

The Institute of Cancer Research: Royal Cancer Hospital

Annual Report and Financial Statements
2014

Company Number 534147

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Financial Statements for the year ended 31 July 2014

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Report of the Board of Trustees

The Board of Trustees of The Institute of Cancer Research presents its Annual Report and Financial Statements for the year ended 31 July 2014.

Objectives and activities

The ICR is one of the world's most influential cancer research organisations, with a mission to make the discoveries that defeat cancer. We are a College of the University of London and an exempt charity.

Our vision is a world where people can live their lives free of cancer as a life-threatening disease. Our mission is to make the discoveries that defeat cancer.

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. Our goal is to be a world leader in research into cancer and the translation of discoveries into improved outcomes for cancer patients.

The ICR's 2011–16 strategic plan focuses on undertaking high-quality research which delivers significant benefits for cancer patients. It sets out three main strategic goals:

(1) Research excellence

We aim to be a world leader in fundamental research into cancer and the translation of research discoveries into improved outcomes for cancer patients.

We will achieve this through four inter-linked themes:

Research: To undertake excellent basic, translational and clinical research throughout the ICR as defined by international peer review.

Transforming patient outcomes: To transform outcomes for cancer patients through linking personalised treatment regimes to the genetic make-up of the patient and tumour with our partner The Royal Marsden NHS Foundation Trust.

Partnership and collaboration: To form strategic alliances and collaborations which enhance opportunities to conduct research aimed at improving outcomes for cancer patients.

Enterprise: To ensure appropriate and effective exploitation of the ICR's intellectual property and research outputs to maximise patient benefit.

Our scientific strategy

The ICR's scientific strategy sets out how this goal will be achieved. It aims to achieve a balance between basic, translational and clinical research, with an overall focus on personalised medicine for cancer. This is supported through three research themes – genetics and epidemiology, molecular pathology and therapeutic development. Together these themes are designed to increase our understanding of the causes and underlying biology of cancers, and to use this information to tailor treatments to the genetic make-up of patients and tumours.

Genetics and epidemiology

Our researchers are exploring how genetics and environmental factors contribute to people's risk that they will develop cancer. Understanding more about the causes of cancer should allow researchers to deliver personalised strategies for cancer prevention and treatment. Our research includes a range of studies into common gene variants that contribute to cancer risk, as well as others on rarer gene mutations that play an important role in how cancers run in some families. We also host the Breakthrough Generations Study - the world's largest, most comprehensive study into the causes of breast cancer – which involves more than 100,000 women from the UK.

Molecular pathology

Our researchers are unravelling the complex biology of cancers, so we can design personalised treatment strategies targeted at the specific molecular features of a tumour, at that particular point in time. ICR researchers are molecularly profiling cancers and relating particular gene faults to cancer's growth and spread – in order to identify new targets for treatment. They are also working to understand the key molecular pathways involved in cancer's response to treatment, and in its development of drug resistance, as a means of designing improved treatment strategies that remain effective for longer.

Therapeutic development

The ICR discovers and develops more cancer drugs than any other academic centre in the world. Our vision is to exploit the addictions, dependencies and vulnerabilities of cancer cells in order to discover innovative small-molecule drugs, and essential biomarkers, that will constitute the personalised cancer medicine of the future. The Drug Development Unit, run jointly by the ICR and The Royal Marsden, sees over 300 patients per year for new drug treatment, and with more than 20 trials open at any one time is one of the largest such units in the world.

(2) Educating the next generation

We will educate and train the next generation of cancer researchers and clinicians.

As a College of the University of London, we aim to educate and train the next generation of cancer researchers and clinicians. We provide postgraduate courses for scientists and clinicians. Students work alongside and learn from leaders in the field.

PhD students undertake a world-class four-year research training programme under the guidance of an expert supervisory team. Our PhD students are an integral part of the team. We don't just tell students how to carry out cutting-edge cancer research – we enable and guide them to make their own discoveries in the drive to defeat cancer.

Our MSc in Oncology is a day-release programme for medically qualified candidates who intend to pursue a professional career in the field of clinical or medical oncology. Through the course we teach oncology trainees from across the UK and the majority of London-based medical oncology trainees.

In 2013/2014 we had 180 research degree students and 146 active MSc students.

(3) Creating a sustainable organisation

We aim to deliver a world-class and sustainable organisation to support cancer research and education for patient benefit.

We need to ensure the ICR has the financial stability and organisational capacity to support our scientific and academic endeavours. The ICR aims to acquire and manage resources to finance cancer research to the highest international standards. We maintain a rolling five-year financial plan and monitor the level of our free reserves in comparison to a target level which is calculated on the basis of financial risk. We plan to increase our fundraising income and will continue to exploit our intellectual property where this will be of benefit to cancer patients.

We aim to remain an employer of choice in a global and competitive market and to attract, develop and retain the very best staff from all disciplines. We will create a culture which encourages research excellence and is supported by high-quality, cost-effective professional services.

The ICR aims to maintain the quality of its estate and to provide further state-of-the-art facilities to support our scientific objectives. We also recognise our responsibility to the environment and have demonstrated our commitment by joining the EcoCampus Scheme to develop our Environmental Management System and through our Carbon Management Plan, developed with the Carbon Trust.

Our sites and staff

The ICR operates across two sites in London, which largely consist of laboratory space. Each site is located within close proximity of The Royal Marsden, to ensure our research findings can be rapidly translated into advances in patient care. Our five-year estates strategy and 15-year maintenance plan focus on maintaining the quality and standard of our current provision but also on expansion to provide further state-of-the-art facilities to fulfil our mission.

In 2014 the ICR had around 1,000 employees of whom almost 80% were directly engaged in research. Approximately one-third of our faculty are medically qualified and many of them lead developments in clinical practice through their work in The Royal Marsden as well as leading their research teams.

The ICR is committed to equality of opportunity for all staff and students and works to provide a supportive environment. Particular attention is paid to areas such as recruitment, training, career development and the physical work environment to support individuals. In addition to support provided by line managers and supervisors, the Equality Steering Group champions the interests of disabled staff and students, including surveying them to identify any specific challenges they may face.

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 and regular organisational updates reported through the weekly staff newsletter. The ICR supports active staff and student associations. Each association has its own budget and works closely with the ICR's Learning and Development team to develop bespoke training programmes to promote broader career development. The chairs of these associations meet regularly with the Chief Executive as members of the Chief Executive's Advisory Forum. These forums provide a valuable platform for two-way communication between staff and the Chief Executive.

Formal communications with staff take place every four months through meetings with 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.

Strategic Report

Leadership

Professor Alan Ashworth stepped down as Chief Executive of the ICR on 30 June 2014. Professor Ashworth has worked at the ICR for 28 years, taking over as Chief Executive in January 2011. He will take up the position of Director of the UCSF Helen Diller Family Comprehensive Cancer Center at the University of California, San Francisco on 1 January 2015. Professor Ashworth will retain a formal research link with the ICR, and his appointment will strengthen the opportunities for collaboration between the two organisations.

Professor Paul Workman, previously Deputy Chief Executive of the ICR, took over as Interim Chief Executive on 1 July 2014 and continued to lead the Cancer Research UK Cancer Therapeutics Unit and Division of Cancer Therapeutics. He is a world-renowned expert in cancer drug discovery. The Board appointed Professor Workman as Chief Executive on 20 November 2014.

Achievements and performance

Key initiatives

Over 2013/14, the ICR has launched a number of initiatives designed to support the delivery of our scientific strategy and the sustainability of the organisation.

Centre for Evolution and Cancer

The ICR launched a pioneering new Centre for Evolution and Cancer to explore the evolutionary principles underpinning the development of cancer. The ability of cancers to evolve and diversify means no two tumours are the same and is the central reason why they so often become resistant to treatment. The centre, led by Professor Mel Greaves as Director, applies Charles Darwin's principle of evolution by natural selection to our understanding of why we develop cancer, and why it is so difficult to treat, in order to uncover new strategies for avoiding or overcoming drug resistance.

Centre for Cancer Imaging

The ICR's new Centre for Cancer Imaging is a new leading-edge research facility at the ICR, led by Professor Uwe Oelfke, Head of the ICR's and The Royal Marsden's Joint Department of Physics. The structural frame of the building is now complete, and research teams are due to move in during the 2014-15 academic year. The centre brings together physicists, biologists and radiochemists to develop state-of-the-art, non-invasive imaging aimed to improve cancer diagnosis and treatment. It will help us to understand cancer in the whole organism, accelerate our research on drug discovery and radiation therapy, and support development of new multi-modality imaging techniques for patients.

World's largest disease knowledgebase

The ICR launched a new, freely available cancer knowledgebase that uses artificial intelligence similar to the technology used to predict the weather to discover the cancer treatments of the future. The system, called CanSAR, is the biggest disease database of its kind anywhere in the world and contains 1.7 billion experimental results - more data than would be generated by 1 million years of use of the Hubble space telescope. The resource, which is led by Dr Bissan Al-Lazikani, Team Leader in Computational Biology and Chemogenomics at the ICR, can perform extraordinarily complex virtual experiments using information from patients, genetics, chemistry and other laboratory research.

Cancer Research UK Centre

The Cancer Research UK Centre at the ICR and The Royal Marsden had its funding renewed for a further three years in April 2014. It is part of a national network of centres funded by Cancer Research UK to deliver world-leading translational research and improved patient care. The new grant of £8.8 million over three years will allow us to expand the number of investigator-initiated trials we undertake and the sequencing analysis of patient samples from these trials in the ICR's and The Royal Marsden's joint Drug Development Unit. The centre also focuses on integrating treatment and imaging technologies, and translating these technologies into clinical practice to develop effective and targeted forms of radiotherapy. The Centre will also include a Bioinformatics facility to build the ICR's capability in this critical aspect of cancer research.

Leading a Movember Centre of Excellence

A London consortium comprising the ICR, The Royal Marsden, Imperial College London and University College London has been designated a Movember Centre of Excellence, headed by Professor Johann de Bono, Professor of Experimental Cancer Medicine at the ICR and an honorary consultant at The Royal Marsden. The charities Prostate Cancer UK and Movember are providing £5 million in funding over five years to accelerate understanding of prostate cancer and provide better treatments for men with this disease. A particular emphasis is on the development of tests that can be used to identify men at high risk of aggressive disease and using genetic information to optimise treatment choices.

