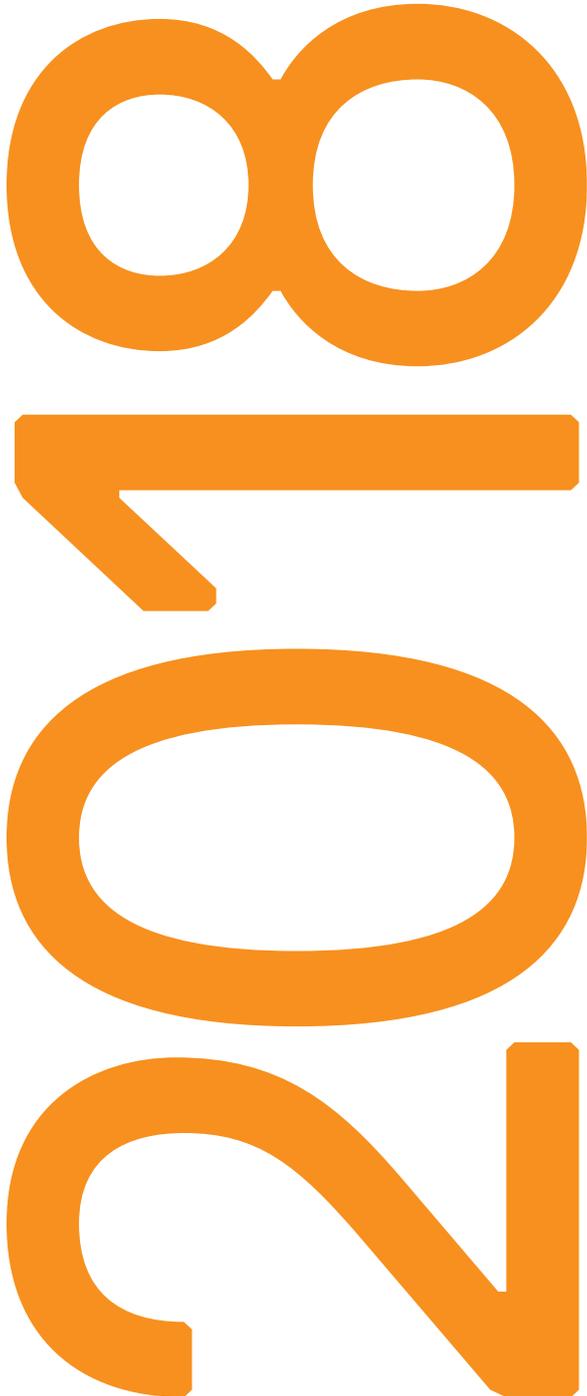
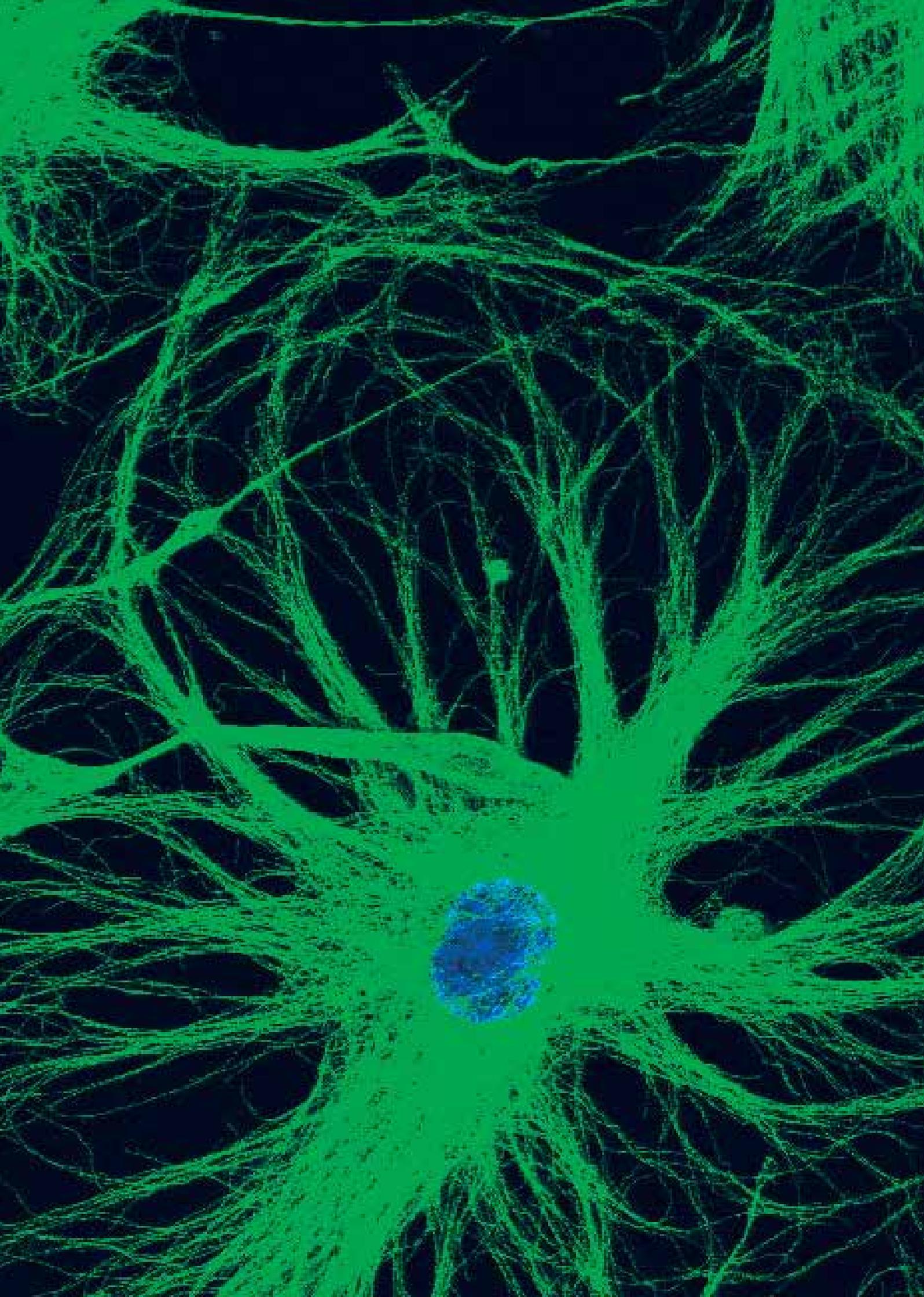

Annual Report and
Financial Statements
for the year ended
31 July 2018





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**The Institute of Cancer Research:
Royal Cancer Hospital**

Company Number 534147

Financial Statements for the
year ended 31 July 2018

Executive summary

Our finances

£140.1m

of income in 2017/18



In 2017/18 The Institute of Cancer Research, London, had total incoming resources of £140.1m. We gained 47% of our income from research grants, 20% in public funding as a higher education institution, 20% from royalty income, 9% from donations and endowments and 4% from tuition fees, investment and other income.

£114.3m

of expenditure in 2017/18



Expenditure was £114.3m, of which 78% was spent directly on research. We spent 17% on supporting this research by creating the best possible environment for our scientists, 3% on fundraising and 2% on information and other activities.

£25.8m

surplus before other gains and losses



The surplus before other gains and losses was £25.8m. Some £14.1m of this was the result of timing differences between the receipt and expenditure of research grants, including £7.0m new capital funding from the UK Research Partnership Investment Fund (UKRPIF) for the construction of the new Centre for Cancer Drug Discovery.

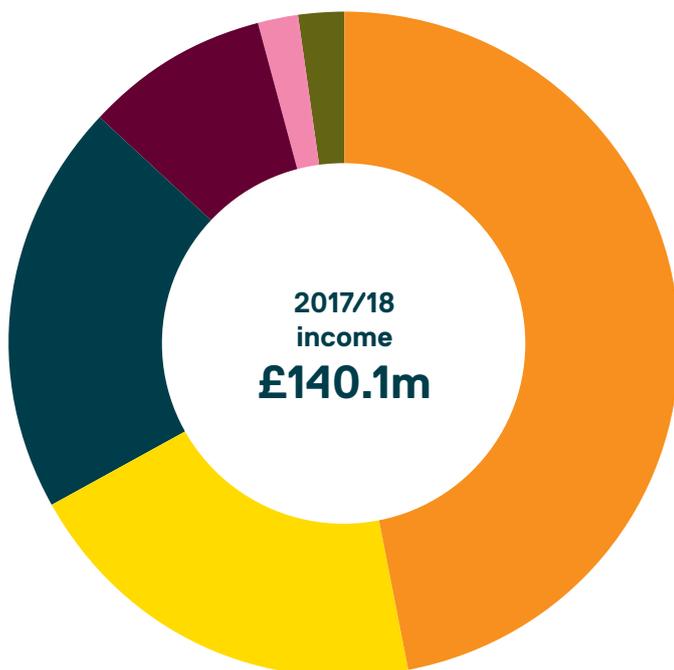
£12.0m

unrestricted surplus before other gains and losses



Our unrestricted surplus before other gains and losses was £12m. The ICR has committed its surplus funds to long-term investment in its ambitious research strategy, starting with the recruitment of a number of new research teams plus equipment and key infrastructure improvements in 2018/19.

Total income 2017/18



47%

Research grants of which:

- 40%** Cancer Research UK
- 12%** Breast Cancer Now
- 5%** Wellcome Trust
- 3%** MRC

20%

Royalty income

20%

Higher Education Funding Council for England (to 31/03/18)
Office for Students, UK Research and Innovation (from 1/04/18)

9%

Donations and endowments

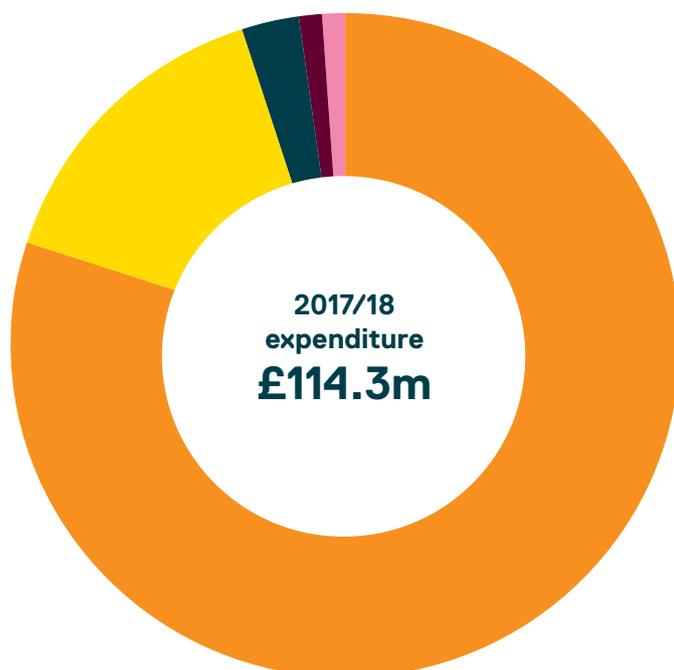
2%

Investments and other income

2%

Tuition fees and education contracts

Total expenditure 2017/18



78%

Direct research costs

17%

Research support costs

3%

Fundraising

1%

Information and education

1%

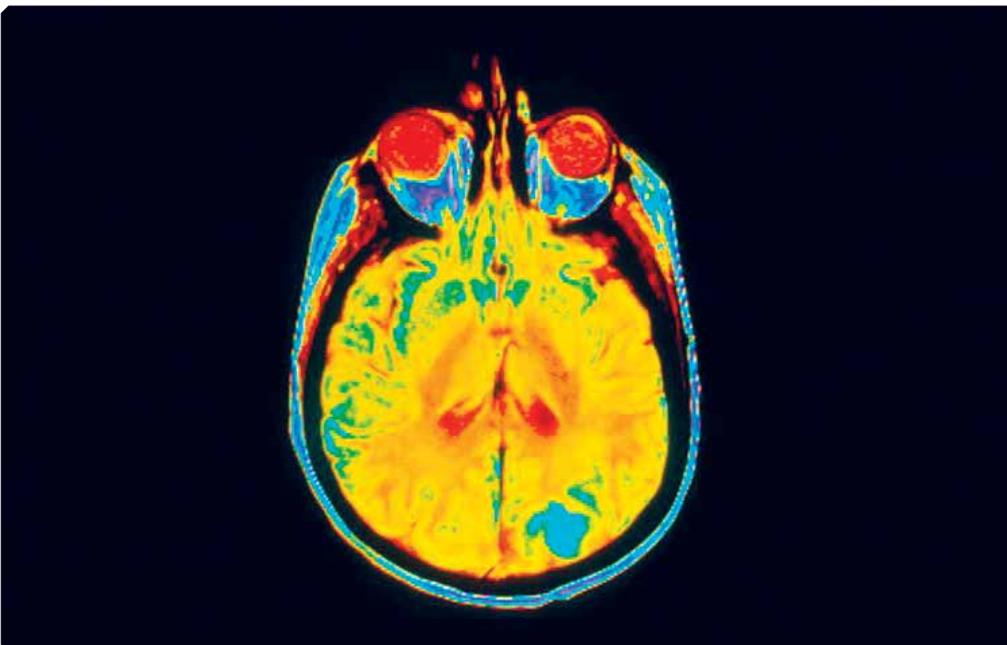
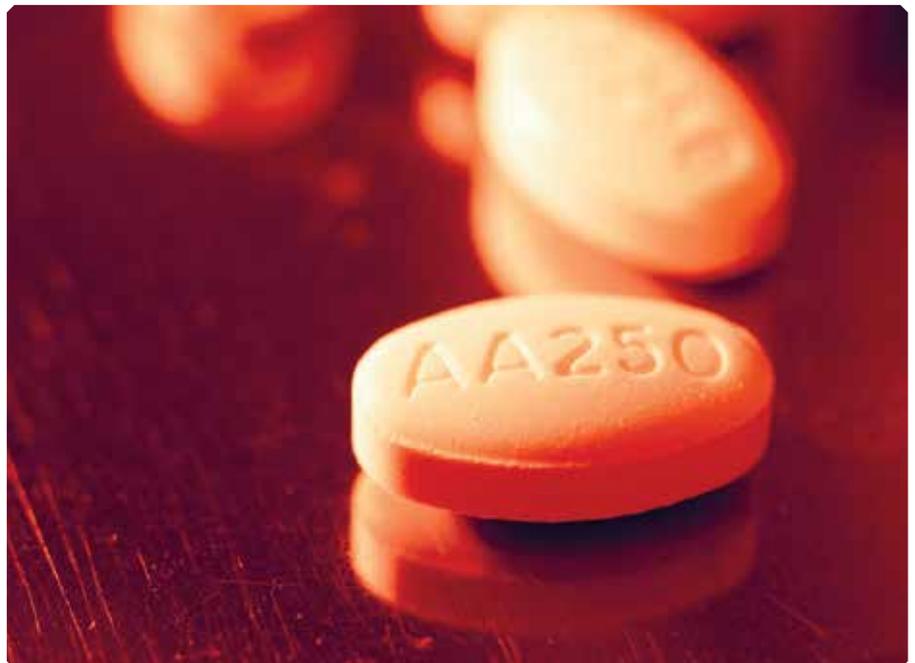
Other

Strategic achievements

The ICR has had much to celebrate this year, from the award of a highly prestigious Queen’s Anniversary Prize for the institution, to the establishment of an exciting drug discovery partnership with industry.

ICR awarded Queen’s Anniversary Prize for pioneering discoveries in precision medicine for cancer

The Queen’s Anniversary Prize acknowledges the ICR for its outstanding contribution to the discovery of new cancer drugs – including pioneering the transition from one-size-fits-all chemotherapy to targeted drug treatment. Since 2005 the ICR has discovered 20 new targeted cancer drugs and taken 10 into clinical trials.



ICR secures new brain cancer research centre

The ICR and the University of Cambridge will together receive major funding for a new paediatric brain tumour centre as part of a £45 million new investment from Cancer Research UK and the Department of Health and Social Care.



Exciting progress on The London Cancer Hub

The ICR has worked with the London Borough of Sutton, policy makers and politicians to deliver significant progress on The London Cancer Hub. The London Borough of Sutton has invested a further £14 million in purchasing land on the site, and the project has also received a significant boost after Mayor of London Sadiq Khan committed to taking the tram to Sutton. We can now begin attracting commercial developers to take forward planned state-of-the-art life-science facilities and community amenities.

ICR and Cancer Research UK form drug discovery alliance with Merck

The ICR and Cancer Research UK have established a major strategic collaboration with Merck, a leading science and technology company, to discover new cancer drugs. The new alliance, set up via the ICR's Enterprise Unit, will take a strategic joint approach to drug discovery and development in areas of shared scientific expertise. Three independent research projects are planned to take forward new preclinical drug candidates.



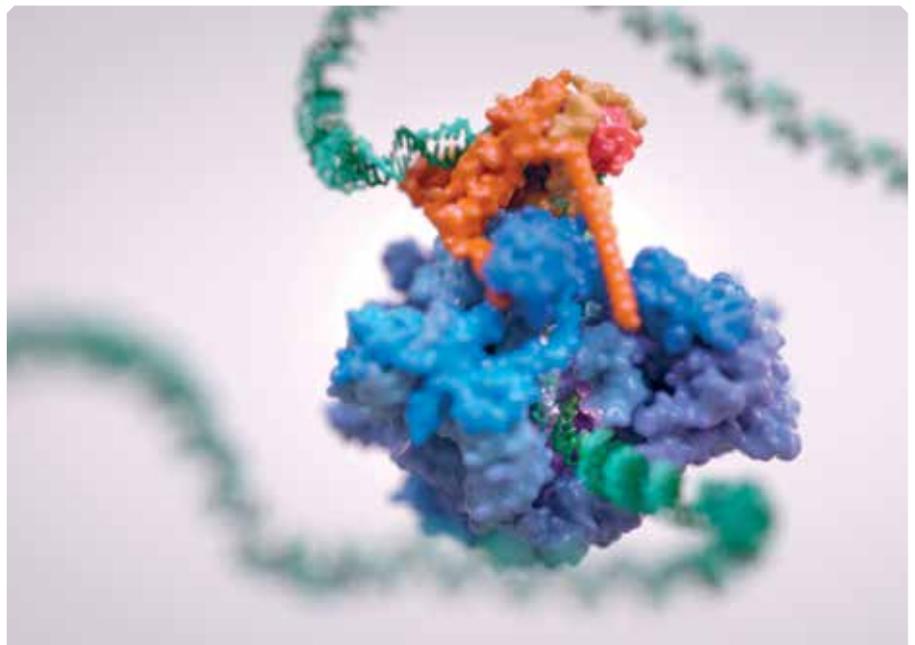
Scientific discoveries

ICR researchers published major papers improving our understanding of cancer and setting out potential new approaches to treatment. The following are just a few of our top discoveries representing the best and breadth of our research:

A team at the ICR and King's College London showed that women with an aggressive form of breast cancer who have faults in their BRCA genes do much better on chemotherapy drug carboplatin than standard treatment.

