

The Institute of Cancer Research: Royal Cancer Hospital

Annual Report and Financial Statements
2011

Company Number 534147

The Institute of Cancer Research: Royal Cancer Hospital

Company Number 534147

Financial Statements for the year ended 31 July 2011

CONTENTS	Page Number
Report of the Board of Trustees	2-16
Independent Auditors' Report	17-18
Consolidated Income & Expenditure Account	19
Statement of Total Recognised Gains & Losses	20
Balance Sheets	21
Consolidated Cash Flow Statement	22
Notes to the Consolidated Cash Flow Statement	23
Notes to the Financial Statements	24-45
Governing Committees, Fellows, Members, and Associates of the Institute of Cancer Research	46-51
Legal and Administrative Details	52

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 JULY 2011

The Board of Trustees of the Institute of Cancer Research ('the ICR') present their Annual Report and Financial Statements for the year ended 31 July 2011.

1. ACCOUNTING POLICIES

The ICR follows accounting policies contained in the Statement of Recommended Practice 'Accounting for further and higher education' issued in October 2007. The accounts consolidate the activities of the ICR's subsidiaries ICR Sutton Developments Limited and ICR Chelsea Developments Limited which undertake construction work for the ICR, ICR Enterprises Limited which carries out the ICR's trading activities and ICR Equipment Leasing No.8 which holds a lease over one of the ICR's properties. None of these companies had any external activities.

2. PUBLIC BENEFIT

The ICR is an exempt charity under the Second Schedule of the Charities Act 1993.

The charitable objects of the ICR are the study of disease and particularly the disease of cancer and allied diseases; to initiate, encourage, support and carry out research into the causes, prevention, diagnosis and methods of treatment of such diseases; to assist in the prevention, diagnosis and treatment of such diseases, and to provide for the education and practical training in subjects relevant to the study of cancer and allied diseases and the alleviation of suffering.

It is estimated that one in three people will be diagnosed with cancer at some point in their life. Even for those who have not been personally affected, it is likely that someone they know has gone through their own cancer experience.

The Board of Trustees give due consideration to the Charity Commission's guidance on public benefit and its supplementary guidance on the advancement of education for the public benefit and this ethos is embedded in the Institute's Strategic Plan 2011-16 (www.icr.ac.uk/about_us/strategic_plan) which sets out the future plans of the Institute.

Research

The ICR is one of the world's foremost independent cancer research organisations.

Our goal is to be a world leader in fundamental research into cancer and the translation of research discoveries into improved outcomes for cancer patients. During the year our new Scientific Strategy 2010 was approved and published. (www.icr.ac.uk/about_us/scientific_strategy)

The strategy continues to focus on basic, translational and clinical research but there is a much greater emphasis on impact and improved outcomes for cancer patients through developing personalised treatment regimes.

Our research and educational objectives are closely aligned with those of The Royal Marsden NHS Foundation Trust. Approximately one third of our Faculty are medically qualified and many of these staff lead developments in clinical practice through their work in the hospital as well as leading their research teams. It is the integrated way in which we work together which optimises the ability of the joint organisation to rapidly translate research findings into advances in patient care.

Our Annual Research Report (www.icr.ac.uk/about_us/annual_research_report) is jointly published with The Royal Marsden NHS Foundation Trust. The report includes in-depth reviews of key achievements and developments in our research.

Education

The Institute provides postgraduate courses for scientists and clinicians. Our goal is to educate and train the next generation of cancer researchers and clinicians.

We run an MSc in Oncology which is a modular taught course aimed primarily at Specialist Registrars in the field of Clinical and Medical Oncology. The course is taught by both ICR and Royal Marsden Hospital staff and by experienced clinicians drawn from the wider UK Oncology community. There are exit points at Certificate, Diploma and MSc degree level. The course currently attracts the majority of London-based Medical Oncology trainees and about half of all clinical oncology trainees in the UK.

Community

The ICR has a long history of encouraging staff and student volunteering, community interaction and the communication of science. We are committed to working to promote both the public understanding of science in general and the work of the ICR in particular. We identify and promote relevant volunteering opportunities for our staff and in particular encourage young people into science, technology, engineering and mathematics (STEM) higher education courses and careers.

We provide support for our staff and students to develop their science communication skills, for instance through Science Communications training and through the ICR's annual Science Writing Prize, and encourage them to deploy these skills in the wider community. We will build relationships and enhance our profile with key University undergraduate departments providing PhD student candidates through targeting of our summer vacation scholarship scheme.

Sustainability

The ICR recognises the need to have a sustainable economic plan which includes a commitment towards knowledge exchange, enterprise and forging strategic alliances and partnerships where these may contribute to the wider collaborative benefit of the patient.

We recognise our responsibility to the environment and commit to reducing where possible the impact of our activities upon the local and wider community and environment. We have the EcoCampus Scheme to develop our Environmental

Management System and have so far achieved the Bronze & Silver awards. We aim to achieve the Gold & Platinum awards in November 2011. We have also developed a Carbon Management Plan in conjunction with the Carbon Trust. This is now being implemented in order to further reduce our carbon emissions. (www.icr.ac.uk/about_us/sustainability)

3. CORPORATE GOVERNANCE

The Institute of Cancer Research together with The Royal Marsden NHS Foundation Trust forms the largest comprehensive cancer centre in Europe, and one of the leading centres in the world. The ICR has authorised a total of 1162 posts. During the year the ICR had an average of 1075 employees of whom 91% (2010: 91%) are directly engaged in research and research support. It raised £87.4 million (2010: £88.3 million) during the year from research grants and voluntary income and spent some £91.1 million (2010: £85.6 million). Capital expenditure was £7.6 million (2010: £5.4 million).

The ICR is

- a research enterprise
- a higher education institution
- a company limited by guarantee
- an exempt charity

The ICR's objects, powers and framework of governance are set out in its Articles of Association, the current version of which was approved by the Members of the ICR in September 2011.

The overall governing body of the ICR is its Board of Trustees. Details of the Trustees in the year are given on page 46.

The Board of Trustees (Chaired by Lord Ryder of Wensum)

As a charity the ICR is governed by charity trustees collectively known as the Board of Trustees. The trustees carry the responsibility of company directors of the ICR. The Board of Trustees comprises 18 individuals nominated by The Royal Marsden NHS Foundation Trust, Cancer Research UK; individuals co-opted by the Board of Trustees itself and one member elected by the Academic Board, together with ex-officio members (the Chief Executive and the Academic Dean) and a student nominee.

The Board of Trustees carries the overall responsibility for ensuring that the ICR pursues its charitable objects, complies with its own constitution and relevant legislation and regulations, applies its resources exclusively to its objects and enacts cancer research of the highest international standard. The Board endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). In addition, the Board of Trustees recognises the principles underlying 'The Committee on Corporate Governance's Combined Code' and The Committee of University Chairmen Governance Code of Practice and applies them within the ICR.

The Board of Trustees determines the ICR's strategies; approves its scientific and

financial plans, annual report and accounts and governance structure, makes key appointments (Chief Executive, Chief Operating Officer, Academic Dean) and monitors the ICR's strategic performance. It also approves new initiatives and non-recurrent expenditure costing £1m or more.

During the financial year the ICR welcomed Professor Alan Ashworth, Mr Ian Molson, Mr Christopher Shepherd and Mr Michael Usher to its governing body.

During the financial year Mrs Tessa Green, Miss Kathrin Heinzmann, Mr John Pearce, Professor Peter Rigby, Miss Monica Watson and Professor Steve Webb stepped down from the governing body. The ICR is grateful for their valuable contributions during their appointments. Professor Pascal Meier, Professor Andrew Pearson and Professor Caroline Springer have stepped down since 1 August 2011.

The Board of Trustees met seven times in 2010/11. During the year the Board undertook a review of the ICR's governance structure and implemented a revised structure on 1 August 2011; this included reducing the membership of the Board of Trustees from 24 to 18 members. The Board received an annual report relating to Key Performance Indicators. The vast majority of research, as judged by international peer review, is rated as of international standard and in the opinion of the Board of Trustees satisfactory progress is being made towards the ICR's long-term goals.

To facilitate the smooth running of the ICR, the Board of Trustees has established a number of sub-committees. The terms of reference of each committee have been approved by the Board of Trustees.

The Audit Committee (Chaired by Mr Michael Usher)

The Audit Committee meets at least four times a year. The Committee supervises internal and external audit in order to safeguard the integrity of the ICR's financial systems and ensure economy, efficiency and effectiveness in the use of the ICR's resources. Meetings are usually attended by senior members of the ICR's external auditors and the ICR's Chief of Internal Audit Services. The Committee has full access to the internal and external auditors who in turn have access at all times to the Chair of the Audit Committee.

The Constitutional and Nomination Committee (Chaired by Lord Ryder of Wensum)

The Constitutional and Nomination Committee meets at least twice a year and approves the balance of skills and attributes required of non-executive members of ICR committees so that the ICR may be properly and independently governed. The Committee appoints such individuals to fulfil that function (except to the Board of Trustees) and appoints Associates of the ICR. The Committee recommends to the Board of Trustees the admission of Fellows and Members of the ICR and appointments to the Board of Trustees.

When considering new appointments the Constitutional and Nomination Committee seeks proposals for candidates from a number of sources. During 2010/11 four new appointments were made to the Board of Trustees. All new

Trustees are offered a tailored induction programme and further training is available on request.

The appointment of Professor Ashworth (ex officio) followed his appointment as Chief Executive of the ICR. Mr Molson (Royal Marsden alternate) was appointed following his appointment as Chairman of The Royal Marsden NHS Foundation Trust. Mr Shepherd (student) was appointed to an elected position. Mr Usher was appointed following his appointment as Chair of the Audit Committee (his appointment to the Audit Committee had been made following an advertisement in the national press).

The Remuneration Committee (Chaired by Lord Ryder of Wensum)

The Remuneration Committee meets at least once a year. The Committee determines the remuneration policy and the salaries of senior members of staff. A Report from the Remuneration Committee is set out on pages 6 to 7.

The Executive Strategy Board (Chaired by Professor Alan Ashworth)

The Executive Strategy Board meets six times a year. The Executive Strategy Board is responsible for formulating strategies, plans and budgets for approval by the Board of Trustees and has been established to assist the Chief Executive in managing the ICR to achieve its strategic aim and objectives within the approved strategies and budget. The Executive Strategy Board has three sub-committees reporting to it – the Research Directorate, the Academic Board and the Operations Board.

The Investments and Building Development Committee (Chaired by Konstantin Graf von Schweinitz)

The Investments and Building Development Committee meets four times a year. The Committee manages the ICR's investments and building developments.

Declaration of Interests

The Board of Trustees has adopted the following policy on the 'Registration and Declaration of Interests':

- (1) All Board and committee members should declare any interests which may potentially cause a conflict in the course of fulfilling their duties and responsibilities as a Board or committee member.
- (2) Charities should work together for the public good and the betterment of cancer research. Cross trusteeship and committee membership between cancer charities should be seen as complementary and beneficial providing such trusteeship or committee membership is properly exercised.
- (3) Individuals who are a trustee or an employee of more than one charity or a director of a business will have to recognise that there may be occasions when, for example, joint ventures between such organisations require legal agreements or financial arrangements to be negotiated. On such occasions the individual will need to decide which organisation has his/her predominant allegiance and participate only in the discussion and decision of that organisation. Where the ICR is not the individual's predominant

allegiance, the individual non-executive member will normally be expected to withdraw from the ICR meeting. Such withdrawal could, exceptionally, be waived at the Committee's discretion. Such interests, when declared, withdrawal or waiver thereof, will be recorded in the minutes.

A copy of the Register of Interests of Board members is available upon application to the Chief Operating Officer.

4. RESEARCH REVIEW

Some 90% (2010: 91%) of the ICR's activities are funded from competitively won peer-reviewed grants or through the competitive Research Assessment Exercise of the Higher Education Funding Council for England, which measures research excellence. These mechanisms ensure the timely external review of all the ICR's research activities. Our ability to prosecute such research depends on our ability to win funds to do so.

5. INTERNAL CONTROL

The ICR is committed to following best practice in all aspects of corporate governance. The summary describes how the ICR has applied the principles set out in Section 1 of the Combined Code on Corporate Governance issued by the London Stock Exchange in June 1998 and parts 1 and 2 of the Committee of University Chair's Guide for Members of Higher Education Governing Bodies in the UK issued in March 2009.