Image-guided radiotherapy

We have become an academic partner, in collaboration with The Royal Marsden, in an international consortium of leading research organisations gaining access to a state-of-the-art radiotherapy system called MR Linac. The system will use magnetic resonance imaging to track tumours in real time, and use a linear accelerator to target them accurately with radiation.

New leaders for our research

The ICR has appointed a series of internationally renowned scientists to senior roles across the organisation, to help deliver our strategy and vision. Professor Andrew Tutt, one of the UK's leading specialists at running clinical trials of targeted therapies for breast cancer, has been appointed as Head of the Division of Breast Cancer Research at the ICR and Director of the Breakthrough Breast Cancer Research Centre. The ICR has also brought in new ideas and expertise through the appointment of 10 new team leaders. These include Dr Marco Gerlinger, who will study the evolution of cancer cells within a tumour, Dr Gabriela Kramer-Marek, who is investigating new molecular imaging techniques to predict a patient's response to treatment, and Dr Nicola Valeri, who works on the discovery of therapeutic targets and biomarkers for gastrointestinal cancers.

Research Quality

We made our submission to the Research Excellence Framework (previously the Research Assessment Exercise) in November 2013. This exercise assesses the quality of research in UK higher education institutions and informs the selective allocation of public-sector research funding with effect from 2015. The outcome, which is crucial to the ICR, will be known in December 2014.

Scientific achievements

Our Research Directorate judges the following 10 discoveries the most significant in 2013/14:

Enzalutamide used before chemotherapy extends life for men with prostate cancer

Professor Johann de Bono at the ICR and The Royal Marsden helped lead a phase III clinical trial which demonstrated that the androgen receptor inhibitor enzalutamide improves patient survival in men with castration-resistant prostate cancer who have not received previous chemotherapy. It paved the way for men to be treated with enzalutamide earlier in the course of their disease, delaying treatment with chemotherapy.

Structure of a critical protein for cell division is imaged

Professor David Barford's team produced the first detailed images of the anaphase-promoting complex using a combination of electron microscopy and imaging software to visualise the protein's secondary structure. The complex performs a wide range of tasks associated with cell division – a process often hijacked in cancer. The new structural information will transform our understanding of how cells copy their chromosomes and divide, and could reveal binding sites for future cancer drugs.

Smokers with gene defect have one in four chance of developing lung cancer

Professor Richard Houlston and colleagues discovered a previously unknown link between lung cancer and a particular defect in the *BRCA2* gene (known as *BRCA2 c.9976T*) which occurs in around 2% of the population. The *BRCA2* gene is best known for its role in breast cancer, but the large, international study revealed that this defect also increases the risk of developing lung cancer in smokers by about 1.8 times. The study suggests around one in four smokers with the *BRCA2* defect will develop lung cancer.

Cullin-5 enzyme plays role in response to key class of cancer drugs

Professor Paul Workman's team found that the enzyme Cullin-5 (CUL5) plays a key role in the anti-cancer effects of Hsp90 inhibitors, and that depleting CUL5 can reduce the effectiveness of Hsp90 inhibitors in several tumour types. A test for CUL5 could potentially help identify the patients most likely to respond to treatment with these drugs. The research also suggested potential approaches for designing new drugs against Hsp90.

Protein complex helps cancer cells divide with multiple centromeres

Researchers in Dr Spiros Linardopoulos's team discovered a new role for a protein complex involved in controlling cell division. The anaphase-promoting complex/cyclosome (APC/C) was found to be an essential regulator of centrosome clustering within cancer cells, allowing cells to divide successfully even if they have more than two centrosomes. The APC/C could be a target for drugs to selectively kill cancer cells, which often rely on centrosome clustering to successfully divide.

Genetic flaw links childhood brain cancer to stone man syndrome

Dr Chris Jones and colleagues discovered a rare genetic flaw in a quarter of biopsy samples from a type of childhood brain tumour called diffuse intrinsic pontine glioma (DIPG), which is currently untreatable. The defect has not been found in any other type of cancer, but is found in the germline of patients with a childhood development disorder known as stone man syndrome, where muscles turn into bone. The genetic link between two very different diseases provides a potential target for cancer therapies, and drugs are already being developed to treat stone man syndrome which may be relevant to DIPG.

Imaging technique assesses treatment in advanced prostate cancer

Dr Simon Robinson and colleagues developed a new combination of imaging techniques which can test how effective drugs are against prostate cancer that has spread to the bone in mice, in a model that closely resembles how prostate cancer develops in human bone. The imaging technique combines bioluminescence, magnetic resonance imaging, single-photon emission computed tomography and computed tomography, showing clearly how the tumour and the surrounding bone are affected by new drugs such as cabozantinib.

Mutations in leukaemia gene linked to new childhood growth disorder

Researchers led by Professor Nazneen Rahman identified mutations in a gene associated with leukaemia, *DNMT3A*, in 13 children with a new condition which affects growth and intellectual development, which they called '*DNMT3A* overgrowth syndrome'. The *DNMT3A* gene is crucial for development because it adds methylation marks to DNA that determine where and when genes are active.

'Non-stick' gene can prevent breast cancer spread

Professor Clare Isacke and colleagues discovered that a gene can prevent the spread of breast cancer by stopping tumour cells from becoming 'sticky', a trait which allows them to spread and invade new sites in the body. The gene, *ST6GalNAc2*, prevents cancer cells from attaching a protein, galectin-3, to their surface which gives them their stickiness. If the *ST6GalNAc2* gene is silenced some women with breast cancer may be at higher risk, but targeting the galectin-3 protein could slow the spread of these cancers.

Chemical tool can investigate effects of inhibiting key cancer protein

In a collaboration between Professor Julian Blagg and Dr Rob van Montfort, researchers applied structure-based design to discover a small-molecule chemical tool which selectively inhibits MPS1, a key protein involved in spindle assembly during cell division which is overexpressed in many human cancers. The inhibitor stabilises an inactive conformation of MPS1 and is being used to further investigate the effects of MPS1 inhibition on the proliferation and survival of cancer cells. Initial testing in mice transplanted with human tumour cells showed that the compound effectively inhibits MPS1.

Measures of performance

Research

The ICR is currently ranked as the top University in the UK for research quality by Times Higher Education, based on our performance in the 2008 national Research Assessment Exercise. Some 79% of our research activity was rated world leading or internationally excellent and the remainder was rated as internationally recognised. We have submitted the data for 2014 exercise, the results of which will be known in December 2014.

The impact of our work is continuing to grow and we are exceeding our target for the impact of our scientific papers, where we measure the ratio of the number of citations to the number of papers published and compare to the world average for biomedical sciences. We have progressively increased our relative citation impact rate since 2009 and this year maintained our position. The five-year rolling average for our relative citation impact rate in 2008 to 2012 was 2.84.

Over half of our work is funded by peer-reviewed research grant income. The number of successful research applications increased, both by number (with 48 successful grant applications, compared with 42 in 2013) and by value (with £43.3 million awarded, compared with £30.6 million in 2013).

Education and Training

The performance of our students continues to be excellent. Our PhD students consistently achieve a 100% pass rate and over 80% of our MSc students leave with a postgraduate qualification, based on the most recent data for the 2009-10 cohort. Although we have a relatively small number of students, we continue to recruit above our target range, with 146 new and continuing MSc registrations in 2014.

Environment and Infrastructure

We closely monitor our financial sustainability and we achieved a surplus of £14.5 million in 2014 and our net funds grew by £14.5 million.

In our five-year strategy we set out the need to expand our current estate in order to provide the state-of-the-art facilities required for our research activities. We have made significant progress during 2014 on our major build project, the Centre for Cancer Imaging, which will bring together the ICR's imaging work at a total cost of £20 million. The project is progressing well and the building is due to be completed by the end of 2014.

We are committed to minimising the impact of activities on the environment and we have maintained our Eco Campus Platinum Accreditation. Throughout the year we have continued to implement actions from our Carbon Management Plan, developed in conjunction with the Carbon Trust.

Financial review

Overall results

In 2013/14, the net incoming resources of the ICR were £14.5 million, an increase of £10.0 million from 2012/13. Income has grown substantially, largely because of royalties arising from sales of the drug abiraterone and an increase in our voluntary income. There was a slight reduction in expenditure compared with 2012/13 as several large multi-year grant-funded projects completed.

During the year we made capital investments of £14.7 million, 76% of which has been spent on the ongoing build of our new Centre for Cancer Imaging.

Income

Total income for 2013/14 was £103.9 million, compared with £94.1 million in 2012/13 an increase of 10%. The main movements in our income were as follows:

- Invention and other income grew by £8.6 million (78%) as a result of income arising from sales of abiraterone as worldwide use of the drug continued to grow rapidly.
- Legacies and donations grew by £3.8 million (45%) because of an increase in legacy income and donation income arising from the Battle Against Cancer Investment Trust (BACIT).

Expenditure

Total expenditure in 2013/14 was £89.4 million, compared with £89.7 million 2012/13, a slight decrease.

Net assets

ICR total net assets have increased by £14.5 million since 2013, from £133.1 million to £147.6 million. This occurred because of the surplus achieved in 2013/14, revaluation of our scientific properties and increased accrued income, and despite deterioration in the FRS17 pension deficit.

Reserves policy and position

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

The Board of Trustees has decided that the ICR should maintain free reserves in the range of £17.1 million to £20.9 million, which equates to 9-11 weeks of the ICR's budgeted annual expenditure for the next year. In determining the level of free funds to be held in reserve the Board of Trustees considers the ICR's income and expenditure forecasts, and its future needs, opportunities, contingencies and possible risks. The Board reviews its Reserves Policy and the assessment and calculation of the level of free reserves each year.

The closing position of our free reserves is £19.0m which is in the middle of the target range.

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 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 meetings of the Investments and Building Development Committee and is dependent on the ICR’s programme for future development.

A gain on investments of £0.5 million is reported in the consolidated statement of total recognised gains and losses and the total return on investments in the year was £1.0 million.

Pensions

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

The last actuarial valuation of the ICRPS was undertaken as at 31 March 2013 and this reported that the scheme deficit had deteriorated from £8.3 million as at 31 July 2010 to a deficit of £25.9 million as at 31 July 2013 calculated on the statutory funding basis.

In common with many defined benefit schemes, the financial statements show that the scheme is in deficit. The deficit calculated under the accounting basis set out in Financial Reporting Standard 17 (FRS17) as at 31 July 2014 is £16.3 million.

