

534147

**THE INSTITUTE OF CANCER RESEARCH:
ROYAL CANCER HOSPITAL**

An Associate Institution of the University of London

**A company registered in England/Registration Number
534147 (A Charity/Not for Profit/Limited by Guarantee)**

Secretary's Office and Registered Office:

**The Institute of Cancer Research: Royal Cancer Hospital
123 Old Brompton Road
London SW7 3RP**

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Report of the Council for the Year Ended 31st July 1999.

1. Activities

The main activities of the Institute, and on which it expended £36.7m (1998 - £31m), are research and development into the causes, prevention and treatment of cancer and to provide the education and training in the disciplines necessary to conduct such research and treatment.

2. Financial Position

The accounts are reproduced on pages 7 to 22 and show unrestricted net incoming resources before transfers for 1999 of £0.86m (1998 - £2.6m).

3. Staffing Developments in the Year

In January 1999, having served the Institute for nearly ten years, Professor Peter Garland relinquished the role of Chief Executive. The Institute's Council appointed Dr Peter Rigby as Chief Executive with effect from 1st February 1999.

As part of a major initiative in structural biology, Professor Laurence Pearl was appointed to a recently established Chair in Protein Crystallography, and Professor David Barford was appointed an established Chair in Molecular Biology.

Professor Alan Ashworth was appointed as the Director of the Toby Robins Breast Cancer Research Centre, effective from 1st August 1999.

4. Capital Developments

Practical completion of the Chelsea Development was achieved on 10th August 1999. The final cost, including fees, will be in the region of £20.98m (exclusive of VAT). At the end of July 1999, £20.2m (exclusive of VAT) had been spent on the Development.

During the year, the Institute commenced the construction of The Male Urological Cancer Research Centre in Sutton. The estimated cost is £3.1m of which The Bob Champion Cancer Trust will provide £1m. At the end of July 1999, £0.64m (inclusive of applicable VAT) had been spent on the Development.

Work also commenced on the Cancer Genomics Centre in Sutton. After the preparation of detailed costings, a budgetary provision of £22.25m was provided. At the end of July 1999, £0.67m (inclusive of applicable VAT) had been spent on the Development.

5. Changes in Assets

During the period the Institute incurred professional fees and construction costs of £9.4m (1998 - £6.86m) on the Chelsea and Sutton Developments, which have been added to Land Buildings & Equipment (Note 10).

There has been a change in the Market Value of the Institute's investments from £61.48m in 1998

to £59.25m in 1999. This change is reflected in Note 11 to the Accounts.

6. Fundraising Activities

The Institute received £5.37m from legacies and donations during the year (1998 - £4.87m). Of this sum, £3.78m (1998 - £3.78m) was for unrestricted and £1.59m (1998 - £1.09m) was for restricted purposes, including gifts in kind worth £0.63m (1998 - nil).

7. Reserves Policy

The Council of the Institute is responsible for ensuring that the income of the charity is applied properly and effectively. In pursuing this objective, it is essential that a prudent level of reserves is maintained to secure the Institute's financial stability over the longer term.

Nearly all the Institute's research is funded from competitively won research grants that cover the direct costs of research but not all the associated indirect and infrastructure costs. These costs are met from the Institute's own income, part of which is generated from investments.

Research of the highest international standard requires the most modern equipment incorporating the very latest technological advances and this requires constant upgrading and replacement of our equipment. Funding for equipment is met from a combination of fundraising, external grants and the Institute's own income.

The level of reserves maintained by the Institute is designed to generate this income, and to provide for several contingencies.

The Institute's reserves at the end of July 1999 and July 1998 were made up as follows:

Description	1999 (£m)	1998 (£m)
'Functional fixed assets', being land, buildings and equipment for use by the Institute	35.2	24.9
The Institute's remaining contribution towards the Chelsea Development	0.6	3.8
The remaining contribution towards the Cancer Genomics Centre	21.6	15.0
The Institute's remaining contribution towards the Male Urological Cancer Research Centre	1.5	2.0
Special Funds	3.0	2.9
Restricted and Endowment Funds (excluding Designated Funds)	2.1	2.1
Unrestricted Balance	6.5	16.9
Total Reserves	70.5	67.6

The 1999 unrestricted balance of £6.5m is for use on contingencies, which include:

- (i) the need to provide resources for unexpected future capital expenditure;
- (ii) a contribution towards the latest equipment;
- (iii) laboratory refurbishment;
- (iv) provision for future budgetary deficits when they are within the Institute's five-year planning period;
- (v) a hedge against a decline in future income;
- (vi) a general contingency fund; and
- (vii) the Institute's liquidity requirements.

In holding such reserves as investments, due regard is given to the need to seek a reasonable balance between investment risk, current income and capital growth.

8. Year 2000

The Institute is working its way through a detailed plan to negate the potential impact of the Year 2000 problem. The Executive Committee is monitoring this plan, which has been prepared on a "worst-case" scenario.

The Institute appointed a Year 2000 Compliance Officer and each Section and Service has nominated staff to assist in a Year 2000 compliance testing programme.

All networked pc's have been tested. A small number which are not Year 2000 compliant will either be fixed or replaced. In addition, all essential laboratory equipment will have been tested and either fixed or replaced before the millennium.

The Institute hired external consultants to assist with an audit of all plant and machinery. No items have been classified within the "extreme risk" category

The financial system was replaced in 1998 with a system that is Year 2000 compliant and the Payroll/Personnel system was replaced during 1999.

The Institute is continuing to check with its suppliers of critical goods and services that they will not be adversely affected by the Year 2000 problem.

The Institute has set aside a budget for costs associated with the Year 2000 project to cover staff and replacement of essential items. The overall cost of the project will be evaluated after compliance testing has been completed.

9. Employees

Disabled Employees:

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

Employee Involvement:

The Institute uses a number of methods to keep its staff fully informed of matters of concern to them. These include a joint Institute/Royal Marsden NHS Trust in-house magazine (LINK), four-monthly briefings by the Chief Executive of all staff, and regular organisational updates which are distributed by e-mail and displayed throughout the Institute.

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

10. Insurance Cover Effected for Members of Council and Officers

The Institute, through AON insurance brokers, has effected insurance cover for members of Council and the Officers of the Institute against losses, subject to certain exceptions, arising from acts undertaken as directors or officers.