The Board of Trustees is responsible for the maintenance of a system of internal control which provides reasonable assurance that risks to the achievement of policies, aims and objectives are being satisfactorily managed, assets of the ICR are safeguarded, transactions are properly authorised, financial statements are prepared from reliable records and the requirements of applicable laws and regulations are met.

The ICR's financial affairs are overseen by the following sub-committees of the Board of Trustees - the Audit Committee, the Remuneration Committee and the Investments and Building Development Committee.

The Board of Trustees has designated the Chief Executive as its Accountable Officer and the Designated Office Holder for Higher Education Funding Council for England (HEFCE) purposes and has designated the Chief Operating Officer of the ICR as its Principal Financial Officer. The Chief Executive is responsible to the Board of Trustees for managing the ICR within the approved budget and recommending the allocation of resources; the Chief Operating Officer of the ICR is responsible for recommending the resources which are available for allocation.

The system of internal control is risk-based and encompasses a number of elements that facilitate an effective and efficient operation, enabling the ICR to respond to a variety of risks. These are described below.

a. Risk Management

The Executive Strategy Board (this role was undertaken by the Corporate Management Group until 31 July 2011) and Corporate Service Directors, assisted

by the individual responsible for the risk, are responsible for the identification and management of all the major risks to achievement of the ICR's strategic objectives. This review covers all risks including financial, business, operational and compliance risks. Each risk identified by the Board is assessed and prioritised with reference to the potential impact if the risk occurred and the likelihood of occurrence. The responsibility for specific risks is assigned to the relevant academic, scientific and support staff who provide assurance of the action taken.

The Risk Register is compiled by the Executive Strategy Board and approved annually by the Board of Trustees. Significant risks may be added, revised or removed from the Risk Register after evaluation by the Executive Strategy Board throughout the year.

The High Impact Risk List is abstracted from the Risk Register and compiled by the Executive Strategy Board. It helps to facilitate the identification, assessment and ongoing monitoring of key risks significant to the ICR. Emerging key risks are added and improvement actions implemented as required also throughout the year.

The High Impact Risk List is appraised every four months by the Executive Strategy Board and the Board of Trustees.

b. Policies and Procedures

The ICR has a series of policies set by the Board of Trustees that have regard to risks and underpin the internal control process. Written procedures support the policies where appropriate.

c. Financial Controls

In managing its affairs, the ICR has put in place strict authorisation, approval and control levels within which staff operate. The ICR's financial controls are organised as follows:

- (i) The Financial Strategy is approved by the Board of Trustees
- (ii) The Standing Financial Instructions are approved by the Board of Trustees
- (iii) The Financial Regulations are approved by the Executive Strategy Board
- (iv) Financial Procedures are approved by the Chief Operating Officer, as Principal Financial Officer, and/or the Director of Finance.

The overall budget of the ICR is approved by the Board of Trustees. The Board of Trustees has reserved to itself the requirement to authorise any proposal costing £1m or more and has set in place authorisation levels for operation by the ICR's staff for expenditure below this level.

d. Planning

A planning process is used to set objectives, agree action plans and allocate resources. Risk identification is integrated into the planning process and risk reporting into the regular review of progress against plans.

e. External Consultants

External Consultants are used as necessary to report on specialist areas such as Health and Safety or Information Technology and provide advice on actions required to achieve improvements.

f. Internal Audit

Internal Audit adopts a risk based approach undertaking a programme of examinations covering all aspects of the ICR's activities and provides to the Board of Trustees and the Chief Executive an independent annual statement on the adequacy and effectiveness of risk management, control and governance and arrangements for economy, efficiency and effectiveness and the extent to which the Board of Trustees can rely on these.

In undertaking its work, Internal Audit has regard to Annexes A and B of the Model Financial Memorandum between HEFCE and Institutions, and engagements are conducted in conformance with the International Standards for the Professional Practice of Internal Auditing. The Chief of Internal Audit Services ultimately has the right of direct access to the Chairman of the Board of Trustees, the Chief Executive and the Chair of the Audit Committee.

Internal Audit's independence is safeguarded by virtue of its direct reporting line to the Audit Committee. It is not directly responsible to any ICR officer other than to the Chief Operating Officer in respect of general administration and guidance in day-to-day matters. Once a year the Audit Committee meets with the Chief of Internal Audit Services and representatives of the External Auditors without any ICR officers present. Throughout the year Internal Audit had access to all areas of the ICR and its records.

g. External Audit

The External Auditors provide feedback to the Audit Committee on the operation of internal financial controls reviewed as part of the external audit and include within their audit procedures the monitoring of the ICR's management of risk.

h. Audit Committee

The Audit Committee, on behalf of the Board of Trustees, keeps under review the adequacy and effectiveness of the ICR's arrangements for risk management, control and governance throughout the year, and for the management and quality assurance of data submitted to HESA, HEFCE and other funding bodies, through assessment of the work undertaken by Internal and External Audit, including consideration of all reports from the auditors and other working groups, and through them the management of the ICR. This review also covers compliance with laws and regulations and the economy, efficiency and effectiveness of operations. The Audit Committee reviews the ICR's arrangements for the management of risks, including use of the self assessment checklist for Audit Committees contained in HEFCE's Good Practice Guidance for risk management in higher education.

The Audit Committee's opinion is that the ICR has adequate and effective arrangements for:

- risk management, control and governance; and

- economy, efficiency and effectiveness

and that the Board of Trustees can place reliance on those arrangements. Its opinion regarding the adequacy and effectiveness of the arrangements for the management and quality assurance of data provided to HEFCE, HESA and other public bodies, is that remaining areas of weakness are being dealt with and overall they are effective.

Conclusion

The Board of Trustees is of the view that there is an ongoing process for identifying, evaluating and managing the ICR's key risks, and that it has been in place for the year ended 31 July 2011 and up to the date of the approval of the annual report and accounts, that it is regularly reviewed by the Board of Trustees and that it accords with the internal control guidance for directors in the Combined Code as deemed appropriate for higher education.

6. REPORT OF THE REMUNERATION COMMITTEE

Remit of the Remuneration Committee

The Remuneration Committee comprises four Members of the ICR. Appointments are such that between them, the members of the Remuneration Committee have expertise in the management of medical/biomedical research, the commercial sector, the public sector and any other areas, as the Committee deems necessary. The current membership comprises the ICR's Chairman, who chairs the Committee, the Deputy Chairman of the ICR, the Honorary Treasurer and one other co-opted member of the Board of Trustees.

The Committee determines, on behalf of the Board of Trustees, all matters concerning the terms and conditions and remuneration packages (including pension benefits and severance payments, if any, but see also below) of the Executive Directors of the ICR (the Chief Executive, the Chief Operating Officer, the Academic Dean) and other senior staff (the Heads of the research divisions, Professors and the Directors of Corporate Service functions).

The Chief Executive is a non-executive director of The Royal Marsden NHS Foundation Trust.

Remuneration Policy

It is the aim of the ICR's Human Resource Strategy to provide a framework within which the ICR may direct and develop staff to realise their full potential to enact cancer research of the highest international standards.

To that end it is an objective of the strategy to create a climate where the ICR can recruit, retain and motivate the best staff to further its research aims and objectives by enabling the ICR to:

- compete effectively in the market place;
- encourage innovation and improve performance;
- develop the research leaders of tomorrow;
- identify and reward excellence.

Within this aim and objective it is current practice to:

- have regard to market pay rates;

- recognise achievement financially.

The Committee has therefore determined a pay policy for senior staff which takes account of the following factors:-

1. Individual performance assessed by reference to:
 - the responsibilities of the individual post;
 - the management and performance of the research division/team or service for which the individual is responsible;
 - the individual's contribution to the ICR's overall performance.
2. Individual remuneration determined by reference to:
 - pay awards agreed for other staff within the ICR;
 - sustained exceptional performance which may be rewarded by increases in basic pay (ie permanent additions);
 - exceptional contributions in a particular year which may be rewarded by one-off bonuses;
 - the need to recruit and retain rare skills and abilities, both nationally and internationally;
 - the strategic needs of the organisation.
3. Comparison with other relevant organisations.
4. Is underpinned by the Faculty Remuneration Policy.

Disciplinary Action

In the event that the ICR is considering disciplinary action against a member of staff whose remuneration falls within the remit of the Remuneration Committee, the Committee has determined that the ICR should make no financial commitment relating to the departure of the member of staff before completing the necessary disciplinary action.

The remuneration of the Executive Officers and other senior staff is disclosed in Note 19 of the Annual Accounts.

7. OVERALL RESULTS

The full accounts are reproduced on pages 19 to 45.

The ICR's principal activities are research into the causes, prevention, diagnosis and methods of treatment of cancer and the education and advanced training of medical and scientific staff. There have not been any significant changes in the ICR's principal activities in the year under review.

Income for 2011 was £85.4 million compared to £83.9 million. Income from research grants and contracts increased by £0.7 million to £50.5 million, Funding Council income rose by £0.6 million to £24.7 million, other operating income, which is predominantly fundraising and legacy income, increased by 0.5 million to 8.2 million and income from academic fees & support grants increased by £0.4 million to £1.6 million. However, these increases were offset to a degree by reduced investment income which fell to £0.3 million from £1.0 million.

The accounts report a deficit for the year of £5.7 million (2010: surplus of £3.3 million) as research expenditure increased and depreciation rose following significant investment in the scientific infrastructure of the Institute over the last three years.

After investment gains and improvement in the funding of the defined benefit pension scheme, the total funds of the Institute increased by £1.9 million to £124.6 million.

8. EXPENDITURE

Total expenditure was £91.1 million (2010: £80.5 million, including an exceptional pension credit of £5 million).

9. VOLUNTARY INCOME

Legacy income fell in 2011 by £0.1 million to £2.9 million. Donations rose to £5.2 million from £3.0 million, in particular due to increased income from trusts and major donors. The Institute is participating in the Matched Funding initiative of the Higher Education Funding Council for England which covers the three years from 1 August 2008 to 31 July 2011. The additional HEFCE grant income arising from the matching of donations in 2011 was £1.0 million.

10. CAPITAL DEVELOPMENTS

As a result of the difficult economic environment and reduced income expectations in the near term, the completion of the development of our Centre for Cancer Imaging as phase 2 of the Sir Richard Doll Building was postponed in 2009 until economic conditions improve and further funding becomes available. No costs were incurred on this development during the year. Capital expenditure in 2011 was directed to investment in scientific infrastructure and equipment necessary for the advancement of the research strategy of the ICR. A total of £7.6 million of capital expenditure was incurred in 2011.

11. REVALUATION OF PROPERTY FIXED ASSETS

The ICR's accounting policy is to revalue its scientific properties. A full revaluation was carried out as at 31 July 2010 on a depreciated replacement cost basis and the ICR's properties were revalued at £77.9 million.

12. RESERVES POLICY

Approximately sixty per cent of the ICR's work is financed from competitively won grants for specific research projects and programmes, thirty per cent from competitively won research funding resulting from the Higher Education Funding Councils' Research Assessment Exercise and the remainder from the ICR's voluntary and investment income.

The ICR's mission is a long-term undertaking and whilst the Board of Trustees of the ICR expends all the funds it receives towards its mission within a reasonable time of receiving them, it also considers it is prudent to maintain a reserve of free funds to assure the long-term financial viability of the ICR's work. Free funds are expendable at the Board of Trustees' discretion and not designated for a particular purpose.

In determining the level of free funds to be held in reserve the Board of Trustees considers the ICR's future needs and possible risks. In particular the Board of Trustees considers, having designated funds for particular research and infrastructure needs (if to be financed from reserves) and for capital developments, and in accordance with Charity Commission guidance:

- the forecast for levels of income in future years, taking into account the reliability of each source of income and the prospects for opening up new sources
- the forecasts of expenditure in future years on the basis of planned activity
- its analysis of any future needs, opportunities, contingencies or risks the effects of which are not likely to be met out of income if and when they arise
- its assessment, on the best evidence available, of the likelihood of each of these needs, opportunities, contingencies or risks arising and the consequences for the ICR of not being able to meet them.

The Board of Trustees reviews this policy and the assessment and calculation of the level of free reserves each year.

