity of funds held by the Funds and their potential decrease in value. Further details are provided in note 16 to the accounts. The Funds has a strong balance sheet and the Trustees have concluded that the Funds will have adequate resources to meet its liabilities. Accordingly, the Trustees believe that a material uncertainty does not exist and so the going concern basis remains appropriate.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

The funds of the charitable company are all unrestricted however, the Trustees have designated all of the funds for two particular purposes, in line with the objectives of the Funds.

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Notes to the Financial Statements

1 Accounting policies (continued)

(c) Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the Funds is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Interest income is recognised when receivable and dividend and rent income is recognised as the Funds' right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and is categorised under the following headings:

- Costs of raising funds includes the costs of the investment manager;
- Expenditure on charitable activities includes grants, prizes and costs relating to symposia events (including the reimbursement of travel costs for attendees of the event) and other activities of the Funds; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are included in expenditure on charitable activities. Where unconditional grants are made, these amounts are recognised when a constructive obligation is created, typically when the recipient is notified that a grant will be made to them. Where grants are conditional on performance, then the grant is only recognised once any unfulfilled conditions are outside of the control of the Funds.

(e) Support costs allocation

Support costs include office costs, governance costs, and project management costs which are incurred directly in support of expenditure on the objectives of the Funds.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life as follows:

IT equipment	3 years
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(g) Investments

Investments held as fixed assets are re-valued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

(h) Taxation

The Funds is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the Funds is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

No tax charge arose in the current or prior period.

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Notes to the Financial Statements

2 Income from investments

	14 Month period to December 2019 £'000	18 Month period to June 2019 £'000
Dividends - equities	312	821
Interest - fixed interest securities	58	263
	370	1,084

3 Analysis of expenditure on charitable activities

14 Month period to December 2019	Symposia & prize giving event £'000	Grants to institutions £'000	Grants to individuals £'000	Support costs £'000	Total £'000
N Fund	47	111	-	44	202
O Fund	51	1	-	41	93
	98	112	-	85	295

18 Month period to June 2019	Symposia & prize giving event £'000	Grants to institutions £'000	Grants to individuals £'000	Support costs £'000	Total £'000
N Fund	152	162	80	106	500
O Fund	157	63	80	101	401
	309	225	160	207	901

Symposia and prize giving event costs includes the reimbursement of travel costs of attendees of these events. Grants to individuals includes the N Fund and O Fund prizes, which are awarded biennially. All other grants are awarded to institutions, usually universities, and often relate to individual scientists which are connected to these organisations. (See note 13.)

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Notes to the Financial Statements

4 Allocation of support costs

14 Month period to December 2019

	N Fund £'000	O Fund £'000	Total £'000
Governance (see note 5)	8	8	16
Financial management	5	5	10
Advisory committees	6	3	9
Employment costs	16	16	32
Other costs	9	9	18
Total	44	41	85

18 Month period to June 2019

	N Fund £'000	O Fund £'000	Total £'000
Governance (see note 5)	9	7	16
Financial management	15	15	30
Advisory committees	12	12	24
Employment costs	51	51	102
Other costs	19	16	35
Total	106	101	207

5 Governance costs

	14 Month period to December 2019 £'000	18 Month period to June 2019 £'000
Trustees' expenses	2	9
Auditor's remuneration (including VAT)	14	7
	16	16

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Notes to the Financial Statements

6 Net income for the year

Net income is stated after charging / (crediting):

	14 Month period to December 2019 £'000	18 Month period to June 2019 £'000
Depreciation of tangible fixed assets	-	2
Net gains on investments	(427)	(514)
Auditor's remuneration:		
Audit of financial statements	8	7
Under accrual of prior year audit	1	-
Non-audit services	5	-

7 Trustees' remuneration and related party transactions

The Trustees neither received nor waived any remuneration during the period ending December 2019 (period ending June 2019: £nil).

Travel and out of pocket expenses amounting to £836 (period ending June 2019: £1,874) were reimbursed to three (period ending June 2019: four) Trustees. Of this sum £508 (period ending June 2019: £1,221) related to the N Fund and £328 (period ending June 2019: £653) to the O Fund.

No Trustee or other person related to the Funds had any personal interest in any contract of transaction entered into by the Funds during the period ending December 2019 (period ending June 2019: none).

8 Staff costs and employee benefits

The two (period ending June 2019: two) members of staff engaged in the day to day administration of the Funds are employed by The Rank Foundation and are members of the Foundation's Executive Pension Plan. The Funds reimburses the Foundation for the costs involved. The Funds do not operate a pension plan and there are no employees receiving total employee benefits (excluding employer pension costs) of more than £60,000 (period ending June 2019: none).

The recharged staff costs and employees' benefits were as follows:

	14 Month period to December 2019 £'000	18 Month period to June 2019 £'000
Wages and salaries	25	80
Social security	3	8
Defined contribution pension costs	4	8
Staff insurances	-	6
	32	102

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Notes to the Financial Statements

8 Staff costs and employee benefits (continued)

Key management personnel are considered to be the members of the N and O Committees, who have responsibility for planning, directing and controlling the activities of the two Funds. The members of the Committees do not receive any remuneration.