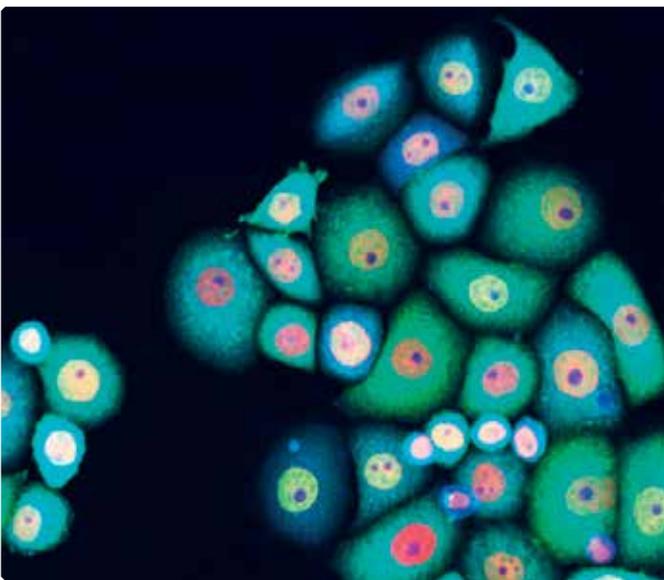


Scientists at the ICR have used an advanced form of electron microscopy called Cryo-EM to capture extraordinary images of how the DNA code is read and interpreted in unprecedented detail.





A study led by scientists at the ICR and The Royal Marsden showed how testing cancer drugs on miniature replicas of a patient's tumour could help doctors tell in advance which treatments will work – and in future design personalised treatment regimens.

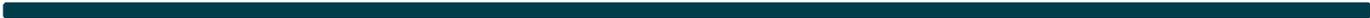


Scientists at the ICR, in collaboration with plastic surgeons at The Royal Marsden, showed that a new type of gene therapy delivered using a virus could prevent radiotherapy side-effects in women who have had breast reconstruction surgery.

An international team co-led by scientists at the ICR used Big Data techniques to analyse the tumour genetics of nearly 1000 patients with prostate cancer, and identified 80 molecular weaknesses that could potentially be targeted by drugs.

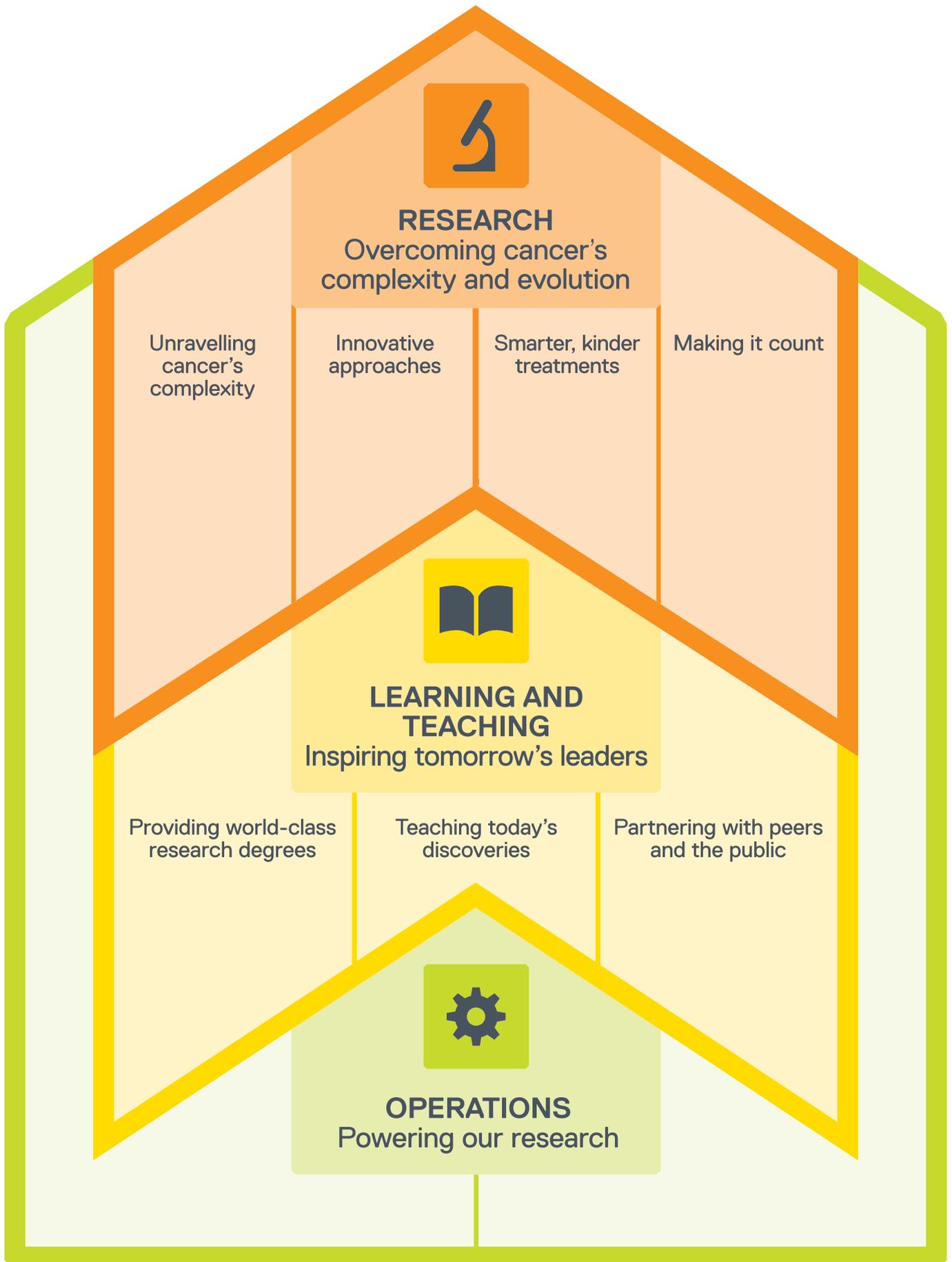


Report of the Board of Trustees



OUR MISSION

Making the discoveries that defeat cancer



Objectives and activities

Our mission is to make the discoveries that defeat cancer.



Read more about the ICR's strategy at icr.ac.uk/strategy

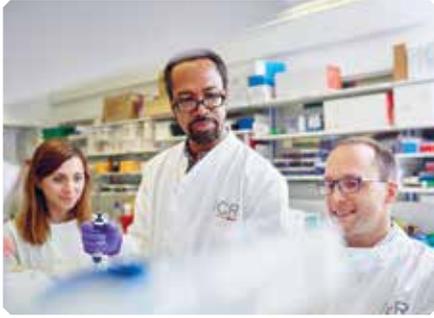
The ICR is one of the world's most influential cancer research organisations, and we are dedicated to the translation of discoveries to make a real difference to cancer patients' lives. We are a higher education institution and a charity.

The ICR's strategy brings together three major goals designed so we can make the discoveries that defeat cancer and enhance our position as a world leader in cancer research.

Together with our hospital partner The Royal Marsden NHS Foundation Trust, we seek to deliver world-leading research that can overcome the challenges posed by cancer's complexity, adaptability and evolution. Our joint research strategy is titled *Making the discoveries: our strategy to defeat cancer*, and was released in July 2016. It is structured around four central pillars: unravelling cancer's complexity to identify new weaknesses, exploiting those weaknesses through innovative approaches to therapy, developing smarter, kinder treatments for patients, and making our research count by helping embed advances into routine care.

Secondly, we will continue to offer internationally excellent learning and teaching for the very best researchers and clinicians. We provide postgraduate research degrees for students of the highest intellectual calibre, tailored training and support for postdoctoral researchers, and research-led education for clinicians specialising in oncology, to help take the latest advances to patients. Our learning and teaching strategy 2016-21, *Inspiring tomorrow's leaders*, outlines how we will achieve this.

And thirdly, we will deliver world-class operations that can support research and education of the highest quality, and build a sustainable organisation for the long term. Our operational strategy, *Powering our research: our operational strategy 2017-21*, aims to achieve this through two major objectives. Firstly, we will grow our income to increase the resources available to power our research. Secondly, we will build a world-class environment that provides excellent services, infrastructure and support for our research and education.



1. MAKING THE DISCOVERIES

We aim to combat cancer's complexity and evolution through scientific and clinical excellence, innovation and partnership.

The ICR's joint research strategy 2016-21 with The Royal Marsden, *Making the discoveries: our strategy to defeat cancer*, sets out a scientific vision for our organisation. We aim to accelerate progress against cancer by combating the disease's extraordinary complexity, and its enduring ability to adapt and become resistant to treatment. We will do so through scientific and clinical excellence, innovation and partnership, based around our four central research pillars.

We are embedding our strategy through major initiatives including the London Cancer Hub and our new Centre for Cancer Drug Discovery, which will build our capacity and capabilities across key areas of our research, to help us transform the future of cancer treatment.

Unravelling cancer's complexity

The first pillar of our joint research strategy is to gain a much fuller understanding of the complexity of cancer. We need to take an overview of cancer's complex ecosystems and communication networks – and yet also to drill down deep into the specific mechanisms that drive cancer development, growth and spread. In this way we can reveal the fundamental processes at work as cancers arise, change and evolve, and use this knowledge to outmanoeuvre cancer by opening up exciting new avenues for treatment.

Innovative approaches

The second pillar of our research strategy is to discover novel and personalised approaches to cancer treatment, controlling tumours locally where possible, while also meeting the challenges of cancer evolution, metastasis and drug resistance. We believe that drugs that target evolutionary mechanisms, adaptive therapy, precision radiotherapy and immunotherapy – often used together in innovative combinations – will all have a critical part to play in achieving long-term survival and cure.

Smarter, kinder treatments

The ICR and The Royal Marsden work closely together to accelerate clinical development of innovative new treatments for the benefit of patients. The third pillar of our research strategy is to create and deliver innovative clinical trials assessing a range of personalised treatments: novel small-molecule drugs, biological agents including immunotherapy, precision radiotherapy, new surgical techniques, advanced cancer imaging and combination treatment. We need to use targeted treatment, based on accurate diagnosis, as early as possible in disease – and then to adapt therapy to the cancer's changing molecular and biological profile.



Making it count

We recognise that our responsibility to cancer patients does not end with the delivery of excellent research, or even with the development of a new treatment. We need to take active steps to ensure our findings deliver real impact on the lives of cancer patients. So the fourth pillar of our strategy is a commitment to make our research count in embedding new treatments, technologies and strategies for prevention into routine healthcare, by building an evidence base to support their adoption, leading through national and international networks, and influencing health services. We want to ensure our results have the greatest possible beneficial impact on the lives of people with cancer – and people who may develop cancer in future.



2. INSPIRING TOMORROW'S LEADERS

The ICR has a strategic goal to educate and train the next generation of cancer researchers and clinicians.

Our learning and teaching strategy 2016-21 sets out our priorities and principles for education and training at the ICR. It guides us in our efforts to help secure the future of cancer research across the world, by ensuring enough top quality scientists and clinicians are trained up.

The strategy is structured around three pillars of activity, underpinned by our work in three foundation areas.

Pillar 1 – provide world-class research degree programmes

We aim to further develop and enhance the quality of the ICR's research degree programme and student support. In 2018, we recruited to three new non-clinical PhD programmes – expanding the number of studentships available by 10 places.

Pillar 2 – teach tomorrow's leaders today's discoveries

We aim to provide postgraduate taught degrees that 1) support the rapid translation of scientific advances into benefits for cancer patients 2) fuel the pipeline of highly skilled researchers working to defeat cancer.

Pillar 3 – partner with our peers and the public

We aim to maintain, forge and develop partnerships that support our education and training goals, and to widen participation in STEM education through promotion of student and staff volunteering, community outreach and public engagement.



3. POWERING OUR RESEARCH

Our operational strategy, Powering our research: our operational strategy 2017-21 sets out how corporate staff and scientists will build on our strengths and work together as One ICR to provide exceptional support for our research and teaching.

A key focus over 2017/18 has been a project to develop our culture and values, working with staff and students to understand how we can best embed these across our organisation.

The operational strategy groups activities within two central pillars – growing our income and delivering a world-class environment.

Our aim is to attract new funding to the ICR so we can deliver on our ambitions for our research and teaching. We also believe it is essential to ensure the best possible environment for staff, offering infrastructure and tailored support services to support our research and teaching.

Within the growing income theme, we will increase our grant funding by identifying new opportunities and optimising cost recovery, and expand commercial activities through initiatives such as The London Cancer Hub. We will also increase our focus on philanthropy.

As part of creating a world-class environment, we will provide tailored support services for researchers at every stage in their working lives, streamline our governance and improve use of information to support decision making.

Through the ICR's service improvement and efficiency programme, our corporate staff are leading the redesign of services, to identify opportunities to drive efficiency and ensure maximum resource can be deployed to our science.



We seek to deliver world-leading research that can overcome the challenges posed by cancer's complexity, adaptability and evolution

Strategic report

The ICR is committed to carrying out research to improve cancer patient care and health outcomes, and to maximise patient benefit.

Strategic achievements

20

The ICR has discovered 20 new targeted cancer drugs and taken 10 into clinical trials since 2005

ICR awarded Queen's Anniversary Prize

The ICR has been recognised with a highly prestigious Queen's Anniversary Prize for its world-leading research in cancer drug discovery. The prize acknowledges the contribution of everyone at the ICR to the organisation's outstanding work in drug discovery – including pioneering the transition from one-size-fits-all chemotherapy to targeted drug treatment. Since 2005 the ICR has discovered 20 new targeted cancer drugs and taken 10 into clinical trials. Queen's Anniversary Prizes are considered the UK's highest honour within the honours system that are given to an organisation.

£45m

The new Cancer Research UK Children's Brain Tumour Centre of Excellence will be funded as part of a £45 million new investment from Cancer Research UK and the Department for Health and Social Care

ICR secures new brain cancer research centre

The ICR and the University of Cambridge will together receive major funding for a new paediatric brain tumour centre as part of a £45 million new investment from Cancer Research UK and the Department of Health and Social Care. The new Cancer Research UK Children's Brain Tumour Centre of Excellence will bring together world-leading experts to discover and develop new treatments to tackle brain tumours in children. The centre will be led by Professor Richard Gilbertson from Cambridge and Professor Paul Workman for the ICR.

£1bn

It is estimated that The London Cancer Hub will contribute more than £1bn per annum to the UK economy

Exciting progress on The London Cancer Hub

The ICR has worked with the London Borough of Sutton, policy makers and politicians to achieve significant progress on The London Cancer Hub – a global hub for cancer research, treatment, education and enterprise, bringing together scientists, clinicians and innovative companies. The London Borough of Sutton has invested a further £14 million, and a total of £28.1 million, in purchasing land on the site, after we worked together to build political support for acquiring it from the NHS. The project has also received a significant boost after Mayor of London Sadiq Khan committed to taking the tram to Sutton. We can now begin attracting commercial developers to take forward planned state-of-the-art life-science facilities and community amenities.