13. INVESTMENT POLICY AND PERFORMANCE

Under the Articles of Association the ICR can "invest and deal with any monies not immediately required for its purposes in such a manner as may be thought fit". The ICR does not invest directly in any company perceptibly involved in the sale of tobacco or tobacco products. The exercise of the investment powers is the responsibility of the Investments and Building Development Committee.

The aim of the Investment Policy is to maintain a balance between current income and capital growth commensurate with the ICR's liquidity requirements. The asset distribution is subject to review at regular Investments and Building Development Committee meetings and is dependent on the ICR's programme for future development.

Derivative investments are used only for the purposes of managing risk related to foreign currency exposures and not for speculation.

A gain on investments of £3.3 million is reported in the statement of total recognised gains and losses.

14. PENSIONS

The ICR Pension Scheme closed to future accrual on 31 July 2008 and active members were able to build future pension within the Universities Superannuation Scheme after that date.

The last actuarial valuation of the ICR Pension Scheme was undertaken as at 31 March 2010 and this showed that the scheme deficit had improved from £12.7 million as at 31 March 2007 to a deficit of £8.3 million at 31 July 2010.

The financial statements show that the Scheme is in deficit by £6.1 million on an FRS17 basis at 31 July 2011. The Trustees continue to review the options with regard to the future of the closed scheme and how best to secure the funding position.

The reported scheme liabilities also include an allowance of approximately £4.4 million for discretionary pension increases which may be made in future for pensions in payment where no index-linking is provided for under the Scheme Rules. The Board of Trustees decides annually whether discretionary payments should be made. Discretionary increases were approved at 50% of the Consumer Prices Index (CPI) in the financial year.

15. RISKS

The principal risks facing the ICR concern the security of its funding streams. The funding from HEFCE is dependent on the ICR maintaining the high quality of its research activity and, also, the resources available for distribution to the sector by the Funding Council. The income from external grant funders is dependent on the continued success of ICR scientists in securing funding for its projects in competitive peer-reviewed programmes and the resources grant giving charities have available. The ICR seeks to limit this risk by diversifying its sources of funding and retaining reserves to address funding fluctuations.

The ICR operates a defined benefit pension scheme now closed to future accrual and is exposed to movements in its assets and liabilities. The ICR seeks to limit these risks by seeking ways to manage down the size of the scheme liabilities and adopting a diversified investment strategy.

16. EMPLOYEES

Disabled employees:

The ICR recognises its obligations to disabled persons. In accordance with the provisions of the Disability Discrimination Act 1995, the ICR endeavours to provide equality in recruitment, training, career development, working conditions and dismissal as the demands of its research work and the ability of each individual allows.

Employee involvement:

The ICR uses a number of methods to keep its staff fully informed of matters of concern to them. These include briefings by the Chief Executive of all staff, Board of Trustees' minutes, summaries of Executive Strategy Board meetings and regular organisational updates which are distributed by e-mail and displayed throughout the ICR.

Formal communications with staff take place through four-monthly meetings of the Staff Consultative Committee. This consists of an equal number of representatives of the staff and management and is chaired by the Director of Human Resources. It is ICR policy to promote by discussion and consultation the involvement of staff, when appropriate, in the development of personnel policy and practice.

17. CHARITABLE AND POLITICAL DONATIONS

The ICR made no charitable or political donations during the current and previous year.

18. COMPANY NUMBER AND REGISTERED OFFICE

The Company Registration Number is 534147. The details of the registered office

of the Institute are given on page 52.

19. AUDITORS

Crowe Clark Whitehill LLP has indicated its willingness to be reappointed as statutory auditor.

Non-audit services

From time to time it is necessary to employ the ICR's external auditors for certain non-audit work. In order to maintain the independence of the external auditors, the Audit Committee has determined policies as to what non-audit services can be provided by the ICR's external auditors. The Audit Committee monitors the level of non-audit fees paid to the external auditors. No non-audit fees were paid to the external auditors in 2011 or 2010.

Provision of information to auditors

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as the Board of Trustees are aware, there is no relevant audit information of which the ICR's auditors are unaware; and
- the Board of Trustees has taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the ICR's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

20. STATEMENT OF THE FINANCIAL RESPONSIBILITIES OF MEMBERS OF THE BOARD OF TRUSTEES

The Institute of Cancer Research is a company limited by guarantee, a College of the University of London, and an exempt charity under the Second Schedule of the Charities Act 1993. Members of the Board of Trustees, the governing body of the ICR, are therefore both its company directors and charity trustees.

The Trustees are responsible for preparing the Report of the Board of Trustees and the financial statements in accordance with applicable law and regulations.

In addition to the statutory financial statements, the Trustees are required to prepare financial statements in accordance with the Statement of Recommended Practice "Accounting for Further and Higher Education" and annual accounts direction issued by the Higher Education Funding Council for England (HEFCE) issued in July 2010 and August 2011 and in accordance with applicable UK accounting standards. These financial statements do not constitute the company's statutory accounts for the years ended 31 July 2011 or 2010, but are derived from those accounts.

In preparing these non-statutory financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the ICR will continue in business.

The Trustees are also responsible for:

- keeping adequate accounting records that are sufficient to show and explain the ICR's transactions and disclose with reasonable accuracy at any time the financial position of the ICR.
- safeguarding the assets of the ICR and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

21. GOING CONCERN

The Board of Trustees has considered the level of reserves and the financial resources available to the ICR and considers that these are adequate to meet its operational needs for the foreseeable future. Consequently the going concern basis has been adopted in preparing these Financial Statements.

22. APPROVAL OF THE FINANCIAL STATEMENTS

The Financial Statements were approved by the Board of Trustees on 17 November 2011.



Lord Ryder of Wensum
Chairman of The Institute of Cancer Research

Independent Auditor's Report to the Governing Body of the Institute of Cancer Research: Royal Cancer Hospital

We have audited the financial statements of the Institute of Cancer Research for the year ended 31 July 2011 set out pages 19 to 45.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the annual accounts direction issued by the Higher Education Funding Council for England (HEFCE) issued in July 2010 and August 2011.

This report is made solely to the Board of Trustees of the Institute, as a body, in accordance with the Financial Memorandum dated July 2010. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of the Board of Trustees' Responsibilities, the Board of Trustees is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Board of Trustees and any other surround information to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the group and the institution's affairs as at 31 July 2011 and of 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 Statement of Recommended Practice Accounting for Further and Higher Education (SORP)

Opinion on other matters prescribed by HEFCE

In our opinion:

- in all material respects the income received from the Higher Education Funding Council for England, grants and income for specific purposes and from other restricted funds administered by the Institute have been applied only for the purposes for which they were received; and
- in all material respects income has been applied in accordance with the Institute's statutes and, where appropriate, with the financial Memorandum, dated July 2010 with the Higher Education Funding Council for England.

Crowe Clark Whitehill LLP

Crowe Clark Whitehill LLP

Statutory Auditor

London

18 November 2011

THE INSTITUTE OF CANCER RESEARCH**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**for the year ended 31 July 2011

	Note	2011 £000	2010 £000
Income			
Funding Council grants	2	24,709	24,112
Academic fees and support grants	3	1,636	1,232
Research grants and contracts	4	50,528	49,814
Other operating income	5	8,191	7,685
Endowment and investment income	6	297	1,017
Total income		85,361	83,860
Expenditure			
Staff costs	19	50,278	46,282
Other operating expenses	7	33,887	30,024
Depreciation	8	6,925	4,223
Total expenditure		91,090	80,529
(Deficit)/surplus on continuing operations after depreciation of fixed assets at valuation and before and after tax		(5,729)	3,331

All the Institute's operations are continuing.

The notes on pages 23 to 45 form part of these financial statements.

THE INSTITUTE OF CANCER RESEARCH

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31 July 2011

	2011	2010
	£000	£000
Recognised losses relating to the year		
(Deficit)/surplus on continuing operations after depreciation of assets at valuation, disposal of assets and tax	(5,729)	3,331
Unrealised deficit on revaluation of fixed assets	-	(3,809)
Appreciation of investments	3,305	907
Actuarial gain/(loss) on defined benefit pension schemes	19 5,693	(8,354)
Total recognised gains/(losses) relating to the year	3,269	(7,925)
Reconciliation		
Opening reserves and endowments	81,730	89,655
Total recognised gains/(losses) for the year	3,269	(7,925)
Closing reserves and endowments	84,999	81,730

STATEMENT OF HISTORICAL COST (DEFICIT)/SURPLUS
for the year ended 31 July 2011

	2011	2010
	£000	£000
(Deficit)/surplus on continuing operations before and after tax	(5,729)	3,331
Difference between historical cost depreciation and the actual charge for the period calculated on the revalued amount	631	(1,299)
Historical cost (deficit)/surplus for the period before and after taxation	(5,098)	2,032

The notes on pages 23 to 45 form part of these financial statements.

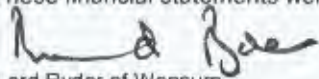
THE INSTITUTE OF CANCER RESEARCH

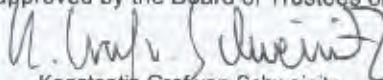
BALANCE SHEETS

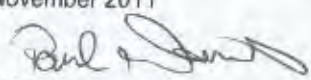
31 July 2011

	Note	Group		Institute	
		2011 £000	2010 £000	2011 £000	2010 £000
Fixed assets					
Tangible assets	8	88,478	87,830	88,478	87,830
Investments	9a	48,454	45,103	48,459	45,108
		<u>136,932</u>	<u>132,933</u>	<u>136,937</u>	<u>132,938</u>
Endowment assets	9b	2,670	2,527	2,670	2,527
Current assets					
Stocks - finished goods		211	254	211	254
Investments		3,845	5,816	3,845	5,816
Debtors	10a	11,892	10,563	12,288	10,719
Cash at bank and in hand		994	1,270	972	1,102
		<u>16,942</u>	<u>17,903</u>	<u>17,316</u>	<u>17,891</u>
Creditors: amounts falling due within one year	11a	(25,156)	(19,058)	(25,535)	(19,051)
Net current liabilities		(8,214)	(1,155)	(8,219)	(1,160)
Total assets less current liabilities		131,388	134,305	131,388	134,305
Debtors: amounts falling due after more than one year	10b	-	628	-	628
Creditors: amounts falling due after more than one year	11b	(220)	(147)	(220)	(147)
Provisions for liabilities and charges	11c	(409)	(354)	(409)	(354)
Net assets excluding pension liability		130,759	134,432	130,759	134,432
Defined benefit pension scheme liability	19c	(6,105)	(11,675)	(6,105)	(11,675)
Net assets including pension liability		<u>124,654</u>	<u>122,757</u>	<u>124,654</u>	<u>122,757</u>
Deferred capital grants	12	39,654	41,026	39,654	41,026
Endowments					
Expendable	15	583	583	583	583
Permanent	15	2,087	1,944	2,087	1,944
		<u>2,670</u>	<u>2,527</u>	<u>2,670</u>	<u>2,527</u>
Reserves					
Income and expenditure account excluding pension reserve	13	61,624	63,521	61,624	63,521
Pension reserve	19c	(6,105)	(11,675)	(6,105)	(11,675)
Income and expenditure account including pension reserve		55,519	51,846	55,519	51,846
Revaluation reserve	14	26,811	27,358	26,811	27,358
Total reserves		82,330	79,204	82,330	79,204
Total funds		<u>124,654</u>	<u>122,757</u>	<u>124,654</u>	<u>122,757</u>

These financial statements were approved by the Board of Trustees on 17 November 2011


 Lord Ryder of Wensum
 Chairman of the Board of Trustees


 Konstantin Graf von Schweinitz
 Honorary Treasurer


 Paul Norris
 Director of Finance

The notes on pages 23 to 45 form part of these financial statements.