9 Tangible fixed assets

	IT Equipment £'000	Total £'000
Cost:		
At the beginning of the period	4	4
Disposal	(4)	(4)
At 31 December 2019	-	-
Depreciation:		
At the beginning of the period	4	4
Charge for the period	-	-
Disposal	(4)	(4)
At 31 December 2019	-	-
Net book value:		
At 31 December 2019	-	-
At 30 June 2019	-	-

10 Fixed asset investments

	December 2019			June 2019		
	N Fund £'000	O Fund £'000	Total £'000	N Fund £'000	O Fund £'000	Total £'000
Market value at beginning of the period	11,043	10,358	21,401	10,837	10,169	21,006
Purchases	913	995	1,908	1,938	1,812	3,750
Disposal proceeds	(820)	(915)	(1,735)	(2,031)	(1,840)	(3,871)
Market value adjustment	221	206	427	267	247	514
Change in Cash	(115)	(100)	(215)	32	(30)	2
At 31 December 2019 (30 June 2019)	11,242	10,544	21,786	11,043	10,358	21,401
Historical cost	8,021	7,533	15,554	7,971	7,487	15,458

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Notes to the Financial Statements

10 Fixed asset investments (continued)

Investments at fair value comprise:

	December 2019			June 2019		
	N Fund £'000	O Fund £'000	Total £'000	N Fund £'000	O Fund £'000	Total £'000
Fixed Interest	1,583	1,536	3,119	1,656	1,590	3,246
UK Equities	6,541	6,095	12,636	6,186	5,618	11,804
Overseas Equities	2,009	1,886	3,895	1,751	1,644	3,395
Property	716	670	1,386	704	658	1,362
Alternative Assets	260	243	503	249	233	482
Money Market Instruments	-	-	-	250	400	650
Cash held by custodian	133	114	247	247	215	462
At 31 December 2019 / 30 June 2019	11,242	10,544	21,786	11,043	10,358	21,401

11 Debtors

	December 2019 £'000	June 2019 £'000
Accrued investment income	184	251
Prepayments	18	6
	202	257

12 Creditors: amounts falling due within one year

	December 2019 £'000	June 2019 £'000
Other creditors	53	118
Grants payable (see note 13)	322	302
Accruals	35	28
	410	448

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Notes to the Financial Statements

13 Grants payable

	14 Month period to December 2019			18 Month period to June 2019		
	N Fund £'000	O Fund £'000	Total £'000	N Fund £'000	O Fund £'000	Total £'000
At beginning of period	229	95	324	194	95	289
Grants awarded in the year	109	1	110	267	146	413
Grants to reimburse travel costs	11	14	25	27	29	56
Amounts paid during the year	(55)	(23)	(78)	(234)	(170)	(404)
Cancelled grants	-	-	-	(25)	(5)	(30)
	294	87	381	229	95	324

Payable as follows:	December 2019			June 2019		
	N Fund £'000	O Fund £'000	Total £'000	N Fund £'000	O Fund £'000	Total £'000
Within one year	235	87	322	207	95	302
After more than one year	59	-	59	22	-	22
	294	87	381	229	95	324

Grants awarded:	14 Month period to December 2019			18 Month period to June 2019		
	N Fund £'000	O Fund £'000	Total £'000	N Fund £'000	O Fund £'000	Total £'000
Prizes	-	-	-	80	80	160
Studentships	45	1	46	81	54	135
Lectures	3	-	3	3	12	15
New lecturer awards	50	-	50	80	-	80
Travel awards	11	-	11	-	-	-
Bursaries / Forums	-	-	-	22	-	22
Research	-	-	-	1	-	1
	109	1	110	267	146	413
Reimbursement of travel	11	14	25	27	29	56
	120	15	135	294	175	469

Travel is reimbursed for attendees of the symposia.

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Notes to the Financial Statements

14 Reconciliation of net income to net cash flow from operating activities

	14 Month period to December 2019 £'000	18 Month period to June 2019 £'000
Net income for period	458	577
Dividends and interest from investments	(370)	(1,084)
Depreciation of tangible fixed assets	-	2
(Gains) on investments	(427)	(514)
Decrease / (increase) in debtors	55	(77)
(Decrease) / increase in creditors	(1)	45
Net cash flow from operating activities	(285)	(1,051)

15 Balance Sheet Transfer from The Rank Prize Fund

Following the decision to stop operating the old charity, The Rank Prize Fund, the assets and liabilities were transferred to the Rank Prize Funds on 29 June 2019. Below are details of the balances transferred on the 29 June 2019:

	N Fund £'000	2019 O Fund £'000	Total £'000
Fixed Assets			
Investments	11,043	10,358	21,401
Current Assets			
Debtors	133	124	257
Cash at bank and in hand	297	423	720
	430	547	977
Creditors: amounts falling due within one year	(284)	(164)	(448)
Net Current Assets	146	383	529
Total assets less current liabilities	11,189	10,741	21,930
Creditors: amounts falling due after more than one year	(22)	-	(22)
Total Designated funds	11,167	10,741	21,908

THE RANK PRIZE FUNDS
14 Month period ended 31 December 2019

Notes to the Financial Statements

16 Post balance sheet event

As disclosed in note 10, the market value of the Funds' publicly traded investments as at 31 December 2019 was £21,786k. Since the year end, the market conditions deteriorated and the Funds' investments fell significantly in value, some of which has since recovered. There continues to be a high degree of volatility in the markets and it is estimated that the Funds' investments have declined in market value by approximately 11% between 31 December 2019 and the date of signing these financial statements. The investments are held for the long term and the post year end decrease in value has not had, nor is expected to have, an impact on the activities of the Funds.