

Charity Registration No. 1171470

Company Registration No. 10537833 (England and Wales)

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor J F Martin Dr R MacAllister Professor P J Coffey Mr D J Tapolczay
Chief Executive Officer	Mr D J Tapolczay
Charity number	1171470
Company number	10537833
Principal address	2a/2b Thrales End Business Centre Thrales End Lane Harpenden AL5 3NS
Registered office	Bates Wells 10 Queen Street Place London EC4R 1BE United Kingdom
Auditor	HW Fisher LLP 11-15 William Road London NW1 3ER United Kingdom
Bankers	Royal Bank of Scotland 62-63 Threadneedle Street London EC2R 8LA
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE United Kingdom Pinsent Masons 30 Crown Place Earl Street London EC2A 4ES

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent auditor's report	5 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 18

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors (trustees) of St George Street Capital (the charity) present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Charity's objects are the advancement of health for public benefit, in particular, but without limitation, by promoting medical research and innovation through supporting scientific and technological discoveries to transition to therapeutic assessment and ultimately to the benefit of patients with current unmet needs.

The Charity seeks to take clinic ready assets that have stalled in the development pipeline of other organisations and, through funding clinical trials, help progress these assets to patients where clinical need exists. The Charity is disease area agnostic and has developed a set of criteria which aid decision-making. The criteria look at partner ability (the likelihood the asset will be licensed by a pharma/biotech company in order that it will reach patients); speed (to ensure therapies have the potential to be accelerated to patients in a reasonable timeframe, for example assets must have normally passed through Ph I trials successfully to be considered); and the potential of such assets to be developed into patient-ready therapies and be made available to those in need at affordable cost.

The Charity's aims in 2020 were to raise funding for clinical trials in order to achieve its charitable object of progressing assets to the patients that need them.. In March 2020 it was realised that one of the assets licensed from AZ in 2019 could be beneficial to patients with diabetes and COVID-19. Funding to enable a clinical trial to investigate the efficacy of this potential treatment was successfully raised by July 2020 from Excalibur Medical Limited (EML) and Innovate UK. The ARCADIA trial began recruiting patients in September 2020, reaching 50 patients by the end of December 2020. ARCADIA is currently ongoing as of April 2021 and is expected to read-out in July/August 2021.

During the 2020 period the Charity's activities included:

- Writing grant applications to raise funding to progress clinical trials
- Presenting to potential funders of clinical trials
- Obtaining a license from AZ for the use of AZD1656 in COVID19
- Completing an agreement with EML to obtain part-funding for the ARCADIA clinical trial
- Successfully obtaining a grant via UKRI for ARCADIA
- Completing an agreement with St George Street Global to provide funding to St George Street Capital to undertake research
- Creating a protocol for the ARCADIA clinical trial
- Obtaining regulatory approval for the ARCADIA trial in the UK
- Contracting with vendors to help run the ARCADIA clinical trial
- Managing the ARCADIA clinical trial
- Obtaining regulatory approval for the ARCADIA trial in the Czech Republic and Romania
- Continued engagement with AstraZeneca including progress updates
- Reporting to Innovate UK on the progress of ARCADIA

Public Benefit

The trustees confirm that they have referred to the guidance issued by Charity Commission in section 17 under Charities Act 11 on public benefit when reviewing the Charity's aims and objectives and in planning the Charity's activities.

Achievements and performance

Against its objectives and activities, the Charity has performed well.

1. Funding was successfully obtained to run the ARCADIA clinical trial
2. One of the AstraZeneca assets has now been progressed into a phase 2 clinical trial using the funding raised, demonstrating the charity's ability to run clinical trials

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

During 2020 the Charity was funded by EML, Vela and Innovate UK. The Charity entered into an agreement with EML for £7 million of research funding £2.509 million of which was received in the year. Further funding has been received from EML of £1.458 million in the following year. The Charity entered into an agreement with Vela Technologies for £2.350 million of research funding. £1.250 million was provided in cash with £1.1 million being provided in shares in Vela Technologies. (Subsequent to the balance sheet date the shares in Vela Technologies have been disposed to Conduit Pharmaceuticals Limited.) The Charity obtained funding from Innovate UK as part of the UKRI project. During the year £1.242 million was received from innovate UK with the further £2.062 million been received in the following year. In 2021 the Charity has also entered into an agreement with Cizzle Biotechnology for research funding.