THE INSTITUTE OF CANCER RESEARCH
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2011

	Note	2011 £000	2010 £000
Net cash inflow/(outflow) from operating activities	1	(637)	371
Returns on investments and servicing of finance	2	297	1,017
Capital expenditure and financial investment	3	<u>(8,552)</u>	<u>2,097</u>
Net cash inflow/(outflow) before use of liquid resources and financing		(8,892)	3,485
Financing and management of liquid resources	4	<u>6,645</u>	<u>528</u>
Increase/(decrease) in cash in the year		<u>(2,247)</u>	<u>4,013</u>

ANALYSIS OF NET FUNDS

	1 August 2010 £000	Cash Flows £000	31 July 2011 £000
Cash at bank and in hand	1,270	(276)	994
Current asset investments	<u>5,816</u>	<u>(1,971)</u>	<u>3,845</u>
	7,086	(2,247)	4,839
Money market and other deposits	<u>8,595</u>	<u>(6,645)</u>	<u>1,950</u>
	<u>15,681</u>	<u>(8,892)</u>	<u>6,789</u>

THE INSTITUTE OF CANCER RESEARCH

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2011

	2011	2010
	£000	£000
1. Reconciliation of consolidated operating surplus to net cash inflow/(outflow) from operating activities		
(Deficit)/surplus on continuing operations after depreciation of fixed assets at valuation	(5,729)	3,331
Net release of deferred capital grants	(7,192)	(4,312)
Revaluation loss	-	576
Depreciation charges	6,925	4,223
Investment income	(297)	(1,017)
Decrease in stocks	43	8
Decrease/(increase) in debtors	(701)	1,935
Increase in creditors	6,224	82
Defined benefit pension scheme settlement gain	-	(154)
Pension contributions less current service and finance costs	90	743
Exceptional pension past service credit	-	(5,044)
	<u>(637)</u>	<u>371</u>
2. Returns on Investments and servicing of finance		
	2011	2010
	£000	£000
Income from endowments	13	28
Other investment income	284	989
	<u>297</u>	<u>1,017</u>
3. Capital expenditure and financial investment		
	2011	2010
	£000	£000
Payments to acquire tangible fixed assets	(7,573)	(5,399)
Deferred capital grants received	5,822	7,174
Purchases of investments	(20,105)	(37,450)
Receipts from sales of investments	13,304	37,772
	<u>(8,552)</u>	<u>2,097</u>
4. Financing and management of liquid resources		
	2011	2010
	£000	£000
(Decrease)/increase in finance lease	-	(1,000)
Decrease in short term deposits	6,645	1,528
	<u>6,645</u>	<u>528</u>

1. Accounting policies

(i) Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting for Further and Higher Education " and annual accounts direction issued by the Higher Education Funding Council for England (HEFCE) issued in July 2010 and August 2011 and in accordance with applicable UK accounting standards.

The financial information set out above does not constitute the company's statutory accounts for the years ended 31 July 2011 or 2010, but is derived from those accounts. Statutory accounts are delivered to the Registrar of Companies each year. The auditors have reported on those accounts; their reports were unqualified and did not contain statements under s237(2) or (3) Companies Act 1985.

The Trustees consider that The Institute has adequate resources to continue its activities for the foreseeable future and that, for this reason, it should continue to adopt the going concern basis in preparing the accounts.

(ii) Basis of accounting

These financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and investments to market value, in accordance with applicable accounting standards. The Institute has availed itself of Regulation 4 of Schedule 1 of SI 2008/410 *The Large and Medium Sized Companies and Groups Accounts and Reports Regulations 2008*) and adapted the specified formats to reflect the special nature of The Institute's activities.

(iii) Land and buildings

Land and buildings are valued every five years in accordance with the Guidance Notes for the Valuation of Assets issued by the Royal Institute of Chartered Surveyors for the purpose of balance sheet valuations. The last full valuation took place as at 31 July 2010.

Valuations are made on a Depreciated Replacement Cost basis for scientific properties. Unrealised gains arising at each revaluation are shown in the Revaluation Reserve. Unrealised losses are taken to the Income and Expenditure Account, except to the extent that they reverse revaluation gains on the same asset.

Where buildings are acquired and depreciated with the aid of specific grants they are capitalised and depreciated as above. The related grants are treated as Deferred Capital Grants and released to income over the expected useful life of the buildings.

(iv) Investments

Listed investments are stated at their market value at the date of the balance sheet. Unrealised gains and losses arising during the year are included in the Statement of Total Recognised Gains and Losses and are taken to the General Fund.

Investments that are not listed on a recognised stock exchange are carried at their historic cost less any provision for impairment in their value.

(iv) Incoming resources

Income from Research Grants, contracts and other services is included to the extent of the completion of the contract or service concerned. This is generally equivalent to the sum of the relevant expenditure incurred during the year and any related contributions towards overhead costs.

Income from short-term deposits is included in the Income and Expenditure Account in the period in which it is earned.

THE INSTITUTE OF CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2011

1. Accounting policies continued

Recurrent grants from HEFCE are recognised in the period in which they are receivable. Non-recurrent grants from HEFCE or other bodies received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants and amortised in line with depreciation over the life of the asset.

Legacies and donations are included in the Income and Expenditure Account in the year in which they are received except where income is accounted for once it is known with certainty that an identifiable sum of money is going to be received. Entitlement to legacy income is taken to be the earlier of estate accounts being finalised and cash received. This includes the value of material properties which have been bequeathed to The Institute but not realised at the balance sheet date.

(vi) Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling either at the year-end rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

(vii) Depreciation

Depreciation is provided to write off the costs of leases and buildings over their useful economic lives based on their Net Book Values. The annual rates of depreciation are as follows; -

Freehold buildings 2%

Leasehold buildings 2% or the length of the lease if shorter than 50 years.

The cost of refurbishing and maintaining the buildings is written off in the year the expenditure is incurred.

(viii) Equipment and depreciation

Equipment (including computers and software) and furniture costing less than £25,000 for each individual item are written off in the year of acquisition. All other items of equipment and furniture are capitalised in the year of acquisition. Capitalised equipment is stated at cost and depreciated over four years on a straight-line basis.

(ix) Stocks

Stocks of research material have been valued using the average of opening and closing stock prices.

(x) Pensions

The Institute participates in three defined benefit schemes, the Universities' Superannuation Scheme (USS), National Health Service Pension Scheme (NHSPS) and The Institute of Cancer Research Pension Scheme (ICRPS). USS and NHSPS are multi-employer schemes for which employer contributions are charged directly to the Income and Expenditure Account as if the schemes were defined contribution schemes.

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the income and expenditure account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses. Defined benefit scheme assets are held separately from those of The Institute. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on high quality corporate bonds.

1. Accounting policies continued

(xi) Consolidation basis

The Institute owns 100% of the share capital of four companies – ICR Enterprise Ltd, ICR Chelsea Development Ltd (ICRCD), ICR Sutton Developments Ltd (ICRSD) and ICR Equipment Leasing No.8 Limited (ICRENO8) ICR Enterprises Ltd undertakes trading activities. ICRCD and ICRSD have been set up to act as developers for the construction of laboratories. ICRENo8 owns a long leasehold interest in the Chester Beatty Laboratory which is occupied by The Institute. The consolidated statements include the financial statements of these companies as well as Everyman Action Against Male Cancer. No Income and Expenditure Account is presented for The Institute.

The Institute makes a small contribution each year towards the costs of the Student Association. The Institute has no management responsibility for the Association and therefore does not consolidate their accounts into The Institute's accounts.

(xii) Leases

Assets held under leasing arrangements which transfer substantially all the risks and rewards of ownership to The Institute are capitalised. The capital element of the related rental obligations is included in creditors. The interest element of the rental obligations is charged to the Income and Expenditure Account so as to produce a constant periodic rate of charge. Other leases are regarded as operating leases and the rentals are charged directly to the Income and Expenditure Account on a straight-line basis over the term of the lease.

(xiii) Research and development

Research and development expenditure is written off in the period in which it is incurred.

THE INSTITUTE OF CANCER RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2011

2. Funding Council grants

	2011 £000	2010 £000
<i>Recurrent grants</i>		
Higher Education Funding Council for England (HEFCE)	17,733	20,164
NHS pension funding supplement	189	187
<i>Specific grants</i>		
Higher Education Innovation Fund	469	402
Matched Funding	951	898
Other specific funds	74	95
<i>Deferred capital grants released during the year</i>		
Buildings (note 12)	2,037	499
Equipment (note 12)	3,256	1,867
	<u>24,709</u>	<u>24,112</u>

3. Academic fees and support grants

	2011 £000	2010 £000
Fees and support grants	<u>1,636</u>	<u>1,232</u>

4. Research grants and contracts

	2011 £000	2010 £000
UK based charities	35,411	34,318
Research Councils	3,010	3,215
UK Government, local health and hospital authorities	6,581	6,496
EU	563	1,145
Industry, commerce and other	3,071	3,460
Other overseas	1,892	1,180
	<u>50,528</u>	<u>49,814</u>

5. Other operating income

	2011 £000	2010 £000
Legacies and donations	8,078	6,014
Net (receipt)/release of deferred capital grants	(118)	763
Invention and other income	231	908
	<u>8,191</u>	<u>7,685</u>

Voluntary income is largely derived from the UK. The Institute has been notified of legacies of £2,286,000 which have not been recognised as income at 31 July 2011 as no notification of impending distribution or approval of estate accounts has been received (2010: £3,169,000).

THE INSTITUTE OF CANCER RESEARCH
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2011

6. Endowment and investment income

	2011 £000	2010 £000
Income from permanent endowments	13	28
Other investment income	<u>284</u>	<u>989</u>
	<u>297</u>	<u>1,017</u>

Rebalancing of the investment portfolio to adopt a more diversified investment strategy has led to a reduction in the holdings of fixed interest investments and the associated investment income.

7. Other operating expenses

	2011 £000	2010 £000
Laboratory consumables	21,046	16,882
Repairs and general maintenance	6,569	4,261
Other premises	3,199	3,785
Central administration services	1,177	989
Library and information services	500	536
Information technology	774	698
Other expenses	<u>622</u>	<u>2,873</u>
	<u>33,887</u>	<u>30,024</u>

Other operating expenses include the following:

	2011 £000	2010 £000
Fees payable to the Institute's auditors for the audit of the annual accounts	30	25
The audit of the Institute's subsidiaries, pursuant to legislation	<u>6</u>	<u>6</u>
Total external audit fees	36	31
Other service from auditors	-	-
Hire of other assets - operating leases	465	465

THE INSTITUTE OF CANCER RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2011

8. Tangible assets

Group and Institute

	Freehold land and buildings	Leasehold land and buildings	Furniture plant and equipment - owned	Furniture plant and equipment - leased	Total
	£000	£000	£000	£000	£000
<i>Cost or valuation</i>					
At 1 August 2010	77,840	2,556	23,540	1,000	104,936
Additions at cost	-	-	7,573	-	7,573
Disposals at cost	-	-	(100)	-	(100)
At 31 July 2011	77,840	2,556	31,013	1,000	112,409
<i>Depreciation</i>					
At 1 August 2010	10	249	16,347	500	17,106
Provided in the year	1,497	115	5,063	250	6,925
Disposals	-	-	(100)	-	(100)
At 31 July 2011	1,507	364	21,310	750	23,931
<i>Net book value</i>					
At 31 July 2011	76,333	2,192	9,703	250	88,478
of which:					
Scientific properties	76,283	1,685	-	-	77,968
Other properties	50	507	-	-	557
At 31 July 2010	77,830	2,307	7,193	500	87,830
of which:					
Scientific properties	77,780	1,719	-	-	79,499
Other properties	50	588	-	-	638
<i>Historic cost - net book value</i>					
At 31 July 2011	50,346	993	9,703	250	61,292
At 31 July 2010	51,230	1,090	7,193	500	60,013
<i>Financed by</i>					
Capital grant	30,140	143	9,703	250	40,236
Other	46,193	2,049	-	-	48,242
	76,333	2,192	9,703	250	88,478

The net book value of freehold land and buildings includes £1,590,000 in respect of assets under construction (2010: £1,590,000). The construction of the new ICR Centre for Cancer Imaging as Phase 2 of the Sir Richard Doll building was suspended in 2009 due to the adverse financial environment. No costs were incurred on this development in the year. Funding for the completion of the Centre is being sought.

The Institute's scientific properties were revalued by Gerald Eve Chartered Surveyors as at 31 July 2010. The valuations were undertaken on a depreciated replacement cost basis. The laboratories were valued at £77.9m. Other properties are included at original cost.

