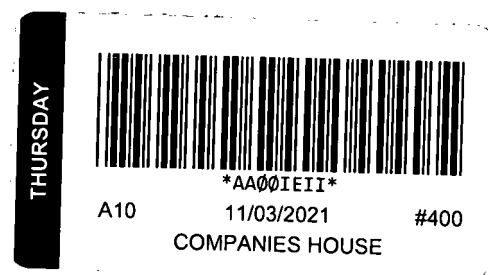


Hinxton Hall Limited Annual Report and Financial Statements For Year Ended 30 September 2020



Hinxton Hall Limited
Charity registration number 1048066
Company number 3062160

Hinxton Hall Limited Annual Report and Financial Statements
Year ended 30 September 2020

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Trustees' Report

The Directors of Hinxton Hall Limited ("the Company" or "the Charity"), who are also the Trustees of Hinxton Hall Limited, being a charity for the purposes of the Charities Act 2011, present their Annual Report and audited Financial Statements for the year ended 30 September 2020.

Independent Auditor

In accordance with Section 485 of the Companies Act 2006, a resolution dated 8 December 2020 was passed by the members reappointing Deloitte LLP as auditor of the Charity.

Reference and administrative information

Company Status

The Company is a charity registered in England and Wales with the Charity Commission under the Charities Act 1993, as amended by the Charities Act 2011 (Charity registration number 1048066) and is a company limited by guarantee and registered in England and Wales (Company number 3062160).

Directors/Trustees

The trustees of the Charity (who are also directors of the Company) who were in office during the year and up to the date of signing the financial statements were:

M Dougherty (Chair)
M Payne

Principal Address
Wellcome Genome Campus
Hinxton
Cambridgeshire
CB10 1RQ

Company Secretary
N Meliti

Registered Office
Gibbs Building
215 Euston Road
London
NW1 2BE

Independent Auditor
Deloitte LLP
Statutory Auditor
1 New Street Square
London
EC4A 3HQ

Bankers
National Westminster Bank plc
King's Parade Branch
Bene't Street
Cambridge
CB2 3PU.

Solicitors
CMS Cameron McKenna
Cannon Place
78 Cannon Street
London
EC4N 6AF

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Company number 3062160

Hinxton Hall Limited

For the year ended 30 September 2020

Structure, Governance and Management

Members

The Charity has two members, The Wellcome Trust Limited, as Trustee of the Wellcome Trust ('Wellcome'), and Genome Research Limited ('GRL'). The Charity and GRL are both wholly-owned subsidiaries of the Wellcome Trust for accounting purposes. The liability to each member to contribute to the assets in the event of winding up is limited to £1.

Governance

The Charity is governed in accordance with its memorandum and articles of association.

Board of Trustees

The Board of Trustees (who are also Directors and the key management personnel of the Company) is responsible for ensuring that the charitable objects of the Charity are being met. It approves the management structure and operational budgets of the Charity. During the financial year, the Board met on one occasion. The Trustees are also members of the GRL Executive Board which meets four times a year and has an overview of all activities on the Wellcome Genome Campus. The Trustees are appointed by the Members of the Charity, Wellcome and Genome Research Limited. The performance of the Trustees is monitored by the members who will advise and manage any necessary development and training.

The Charity Trustees are appointed from the executive management of fellow group charity Genome Research Ltd. The Trustees are selected to have substantial experience of managing and operating large charitable organisations and are familiar with the requirements of company law and the Charity Commission. An induction programme is provided, helping to put this into the context of the specific workings of the Charity. Legal and regulatory updates are provided from our Legal and Facilities departments as and when required.

None of the Trustees has any beneficial interests in the Charity. The Trustees do not receive any remuneration for acting as Trustees or Directors of the charity. All the Trustees are also paid employees of Genome Research Limited and none of their remuneration is recharged to the charity.

The Charity has made qualifying third party indemnity provisions for the benefit of its trustees which were made during the year and remain in force to the date of this report.

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

The Chair (page 2) has principal management responsibility for the business activities of the Charity and acts as Chief Operating Officer with responsibility for activities on a day-to-day basis. Responsibility is delegated to senior management for Facilities Management, Construction Services and the Wellcome Genome Campus Conference Centre.

Objects

The objects for which the Charity is established are to advance the education of the public, in particular, advancing scientific and medical education and research (and the publication of the useful results of research) with particular reference to the human genome by the provision of facilities for research, conferences, seminars and training at the Wellcome Genome Campus, which is situated at Hinxton, Cambridgeshire.