Ultimately, the success of the Charity will be determined by the extent to which it is able to bring new therapies to the public at affordable cost and the extent to which those therapies meet unmet need.

Future plans are to raise sufficient further funding to enable the charity to deliver on its objectives of progressing assets to patients, specifically developing the two assets successfully licensed from AstraZeneca in 2019 in Idiopathic Male Infertility and Renal Transplant Rejection. In addition the results of the ARCADIA trial may allow for a licensing deal with a pharmaceutical company, this would raise additional funding for the charity to continue with its work.

In order for the charity to maintain autonomy in selection of those assets which meet its charitable objectives, a separate entity has been created such that those that are funding the clinical trials of assets do not have an influence at the charitable level. This entity (St George Street Global) is responsible for raising sufficient funding to operate the clinical trials. The charity will remain independent and responsible for building and maintaining the relationships with the pharmaceutical companies. The charity will benefit from any eventual commercialisation of future assets to enable the charity to become self-sufficient.

Financial review

Donations of £18,256 and grants for research funding of £6,101,197 were made to the Charity. Charitable expenditure, made in furtherance of the objects of the Charity, amounted to £3,450,104.

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

In 2020 the principal uncertainties facing the Charity were:

1. Whether St George Street would be able to successfully execute on the ARCADIA clinical trial given badging was not obtained in the UK which led to delays in recruitment as fewer hospital in the UK signed up to ARCADIA than was hoped. In order to mitigate this risk, other countries were considered and the decision was taken to obtain regulatory approval to run ARCADIA in Romania and Czech Republic.
2. Whether St George Street Global can continue to identify funders in order that St George Street can begin the clinical development of more licensed assets to get them to patients. St George Street has now a demonstrably track record of raising funding and taking an asset through a clinical trial successfully. This helps validate the model of the charity and add credibility for the ability of the charity to successfully operate. The ARCADIA trial may also enable the charity to raise money independently of further funders, depending on the result of the trial. St George Street Global has been created to assist with fundraising.

The successful signing of a licensing deal with AstraZeneca and successful execution of ARCADIA has improved the position in the eyes of new funders and partners.

Fundraising

The charity does not fund raise from the general public.

Structure, governance and management

The Charity is a company limited by guarantee which is governed by its Memorandum and Articles of Association dated 22 December 2016 as amended on 19 March 2018.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Professor J F Martin
Dr R MacAllister
Professor P J Coffey

(Appointed 22 December 2016 - Chair of Trustees)
(Appointed 22 May 2017)
(Appointed 22 December 2016)

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Dr D J Tapolczay

(Appointed 7 July 2018)

Trustees are appointed by majority vote of the board of trustees.

Mike Johnson was appointed as Managing Director in February 2018. The trustees consider the MD as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. Except for Dr D J Tapolczay (who is remunerated as Chief Executive of the Charity), all trustees give of their time freely and no trustee remuneration was paid in the year.

The Charity's trustees agreed the strategy and direction for the Charity with the MD at board meetings. The trustees are also consulted for their scientific and clinical expertise when selecting which clinical assets to progress, and to confirm that assets under consideration will meet our charitable objective. Day to day operations are delegated to the Chief Executive and the Charity's staff and the executive plays a significant role in choosing which assets to progress and which pharmaceutical companies the Charity will build relationships with. The Charity has developed decision-making tools to aid in their selection of assets, which align with the charitable objectives. The Charity consults with external experts and key opinion leaders as required.

Trustees have been trained by their peers and the management and by meetings with our expert charity lawyers.

Conflict of Interest awareness has been part of the operation of the Charity.

Key management pay and remuneration

Benchmark data from other medical charities was used to inform the remuneration of the MD.