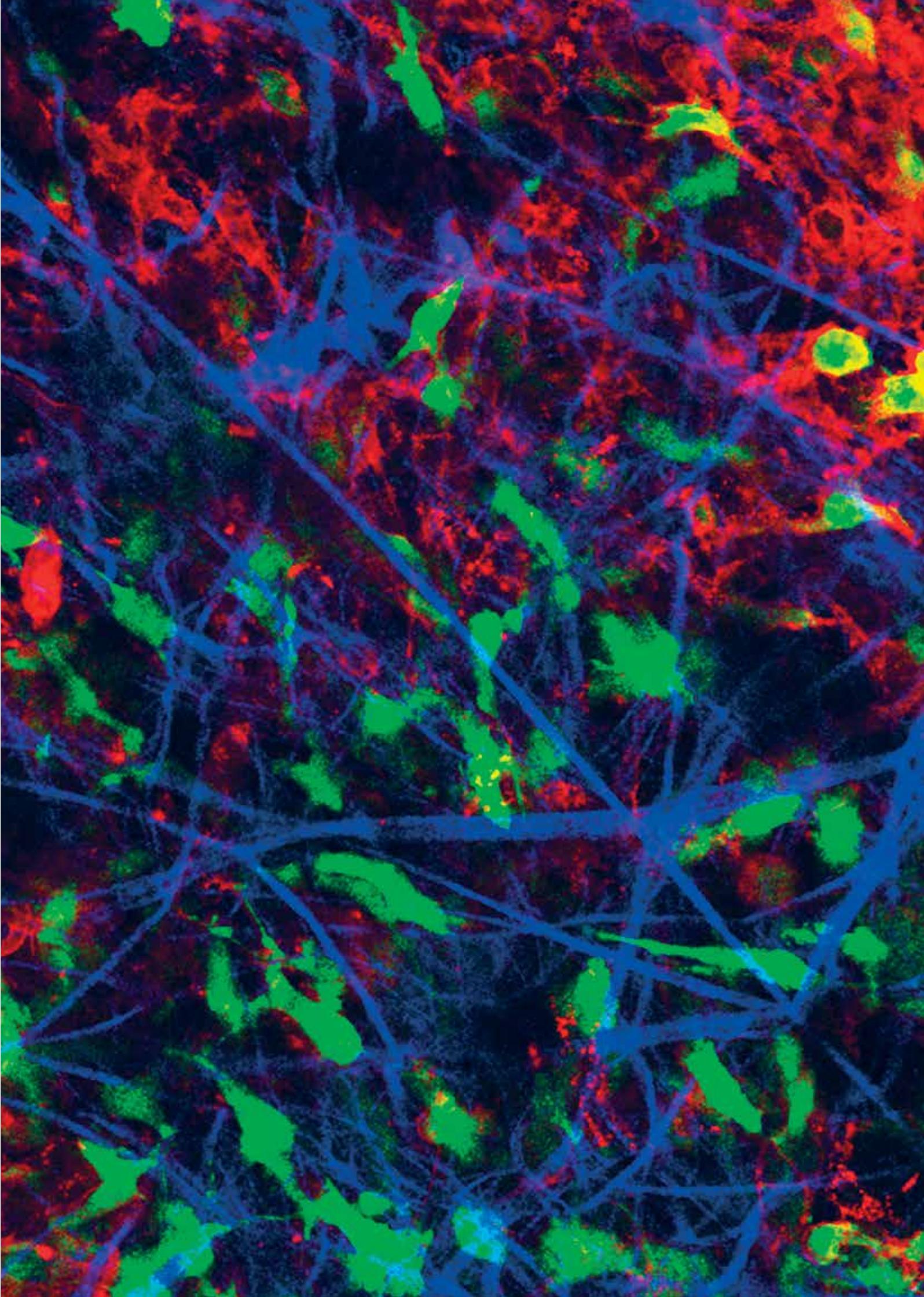
To find out more about our industry partnerships visit www.icr.ac.uk/enterprise

ICR and Cancer Research UK form drug discovery alliance with Merck

The ICR and Cancer Research UK have established a major strategic collaboration with Merck, a leading science and technology company, to discover new cancer drugs. The new alliance, set up via the ICR's Enterprise Unit, will take a strategic joint approach to drug discovery and development in areas of shared scientific expertise. Three independent research projects are planned to take forward new preclinical drug candidates.

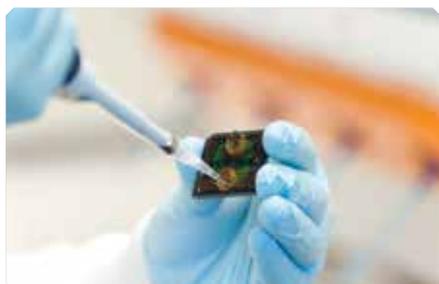
ICR and Imperial launch joint partnership

The ICR and Imperial College London have marked the start of a new partnership with the launch of the Cancer Research Centre of Excellence. The virtual centre harnesses the complementary expertise of both partners to deliver an enhanced and synergistic programme of cancer research. It will help create breakthrough cancer treatments, improve diagnosis and find new ways to prevent the disease.



Scientific discoveries

Each year, the ICR selects the 10 scientific discoveries that best represent the quality and breadth of its research. Here are the 10 discoveries chosen for 2017/18.



Targeting chemotherapy using genetic testing provides effective treatment for women with aggressive breast cancer

A team at the ICR and King's College London showed that women with an aggressive form of breast cancer who have faults in their BRCA genes do much better on chemotherapy drug carboplatin than standard treatment. Researchers compared the effectiveness of docetaxel and carboplatin. For the 43 women in the study with BRCA gene faults, tumours shrank in 68 per cent of those treated with carboplatin, but only in 33 per cent of the women on docetaxel. Treatment with carboplatin also came with fewer side-effects for patients. The researchers are now suggesting that women with triple-negative breast cancer should be considered for BRCA testing, so those who test positive can benefit from carboplatin – a great example of personalised medicine.

Scientists zoom in to watch DNA code being read

Scientists at the ICR used an advanced form of electron microscopy called Cryo-EM to capture extraordinary images of how the DNA code is read and interpreted in unprecedented detail. The team captured images of molecular machinery called RNA polymerase III in the act of transcribing a gene. RNA polymerase III plays a vital role in creating the protein building blocks that every cell needs as it grows and divides. There is evidence that RNA polymerase III is hijacked in cancer – allowing cancer cells to grow and multiply quickly. Cryo-EM, which involves freezing and imaging samples at -180°C , allowed researchers to unveil incredible images of how the DNA code is read and interpreted, highlighting potential targets for new cancer treatment.

Growing replica tumours in the lab could personalise drug treatment for each patient

A study led by scientists at the ICR showed how testing cancer drugs on miniature replicas of a patient's tumour could help doctors tell in advance which treatments will work – and in future design personalised treatment regimens. The researchers took biopsy samples from 71 patients with advanced bowel, gastro-oesophageal or bile duct cancers to grow 'mini tumours' for testing. They tested 55 established or new drugs against the mini tumours in culture and in mice and compared the results with how the patient had responded in the clinic. The mini tumours were 100 per cent accurate at identifying drugs that would not work in patients, and picked out 88 per cent of the drugs that would shrink a patient's tumour. The model has potential to accelerate drug discovery and reduce reliance on using animal models. The technique could also help reduce the trial and error in selecting cancer treatments for patients in whom genetic tests are not predictive of response, providing a more personalised approach to cancer care.

Read more about our drug discovery research at www.icr.ac.uk/research

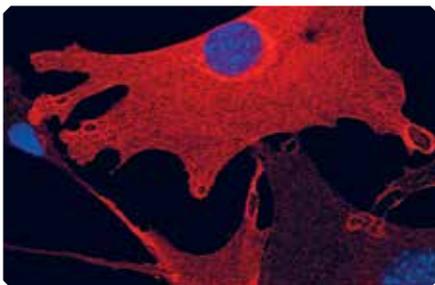


Scientists uncover 80 potential lines of attack against prostate cancer

An international team co-led by scientists at the ICR used Big Data techniques to analyse the tumour genetics of nearly 1,000 patients with prostate cancer, and identified 80 molecular weaknesses that could be targeted by drugs. The researchers identified large numbers of genetic changes that underlie the development and spread of prostate cancer and uncovered a remarkably large number of new genes that drive the development of prostate cancer. Around a quarter of the gene mutations identified involve the targets of existing drugs that are either licensed or in clinical trials – suggesting that these could offer promise for further study as new approaches to treat prostate cancer. The study has also opened up many potential ways of targeting the disease, opening up 60 new potential lines of attack against prostate cancer for future investigation, as well as identifying many new genes associated with the development of the disease.

Viral gene therapy could improve results from breast reconstruction surgery after cancer treatment

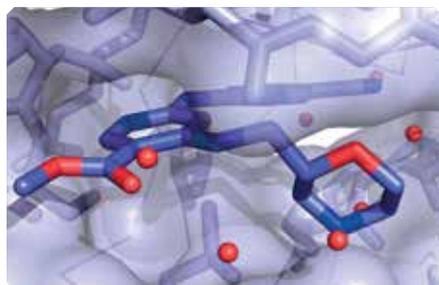
Scientists at the ICR have shown how a new type of gene therapy delivered using a virus could protect healthy tissues from the harmful side-effects of radiotherapy after cancer treatment. The team prevented tissue damage in rats treated with radiotherapy by reprogramming healthy cells to protect themselves. The study used a lentivirus to deliver extra copies of two different genes that play roles in limiting stress from harmful particles and scarring responses to radiotherapy. Following radiotherapy, the healthy tissues in rats that had been treated with this gene combination shrank by just 15 per cent, compared with 70 per cent in those that had not received the treatment. Additionally, results showed that tumours in rats that had been treated with gene therapy responded better to radiotherapy. In the future, this treatment could protect healthy tissue transplanted during cancer surgery, improving outcomes for breast reconstruction surgery in women with breast cancer.



Uncovering a key cell death regulation pathway for potential cancer therapies

ICR researchers have uncovered a mechanism of regulating a key cell death pathway, which could lead to new approaches to treating cancers. Dying cancer cells can release chemical signals that trigger cellular responses such as cell death or repair. One of these chemical messengers, called tumour necrosis factor (TNF), signals through several pathways, including through a master regulator called RIPK1, which can drive cell death. By mutating the protein, the ICR researchers identified the mechanism through which cells can suppress RIPK1's cell-killing effect. They found that when a new chemical group is attached to the protein – in a process called ubiquitylation – RIPK1 becomes inactivated and marked for destruction within the cell. This study gives us a new understanding of how cell death is regulated, which could lead to new approaches to treatment.

Join in and support
the ICR. See
icr.ac.uk/fundraiser



Lung cancer drug shows promise as targeted therapy for thousands with breast cancer

ICR researchers have found that a targeted therapy for lung cancer could be effective at killing breast cancer cells with a particular genetic defect. The researchers used an approach known as ‘synthetic lethality’ that attacks weaknesses in tumour cells, testing 80 small-molecule inhibitors to see if any of these drugs caused cancer cells with a defective E-cadherin gene to die. They found that the lung cancer drug crizotinib – which inhibits a cell surface receptor called ROS1 – was effective at killing cancer cells without fully functioning E-cadherin proteins. The same effect was also seen in models of endocrine resistance in cells and mice, suggesting this new approach to treatment could provide an important option for patients who have become resistant to hormone therapy. The ICR and The Royal Marsden are now launching a new clinical trial of crizotinib in patients with E-cadherin-defective advanced lobular breast cancer.

Uncovering tumours’ evolutionary history with mathematical models to predict future behaviour

Scientists at the ICR and the Barts Cancer Institute have developed a complex mathematical model that uses a snapshot of a tumour’s genetic code to reach back in time, revealing its evolutionary history. The researchers then used the model to develop a computer program that predicts how individual cancers will evolve in the future. The model applies a variety of formulae, including some often used in population dynamics, to big datasets of genetic information taken from a variety of cancer types. By analysing the pattern of mutations in the DNA of the tumour cells, the computer program was able to ‘learn’ key features about the changing genetic make-up of the cancer in the past and use the historic pattern of genetic change to learn the rules of evolution for specific tumours, forecasting how they will change in the future. By understanding which mutations are thriving or in decline, the model could help tailor a person’s treatment to anticipate future changes.

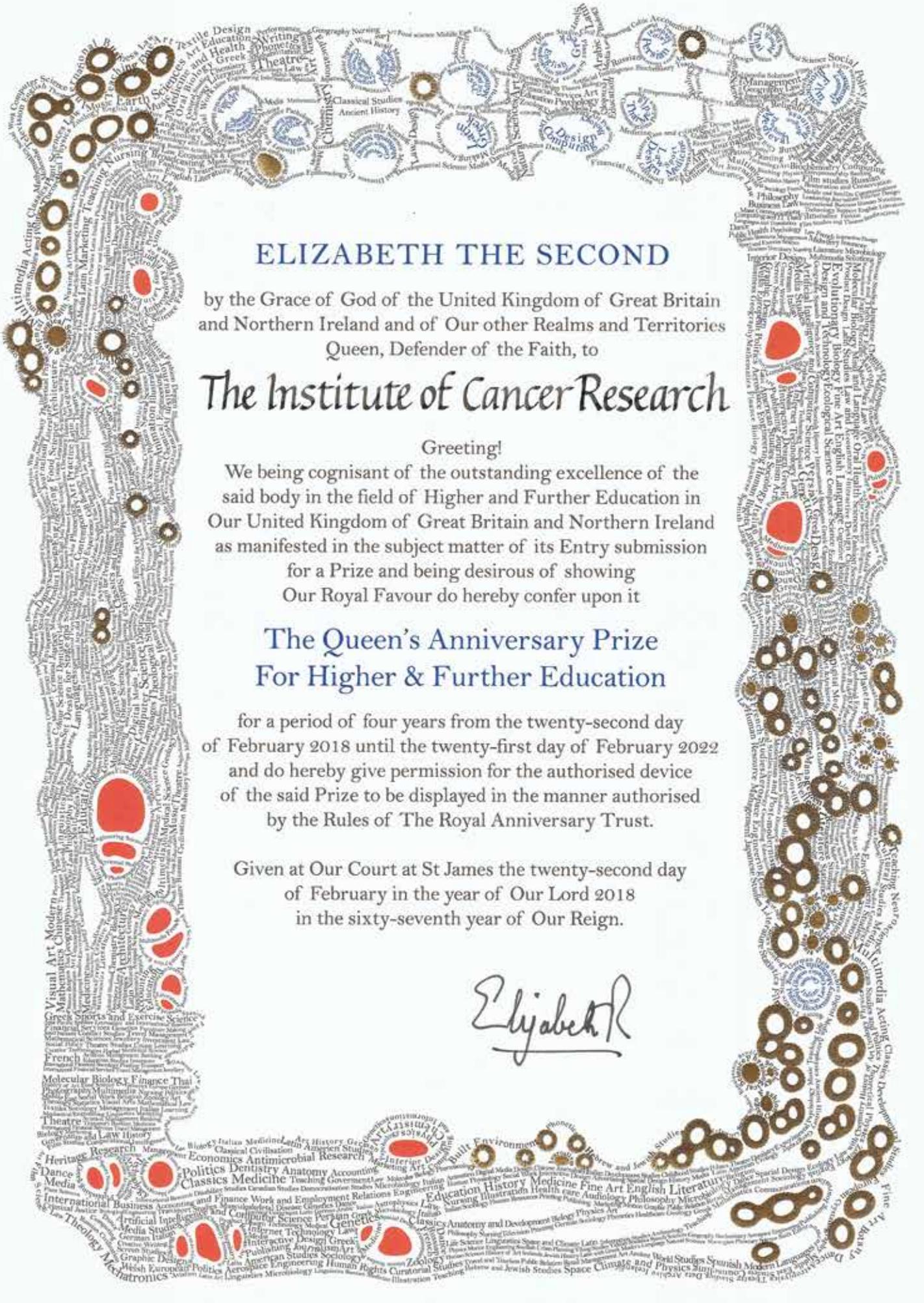
Teamwork between cells fuels aggressive childhood brain tumour

ICR scientists discovered that cancerous cells in an aggressive type of childhood brain tumour work together to infiltrate the brain, a finding that could ultimately lead to much-needed new treatments. The researchers investigated a type of childhood brain tumour called diffuse intrinsic pontine glioma (DIPG), which is incredibly difficult to treat and particularly aggressive. The researchers used donations of biopsy tissue and the brains of children who had died from DIPG and performed a range of molecular and cell biology techniques. They found that DIPGs are made up of more than one type of cell, and found some cancer cells that release a chemical messenger called CXCL2 which calls other cells from the tumour to follow them in invading the brain. This suggests a multi-pronged attack is likely to be necessary, and researchers are now looking for treatments that target the most important subpopulations of cells in the tumour or interfere with the cooperation between cells.



Gene testing could identify men with prostate cancer who may benefit from immunotherapy

An international study involving scientists at the ICR identified a pattern of genetic changes that could pick out men with advanced prostate cancer who are likely to benefit from immunotherapy. Immunotherapy can work in advanced prostate cancer – but only for about 10 per cent of men. In this new study, the researchers analysed tumour DNA from 360 men with advanced prostate cancer and found that the tumours of 7 per cent of these men were missing both copies of a gene called CDK12. Tumours with this genetic profile contained a higher number of immune cells than those without and had a higher number of protein fragments on their surface which flag tumour cells to the immune system. In a small pilot clinical study carried out in the US as part of the research, two out of four men with advanced prostate cancer whose tumours had CDK12-linked genetic changes responded remarkably well to the immunotherapy drug pembrolizumab. If the research can be replicated in larger numbers of patients, it could lead to introduction of a genetic test as a precursor to offering immunotherapy.



ELIZABETH THE SECOND

by the Grace of God of the United Kingdom of Great Britain and Northern Ireland and of Our other Realms and Territories Queen, Defender of the Faith, to

The Institute of Cancer Research

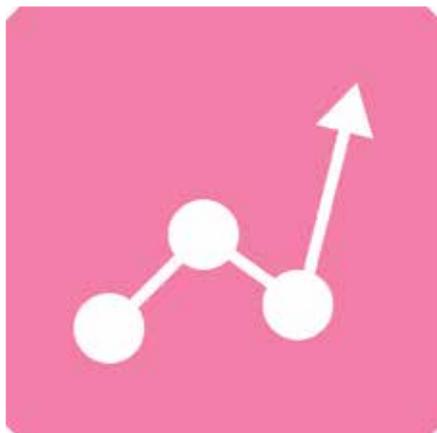
Greeting!

We being cognisant of the outstanding excellence of the said body in the field of Higher and Further Education in Our United Kingdom of Great Britain and Northern Ireland as manifested in the subject matter of its Entry submission for a Prize and being desirous of showing Our Royal Favour do hereby confer upon it

The Queen's Anniversary Prize For Higher & Further Education

for a period of four years from the twenty-second day of February 2018 until the twenty-first day of February 2022 and do hereby give permission for the authorised device of the said Prize to be displayed in the manner authorised by the Rules of The Royal Anniversary Trust.

Given at Our Court at St James the twenty-second day of February in the year of Our Lord 2018 in the sixty-seventh year of Our Reign.



Measures of performance

We are determined to deliver real impact from our work – by doing excellent research that benefits patients, and by inspiring the cancer researchers and clinicians of the future.