Hinxton Hall Limited
For the year ended 30 September 2020

Aims

The Trustees confirm that they have had regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. The Charity continues to fulfil its charitable objects by undertaking three key charitable activities:

- Providing facilities management services to organisations based at the Wellcome Genome Campus, the major ones being Genome Research Limited, the European Bioinformatics Institute and the Wellcome Genome Campus Conference Centre. These services include utilities provision, building maintenance, security, cleaning and catering.
- Providing meeting and conference facilities and residential accommodation at the Wellcome Conference Centre.
- Providing design and construction services for the Wellcome Genome Campus.

The provision of these services provides public benefit through supporting organisations on the Wellcome Genome Campus which undertake scientific and medical research and education.

The Charity earns income from facilities management charges, construction services and conference centre sales and is also funded by grants from Wellcome.

Hinxton Hall Limited
For the year ended 30 September 2020

Strategic Report

Achievements and Performance

During the year the Charity provided facilities management, construction and conferencing services as required to meet the needs of tenants on the Wellcome Genome Campus, consistent with its ongoing charitable objectives. The Charity aims to maintain and improve its services delivered each year across the campus. As explained below this target could not be wholly achieved in the current year due to the restrictions enforced during the covid-19 pandemic. Activity on the Wellcome Genome Campus was curtailed in 2020 as a result, however services were maintained where possible for those parts of the campus which remained active during the shutdown.

The following summarises the achievements of the Charity during the year and the KPIs used to measure performance:

On 20th March 2020 the campus partially shut down to all but essential activities relating to animal welfare and scientific studies into the virus. A phased re-opening began in July with around 200 staff working on campus, increasing to around 850 by the end of the financial year. In normal operating times capacity on campus is around 2,500 staff.

Facilities management services generating income of £16.1 million (2019: £17.8 million) were provided to support the ongoing essential operations on the Wellcome Genome Campus undertaking scientific research and to maintain and enhance the infrastructure of the Wellcome Genome Campus. The Charity also provided design and construction services to Wellcome Genome Campus generating income of £1.0 million (2019: £0.3 million), including renovation of the West Pavilion laboratories for use by Genome Research Limited. During the previous year the Charity completed construction of a new quadrant for the Genome Campus datacentre, including an uninterrupted power supply, for use by Genome Research Limited.

The conference centre closed on 20th March 2020 and remained shut throughout the financial year. Sales income received from users of the conference facilities amounted to £1.3 million (2019: £2.5 million). Prior to the closure, the facility was used to run 254 events (2019: 543) including hosting 11,571 delegates (2019: 22,952). The conference centre also received grant income of £1.3 million (2019: £0.5 million) to cover its trading deficits.

Environment

The Environment Manager (an employee of fellow group charity Genome Research Ltd) is responsible for the strategic direction and management of the environmental impacts of the Campus. These include the Campus Environmental Management System ISO 14001:2015 and Campus Environmental Sustainability Strategy as well as operational areas in conjunction with key colleagues who manage direct environmental impacts. During the current year this included continued management and diversion of hazardous waste to offensive waste to ensure the best disposal route for laboratories.

In 2019 the Campus became ISO 50001:2018 certified, the latest Energy Management Standard. Our target is to reduce our energy consumption by 5% against floor area from 2018 to 2022. Key environmental initiatives planned over the coming year include launching and drafting the Campus Environmental Sustainability Strategy, continuing our programme of energy efficient and energy saving projects, investigating alternative, low-carbon and green options for onsite electrical generation and automating and increasing the number of gas, electric and water sub metering across site to analyse use.

Health and Safety

The Wellcome Genome Campus (WGC) management recognises that proactive, well-managed health and safety is directly linked to its growth and success. The following have been achieved during the reporting period:

- The Wellness@Work stress and mental wellbeing initiative with the HR Learning and Engagement team has continued its roll out, including training for managers and employees on recognising the symptoms and preventing stress and mental ill health in the workplace.

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- A significant improvement in facilities and construction health and safety has been introduced by the recently appointed Director of Estates (an employee of fellow group charity Genome Research Ltd), including prioritising capital projects required for improving health and safety, an intensive training programme for the team members on construction safety and a focus on fire safety measures.
- Many of the buildings on campus are now 15-25 years old. To improve and prioritise essential works, an external fire safety engineer has been recruited to review all buildings on campus and identify the original fire strategy and deviations that may have occurred since construction.