The Scheme’s and the ICR’s Trustees continue to review the options with regard to the future of the closed scheme and how best to secure the funding position. For example, the ICR and the Trustees of the Scheme, in January 2013, purchased a policy with a specialist insurance company to insure the Scheme’s pensioners as at 31 July 2012. Entering into the policy helps the Scheme’s Trustees to manage the risks inherent in defined benefit pension schemes (in particular investment, inflation and longevity risks).

Revaluation of Property Fixed Assets

The ICR’s policy is to revalue its scientific properties. A full revaluation as at 31 July 2014 was carried out by Gerald Eve LLP on a depreciated replacement cost basis. As a result, the value of the scientific properties excluding those under construction was increased to £88.1 million.

Principal Risks and Uncertainties

To maintain our position at the forefront of cancer research we need to recruit and retain world-leading scientists. Recruiting a new Chief Executive, to direct and implement key strategic initiatives, is of utmost priority.

There is uncertainty around the level of recurrent Government funding to the higher education sector, with a general election due in 2015 and a comprehensive spending review to follow. We also await the funding allocation decisions of the Higher Education Funding Council for England after the results of the Research Excellence Framework 2014, which will be announced in December 2014.

Future capital funding for the ICR is a key risk as we look to expand our world-class facilities and provide the infrastructure to support our activities. There is a scarcity of capital funding from Government bodies and other funders, and our public-sector capital funding has fallen significantly from £17.3 million for the three-year period 2008-2011 to an allocation of £5.9 million for the four-year period 2011-2015. It is also becoming increasingly common for matched funding to be a requirement, making it more difficult to access the available funds.

There is a risk that the financial resources available to support our research activities will be reduced as funds will be diverted to meet the increasing costs of pension provision and additional contributions to clear the deficits of the ICRPS and USS pension schemes.

Going forward there are likely to be implications for the ICR and our postgraduate students from changes underway to the funding and regulation arrangements for higher education. There is a risk that funding may change significantly for postgraduates and as yet the implications of greater indebtedness of undergraduate students on application rates are unclear.

Future Developments

The success of the ICR depends on recruiting and retaining the world's leading scientists, and in 2015 we will carry on recruiting scientists into senior roles to ensure we are able to deliver our strategy and vision. We need to provide cutting-edge facilities for these scientists to allow them to develop and investigate new areas of cancer research.

We are near completion on the new Centre for Cancer Imaging and are establishing a fund to build a Centre for Cancer Drug Discovery, which will cost in excess of £55 million.

We are in discussions with The Royal Marsden and the London Borough of Sutton about proposals to set up a major centre for life sciences on the ICR's and The Royal Marsden's Sutton site. The initiative, which has provisionally been called Sutton for Life, would expand facilities for drug discovery and facilitate collaboration with pharma, biotech and technology companies.

The ICR and The Royal Marsden are to purchase an MR Linac - one of the world's most advanced radiotherapy machines - and develop state-of-the-art treatments for patients. We will become the first institutions in the UK – among a select group of international medical centres – to own and develop the world-leading MR Linac technology.

Governance and management

Public Benefit

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.

Everything we do is aimed at fulfilling our mission, which is to make the discoveries that defeat cancer. We are focused on undertaking research of the highest quality which will ultimately have significant impact on improving outcomes for cancer patients. Our research students make a significant contribution to our scientific endeavour and we are committed to inspire them to become the next generation of researchers. On pages 9 – 10 we set out our top 10 scientific achievements for 2014 and the impact that these findings will have for patients. Our long-term achievements are set out on our website and highlight the ICR's contribution to many significant advances in reducing mortality for a wide range of cancers.

The Board of Trustees gives due consideration to the Charity Commission's guidance on public benefit.

Governance

The ICR's governance reflects its multiple organisational roles.

The ICR is a company limited by guarantee, incorporated in 1954. We are also a college of the University of London and adhere to regulations as set by HEFCE.

The ICR is an exempt charity under the Third Schedule of the Charities Act 2011, with the reference number X90004. 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. Our Trustees are responsible for ensuring the ICR pursues its charitable objects, complies with its constitution and relevant legislation and regulations, applies its resources exclusively to its objects, and enacts cancer research of the highest international standard. They carry the responsibility of company directors of the ICR.

The Management Executive reports to the Board of Trustees. It is chaired by the ICR's Chief Executive, Professor Paul Workman, and its membership includes the Chief Operating Officer, the Academic Dean, the Director of Research, Heads of Division and Corporate Service Directors.

The Board of Trustees has also established a number of subcommittees: the Audit Committee, the Investments and Building Development Committee, the Remuneration Committee, and the Constitutional and Nomination Committee.

The Board of Trustees

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, Academic Dean, Chief Operating Officer, Deputy CEO and Director of Research) and monitors the ICR’s strategic performance. It also approves new initiatives and non-recurrent expenditure costing £1 million or more.

The Board of Trustees comprises 18 individuals nominated by The Royal Marsden, 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. Details of the current membership of the Board of Trustees are given on page 49.

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 met six times in 2013/14. A copy of the register of interests of Board members is available upon application to the Chief Operating Officer.

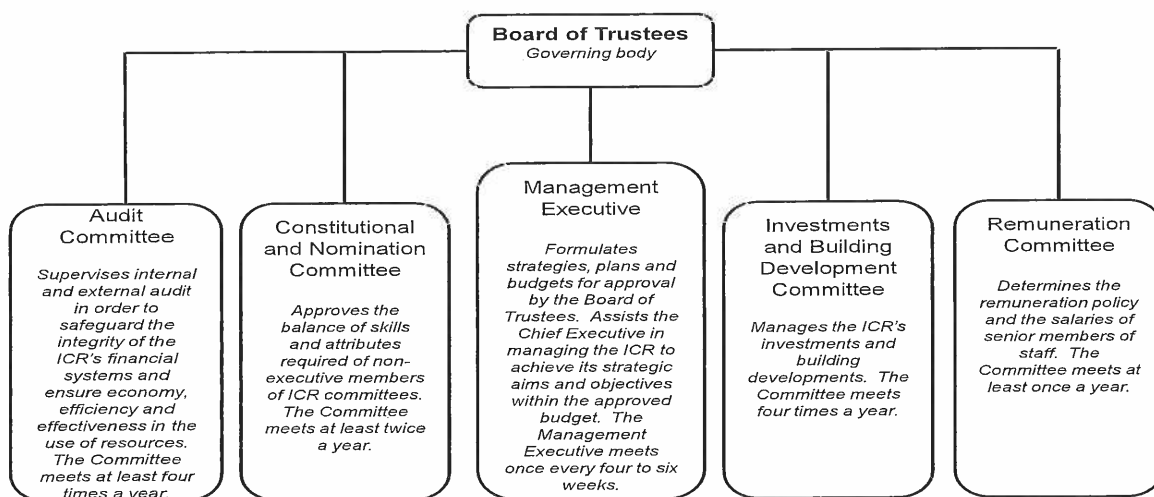


Figure 1.1: Board of Trustees governance

The Constitutional and Nomination 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. All new Trustees are offered a tailored induction programme and further training is available on request.

Mr Luke Johnson took up appointment as the ICR’s Chairman on 1 August 2013; the ICR used a firm of search consultants to assist with this appointment. Professor Clare Isacke took up appointment as the ICR’s Academic Dean (an internal appointment) on 1 August 2013. Miss Parisa

Razaz was appointed as the student nominee on 1 September 2013. Professor Paul Workman took up appointment as the ICR's Interim Chief Executive (an internal appointment) on 1 July 2014 and was appointed Chief Executive on 20 November 2014; the ICR used a firm of search consultants to assist with the appointment and the position was advertised. Mr Charles Geffen and Mrs Jane Hamilton were appointed to co-opted positions on 1 August 2014, Mr William Burns was appointed to a co-opted position on 1 October 2014; the ICR used a firm of search consultants to assist with these appointments.

During the financial year Professor Alan Ashworth, Dr Peter Goodfellow, Mr Daniel Itzhak and Lady Helen Otton stepped down from the governing body. The ICR is grateful for their valuable contributions during their appointments.

Auditors

Grant Thornton UK LLP was newly appointed as statutory auditor in 2014. The company was selected after an external tender process.

No non-audit fees were paid to the external auditors in 2014 (2013: £0).

Statement of Internal Control

The Board of Trustees is responsible for the ICR's system of internal control and reviewing its effectiveness. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives and can only provide reasonable, not absolute, assurance of effectiveness.

The Management Executive is responsible for the identification and with the risk owners management of all the major risks to achievement of the ICR's strategic objectives. Each risk identified by the Management Executive is assessed and prioritised with reference to the potential impact if the risk occurred and 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 Integrated Risk and Performance Committee, agreed with the Management Executive and approved annually by the Board of Trustees. Significant risks may be added, revised or removed from the Risk Register after evaluation by the Integrated Risk and Performance Committee throughout the year. The Significant Risk List is appraised every four months by the Integrated Risk and Performance Committee and the Board of Trustees.

Internal audit adopts a risk-based approach in undertaking a programme of examinations covering all aspects of the ICR's activities. It 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.

The external auditors provide feedback to the Audit Committee on the operation of internal financial controls reviewed as part of the external audit.

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. The 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.

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.

Conclusion

The Board of Trustees is of the view that there is an ongoing process for identifying, evaluating and management of the ICR's key risks, and that it has been in place for the year ended 31 July 2014 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.

Going Concern

The Board of Trustees has considered the level of reserves and the financial resources available to the ICR and considers 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.

Statement of the Responsibilities of Members of the Board of Trustees

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and the financial position of the ICR and the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 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 and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the ICR and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the ICR's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approval of the Report of the Trustees and Strategic Report

The Report of the Trustees and Strategic Report were approved by the Board of Trustees on 20 November 2014.