11. Charitable and Political Donations

The Institute made no charitable donations during the year. No donations were made for any political purpose.

12. Auditors

On 1st March 1999, the Institute's auditors, Moores Rowland, merged their practice with that of BDO Stoy Hayward and are now practising under that name. A resolution to re-appoint them will be proposed at the Annual General Meeting.

13. Statement of the Financial Responsibilities of Members of the Council

The Institute is a company limited by guarantee, an Associate Institution of the University of London, and an exempt charity under the Second Schedule of the Charities Act 1993. Members of the Council, the governing body of the Institute, are therefore both its company directors and charity trustees.

Company law requires the members of the Council to prepare financial statements for each year which give a true and fair view of the state of affairs of the Institute and of the net incoming or outgoing resources of the Institute for that period.

In preparing those financial statements, the members of the Council are required to:

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

presume that the Institute will continue to pursue its objectives.

The members of the Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Institute and enable them to ensure that the financial statements comply with the Companies Act 1985.

They are also responsible for safeguarding the assets of the Institute and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

A handwritten signature in dark ink, appearing to read 'Stella Rimington', written in a cursive style.

Approved by the Council

Dame Stella Rimington DCB, *Chairman*

Date: 2nd December 1999

Auditors' Report to the Members of the Institute of Cancer Research: Royal Cancer Hospital

We have audited the financial statements on pages 7 to 22, which have been prepared under the accounting policies set out on page 10.

Respective responsibilities of charity trustees and auditors.

As described in the Report of the Council, the members of the Institute's Council are its company directors and charity trustees and are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion.

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Institute's circumstances, consistently applied and adequately disclosed. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion.

In our opinion the financial statements give a true and fair view of the state of affairs of the Institute as at 31 July 1999, and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO Stoy Hayward

BDO STOY HAYWARD

Chartered Accountants

Registered Auditors

LONDON

6 November

1999

Statement of Financial Activities

for the Year Ended 31 July 1999
(Incorporating an Income and Expenditure Account)

<i>Amounts in £ thousands</i>	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	1999 Total Funds	1998 Total Funds
Incoming Resources						
External grants	2	17,263	11,855	0	29,118	25,485
Legacies and donations	3	3,782	1,590	0	5,372	4,874
Income from investments	4	2,727	28	52	2,807	2,921
Income from property	5	72	0	0	72	40
Income from inventions	6	194	0	0	194	477
Total Incoming Resources		24,038	13,473	52	37,563	33,797
Resources Expended						
Direct charitable expenditure :						
Research expenditure	7	19,283	12,908	0	32,191	27,871
Research support costs		593	0	0	593	371
		19,876	12,908	0	32,784	28,242
Other Expenditure						
Fundraising services	8	860	628	0	1,488	467
Publicity services		235	0	0	235	270
Management and administrative services	9	2,211	0	0	2,211	2,000
		3,306	628	0	3,934	2,737
Total Resources Expended		23,182	13,536	0	36,718	30,979
Net Incoming Resources before Transfers		856	(63)	52	845	2,818
Transferred to the Development Fund		(856)	0	0	(856)	0
Transferred to Special Funds		0	(29)	0	(29)	(89)
Transferred to Designated Equipment fund		0	0	0	0	(2,597)
Net Incoming/(Outgoing) Resources for the Year		0	(92)	52	(40)	132

All amounts relate to continuing activities

Statement of Investment and Property Gains and Losses and Movements in Funds and Reserves

for the Year Ended 31 July 1999

Balance at 1 August 1998	63,232	2,663	1,736	67,631	60,270
Net incoming resources for the year before transfers	856	(63)	52	845	2,818
Realised gains on the sale of investments	738	12	39	789	1,009
Unrealised gains/(losses) on investments	1,136	(13)	53	1,176	3,542
Net unrealised property gain/(loss) transferred to the land and buildings reserve	68	0	0	68	(8)
Funds and Reserves at 31 July 1999	66,030	2,599	1,880	70,509	67,631

Balance Sheet

as at 31 July 1999

Amounts in £ thousands	Notes	1999	1998
Assets of the General Fund			
<i>Fixed Assets</i>			
Land, buildings and equipment	10 & 21	35,184	24,908
Investments	11 (i) (ii) & (iii)	59,252	61,482
		94,436	86,750
<i>Current Assets</i>			
Stocks		144	147
Debtors	12	6,831	3,775
Cash at bank and in hand		379	152
		7,354	4,074
<i>Current Liabilities</i>			
Creditors - amounts falling due within one year	13 (i)	(6,368)	(4,935)
Net Current Assets/(Liabilities)		986	(861)
Total Assets		95,422	85,889
Creditors - amounts falling due after one year	13 (ii)	(19,041)	(11,905)
Deferred capital grants	14	(8,889)	(9,232)
Net Assets of the General Fund		67,492	64,752
Assets of the Special Funds			
Investments	11 (iv)	3,017	2,879
Total Net Assets		70,509	67,631
Represented by:			
General Funds			
Restricted charitable funds	15	2,019	2,111
Unrestricted charitable funds	15	43,866	40,403
Endowment funds	15	60	8
		45,945	42,522
Other Unrestricted Reserves and Funds			
Investment reserve	16	4,857	6,464
Land and building reserve	17	5,306	5,238
Development Fund (designated)	18	8,787	7,931
Equipment Fund (designated)	19	2,597	2,597
		21,547	22,230
		67,492	64,752
Special Funds			
Designated funds	20 (i)	582	519
Restricted funds	20 (i)	549	483
Endowment funds	20 (i)	1,737	1,533
		2,868	2,535
Special Funds Investment Reserves			
Designated reserve	20 (ii)	33	77
Restricted reserve	20 (ii)	29	67
Endowment reserve	20 (ii)	87	200
		149	344
		70,509	67,631

