

3062160

HINXTON HALL LIMITED

Registered charity no. 1048066

Report and Accounts

for the year ended
31 December 1996



HINXTON HALL LIMITED
Report and Accounts for the year to 31 December 1996

DIRECTORS' REPORT

The Directors of Hinxton Hall Limited present their report for the year ended 31 December 1996.

Legal and Administrative Information

Hinxton Hall Limited is a company limited by guarantee and was incorporated on 23 May 1995, registered number 3062160. The guarantors are The Wellcome Trust Limited and Genome Research Limited. It was also registered as a charity under the Charities Acts, number 1048066, on 20 July 1995. The registered office of the Company is 183 Euston Road, London, NW1 2BE.

The objects of the Charity are set out in the memorandum and articles of the Company. The Charity was set up to manage the site services at The Wellcome Trust Genome Campus, situated at Hinxton Hall, Cambridgeshire, and in particular to develop and run conference facilities for the benefit of the research establishments working there.

The Directors of the Company during the year were

Michael J Morgan
Barton C Dodd

Neither Michael Morgan, nor Barton Dodd, have any beneficial interests in the Company.

Statement of Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period. In preparing those financial statements, the Directors are required to

- (1) select suitable accounting policies and then apply them consistently;
- (2) make judgements and estimates that are reasonable and prudent;
- (3) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its activities.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985 and the Charities Act 1993. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Activities of the Charity

The activities of the Charity fall into two broad categories. The first is the provision of conference and meeting facilities on the Campus site. To this end the Charity is constructing and refurbishing appropriate buildings on the Campus, funded by a grant from The Wellcome Trust. These buildings were completed after the year end and the facilities will be in use during 1997.

The second activity, which commenced in July 1996, is the provision of site services to the institutes based on the Campus, currently comprising The Sanger Centre, The European Bioinformatics Institute and the Human Genome Mapping Project Resource Centre. These services include building maintenance, security, cleaning, catering, etc.

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DIRECTORS' REPORT

Net incoming resources and reserves

The Company reports net incoming resources for the period of £9,125,000 (£3,719,000: 1995).

Reserves within the Building Fund and General Fund represent the grants received from The Wellcome Trust for the acquisition of fixed assets. The reserves will be used up in future periods as depreciation is charged to the Fund over the life of the assets.

Fixed Assets

The fixed assets of the Company, as set out in note 6 to the Accounts, represent the costs incurred to date on the building development at The Wellcome Trust Genome Campus and associated furniture and office equipment. In the opinion of the Directors, there is no significant difference between the market value and the book value of the leasehold interests.

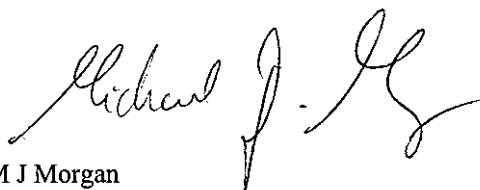
Employees

There are no employees of the Company. Most activities of the Charity are sub-contracted to other companies. The day to day management of the Charity is undertaken by staff seconded from The Wellcome Trust.

Auditors

In accordance with section 386 of the Companies Act 1985, as amended by section 119 of the Companies Act 1989, the Company has elected to dispense with the obligation to appoint auditors annually.

This report was approved by the Board on 15th January 1998



M J Morgan
Director
183 Euston Road
London NW1 2BE.

BINDER HAMLYN

Andersen Worldwide

20 Old Bailey
London EC4M 7BH

Auditors' report

To the members of Hinxton Hall Limited

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 1, the company's directors are responsible for the preparation of the 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.

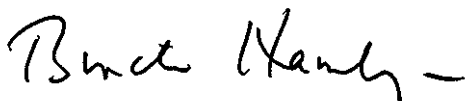
Basis of opinion

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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 misstatement, 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 company at 31 December 1996 and of its net incoming resources and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants and Registered Auditors

26 January 1998.

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STATEMENT OF FINANCIAL ACTIVITIES

	Notes	1996 Building Fund £'000	1996 General Fund £'000	1996 Total £'000	Period to 31.12.95 £'000
Incoming resources					
Grants		8,968	249	9,217	3,719
Service charges		-	582	582	-
Other income		-	4	4	-
Total incoming resources		8,968	835	9,803	3,719
Resources expended					
Direct charitable expenditure	3	-	670	670	-
Administration costs	4	-	8	8	-
Net incoming resources		8,968	157	9,125	3,719
Fund balances brought forward at 1 January 1996					
		3,719	-	3,719	-
Fund balance carried forward at 31 December 1996					
		12,687	157	12,844	3,719

There are no other gains or losses apart from those recognised above.