RESEARCH EXCELLENCE



- The ICR is the leading academic research centre in the UK. We were ranked first for the quality and impact of our research in the Times Higher Education league table of universities compiled from the 2014 Research Excellence Framework.
- The ICR was recognised with a highly prestigious Queen’s Anniversary Prize for Higher and Further Education in November 2017 for its pioneering world-leading research in cancer drug discovery.
- The ICR ranked in the top 30 higher education institutions in the world in an independent 2018 evaluation funded by the European Commission, called U-Multirank. The ICR was ranked first in the world for the percentage of publications that are cited in patents – a measure of how innovative our research is. We ranked fourth in the world for the proportion of publications that are highly cited – with over 25 per cent of our publications reaching the top 10 per cent of frequently cited articles in their field.
- The ICR earned more invention income from its research than any other higher education institution in the UK for the second year running. The ICR’s intellectual property income was £28 million for 2017/18.
- The ICR’s total awards (multi-year value), excluding industrial funding, grew to £242m as at 31 July 2018, up from £235m in 2017, despite the increasingly competitive funding environment.
- Our researchers were recognised for the excellence and impact of their research:
 - Professor Mel Greaves was awarded the Society of Memorial Sloan Kettering Prize, in recognition of the pivotal role he has played in the understanding of genetic and environmental drivers in the development of childhood leukaemia.
 - Professor Johann de Bono was awarded the 2018 American Association for Cancer Research (AACR)-Joseph H. Burchenal Memorial Award for outstanding achievement in clinical cancer.
 - Professor Nick Turner was awarded the AACR Outstanding Investigator Award for Breast Cancer Research.
 - Professor Udai Banerji was awarded a £1.9 million research professorship grant from the National Institute for Health Research (NIHR) to help understand and overcome resistance to targeted cancer drugs.
 - Dr Gerhardt Attard (now at UCL) won the Cancer Research UK Future Leaders Prize.
 - Professor Jacques Miller was awarded the highly prestigious Japan Prize for his pioneering immunology research to identify the role of the thymus in the adaptive immune system. Professor Miller made his early discoveries as a PhD student at the ICR.

£28m

The ICR’s intellectual property income was £28 million for 2017/18

100%

PhD pass rate



EDUCATION AND TRAINING

- The ICR expanded the number of studentships available by 10 compared to 2017/18, taking us to a total of 22 studentships for the 2018/19 intake – the highest advertised for several years.
- The ICR was awarded three MRC Industrial CASE non-clinical PhD studentships for the 2018/19 intake, with the potential for renewal for two further years.
- Three NIHR BRC studentships funding translational projects were awarded.
- Four studentships were funded through a joint studentship programme established with Imperial College London.
- The performance of the ICR's students continued to be excellent. Our PhD students consistently achieved a 100% pass rate.
- Our MSc in Oncology programme continues to receive very high satisfaction ratings 10 years after the first awards were conferred on students, with 97% of our students in this year's national survey saying they are satisfied with the course's overall quality.

£242m

The ICR's total awards held (multi-year value) excluding industrial funding, grew to £242m as at 31 July 2018

ENVIRONMENT AND INFRASTRUCTURE

- We closely monitor our financial sustainability. We achieved a surplus of £34.2m in 2018 and our net funds grew by £65.7m. Our unrestricted reserves as at 31 July 2018 were £244.8m, including £20.0m of free reserves, which is within the target range set out in the ICR's reserves policy. Some £34.1m of reserves are designated towards a new Centre for Cancer Drug Discovery at our Sutton site. Some £88.5m of unrestricted reserves are held in the Development Fund, which is designated by the Trustees to complete current and make further commitments to drive the new research strategy.
- We are committed to minimising the impact on the environment of our activities. We have maintained our ISO 14001 accreditation for the quality of our environmental management. We have appointed a new waste management company which specialises in increasing recycling rates and delivering sustainable waste management. We have also updated our sustainable procurement policy and we are working towards the ISO 20400 sustainable procurement standard. Throughout the year, we have continued to implement actions from our Carbon Management Plan and are on track to meet CO₂ reduction targets.
- Led by the ICR's Athena SWAN steering group, we have made progress on our work to promote equality of opportunity and diversity in the workplace. The ICR is the first research institute to have been assessed in the Stonewall Workplace Equality Index and we hosted the Athena SWAN research institute day to share learning and best practice. New policies and working practices have been put in place – such as guidance for staff on holding meetings during the working day, a new fund to support parents and carers to attend training and conferences, and working with parents in Chelsea to explore how we can expand access for children to the workplace.

Future developments

Bringing the strategy to life – future developments for success in 2018/19

The ICR is planning a range of new strategic initiatives focussed on supporting our mission by enhancing our working environment.

ESTABLISHING A NEW CENTRE FOR CANCER DRUG DISCOVERY



The ICR is making progress in delivering a planned new Centre for Cancer Drug Discovery in Sutton, with enabling works completed and construction scheduled for completion in early 2020. The centre will bring together the ICR's drug discovery teams and evolutionary scientists to tackle cancer's ability to evolve to become resistant to treatment. A major capital fundraising campaign is aiming to raise £20 million towards the £75 million cost of the new building and state-of-the-art facilities within it.

SUPPORTING A POSITIVE ENVIRONMENT

To support the Centre for Cancer Drug Discovery and help transform the future of cancer treatment, contact development@icr.ac.uk

Working with our staff and students, we are articulating the ICR's values and the behaviours expected of all of us as we seek to deliver our mission. We aim to embed a shared culture amongst our staff and students and ensure that all of us, at all levels of the organisation and across scientific and corporate roles, are clear on the responsibilities we have in working for the ICR, and treat one another with respect.

The ICR is also making a series of changes to enhance the way we engage with staff who raise concerns over issues such as bullying and harassment. We have revised our policy on challenging bullying and harassment, set up a new independent hotline service, and introduced new Wellbeing Adviser roles. We are implementing a new training programme, to ensure our working environment facilitates constructive feedback, and that we communicate necessary management decisions and deal with performance management concerns appropriately.



IDENTIFYING IMPROVEMENTS TO THE WAY WE WORK

The ICR is running a service improvement and efficiency programme to help find better ways to deliver services for our research, and enable us to work more efficiently as an organisation.

Four-day workshops are enabling corporate teams to step back and look at their areas of work, to identify areas with potential to improve services and make savings – from reforming the IT helpdesk, to changing the way we refurbish research labs.

By improving the way we work, we aim to create the best possible environment for our research and to maximise the amount of resource we can devote to our mission, to make the discoveries that defeat cancer.



Financial review

Overall results

The ICR's total income for 2017/18 was £140.1m, an increase of £16.0m (13%) compared with the prior year. The increase was driven by capital funding from the UK Research Partnership Investment Fund (UKRPIF) for the new Centre for Cancer Drug Discovery, growth in research funding from grants and contracts, and higher royalty income.

Expenditure was £114.3m, a slight increase of £4.9m (4%) on last year's spend because of growth in staff numbers and costs, in part from the increase in research grant activity.

The surplus after gains and losses ('total comprehensive income for the year') was £65.7m. This comprised:

- an unrestricted surplus of £51.6m; and
- a restricted surplus of £14.1m.

The unrestricted surplus, before other gains and losses, of £12.0m (2017: £8m) was driven by royalty income from our portfolio of drug and treatment inventions. The ICR has committed its surplus funds to long-term investment in its ambitious research strategy, starting with the recruitment of a number of new research teams plus equipment and key infrastructure improvements in 2018/19.

During the year we made capital investments of £10.0m, of which £8.8m relates to the new Centre for Cancer Drug Discovery being built at our Sutton campus and £1.2m of investments in new scientific equipment.

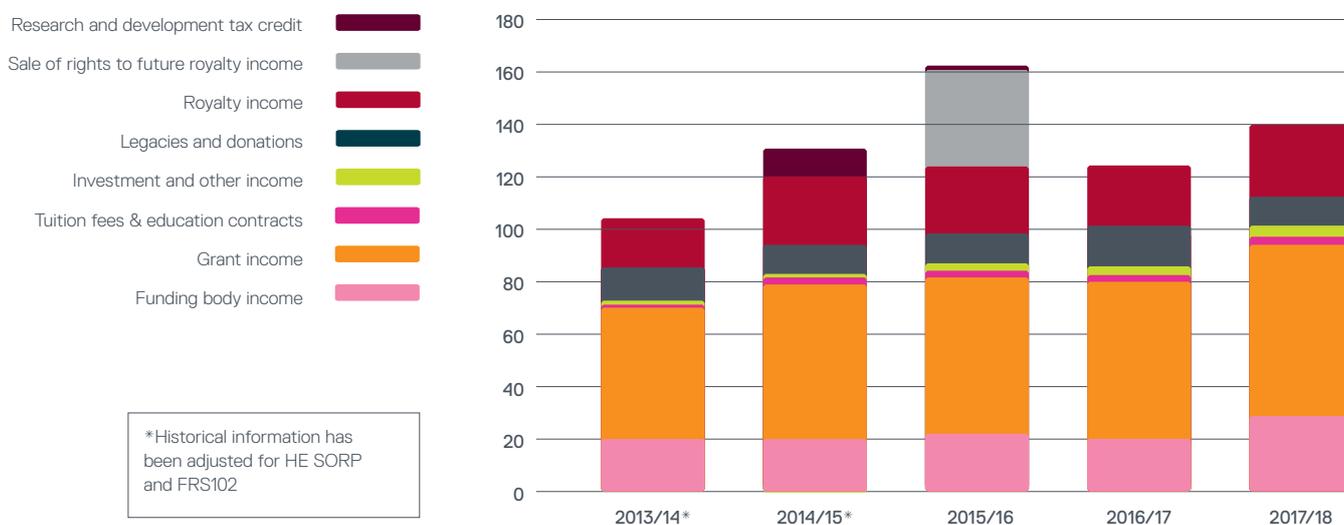
INCOME

Of our income of £140.1m in 2018, 47% came from competitively won peer-reviewed grants and industrial collaborations. Some 20% came from the funding body income, including the competitive Research Excellence Framework and UKRPIF capital funding.

The breakdown of our total income was as follows:

- 47% research grant income and industrial research collaboration, with 40% of this income received from Cancer Research UK, 12% from Breast Cancer Now and 5% from the Wellcome Trust
- 20% funding body income, received from the Higher Education Funding Council for England (HEFCE) until 31 March 2018 and subsequently from the Office for Students (OfS) and UK Research and Innovation (UKRI) from 1 April 2018. This included £18.1m funding for research, £1.2m for teaching and £9.3m capital funding
- 20% royalty income (included in other income)
- 9% legacy income and donations raised through our Development Office
- 2% tuition fees and education contracts
- 2% income from investments and other sources.

Income history – £m*



Total income for the year was £16.0m (13%) higher than in 2017, the main movements of which were:

- Funding Body income increased by £9.3m, driven by the commencement of the UKRPIF grant funding the building of the Centre for Cancer Drug Discovery
- Grant income increased by £4.8m (8%), attributable to new grants awarded in the year, including the renewal of a CRUK centre award for the Cancer Research UK Cancer Therapeutics Unit
- Royalty income increased by £4.6m (20%) because of increased sales of ICR drug and treatment inventions
- Income from legacies and donations fell by £3.7m (23%). In the prior year the ICR received a material, one-off restricted donation alongside a number of significant legacies, which have not been repeated in 2018.

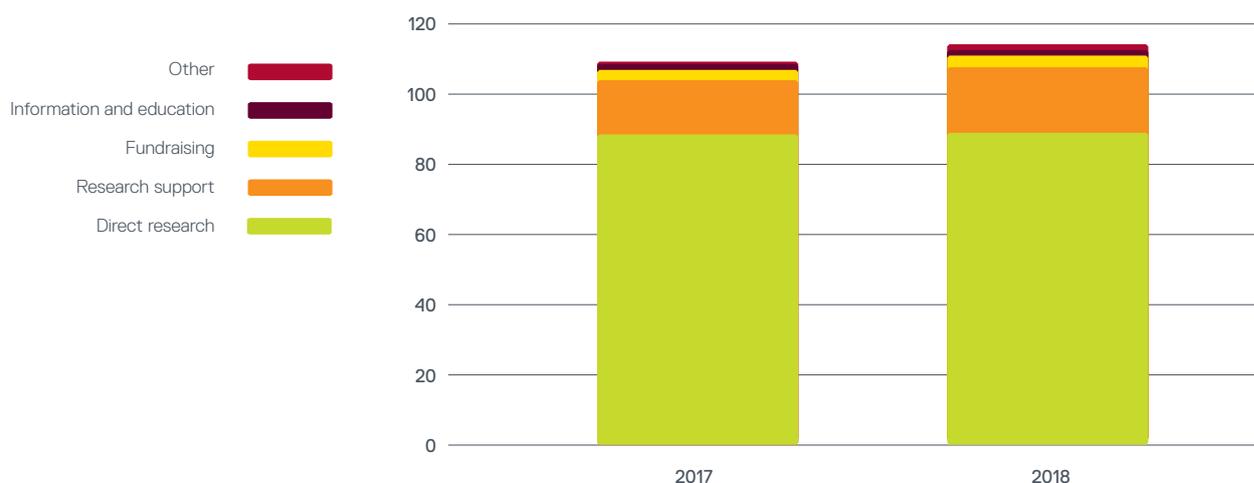
EXPENDITURE

Total expenditure in 2018 was £114.3m, a slight increase of £4.9m (4%) compared with 2017. This is predominantly driven by an increase in our underlying staff costs. Other movements include:

- Research grants and contracts expenditure increased by £2.8m (5%), which follows from the increase in associated research grant and contract income
- Premises costs increased by £0.4m (3%) because of a shift in the planned maintenance works agenda from capitalised refurbishments to repairs and maintenance which are expended in year

Of the £114.3m expended, 95% of this was spent on research activity – 78% direct research costs and 17% on research support costs. Direct research expenditure comprises academic and related expenditure, research grants and contracts expenditure and those premises costs that relate directly to the construction and fit-out of research laboratories and some laboratory services. The expenditure chart below analyses the ICR’s expenditure in this manner.

Expenditure analysis – £m



In 2018 we spent £88.9m on the direct costs of research (2017: £88.2m). We increased our expenditure on both internally and externally funded research, but this was partially offset by a reduction in the direct costs of research premises due to lower investment in new laboratory facilities. Research support costs have also increased by £3.0m, driven by increased general planned maintenance and repairs, coupled with increased staff costs.

NET ASSETS

The ICR’s total net assets have increased by £65.7m since 2017, from £276.8m to £342.5m. This movement occurred through the surplus achieved in 2018 (£25.8m), gains on investments (£8.4m), revaluation of land and buildings (£21.1m), and an actuarial gain in respect of the ICR Pension Scheme (£10.4m).

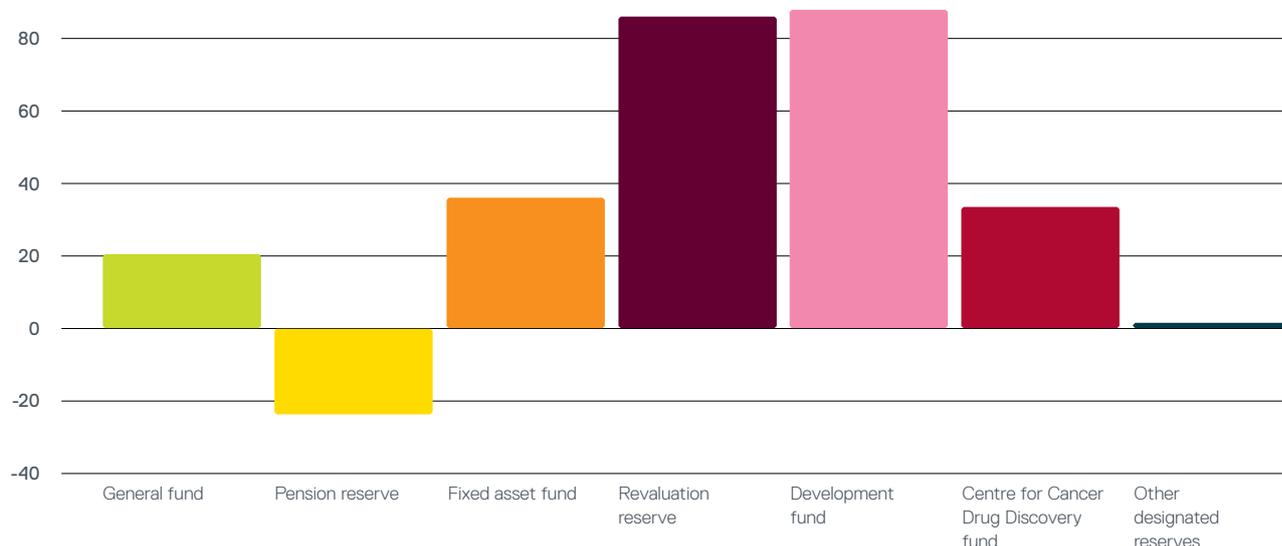
RESERVES POLICY AND POSITION

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 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 £17.8m to £21.8m, 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 at least every three years.

Unrestricted reserves at 31 July 2018 – £m



Total reserves as at 31 July 2018 were £342.5m, of which £244.8m were unrestricted. These included £20.0m free reserves (“General Fund”) which was within the target range and £86.4m revaluation reserves, which are not expendable.

Some £88.5m of unrestricted reserves are held within the Development Fund, which includes recent royalty income. This allows us the opportunity to make long-term investments in the priorities detailed in our research strategy, including key areas of infrastructure. The Development Fund comprises £55.3m committed to scientific initiatives in the delivery of our research strategy, £19.6m to capital projects and £13.7m to other projects including the delivery of our operational strategy. However, further funding is required by the ICR both to meet the aims set out in the strategy and to sustain the ICR’s work in the longer term, as royalty income is expected to reduce with the expiry of patents and market changes.

The ICR has £34.1m in reserves for the ongoing construction of the new Centre for Cancer Drug Discovery at our Sutton Site.

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.

The ICR’s investments appreciated in value by £8.4m over the year and the total return on investments was £10.4m.

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 latest triennial actuarial valuation of the ICRPS scheme (as at 31 March 2016) reported that the scheme deficit had deteriorated to £41.0m at that date, calculated on the statutory funding basis.