Relationships with other charities and organisations

Discussions with Diabetes UK and JDRF regarding the ARCADIA clinical trial were had in 2020. This led to Diabetes UK highlighting the ARCADIA trial on their website to people with diabetes. Discussions with The Blind Veterans Association and with Children's Tumour Foundation are also in progress with the aim of taking other potential therapies through clinical trials.

Principal Office

Bates Wells, 10 Queen Street Place, London EC4R 1BE

Charity Number: 987654

Registered Company Number: 10537833

Auditor

HW Fisher, Acre House, 11-15 William Road, London, NW1 3ER

Bankers

Royal Bank of Scotland, London Threadneedle St. Branch, PO Box 412, 62-63 Threadneedle St., London, EC2R 8LA

Solicitors

Bates Wells, 10 Queen Street Place, London, EC4R 1BE

Disclosure of information to auditor

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

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

DAVE TAPOLCZAY

Mr D J Tapolczay

Trustee 29 Apr 2022

Dated:

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of St George Street Capital for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

**ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ST GEORGE STREET CAPITAL**

Opinion

We have audited the financial statements of St George Street Capital (the 'Charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty relating to going concern

We draw attention to note 1.2 in the financial statements which indicates that the Charity is reliant on the financial support of Conduit Pharmaceuticals Limited and that such support is dependent upon Conduit Pharmaceuticals Limited being able to raise sufficient external funding. These events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists which may cast significant doubt on the Charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ST GEORGE STREET CAPITAL

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud.
- The company did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: FRS 102, Companies Act 2006, and health and safety regulations.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Testing revenue and expenses, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the company board minutes for discussions of irregularities including fraud.

**ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ST GEORGE STREET CAPITAL**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

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

Other matters

The comparatives for the year ended 31 December 2019 were unaudited.

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.

HW Fisher LLP

Sailesh Mehta (Senior Statutory Auditor)

for and on behalf of HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

29 Apr 2022

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £
	Notes				
Income from:					
Donations and legacies	3	18,256	1,242,387	1,260,643	-
Charitable activities	4	4,858,810	-	4,858,810	-
Total income		4,877,066	1,242,387	6,119,453	-
Expenditure on:					
Charitable activities	5	2,207,717	1,242,387	3,450,104	1,241,308
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		2,669,349	-	2,669,349	(1,241,308)
Other recognised gains and losses					
Other gains or losses	9	(352,169)	-	(352,169)	(2,677)
Net movement in funds		2,317,180	-	2,317,180	(1,243,985)
Fund balances at 1 January 2020		(1,160,733)	-	(1,160,733)	83,252
Fund balances at 31 December 2020		1,156,447	-	1,156,447	(1,160,733)

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

All income and expenditure derive from continuing activities.

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

**ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET**

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10		3,196		6,887
Investments	11		748,000		-
Current assets					
Debtors	13	967,298		1,035	
Cash at bank and in hand		257,787		27,653	
		<u>1,225,085</u>		<u>28,688</u>	
Creditors: amounts falling due within one year	15	<u>(819,834)</u>		<u>(529,154)</u>	
Net current assets/(liabilities)			405,251		(500,466)
Total assets less current liabilities			<u>1,156,447</u>		<u>(493,579)</u>
Creditors: amounts falling due after more than one year	16		-		(667,154)
Net assets/(liabilities)			<u><u>1,156,447</u></u>		<u><u>(1,160,733)</u></u>
Income funds					
Unrestricted funds			1,156,447		(1,160,733)
			<u><u>1,156,447</u></u>		<u><u>(1,160,733)</u></u>

29 Apr 2022

The financial statements were approved by the Trustees on

DAVE...TAPLOCZAYDAVE TAPOLCZAY

Mr D J Tapolczay

Trustee

Company Registration No. 10537833

**ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

Charity information

St George Street Capital is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Queen Street Place, London, EC4R 1BE, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

The Trustees have considered the effect of the Covid-19 outbreak that has spread throughout the world during 2020 and 2021 on the Charity's activities. Although the outbreak is likely to have caused some disruption to the Charity's business, the Trustees do not believe that this will be significant.