Approved by the Council on 2 December 1999

Dame Stella Rimington DCB
Chairman of the Council

Peter Keemer
Honorary Treasurer

Stella Rimington

Peter Keemer

Cash Flow Statement

for the Year Ended 31 July 1999

Amounts in £ thousands	Notes	1999	1998	
Net Cash (Outflow)/Inflow from Operating Activities	A	(4,225)	2,106	
<i>Returns on Investments and Servicing of Finance:</i>				
Interest received		1,200	1,014	
Dividends received		1,607	1,907	
Rent received		43	40	
Interest element of finance lease rental payments		(731)	0	
Net Cash Inflow from Returns on Investments		2,119	2,961	
<i>Capital Expenditure and Financial Investment:</i>				
Payments to acquire investments		(13,582)	(24,053)	
Receipts from sale of investments		29,070	22,147	
Payments for purchases of tangible fixed assets		(11,892)	(8,641)	
Receipts from sale of tangible fixed assets		168	0	
Additions to deferred capital grants		1,773	2,012	
		5,537	(8,535)	
<i>Management of Liquid Resources:</i>				
Increase in short term deposits		(11,071)	(4,528)	
		(11,071)	(4,528)	
<i>Financing:</i>				
Development loan		8,024	7,568	
Capital element of finance lease repayments		(157)	0	
		7,867	7,568	
Increase/(decrease) in cash in the year	B & C	227	(428)	
A Reconciliation of Net Incoming Resources for the Year to Net Cash (Outflow)/Inflow from Operating Activities:				
Net incoming resources for the year		845	2,818	
Less non-operational income: investments		(2,807)	(2,921)	
rental		(43)	(40)	
Net deficit		(2,005)	(143)	
Decrease in stocks		3	7	
(Increase)/decrease in debtors		(3,056)	23	
Increase in creditors		1,433	1,463	
Depreciation charges		1,516	1,028	
Released from deferred capital grants		(2,116)	(272)	
Net Cash (Outflow)/Inflow from Operating Activities		(4,225)	2,106	
B Reconciliation of Net Cash Flow to Movements in Net Funds:				
Increase/(decrease) in cash in the year	C	227	(428)	
Cash inflow from increase in short term deposits		11,071	4,528	
Movement in net funds in the period		11,298	4,100	
Development loan		(8,024)	0	
Net funds at 1 August 1998		25,158	21,058	
Net funds at 31 July 1999		28,432	25,158	
C Analysis of Net Funds:				
	Cash at Bank	Other non-cash Changes	Bank Deposits	Total
Brought forward at 1 August 1998	152	0	25,006	25,158
Cash flow	227	0	11,071	11,298
	379	0	36,077	36,456
Development loan	0	(8,024)	0	(8,024)
Net funds at 31 July 1999	379	(8,024)	36,077	28,432

NOTES TO THE ACCOUNTS

for the Year Ended 31 July 1999

1 Accounting Policies

(i) *Accounting Convention*

The accounts are prepared under the historical cost convention as modified by the valuation of land and buildings and investments to market value, in accordance with applicable accounting standards and comply with the Statement of Recommended Practice "Accounting by Charities" (1995).

(ii) *Land and Buildings*

Land and buildings are valued every five years in accordance with the Guidance Notes for the Valuation of Assets issued by the Royal Institute of Chartered Surveyors for the purpose of balance sheet valuations. The last valuation took place on 31 July 1996. Valuations are made on a Depreciated Replacement Cost basis or Open Market Value basis as appropriate. Unrealised gains and losses arising at each valuation are shown in the land and building reserve.

(iii) *Investments*

Investments are included in the Balance Sheet at the mid-market value on the date of the balance sheet. Unrealised gains and losses arising during the year are taken to the investment reserve through the Statement of Financial Activities. Investment income is the amount received by the Institute or its nominee in the year.

(iv) *Amortisation*

Amortisation 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:-

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

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

(v) *Equipment and Depreciation*

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

(vi) *Stocks*

Stocks of research material have been valued at 31 July 1999 at the lower of cost and net realisable value.

(vii) *Taxation*

All recoverable tax is accrued except for that recovered on legacies which is the amount received in the year.

(viii) *Grants Accounting*

Income from external grants (note 2) is recognised in the Statement of Financial Activities as it is received, unless it is received for future periods in which case it is included in grant advances.

(ix) *Capital Grants*

Where buildings and equipment are acquired with the aid of specific grants they are capitalised and depreciated as in (iv) and (v) above. The related grants are treated as deferred capital grants (as in Note 14 to the financial statements) received in advance and released to income and expenditure over the expected useful life of the asset.

(x) *Legacies and Donations*

Legacies and donations are included in the Statement of Financial Activities in the year in which they are received except for those in excess of £50,000 where the income is accounted for once it is known with certainty that an identifiable sum of money is going to be received. This includes the value of material properties bequeathed to the Institute but not yet realised.

(xi) *Income from Inventions*

Income from Inventions is the amount received in the year and includes recoverable tax.

(xii) *VAT Recovery*

The Institute was registered for VAT with effect from 1 April 1992. The majority of VAT remains irrecoverable and is included in the cost of those items to which it relates.

(xiii) *Central Costs*

Central costs have been included in total expenditure for individual research sections and other services.

(xiv) *Research Support Costs*

Research support costs reflect the staff costs incurred on on Management Information and Personnel Services.

(xv) *Pensions*

The Institute participates in three defined benefit schemes. Pension costs are assessed in accordance with the advice of the actuaries based on the most recent actuarial valuation of the schemes and are accounted for on the basis of charging the cost of providing pensions over the period during which the Institute benefits from the employees' services.

<i>Amounts in £ thousands</i>	Notes	Unrestricted Funds	Restricted Funds	1999 Total	1998
2 External Grants					
Higher Education Funding Council for England		8,562	0	8,562	6,473
Grants for specific research	2(i)	5,787	8,621	14,408	15,234
Grants and contracts for teaching and support services	2(ii)	2,914	175	3,089	3,135
Grants for equipment and buildings	2(iii)	0	3,059	3,059	643
		17,263	11,855	29,118	25,485

(i) Grants for Specific Research

All grants are awarded for specific programmes of research.