THE INSTITUTE OF CANCER RESEARCH
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2011

9. Investments and endowment assets

	Market value 1 Aug 10 £000	Additions at cost £000	Disposals at book value £000	Gains/ (losses) £000	Market value 31 Jul 11 £000
a. Investments (Group)					
Listed					
UK Government	7,372	2,959	(6,421)	158	4,068
Other UK	4,979	1,416	(203)	721	6,913
Overseas	9,170	13,973	(6,436)	945	17,652
	<u>21,521</u>	<u>18,348</u>	<u>(13,060)</u>	<u>1,824</u>	<u>28,633</u>
Unlisted					
UK	131	-	-	18	149
Overseas	15,985	932	-	1,330	18,247
	<u>16,116</u>	<u>932</u>	<u>-</u>	<u>1,348</u>	<u>18,396</u>
Derivatives	(199)	-	-	332	133
Investment cash and deposits	7,665	-	-	(6,373)	1,292
Total investments	<u>45,103</u>	<u>19,280</u>	<u>(13,060)</u>	<u>(2,869)</u>	<u>48,454</u>
b. Endowment assets (Group and Institute)					
Listed					
UK Government	315	126	(275)	7	173
Other UK	214	61	(9)	31	297
Overseas	393	598	(275)	40	756
	<u>922</u>	<u>785</u>	<u>(559)</u>	<u>78</u>	<u>1,226</u>
Unlisted					
Overseas	684	40	-	57	781
	<u>684</u>	<u>40</u>	<u>-</u>	<u>57</u>	<u>781</u>
Derivatives	(9)	-	-	14	5
Investment cash and deposits	930	-	-	(272)	658
Total endowment assets	<u>2,527</u>	<u>825</u>	<u>(559)</u>	<u>(123)</u>	<u>2,670</u>

The investments held by the Group were all held by The Institute which in addition held investments of £5,000 in subsidiary companies.

The endowment assets are restricted but are managed as part of a single portfolio with the Institute's investments.

Derivatives comprise forward currency contracts which are used for the purpose of risk management rather than speculation in order to translate investment assets denominated in foreign currencies into Sterling and as part of the investment strategy. As at 31 July 2011 the total notional value of open forward contracts amounted to £13,578,000 (2010: £23,197,000).

The historical cost of total investments and endowment assets at 31 July 2011 was £46,154,000 for the Group (2010: £45,783,000) and £46,159,000 (£45,788,000) for The Institute.

THE INSTITUTE OF CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2011

9. Investments and endowment assets (continued)

The following investments represented holdings in excess of 5% of the investment portfolio at 31 July 2011:

	2011	2010
BlackRock Ascent UK Real Return Bond Fund	12.2%	5.6%
BlackRock GiltTrak Fund	5.4%	8.3%
BlueBay Diversified Corporate Bond Fund	14.6%	-
BlueBay Investment Grade Bond Fund	-	5.9%
BlueBay Investment Grade Libor Fund	-	5.7%
CQS Diversified Fund (SPC)	6.7%	-
Partners Capital Eagle Fund (C) Ltd	18.1%	20.2%
Partners Capital Falcon Fund (C) Ltd	7.1%	8.9%
Partners Capital Harrier Fund (C) Ltd	7.3%	8.9%
UK Treasury 4.25% 07/03/2011	-	7.4%
Pictet Funds (LUX) - Emerging Local Currency Debt Fund	8.3%	-

10. Debtors

a. Amounts falling due within one year

	Group		Institute	
	2011	2010	2011	2010
	£000	£000	£000	£000
Revenue grants	3,363	2,345	3,363	2,345
Other trade debtors	367	269	367	236
Legacy debtors	219	595	219	595
Other debtors	689	154	669	154
Amounts due from subsidiary undertakings	-	-	416	189
Prepayments and accrued income	7,254	7,200	7,254	7,200
	<u>11,892</u>	<u>10,563</u>	<u>12,288</u>	<u>10,719</u>

b. Amounts falling due after more than one year

	Group		Institute	
	2011	2010	2011	2010
	£000	£000	£000	£000
Accrued income	-	628	-	628
	<u>-</u>	<u>628</u>	<u>-</u>	<u>628</u>

THE INSTITUTE OF CANCER RESEARCH
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 11

11. Creditors

a. Amounts falling due within one year

	Group		Institute	
	2011 £000	2010 £000	2011 £000	2010 £000
Trade creditors	2,579	2,004	2,560	1,999
Accruals	4,966	3,073	4,961	2,973
Amounts due to subsidiary companies	-	-	405	98
Other creditors	1,147	992	1,147	992
Taxes and social security	1,031	1,011	1,029	1,011
Deferred research grants	15,433	11,978	15,433	11,978
	<u>25,156</u>	<u>19,058</u>	<u>25,535</u>	<u>19,051</u>

b. Amounts falling due after more than one year

	Group		Institute	
	2011 £000	2010 £000	2011 £000	2010 £000
Other creditors	220	147	220	147

c. Provisions for liabilities and charges

	Group		Institute	
	2011 £000	2010 £000	2011 £000	2010 £000
<i>Dilapidations and decommissioning</i>				
At 1 August 2010	354	340	354	340
Provided in the year	55	14	55	14
Utilised in the year	-	-	-	-
	<u>409</u>	<u>354</u>	<u>409</u>	<u>354</u>

The dilapidation and decommissioning provision is held to cover liabilities as a result of vacating leasehold premises and the safe removal of a caesium source.

THE INSTITUTE OF CANCER RESEARCH
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2011

12. Deferred capital grants

Group and Institute

	HEFCE £000	Other funders £000	Total Total £000
<i>At 1 August 2010</i>			
Land and buildings	18,982	14,268	33,250
Equipment	5,581	2,195	7,776
<i>Cash receivable in the year</i>			
Land and buildings	-	-	-
Equipment	3,803	2,017	5,820
<i>Released to income and expenditure</i>			
Land and buildings	(2,037)	(347)	(2,384)
Equipment	<u>(3,256)</u>	<u>(1,552)</u>	<u>(4,808)</u>
<i>At 31 July 2011</i>			
Land and buildings	16,945	13,921	30,866
Equipment	<u>6,128</u>	<u>2,660</u>	<u>8,788</u>
Total at 31 July 2011	<u>23,073</u>	<u>16,581</u>	<u>39,654</u>

13. Income and expenditure account

	Balance at 1 August 2010 £000	Income £000	Expend- iture £000	Transfers, gains and losses £000	Balance at 31 July 2011 £000
Income and expenditure account excluding pension reserve	63,521	85,361	(91,055)	3,797	61,624
Pension deficit	<u>(11,675)</u>	-	<u>(35)</u>	<u>5,605</u>	<u>(6,105)</u>
Income and expenditure account including pension reserve	<u>51,846</u>	<u>85,361</u>	<u>(91,090)</u>	<u>9,402</u>	<u>55,519</u>

14. Revaluation reserve

Group and Institute

	£000
At 1 August 2010	27,358
Transfer to fixed asset fund in respect of depreciation	<u>(547)</u>
Revaluation reserve at 31 July 2011	<u>26,811</u>

THE INSTITUTE OF CANCER RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2011

15. Endowments

	Balance at 1 August 2010 £000	Income £000	Expend- iture £000	Transfers, gains and losses £000	Balance at 31 July 2011 £000
<i>Expendable endowments</i>					
FC Hunter Studentship Fund	569	-	-	-	569
Joan Francis Stowe Fund	14	-	-	-	14
Total expendable endowment funds	583	-	-	-	583
<i>Permanent endowments</i>					
Hensley Nankivell Studentship Fund	1,049	-	-	77	1,126
Sir SK Tang Fund	541	-	-	40	581
The Ivan and Felicite Stoller Fund	354	-	-	26	380
Total permanent endowment funds	1,944	-	-	143	2,087
Total endowment funds	2,527	-	-	143	2,670

The FC Hunter Studentship Fund is a legacy from the estate of Mr FC Hunter designated by The Institute for the purpose of supporting research studentships.

The Joan Frances Stowe Fund finances the Joan Frances Stowe Prizes in Palliative and Nursing Care.

The Hensley Nankivell Studentship Fund was received from the estate of Mrs SMA Nankivell for the purpose of supporting research studentships at The Institute. The Sir SK Tang Fund (Endowment Fund) is a legacy received from the estate of Sir SK Tang. The Ivan and Felicite Stoller Fund is a legacy received from the estate of Mr IM Stoller. The income from both the Tang and Stoller funds is for cancer research.

THE INSTITUTE OF CANCER RESEARCH
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2011

16. Lease Commitments

At 31 July 2011 The Institute had annual operating lease commitments in respect of property leases which expire as follows:

	2011 £000	2010 £000
Within one year	350	-
Between two and five years	<u>115</u>	<u>465</u>

17. Capital commitments

	2011 £000	2010 £000
Contracted but not provided for	584	3,061
Authorised by the Board of Trustees but not contracted for	<u>4,000</u>	<u>1,936</u>
	<u>4,584</u>	<u>4,997</u>

The capital commitments relate to laboratory and office building works and equipment.

18. Emoluments of the Board of Trustees

No fees are paid to the 21 members of the Board of Trustees for their services as charity trustees or company directors. During the year, there were six members of staff of The Institute who are members of the Board of Trustees who receive only the normal remuneration of their appointments. This includes the Chief Executive and Academic Dean whose remuneration is shown in note 19 (iii). The other four staff members, Professor Meier, Professor Pearson, Professor Springer and Professor Webb are the representatives elected by the Academic Board to serve on the Board of Trustees whose remuneration is included in note 19 (iv). In addition Miss Heinzmann (until January 2011) and Mr Shepherd (from February 2011) were the student representatives on the Board of Trustees who received the normal PhD student stipend. The aggregate emoluments of those who serve on the Board of Trustees was £865,071 (2010: £820,182). The emoluments of the highest paid director, who is a member of a multi-employer defined benefit pension scheme, were £229,000 (2010: £222,000). The six staff who are trustees participate in defined benefit pension schemes. Five non-executive trustees received a total of £3,172 (2010: six received £2,713) for reimbursement of travel expenses.

THE INSTITUTE OF CANCER RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2011

19. Staff costs

(i) Average number of employees

	2011 No.	2010 No.
Research Staff	837	854
Research support staff	138	139
Fundraising services	28	33
Corporate services including academic services	72	70
	<u>1,075</u>	<u>1,096</u>

(ii) Remuneration

	2011 £000	2010 £000
Wages and salaries	41,723	42,387
Social security costs	3,170	3,290
Other pension costs	5,385	5,649
Pension past service cost	-	(5,044)
	<u>50,278</u>	<u>46,282</u>

The pension past service cost credit in 2010 relates to the move from RPI to CPI on which index-linked pension increases will be based in future.

(iii) Remuneration of Executive Directors

The remuneration of Executive Directors is listed below inclusive of distinction awards. National Insurance contributions and employer's pension contributions are excluded except where indicated.

	2011 £000	2010 £000
Chief Executive:		
- 1 August 2010 to 16 January 2011	101	212
- 17 January 2011 to 31 July 2011	121	-
Academic Dean and Head of Clinical Laboratories	210	222
Chief Executive including employer's pension contributions:		
- 1 August 2010 to 16 January 2011	125	243
- 17 January 2011 to 31 July 2011	139	-

(iv) Remuneration of higher paid staff

	2011 No.	2010 No.
£100,001 - £110,000	2	5
£110,001 - £120,000	5	4
£120,001 - £130,000	3	2
£130,001 - £140,000	1	3
£140,001 - £150,000	2	3
£150,001 - £160,000	3	2
£160,001 - £170,000	3	4
£170,001 - £180,000	5	4
£180,001 - £190,000	-	-
£190,001 - £200,000	1	-
£200,001 - £210,000	2	1
£210,001 - £220,000	1	2
£220,001 - £230,000	1	-

19. Staff costs (continued)

(v) Superannuation schemes

The Institute participates in three superannuation schemes. The majority of scientific and other non-clinical staff are in the Universities Superannuation Scheme (USS) (and the Universities Supplementary Dependants & Ill-Health Retirement Pension Scheme (USDPS)). The majority of clinical staff are in the National Health Service Superannuation Scheme (NHSPS). The ICR Pension Scheme (ICRPS) was closed to future accrual for new and existing members on 31 July 2008 and most of its active members joined the USS. All three schemes provide benefits based on final pensionable salary.

a) Universities Superannuation Scheme (USS) (and the Universities Supplementary Dependants & Ill Health Retirement Pension Scheme (USDPS))

This is a defined benefit scheme which is externally funded and contracted out of the State Second Pension Scheme (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited. The appointment of directors to the board of the trustee is determined by the company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom one at least must be a USS pensioner member; one is appointed by the Higher Education Funding Councils; and a minimum of two and a maximum of four are co-opted directors appointed by the board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme wide contribution rate is set. The Institute is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS17 'Retirement benefits' accounts for the scheme as if it were a defined contribution scheme. As a result the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme in respect of the accounting period.