Luke Johnson
Chair of The Institute of Cancer Research

Independent auditor's report to the Board of Trustees of The Institute of Cancer Research: Royal Cancer Hospital

We have audited the financial statements of The Institute of Cancer Research: Royal Cancer Hospital (the 'Institute') for the year ended 31 July 2014 which comprise the consolidated income and expenditure account, the consolidated statement of total recognised gains and losses, the consolidated statement of historical cost surplus, the Institute and Group balance sheets, the consolidated cash flow statement, the accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Board of Trustees, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 124B (4) of the Education Reform Act 1988 as amended by section 71 of the Further and Higher Education Act 1992. Our audit work has been undertaken so that we might state to the Institute's Board of Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Institute and its Board of Trustees, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Board of Trustees and auditor

As explained more fully in the Statement of Responsibilities set out on page 19, the Board of Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under the Companies Act 2006 and the Education Reform Act 1988 and report in accordance with regulations made under those Acts. 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Institute's affairs as at 31 July 2014 and of its incoming resources and application of resources, including its income and expenditure, recognised gains and losses and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the 2007 Statement of Recommended Practice: Accounting for Further and Higher Education; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board of Trustees, incorporating the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Opinion on other matters prescribed by HEFCE's Financial Memorandum dated July 2010

In our opinion, in all material respects:

- funds from whatever source administered by the institution for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation; and
- funds provided by HEFCE have been applied in accordance with the funding council's Financial Memorandum and any other terms and conditions attached to them.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from Branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the Board of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the HEFCE Audit Code of Practice issued under the Further and Higher Education Act 1992 we are required to report to you if, in our opinion, the Statement of Internal Control is inconsistent with our knowledge of the Institute.



Carol Rudge
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
20 November 2014

THE INSTITUTE OF CANCER RESEARCH**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**
for the year ended 31 July 2014

	Note	2014 £000	2013 £000
Income			
Funding Council grants	2	20,340	21,122
Academic fees	3	1,715	2,525
Research grants and contracts	4	49,599	50,590
Other operating income	5	31,732	19,367
Endowment and investment income	6	481	540
Total income		<u>103,867</u>	<u>94,144</u>
Expenditure			
Staff costs	19	52,087	49,573
Other operating expenses	7	32,405	34,535
Depreciation	8	4,904	5,606
Total expenditure		<u>89,396</u>	<u>89,714</u>
Surplus on continuing operations after depreciation of fixed assets at valuation and before and after tax		<u>14,471</u>	<u>4,430</u>

All of the ICR's operations are continuing.

The notes on pages 27 to 48 form part of these financial statements.

THE INSTITUTE OF CANCER RESEARCH**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**
for the year ended 31 July 2014

	Note	2014 £000	2013 £000
Recognised gains/(losses) relating to the year			
Surplus on continuing operations after depreciation of assets at valuation, disposal of assets and tax		14,471	4,430
Unrealised surplus on revaluation of fixed assets		6,771	7,581
Appreciation of investments		513	5,118
Net endowments received in the year	15	-	194
Actuarial loss on defined benefit pension schemes	19	(6,605)	(3,718)
Total recognised gains relating to the year		15,150	13,605
Reconciliation			
Opening reserves and endowments		94,801	81,196
Total recognised gains for the year		15,150	13,605
Closing reserves and endowments		109,951	94,801

CONSOLIDATED STATEMENT OF HISTORICAL COST SURPLUS
for the year ended 31 July 2014

	2014 £000	2013 £000
Surplus on continuing operations before and after tax	14,471	4,430
Difference between historical cost depreciation and the actual charge for the period calculated on the revalued amount	809	846
Historical cost surplus for the period before and after taxation	15,280	5,276

The notes on pages 27 to 48 form part of these financial statements.

THE INSTITUTE OF CANCER RESEARCH

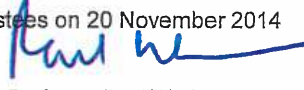
BALANCE SHEETS

31 July 2014

	Note	Group		Institute	
		2014 £000	2013 £000	2014 £000	2013 £000
Fixed assets					
Tangible assets	8	110,215	93,301	110,215	93,301
Investments	9a	54,383	53,212	54,388	53,217
		<u>164,598</u>	<u>146,513</u>	<u>164,603</u>	<u>146,518</u>
Endowment assets	9b	<u>3,068</u>	<u>3,631</u>	<u>3,068</u>	<u>3,631</u>
Current assets					
Stocks - finished goods		159	149	159	149
Investments	9c	6,453	8,196	6,453	8,196
Debtors	10	21,549	14,072	36,557	16,532
Cash at bank and in hand		1,483	995	1,469	987
		<u>29,644</u>	<u>23,412</u>	<u>44,638</u>	<u>25,864</u>
Creditors: amounts falling due within one year	11a	<u>(32,856)</u>	<u>(29,704)</u>	<u>(47,855)</u>	<u>(32,161)</u>
Net current liabilities		<u>(3,212)</u>	<u>(6,292)</u>	<u>(3,217)</u>	<u>(6,297)</u>
Total assets less current liabilities		<u>164,454</u>	<u>143,852</u>	<u>164,454</u>	<u>143,852</u>
Creditors: amounts falling due after more than one year	11b	<u>(220)</u>	<u>(220)</u>	<u>(220)</u>	<u>(220)</u>
Provisions for liabilities and charges	11c	<u>(329)</u>	<u>(323)</u>	<u>(329)</u>	<u>(323)</u>
Net assets excluding pension liability		<u>163,905</u>	<u>143,309</u>	<u>163,905</u>	<u>143,309</u>
Defined benefit pension scheme liability	19c	<u>(16,304)</u>	<u>(10,178)</u>	<u>(16,304)</u>	<u>(10,178)</u>
Net assets including pension liability		<u>147,601</u>	<u>133,131</u>	<u>147,601</u>	<u>133,131</u>
Deferred capital grants	12	<u>37,650</u>	<u>38,330</u>	<u>37,650</u>	<u>38,330</u>
Endowments					
Expendable	15	2,427	2,998	2,427	2,998
Permanent	15	641	633	641	633
		<u>3,068</u>	<u>3,631</u>	<u>3,068</u>	<u>3,631</u>
Reserves					
Income and expenditure account excluding pension reserve	13	82,717	67,492	82,717	67,492
Pension reserve	13, 19c	<u>(16,304)</u>	<u>(10,178)</u>	<u>(16,304)</u>	<u>(10,178)</u>
Income and expenditure account including pension reserve		66,413	57,314	66,413	57,314
Revaluation reserve	14	<u>40,470</u>	<u>33,856</u>	<u>40,470</u>	<u>33,856</u>
Total reserves		<u>106,883</u>	<u>91,170</u>	<u>106,883</u>	<u>91,170</u>
Total funds		<u>147,601</u>	<u>133,131</u>	<u>147,601</u>	<u>133,131</u>

These financial statements were approved by the Board of Trustees on 20 November 2014


Luke Johnson
Chairman of the Board of Trustees


Professor Paul Workman
Chief Executive

The notes on pages 27 to 48 form part of these financial statements.

Company Number 534147

THE INSTITUTE OF CANCER RESEARCH
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2014

	Note	2014 £000	2013 £000
Net cash inflow from operating activities	1	9,377	4,151
Returns on investments and servicing of finance	2	481	540
Capital expenditure and financial investment	3	<u>(10,726)</u>	<u>(3,876)</u>
Net cash (outflow)/inflow before use of liquid resources and financing		(868)	815
Financing and management of liquid resources	4	<u>(387)</u>	<u>37</u>
(Decrease)/ increase in cash in the year		<u>(1,255)</u>	<u>852</u>

ANALYSIS OF NET FUNDS

	31 July 2013 £000	Cash Flows £000	31 July 2014 £000
Cash at bank and in hand	995	488	1,483
Current asset investments	<u>8,196</u>	<u>(1,743)</u>	<u>6,453</u>
	9,191	(1,255)	7,936
Money market and other deposits	<u>1,417</u>	<u>387</u>	<u>1,804</u>
	<u>10,608</u>	<u>(868)</u>	<u>9,740</u>

THE INSTITUTE OF CANCER RESEARCH**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**
for the year ended 31 July 2014

1. Reconciliation of consolidated operating surplus to net cash inflow from operating activities

	2014	2013
	£000	£000
Surplus on continuing operations after depreciation of fixed assets at valuation	14,471	4,430
Net release of deferred capital grants	(4,377)	(4,774)
Depreciation charges	4,904	5,606
Reversal of impairment	(360)	-
Loss on disposal of fixed assets	28	-
Investment income	(481)	(540)
(Increase)/decrease in stocks	(10)	78
Increase in debtors	(7,477)	(2,409)
Increase in creditors	3,158	1,541
Pension contributions less current service and finance costs	(479)	219
	<u>9,377</u>	<u>4,151</u>

2. Returns on investments and servicing of finance

	2014	2013
	£000	£000
Income from endowments	6	6
Other investment income	475	534
	<u>481</u>	<u>540</u>

3. Capital expenditure and financial investment

	2014	2013
	£000	£000
Payments to acquire tangible fixed assets	(14,715)	(6,493)
Deferred capital grants received	3,697	4,951
Purchases of investments	(21,494)	(32,184)
Receipts from sales of investments	21,786	29,850
	<u>(10,726)</u>	<u>(3,876)</u>

4. Financing and management of liquid resources

	2014	2013
	£000	£000
(Increase) / decrease in short term deposits	(387)	37
	<u>(387)</u>	<u>37</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 the annual accounts direction issued by the Higher Education Funding Council for England (HEFCE) issued in August 2013 and in accordance with applicable UK accounting standards.

The Trustees consider that the ICR 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.

The ICR has an exemption from presenting its unconsolidated income and expenditure account under section 408 of the Companies Act 2006. The non-consolidated surplus is £14,471,000 (2013: £4,430,000) and the non-consolidated turnover is £104,927,000 (2013: £94,394,000).

(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 ICR 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 ICR's activities.

(iii) Land and buildings

Land and buildings are valued at least 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 2014.

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 the market value at the date of the balance sheet. Investments such as hedge funds and private equity funds, which have no readily identifiable market value, are included at the most recent valuations from their respective managers. Unlisted shares, where there is no readily identifiable market value, are recorded at cost or a nominal amount. Investments in subsidiaries are stated at cost less any provision for impairment. Revaluation gains or losses arising during the year are included in the statement of total recognised gains and losses. Impairments are charged to resources expended on charitable activities. Investment income is the amount receivable by the ICR in the year.

(v) 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.

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 ICR but not realised at the balance sheet date.

Royalty income is included in the income and expenditure account in the year in which ICR is entitled to claim it, where there is certainty of receipt and the amount due can be identified.

(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 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. Freehold land is not depreciated.

(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) Assets under Construction

Buildings and furniture, plant and equipment under construction at year end are included in note 8 as assets under construction, and are not depreciated. On completion of construction, these assets are transferred into the appropriate asset class and depreciated from the month of completion onwards in line with the depreciation policy for that asset.