The Scheme’s and the ICR’s Trustees continue to review the options on the future of the closed scheme and how best to secure the funding position and build on the pension risk management framework and new investment strategy adopted in 2016. Following completion of the 2016 actuarial valuation, the scheme Trustees and the ICR agreed a new recovery plan which targets clearing the deficit by 2036.

The financial statements report that the scheme deficit, calculated under the FRS102 accounting standard, reduced in the year to £22.3m (£33.2m as at 31 July 2017).

PRINCIPAL RISKS AND UNCERTAINTIES

Brexit

It is still unclear exactly what the UK's vote to leave the EU will mean for UK science, but there could be serious implications for the ICR's work. We are keen that a deal emerges between the UK and the EU that preserves the best possible opportunity for recruitment of, and collaboration with scientists in Europe and around the world – to generate excellent scientific discoveries and patient impact. We also want to see the best possible commercial and regulatory environment to accelerate innovation and adoption of medicines and technologies.

In August 2018 the Government reiterated that it would continue to guarantee funding for EU projects after we leave the EU. This recognises not only the financial benefits of EU research funding but also how these grants foster cross-border collaborations, including clinical trials, and provide access to shared facilities and expertise across the continent.

Earlier this year the Government released plans for a no deal Brexit, outlining regulatory procedures for drugs, medical devices and clinical trials. We welcome the fact that planning is under way for such a situation, but remain concerned at the impact it could have for cancer research and access to treatments in the UK.

Medicines, medical technologies and their components currently move smoothly between EU countries, and there is a risk that the final agreement over customs arrangements could impede the supply of these products. The ICR is working with our key suppliers to ensure continuity for the provision of our essential goods and services currently sourced from the EU.

We urgently need clarity on how the UK will be able to continue to attract and retain the brightest and the best scientists from the EU and elsewhere, if the UK is to remain a world leader in cancer research and science generally.

Higher education funding

HEFCE was dissolved on 1 April 2018 and replaced by the Office for Students and Research England as part of UK Research and Innovation (UKRI).

The Office for Students will act as a market regulator for all providers of higher education. The Office for Students confirmed in October 2018 that the ICR has met the initial requirements required to join the Office for Students register, following its application process over the summer.

We have received our provisional grant funding allocations from the Office for Students (for teaching) and Research England (for research and knowledge exchange) for 2018/19. Both organisations have maintained HEFCE's funding models in the main and our grant is broadly the same as for 2017/18.

We are monitoring the development of the Office for Students, UKRI and Research England and the risks and opportunities for the ICR as they review current funding streams and establish new initiatives.

Pensions

The liabilities on defined-benefit pension arrangements continue to be significant.

Most ICR staff are members of the USS pension scheme, which has a deficit, calculated as at 31 March 2017, of £7.5bn. No agreement has yet been reached on how this deficit will be funded. During 2018, University and College Union (UCU) and Universities UK (UUK) established a Joint Expert Panel (JEP) to assess the scheme's latest valuation, whilst USS initiated the 'cost sharing rule' under which contributions will be amended to meet the calculated cost of future benefits and deficit reduction, with the increase in costs shared between the employers and the members in a 2:1 ratio.

There is a risk that the financial resources available to support our research activities will be reduced as the costs of pension provision and funding pension deficits increase.

In addition to this financial risk, there are also risks to employee relations as this cost pressure falls on both the employer and the employee and also risks to the recruitment and retention of staff.

Fundraising

The ICR continues to rely on philanthropic income to meet the needs of our research strategy, including the construction of our new Centre for Cancer Drug Discovery. There is a risk that we could find it difficult to raise these essential funds because of significant competition for voluntary income and changes to fundraising regulation impeding the acquisition and development of donors.

Research funding environment

The research funding environment continues to be challenging, with increasing competition for grants and contracts and a growing gap between the full economic cost of research and the level of resource which charity funders are able to contribute towards the cutting edge research projects at the ICR. Over the last 10 years the ICR's full economic cost shortfall on charity funded research has risen from 26% to 37%. The UK research funding model has seen the funding body Charity Support Fund contribution towards this gap reduce over the same period. This shortfall is now estimated to be £6 million annually for the ICR, and £24 million over the last 10 years. The ICR has been highly successful in using industrial partnerships and commercialisation to mitigate against this trend, and maintain its commitment to investing in innovation and research excellence. This forms a key theme in the ICR's Operational Strategy.



We focus on research
which will ultimately
improve outcomes for
cancer patients

Governance and management

Everything we do is aimed at fulfilling our mission.

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 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 inspiring them to become the next generation of researchers. On pages 20-23 we set out the 10 scientific discoveries for 2017/18 that best exemplify the quality and breadth of our research. 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.

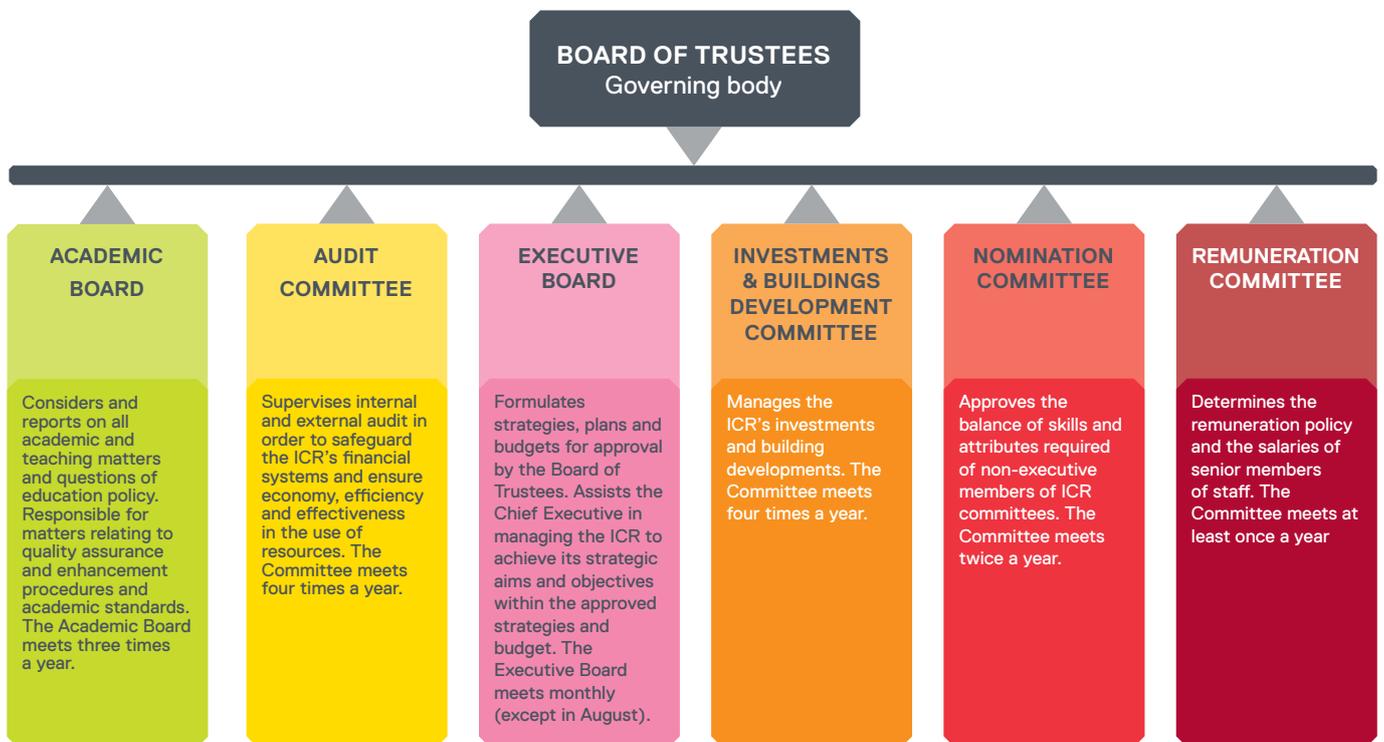
The ICR is a company limited by guarantee, incorporated in 1954. We are also a college of the University of London and adhere to regulations as set by the Office for Students and UK Research and Innovation (successors to HEFCE).

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 Executive Board 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, three Heads of Research Divisions and three Corporate Service Directors.

The Board of Trustees has also established a number of committees: the Academic Board, the Audit Committee, the Investments and Building Development Committee, the Nomination Committee, and the Remuneration 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) 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 16 individuals currently. The majority of Board members are co-opted by the Board itself, with one nominated by each of The Royal Marsden and Cancer Research UK, 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 80.

Members of the Board of Trustees and its committees conduct their business in accordance with the seven principles identified by the Committee on Standards in Public Life, namely selflessness, integrity, objectivity, accountability, openness, honesty and leadership. The ICR also complies with the primary elements of The Committee of University Chairs Higher Education Code of Governance. The Board met six times in 2017/18.

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

The Nomination Committee recommends to the Board of Trustees appointments to the Board and the admission of Members of the ICR. When considering new appointments the 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.

During the year, Professor Nandita de Souza and Ms Ashley D'Aquino stepped down from the governing body following completion of their terms as Academic Board elected and student nominee Trustees. The ICR is grateful to them for their valuable contributions during their terms of appointment. Professor Jeffrey Bamber and Mr David McBay joined the Board as their successors on 1 March 2018. Professor Nicholas Jones was also appointed to the Board on 1 November 2017 as a co-opted member.

AUDITORS

Grant Thornton UK LLP has indicated willingness to be reappointed as statutory auditor.

No non-audit fees were paid to the external auditors in 2018 (2017: £nil).

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 Executive Board is responsible for the identification, and with the risk owners, the management of all the major risks to the achievement of the ICR's strategic objectives. The Executive Board is supported and advised on risk matters by the Academic Board, Research Leadership Board and Corporate Leadership Board, with a member of the Executive Board, the Chief Operating Officer, designated Risk Management Leader.

The Risk Register is agreed with the Executive Board and approved annually by the Board of Trustees. Each risk identified 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. There is a continuous process of review throughout the year; significant risks may be added, revised or removed from the Risk Register after evaluation by the Executive Board. A significant risk list is appraised every three months by the Executive Board and the Board of Trustees.

During the year, the Board of Trustees took the decision, on the advice of the Audit Committee, to move to the external provision of internal audit services, and PwC were appointed in December 2017. In establishing an audit plan for the year, internal audit adopts a risk-based approach and provides the Institute an independent annual opinion on the adequacy and effectiveness of the Institute's risk management, controls and governance and arrangements for economy, efficiency and effectiveness.

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 is responsible for assuring the governing body about the adequacy and effectiveness of the ICR arrangements for risk management, control and governance, economy, efficiency and effectiveness, and the management and quality assurance of data submitted to the Higher Education Statistics Agency, the Student Loans Company, Office for Students, Research England and other bodies.

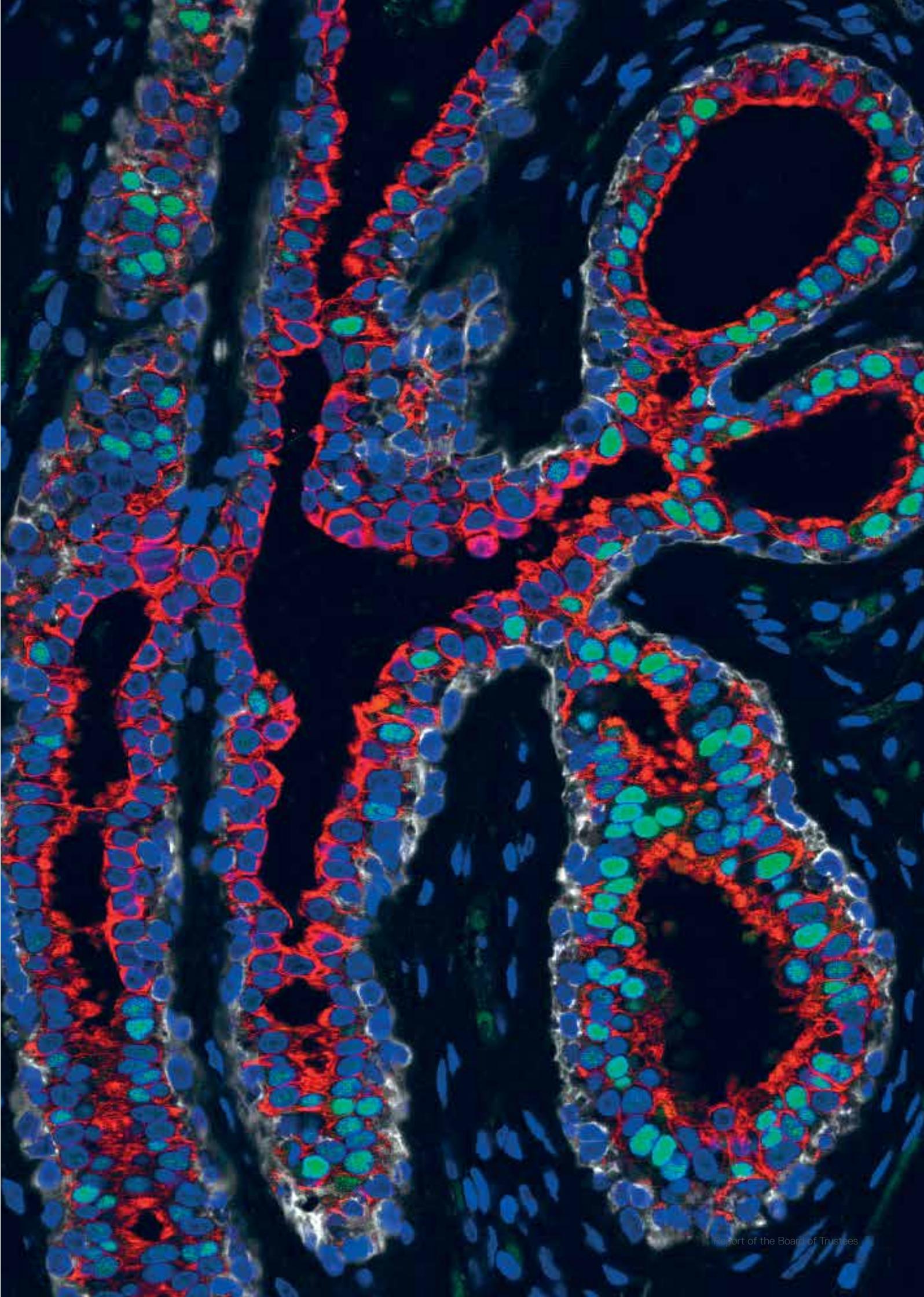
The Audit Committee's opinion is that the ICR has adequate and effective arrangements for risk management, control and governance, and economy, efficiency and effectiveness, and that the Board of Trustees can place reliance on those arrangements.

CONCLUSION

The Board of Trustees is of the view that there is an ongoing process for identifying, evaluating and managing the ICR's key risks, and that it has been in place for the year ended 31 July 2018 and up to the date of the approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees and 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 Institute 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

In accordance with the ICR's Memorandum and Articles of Association, the Board of Trustees is responsible for the administration and management of the affairs of the Institution and is required to present audited financial statements for each financial year.

The Board of Trustees (the Trustees of which are also the directors of the ICR for the purposes of company law) is responsible for preparing the Strategic Report and Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Board of Trustees to prepare financial statements for each financial year. Under that law, the Board of Trustees is required to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. In addition, the Board of Trustees is required to prepare the financial statements in accordance with the Office for Student's (OfS) Terms and conditions of funding for higher education institutions (issued March 2018) through its accountable officer. Under company law, the Board of Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the ICR and the Group and of the surplus or deficit, gains and losses, changes in reserves and cash flows of the ICR and the Group for that year.

In preparing the financial statements, the Board of Trustees is required to:

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

The Board of Trustees is 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 it to ensure that the financial statements comply with the OfS Terms and conditions of funding for higher education institutions (issued March 2018), the Statement of Recommended Practice - Accounting for Further and Higher Education as issued in March 2014, and any subsequent amendments, the Office for Student's Accounts Direction (issued June 2018) and 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 members of Board of Trustees have taken reasonable steps to:

- ensure that funds from the OfS and other funding bodies are used only for the proper purposes for which they have been given and seek to achieve value for money in accordance with the OfS Terms and conditions of funding for higher education institutions (issued March 2018) and any other conditions which the funding body may from time to time prescribe;
- ensure that the ICR has a robust and comprehensive system of risk management, control and corporate governance, which includes the prevention and detection of corruption, fraud, bribery and irregularities;
- ensure that there is regular, reliable, timely and adequate information to monitor performance and track the use of public funds;
- plan and manage the ICR's activities to remain sustainable and financially viable;
- ensure that it informs the OfS of any material change in its circumstances, including any significant developments that could impact on the mutual interests of the ICR and the OfS;
- ensure that there are adequate and effective arrangements for the management and quality assurance of data submitted to HESA, the Student Loans Company, the OfS, Research England and other funding or regulatory bodies;
- ensure an effective framework – overseen by the ICR's senate, academic board or equivalent – to manage the quality of learning and teaching and to maintain academic standards; and
- consider and act on the OfS' assessment of the ICR's risks specifically in relation to these funding purposes.

The Board of Trustees is 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.

The Board of Trustees confirms that:

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

Approved on behalf of the Board of Trustees by:

Luke Johnson

Chair of The Institute of Cancer Research, London

Date of approval: 29 November 2018



Independent auditor's report

2

Independent auditor's report to the Members of The Institute of Cancer Research: Royal Cancer Hospital.

OPINION

We have audited the financial statements of The Institute of Cancer Research: Royal Cancer Hospital (the 'ICR' or 'parent institute') and its subsidiaries (the 'group') for the year ended 31 July 2018 which comprise the consolidated and ICR statement of comprehensive income and expenditure, the consolidated and ICR statement of changes in reserves, the consolidated and ICR balance sheets, the consolidated statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the ICR's affairs as at 31 July 2018 and of the group's and ICR's surplus and its income and expenditure, gains and losses, changes in reserves and group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education published in March 2014; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

WHO WE ARE REPORTING TO

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The Board of Trustees are responsible for the other information. The other information comprises the information included in the annual report set out on pages 4-43 and 80-84, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT UNDER THE COMPANIES ACT 2006

In the light of the knowledge and understanding of the group and the parent institute and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the directors' report included in the Annual Report.