The latest triennial valuation of the scheme was at 31 March 2008. This was the first valuation for USS under the new scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. The actuary also carries out a review of the funding level each year between triennial valuations and details his estimate of the funding level at 31 March 2010 are included in this note. The triennial valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. The financial assumptions were derived from market yields prevailing at the valuation date. An 'inflation risk premium' adjustment was also included by deducting 0.3% from the market-implied inflation on account of the historically high level of inflation implied by government bonds (particularly when compared to the Bank of England's target of 2% for CPI which corresponds broadly to 2.75% for RPI per annum). To calculate the technical provisions, it was assumed that the valuation rate of interest would be 6.4% per annum (which includes an additional assumed investment return over gilts of 2% per annum), salary increases would be 4.3% per annum (plus an additional allowance for increases in salaries due to age and promotion reflecting historic scheme experience, with a further cautionary reserve on top for past service liabilities) and pensions would increase by 3.3% per annum.

Standard mortality tables were used as follows:

Male members' mortality	PA92 MC YoB tables - rated down 1 year
Female members' mortality	PA92 MC YoB tables - no age rating

Use of these mortality tables reasonably reflects the actual USS experience but also provides an element of conservatism to allow for further small improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

19. Staff costs (continued)

Males (females) currently aged 65	22.8 (24.8) years
Males (females) currently aged 45	24.0 (25.9) years

At the valuation date, the market value of the assets of the scheme was £28,842.6 million and the value of the scheme's technical provisions was £28,135.3 million indicating a surplus of £707.3 million. The assets therefore were sufficient to cover 103% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the Scheme on a number of other bases as at the valuation date. On the scheme's historic gilts basis, using a valuation rate of interest in respect of past service liabilities of 4.4% per annum (the expected return on gilts) the funding level was approximately 71%. Under the Pension Protection Fund regulations introduced by the Pensions Act 2004 the Scheme was 107% funded; on a buy-out basis (i.e. assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 79% of the amount necessary to secure all the USS benefits with an insurance company, and using the FRS17 formula as if the USS was a single employer scheme, using an AA bond discount rate of 6.5% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2008 was 104%.

The technical provisions relate essentially to the past service liabilities and funding levels, but it is also necessary to assess the ongoing cost of newly accruing benefits. The cost of future accrual was calculated using the same assumptions as those used to calculate the technical provisions except that the valuation rate of interest assumed asset outperformance over gilts of 1.7% per annum (compared to 2% per annum for the technical provisions) giving a discount rate of 6.1% per annum; also the allowance for promotional salary increases was not as high. There is currently uncertainty in the sector regarding pay growth. Analysis has shown very variable levels of growth over and above general pay increases in recent years, and the salary growth assumption built into the cost of future accrual is based on more stable, historic, salary experience. However, when calculating the past service liabilities of the scheme, a cautionary reserve has been included, in addition, on account of the variability mentioned above.

The scheme wide contribution rate required for future service benefits alone at the date of the valuation was 16% of pensionable salaries and the trustee company, on the advice of the actuary, agreed to increase the institution contribution rate to 16% on pensionable salaries from 1 October 2009.

Since 31 March 2008 global investment markets have continued to fluctuate and at 31 March 2011 the market's assessment of inflation has increased slightly. The government has also announced a change to the inflation measure used in determining the "Official Pensions Index" from the Retail Prices Index to the Consumer Prices Index. The actuary has taken this all into account in his funding level estimates at 31 March 2011 by reducing the assumption for pension increases from 3.3% pa to 2.9% pa. The actuary has estimated that the funding level as at 31 March 2011 under the scheme specific funding regime had fallen from 103% to 91% (a deficit of circa £700m). Compared to the previous 12 months, the funding level has improved from 91% (as at 31 March 2010) to 98%. This estimate is based on the funding level at 31 March 2008, adjusted to reflect the fund's actual investment performance over the three years and changes in market conditions (market conditions affect both the valuation rate of interest and also the inflation assumption which in turn impacts on the salary and pension increase assumptions). The next formal valuation is as at 31 March 2011 and this will incorporate updated assumptions agreed by the trustee company. With effect from 1 October 2011, new joiners to the scheme will join the new revalued benefits section rather than the existing final salary section. This change will have an impact, expected to be positive, on the future funding levels.

On the FRS17 basis, using a AA bond discount rate of 5.5% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2011 was 86%. An estimate of the funding level measured on a buy-out basis at that date was approximately 54%.

Surpluses or deficits which arise at future valuations may impact on The Institute's future contribution commitment. A deficit may require additional funding in the form of higher contribution requirements, where a surplus could, perhaps, be used to similarly reduce contribution requirements. The sensitivities regarding the principal assumptions used to measure the scheme liabilities on a technical provisions basis as at the date of the last triennial valuation are:

19. Staff costs (continued)

Assumption	Change in assumption	Impact on scheme liabilities
Valuation rate of interest	Increase/decrease by 0.5%	Decrease/increase by £2.2bn
Rate of pension increases	Increase/decrease by 0.5%	Increase/decrease by £1.5bn
Rate of salary growth	Increase/decrease by 0.5%	Increase/decrease by £0.7bn
Rate of mortality	More prudent assumption (move to long cohort future improvements from the medium cohort adopted at the valuation)	Increase by £1.6bn

USS is a 'last man standing' scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot be otherwise recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The trustee believes that over the long term equity investment and investment in selected alternative asset classes will provide superior returns to other investment classes. The management structure and targets set are designed to give the fund a major exposure to equities through portfolios that are diversified both geographically and by sector. The trustee recognises that it would be possible to select investments producing income flows broadly similar to the estimated liability cash flows. However in order to meet the long term funding objective within a level of contributions that it considers the employers would be willing to make, the trustee needs to take on a degree of investment risk relative to the liabilities. This taking of investment risk seeks to target a greater return than the matching assets would provide whilst maintaining a prudent approach to meeting the fund's liabilities. Before deciding what degree of investment risk to take relative to the liabilities, the trustee receives advice from its internal investment team, its investment consultant and the scheme actuary, and considers the views of the employers. The strong positive cash flow of the scheme means that it is not necessary to realise investments to meet liabilities. The trustee believes that this, together with the ongoing flow of new entrants into the scheme and the strength of the covenant of the employers enables it to take a long term view of its investments. Short term volatility of returns can be tolerated and need not feed through directly to the contribution rate although the trustee is mindful of the desirability of keeping the funding level on the scheme's technical provisions close to or above 100% thereby minimising the risk of the introduction of deficit contributions. The actuary has confirmed that the scheme's cash flow is likely to remain positive for the next ten years or more.

The next formal triennial actuarial valuation is due as at 31 March 2011 and will incorporate allowance for scheme benefit changes and any changes the trustee makes to the underlying actuarial assumptions. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently.

At 31 March 2011, USS had over 142,000 active members and The Institute had 766 active members participating in the scheme.

The total pension cost for The Institute was £4,559,000 (2010: £4,566,000). This includes £379,000 (2010: £385,000) of outstanding contributions at the balance sheet date. The contribution rate payable by The Institute was 16% of pensionable salaries.

b) National Health Service Pension Scheme (NHSPS)

This Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of The Secretary of State, in England and Wales. As a consequence it is not possible for The Institute to identify its share of the underlying scheme liabilities.

The scheme is subject to a full valuation by the Government Actuary to assess the scheme's assets and liabilities to review the contribution rates. The last such valuation, which determined current contribution rates was undertaken as at 31 March 2004 and covered the period from 1 April 1999 to that date. On advice from the actuary the contribution may be varied from time to time to reflect changes in the scheme's liabilities.

19. Staff costs (continued)

The conclusion from the 2004 valuation was that the Scheme had accumulated a notional deficit of £3.3 billion against the notional assets as at 31 March 2004. However, after taking into account the changes in the benefit and contribution structure effective from 1 April 2008, the Scheme actuary reported that employer contributions could continue at the existing rate of 14% of pensionable pay. Up to 31 March 2008, the vast majority of employees paid contributions at the rate of 6% of pensionable pay. From 1 April 2008, employees' contributions are on a tiered scale from 6% up to 8.5% of their pensionable pay depending on total earnings.

The Institute charges employer's pension costs contributions to operating expenses as and when they become due. The total employer contribution payable was £552,000 (2010: £531,000). There were £47,000 (2010: £44,000) of outstanding contributions at the balance sheet date.

c) ICR Pension Scheme (ICRPS)

This is a defined benefit scheme which is externally funded and contracted out of the State Second Pension Scheme (S2P). The assets of the scheme are held in a separate trustee-administered fund. On 31 July 2008, the ICRPS closed to future accrual.

The total charged to the Statement of Financial Activities under FRS 17 for the year amounts to £619,000 (2010: credit of £4,388,000). This is equal to the past service cost of £35,000 (2010: past service credit £5,043,000), plus the settlement gain of £nil (2010: £154,000) plus other finance income of £584,000 (2010: -£809,000).

A full actuarial valuation was carried out at 31 March 2010 and updated to 31 July 2011 by a qualified independent actuary. The main assumptions used by the actuary were:

	At 31 July 2011 (% p.a.)	At 31 July 2010 (% p.a.)
Future salary increases	n/a	n/a
Future 5% LPI pension increases	3.10%	2.90%
Future 2.5% LPI pension increases	2.50%	2.50%
Discount rate	5.20%	5.30%
Consumer Prices Index ('CPI')	3.10%	2.90%
Revaluation in deferment	3.10%	2.90%
Assumed life expectancies on retirement at age 65 are:		
Retiring today		
Males	22.2	22.1
Females	24.2	24.1
Retiring in 20 years time		
Males	23.6	23.5
Females	25.8	25.7

The assumptions used by the actuary are best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

The fair value of the Scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the Scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

THE INSTITUTE OF CANCER RESEARCH
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2011

19. Staff costs (continued)

	Long term rate of return expected		Fair value	
	At 31 July 2011 (% p.a.)	At 31 July 2010 (% p.a.)	At 31 July 2011 £000	At 31 July 2010 £000
Equities and property	7.00%	7.30%	26,286	15,937
Fixed interest	4.00%	4.30%	5,533	3,962
Index linked gilts	4.00%	4.30%	13,046	20,891
Alternatives	7.00%	7.30%	6,739	8,562
Insured annuities	5.20%	5.30%	854	967
Cash and other	0.50%	0.50%	7,801	4,405
Overall return on scheme assets	5.21%	5.35%		

The assumptions used in determining the overall expected rate of return of the assets of the Scheme have been set having regard to yields available on government bonds, corporate bonds, bank base rates and incorporating appropriate risk margins where appropriate.

None of the assets of the scheme are invested in The Institute's own financial instruments, and none of the assets are properties or other assets used by The Institute.

The amounts recognised in the balance sheet are as follows:

	At 31 July 2011 £000	At 31 July 2010 £000
Fair value of scheme assets	60,260	54,724
Present value of scheme liabilities	(66,365)	(66,399)
	(6,105)	(11,675)
Present value of unfunded obligation	-	-
Unrecognised past service cost	-	-
Deficit in the Scheme	(6,105)	(11,675)
Irrecoverable surplus	-	-
Deficit	(6,105)	(11,675)
Related deferred tax asset	-	-
Net liability	(6,105)	(11,675)
<i>Amounts in the balance sheet</i>		
Liabilities	(6,105)	(11,675)
Assets	-	-
Net liability	(6,105)	(11,675)

The amounts recognised in the Statement of Financial Activities are as follows:

	2011 £000	2010 £000
Service cost	-	1
Interest on obligation	3,480	3,732
Expected return on Scheme assets	(2,896)	(2,923)
Past service cost	35	(5,044)
Gains on curtailments and settlements	-	(154)
Total	619	(4,388)
Actual return on Scheme assets	6,842	4,101

THE INSTITUTE OF CANCER RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2011

19. Staff costs (continued)

Changes in the present value of the Scheme liabilities

	2011	2010
	£000	£000
Liabilities at beginning of the year	66,399	63,876
Service cost (net of employee contributions)	-	1
Contributions by employees	-	-
Interest cost	3,480	3,732
Gains on curtailments and settlements	-	(154)
Actuarial (gains)/losses	(1,748)	9,532
Past service cost	35	(5,044)
Benefits paid	(1,801)	(5,544)
Liabilities at end of year	<u>66,365</u>	<u>66,399</u>

The reported scheme liabilities at 31 July 2011 include obligations under the Scheme Rules of £61,917,000 (2010: £59,474,000) and constructive obligations of £4,448,000 (2010: £6,925,000). The Institute has an established practice of providing discretionary increases to pensions in payment where no inflation-linking is provided for under the Scheme Rules. The constructive obligation, as required under FRS17, represents the liabilities arising from the granting of further discretionary increases in future years. The Board of Trustees of the Institute decides annually whether discretionary payments should be made.