(x) Stocks

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

(xi) Pensions

The ICR participates in three defined benefit schemes, the Universities' Superannuation Scheme (USS), National Health Service Pension Scheme (NHSPS) and The ICR Pension Scheme (ICRPS).

The USS is a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee administered fund. Because of the mutual nature of this scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The ICR 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 schemes on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme.

The NHSPS 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 ICR to identify its share of the underlying scheme liabilities.

As a result, the amount charged to the income and expenditure account for the USS and NHSPS represents the contributions payable to the scheme in respect of the accounting period.

THE INSTITUTE OF CANCER RESEARCH**NOTES TO THE FINANCIAL STATEMENTS**for the year ended 31 July 2014

1. Accounting policies continued

For the ICRPS 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. Gains arising on a curtailment not allowed for in the actuarial assumptions are recognised in the income and expenditure account under incoming resources.

ICRPS scheme assets are held separately from those of the ICR. 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. The actuarial valuation is obtained at least tri-annually and is updated at each balance sheet date. The resulting defined benefit asset or liability is shown separately on the face of the balance sheet. A pensions reserve has been created within the unrestricted funds.

(xii) Consolidation basis

The ICR 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 ICR. 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 ICR.

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

(xiii) Leases

Assets held under leasing arrangements which transfer substantially all the risks and rewards of ownership to the ICR 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.

(xiv) 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 2014

2. Funding Council grants	2014	2013
	£000	£000
<i>Recurrent grants</i>		
Higher Education Funding Council for England (HEFCE)	17,522	17,428
NHS pension funding supplement	249	184
<i>Specific grants</i>		
Higher Education Innovation Fund	703	703
Other specific funds	60	58
<i>Deferred capital grants released during the year</i>		
Buildings (note 12)	427	436
Equipment (note 12)	1,379	2,313
	<u>20,340</u>	<u>21,122</u>
3. Academic fees	2014	2013
	£000	£000
Academic fees	<u>1,715</u>	<u>2,525</u>
4. Research grants and contracts	2014	2013
	£000	£000
UK based charities	34,994	36,677
Research Councils	1,238	1,950
UK Government, local health and hospital authorities	6,576	7,078
EU	757	930
Industry, commerce and other	4,443	2,187
Other overseas	1,591	1,768
	<u>49,599</u>	<u>50,590</u>
5. Other operating income	2014	2013
	£000	£000
Legacies and donations	12,046	8,296
Invention and other income	19,686	11,071
	<u>31,732</u>	<u>19,367</u>

Legacies and donations are largely derived from the UK. The ICR has been notified of legacies of £3,548,000 which have not been recognised as income at 31 July 2014 as no notification of impending distribution or approval of estate accounts has been received (2013: £2,910,000).

Invention and other income has been restated for 2013 to include the impact of net receipt of deferred capital grants.

THE INSTITUTE OF CANCER RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2014

6. Endowment and investment income

	2014	2013
	£000	£000
Income from permanent endowments	6	6
Other investment income	475	534
	481	540

7. Other operating expenses

	2014	2013
	£000	£000
Laboratory consumables	21,305	19,361
Repairs and general maintenance	2,157	7,909
Other premises	3,417	2,771
Central administration services	2,189	1,798
Library and information services	572	505
Information technology	981	1,363
Other expenses	1,784	828
	32,405	34,535

Other operating expenses include the following:

	2014	2013
	£000	£000
Fees payable to the ICR's auditors for the audit of the annual accounts	35	34
The audit of the ICR's subsidiaries, pursuant to legislation	5	6
Total external audit fees	40	40
Hire of other assets - operating leases	410	325

In 2013/14 the ICR has revisited the basis for presenting other operating expenses. This review has contributed to the variances from 2013 comparatives.

THE INSTITUTE OF CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2014

8. Tangible assets

Group and Institute

	Freehold land and buildings	Leasehold land and buildings	Furniture plant and equipment	Assets under construction	Total
	£000	£000	£000	£000	£000
<i>Cost or valuation</i>					
At 1 August 2013	80,086	2,231	35,473	6,714	124,504
Revaluation gain	5,312	130	-	-	5,442
Reversal of impairment	360	-	-	-	360
Additions at cost	47	316	3,102	11,250	14,715
Disposals at cost	-	-	(1,512)	-	(1,512)
At 31 July 2014	85,805	2,677	37,063	17,964	143,509
<i>Depreciation</i>					
At 1 August 2013	-	134	31,069	-	31,203
Revaluation gain	(1,294)	(35)	-	-	(1,329)
Provided in the year	1,294	108	3,502	-	4,904
Disposals in the year	-	-	(1,484)	-	(1,484)
At 31 July 2014	-	207	33,087	-	33,294
<i>Net book value</i>					
At 31 July 2014	85,805	2,470	3,976	17,964	110,215
of which:					
Scientific properties	85,755	2,135	3,976	17,964	109,830
Other properties	50	335	-	-	385
At 31 July 2013	80,086	2,097	4,404	6,714	93,301
of which:					
Scientific properties	80,036	1,753	4,404	6,714	92,907
Other properties	50	344	-	-	394
<i>Historic cost - net book value</i>					
At 31 July 2014	46,972	833	3,976	17,964	69,745
At 31 July 2013	47,857	525	4,404	6,714	59,500
<i>Financed by</i>					
Capital grant	27,855	253	2,036	7,506	37,650
Other	57,950	2,217	1,940	10,458	72,565
	85,805	2,470	3,976	17,964	110,215

The value of assets under construction includes £17,525,000 (2013: £6,300,000) in relation to the construction of the new ICR Centre for Cancer Imaging as Phase 2 of the Sir Richard Doll building.

The ICR's scientific properties (excluding assets under construction) were revalued by Gerald Eve Chartered Surveyors as at 31 July 2014. The valuations were undertaken on a depreciated replacement cost basis. The laboratory buildings were valued at £69,945,000 with associated land valued at £18,130,000.

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9. Investments and endowment assets

	Market value 1 August 13 £000	Additions at cost £000	Disposals at book value £000	Gains/ (losses) £000	Market value 31 July 14 £000
a. Investments (Group)					
Listed					
UK Government	2,829	-	(2,827)	(2)	-
Other UK	11,952	5,951	(2,506)	908	16,305
Overseas	19,719	7,477	(7,119)	(62)	20,015
	<u>34,500</u>	<u>13,428</u>	<u>(12,452)</u>	<u>844</u>	<u>36,320</u>
Unlisted					
UK	1	11	(29)	40	23
Overseas	17,383	6,905	(8,181)	225	16,332
	<u>17,384</u>	<u>6,916</u>	<u>(8,210)</u>	<u>265</u>	<u>16,355</u>
Investment cash and deposits	<u>1,328</u>	<u>98,708</u>	<u>(98,302)</u>	<u>(26)</u>	<u>1,708</u>
Total investments	<u>53,212</u>	<u>119,052</u>	<u>(118,964)</u>	<u>1,083</u>	<u>54,383</u>
b. Endowment assets (Group and Institute)					
Listed					
UK Government	193	-	(159)	(34)	-
Other UK	815	336	(141)	(90)	920
Overseas	1,346	423	(402)	(237)	1,130
	<u>2,354</u>	<u>759</u>	<u>(702)</u>	<u>(361)</u>	<u>2,050</u>
Unlisted					
UK	-	1	(2)	2	1
Overseas	1,186	390	(462)	(193)	921
	<u>1,186</u>	<u>391</u>	<u>(464)</u>	<u>(191)</u>	<u>922</u>
Investment cash and deposits	<u>91</u>	<u>5,569</u>	<u>(5,546)</u>	<u>(18)</u>	<u>96</u>
Total endowment assets	<u>3,631</u>	<u>6,719</u>	<u>(6,712)</u>	<u>(570)</u>	<u>3,068</u>
c. Current asset investments (Group and Institute)					
Cash held in deposit accounts	<u>8,196</u>	<u>115,123</u>	<u>(116,866)</u>	<u>-</u>	<u>6,453</u>

The investments held by the Group were all held by the ICR 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 ICR's investments.

The historical cost of the Group and the ICR fixed and endowment investments at 31 July 2014 was £52,896,000 (2013: £50,095,000) and £52,901,000 (£50,100,000) respectively.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2014

9. Investments and endowment assets (continued)

The following investments represented holdings in excess of 5% of the investment portfolio at 31 July 2014:

	2014	2013
Battle Against Cancer Investment Trust (BACIT)	12.0%	6.4%
UK Treasury Index Linked 2.5%	-	5.5%

10. Debtors

	Group		Institute	
	2014 £000	2013 £000	2014 £000	2013 £000
Revenue grants	4,053	1,577	4,053	1,577
Other trade debtors	495	376	495	375
Legacy debtors	179	15	179	15
Other debtors	139	167	139	167
Taxes and social security	-	394	-	43
Amounts due from subsidiary undertakings	-	-	15,008	2,812
Prepayments and accrued income	16,683	11,543	16,683	11,543
	21,549	14,072	36,557	16,532

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11. Creditors

a. Amounts falling due within one year

	Group		Institute	
	2014 £000	2013 £000	2014 £000	2013 £000
Trade creditors	2,205	3,051	2,205	3,051
Accruals	5,343	3,393	4,833	2,967
Amounts due to subsidiary companies	-	-	15,090	2,883
Other creditors	1,383	1,248	1,383	1,248
Taxes and social security	2,624	1,171	3,043	1,171
Deferred research grants	21,301	20,841	21,301	20,841
	<u>32,856</u>	<u>29,704</u>	<u>47,855</u>	<u>32,161</u>

b. Amounts falling due after more than one year

	Group		Institute	
	2014 £000	2013 £000	2014 £000	2013 £000
Other creditors	220	220	220	220

c. Provisions for liabilities and charges

	Group		Institute	
	2014 £000	2013 £000	2014 £000	2013 £000
<i>Dilapidations and decommissioning</i>				
At 1 August 2013	323	316	323	316
Provided in the year	6	7	6	7
Released in the year	-	-	-	-
	<u>329</u>	<u>323</u>	<u>329</u>	<u>323</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.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2014

12. Deferred capital grants

Group and Institute

	HEFCE	Other funders	Total
	£000	£000	£000
<i>At 1 August 2013</i>			
Land and buildings	19,702	14,224	33,926
Equipment	1,379	3,025	4,404
<i>Cash receivable in the year</i>			
Land and buildings	965	1,500	2,465
Equipment	-	1,232	1,232
<i>Released to income and expenditure</i>			
Land and buildings	(427)	(350)	(777)
Equipment	(1,379)	(2,221)	(3,600)
<i>At 31 July 2014</i>			
Land and buildings	20,240	15,374	35,614
Equipment	-	2,036	2,036
Total at 31 July 2014	20,240	17,410	37,650

13. Income and expenditure account

	Balance at 1 August 2013 £000	Income £000	Expenditure £000	Transfers, gains and losses £000	Balance at 31 July 2014 £000
Income and expenditure account excluding pension reserve	67,492	103,867	(88,784)	142	82,717
Pension deficit	(10,178)	-	(20)	(6,106)	(16,304)
Income and expenditure account including pension reserve	<u>57,314</u>	<u>103,867</u>	<u>(88,804)</u>	<u>(5,964)</u>	<u>66,413</u>

The income and expenditure account includes £4,555,000 cumulative net unrealised gains on revaluation of fixed asset investments.