<i>Cancer Research Campaign</i>		4,598	2,920	7,518	7,297
Royal Marsden NHS Trust		34	915	949	1,464
Leukaemia Research Fund		577	160	737	1,209
Medical Research Council		0	711	711	1,562
Wellcome Trust		0	547	547	0
Department of Health		0	542	542	425
Macmillan Cancer Relief		0	331	331	0
Kay Kendall Fund		0	323	323	354
AstraZeneca plc		113	195	308	49
Breakthrough Breast Cancer		0	305	305	145
The European Union		0	265	265	354
Bob Champion Cancer Trust		0	212	212	134
National Institutes of Health		0	139	139	155
Ciba Geigy plc		0	131	131	104
Leopold Muller Trust		0	121	121	185
Prostate Charitable Trust		57	60	117	0
Association for International Cancer Research		0	100	100	69
British Biotechnology plc		15	76	91	33
National Health Service		0	90	90	106
Pharmacia & Upjohn S.p.A.		78	0	78	0
Engineering and Physical Sciences Research Council		0	64	64	129
Schering Healthcare		50	14	64	0
Abbot Laboratories		0	46	46	0
The Coeliac Society		0	44	44	20
The Royal Society		0	43	43	0
ML Laboratories plc		0	42	42	22
Human Frontier Science Program Organization		40	0	40	0
Samantha Dickson Research Trust		39	0	39	0
St George's Health Care Trust		0	31	31	47
Sir Samuel Scott of Yews Trust		27	0	27	0
The Lister Institute of Preventive Medicine		0	25	25	0
UK Co-ordinating Committee on Cancer Research		0	23	23	119
British Association for Cancer Research (BACR)		10	10	20	0
Health & Safety Executive		0	18	18	71
Department of Trade and Industry		0	16	16	29
University of Columbia (New York, USA)		0	15	15	0
University of Utah (USA)		0	14	14	16
International Breast Cancer Study Group (IBCSG)		0	13	13	0
Canlab Pharmaceuticals Ltd		0	12	12	0
University of Dundee		0	11	11	0
Oxford Glycosciences (UK) Ltd		3	7	10	21
Cyclacel Ltd		10	0	10	0
National Physical Laboratory		3	4	7	0
Other Grants		133	26	159	1,115
		5,787	8,621	14,408	15,234

(ii) Grants and Contracts for Teaching and Support Services

The Institute seeks contributions to the costs of these services from sponsors.

Cancer Research Campaign	1,309	0	1,309	1,451
Medical Research Council	246	0	246	161
North Thames Regional Health Authority	721	0	721	704
Other grants	638	0	638	669
Cancer Research Campaign Studentships	0	143	143	109
Royal Marsden NHS Trust Studentships	0	32	32	41
	2,914	175	3,089	3,135

Amounts in £ thousands	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	1999 Total	1998 Total
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(iii) Grants for Equipment and Buildings

Income from Breakthrough Breast Cancer includes £403k towards costs in relation to the Chelsea Development. All of the income from the Bob Champion Cancer Trust and the Monument Trust relates to the building of the Male Urological Cancer Research Centre.

Breakthrough Breast Cancer	0	615	0	615	116
Cancer Research Campaign	0	664	0	664	136
Medical Research Council	0	44	0	44	70
Leukaemia Research Fund	0	0	0	0	34
Royal Marsden NHS Trust	0	161	0	161	0
Bob Champion Cancer Trust	0	227	0	227	0
HEFCE	0	403	0	403	0
Monument Trust	0	204	0	204	0
Other grants	0	294	0	294	80
Deferred equipment grants released to income	0	447	0	447	207
	0	3,059	0	3,059	643

3 Legacies and Donations

Legacies	3,735	134	0	3,869	3,796
Donations	47	1,456	0	1,503	1,078
	3,782	1,590	0	5,372	4,874

The Institute expects to receive three unrestricted legacies (each over £50k) amounting to approximately £2.4m. These legacies have been excluded from the figures above as their exact values were unknown when these accounts were finalised. Legacy income includes £246k which relates to properties bequeathed to the Institute but not realised at the balance sheet date. Restricted donations income includes £628k (1998 nil) which was received as "benefits in kind".

4 Income from Investments

Listed Investments:					
Fixed interest stocks and loans	669	10	19	698	1,022
Equities and unit trusts	850	13	24	887	871
Index linked gilts	0	0	0	0	0
Unlisted Investments:					
Equities and unit trusts	22	0	0	22	14
Money Market and Other Deposits	1,186	5	9	1,200	1,014
	2,727	28	52	2,807	2,921

5 Income from Property

Most of the Institute's properties are laboratories. In addition some residential property is owned and used for letting to visiting scientists or students.

Residential Property	43	40
Profit on disposal of property	29	0
	72	40

6 Income from Inventions

It is the Institute's policy to ensure that all its inventions are developed firstly for the public good and secondly that a fair proportion of any subsequent financial benefit is retained by the Institute in order to finance future research.

The Institute operates closely with The Royal Marsden NHS Trust and Cancer Research Campaign Technology Ltd. The income shown is net of the Rewards for Inventors Scheme and, when appropriate, of percentage contributions of royalties to Cancer Research Campaign Technology Ltd and The Royal Marsden NHS Trust.

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<i>Amounts in £ thousands</i>	<i>Notes</i>	Unrestricted Funds	Restricted Funds	1999 Total	1998 Total
7 Research Expenditure					
Research sections	7(i)	10,140	12,074	22,214	20,254
Scientific services	7(ii)	1,405	0	1,405	1,213
Academic and research services	7(iii)	1,966	0	1,966	1,825
Laboratory development and renovations	7(iv)	1,454	834	2,288	1,428
Health, safety and welfare services	7(v)	917	0	917	607
Accommodation Services (96%)	7(vi)	3,401	0	3,401	2,546
		19,283	12,908	32,191	27,871

(i) Research Sections

The Institute is divided into Research Sections according to general objectives but this does not militate against inter-disciplinary work. Sections consist of a number of teams each comprising a group of staff working together on one or more research projects. The principal research activities are reviewed quinquennially by the Institute's major sponsors.