OPINION ON OTHER MATTERS PRESCRIBED BY THE OFFICE FOR STUDENTS ('OFS') TERMS AND CONDITIONS OF FUNDING FOR HIGHER EDUCATION INSTITUTIONS (ISSUED MARCH 2018) AND THE OFS'S ACCOUNTS DIRECTION (ISSUED JUNE 2018)

In our opinion, in all material respects:

- funds from whatever source administered by the parent institute for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by HEFCE, the OfS and Research England have been applied in accordance with the relevant terms and conditions, and any other terms and conditions attached to them; and
- the requirements of the OfS's accounts direction (issued June 2018) have been met.

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

RESPONSIBILITIES OF THE BOARD OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of responsibilities of the Board of Trustees set out on pages 42-43, 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, and for such internal control as the Board of Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Trustees are responsible for assessing the ICR's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Trustees either intend to liquidate the ICR or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

The financial statements for the year ended 31 July 2018

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The Institute of Cancer Research
Consolidated and ICR statement of comprehensive income and expenditure
Year ended 31 July 2018

	Notes	Year ended 31 July 2018		Year ended 31 July 2017	
		Consolidated £000	ICR £000	Consolidated £000	ICR £000
Income					
Tuition fees and education contracts	1	2,770	2,770	2,309	2,309
Funding body grants	2	28,601	28,601	19,277	19,277*
Research grants and contracts	3	65,205	65,205	60,443	60,443
Donations and endowments	4	12,208	12,208	15,907	15,907
Investment income	5	1,961	1,961	1,402	1,402
Other income	6	29,329	29,415	24,710	24,507*
Total income		140,074	140,160	124,048	123,845
Expenditure					
Staff costs	7	64,918	64,918	61,254	61,254
Other operating expenses		41,499	41,700	40,151	40,149
Depreciation	11	6,728	6,728	6,869	6,869
Interest and other finance costs	10	1,169	1,169	1,163	1,163
Total expenditure	8	114,314	114,515	109,437	109,435
Surplus before other gains and losses		25,760	25,645	14,611	14,410
Gain on investments	12	8,410	8,410	8,178	8,178
Surplus before tax		34,170	34,055	22,789	22,588
Taxation	9	-	-	(5)	-
Surplus for the year		34,170	34,055	22,784	22,588
Unrealised surplus on revaluation of land and buildings	11	21,090	21,090	15,753	15,753
Actuarial gain in respect of pension schemes	20	10,427	10,427	748	748
Total comprehensive income for the year		65,687	65,572	39,285	39,089
Represented by:					
Endowment comprehensive income for the year		159	159	192	192
Restricted comprehensive income for the year		13,894	13,894	6,427	6,427
Unrestricted comprehensive income for the year		51,634	51,519	32,666	32,470
		65,687	65,572	39,285	39,089

*Reanalysed, as explained in Note 2.

All items of income and expenditure relate to continuing activities.

The notes at pages 56-77 form part of these financial statements.

The Institute of Cancer Research
Consolidated and ICR statement of changes in reserves
Year ended 31 July 2018

Consolidated	Income and expenditure account			Revaluation	
	Endowment £000	Restricted £000	Unrestricted £000	Reserve £000	Total £000
Balance at 1 August 2016	2,440	75,060	108,538	51,493	237,531
Surplus from the income and expenditure statement	192	6,427	16,165	-	22,784
Other comprehensive income	-	-	16,501	-	16,501
Transfers between revaluation and income and expenditure reserve	-	-	(14,899)	14,899	-
Other transfers between reserves	-	(956)	956	-	-
Total comprehensive income for the year	192	5,471	18,723	14,899	39,285
Balance at 1 August 2017	2,632	80,531	127,261	66,392	276,816
Surplus from the income and expenditure statement	159	13,894	20,117	-	34,170
Other comprehensive income	-	-	31,517	-	31,517
Transfers between revaluation and income and expenditure reserve	-	-	(19,975)	19,975	-
Other transfers between reserves	-	537	(537)	-	-
Total comprehensive income for the year	159	14,431	31,122	19,975	65,687
Balance at 31 July 2018	2,791	94,962	158,383	86,367	342,503

ICR	Income and expenditure account			Revaluation	
	Endowment £000	Restricted £000	Unrestricted £000	Reserve £000	Total £000
Balance at 1 August 2016	2,440	75,060	108,538	51,493	237,531
Surplus from the income and expenditure statement	192	6,427	15,969	-	22,588
Other comprehensive income	-	-	16,501	-	16,501
Transfers between revaluation and income and expenditure reserve	-	-	(14,899)	14,899	-
Other transfers between reserves	-	(956)	956	-	-
Total comprehensive income for the year	192	5,471	18,527	14,899	39,089
Balance at 1 August 2017	2,632	80,531	127,065	66,392	276,620
Surplus from the income and expenditure statement	159	13,894	20,002	-	34,055
Other comprehensive income	-	-	31,517	-	31,517
Transfers between revaluation and income and expenditure reserve	-	-	(19,975)	19,975	-
Other transfers between reserves	-	537	(537)	-	-
Total comprehensive income for the year	159	14,431	31,007	19,975	65,572
Balance at 31 July 2018	2,791	94,962	158,072	86,367	342,192

The notes at pages 56-77 form part of these financial statements.

The Institute of Cancer Research
Consolidated and ICR balance sheets
As at 31 July 2018

	Notes	As at 31 July 2018		As at 31 July 2017	
		Consolidated £000	ICR £000	Consolidated £000	ICR £000
Non-current assets					
Fixed assets	11	173,641	173,641	149,156	149,156
Investments	12a	106,795	106,800	74,861	74,866
		280,436	280,441	224,017	224,022
Current assets					
Stock		99	99	121	121
Trade and other receivables	13	34,926	39,695	39,203	39,211
Investments	12b	67,940	67,940	63,431	63,431
Cash and cash equivalents		12,821	6,713	20,437	20,225
		115,786	114,447	123,192	122,988
Less: creditors: amounts falling due within one year	14	(16,894)	(15,871)	(21,456)	(21,453)
Net current assets		98,892	98,576	101,736	101,535
Total assets less current liabilities		379,328	379,017	325,753	325,557
Provisions					
Pension provisions	15	(36,473)	(36,473)	(48,594)	(48,594)
Other provisions	15	(352)	(352)	(343)	(343)
Total net assets		342,503	342,192	276,816	276,620
Restricted reserves					
Income and expenditure reserve – endowment reserve	17b	2,791	2,791	2,632	2,632
Income and expenditure reserve – restricted reserve	17a	94,962	94,962	80,531	80,531
Unrestricted reserves					
Income and expenditure reserve – unrestricted	16a	158,383	158,072	127,261	127,065
Revaluation reserve	16b	86,367	86,367	66,392	66,392
Total reserves		342,503	342,192	276,816	276,620

The notes at pages 56-77 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees on 29 November 2018 and were signed on its behalf on that date by:



Luke Johnson
Chairman of the Board of Trustees



Professor Paul Workman
Chief Executive and President



Paul Norris
Director of Finance

The Institute of Cancer Research
Consolidated statement of cashflows
Year ended 31 July 2018

	Notes	31 July 2018 £000	31 July 2017 £000
Cash flow from operating activities			
Surplus for the year		34,170	22,784
Adjustment for			
Depreciation	11	6,728	6,869
Investment income	5	(1,961)	(1,402)
Gain on endowments, donations and investment property		(8,410)	(8,178)
Decrease in stock		22	14
Decrease/ (increase) in debtors	13	4,277	(5,948)
(Decrease)/ increase in creditors	14	(4,562)	2,043
Increase in provisions	15	9	9
Pension costs less contributions payable	20	(469)	(190)
Decrease in USS pension provision	15	(1,225)	(1,133)
Impairment of fixed assets	11	(79)	60
Net cash inflow from operating activities		28,500	14,928
Cash flows from investing activities			
Non-current investment disposal	12	58,677	35,107
New non-current asset investments	12	(82,201)	(35,833)
Investment income	5	1,961	1,402
Increase in current investments	12	(4,509)	(5,333)
Payments made to acquire fixed assets	11	(10,044)	(11,618)
		(36,116)	(16,275)
Decrease in cash and cash equivalents in the year		(7,616)	(1,347)
Cash and cash equivalents at beginning of the year		20,437	21,784
Cash and cash equivalents at end of the year		12,821	20,437

The notes at pages 56-77 form part of these financial statements.

a / Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2015) and in accordance with applicable accounting standards. The ICR is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable accounting standards. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets). The financial statements reflect the early adoption of Financial Reporting Standards (FRS) 102 paragraph 29.14A.

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.

b / Basis of consolidation

The ICR owns 100% of the share capital of six companies – ICR Enterprises Ltd (ICRE), ICR Chelsea Development Ltd (ICRCD), ICR Sutton Developments Ltd (ICRSD), ICR Equipment Leasing No.8 Limited (ICRENo8), Everyman Action Against Male Cancer, ICR London Cancer Hub Company Limited (ICRLCH). ICRE 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. Everyman Action Against Male Cancer has not traded since incorporation. ICRLCH has been set up in 2016/17 to undertake activities in respect of the London Cancer Hub project, and has not traded since incorporation. The consolidated statements include the financial statements of these companies.

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.

c / Income recognition

Income is credited to the Consolidated Statement of Comprehensive Income and Expenditure (CSOCIE) in the year in which it is receivable.

i) Grant accounting

Government grants including funding council block grant; research grants from government sources; other grants and donations from non government sources (including research grants from non government sources) are recognised within the CSOCIE when the ICR is entitled to the income and performance related conditions have been met.

Where a grant funder has confirmed a set payment schedule that is in line with the delivery of the research programme, the income is recognised when it is receivable as per the schedule. This will either be fixed stage payments or based on expenditure incurred on the grant, dependent on the funder's terms for remitting funds.

Where a grant funder has specified requirements related to performance and deliverables, income is recognised when ICR earns the right to consideration by its delivery of agreed milestones.

Where funds for multi-year grants are received in full in year one but linked to a multi-year programme of research, then this is treated as funds received in advance of performance related conditions being met, and the element relating to future years is deferred and included in creditors.

Where entitlement occurs before the income is received the income is accrued and included in debtors.

Capital grants are recorded in income when the ICR is entitled to the income subject to any performance related conditions being met. The depreciation of the asset is charged to the CSOCIE over the life of the asset.

c / Income recognition continued

ii) Royalty income

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

Income from the sale of rights to future royalties is included in the CSOCIE in the year in which ICR is entitled to claim it, where there is certainty of receipt and the amount due can be identified.

iii) Legacies and donations

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised within the CSOCIE when the ICR is entitled to the Income. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions.

Legacies are included in the year that entitlement and probability of receipt is established. Receipt is normally probable when there has been grant of probate, the executors have established that there are sufficient assets in the estate, and any conditions attached to the legacy are either within the control of the Institute or have been met.

There are four main types of donations and endowments with restrictions:

1. Restricted donations - the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the Institute.
3. Restricted expendable endowments - the donor has specified a particular objective and the ICR can convert the donated sum into Income.
4. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations with no restrictions are recorded within the CSOCIE when the ICR is entitled to the income.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

d / Accounting for retirement benefits

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 multi-employer scheme for which it is not possible to identify the ICR's share of the assets and liabilities due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme. A liability is recorded within provisions for the contractual commitment to fund past deficits within the USS 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, and therefore this scheme is accounted for as a defined contribution retirement benefit scheme.

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 CSOCIE 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 CSOCIE. Gains arising on a curtailment not allowed for in the actuarial assumptions are recognised in the CSOCIE 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.

e / Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the ICR. Any unused benefits are accrued and measured as the additional amount the ICR expects to pay as a result of the unused entitlement.

f / Finance leases

Leases in which the ICR assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

g / Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

h / Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the CSOCIE.

i / Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, with the exception of land and buildings which are revalued under the depreciated replacement cost basis.

i) Land and buildings

Land and buildings are measured using the revaluation model. Under the revaluation model, assets are revalued to depreciated replacement cost. The ICR has a policy of ensuring a full revaluation takes place on a sufficiently regular basis to ensure that the fair value is not materially different to the current value. Depreciation and impairment losses are subsequently charged on the revalued amount. The ICR will review annually whether interim valuations should be undertaken to ensure the value remains materially correct.

A full valuation took place on 31 July 2017 and an interim valuation at 31 July 2018. 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 CSOCIE except to the extent that they reverse revaluation gains on the same asset.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the ICR.

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 amortisation and depreciation are as follows:

i / Fixed assets continued

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

Freehold land is not depreciated.

ii) Equipment

Equipment costing less than £25,000 per individual asset are written off in the year of acquisition. All other equipment is capitalised. Capitalised equipment is stated at cost and depreciated over four years on a straight-line basis.

iii) Assets under construction

Buildings and furniture, plant and equipment under construction at year end are included in Note 11 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. Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

j / Investments

i) Non current 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 and impairments arising during the year are included in the CSOCIE. Investment income is the amount receivable by the ICR in the year.

ii) Current asset investments

Current asset investments are held at fair value with movements recognised in the CSOCIE.

k / Stock

Stocks of research material are held at the lower of cost and net realisable value, and are measured using an average cost formula.

l / Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

m / Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- (a) the ICR has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

A contingent liability arises from a past event that gives the ICR a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the ICR.

m / Provisions, contingent liabilities and contingent assets (continued)

Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the ICR a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the ICR.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

n / Taxation

The ICR is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the ICR is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 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.

The ICR receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The ICR's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

o / Reserves

Reserves are allocated between restricted and unrestricted reserves. Restricted endowment reserves include balances which, through endowment to the ICR, are held as a permanently restricted funds as the ICR must hold the fund to perpetuity.

Other restricted reserves include balances through which the donor has designated a specific purpose and therefore the ICR is restricted in the use of these funds.

Additional accounting of ICR's reserves is provided in Notes 16 and 17. This includes information on restricted endowments and other restricted reserves.

Unrestricted designated funds are accounted for in Note 16. Designated funds comprise unrestricted funds that have been set aside by the Board of Trustees for particular purposes. The aim of each designated fund is set out in the notes to the financial statements. This includes the Fixed Asset Fund which represents the amount of general funds invested in fixed assets and the Revaluation Reserve which represents the increase in fixed assets arising as a result of revaluation.

Revaluation gains and losses in respect of non current investments are included in the unrestricted income and expenditure reserve.

The Institute of Cancer Research
Notes to the financial statements
Year ended 31 July 2018

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
1 / Tuition fees and education contracts				
Tuition fees	1,003	1,003	703	703
Research training support grant	1,767	1,767	1,606	1,606
	2,770	2,770	2,309	2,309

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
2 / Funding body grants				
Recurrent grant				
Funding body grants	16,693	16,693	16,055	16,055
Specific grants				
Higher Education Innovation Fund	2,057	2,057	1,582	1,582
Other specific funds	511	511	67	67
Capital funding	9,340	9,340	1,573	1,573
	28,601	28,601	19,277	19,277

Funding body grants include income received from the Higher Education Funding Council for England (HEFCE) to 31 March 2018 and from the Office for Students (OfS) and UK Research & Innovation (UKRI) from 1 April 2018. Capital funding includes £7,002,000 from the UK Research Partnership Investment Fund (UKRPIF) for the new Centre for Cancer Drug Discovery (2017: £nil).

Previously this note also included the annual NHS Pension Funding supplement – this is now included under Note 6: Other Income, to align with the Higher Education Statistics Agency (HESA) reporting requirements.

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
3 / Research grants and contracts				
Research councils	2,603	2,603	2,401	2,401
Research charities	42,102	42,102	37,887	37,887
Government (UK and overseas)	9,345	9,345	9,676	9,676
Industry and commerce	10,523	10,523	9,440	9,440
Other	632	632	1,039	1,039
	65,205	65,205	60,443	60,443

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
4 / Donations and endowments				
Unrestricted legacies	3,599	3,599	5,620	5,620
Restricted legacies	1	1	31	31
Unrestricted donations	3,510	3,510	3,544	3,544
Restricted donations	5,098	5,098	6,712	6,712
	12,208	12,208	15,907	15,907

The Institute of Cancer Research
Notes to the financial statements
Year ended 31 July 2018

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
5 / Investment income				
Investment income on endowments	16	16	13	13
Investment income on restricted reserves	544	544	408	408
Other investment income	1,401	1,401	981	981
	1,961	1,961	1,402	1,402

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
6 / Other income				
NHS pension funding supplement	187	187	187	187*
Royalty income	27,850	27,850	23,252	23,252
Other income	1,292	1,378	1,271	1,068
	29,329	29,415	24,710	24,507

*Reanalysed – see Note 2.

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7 / Staff costs	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
Salaries	53,073	53,073	50,047	50,047
Social security costs	5,284	5,284	5,044	5,044
Movement on USS provision	(1,516)	(1,516)	(1,423)	(1,423)
Other pension costs	8,077	8,077	7,586	7,586
	64,918	64,918	61,254	61,254

Average number of employees	No.	No.
Research staff	876	850
Research support staff	151	149
Fundraising services	19	19
Corporate services including academic services	97	89
	1,143	1,107

Emoluments of the Chief Executive

The Chief Executive's remuneration package is set and reviewed by the Remuneration Committee, based on agreed performance criteria for the role. The package is considered by the Remuneration Committee within the context of market data for the Medical Research and Higher Education sectors in which the ICR operates.

The Chief Executive's salary is 7.0 times the median pay of staff (2017: 7.0), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the ICR to its staff.

The Chief Executive's total remuneration is also 7.0 times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the ICR to its staff (2017: 7.2).