The Charity is dependent on its funding partners to fund the Charity's clinical trials but as the Charity's activities are not fully funded, it is also reliant on the financial support of Conduit Pharmaceuticals Limited (formerly SGS Global Limited). The validity of such support is dependent upon the ability of Conduit Pharmaceuticals Limited to raise sufficient external funding so that such funding could be made available to the Charity. The Trustees accept that there is some uncertainty over the availability of such funding which may cast doubt over the Charity's ability to continue as a going concern. Nevertheless the Trustees have a reasonable expectation that the Charity will be provided with adequate resources to continue in operation for twelve months from the date of approval of these financial statements and consider it appropriate to continue adopting the going concern basis in preparing the financial statements.

1.3 Charitable funds

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

1.4 Incoming resources

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

1.5 Resources expended

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

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance, are allocated to the one charitable activity in the statement of financial activities.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged in aggregate to the charitable activity.

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

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

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

Fixtures and fittings	on 25% straight line
Computers	on 33.33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Financial instruments

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

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

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

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

2 Critical accounting estimates and judgements

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

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

The trustees do not believe there to be any judgements or estimates that would be considered critical to the financial statements.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2020 £	2020 £	2020 £	2019 £
Donations and gifts	18,256	1,242,387	1,260,643	-
Donations and gifts				
Donations	18,256	-	18,256	-
Research grant	-	1,242,387	1,242,387	-
	18,256	1,242,387	1,260,643	-

4 Charitable activities

	Unrestricted 2020 £	2019 £
Research funding	3,758,810	-
Research funding in kind	1,100,000	-
	4,858,810	-

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

5 Charitable activities

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Unrestricted 2019 £
Staff costs	467,270	182,004	649,274	557,444
Consultancy fees	1,848,151	843,082	2,691,233	3,000
Marketing and conference	2,330	-	2,330	2,612
	<u>2,317,751</u>	<u>1,025,086</u>	<u>3,342,837</u>	<u>563,056</u>
Share of support costs (see note 6)	71,237	-	71,237	143,245
Share of governance costs (see note 6)	36,030	-	36,030	535,007
	<u>2,425,018</u>	<u>1,025,086</u>	<u>3,450,104</u>	<u>1,241,308</u>
Analysis by fund				
Unrestricted funds	2,207,717	-	2,207,717	1,241,308
Restricted funds	217,301	1,025,086	1,242,387	-
	<u>2,425,018</u>	<u>1,025,086</u>	<u>3,450,104</u>	<u>1,241,308</u>

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

6 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Depreciation	3,691	-	3,691	3,691	-	3,691
Office rent	14,684	-	14,684	20,148	-	20,148
Bank charges	1,375	-	1,375	461	-	461
Office consumables	-	-	-	1,439	-	1,439
Other expenses	4,899	-	4,899	1,844	-	1,844
Interest expense	-	-	-	16,244	-	16,244
IT expenses	7,087	-	7,087	4,396	-	4,396
Travel and subsistence	18,374	-	18,374	78,798	-	78,798
Insurance	12,890	-	12,890	3,068	-	3,068
Telephone	8,237	-	8,237	13,156	-	13,156
Audit fees	-	6,720	6,720	-	-	-
Independent examination fees	-	6,000	6,000	-	5,400	5,400
Accountancy fees	-	-	-	-	16,885	16,885
Legal and professional fees	-	23,310	23,310	-	512,722	512,722
	<u>71,237</u>	<u>36,030</u>	<u>107,267</u>	<u>143,245</u>	<u>535,007</u>	<u>678,252</u>
Analysed between						
Charitable activities	<u>71,237</u>	<u>36,030</u>	<u>107,267</u>	<u>143,245</u>	<u>535,007</u>	<u>678,252</u>

Governance costs includes payments including VAT to the Auditors of £6,720 (2019: £nil) and £6,000 for other services (2019: £16,885). In 2019 governance costs included fees to the Independent Examiner of £5,400.

7 Trustees

Two of the trustees received reimbursed expenses of £74,070 (2018: £50,405) relating to travel and subsistence costs from the charity during the year.