Heads of Laboratories' Offices	131	0	131	140
Medicine	23	348	371	388
Haematology	322	920	1,242	1,169
Radiotherapy	420	1,152	1,572	1,447
Cell Biology & Experimental Pathology	505	347	852	1,453
The Breakthrough Toby Robins Breast Cancer Research Centre	93	305	398	0
CRC Clinical Magnetic Resonance Research Group	163	807	970	831
Physics	158	731	889	941
Cancer Therapeutics (including the CRC Centre for Cancer Therapeutics at the Institute of Cancer Research)	2,358	869	3,227	2,225
Structural Biology (including the CRC Biomolecular Structure Unit at the Institute of Cancer Research)	426	28	454	613
Biochemistry	48	148	196	155
Cell & Molecular Biology (including the CRC Centre for Cell & Molecular Biology at the Institute of Cancer Research)	2,300	505	2,805	2,494
Human Leukaemia (including the Leukaemia Research Fund Centre at the Institute of Cancer Research)	198	835	1,033	1,866
Molecular Carcinogenesis	637	783	1,420	1,262
Cancer Genetics	307	906	1,213	958
Gene Function and Regulation	867	791	1,658	281
Immunology	156	17	173	359
Epidemiology	156	1,024	1,180	1,363
Cancer & Palliative Care Studies	98	451	549	488
Paediatric Oncology	6	419	425	468
	9,372	11,386	20,758	18,901
Research equipment	699	688	1,387	1,328
Technology transfer costs	69	0	69	25
	10,140	12,074	22,214	20,254

Amounts in £ thousands

1999

1998

*(ii) Scientific Services**Trading services*

These services sell their service or product to research teams. The prices charged are intended to cover only the direct costs of salaries and running expenses; the Biological Services Secretariat, equipment and the related overhead costs are financed by the Institute.

Non-Trading Services

For these services it is not cost effective to set up and administer such an internal sales mechanism. They are directly financed by the Institute.

	<i>Expenditure</i>	<i>Income</i>	<i>Net (Surplus)/ Deficit</i>	<i>Net (Surplus)/ Deficit</i>
<i>Trading Scientific Services</i>				
Biological services	358	213	145	160
Workshops	116	31	85	64
Electron microscopy	83	9	74	11
Histopathology	40	48	(8)	0
Media preparation	98	78	20	(2)
Centralised glassware - CBL	72	75	(3)	(2)
- Sutton	39	34	5	19
	806	488	318	250
<i>Non-Trading Scientific Services</i>				
Site laboratory management	353	0	353	384
Stores & purchasing	249	0	249	215
Computing	432	0	432	298
	1,034	0	1,034	897
Equipment	53	0	53	66
	1,087	0	1,087	963
	1,893	488	1,405	1,213

(iii) Academic and Research Services

The Institute receives statutory fees in respect of students and levies fees for visiting workers. Some studentships are externally funded.

	<i>Expenditure</i>	<i>Income</i>	<i>Net Cost</i>	<i>Net Cost</i>
Library	461	27	434	434
Academic & Research Secretariat	293	0	293	164
Courses & conferences (including academic nursing)	894	244	650	682
The Registry	139	0	139	130
Studentships	525	75	450	415
	2,312	346	1,966	1,825
	Unrestricted Funds	Restricted Funds	1999 Total	1998 Total
<i>(iv) Laboratory Development and Renovations</i>				
Laboratory development	802	834	1,636	882
Laboratory renovations	652	0	652	544
	1,454	834	2,288	1,426

(v) Health, Safety and Welfare Services

Health and safety	380	342
Catering and hospitality	166	154
Pensions	95	42
Early retirement and redundancy costs	276	69
	917	607

<i>Amounts in £ thousands</i>	1999	1998
<i>(vi) Accommodation Services</i>		
Amortisation and depreciation	1,536	1,028
Building & maintenance	687	833
Portering, patrols & transport	233	175
Cleaning	203	184
Telephones	77	81
Rent, rates and insurance	145	362
Fuel and power	662	189
	<u>3,543</u>	<u>2,852</u>
Transfer 4% to Management and administrative services (Note 9)	<u>(142)</u>	<u>(106)</u>
	<u>3,401</u>	<u>2,546</u>

Accommodation services are allocated on the basis of space occupied, 96% to research expenditure and 4% to management and administrative services.

8 Fund Raising Services

Fund Raising Services include salaries, office expenses, office refurbishment and the cost of advertising for legacies.

An estimated cost of £628k (1998 - nil) for "benefits in kind" has been included in accordance with the Statement of Recommended Practice "Accounting by Charities" (1995). This has been treated as restricted funds on the face of the SOFA.

<u>1,488</u>	<u>467</u>
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9 Management and Administrative Services

Management and administrative services

Computerisation upgrade and integration project

Equipment and refurbishment

Broker's costs

Audit fee

Accommodation costs (4%) (Note 7(vi))

1,351	1,205
223	472
397	103
75	95
23	19
142	106
<u>2,211</u>	<u>2,000</u>

Management and Administrative Services include the costs of directing and administering the institute both as a research and a charitable organisation. In particular it includes the costs of all financial and general administration, and the cost of office refurbishment. Staff costs relating to Personnel and Management Information Services are included under Research Support Costs in compliance with the Statement of Recommended Practice "Accounting by Charities" (1995). Other fees to Auditors were £13k (£6k in 1998).

10 Land, Buildings and Equipment

	Freehold	Long Leasehold	Short Leasehold	Equipment	TOTAL
Cost or valuation at 1 August 1998	10,744	12,949	100	4,854	28,647
Additions at cost	958	8,464	0	2,470	11,892
Disposal of Short Leasehold Property	0	0	(100)	0	(100)
Total at 31 July 1999	11,702	21,413	0	7,324	40,439
Depreciation at 1 August 1998	421	82	14	3,222	3,739
Provided during the year	213	43	6	1,274	1,536
Disposal of Short Leasehold Property	0	0	(20)	0	(20)
At 31 July 1999	634	125	(0)	4,496	5,255
Net book value At 31 July 1999	11,068	21,288	0	2,828	35,184
At 31 July 1998	10,323	12,867	86	1,632	24,908
Historic cost at 31 July 1999	7,445	13,065	0	0	20,510
31 July 1998	7,402	6,204	201	0	13,807
Net book value of assets held under Finance Lease	0	19,271	0	0	19,271

Amounts in £ thousands	1999 Cost	1998 Cost	1999 Market Value	1998 Market Value
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11 Investments*(i) General Fund*

Listed Investments:

Fixed interest stocks and loans	6,067	14,174	6,599	14,972
Equities and unit trusts	12,850	16,463	16,854	21,814

Unlisted Investments:

Equities and unit trusts	53	53	373	368
Money Market and other deposits	26,640	15,522	26,640	15,522
	45,610	46,212	50,466	52,676

(ii) Breakthrough

Listed Investments:

Money Market and other deposits	8,013	8,166	8,013	8,166
	8,013	8,166	8,013	8,166

(iii) Bob Champion Cancer Trust

Money Market and other deposits	773	1,000	773	1,000
	773	1,000	773	1,000
	54,396	55,378	59,252	61,842

(iv) Special Funds

Listed Investments:

Fixed interest stocks and loans	894	894	926	1,042
Equities and unit trusts	1,322	1,322	1,440	1,519
Money Market and other deposits	651	318	651	318
	2,867	2,534	3,017	2,879

12 Debtors

Grant debtors	4,865	2,849
Non grant debtors	1,633	713
Recoverable taxation	101	43
Prepayments	232	170
	6,831	3,775

Relocation debtors over one year of £59k (1998 £61k) are included in non grant debtors.