14. Revaluation reserve

Group and Institute

	£000
<i>At 1 August 2013</i>	33,856
Transfer to revaluation reserve in respect of revaluation gains and losses	6,771
Other transfers, gains and losses	(157)
Revaluation reserve at 31 July 2014	40,470

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2014

15. Endowments

	Balance at 1 August 2013 £000	Income £000	Expend- iture £000	Transfers, gains and losses £000	Balance at 31 July 2014 £000
<i>Expendable endowments</i>					
Research Project Endowment Fund	1,358	-	(592)	-	766
Hensley Nankivell Studentship Fund	1,226	-	-	16	1,242
The Ivan and Felicite Stoller Fund	414	-	-	5	419
Total expendable endowment funds	2,998	-	(592)	21	2,427
<i>Permanent endowments</i>					
Sir SK Tang Fund	633	-	-	8	641
Total endowment funds	3,631	-	(592)	29	3,068

The Research Project Endowment Fund relates to donations with specific restrictions on their expenditure. The Hensley Nankivell Studentship Fund was received from the estate of Mrs SMA Nankivell for the purpose of supporting research studentships at the ICR. The Ivan and Felicite Stoller Fund is a legacy received from the estate of Mr IM Stoller. The Sir SK Tang Fund is a legacy received from the estate of Sir SK Tang. The Research Project Endowment, Tang and Stoller funds are for cancer research.

The Sir S K Tang Fund has been classified as a permanent endowment for which a total return approach to investment has been adopted and the unapplied total return can be spent on qualifying expenditure:

	Endowment £000	Unapplied total return £000	Total £000
Balance as at 1 August 2013			
Gift component of the permanent endowment	333	-	333
Unapplied total return	-	300	300
Total permanent endowments as at 1 August 2013	333	300	633
Movements in the period			
Investment return: realised and unrealised gains	-	8	8
	-	8	8
Balance as at 31 July 2014			
Gift component of the permanent endowment	333	-	333
Unapplied total return	-	308	308
Total permanent endowments as at 31 July 2014	333	308	641

THE INSTITUTE OF CANCER RESEARCH**NOTES TO THE FINANCIAL STATEMENTS**for the year ended 31 July 2014

16. Lease Commitments

At 31 July 2014 the ICR had annual operating lease commitments in respect of equipment and property leases which expire as follows:

	2014	2013
	£000	£000
Between two and five years	<u>417</u>	<u>325</u>

17. Capital commitments

	2014	2013
	£000	£000
Contracted but not provided for	<u>10,184</u>	<u>14,161</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 members of the Board of Trustees for their services as charity trustees or company directors. During the year, there were three members of staff of the ICR 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 staff member, Professor Jones, is the representative elected by the Academic Board to serve on the Board of Trustees whose remuneration is included in note 19 (iv). In addition, Miss Razaz (from 1st September 2013) was the student representative 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 £423,846 (2013: £523,089). The emoluments of the highest paid director, who is a member of a multi-employer defined benefit pension scheme, were £215,000 (2013: £212,000). Two of the four staff who are trustees participate in defined benefit pension schemes. Three non-executive trustees received a total of £2,215 (2013: three received £2,468) for reimbursement of travel expenses.

THE INSTITUTE OF CANCER RESEARCH
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2014

19. Staff costs

(i) Average number of employees

	2014	2013
	No.	No.
Research Staff	802	763
Research support staff	144	140
Fundraising services	18	18
Corporate services including academic services	78	74

(ii) Remuneration

	2014	2013
	£000	£000
Wages and salaries	43,091	40,784
Social security costs	3,558	3,358
Other pension costs	5,438	5,431
	52,087	49,573

(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.

	2014	2013
	£000	£000
Chief Executive		
-1 August 2013 to 30 June 2014	190	212
-1 July 2014 to 31 July 2014	25	-
Academic Dean	110	210
Chief Executive including employer's pension contributions		
-1 August 2013 to 30 June 2014	209	244
-1 July 2014 to 31 July 2014	25	-

(iv) Remuneration of higher paid staff

	2014	2013
	No.	No.
£100,001 - £110,000	5	6
£110,001 - £120,000	1	2
£120,001 - £130,000	1	4
£130,001 - £140,000	4	3
£140,001 - £150,000	1	3
£150,001 - £160,000	4	1
£160,001 - £170,000	5	5
£170,001 - £180,000	2	1
£180,001 - £190,000	-	2
£190,001 - £200,000	1	-
£200,001 - £210,000	-	1
£210,001 - £220,000	1	2
£220,001 - £230,000	2	-
£230,001 - £240,000	-	1

THE INSTITUTE OF CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS
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19. Staff costs (continued)

(v) Superannuation schemes

The ICR 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))

The ICR participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (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 trustee 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 at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent 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.

The latest triennial actuarial valuation of the scheme was at 31 March 2011. This was the second valuation for USS under the 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 regular reviews of the funding levels. In particular, they carry out a review of the funding level each year between triennial valuations and details of their estimate of the funding level at 31 March 2014 are also 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 6.1% per annum, salary increases would be 4.4% per annum (with short-term general pay growth at 3.65% per annum and 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 3.4% per annum for 3 years following the valuation then 2.6% per annum thereafter.

Standard mortality tables were used as follows:

Male members' mortality S1NA ["light"] YoB tables – No age rating
Female members' mortality S1NA ["light"] YoB tables – rated down 1 year

Use of these mortality tables reasonably reflects the actual USS experience but also provides an element of conservatism to allow for further improvements in mortality rates the CMI 2009 projections with a 1.25% pa long term rate were also adopted. The assumed life expectations on retirement at age 65 are:

Males (females) currently aged 65 23.7 (25.6) years
Males (females) currently aged 45 25.5 (27.6) years

At the valuation date, the value of the assets of the scheme was £32,433.5 million and the value of the scheme's technical provisions was £35,343.7 million indicating a shortfall of £2,910.2 million. The assets therefore were sufficient to cover 92% of the benefits which had accrued to members after allowing for expected future increases in earnings.

THE INSTITUTE OF CANCER RESEARCH**NOTES TO THE FINANCIAL STATEMENTS**for the year ended 31 July 2014

19. Staff costs (continued)

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 68%. Under the Pension Protection Fund regulations introduced by the Pensions Act 2004 the scheme was 93% funded; on a buy-out basis (i.e. assuming the scheme had discontinued on the valuation date) the assets would have been approximately 57% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, 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 82%.

As part of this valuation, the trustee has determined, after consultation with the employers, a recovery plan to pay off the shortfall by 31 March 2021. In 2011 the actuary estimated that if experience remained in line with the assumptions made, the shortfall at 31 March 2014 would be £2.2 billion, equivalent to a funding level of 95%. However, changes in market conditions between March 2011 and March 2014 have had an impact on scheme funding. The next formal triennial actuarial valuation will take place as at 31 March 2014, and work is currently underway to update the actuarial assumptions and allow for any adjustments to the overall funding approach adopted by the trustee board in consultation with stakeholders.

As work on the 2014 valuation is not yet complete the trustee cannot provide the final figure however, an estimate has been provided using the assumptions used to deliver the 2011 actuarial valuation. On that basis, the actuary has estimated that the funding level under the scheme specific funding regime will have fallen from 92% at 31 March 2011 to 85% at 31 March 2014. This estimate is based on the results from the valuation at 31 March 2011 allowing primarily for investment returns and changes to market conditions.

The funding level has decreased mainly due to a decrease in real gilt yields, reducing the implied net discount rate and therefore placing a higher value on the schemes liabilities. This increase has been partially offset by a higher than expected investment return.

On the FRS17 basis, using an AA bond discount rate of 4.5% per annum based on spot yields, the actuary estimates that the funding level at 31 March 2014 was 75%. An estimate of the funding level measured on a historic gilts basis at that date was approximately 61%.

Surpluses or deficits which arise at future valuations may impact on the institution'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 actuarial valuation are set out below:

Assumption	Change in Assumption	Impact on shortfall
Investment return (Valuation rate of interest)	Decrease by 0.25%	Increase by £1.6 billion
The gap between RPI and CPI	Decrease by 0.25%	Increase by £1 billion
Rate of salary growth	Increase by 0.25%	Increase by £0.6 billion
Members live longer than assumed	1 year longer	Increase by £0.8 billion
Equity markets in isolation	Fall by 25%	Increase by £4.6 billion

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 but the allowance for promotional salary increases was not as high. 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 was included, in addition, on account of the variability mentioned above.

As at the 2011 valuation the scheme was still a fully Final Salary Scheme for future accruals and the prevailing employer contribution rate was 16% of Salaries.

Following UK government legislation, from 2011 statutory pension increases or revaluations are based on the Consumer Prices Index measure of price inflation. Historically these increases had been based on the Retail Prices Index measure of price inflation.

THE INSTITUTE OF CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2014

19 Staff costs (continued)

Since the valuation effective date of 31 March 2011 there have been a number of changes to the benefits provided by the scheme although these became effective from October 2011. These include:

New Entrants

Other than in specific, limited circumstances, new entrants are now provided benefits on a Career Revalued Benefits (CRB) basis rather than a Final Salary (FS) basis.

Normal pension age

The normal pension age was increased for future service and new entrants, to age 65.

Flexible Retirement

Flexible retirement options were introduced.

Member contributions increased

Contributions were uplifted to 7.5% p.a. and 6.5% p.a. for FS Section members and CRB Section members respectively.

Cost sharing

If the total contribution level exceeds 23.5% of Salaries per annum, the employers will pay 65% of the excess over 23.5% and members would pay the remaining 35% to the fund as additional contributions.