	£000	£000
Salary	273	269
Performance related bonus	10	13

The prior year comparators for the Chief Executive's remuneration have been restated to reflect the latest disclosure requirements contained in the Office for Students (OfS) Accounts Direction.

Remuneration of higher paid staff	No.	No.
£100,000 - £104,999	13	13
£105,000 - £109,999	1	1
£110,000 - £114,999	2	0
£115,000 - £119,999	0	1
£120,000 - £124,999	1	1
£125,000 - £129,999	2	2
£130,000 - £134,999	2	1
£140,000 - £144,999	2	3
£150,000 - £154,999	1	0
£155,000 - £159,999	0	1
£160,000 - £164,999	1	0
£175,000 - £179,999	1	0
£190,000 - £194,999	0	1
£195,000 - £199,999	1	0
£265,000 - £269,999	0	1
£270,000 - £274,999	1	0

The prior year banding analysis has been restated to reflect the latest disclosure requirements contained in the Office for Students (OfS) accounts direction.

7 / Staff costs continued

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Institute. Staff costs includes compensation paid to key management personnel. These costs relate to the Chief Executive, Chief Operating Officer and Academic Dean. The costs include salaries and employers pension contributions:

	Year ended 31 July 2018	Year ended 31 July 2017*
Key management personnel compensation	£000	£000
	641	601

*Restated in line with the latest disclosure requirements contained in the OfS accounts direction.

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 and who receive only the normal remuneration of their appointments. This includes the Chief Executive, whose remuneration is disclosed above. The other staff comprise the Academic Dean and the representative elected by the Academic Board to serve on the Board of Trustees – this role was undertaken by Professor Nandita de Souza to 28/02/18 and Professor Jeff Bamber from 01/03/18. Remuneration for these staff is included in the remuneration of higher paid staff above. In addition, Ms Ashley D'Acquino undertook the role of student representative on the Board of Trustees to 28/02/18, and Mr David McBay undertook this role from 01/03/18. The aggregate emoluments of those who serve on the Board of Trustees was £646,000 (2017: £578,000). The emoluments of the highest paid director were £273,000 (2017: £269,000). Three of the four staff who are trustees participate in defined benefit pension schemes. Four non-executive trustees received a total of £2,081 (2017: five received £4,354) for reimbursement of travel expenses.

8 / Analysis of total expenditure by activity	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
Academic and related expenditure	25,086	25,086	24,327	24,327
Administration and central services	10,696	10,690	9,996	9,994
Premises	14,425	14,425	13,992	13,992
Residences, catering and conferences	201	201	192	192
Research grants and contracts	61,062	61,062	58,216	58,216
Other expenses	2,844	3,051	2,714	2,714
	114,314	114,515	109,437	109,435
Other operating expenditure includes:				
Investment management costs	367	367	306	306
External auditors remuneration:				
Fees payable to the ICR's auditor for the audit of the ICR's annual accounts	50	50	49	49
Fees payable to the ICR's auditor for the audit of the accounts of subsidiaries	6	0	5	0
Operating lease expenditure	594	594	636	636

9 / 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.

In 2017/18 the group incurred no Corporation Tax charges in respect of the activity of its subsidiary companies (2017: £5,000). The ICR incurred irrecoverable VAT of £2,939,000 in 2017/18 (2017: £2,569,000)

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10 / Interest and other finance costs	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
Net charge on ICR pension scheme	877	877	873	873
Unwinding of discount of USS pension provision	292	292	290	290
	1,169	1,169	1,163	1,163

11 / Fixed assets (consolidated and ICR)	Freehold land and buildings	Leasehold land and buildings	Furniture plant and equipment- owned	Assets under construction	Total
	£000	£000	£000	£000	£000
<i>Cost or valuation</i>					
At 1 August 2017	131,698	2,055	52,332	6,928	193,013
Revaluation	18,927	-	-	-	18,927
Reversal of impairment	-	79	-	-	79
Additions at cost	34	-	1,206	8,804	10,044
At 31 July 2018	150,659	2,134	53,538	15,732	222,063
<i>Depreciation</i>					
At 1 August 2017	-	518	43,339	-	43,857
Revaluation	(2,144)	(19)	-	-	(2,163)
Provided in the year	2,144	98	4,486	-	6,728
At 31 July 2018	-	597	47,825	-	48,422
<i>Net book value</i>					
At 31 July 2018	150,659	1,537	5,713	15,732	173,641
of which:					
Scientific properties	150,609	1,240	5,713	15,732	173,294
Other properties	50	297	-	-	347
At 31 July 2017	131,698	1,537	8,993	6,928	149,156
of which:					
Scientific properties	131,648	1,221	8,993	6,928	148,790
Other properties	50	316	-	-	366
<i>Historic cost – net book value</i>					
At 31 July 2018	65,529	300	5,713	15,732	87,274
At 31 July 2017	66,618	225	8,993	6,928	82,766

ICR's scientific properties were revalued by Gerald Eve Chartered Surveyors as at 31 July 2018. The valuations were undertaken on a depreciated replacement cost basis. The laboratory buildings were valued at £127,778,000 with associated land valued at £24,071,000. Gerald Eve Chartered Surveyors are independent, and RICS qualified. The significant assumptions underpinning this revaluation are set out in more detail in Note 23.

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Year ended 31 July 2018

12 / Investments (consolidated)	Market value 31 July 2017	Additions at cost	Disposals at book value	Gains/ (losses)	Market value 31 July 2018
	£000	£000	£000	£000	£000
a. Non-current investments					
<i>Listed</i>					
UK	37,274	14,246	(13,288)	6,931	45,163
Overseas	26,639	9,443	(2,250)	703	34,535
	63,913	23,689	(15,538)	7,634	79,698
<i>Unlisted</i>					
UK	-	10,525	-	(66)	10,459
Overseas	6,924	10,471	(3,015)	806	15,186
	6,924	20,996	(3,015)	740	25,645
Investment cash and deposits	4,024	37,516	(40,124)	36	1,452
	74,861	82,201	(58,677)	8,410	106,795

The investments held by the Group were all held by the ICR which in addition held investments of £5,000 in subsidiary companies. The historical cost of the Group and the ICR investments at 31 July 2018 was £90,217,000 (2017: £64,917,000) and £90,222,000 (2017: £64,922,000) respectively.

b. Current investments	63,431	83,194	(78,685)	-	67,940
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Current investments comprise cash held in short term cash funds. These do not have fixed maturity dates. Access to funds takes greater than 24 hours.

13 / Trade and other receivables	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
Amounts falling due within one year				
Revenue grants	6,833	6,833	6,791	6,791
Other trade debtors	1,729	1,729	726	726
Legacy debtors	1,487	1,487	2,480	2,480
Other debtors	769	769	318	317
Amounts due from subsidiary companies	-	4,769	-	9
Prepayments and accrued income	24,108	24,108	28,888	28,888
	34,926	39,695	39,203	39,211

	Year ended 31 July 2018		Year ended 31 July 2017	
	Consolidated £000	ICR £000	Consolidated £000	ICR £000
14 / Creditors				
Amounts falling due within one year				
Trade creditors	3,604	3,604	3,833	3,833
Accruals	11,254	10,366	12,201	11,967
Amounts due to subsidiary companies	-	5	-	226
Other creditors	1,017	1,017	1,036	1,036
Taxes and social security	1,019	879	4,386	4,391
	16,894	15,871	21,456	21,453

15 / Provisions for liabilities and charges (consolidated and ICR)					
	Obligation to fund deficit on USS pension £000	Defined-benefit obligations (Note 20) £000	Total pensions provisions £000	Leasehold dilapidation and decommissioning £000	Total other provisions £000
At 1 August 2017	15,423	33,171	48,594	343	343
Utilised in year	(1,516)	(1,967)	(3,483)	-	-
Additions and remeasurements in year	291	(8,929)	(8,638)	9	9
At 31 July 2018	14,198	22,275	36,473	352	352

The USS pension provision is the discounted value of the agreed deficit reduction payments, under the deficit recovery plan agreed for April 2016 onwards. More information is provided on the USS pension scheme in Note 20.

The defined benefit obligations is the net liability under the obligation to the ICR Pension Scheme. More information on the calculation of this liability is provided in Note 20.

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

16 / Unrestricted reserves (consolidated and ICR)

The Board of Trustees has designated elements of the unrestricted income and expenditure reserve for specific purposes. These designations represent an internal decision and are not imposed by donors or funding bodies.

	Balance at 1 August 2017 £000	Income £000	Expenditure £000	Transfers, gains and losses £000	Balance at 31 July 2018 £000
<i>a. Income and expenditure reserve – unrestricted</i>					
General Fund	20,000	52,321	(40,526)	(11,795)	20,000
Pension Reserve	(33,171)	-	(1,211)	12,107	(22,275)
Fixed Asset Fund	38,821	-	(1,923)	354	37,252
Development Fund	73,352	-	(2,376)	17,551	88,527
Centre for Cancer Drug Discovery	27,470	7,000	-	(354)	34,116
FC Hunter Studentship Fund	509	-	(37)	-	472
Joan Frances Stowe Fund	14	-	(14)	-	-
Faringdon Fund	127	-	(83)	100	144
Amenity Fund	139	-	(32)	40	147
	127,261	59,321	(46,202)	18,003	158,383
<i>b. Revaluation reserve</i>	66,392	-	(1,116)	21,091	86,367
Total unrestricted reserves	193,653	59,321	(47,318)	39,094	244,750

The consolidated unrestricted reserves position includes £315,000 in respect of subsidiary company reserves. The ICR unrestricted reserves position is therefore as above, but with a Development Fund balance of £88,212,000 and total unrestricted reserves of £244,435,000.

The Board of Trustees has decided that the ICR should maintain free reserves (General Fund) of £20,000,000 at 31 July 2018. These reserves are expendable at the Trustee's discretion and not designated for particular purposes. The General Fund includes £16,580,000 cumulative net gains on revaluation of fixed asset investments.

The pension reserve recognises the shortfall in funds attributable to the ICR Pension Scheme (ICRPS) deficit.

The Fixed Asset Fund represents the amount invested in Fixed Assets from unrestricted funds, and is designated to meeting the future depreciation costs of these assets.

The Development Fund is the amount set aside by the ICR for future commitments relating to the buildings, capital equipment and Research Strategy. The amount is calculated based on the position at the balance sheet date and a transfer is effected to or from unrestricted funds to achieve the amount required. The fund is made up as follows:

	2018 £000	2017 £000
Capital projects and refurbishments	19,599	22,985
Scientific initiatives	55,255	37,282
Other development funds	13,673	13,085
	88,527	73,352

The Centre for Cancer Drug Discovery Fund is a designated fund in which unrestricted legacy and fund-raising income received since 1 August 2013 has been set aside to fund the ICR's future plans for a Centre for Cancer Drug Discovery on the Sutton site.

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

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

The Faringdon Fund provides funds to enable the commercial potential of inventions by ICR scientists to be developed.

The Amenity Fund provides funds for staff welfare.

17 / Restricted reserves (consolidated and ICR)

	Balance at 1 August 2017	Income	Expenditure	Transfers, gains and losses	Balance at 31 July 2018
	£000	£000	£000	£000	£000
<i>a. Income funds</i>					
<i>Funds invested in fixed assets</i>					
Breast Cancer Now	3,651	-	(111)	-	3,540
The Bob Champion Cancer Trust	660	-	(20)	-	640
Everyman Appeal	523	-	(16)	-	507
The Garfield Weston Foundation	800	-	(20)	-	780
The Monument Trust	229	-	(7)	-	222
The Wolfson Foundation	2,745	-	(65)	500	3,180
The Ivan and Felicite Stoller Fund	48	-	(1)	-	47
Higher Education Funding Council for England	23,500	9,340	(2,821)	-	30,019
The Wellcome Trust	5,576	-	(159)	-	5,417
Building funds	-	591	-	356	947
Equipment funds	6,210	592	(2,081)	-	4,721
	43,942	10,523	(5,301)	856	50,020
<i>Other restricted funds</i>					
Other restricted donations	6,193	4,508	(4,156)	81	6,626
Research grants	29,540	65,722	(57,402)	456	38,316
Centre for Cancer Drug Discovery	856	-	-	(856)	-
	36,589	70,230	(61,558)	(319)	44,942
<i>Total restricted income funds</i>	80,531	80,753	(66,859)	537	94,962

Transfers totalling £456,000 were made from unrestricted funds to restricted funds following a review of closing restricted research balances. £856,000 has also been transferred from the restricted Centre for Cancer Drug Discovery fund to a restricted fund invested in buildings, as that balance was utilised in the construction to date of the new building.

The ICR is proud to partner with a range of organisations in its investment in cutting edge laboratory facilities. Key examples reflected above include the following generous contributions from our partners:

Breast Cancer Now (formed by the merger of Breakthrough Breast Cancer and Breast Cancer Campaign) contributed funding for the Breast Cancer Now Toby Robins Breast Cancer Research Centre, part of the Chester Beatty Laboratories.

The ICR received funds from The Bob Champion Cancer Trust, The Monument Trust, The Garfield Weston Foundation, The Wolfson Foundation and donations from the Everyman Appeal to build the Male Urological Cancer Research Centre.

The Higher Education Funding Council for England, The Wellcome Trust and The Wolfson Foundation have contributed funding to the building of The Brookes Lawley Building.

The Higher Education Funding Council for England, Wolfson Foundation, Garfield Weston Foundation and Ivan and Felicite Stoller Fund contributed to the Centre for Cancer Imaging.

The Wolfson Foundation is also an important supporter in the ongoing CCDD project, contributing £500,000 in 2017/18 to this project.

17 / Restricted reserves (consolidated and ICR) continued

<i>b. Endowment funds</i>	Balance at 1 August 2017	Income	Expenditure	Transfers, gains and losses	Balance at 31 July 2018
	£000	£000	£000	£000	£000
Permanent endowment funds					
Sir SK Tang Fund	838	-	-	94	932
Expendable endowment funds					
Hensley Nankivell Studentship Fund	1,295	-	(137)	146	1,304
The Ivan and Felicite Stoller Fund	499	-	-	56	555
<i>Total endowment funds</i>	2,632	-	(137)	296	2,791

The ICR received no new endowments in 2017/18.

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 Sir SK Tang Fund is a legacy received from the estate of Sir SK Tang. The Ivan and Felicite Stoller Fund is a legacy received from the estate of Mr IM Stoller. The Tang and Stoller funds are for cancer research.

For permanent endowment funds the capital cannot be expended. For expendable endowment funds the capital can be spent on qualifying expenditure.

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 2017			
Gift component of the permanent endowment	333	-	333
Unapplied total return	-	505	505
Total permanent endowments as at 1 August 2016	333	505	838
Movements in the period			
Investment return: realised and unrealised gains	-	94	94
Less: investment management costs	-	-	-
	-	94	94
Balance as at 31 July 2018			
Gift component of the permanent endowment	333	-	333
Unapplied total return	-	599	599
Total permanent endowments as at 31 July 2018	333	599	932

18 / Capital commitments

	2018 £000	2017 £000
Contracted but not provided for	58,065	3,367

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

19 / Lease commitments

At 31 July 2018 the ICR had operating lease commitments in respect of all future payments for equipment and property leases which expire as follows:

	31 July 2018			31 July 2017
	Land and buildings £000	Plant and machinery £000	Total £000	Total £000
Payable during the year	372	222	594	636
Future minimum lease payments due:				
Not later than 1 year	372	87	459	641
Later than 1 year and not later than 5 years	216	-	216	661
Total lease payments due	588	87	675	1,302

20 / 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 Dependents & 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 are defined benefit schemes.

a. Universities Superannuation Scheme (USS)

The ICR participates in the Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed 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 scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the ICR therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the ICR has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the ICR recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The total cost charged to the CSOCIE is £6,841,000 (2017: £5,435,000). The latest available full actuarial valuation of the scheme was at 31 March 2014 ("the valuation date"), which was carried out using the projected unit method.

Since the ICR cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

The 2014 valuation was the third 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. At the valuation date, the value of the assets of the scheme was £41.6 billion and the value of the scheme's technical provisions was £46.9 billion indicating a shortfall of £5.3 billion. These figures will be revised once the 2017 Scheme Valuation is complete.

Defined benefit liability numbers for the scheme have been produced using the following assumptions as at 31 March 2017 and 2018:

	2018	2017
Discount rate	2.64%	2.6%
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	2.02%	2.4%

The main demographic assumption used relates to the mortality assumptions. These assumptions have been updated for the 31 March 2018 accounting position, based on updated analysis of the Scheme's experience carried out as part of the 2017 actuarial valuation. The mortality assumptions used in these figures are as follows:

Male members' mortality	98% of S1NA ['light'] YoB tables – no age rating
Female members' mortality	99% of S1NA ['light'] YoB tables – rated down 1 year

20 / Superannuation schemes (continued)

	2018	2017
Mortality base table	Pre-retirement:	
	71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.	98% of SAPS S1NA "light" YOB unadjusted for males.
	Post retirement:	
	96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females.	99% of SAPS S1NA "light" YOB with a -1 year adjustment for females.
Future improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.	CMI_2014 with a long term rate of 1.5% p.a.
The current life expectancies on retirement at age 65 are:		
	2018	2017
Males currently aged 65 (years)	24.5	24.4
Females currently aged 65 (years)	26.0	26.6
Males currently aged 45 (years)	26.5	26.5
Females currently aged 45 (years)	27.8	29.0
	2018	2017
Scheme assets	£63.6bn	£60.0bn
Total scheme liabilities	£72.0bn	£77.5bn
FRS 102 total scheme deficit	£8.4bn	£17.5bn
FRS 102 total funding level	88%	77%

b. ICR Pension Scheme

The Institute operates a funded final salary pension scheme in the UK. The Scheme is a registered Scheme under UK legislation. The Scheme is subject to the scheme funding requirements outlined in UK legislation. The Scheme provides Final Salary (Defined Benefit) benefits. The Scheme provides benefits in retirement and death benefits to members. Pension benefits are linked to a members' final salary at retirement or earlier withdrawal, and their length of service, revalued between their date of leaving service and date of retirement if appropriate. The Scheme was established from 1 April 1975 under trust and is governed by the Scheme's Consolidated version of the Third Definitive Trust Deed and Rules including amendments to date. Since 31 July 2008 there has been no future accrual in the Defined Benefit section. The Trustees are responsible for the operation and the governance of the Scheme, including making decisions regarding the Scheme's funding & investment strategy in conjunction with the Institute. The Scheme exposes the Institute to actuarial risks such as market (investment) risk, interest rate risk, inflation risk and longevity risk.