Amounts in £ thousands

1999 1998

13 Creditors

(i) Amounts falling due within one year

Grant advances	685	186
Other creditors	5,046	4,057
Superannuation contributions	16	95
Taxation and National Insurance contributions	621	597
	<u>6,368</u>	<u>4,935</u>

(ii) Amounts falling due after one year

Development loan payable:

Within one year	1,026
Between two to five years	4,103
Over five years	14,938
	<u>20,067</u>

Less payable within one year

(1,026)

Total amounts falling due after one year

19,041 11,905

The Institute has entered into an arrangement with Lloyds Bank Property Company Ltd (Lloyds) whereby a long leasehold has been granted on the Institute's freehold property, the Chester Beatty Laboratories, to Lloyds. Lloyds has undertaken to pay for the development of the Laboratories up to a maximum of £20.6m exclusive of VAT. It has granted an occupational lease to the Institute to occupy the laboratories once the development is complete.

Midland Bank plc has granted an irrevocable Letter of Credit to Lloyds in respect of costs related to the project. At 31 July 1999, the Institute has placed on deposit at Midland Bank a sum of £21.6m (1998 - £17.3m) which includes security for the Letter of Credit. In accordance with Financial Reporting Standard 5 the transaction has been accounted for by treating the amounts paid to the contractor in respect of the development as additions to fixed assets in the charity. The corresponding entry, which represents the amounts paid by Lloyds, has been treated as a long term loan. Interest of £814k (1998 - £510k) has been charged on the Development loan at the rate of 8.00% (1998 - 7.19%) based on the amounts paid by Lloyds during the period.

14 Deferred Capital Grants

Balance as at 1 August 1998

Amounts receivable during the year

Less released to income and expenditure account

Refund of deferred capital grant

Balance as at 31 July 1999

	Buildings	Equipment	1999 Total	1998 Total
Balance as at 1 August 1998	8,806	426	9,232	7,492
Amounts receivable during the year	685	1,088	1,773	2,012
Less released to income and expenditure account	(834)	(447)	(1,281)	(272)
Refund of deferred capital grant	(835)	0	(835)	0
Balance as at 31 July 1999	<u>7,822</u>	<u>1,067</u>	<u>8,889</u>	<u>9,232</u>

The deferred capital grants for buildings reflect the amounts held by the Institute on behalf of: Breakthrough Breast Cancer as their contribution to The Breakthrough Toby Robins Breast Cancer Research Centre within the Chelsea Development - £7,003k (1998 - £7,806); The Bob Champion Cancer Trust as their contribution to the Male Urological Cancer Research Centre (MUCRC) in Sutton - £773k (1998 - £1,000). This year a further contribution of £250k towards the MUCRC was received from The Monument Trust. An amount of £835k was returned to Breakthrough during the year.

Interest on the Breakthrough Breast Cancer sum (£435k at 31 July 1999, £576k in 1998) has been re-invested as part of the balance of £8,013k invested in money market and other deposits shown in note 11 (ii). Interest on the Bob Champion Cancer Trust sum has been returned to the Trust.

15 General Fund

Balance as at 1 August 1998

Add surplus/(deficit) for the year

Add realised profit on the sale of investments

arising in the year

arising in prior years

Balance as at 31 July 1999

	Unrestricted Funds	Restricted Funds	Endowment Funds	1999 Total	1998 Total
Balance as at 1 August 1998	40,403	2,111	8	42,522	38,914
Add surplus/(deficit) for the year	0	(92)	52	(40)	132
Add realised profit on the sale of investments arising in the year	725	0	0	725	944
arising in prior years	2,738	0	0	2,738	2,532
Balance as at 31 July 1999	<u>43,866</u>	<u>2,019</u>	<u>60</u>	<u>45,945</u>	<u>42,522</u>

Amounts in £ thousands

	1999	1998
16 Investment Reserve		
Unrealised gains on investment revaluation as at 1 August 1998	6,464	5,681
Add unrealised gain on investments arising during the year	1,131	3,315
Less profit on investments arising in prior years now realised	(2,738)	(2,532)
Balance as at 31 July 1999	<u>4,857</u>	<u>6,464</u>

The Investment Reserve represents the unrealised gain, that is the difference between the market value and cost, on the investments held at 31 July 1999.

17 Land and Buildings Reserve

Unrealised gains on land and buildings revaluation as at 1 August 1998	5,238	5,246
Less unrealised loss on property arising during the year	68	(8)
Balance as at 31 July 1999	<u>5,306</u>	<u>5,238</u>

The Land and Buildings Reserve represents the unrealised gain as at 31 July 1999 on the market value of Land and Buildings. The next valuation will take place at 31 July 2001.

18 Development Fund

Balance as at 1 August 1998	7,931	7,931
Appropriation from the General Fund	856	0
Balance as at 31 July 1999	<u>8,787</u>	<u>7,931</u>

19 Equipment Fund

Balance as at 1 August 1998	2,597	0
Appropriation from the General Fund	0	2,597
Balance as at 31 July 1999	<u>2,597</u>	<u>2,597</u>

20 Special Funds*(i) Special Funds*

	Designated Funds	Restricted Funds	Endowment Funds	1999 Total	1998 Total
Balance as at 1 August 1998	519	483	1,532	2,534	2,206
Add surplus for the year	0	29	0	29	89
	<u>519</u>	<u>512</u>	<u>1,532</u>	<u>2,563</u>	<u>2,295</u>
Add realised profit on the sale of investments:					
Arising in the year	13	12	39	64	65
Arising in prior years	50	25	166	241	175
Balance as at 31 July 1999	<u>582</u>	<u>549</u>	<u>1,737</u>	<u>2,868</u>	<u>2,535</u>

Representing :

Hensley Nankivell Studentship Fund	0	0	933	933	780
FC Hunter Studentship Fund	568	0	0	568	506
CRC Epidemiology Endowment	0	549	0	549	483
Sir SK Tang Fund	0	0	480	480	424
The Ivan and Felicity Stoller Fund	0	0	324	324	329
Joan Francis Stowe Fund	14	0	0	14	13
	<u>582</u>	<u>549</u>	<u>1,737</u>	<u>2,868</u>	<u>2,535</u>

The expenditure of the Special Funds, paid via the General Funds during the year amounted to £378k. The Institute received restricted income of £250k from The Wolfson Foundation as a contribution towards the building of the Male Urological Cancer Research Centre in Sutton. This amount was fully utilised in year.