Changes in the fair value of assets are as follows:

	2011	2010
	£000	£000
Fair value of Scheme assets at beginning of year	54,724	56,100
Expected return on Scheme assets	2,896	2,923
Actuarial gains/(losses)	3,945	1,178
Contributions by employer	496	67
Contributions by employees	-	-
Benefits paid	(1,801)	(5,544)
Fair value of scheme assets at end of year	<u>60,260</u>	<u>54,724</u>

Actuarial gains/(losses) recognised in the Statement of Total Recognised Gains and Losses:

	2011	2010
	£000	£000
Actuarial gains/(losses)	<u>5,693</u>	<u>(8,354)</u>

The Scheme's current Schedule of Contributions requires The Institute to contribute £465,750 to the Scheme in the year commencing 1 August 2011.

THE INSTITUTE OF CANCER RESEARCH
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2011

19. Staff costs (continued)

Amounts for the current and previous four periods are as follows:

	At 31 July 2011 £000	At 31 July 2010 £000	At 31 July 2009 £000	At 31 July 2008 £000	At 31 July 2007 £000
Present value of Scheme liabilities	(66,365)	(66,399)	(63,876)	(62,541)	(64,289)
Scheme assets	60,260	54,724	56,101	61,826	51,768
Deficit	(6,105)	(11,675)	(7,775)	(715)	(12,521)
Experience adjustments on					
Scheme liabilities	(276)	637	(1,687)	(154)	627
As a percentage of Scheme liabilities	0%	1%	(3%)	0%	1%
Experience adjustments on					
Scheme assets	3,946	1,178	(8,114)	(3,545)	1,056
As a percentage of Scheme assets	7%	2%	(14%)	(6%)	2%
Cumulative actuarial losses shown in SOFA	(15,977)	(21,670)	(13,315)	(6,239)	(5,809)

The asset values reported above are bid values, with the exception of the figures as at 31 July 2007 which are the mid-values as disclosed at prior year ends.

d) Unfunded pensions

A small group of pensioners, who retired under the previous superannuation scheme are in receipt of unfunded pensions paid directly by The Institute. These pensions are increased, at The Institute's discretion, by analogy, with the Pensions Act 1995.

(vi) Health and Safety at Work

The Institute through its Safety Committee performs its duties as an employing authority under the provisions of The Health and Safety at Work Act 1974.

20. Value Added Tax

The Institute incurred irrecoverable VAT amounting to some £2.0 million during the year (2010: £1.6 million). It is a member of the Charities Tax Reform Group which campaigns on behalf of its members for a reduction in their VAT burden.

21. Subsidiary undertakings

The Institute has the following subsidiary undertakings:

(i) ICR Chelsea Development Limited - The Institute owns 100% of the issued share capital of this company which has been set up to act as the developer of a refurbishment project which has now been completed. It did not make a profit or a loss for the period ended 31 July 2011 and its net assets at that date amounted to £2. The accounts of ICR Chelsea Development Ltd have been consolidated into the accounts of The Institute.

(ii) ICR Sutton Developments Limited - The Institute owns 100% of the issued share capital of this company which has been set up to act as the developer of Institute properties. It made a profit of £481 for the year ended 31 July 2011 (2010: £12,330) which will be paid to The Institute by means of a payment under gift aid. Its net assets at 31 July 2011 and 31 July 2010 amounted to £2. The accounts of ICR Sutton Developments Ltd have been consolidated into the accounts of The Institute.

(iii) ICR Enterprises Limited - The Institute owns 100% of the issued share capital of this company which undertakes trading activities for the benefit of The Institute that The Institute cannot carry out itself as an exempt charity. It made a profit after interest of £36,262 for the year ended 31 July 2011 (2010: £64,699) which will be paid to The Institute by means of a payment under gift aid. Its net assets at 31 July 2011 and 31 July 2010 amounted to £2. The accounts of ICR Enterprises Ltd have been consolidated into the accounts of The Institute.

THE INSTITUTE OF CANCER RESEARCH
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 July 2011

21. **Subsidiary undertakings** (continued)

(iv) **ICR Equipment Leasing No.8 Limited** - The Institute owns 100% of the share capital of this company which holds a leasehold interest in the Chester Beatty Laboratory. It made a profit of £103 for the year ended 31 July 2011 (2010: £103) which will be paid to The Institute by means of a payment under gift aid. Its net assets at 31 July 2011 and 31 July 2010 were £5,063. The accounts of ICR Equipment Leasing No.8 Limited have been consolidated into the accounts of The Institute.

(v) **Everyman Action Against Male Cancer** - The company is limited by guarantee and was dormant throughout the period ended 31 July 2011.

(vii) **Other investments** - The Institute is a founder and shareholder of four companies whose aims are to exploit the intellectual property generated at The Institute. The companies and The Institute's shareholding are Gamma Technologies Ltd (10%), PETRRA Limited (5.9%), PROACTA Inc (0.5%), Domainex Limited (3%) and Chroma Therapeutics Limited (0.2%). The cost of The Institute's shareholding of these companies is included in unlisted investments.

A summary of the results of the subsidiaries is set out below:

ICR Enterprises Limited

	2011 £000	2010 £000
Turnover	87	132
Expenditure	<u>(51)</u>	<u>(67)</u>
Operating profit	36	65
Interest income	-	-
Payment under gift aid to The Institute	<u>(36)</u>	<u>(65)</u>
Profit for the year	<u>-</u>	<u>-</u>
Assets	91	222
Liabilities	<u>(91)</u>	<u>(222)</u>
Funds	<u>-</u>	<u>-</u>

ICR Equipment Leasing No. 8 Limited

	2011 £000	2010 £000
Turnover	-	-
Expenditure	<u>-</u>	<u>-</u>
Operating profit	-	-
Payment under gift aid to The Institute	<u>-</u>	<u>-</u>
Profit for the year	<u>-</u>	<u>-</u>
Assets	5	5
Liabilities	<u>-</u>	<u>-</u>
Funds	<u>5</u>	<u>5</u>

THE INSTITUTE OF CANCER RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2011

21. Subsidiary undertakings (continued)

Development companies		
ICR Sutton Developments Limited and ICR Chelsea Development Limited		
	2011	2010
	£000	£000
Turnover	637	594
Expenditure	<u>(637)</u>	<u>(582)</u>
Operating profit	-	12
Payment under gift aid to The Institute	<u>-</u>	<u>(12)</u>
Profit for the year	<u>-</u>	<u>-</u>
Assets	352	242
Liabilities	<u>(352)</u>	<u>(242)</u>
Funds	<u>-</u>	<u>-</u>

22. Taxation

The Institute is an exempt charity within the meaning of Schedule 2 of the Charities Act 1993 and as such is a charity within the meaning of section 506 (1) of the Income and Corporation Taxes Act (ICTA) 1988. Accordingly The Institute is exempt from taxation in respect of income or capital gains received within categories covered by Section 505 of the ICTA 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

23. Indemnity insurance

The Institute has purchased indemnity insurance to provide the Board of Trustees and Officers with an indemnity against a wide range of legal actions which they might face in carrying out their duties. The cost of this insurance was £5,237 (2010: £5,237).

24. Related parties

The Institute has taken the exemption given by Financial Reporting Standard 8, Related Party Disclosures, from disclosing transactions with subsidiaries. There are no other related party transactions.

The Board of Trustees

The Board of Trustees is the governing body of The Institute of Cancer Research and is constituted under Article 13 of the Institute's Articles of Association.

Name	Title/Nominating Body	No ¹ of meetings could have attended	No of meetings attended Aug 10 to July 11
Lord Ryder of Wensum OBE	Chairman/Co-option	10	10
Professor Sir Tom Blundell FRS FMedSci	Deputy Chairman & senior member/Co-option	10	9
Konstantin Graf von Schweinitz	Honorary Treasurer/Co-option	8	4
Professor P W J Rigby FRS FMedSci (to 1/2011)	Chief Executive/Ex Officio	3	3
Professor A Ashworth FRS FMedSci (from 1/2011)		4	4
Professor A Horwich PhD MRCP FRCR FMedSci	Academic Dean/Ex Officio	7	6
Mr A W C Edwards	Co-option	7	3
Dr P N Goodfellow FRS FMedSci	Co-option	8	6
Professor A L Harris DPhil FRCP FMedSci	Co-option	4	3
Miss K Heinzmann DipBiotech (to 1/2011)	Student	2	2
Mr C Shepherd BSc(Hons) (from 2/2011)		4	4
Mrs I Hotimsky MBA	Co-option	9	7
Dr H S Kumar MA MEng MBA DSc	Cancer Research UK	7	5
Professor R A Laskey CBE FRS FMedSci	University of London	9	8
Professor P Meier PhD (to 9/2011)	Academic Board	7	5
Lady Otton SRN	Co-option	7	7
Miss C A Palmer CBE MSc MHSM DipHSM Mrs T M Green CBE MA (to 10/2010) Mr I Molson BA(Hons) (from 12/2010)	The Royal Marsden NHS Foundation Trust Alternate Director	7	3
Mr J M Pearce (to 1/2011)	Co-option	3	3
Professor A Pearson MD FRCP FRCPCH DCH (to 9/2011)	Academic Board	7	5
Miss A C Pillman OBE	Co-option	7	4
Mr R S Sharp	Co-option	7	6
Professor C Springer PhD FSB CChem FRSC (to 9/2011)	Academic Board	7	6
Mr M J Usher BA CPFA (from 2/2011)	Co-option	4	3
Miss M I Watson MA MBA FCIPD (to 1/2011)	Co-option	3	3
Professor S Webb PhD DIC DSc ARCS FInstP FIPEM FRSA CPhys CSci (to 5/2011)	Academic Board	5	2

¹Includes Board of Trustees, Constitutional and Nomination Committee and Remuneration Committee meetings

Senior members of staff in attendance at Board of Trustees meetings

Professor C J Marshall FRS FMedSci	Director of Research
Mr P F W Norris BSc(Hons) ACA MBA	Director of Finance
Mrs C Scivier MSc FCIPD MloD	Chief Operating Officer
Mr S Surridge BSc(Hons) MRICS CDir FloD MBIFM	Director of Operations
Professor P Workman PhD DSc(Hon) FMedSci FSB FRSC (from 3/2011)	Deputy CEO

The Institute benefits from external expertise on the following committees that report to the Board of Trustees (as at 31 July 2011):

The Constitutional and Nomination Committee

Lord Ryder of Wensum OBE - *Chairman*
Professor Sir Tom Blundell FRS FMedSci – *Deputy Chairman*
Mrs I Hotimsky MBA
Professor R A Laskey CBE FRS FMedSci

The Audit Committee

Mr J M Pearce – *Chairman to 1/2011*
Mr M J Usher BA CPFA – *Deputy Chairman to 1/2011; Chairman from 2/2011*
Mr D R Fryatt MA FCA FCIBS – *Deputy Chairman from 2/2011*
Ms S Nebhrajani MA ACA *from 3/2011*
Mr S A Taylor MBA FCCA
Mr Pearce attended 2 (of 2) meetings, Mr Taylor attended 3 (of 4) meetings, Mr Fryatt and Mr Usher attended all 4 meetings held; Ms Nebhrajani attended 2 (of 2) meetings (August 2010 to July 2011)

The Remuneration Committee

Lord Ryder of Wensum OBE - *Chairman*
Professor Sir Tom Blundell FRS FMedSci – *Deputy Chairman*
Dr P N Goodfellow FRS FMedSci
Konstantin Graf von Schweinitz

The Investments and Building Development Committee

Konstantin Graf von Schweinitz - *Chairman*
Mr R J Elliott – *Deputy Chairman*
Mr T Henderson *from 6/2011*
Mrs M-C Riachi CFA *from 6/2011*
Mr A Wolstenholme OBE BSc CEng FICE

The Institute also benefits from the expertise of those it has appointed as Trustees of The Institute of Cancer Research Pension Scheme (ICRPS)

Miss M I Watson MA MBA FCIPD – *Chairman*
Mr A W C Edwards
Mr R J Elliott
Konstantin Graf von Schweinitz

Academic Board (as at 31 July 2011)

The Academic Board advises the Board of Trustees upon all academic and teaching matters and questions of education policy.