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BALANCE SHEET AS AT 31 DECEMBER 1996

	Notes	<u>1996</u> £'000	<u>1996</u> £'000	<u>1995</u> £'000	<u>1995</u> £'000
Fixed assets					
Tangible fixed assets	6		12,844		3,719
Current assets					
Debtors	7	1,264		604	
Cash at bank		187		-	
		<u>1,451</u>		<u>604</u>	
Creditors: amounts falling due within one year	8	(1,451)		(604)	
Net current assets		<u> </u>	-	<u> </u>	-
			<u>12,844</u>		<u>3,719</u>
Reserves					
Building Fund			12,687		3,719
General Fund			157		-
			<u>12,844</u>		<u>3,719</u>

The accounts on pages 4 to 9 were approved by the Board on 15th January 1998



M J Morgan
Director

HINXTON HALL LIMITED**Report and Accounts for the year ended 31 December 1996****CASH FLOW STATEMENT**

	1996	Period to
	£'000	31.12.95
		£'000
Net cash inflow from operating activities	9,317	3,719
Capital expenditure	9,130	3,719
	<hr/>	<hr/>
Increase in cash	187	-
	<hr/>	<hr/>

Reconciliation of net incoming resources to net cash inflow from operating activities

	1996	Period to
	£'000	31.12.95
		£'000
Net incoming resources	9,125	3,719
Increase in debtors	(660)	(604)
Increase in creditors	847	604
Depreciation	5	-
	<hr/>	<hr/>
Net cash inflow from operating activities	9,317	3,719
	<hr/>	<hr/>

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Report and Accounts for the year ended 31 December 1996

NOTES TO THE ACCOUNTS

1. Accounting policies

a) Historical cost convention

These accounts are prepared under the historical cost convention.

b) Grants receivable

Grants receivable are accounted for when they become payable.

c) Fund accounting

The Building fund is credited with the grant received from The Wellcome Trust specifically for the construction of the conference facilities. It is a restricted fund under the terms of the grant.

The General Fund is an unrestricted fund and is credited with any funds acquired for the general use of the Charity. Income and costs relating to the provision of site services and conference facilities are reflected in this fund.

d) Fixed assets

All fixed assets of value in excess of £1,000 are capitalised. Depreciation is charged on assets in use as follows:

Leasehold Buildings	over the life of the lease
Furniture and office fittings	20% straight line
Computer and audio visual equipment	33 ¹ / ₃ % straight line
Plant	20% straight line

No depreciation is charged on buildings in the course of construction.

e) Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

2. Directors' emoluments

No emoluments or other benefits were received by the Directors.

3. Direct charitable expenditure

	<u>1996</u> <u>£'000</u>	<u>1995</u> <u>£'000</u>
Provision of services to occupiers of the Campus	591	-
Professional fees	37	-
Grounds maintenance and security	31	-
Other	11	-
	<u>670</u>	<u>-</u>

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NOTES TO THE ACCOUNTS

4. Administration costs

	<u>1996</u> £'000	<u>1995</u> £'000
Audit fee	3	-
Office supplies	5	-
	<u>8</u>	<u>-</u>

5. Staff costs

The company has no employees, with most services provided sub-contracted to third parties. There are, however, three personnel who have been seconded from The Wellcome Trust. During the year, the total of employment costs reimbursed to The Wellcome Trust by the Company were as follows

	<u>1996</u> £'000	<u>1995</u> £'000
Salaries	28	-
Social Security costs	2	-
Pension, death and disability costs	5	-
	<u>35</u>	<u>-</u>

6. Fixed assets

	<u>Short Leasehold Land and Buildings</u> £'000	<u>Furniture</u> £'000	<u>Computer Equipment</u> £'000	<u>Plant</u> £'000	<u>Total</u> £'000
Cost at 1 January 1996	3,719	-	-	-	3,719
Additions in year	8,968	105	36	21	9,130
Cost at 31 December 1996	12,687	105	36	21	12,849
Depreciation at 1 January 1996	-	-	-	-	-
Charge for the year	-	-	4	1	5
Depreciation at 31 December 1996	-	-	4	1	5
Net book value at 31 December 1996	12,687	105	32	20	12,844
Net book value at 31 December 1995	3,719	-	-	-	3,719

No depreciation has been charged in this period in respect of the leasehold buildings as the buildings had not been completed and were not in use by the balance sheet date. Depreciation will be charged from first use of the buildings.

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NOTES TO THE ACCOUNTS

7. Debtors

	<u>1996</u> £'000	<u>1995</u> £'000
VAT recoverable	1,260	604
Other debtors	4	-
	<u>1,264</u>	<u>604</u>

8. Creditors: amounts falling due within one year

	<u>1996</u> £'000	<u>1995</u> £'000
Grants received in advance	731	519
Trade Creditors	611	85
Service charges in advance	109	-
	<u>1,451</u>	<u>604</u>

9. Capital commitments

The Company has entered into a contract for the construction and refurbishment of buildings known as the North Campus development, of which the total estimated cost is £18 million. As at 31 December 1996, work completed on this contract and capitalised in these accounts was valued at some £12,687,000 (£3,719,000: 1995). This project is being funded by a grant awarded by The Wellcome Trust.

10. Related party transactions

Both The Wellcome Trust and Genome Research Limited, as members of the Company, are related parties as defined by Financial Reporting Standard 8, Related Party Disclosures.

During the year The Wellcome Trust provided grants to the Company, in respect of both capital and revenue expenditure, amounting to £9,216,000. Service charges invoiced to Genome Research Limited in the year amounted to £500,000.

Grants received in advance from The Wellcome Trust amounted to £731,000 and service charges in advance from Genome Research Limited amounted to approximately £80,000. Both these amounts are included within the creditors figures shown in note 8.

11. Controlling party

In the opinion of the directors, The Wellcome Trust exercises dominant influence over the Company through its relationships both with the Company and with Genome Research Limited. The Company is therefore considered to be a subsidiary of The Wellcome Trust.