The Hensley Nankivell Studentship Fund (Endowment Fund) and the FC Hunter Studentship Fund (Designated Fund) are legacies received from the estates of Mrs SMA Nankivell and Mr FC Hunter respectively for the purpose of supporting research studentships within the Institute. Transfers of £52k and £31k respectively to the General Fund reflect the funding of research studentships in 1998/99. The CRC Epidemiology Fund (Restricted Fund) represents the accumulated surplus on the CRC endowment originally received from, and subsequently returned to, the Cancer Research Campaign. This surplus continues to fund research within the Section of Epidemiology. The Sir SK Tang Fund (Endowment Fund) is a legacy received from the estate of the late Sir S.K. Tang. The capital of the Ivan and Felicity Stoller Fund (Endowment Fund) is to remain intact with any income thereon being unrestricted. Income of £27k received from the Sir SK Tang Fund and income of £17k received from the Ivan and Felicity Stoller Fund was used to fund general cancer research. The Joan Francis Stowe Fund (Designated Fund) finances the Joan Frances Stowe Prizes in Palliative and Nursing Care. £1k was spent on this year's award. Income from all the Special Funds is reflected in the General Fund's investment income.

<i>Amounts in £ thousands</i>	Designated Funds	Restricted Funds	Endowment Funds	1999 Total	1998 Total
(ii) <i>Special Funds Investment Reserve</i>					
Unrealised gains on investment revaluation as at 1 August 1998	77	67	200	344	292
Add unrealised gain on investments arising during the year	5	(13)	53	45	226
Profit on investments arising in prior years now realised	(49)	(25)	(166)	(240)	(174)
Balance as at 31 July 1999	33	29	87	149	344

21 Buildings and Fixed Equipment

Estimated current value (for insurance purposes) as at 31 July 1999

Freehold and Crown lands	41,884	41,884
Long leaseholds	3,084	3,084
Short leaseholds	12,265	12,928
	57,233	57,896
Equipment and furniture	45,069	46,081
	102,302	103,977

The Institute's properties were valued for insurance purposes at 31 July 1996.

22 Future Commitments

- (i) Research commitments - The Institute has committed £17.4m (1998 - £16.5m) from its General Funds for research projects over the next three years. This increase reflects funding of a number of new initiatives which have been approved by the Council of the Institute.
- (ii) Capital commitments - The Institute, with Breakthrough Breast Cancer, is committed to further expenditure of £1.35m on redeveloping its laboratories in Chelsea. Also the Institute, in conjunction with The Bob Champion Cancer Trust, is committed to expenditure of £2.64m (the Institute's contribution being £1.68m) to build the Male Urological Cancer Research Centre in Sutton. The Institute has approved further developmental expenditure in Sutton for the Cancer Genomics Centre at an initial estimated cost of £22.25m. At 31 July 1999, £0.67m of this amount had been spent leaving a commitment of £21.58m.
- (iii) The Institute has annual operating lease commitments in respect of property leaseholds expiring over five years:-

Expiry Date:		
Within one year	0	0
Between two to five years	91	287
Over five years	1,622	1,006
	1,713	1,293

23 Emoluments of the Council

No fees are paid to members of the Council for their services as charity trustees. Those members of the staff of the Institute who are members of the Council receive only the normal remuneration of their appointments.

(i) Total Emoluments

Total emoluments for executive services including pension scheme contributions	535	597
Chairman's emoluments	Nil	Nil
Highest paid member, included above, but excluding employer's pension scheme and National Insurance contributions	91	126

Number of other members whose emoluments, including distinction awards but excluding employer's pension scheme and National Insurance contributions, were within the following scales:

	Number	Number
Nil	24	24
£25,001 - £30,000	1	1
£35,001 - £40,000	-	2
£40,001 - £45,000	1	-
£45,001 - £50,000	3	2
£60,001 - £65,000	3	2
£85,001 - £90,000	-	1
£95,001 - £100,000	1	-

(ii) Payments of Expenses

Three non-executive Trustees received a total of £500 for reimbursement of travel expenses

<i>Amounts in £ thousands</i>	ICR Payroll	RMNHST Payroll	1999 Total	1998 Total
24 Staff Costs				
<i>(i) Remuneration</i>				
Gross	16,650	387	17,037	15,909
National Insurance	1,277	30	1,307	1,211
Superannuation	1,864	13	1,877	1,780
	19,791	430	20,221	18,900
Average number of employees	756	25	781	738
	1999 Cost	1998 Cost	1999 Number	1998 Number
<i>(ii) Costs and Average Number of Employees</i>				
Research staff	17,879	16,953	651	626
Research students	789	521	68	62
Fund raising services	413	277	18	10
Management and administrative services	1,140	1,149	44	40
	20,221	18,900	781	738

Research student numbers exclude students who do not appear on the payroll and research staff who are registered for higher degrees.

(iii) Remuneration of Executive Directors

The remuneration of Executive Directors is listed below. That of the Chief Executive, and the Academic Dean, as members of the Council, together with the Secretary of the Institute are disclosed in full inclusive of distinction awards. Employer's pension scheme and National Insurance contributions are excluded.

The remuneration of the other Executive Directors is the allowance paid to them to undertake the responsibilities of their office. They are also paid as research staff and their full pay is included in Note 24(iv).