Pension increase cap

For service derived after 30 September 2011, USS will match increases in official pensions for the first 5%. If official pensions increase by more than 5% then USS will pay half of the difference up to a maximum increase of 10%.

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 otherwise be 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 trustees' role is to set risk and return parameters which reflect the strength of the sponsoring employers and the nature of the scheme's liabilities. These parameters, taken together with the anticipated returns form the basis of the trustee's funding strategy. These parameters are informed by advice from its internal investment team, its investment consultant and the scheme actuary, as well as an independent assessment of the support available from the sponsoring employers. The trustee remains confident that it can continue to take a long-term view of scheme funding, backed as it is by a robust Higher Education (HE) sector. The fund is invested in a wide range of asset classes, both publicly traded (including equities and fixed income) and private (including private equity, infrastructure, property and timberland). A diversified portfolio helps to spread investment risk across different asset classes and to boost the level of confidence in maintaining sufficient investment returns from the fund as a whole. This investment approach is innovative and responsible, and targeted at achieving returns required to meet the scheme's liabilities. Recently, the trustee has invested directly in infrastructure assets. These investments are typically illiquid, but can achieve attractive inflation-linked returns in ways often not available in the publicly traded markets and which can match the scheme's liabilities to a high degree.

At 31 March 2014, USS had over 162,000 active members and the institution had 825 active members participating in the scheme.

The total pension cost for the institution was £4,886,000 (2013: £4,565,000). This includes £412,000 (2013: £466,000) outstanding contributions at the balance sheet date. The contribution rate payable by the institution was 16% of pensionable salaries.

19. Staff costs (continued)

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 ICR 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.

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 5% up to 13.3% of their pensionable pay depending on total earnings.

The ICR charges employer's pension costs contributions to operating expenses as and when they become due. The total employer contribution payable was £ 502,000 (2013: £498,000). There were £41,000 (2013: £74,000) of outstanding contributions at the balance sheet date.

c) ICR Pension Scheme (ICRPS)

The Institute operates a closed funded defined benefit scheme in the UK (the 'Scheme').

The total charged to the Statement of Financial Activities under FRS 17 for the year amounts to £20,000 (2013: £219,000). Given there is no past service cost this is equal to finance income of £20,000 (2013: £219,000).

A full actuarial valuation was carried out at 31 July 2014, based on membership data at 31 March 2013, updated to take account of expected benefit outgo since 31 March 2013, using actuarial assumptions at 31 July 2014.

The major assumptions used by the actuary were (in nominal terms):

	At 31/07/2014	At 31/07/2013
Discount Rate	4.30%	4.70%
Consumer Prices Index ("CPI")	2.40%	2.50%
Future 5%LPI pension increases	2.40%	2.50%
Future 2.5%LPI pension increases	2.40%	2.50%
Revaluation in deferment	2.40%	2.50%
Assumed life expectancies on retirement at age 65 are:		
Retiring today		
Males	22.9	22.1
Females	25.3	24.2
Retiring in 20 years time		
Males	25.1	23.5
Females	27.6	25.8

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

The assumptions used in determining the overall expected 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.

THE INSTITUTE OF CANCER RESEARCH

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2014

19 Staff costs (continued)

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:

	Long-term rate of return expected at 31/07/2014	Value at 31/07/2014 £000s	Long-term rate of return expected at 31/07/2013	Value at 31/07/2013 £000s
Equities and Property	6.30%	26,831	6.40%	26,686
Fixed Interest	4.30%	2,673	4.70%	2,625
Inflation Linked Bonds	4.30%	978	4.70%	977
Alternatives	6.30%	4,900	6.40%	4,809
Insured Annuities	4.30%	23,565	4.70%	22,504
Cash and Other	0.50%	2,907	0.50%	1,825
Overall return on Scheme assets	5.15%		5.47%	

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

	At 31/07/2014 £000	At 31/07/2013 £000
Fair value of Scheme assets	61,854	59,426
Less refunds agreed (not used to offset irrecoverable surplus)	-	-
Net fair value of Scheme assets	61,854	59,426
The actual return on assets over the period was	3,866	(1,800)

The amounts recognised in the balance sheet are as follows:

Present value of Scheme liabilities	(78,158)	(69,604)
Fair value of Scheme assets	61,854	59,426
Deficit	(16,304)	(10,178)
Present value of unfunded Scheme liabilities	-	-
Unrecognised past service cost	-	-
Deficit (Irrecoverable surplus)	(16,304)	(10,178)
Net pension liability recognised before tax	(16,304)	(10,178)

The amounts recognised in the income and expenditure account are as follows:

	2014 £000	2013 £000
Interest on obligation	3,233	3,010
Expected return on Scheme assets	(3,213)	(2,791)
Total	20	219

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for the year ended 31 July 2014

19 Staff costs (continued)

Reconciliation of opening and closing balances of the present value of the Scheme liabilities

	31/07/2014	31/07/2013
	£000	£000
Liabilities at beginning of period	69,604	69,314
Interest cost	3,233	3,010
Actuarial (gain)/loss	7,258	(873)
Benefits paid	(1,937)	(1,847)
Liabilities at end of period	<u>78,158</u>	<u>69,604</u>

In July 2012 the Board of Trustees of the Institute decided to cease the approval of discretionary increases until the Scheme's funding position improves. The Institute previously had an established practice of providing discretionary increases to pensions in payment where no inflation-linking is provided for under the Scheme Rules. As such, the reported Scheme liabilities at 31 July 2013 and 31 July 2014 make no allowance for constructive obligations.

Reconciliation of opening and closing balances of the fair value of Scheme assets

	31/07/2014	31/07/2013
	£000	£000
Fair value of Scheme assets at beginning of period	59,426	60,824
Expected return on Scheme assets	3,213	2,791
Actuarial gain/(loss)	653	(4,591)
Contributions by employers	499	2,249
Benefits paid	(1,937)	(1,847)
Fair value of Scheme assets at end of period	<u>61,854</u>	<u>59,426</u>

Amount recognised in statement of total recognised gains and losses (STRGL)

	31/07/2014	31/07/2013
	£000s	£000s
Actuarial losses	(6,605)	(3,718)
Total	<u>(6,605)</u>	<u>(3,718)</u>

The Scheme's current Schedule of Contributions requires the Institute to contribute £1,500,000 to the Scheme in the year commencing 1 August 2014.

History of Scheme assets, obligations and experience adjustments

	As at	As at	As at	As at	As at
	£000s	£000s	£000s	£000s	£000s
Present value of Scheme liabilities	(78,158)	(69,604)	(69,314)	(66,365)	(66,399)
Fair value of Scheme assets	61,854	59,426	60,824	60,260	54,724
Recoverable deficit in the Scheme	<u>(16,304)</u>	<u>(10,178)</u>	<u>(8,490)</u>	<u>(6,105)</u>	<u>(11,675)</u>
Experience adjustments arising on Scheme liabilities	(399)	(513)	(319)	(276)	637
Experience item as a percentage of Scheme liabilities	(1%)	(1%)	(0%)	(0%)	1%
Experience adjustments arising on Scheme assets	653	(4,591)	(1,160)	3,945	1,178
Experience item as a percentage of Scheme assets	1%	(8%)	(2%)	7%	2%
Cumulative actuarial loss shown in the STRGL	(28,910)	(22,305)	(18,587)	(15,977)	(21,670)

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2014

19. Staff costs (continued)**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 ICR. These pensions are increased, at the ICR's discretion, by analogy, with the Pensions Act 1995.

(vi) Health and Safety at Work

The ICR 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 ICR incurred irrecoverable VAT amounting to some £1.9 million during the year (2013: £1.8 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 ICR has the following subsidiary undertakings:

(i) ICR Chelsea Development Limited - The ICR 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 2014 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 ICR.

(ii) ICR Sutton Developments Limited - The ICR owns 100% of the issued share capital of this company which has been set up to act as the developer of ICR properties. It made a profit of £873,269 for the year ended 31 July 2014 (2013: £250,567) which will be paid to the ICR by means of a payment under gift aid. Its net assets at 31 July 2014 and 31 July 2013 amounted to £2. The accounts of ICR Sutton Developments Ltd have been consolidated into the accounts of the ICR.

(iii) ICR Enterprises Limited - The ICR owns 100% of the issued share capital of this company which undertakes trading activities for the benefit of the ICR that the ICR cannot carry out itself as an exempt charity. It made a profit after interest of £2,484 for the year ended 31 July 2014 (2013: £478) which will be paid to the ICR by means of a payment under gift aid. Its net assets at 31 July 2014 and 31 July 2013 amounted to £2. The accounts of ICR Enterprises Ltd have been consolidated into the accounts of the ICR.

(iv) ICR Equipment Leasing No.8 Limited - The ICR owns 100% of the share capital of this company which holds a leasehold interest in the Chester Beatty Laboratory. It made a profit of £102 for the year ended 31 July 2014 (2013: £103) which will be paid to the ICR by means of a payment under gift aid. Its net assets at 31 July 2014 and 31 July 2013 were £5,063. The accounts of ICR Equipment Leasing No.8 Limited have been consolidated into the accounts of the ICR.

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for the year ended 31 July 2014

21. Subsidiary undertakings (continued)

(v) Everyman Action Against Male Cancer - The company is limited by guarantee and was dormant throughout the period ended 31 July 2014.

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

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

ICR Sutton Developments Limited

	2014	2013
	£000	£000
Turnover	12,131	4,456
Expenditure	(11,258)	(4,206)
Operating profit	873	250
Payment under gift aid to the ICR	(873)	(250)
Profit for the year	-	-
Assets	15,516	3,236
Liabilities	(15,516)	(3,236)
Funds	-	-

ICR Equipment Leasing No. 8 Limited

	2014	2013
	£000	£000
Turnover	-	-
Expenditure	-	-
Operating profit	-	-
Payment under gift aid to the ICR	-	-
Profit for the year	-	-
Assets	5	5
Liabilities	-	-
Funds	5	5

ICR Chelsea Development Limited has net assets of £2. There were no transactions for this subsidiary during 2013/14.