In March 2020 with the covid-19 pandemic lockdown, the Campus closed in a very short period of time. As part of a multi-team effort, the Health and Safety Team has played a key role in supporting the Campus Incident Management Team (CIMT) in managing the Campus. CIMT established some key principles of operation:

- Minimise the virus transmission risk from coming to work
- Minimise the potential for transmission of the virus on campus
- Support employee welfare on & off campus
- Follow central Government guidance
- Being responsive & dynamic to change

Under the central themes of "Looking after one another. Keeping our science going", a wide range of mitigations, such as social distancing, a one-way system around the buildings and hygiene campaigns have been put in place to create a "covid-secure" workplace, as well as assisting individuals with safe home working arrangements.

The campus remained closed to most personnel for the remainder of 2020, with staff only permitted to be on site to provide animal welfare, perform essential facilities services, or conduct priority scientific research. CIMT managed access to site in throughout this period in response to government guidance, including additional restrictions imposed during the second covid-19 lockdown in November 2020.

Reserves and Expenditure Policy

The Charity does not consider it necessary to hold a minimum level of reserves due to the structure of its funding from Wellcome, directly from grants and indirectly via funding awarded to GRL to cover its facilities costs. Although, due to the timing of construction and facilities work undertaken, reserves will fluctuate from year to year. Wellcome provides sufficient funding to enable the Charity and GRL to finance its general activities and meet any of its obligations as they fall due. This funding structure is reviewed every five years. The year ended 30 September 2020 was the fourth year of the current quinquennial funding period. In the event of a change in funding approach the reserves policy would be reviewed. The Charity aims to limit expenditure to that budgeted each year to maintain facilities on the Wellcome Genome Campus and undertake construction projects only once funding is committed. The Charity does not undertake public fundraising activities.

At the end of the financial year the Charity held unrestricted general funds of £2.5 million (2019: £3.0 million) and restricted building funds of £35.5 million (2019: £36.5 million).

All Building Fund represents fixed assets, which are funded by grants received from Wellcome. The funds will be utilised in future periods as depreciation is charged to the funds over the life of the assets.

The Building Fund is a restricted fund and is held for the buildings on the land leased by the Charity from Genome Research Limited. These include Hinxton Hall, a Grade II listed building, the Conference Centre, the Residential Accommodation and the new Shared Services and car park facility. The fund is adjusted each year for building additions and depreciation. The General Fund is an unrestricted fund and represents the net operational assets of the Charity. It is adjusted each year for additions and depreciation.

Unrestricted funds generally remain consistent year to year as costs are only incurred where they can be recovered by grants from Wellcome or recharges to tenants on the Wellcome Genome Campus. Residual unrestricted funds represent grants received to purchase fixed assets (other than buildings), which is utilised in future periods as depreciation is charged to the funds over the life of the assets.

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For the year ended 30 September 2020

For planning purposes an annual budget is agreed with Wellcome and tenants on the Wellcome Genome Campus, including Genome Research Ltd and the European Bioinformatics Institute. The Trustees monitor the expenditure of the Charity and provide an oversight of the internal budgetary and financial control mechanisms. The Charity agrees funding for capital projects and recovery of costs from Wellcome and Genome Research Limited and other customers such that all expenditure is only committed once it is covered by income.

Fixed Assets

The tangible fixed assets of the Charity, as set out in note 8 to the Financial Statements, represent the costs, less accumulated depreciation, incurred at the Wellcome Genome Campus. During the covid-19 pandemic the campus was partially closed and buildings and facilities owned by the Charity, including the Wellcome Genome conference centre temporarily ceased operations. However, the assets are expected to be used again once the restrictions are lifted and to return to normal operations by at least the end of 2021. Therefore the Trustees do not consider any asset values to be impaired.

Employment

The Charity has no employees (2019: no employees), with services provided being sub-contracted from third parties. The management and administration of the Charity is undertaken by staff employed by Genome Research Limited. The charge for these services in the current year was £1.0 million (2019: £1.0 million).

Financial Review

The Charity's income from construction services related primarily to the construction of the West Pavilion laboratories for Genome Research Ltd and increased from £0.3 million in 2019 to £1.0 million in 2020. In the previous year construction work was undertaken relating to the datacentre on the Genome Campus. Income from facilities management services decreased from £17.8 million in 2019 to £16.1 million in 2020 due to the partial lockdown during the covid-19 pandemic and more efficient management of utilities' consumption on the campus. Income from conference centre sales decreased from £2.5 million to £1.3 million as the facility was closed from 20th March onwards.