	1999	1998
Chief Executive	91	126
Academic Dean	62	61
Secretary of the Institute	72	71
Head of Clinical Laboratories & Director of Clinical Research and Development	18	17
Head of Chester Beatty Laboratories (Chelsea)	15	15
Head of Haddow Laboratories (Sutton)	15	15

	1999 Number	1998 Number
<i>(iv) Remuneration of Higher Paid Staff</i>		
£40,001 - £50,000	16	16
£50,001 - £60,000	9	9
£60,001 - £70,000	11	7
£70,001 - £80,000	2	2
£80,001 - £90,000	4	5
£90,001 - £100,000	1	1
£100,001 - £110,000	3	-
£110,001 - £120,000	-	2
£120,001 - £130,000	1	1

Remuneration includes nine distinction awards for academic clinicians funded by the National Health Service. It excludes employer's pension scheme and National Insurance contributions.

(v) Superannuation Schemes

The Institute participates in three superannuation schemes. The majority of scientific 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 (NHSSS) and other staff are in the ICR Pension Scheme (ICRPS). All three are externally funded, defined benefit schemes which are contracted out of the State Earnings Related Pension Scheme. The assets of two of the schemes (USS and ICRPS) are held in separate trustee administered funds, while the assets of the NHSSS are held by the National Exchequer. Three of the nine Trustees of ICRPS are elected by the members.

Actuarial valuations are carried out every three years for both ICRPS and the USS/USDPS schemes by professionally qualified independent actuaries. USS/USDPS have used the aggregate method; ICRPS has used the projected unit method. The rates of contribution payable are determined by the Trustees on the advice of the actuaries. In the intervening years, the actuaries review the progress of the schemes.

The NHSSS is subject to a quinquennial review and is funded under regulations for the National Health Service approved by Parliament.

All three pension schemes provide benefits based on final pensionable salary.

The total pension cost for the Institute was £1,864k (1998 - £1,780k). The pension cost is assessed using the projected unit method.

Contributions totalling £16k were payable to the schemes at 31st July 1999 (1998 - £95k) and are included in current liabilities. The assumptions which have the most significant effect on the results of the actuarial valuations are those relating to the rate of return on investments and the rates of increase in salary and pensions.

The assumptions used in the valuations were as follows:

	ICRPS	USS
Investment returns	6.0%	8.5%
Salary inflation	4.5%	6.5%
Pensions increase	3.0%	5.0%
Price inflation	3.0%	4.5%
Date of latest actuarial valuation	31 March 1998	31 March 1996
Market value of assets	£24.2m	£12,087.0m
Benefit cover (in excess)	121.0%	108.0%

The most recent actuarial investigation of the NHSSS covered the period 1 April 1989 to 31 March 1994. The Government Actuary recommended the level of employer's contribution remains unchanged to meet existing liabilities. The contribution rate does not meet the costs of pension increases which are funded directly by the Exchequer.

Pensions are increased in accordance with the Pensions (Increases) Act 1971. USS/USDPS and NHSSS finance these increases in full. The most recent valuation of ICRPS only allows for increases of up to 5.5% and any additional increase is funded by the Institute. A small group of pensioners, who retired under the previous superannuation scheme are in receipt of unfunded pensions paid directly by ICR. These pensions are increased, at the Institute's discretion, by analogy with the Act.

The Institute operates schemes of early retirement and voluntary redundancy. In 1998/99 seven members of staff received payments under these arrangements.

ICRPS Employer's Pension Contributions Deductions

An actuarial review of ICRPS at 31 March 1998 disclosed a surplus of £4.2m on the fund. The Trustees of the scheme agreed that employer's contributions should reduce to 13% with effect from 1st April 1999. The employer's contributions are funded by either sponsors or the Institute.

(vi) Health and Safety at Work

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

25 Value Added Tax

The Institute paid VAT net of recovery amounting to some £933k (1998 - £460k) during the year. It is a member of the Charities Tax Reform Group which campaigns on behalf of its members for a reduction in their VAT burden.

26 Subsidiary Undertakings

The Institute has the following subsidiary undertakings:

- (i) ICR Chelsea Development Limited - The Institute owns 100% of the issued share capital of this company which has been set up to act as the developer of the Chester Beatty Laboratories. It did not make a profit or a loss for the period ended 31 July 1999 and its net assets at that date amounted to £2. As described in note 13 the results of ICR Chelsea Development Ltd have been incorporated into the accounts of the Institute.
- (ii) ICR Sutton Development Ltd - The Institute owns 100% of the issued share capital of this company which has been set up to act as the developer of the Male Urological Cancer Research Centre and the new Sutton Laboratories. It did not make a profit or a loss for the period ended 31 July 1999 and its net assets at that date amounted to £2. In accordance with Financial Reporting Standard 5, the results of ICR Sutton Developments Ltd have been incorporated into the accounts of the Institute.
- (ii) ICR Enterprises Ltd - This company undertakes trading activities (e.g. the sale of Christmas Cards) for the benefit of the Institute which, being an exempt charity, can not carry them out itself. The Institute owns 100% of the issued share capital. The company made a profit of £32.9k for the period ended 31 July 1999 and its net assets at that date amounted to £2. The results have not been consolidated into the accounts of the Institute as they are immaterial.
- (iii) Great Discoveries Appeal - The company is limited by guarantee and was dormant throughout the period ended 31 July 1999.
- (iv) Everyman Action Against Male Cancer - The company is limited by guarantee and was dormant throughout the period ended 31 July 1999.

27 The Moulton Trust Fund

The Moulton Trust Fund is an independent charity of which the Institute of Cancer Research is the Sole Trustee. The Fund's income is £1.5k p.a. and is entirely donated to The Institute of Cancer Research to fund postgraduate medical research. The Fund's net assets at 31 July 1999 were £52k. Audited accounts are available from the Institute.

28 Related Parties

The Institute has a joint project with Breakthrough Breast Cancer for the building of The Breakthrough Toby Robins Breast Cancer Research Centre at the Institute of Cancer Research within the Chelsea Development. Grants for equipment and buildings in the Statement of Financial Activities included £403k (1998 - £65k) from Breakthrough in relation to this development.

The Institute's Professional Advisors

Auditors

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Bankers

Coutts & Co
Chandos Branch, 440 Strand, London WC2

HSBC

Onslow Square Branch, 1 Sydney Place, London SW7

Investment Managers

Mercury Asset Management
33 King William Street, London EC4

Solicitors

Farrer & Co
66 Lincoln's Inn Fields, London WC2