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21. Subsidiary undertakings (continued)

ICR Enterprises Limited	2014	2013
	£000	£000
Turnover	5	1
Expenditure	(3)	(1)
Operating profit	2	-
Payment under gift aid to the ICR	(2)	-
Profit for the year	-	-
Assets	10	3
Liabilities	(10)	(3)
Funds	-	-

22. Taxation

The ICR is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and as such is a charity within the meaning of paragraph 1 of Schedule 6 of the Finance Act 2010. Accordingly the ICR is exempt from taxation in respect of income or capital gains received within categories covered by Section 471 and 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

23. Indemnity insurance

The ICR 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 £3,848 (2013: £3,848).

24. Related parties

The ICR has taken the exemption given by Financial Reporting Standard 8, Related Party Disclosures, from disclosing transactions with subsidiaries. One of the Trustees is Chief Executive of Cancer Research UK which provides funding to the ICR in the form of grants awarded through open competition and external peer review. £19,846,000 of funding was received from Cancer Research UK during the year, and £283,000 from their subsidiary company Cancer Research UK Technology Ltd. This includes £3,340,000 in pending grant instalments included on the ICR's balance sheet, and £8,828 owed to Cancer Research UK at the year end. One of the Trustees is Chief Executive of The Royal Marsden NHS Foundation Trust ("The Royal Marsden"). The ICR's Chief Executive is a non-executive director of The Royal Marsden. Research expenditure includes £5,724,000 and research grant income includes £5,384,000 invoiced to The Royal Marsden. At the year end, £1,675,800 was owed to ICR by The Royal Marsden and £65,418 was owed to The Royal Marsden by ICR. There are no other material related party transactions.

Other Information

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 13 to July 14
Mr L Johnson MA(Hons)	Chair/Co-option	9	9
Professor Sir Tom Blundell FRS FMedSci	Deputy Chair & senior member/Co-option	9	6
Konstantin Graf von Schweinitz	Honorary Treasurer/Co-option	7	7
Professor A Ashworth FRS FMedSci (to 6/2014)	Chief Executive/Ex Officio	5	5
Professor P Workman PhD DSc FMedSci FRSC (from 7/2014)	Chief Executive/Ex Officio	1	1
Professor C Isacke DPhil	Academic Dean/Ex Officio	6	6
Mr W Burns (from 10/2014)			
Mr C Geffen (from 8/2014)	Co-option	-	-
Dr P N Goodfellow FRS FMedSci (to 7/2014)	Co-option	6	6
Mrs J Hamilton BCom FRICS (from 8/2014)	Co-option	-	-
Professor A L Harris DPhil FRCP FMedSci	Co-option	6	5
Mrs I Hotimsky MBA	Co-option	8	8
Mr D Itzhak BA(Hons) (to 8/2013)	Student	-	-
Miss P Razaz (from 9/2013)		6	6
Professor K Jones PhD CChem FRSC	Academic Board	6	5
Dr H S Kumar MA MEng MBA DSc	Cancer Research UK	6	5
Lady Otton SRN (to 10/2013)	Co-option	1	-
Miss C A Palmer CBE MSc MHSM DipHSM	The Royal Marsden NHS Foundation Trust	6	5
Mr I Molson BA(Hons)	Alternate Director		
Mr M J Usher BA CPFA	Co-option	6	5

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 MIOd
Chief Operating Officer

Professor P Workman PhD DSc FMedSci
FRSC (to 6/2014)
Deputy CEO

Governing Committees, Fellows, Members and Associates

The Institute benefits from external expertise on the following committees that report to the Board of Trustees (as at 31 July 2014):

The Constitutional and Nomination Committee

Mr L Johnson MA(Hons) / *Chair*
Professor Sir Tom Blundell FRS FMedSci / *Deputy Chair*
Mrs I Hotimsky MBA

The Remuneration Committee

Mr L Johnson MA(Hons) / *Chair*
Professor Sir Tom Blundell FRS FMedSci / *Deputy Chair*
Konstantin Graf von Schweinitz

The Audit Committee

Mr M J Usher BA CPFA / *Chair*
Mr D R Fryatt MA FCA FCIBS / *Deputy Chair*
Professor H R Morris FRS
Ms S Nebhrajani OBE MA ACA
Ms Nebhrajani attended 2 meetings, Mr Fryatt, Professor Morris and Mr Usher attended all 4 meetings held (August 2013 to July 2014)

The Investments and Building Development Committee

Konstantin Graf von Schweinitz / *Chair*
Mrs M-C Riachi CFA / *Deputy Chair*
Mr C Heaphy BSc CPFA
The Honourable Thomas Henderson HonDSc(Med)

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

Mr A J Roberts CBE BA(Hons) FRSA FColl / *Chair*
Mr F Maroudas MA
Mrs W Robbins
Mr M Weston MA MBA AAIMR

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 Sir Kenneth Calman KCB FRSE
Professor D Catovsky MD DSc(Med) FRCPath FRCP FMedSci
Mr E A C Cottrell
Dr M J Crumpton CBE PhD HonFRCPath FRS FMedSci
Professor T M Dexter DSc HonFRCP FRS FMedSci
Lord Faringdon KCVO
Professor P B Garland CBE MA PhD MB BChir DSc(hc) LLD(hc) FRSE
Professor K R Harrap CBE DSc CChem FRSC
Mr J M Kipling FCA DChA
Baroness Morgan of Drefelin
Professor Sir Michael Peckham MD FMedSci
Sir Kenneth Stowe GCB CVO MA HonDSc(Med)
Professor M Waterfield FRS FMedSci
Professor R A Weiss PhD HonFRCP FRCPath FRS FMedSci

Members of the Institute

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 Articles of Association and as such are entitled to attend any Extraordinary General Meeting which may be convened.

Mr N Ashley DUniv
Sir John Ashworth PhD DSc
Dr P J Bailey PhD
Dr D Barford FRS FMedSci
Lord Bell FIPA FIPPR FPRCA
Professor A J Bellingham CBE FRCP FRCPATH
Mr R Bird MA FCA
Professor Sir Tom Blundell FRS FMedSci
Dr M Bodmer PhD
Sir Henry Boyd-Carpenter KCVO MA
Mr W Burns
Mr J M Cartwright FCA ATII
Mr G Clarke MSc MBA FCMA CGMA
Mr E A C Cottrell
Miss P M Cunningham CBE
Professor G A Currie MD FRCP FRCPATH
Mr S R Davie CB
Professor A J S Davies PhD DSc
Mr M de Ferranti BSc
Mr J J Defries BCom IPFA
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 MA DPhil
Mr B W Freedman
Mr D Fryatt MA FCA FCIBS
Professor P B Garland CBE MA PhD MB BChir
DSc(hc) LLD(hc) FRSE
Mr C Geffen
Mr D J Gleeson MA
Dr P N Goodfellow FRS FMedSci
Mrs J Hamilton BCom FRICS
Professor A Harris DPhil FRCP FMedSci
Mr C Heaphy BSc CPFA
The Honourable Thomas Henderson HonDSc(Med)
Dr T A Hince PhD
Mr J Hollond
Mrs I Hotimsky MBA
Mr L Johnson MA(Hons)
Mrs S A Johnson BA
Mr P J C Keemer MPhil
Mr J M Kipling FCA DChA
Professor R A Laskey CBE FRS FMedSci FLSW
HonDSc(Med) HonLLD
Mr K C Lawrance
Mr A E Lightly FRICS
Mr M G Lillywhite
Professor R Marais PhD FMedSci
Mr K A Markham
Mr F Maroudas MA
Dr M J Morgan PhD
Professor H R Morris FRS
Mr R Mould
Professor G J Mufti DM FRCP FRCPATH
Ms S Nebhrajani OBE MA ACA
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 MD FMedSci
Miss A C Pillman OBE HonDSc(Med)
Mrs Tim Rathbone
Professor Dame Lesley Rees DBE MD DSc FRCP
RCPATH FMedSci
Mrs M-C Riachi CFA
Mr G E Richardson FRICS
Dame Stella Rimington DCB
Mrs W Robbins
Mr A J Roberts CBE BA(Hons) FRSA FColl
Rt Hon Lord Ryder of Wensum OBE
Mr G Sangster
Konstantin Graf von Schweinitz
Sir Julian Seymour CBE
Mr R S Sharp
Mr M S Smith MA
Dr K Snell PhD FRSA LRPS AFIAP
Mr R E Spurgeon
Ms A Stevens MA DLitt(Hon)
Sir Kenneth Stowe GCB CVO MA HonDSc(Med)
Professor Sir Michael Stratton FRS FMedSci
HonDSc(Med)
Mr S A Taylor MBA FCCA
Mr J Thorne MA
Mr M J Usher BA CPFA
Miss M I Watson MA MBA FCIPD
Professor S Webb PhD DIC DSc ARCS FInstP
FIPEM FRSA
Mr M Weston MA MBA AIIMR
Mr A Wolstenholme OBE FREng BSc CEng FICE
Sir David Wootton MA
Dr M Young PhD FCA MIOd

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.

Dr G Aherne PhD
Mrs R J Atkins
Mrs R Barfoot
Ms M Barrell
Dr S E Barrie MA PhD
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 G Coombes RN
Mrs J Cordell BSc(Hons) MPhil
Professor Dame Jessica Corner DBE PhD RGN
OncCert
Mrs C Croucher
Dr D A Darcy MA DPhil
Mr P Farley
Mrs C A Faux
Dr E O Field DM DMRD
Dr M A Flower PhD FIPEM
Mr F Friedlos MPhil
Dr M Garrett
Mrs P M Goddard MPhil
Dr G H Goodwin PhD
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 MB BS PhD DSc FRCPATH
Mr J G Harris
Mr A J Hewer CBiol
Professor C R Hill DSc FInstP FIEE HonFRCR
HonFIPEM
Mr P Hyett BA ABIPP RMIP MIMI
Professor A L Jackman PhD

Ms L Jackson
Professor M Jarman DSc CChem FRSC HonDSc(Med)
Mr M Jones MIBiol
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
Ms J Mills MPhil
Dr R M Orr PhD
Dr M Osborne PhD
Dr K Owusu-Ankomah BSc(Hons)
Mr G Parnell CBiol MIBiol MISTR
Dr H Paterson PhD
Dr J H Peacock PhD
Mrs R A Pendry FBIFM AMIBiol
Ms N Perusinghe BSc
Professor C R Pinkerton MD FRCPCH FRACP
Mrs M Rangeley
Dr J Renshaw PhD
Mrs S Sanford
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

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Grant Thornton House, Melton Street, Euston Square, London NW1 2EP

Bankers

HSBC plc

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

Investment Managers

Partners Capital LLP

5 Young Street, London W8 5EH

Solicitors

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Company number

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