The Charity reported net expenditure for the year of £1.5 million (2019: £1.1 million). The net movement on funds has been recorded in the Restricted Building and Unrestricted General Funds as appropriate. The Charity held net assets at 30 September 2020 of £38.1 million (2019: £39.6 million) represented by restricted building funds of £35.5 million (2019: £36.5 million) and unrestricted funds of £2.5 million (2019: £3.0 million).

Future Plans

During the year ending 30 September 2021, facilities management services are expected to increase in support of the strategy for the Wellcome Genome Campus. Significant construction projects initiated at 30 September 2020 include renovations to the West Pavilion laboratories on behalf of fellow group charity Genome Research Ltd. Despite the restrictions in place on the campus due to the covid-19 pandemic, facilities management and construction activities are continuing and these plans are expected to be completed in the year to 30 September 2021. The conference centre is expected to reopen on 1st April 2021 and restart its activities, aiming to build up to normal sales levels by the end of the 2021 financial year.

Going Concern

The trustees are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements. Wellcome, the Charity's principal funder (directly through grants and indirectly through funding awarded to GRL to cover its facilities and construction services) has previously committed to provide grant awards of £20.8 million for maintenance and improvement of Campus facilities for the five years to 30 September 2021, and a further £232.8 million shared between the Charity and fellow group charity Genome Research Ltd for the following two years. This is expected to meet the requirements for facilities in that period and to cover existing liabilities as they fall due. Other services will be undertaken only where funding is committed at the outset.

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For the year ended 30 September 2020

Risks and uncertainties

Risks to which the Charity is exposed have been identified and reviewed by the trustees. The principal risks include:

The campus shutdown due to the covid-19 pandemic resulted in a significant delay to ongoing construction projects and disruption to services, including the closure of the conference centre. There is a risk of further disruption should the spread of the virus result in additional lockdowns or curtailing of activities. This could lead to increased costs of services and a higher risk of asset failures as normal lifecycle programmes are delayed. Campus management, under the guidance of the Campus Incident Management Team continuously assess the impact of the lockdowns and our response to ensure operations continue as far as possible while maintaining staff welfare.


The campus shutdown also resulted in the closure of the Wellcome Genome conference centre. There is a risk that conference customers will migrate to online or virtual alternatives resulting in a longer-term reduction to conference centre sales. The conference centre marketing team is maintaining close contact with regular customers to sustain relationships and ensure bookings are retained or deferred where possible. Feedback from customers indicates that demand for live conferences will return once social-distancing restrictions are lifted.

The provision of construction services and operational facilities management exposes personnel to a health and safety risk. The health and safety management system established on the Wellcome Genome Campus is discussed in the Health and Safety section above.

The Charity contracts with suppliers (sub-contractors) to provide facilities management and other related work. The risks arising from the work undertaken by sub-contractors are mitigated by selection of reputable sub-contractors who adopt industry safety guidelines and by regular monitoring of site health and safety by the Trustees of the Charity.

Credit risk is minimised by careful management of amounts due from external third parties. Wellcome is committed to the financial support of the Charity in the provision of facilities management and as a conference centre.

The Trustees' Report, which includes the Strategic Report, was approved by the Board of Directors on 8 December 2020 and signed on its behalf by:

DocuSigned by:

B59EBC8D4FDF40B...
M Dougherty
(Chair)

Dated 8 December 2020

Hinxton Hall Limited
For the year ended 30 September 2020

Statement of Trustees' Responsibilities

The trustees (who are also directors of Hinxton Hall Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Hinxton Hall Limited
For the year ended 30 September 2020

Independent Auditor's Report

To the members of Hinxton Hall Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Hinxton Hall Limited (the 'charitable company'):

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of the charitable company which comprise:

- the statement of financial activities (incorporating income and expenditure account);
- the balance sheet; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the trustees' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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.

We have nothing to report in respect of these matters.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, 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

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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 respect of these matters.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purpose 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 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 trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the charitable company 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.

Report on other legal and regulatory requirements

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 trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law 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 within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

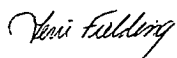
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are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

We have nothing to report in respect of these matters.