Professor A Horwich PhD MRCP FRCP FMedSci *Chairman and Academic Dean*

Professor A Ashworth FRS FMedSci *Chief Executive*

Professor M Brada FRCP FRCP FRCR *Deputy Dean (Clinical Sciences)*

Dr J Bamber* PhD (*Senior Tutor – Sutton*)

Professor N M deSouza MD FRCP FRCR (*Senior Tutor – Clinical*)

Professor K Jones PhD CChem FRSC *Deputy Dean (Biomedical Sciences)*

Professor P Meier PhD (*Senior Tutor – CBL*)

Dr J Shipley* PhD (*Senior Tutor – Sutton*)

Professor D Barford FRS FMedSci

Professor J Blagg DPhil CChem

Professor J Bliss MSc FRSS

Dr J Caldwell

Dr I Collins* PhD CChem FRSC

Miss R E Cook BA(Hons)

Professor C S Cooper DSc FMedSci

Professor D Cunningham MD FRCP FMedSci

Professor The Lord Darzi of Denham PC KBE HonFREng FMedSci

Professor D Dearnaley MD FRCP FRCR

Professor J de Bono MBCLB PhD FRCP

Dr S Dolan MSc RGN

Professor M Dowsett PhD

Dr S Eccles* PhD

Professor R Eeles PhD FRCP FRCR

Professor P M Evans DPhil FInstP FIMA CPhys CMath

Professor C Fisher MD DSc(Med) FRCPATH HonMRCP

Dr J Frankum

Professor M Garcia-Closas MD DrPH

Professor M E Gore PhD FRCP

Professor M Greaves PhD FRCPATH HonMRCP FRS FMedSci

Dr K Harrington* PhD FRCP FRCR

Mr A Hayes PhD FRCS

Professor P Hoskin BSc MD FRCP FRCR

Professor R S Houlston MD PhD FRCP FRCPATH FMedSci

Dr R Huddart* PhD MRCP FRCR

Professor C Isacke DPhil

Professor S Johnston PhD FRCP

Professor I Judson MD FRCP

Dr M Katan* PhD

Professor S Kaye MD FRCP FRCR FRSE FMedSci

Dr V Khoo MD FRACP FRCR

Professor M O Leach PhD FInstP FIPEM FSB FMedSci

Professor R M Marais PhD FMedSci

Professor C J Marshall FRS FMedSci

Mr C Milton

Professor S Mitnacht PhD

Professor G Morgan PhD FRCP FRCPATH

Dr S Moss* PhD HonMFPH

Dr C Nutting* MD ECMO FRCP FRCR

Dr G Payne DPhil MInstP MIPEM

Professor A Pearson MD FRCP FRCPCH DCH

Professor D H Phillips PhD DSc FRCPATH

Professor N Rahman PhD FRCP FMedSci

Professor J Reis-Filho MD PhD FRCPATH

Professor P W J Rigby FRS FMedSci

Professor I Smith MD FRCP FRCPE

Professor C J Springer PhD FSB CChem FRSC

Professor G Stamp MB ChB MRCPATH

Professor A Swerdlow PhD DM DSc FSB FFPH FRCPG FMedSci

Dr G ter Haar* DSc PhD FIPEM FAIUM

Professor S Webb PhD DIC DSc ARCS FInstP FIPEM FRSA CPhys CSci

Professor D Wigley PhD FRS

Professor K R Willison PhD
Professor P Workman PhD DSc(Hon) FMedSci FSB FRSC
Professor J Yarnold MRCP FRCR
Dr A Zelent* PhD
Dr M Zvelebil* PhD
*Reader

Fellows of the Institute

The honorary appointment of Fellow of the Institute is conferred upon distinguished individuals who have some connection with the Institute or with cancer research in its broadest sense. Such appointments are in recognition of past achievement and based on a major contribution to the advancement of the Institute's objectives.

Sir John Ashworth PhD DSc
Professor P Brookes PhD DSc
Professor Sir Kenneth Calman KCB FRSE
Professor D Catovsky MD DSc(Med) FRCPPath FRCP FMedSci
Mr E A C Cottrell
Dr M J Crumpton CBE PhD HonFRCPPath FRS FMedSci
Professor T M Dexter DSc HonFRCP FRS FMedSci
Lord Faringdon KCVO
Professor P B Garland CBE MA PhD MB BChir LLD(hc) FRSE
Professor K R Harrap CBE DSc FRSC
Mr J M Kipling FCA DChA
Professor P D Lawley PhD DSc
Baroness Morgan of Drefelin
Professor Sir Michael Peckham MA MD FRCP FRCP(G) FRCR FRCPPath FRCS
Sir Kenneth Stowe GCB CVO MA HonDSc(Med)
Professor M Waterfield FRS FMedSci
Professor R A Weiss PhD HonFRCP FRCPPath FRS FMedSci
Professor G Westbury OBE MB BS FRCP FRCS HonFRCSed

Members of the Institute

The Members of the Institute are persons who, by reason of their past and present contributions, are, in the opinion of the Board of Trustees, likely to assist the furtherance of the objects of the Institute. Members are subscribers to the Institute's Memorandum of Association and as such are entitled to attend the Institute's Annual General Meeting and any Extraordinary General Meeting which may be convened.

Mr N Ashley DUniv
Sir John Ashworth PhD DSc
Dr P J Bailey PhD
Lord Bell FIPA FIPPR FPRCA
Professor A J Bellingham CBE FRCP FRCPPath
Professor Sir Tom Blundell FRS FMedSci
Dr M Bodmer PhD
Sir Henry Boyd-Carpenter KCVO MA
Mr J M Cartwright FCA ATII
Mr E A C Cottrell
Miss P M Cunningham CBE
Professor G A Currie MD FRCP FRCPPath
Mr S R Davie CB
Professor A J S Davies PhD DSc
Mr M de Ferranti BSc
Mr J J Defries BCom IPFA
His Honour Judge Keith Devlin PhD
Mr K D Dew FRICS
Dr A Diment PhD
Mr A W C Edwards
Mr R J Elliott
Lord Faringdon KCVO
Dr S E Foden DPhil
Professor A B Foster DSc
Mr B W Freedman
Mr D Fryatt MA FCA FCIBS
Professor P B Garland CBE MA PhD MB BChir LLD(hc) FRSE
Mr D J Gleeson MA
Dr P N Goodfellow FRS FMedSci

Professor A Harris DPhil FRCP FMedSci
 Mr T Henderson
 Dr T A Hince PhD
 Mr J Hollond
 Mrs I Hotimsky MBA
 Mrs S A Johnson BA
 Mr P J C Keemer MPhil
 Mr J M Kipling FCA DChA
 Professor R A Laskey CBE FRS FMedSci
 Mr K C Lawrance
 Mr A E Lightly FRICS
 Mr M G Lillywhite
 Mr K Markham FRICS
 Dr M J Morgan PhD
 Professor H R Morris FRS
 Mr R Mould
 Professor G J Mufti DM FRCP FRCPATH
 Ms S Nebhrajani MA ACA FRSA
 Professor S Neidle PhD DSc ARCS DIC FRSC
 Professor A van Oosterom MD PhD
 Professor R J Ott PhD FInstP CPhys HonFBIR
 Lady Otton SRN
 Mr J M Pearce
 Professor Sir Michael Peckham MA MD FRCP FRCP(G) FRCR FRCPATH FRCS
 Miss A C Pillman OBE
 Mrs Tim Rathbone
 Professor Dame Lesley Rees DBE MD DSc FRCP FRCPATH FMedSci
 Mrs M-C Riachi CFA
 Mr G E Richardson FRICS
 Dame Stella Rimington DCB
 Lord Ryder of Wensum OBE
 Mr G Sangster
 Konstantin Graf von Schweinitz
 Mr J Seymour
 Mr R S Sharp
 Mr M S Smith MA
 Dr K Snell PhD FRSA LRPS
 Mr R E Spurgeon
 Ms A Stevens MA DLitt(Hon)
 Sir Kenneth Stowe GCB CVO MA HonDSc(Med)
 Professor M R Stratton FRS FMedSci
 Mr S A Taylor MBA FCCA
 Mr J Thorne MA
 Mr M J Usher BA CPFA
 Miss M I Watson MA MBA FCIPD
 Professor G Westbury OBE MB BS FRCP FRCS HonFRCSEd
 Sir David Innes Williams MA MD MChir FRCS
 Mr A Wolstenholme OBE BSc CEng FICE
 Mr D H Wootton MA

Associates of the Institute

Appointment as an Associate of the Institute is conferred on long-serving ex-employees of the Institute or on those former members of staff or students or other individuals who are deemed eligible by reason of their having rendered exceptional service to the Institute or having otherwise done something outstanding to enhance the reputation of the Institute.

Mrs R J Atkins
 Mrs R Barfoot
 Ms M Barrell
 Mr D A Brunning ALA
 Professor R L Carter CBE MA DM DSc FRCP FRCPATH
 Professor J Chamberlain MB FRCP FFPH
 Mr N Clarke
 Miss S Clinton
 Mr P F Collins
 Mrs J Cordell BSc(Hons) MPhil

Professor J L Corner PhD RGN OncCert
Dr A R Crathorn PhD
Dr D A Darcy MA DPhil
Mr A de Paiva
Mrs C A Faux
Dr E O Field DM DMRD
Dr M A Flower PhD FIPEM
Mr F Friedlos MPhil
Mrs P M Goddard MPhil
Dr G H Goodwin PhD
Mr J W Goodwin
Dr H S Greer MD FRCPsych FRANZCP
Mr L J Griggs BSc
Dr P L Grover DSc
Professor B A Gusterson PhD FRCPATH
Professor J G Hall PhD DSc MRCS LRCP FRCPATH
Mr J G Harris
Mr A J Hewer CBiol
Professor C R Hill DSc FInstP FIEE HonFRCR HonFIPEM
Professor A L Jackman PhD
Professor M Jarman DSc CChem FRSC
Mr M Jones MIBiol
Dr H King PhD
Mrs M Kipling
Mrs B Lloyd
Mr R MacCormick
Mrs R Marriott
Dr E Matutes MD PhD FRCPATH
Dr E McDonald MA PhD ARCS
Mr R K Merrifield MSc
Mr E Merryweather
Dr M Osborne PhD
Dr K Owusu-Ankomah BSc(Hons)
Mr G Parnell CBiol MIBiol MISTR
Dr J H Peacock PhD
Mrs R A Pendry FBIFM AMIBiol
Ms N Perusinghe BSc
Professor C R Pinkerton MD FRCPCH FRACP
Mr D J C Simmons MPhil FIBMS
Mrs M Snigorska
Professor G G Steel DSc
Mr A Stewart
Mrs S M Stockbridge
Professor D M Taylor DSc FRSC FRCPATH
Miss D L Tharp BSc
Mr M Valeri BSc(Hons)
Dr S Venitt PhD
Mr W Warren BSc
Dr K Weston PhD
Mrs E Williams SRN

Legal and administrative information

Auditors

Crowe Clark Whitehill LLP
St Bride's House, 10 Salisbury Square, London EC4Y 8EH

Bankers

Coutts & Co
Chandos Branch, 440 Strand, London WC2R 0QS

HSBC plc
Onslow Square Branch, 1 Sydney Place, London SW7 3NW

Investment Managers

Partners Capital LLP
5 Young Street, London W8 5EH

Solicitors

Farrer & Co
66 Lincoln's Inn Fields, London WC2A 3LH

Registered Office

123 Old Brompton Road
London SW7 3RP

Company number

534147