The pension cost that would have been charged to the Operating surplus under FRS 102 for the year amounts to £1,211,000 (2017: £1,389,000). This is equal to the past service cost of £334,000 (2017: £118,000) plus the finance income of £877,000 (2017: £1,271,000).

A full actuarial valuation was carried out at 31 July 2018 by a qualified independent actuary, based on membership data at 31 March 2016, updated to take account of expected benefit outgo, actual revaluation and pension increases using actuarial assumptions at 31 July 2018. An allowance has been made for all deaths and transfers out over the period 31 March 2016 to 31 March 2018 and material transfers (if any) after that date. The revised commutation factors that came into force with effect from 20 June 2017 and for the discretionary increases awarded as at 1 April 2018.

Contributions to the Scheme for the year beginning 1 August 2018 are expected to be £1,711,000 based on the current Schedule of Contributions.

20 / Superannuation schemes (continued)

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

	As at 31 July 2018	As at 31 July 2017	As at 31 July 2016
Discount rate	2.80%	2.70%	2.60%
Consumer Prices Index ("CPI")	2.30%	2.40%	1.90%
Future 5%LPI pension increases	2.30%	2.40%	1.90%
Future 2.5%LPI pension increases	2.30%	2.40%	1.90%
Revaluation in deferment	2.30%	2.40%	1.90%

Assumed life expectancies on retirement at age 65 are:

		22.1	22.7	23.3
Retiring today	Males			
	Females	24.4	25.2	25.7
Retiring in 20 years time	Males	23.5	24.8	25.6
	Females	25.9	27.5	28.0

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:

	Value at 31 July 2018 £000	Value at 31 July 2017 £000
Equities	39,128	35,212
Fixed Interest	4,541	4,267
Inflation Linked Bonds	13,796	11,480
Alternatives	-	-
Insured Annuities	22,018	24,522
Cash and Other	473	104
Fair value of scheme assets	79,956	75,585

The actual return on assets over the period was:	4,658	4,822
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Present value of funded obligations	102,231	108,756
Fair value of scheme assets	79,956	75,585
Deficit in funded scheme	(22,275)	(33,171)

Deficit	(22,275)	(33,171)
Net liability in balance sheet	(22,275)	(33,171)

20 / Superannuation schemes (continued)

Reconciliation of opening and closing balances of the present value of the defined-benefit obligation

	31 July 2018 £000	31 July 2017 £000
Benefit obligation at beginning of year	108,756	106,184
Interest cost	2,914	2,725
Actuarial (gains)/losses	(7,806)	2,620
Benefits paid	(1,967)	(2,304)
Past service cost	334	118
Settlements	-	(587)
Benefit obligation at end of year	102,231	108,756

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

	31 July 2018 £000	31 July 2017 £000
Fair value of scheme assets at beginning of year	75,585	72,075
Interest income on scheme assets	2,037	1,852
Return on assets, excluding interest income	2,621	3,368
Contributions by employers	1,680	1,579
Benefits paid	(1,967)	(2,304)
Scheme administrative cost	-	(398)
Settlements	-	(587)
Fair value of scheme assets at end of year	79,956	75,585

The amounts recognised in CSOCIE:

	31 July 2018 £000	31 July 2017 £000
Service cost – including current service costs, past service costs and settlements	334	118
Service cost – administrative cost	-	398
Net interest on the net defined-benefit liability	877	873
Total expense	1,211	1,389

Remeasurements of the net defined-benefit liability to be shown in CSOCIE:

	31 July 2018 £000	31 July 2017 £000
Actuarial (gains)/losses on the liabilities	(7,806)	2,620
Return on assets, excluding interest income	(2,621)	(3,368)
Total remeasurement of the net defined benefit liability to be shown in CSOCIE	(10,427)	(748)

20 / Superannuation schemes (continued)

c. NHS Pension Scheme

Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. These are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period. In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the Government Financial Reporting Manual (FReM) requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

i. Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used. The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

ii. Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers. The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

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.

21 / Subsidiary undertakings

The ICR has the following subsidiary undertakings, with the registered address of 123 Old Brompton Road, London SW7 3RP:

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 2018 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 £113,973 for the year ended 31 July 2018 (2017: £nil). Its net assets at 31 July 2018 amounted to £308,286 (2017: £194,313). The intention is to pay the 2017/18 profits to the ICR by means of a payment under gift aid, and therefore no corporation tax is accounted for, under the revised provisions of Financial Reporting Standard 102 (FRS102). 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 £445 for the year ended 31 July 2018 (2017: £6,706) which was paid to the ICR by means of a payment under gift aid in July 2018. Its net assets at 31 July 2018 amounted to £1,581 (2017: £1,267). The accounts of ICR Enterprises Ltd have been consolidated into the accounts of the ICR.

21 / Subsidiary undertakings (continued)

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 2018 (2017: £102) which will be paid to the ICR by means of a payment under gift aid. Its net assets at 31 July 2018 was £5,249 (2017: £5,147). The accounts of ICR Equipment Leasing No.8 Limited have been consolidated into the accounts of the ICR.

v. Everyman Action Against Male Cancer - The company is limited by guarantee and was dormant throughout the period ended 31 July 2018.

vi. 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 Domainex Limited (3%), Chroma Therapeutics Limited (0.2%) and Monte Rosa Technology (10%). The cost of the ICR's shareholding of these companies is included in unlisted investments.

vii. ICR London Cancer Hub Company Limited- the ICR owns 100% of the issued share capital of this company, which undertake activities in respect of the London Cancer Hub project. The company was incorporated on 2 March 2017 and has not traded in the period ended 31 July 2018 and period ended 31 July 2017.

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

ICR Sutton Developments Limited	2018	2017
	£000	£000
Turnover	10,572	16
Expenditure	(10,458)	(16)
Operating profit	114	-
Assets	6,088	421
Liabilities	(5,780)	(226)
Funds	308	195

ICR Equipment Leasing No.8 Limited		
Turnover	-	-
Expenditure	-	-
Operating profit	-	-
Assets	5	5
Liabilities	-	-
Funds	5	5

ICR Chelsea Development Limited has net assets of £2. There were no transactions for this subsidiary during 2017/18.

ICR Enterprises Limited		
Turnover	4	10
Expenditure	3	(3)
Operating profit	1	7
Assets	15	14
Liabilities	(13)	(13)
Funds	2	1

22 / Related parties

The ICR has taken the exemption given by Financial Reporting Standard 102, from disclosing transactions with wholly owned subsidiaries. One of the Trustees is employed by Cancer Research UK which provides funding to the ICR in the form of grants awarded through open competition and external peer review. £26,970,000 of funding was received from Cancer Research UK during the year, and £680,000 from their subsidiary company Cancer Research UK Technology Ltd. This includes £4,529,000 in pending grant instalments included on the ICR's balance sheet. £664,000 was owed by Cancer Research UK Technology Ltd 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 £5,734,000 and research grant income includes £5,523,000 in respect of collaborative research undertaken with The Royal Marsden. The year end accounts receivable balance includes £6,470,000 owed to the ICR by The Royal Marsden. Trade creditors includes outstanding invoices totalling £12,000 owed to The Royal Marsden by the ICR.

23 / Accounting estimates and judgements

These accounts have been prepared using a number of assumptions concerning the carrying amount of assets and liabilities within the next financial year.

Legacy income of £1,487,000 has been accrued based on the estimated value of legacy cases for which probate has been granted and any other related conditions met, for which no funds have yet been received.

The freehold and leasehold properties comprising the Institute of Cancer Research operational estate were valued as at 31 July 2018 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the requirements of the RICS Valuation - Professional Standards, January 2014 amendment, and April 2015 UK amendment and Financial Reporting Standard 102 and the 2015 Statement of Recommended Practice 'Accounting for Further and Higher Education'. The valuation was undertaken on a Fair Value basis, with specialised properties valued by reference to Depreciated Replacement Cost, and with non-specialised operational properties valued on a Fair Value basis equating to Market Value on the assumption of a continuation of the existing use. The valuation is reported under the special assumptions to exclude any value of development opportunities for which planning permission would be required and has not been granted or where development has not yet commenced.

ICR has considered whether building assets should be separated into components in order that different useful economic lives are reflected in the depreciation charge. ICR considers component accounting would not have a material impact on the depreciation charge.

The ICR has recognised a liability in respect of the commitment to contribute to a University Superannuation Scheme (USS) deficit recovery plan. The liability is the discounted value of the agreed deficit repair payments. The calculation of the liability uses a discount rate of 2.16% based on a discount rate for high quality corporate bonds. The calculation also uses assumptions around future salary inflation and changes in staff numbers.

In the judgement of the ICR, as the 2017 valuation of USS has not formally completed and there remains various stages of consultation, it remains appropriate to continue to account for the past deficit obligation in accordance with the plan agreed after the 2014 actuarial valuation.

However, there is a significant risks that the year-end provision as calculated will not reflect the position following the final outcome of negotiations, potentially by a very significant amount depending upon what is finally agreed as regards future deficit contributions and their duration. The ICR expects to have greater clarity in this respect during the next financial year.

The ICR also recognises a liability in respect of the ICR defined benefit pension scheme. The valuation of this liability uses a number of assumptions, laid out in more detail in note 20.

The ICR has considered the recoverability of debtor balances. The ICR has made provision against all debtor balances to the extent they are judged to not be recoverable.

24 / Post balance sheet events

On 26 October 2018 the High Court gave its judgement on the Lloyds banking group case concerning whether (and, potentially, how) Guaranteed Minimum Pensions (GMP) should be equalised. The High Court found that pension schemes must provide the same benefits to male and female members, including GMPs. More work and information is required to understand the financial impact of the ruling for the ICR Pension Scheme, and determine an appropriate accounting treatment.

The assumptions detailed in Note 20 do not make allowance for GMP equalisation, and therefore remain appropriate in respect of the 2017/18 financial statements, pending completion of the further work described above.

Institute 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 ICR's Articles of Association.

Name	Title/nominating body	No ¹ of meetings could have attended	No of meetings attended August 2017 to July 2018
Mr Luke Johnson MA(Hons)	Chair/Co-option	9	9
Dr Brendan O'Neill PhD	Deputy Chair and Honorary Treasurer/ Co-option	9	8
Professor Paul Workman FRS FMedSci	Chief Executive and President/ Ex Officio	9	9
Professor Clare Isacke FMedSci	Academic Dean/Ex Officio	8	8
Mr William (Bill) Burns BA(Hons)	Co-option	8	7
Professor Nandita de Souza MD FRCR (to 02/2018)	Academic Board	3	3
Professor Jeffrey Bamber MSc PhD (from 03/2018)		3	3
Mrs Mandy Donald BAcc	Co-option	6	5
Dr Iain Foulkes PhD	Cancer Research UK	6	6
Mr Charles Geffen	Co-option	7	7
Mrs Jane Hamilton BCom FRICS	Co-option	9	7
Mr Jeremy Hill	Co-option	6	5
Professor Timothy Maughan	Co-option	6	4
Professor Nicholas Jones FMedSci (from 11/2017)	Co-option	5	4
Ms Ashley D'Aquino (to 02/2018)	Student	3	2
Mr David McBay MSci (from 03/2018)	Student	3	1
Miss Cally Palmer CBE MSc MIHM DipHSM	The Royal Marsden NHS Foundation Trust	6	3
Dr Liz Bishop DClinPrac MSc BDc RGN (until 11/2018)	Alternate Director		0

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

Senior members of staff in attendance at Board of Trustees meetings:

Dr Charmaine Griffiths PhD MBA	Chief Operating Officer
Mr Paul Norris BSc(Hons) ACA MBA	Director of Finance

Governing Committees, Fellows, Members and Associates

The ICR benefits from external expertise on the following committees that report to the Board of Trustees (as at 31 July 2018):

The Constitutional and Nomination Committee

Mr Luke Johnson MA(Hons) – **Chair**
Dr Brendan O'Neill PhD – **Deputy Chair**
Mr William (Bill) Burns BA(Hons)
Mrs Jane Hamilton BCom FRICS

The Audit Committee

Mrs Mandy Donald BAcc – **Chair**
Mr Graham Clarke MSc MBA FCMA CGMA
Mr Christopher Molloy BSc
Dr Michael Young PhD FCA MIoD

Mrs Donald and Dr Young attended all 4 meetings held during the year, Mr Clarke and Mr Molloy attended three of the four meetings.

The Remuneration Committee

Mr Luke Johnson MA(Hons) – **Chair**
Dr Brendan O'Neill PhD – **Deputy Chair**
Mr Charles Geffen
Mrs Jane Hamilton BCom FRICS

The Investments and Building Development Committee

Dr Brendan O'Neill PhD – **Chair**
Mrs Marie-Christine Riachi CFA – **Deputy Chair**
Mrs Jane Hamilton BCom FRICS
The Honourable Thomas Henderson HonDSc(Med)
Mr Michael Sales BA(Hons) MPhil MRICS

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

Mr John Roberts CBE BA(Hons) FRSA FColl - **Chair**
Mr Fred Maroudas MA
Dr Brendan O'Neill PhD
Mrs Win Robbins
Mr Michael Weston MA MBA AIIIMR

Fellows of the ICR

The honorary appointment of Fellow of the ICR 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 ICR'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 MA
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
Mr J M Kipling FCA DChA
Baroness Morgan of Drefelin
Professor Sir Michael Peckham MD FMedSci
Professor M Waterfield FRS HonFRCPATH FMedSci
Professor R A Weiss PhD HonFRCP FRCPATH FRS FMedSci

Members of the ICR

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

Mr N Ashley DUniv BUniv BSc
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 BA(Hons)
Mr G Clarke MSc MBA FCMA CGMA
Mr E A C Cottrell MA
Miss P M Cunningham CBE FRSA
Mr S R Davie CB
Professor A J S Davies PhD DSc
Mr M de Ferranti BSc
Mr J J Defries BCom IPFA

Mrs M Donald BAcc
Mr A W C Edwards
Mr R J Elliott
Lord Faringdon KCVO
Dr S E Foden MA DPhil
Mr B W Freedman
Mr D R Fryatt MA FCA FCIBS
Professor P B Garland CBE MA PhD MB BChir DSc(hc) LLD(hc)
FRSE
Ms S Gallagher BA MSc
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 HonDSc(Med)
Mr C Heaphy BSc FCPFA
The Honourable Thomas Henderson HonDSc(Med)
Mr J Hill
Dr T A Hince PhD
Mr J Hollond
Mrs I Hotimsky MBA
Mr L Johnson MA(Hons)
Mrs S A Johnson BA(Hons)
Professor N Jones FMedSci
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
Mr K A Markham
Mr F Maroudas MA
Professor T Maughan
Mr C Molloy BSc
Dr M J Morgan PhD
Professor H R Morris FRS
Professor G J Mufti OBE DM FRCP FRCPATH
Ms S Nebhrajani OBE MA ACA
Professor S Neidle PhD DSc ARCS DIC FRSC
Dr B O'Neill PhD
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 CB OBE HonDSc(Med)
Mrs Tim Rathbone
Professor Dame Lesley Rees DBE MD DSc FRCP FRCPATH
FMedSci
Mrs M-C Riachi CFA
Dame Stella Rimington DCB
Mrs W Robbins
Mr A J Roberts CBE BA(Hons) FRSA FColl

Rt Hon Lord Ryder of Wensum OBE
Mr M Sales BA(Hons) MPhil MRICS
Mr G Sangster
Konstantin Graf von Schweinitz
Mrs C Scivier MSc FCIPD
Sir Julian Seymour CBE
Mr R S Sharp
Mr M S Smith MA
Dr K Snell PhD EFIAP PPSA LRPS
Mr R E Spurgeon
Ms A Stevens MA DLitt(Hon)
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
Professor S Webb PhD DIC DSc ARCS FIPEM FInstP HonFIPEM
FRSA HonMDGMP HonDSc(Med)
Mr M Weston MA MBA AII MR
Mr J Williamson BSc(Hons) DipMgmt MBA CEng MIET
Mr A Wolstenholme OBE FEng BSc CEng FICE HonDSc
Sir David Wootton MA
Dr M Young PhD FCA MIoD

Associates of the ICR

Appointment as an Associate of the ICR 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 ICR or having otherwise done something outstanding to enhance the reputation of the ICR.

Dr G Aherne PhD
Mrs R J Atkins
Mrs L Baldwin AIAT
Mrs R Barfoot
Dr S E Barrie MA PhD
Mrs E Bennett
Mr D A Brunning ALA
Mrs B Carey-Watts BA
Professor R L Carter CBE MA DM DSc FRCP FRCPATH
Professor J Chamberlain MB FRCP FFPH
Mr C Chandler
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 RN FMedSci
Mrs C Croucher
Dr D A Darcy MA DPhil
Dr L C Davies MA PhD
Professor S Eccles PhD

Mr P Farley
Mrs C A Faux
Dr E O Field DM DMRD
Dr M A Flower PhD FIPEM
Mrs A Ford
Mr F Friedlos MPhil
Professor M Garrett PhD
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)
Mrs M Kipling
Mrs B Lloyd
Mr R MacCormick
Mrs R Marriott
Mrs C Martin MSc DMS
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 M Osborne PhD
Dr K Owusu-Ankomah BSc(Hons)
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Mrs R A Pendry FBIFM AMIBiol
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Dr K Weston PhD
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Mrs M Zanelli

Legal and administrative information

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Investment Managers

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