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For the year ended 30 September 2020

Use of our report

This report is made solely to the charitable company's members, 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Terri Fielding ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK

Date: **08 December 2020**

Hinxton Hall Limited
Statement of Financial Activities (incorporating income and expenditure account)
For the year ended 30 September 2020

		Restricted Building Fund	Unrestricted General Fund	2020 Total	2019 Total*
	Note	£000s	£000s	£000s	£000s
INCOME					
Income from charitable activities					
Construction services	4	-	986	986	329
Facilities management services	4	-	16,090	16,090	17,848
Conference centre	4	-	2,675	2,675	2,985
		-	19,751	19,751	21,162
Income from investments					
Interest		-	4	4	4
Total income		-	19,755	19,755	21,166
EXPENDITURE					
Charitable activities					
Construction services		-	986	986	329
Facilities management services		470	16,647	17,117	18,434
Conference centre		538	2,606	3,144	3,524
Total expenditure	5	1,008	20,239	21,247	22,287
Net expenditure for the year		(1,008)	(484)	(1,492)	(1,121)
Fund balances brought forward at 1 October	12	36,546	3,016	39,562	40,683
Fund balances carried forward at 30 September		35,538	2,532	38,070	39,562

*An analysis of income and expenditure by fund for the year ended 30 September 2019 is shown in notes 4, 5 and 14.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

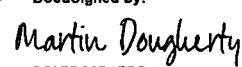
All activities are continuing.

The notes to the financial statements are on pages 15 to 22.

Hinxton Hall Limited
Balance Sheet
As at 30 September 2020

	Note	2020 £000s	2019 £000s
Tangible fixed assets	8	37,908	39,269
Current assets			
Stock		2	2
Debtors	9	1,990	3,090
Cash at bank and in hand		2,663	185
Total current assets		4,655	3,277
Creditors: amounts falling due within one year	10	4,493	2,984
Net current assets		162	293
Total assets less current liabilities, being net assets		38,070	39,562
Funds			
Restricted building fund	12	35,538	36,546
Unrestricted general fund	12	2,532	3,016
Total funds		38,070	39,562

The Financial Statements were approved and authorised for issue by the Board of Trustees on 8 December 2020 and signed on its behalf by:

DocuSigned by:

 B59EBC8D4FDF40B...

M Dougherty
 Chair

8 December 2020

The notes to the financial statements are on pages 15 to 22.

Hinxton Hall Limited
For the year ended 30 September 2020

Notes to the Financial Statements

1. ACCOUNTING POLICIES

General information

Hinxton Hall Limited is a company limited by guarantee registered in England and Wales (Company number 3062160). Its registered office is Gibbs Building, 215 Euston Road, London, NW1 2BE. It is also a charity registered in England and Wales with the Charity Commission (Charity registration number 1048066).

a) *Basis of Preparation*

The financial statements have been prepared on a going concern basis and in compliance with applicable UK accounting standards (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"). In particular, they comply with the Charities Act 2011, and the Statement of Recommended Practice 'Accounting and Reporting by Charities FRS 102' as published in 2019 ('SORP 2019').

The Charity meets the definition of public benefit entity under FRS 102. The Financial Statements have been prepared under the historical cost convention and on a basis consistent with prior years.

The Charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to financial instruments and presentation of a cash flow statement. The Charity has also taken advantage of the exemption contained in FRS 102, paragraph 33.1A, which exempts it from disclosing details of related party transactions with Wellcome and its subsidiaries.

b) *Income*

Income is recognised in the Statement of Financial Activities in the period in which the Charity is entitled to receipt, any conditions are met, where the amount can be quantified and receipt is considered reasonably probable.

Grant income is recognised to the extent the charity is entitled to the funds, has fulfilled the conditions set out by the grant funder, where the amount can be quantified and receipt is considered reasonably probable. The Charity assesses each grant on an ongoing basis to evaluate progress against grant conditions.

Income from facilities management and construction services is recognised when the related expenditure on services is incurred. Income from conference centre sales is recognised when the associated conference event takes place. Grant income is recognised when the related expenditure on revenue or capital items is incurred.

c) *Fund Accounting*

The Building Fund represents grants received from Wellcome specifically for the construction of buildings on the Genome Campus. It is a restricted fund under the terms of the grants.

The General Fund is an unrestricted fund and represents 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) *Tangible Fixed Assets and Depreciation*

Fixed assets are stated at historic cost less accumulated depreciation.