One trustee received remuneration as Chief Executive of the Charity. The other trustees received no remuneration during the year.

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

8 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Employees	5	5
	<u>5</u>	<u>5</u>
Employment costs	2020	2019
	£	£
Wages and salaries	523,306	449,126
Social security costs	62,283	53,848
Other pension costs	63,685	54,470
	<u>649,274</u>	<u>557,444</u>

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

	2020	2019
	Number	Number
£60,000 - £100,000	2	-
£100,001 - £120,000	1	1
£180,001 - £200,000	1	1
	<u>4</u>	<u>2</u>

9 Other gains or losses

	Unrestricted	Unrestricted
	funds	funds
	2020	2019
	£	£
Impairment losses	352,000	-
Foreign exchange gains	169	2,677
	<u>352,169</u>	<u>2,677</u>

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

10 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 January 2020	7,500	5,503	13,003
At 31 December 2020	7,500	5,503	13,003
Depreciation and impairment			
At 1 January 2020	2,813	3,303	6,116
Depreciation charged in the year	1,875	1,816	3,691
At 31 December 2020	4,688	5,119	9,807
Carrying amount			
At 31 December 2020	2,812	384	3,196
At 31 December 2019	4,687	2,200	6,887

11 Fixed asset investments

	Listed investments	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 January 2020	-	-	-
Additions	1,100,000	-	1,100,000
At 31 December 2020	1,100,000	-	1,100,000
Impairment			
At 1 January 2020	-	-	-
Impairment losses	352,000	-	352,000
At 31 December 2020	352,000	-	352,000
Carrying amount			
At 31 December 2020	748,000	-	748,000
At 31 December 2019	-	-	-

The listed investment represents 1,100,000,000 Ordinary shares of £0.001 in Vela Technologies Plc, incorporated in England & Wales. Subsequent to the balance sheet date the shares in Vela were disposed to Conduit Pharmaceuticals Limited.

The unlisted investment represents 225 Ordinary shares of £0.0001 in Conduit Pharmaceuticals Limited (formerly SGS Global Limited), incorporated in Grand Cayman.

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

12	Financial instruments	2020	2019
		£	£
	Carrying amount of financial assets		
	Instruments measured at fair value through profit or loss	748,000	-
13	Debtors	2020	2019
		£	£
	Amounts falling due within one year:		
	Amounts owed by associate undertakings	343,846	-
	Other debtors	102,055	1,035
	Prepayments and accrued income	521,397	-
		967,298	1,035
14	Loans and overdrafts	2020	2019
		£	£
	Other loans	-	667,154
	Payable after one year	-	667,154
	The long-term loans are secured by fixed charges.		
15	Creditors: amounts falling due within one year	2020	2019
		£	£
	Trade creditors	805,074	468,344
	Other taxation and social security	-	40,670
	Accruals	14,760	20,140
		819,834	529,154
16	Creditors: amounts falling due after more than one year	2020	2019
		£	£
	Loans	-	667,154

The loan is from Conduit Pharmaceuticals Limited and no interest has been charged in the year. The loan is repayable on demand unless such demand would result in the charity becoming insolvent. Conduit Pharmaceuticals Limited have agreed not to seek repayment of the loan for at least twelve months from the date of approval of these financial statements.

ST GEORGE STREET CAPITAL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

17 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	-	20,208
	<u> </u>	<u> </u>

18 Related party transactions

D J Tapolczay, a trustee and the Chief Executive Officer of the charity, is a director of Conduit Pharmaceuticals Limited (formerly SGS Global), a company incorporated in the Cayman Islands. Conduit Pharmaceuticals Limited owes £343,846 at the balance sheet date. The charity holds 22.5% investment of the issued share capital of Conduit Pharmaceuticals Limited.

19 Analysis of changes in net funds/(debt)

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	27,653	230,134	257,787
Loans falling due after more than one year	(667,154)	667,154	-
	<u> </u>	<u> </u>	<u> </u>
	(639,501)	897,288	257,787
	<u> </u>	<u> </u>	<u> </u>