Depreciation is charged on assets in use on a straight-line basis as follows:

Major plant and equipment	15 years
Furniture and fittings	5 to 10 years
Standard plant and equipment	5 to 10 years
Motor vehicles	4 years
Office equipment and computers	3 years

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All expenditure on the acquisition, creation or enhancement of fixed assets is capitalised on an accruals basis, subject to a de minimis threshold of £5,000. Depreciation is charged on assets in use from the commencement of the month in which they are brought into use. Leasehold Land and Buildings are held under leases from the Wellcome Trust at £nil cost per year and are amortised over the life of the lease which expires on 6 February 2055. Assets in the course of construction are recorded at the value of costs incurred and are not depreciated. Depreciation begins when the assets are ready for use at which point they are transferred to the relevant asset category.

Impairment reviews are undertaken when, in the opinion of the Trustees, events or circumstances have arisen which indicate that the carrying value of an asset is impaired. The Charity holds substantial fixed assets, including buildings, related infrastructure and ongoing construction on the Wellcome Genome Campus. At each reporting date the trustees assess whether these assets will continue to derive value for the organisation through use by Genome Research Ltd and other campus tenants in line with its charitable aims. If indicators of impairment are identified, impairment reviews are performed to test the continuing value of the assets. No indications of impairment were identified in the current or previous year.

e) Cash at bank and in hand

Cash at bank and in hand is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments that are readily convertible to known amounts of cash, with a short maturity of three months or less from the date of acquisition.

f) Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provision of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

For financial assets carried at amortised cost, the amount of any impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

Amounts payable to Wellcome group entities are considered to be current liabilities, repayable on demand. Therefore no discounting of the liabilities for the timing of cashflows has been applied. However, there is no formal agreement for repayment terms, so this conclusion has been reached based on the Charity's best understanding of the arrangements in discussion with the relevant group entities.

The Charity is exposed to credit risk from its customer base. Credit risk is minimised by careful management of amounts due from external third parties. The Charity records a provision against debtors where it is considered more likely than not that the cash will not be received from the customer.

g) Expenditure

The costs of charitable expenditure and related support costs are allocated according to the area of the Charity's activities to which the expenditure relates.

The cost of providing conference centre facilities for conferences falling outside the primary purpose of the Charity is charged to Genome Research Trading Limited based on sales activity. Governance costs, consisting of audit fees, are allocated to expenditure for the provision of facilities management, since they principally relate to these activities.

The Charity's activities include the construction of new facilities as well as refurbishment and maintenance of existing infrastructure. The Charity evaluates the nature of this spend to assess which relates to new and enhanced assets and therefore capitalised, and which is maintenance of existing assets and therefore expensed. The Charity consults with suppliers and service providers to assist in this assessment.

All expenditure is included in the Statement of Financial Activities in accordance with the accruals concept.

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h) Operating leases

The company holds leases for the use of property and facilities on the Wellcome Genome Campus. These are classified as operating leases as the term is substantially less than the useful life of the assets. Rental costs under operating leases are recognised as an expense on a straight-line basis over the lease term, even if the payments are not made on such a basis.

i) Taxation

Hinxton Hall Limited is a charity registered under the Charities Act 1993 (as amended by the Charities Act 2011) and is therefore exempt from taxation on their income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to their charitable purposes.

The Charity is able to recover the majority of Value Added Tax ("VAT") incurred on expenditure. Any amounts of VAT that cannot be recovered is included within the underlying cost to which it relates.

j) Going concern

Wellcome, the Charity's principal funder has committed to provide grant awards of £20.8 million for maintenance and improvement of Campus facilities for the five years to 30 September 2021 and a further £232.8 million shared between the Charity and fellow group charity Genome Research Ltd for the following two years. This is expected to meet the requirements for facilities in that period, and to cover existing liabilities as they fall due. Other services will be undertaken only where funding is committed at the outset. Therefore the Trustees are satisfied that it is appropriate to apply the going concern basis in preparing these financial statements.

2. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Charity's accounting policies which are described in note 1, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from estimates.

The estimates and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

Judgement is required to determine the date at which assets under construction become ready for use and therefore transferred to the relevant fixed assets class and depreciation commences. For construction projects, this is generally the point at which practical completion certification is issued by the managing contractor and accepted by the project governance board. The Charity uses construction industry experts, employed by Genome Research Ltd and externally contracted to help make this determination.

The trustees do not consider there are any other critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

3. DIRECTORS' EMOLUMENTS AND EXPENSES

The Directors of the Company (who are also Trustees of the Charity and the key management personnel of the Company) received no remuneration or expenses payments from the Company for their services nor were any expenses paid on their behalf. The Directors' are also employees of fellow Group company Genome Research Ltd and are paid by that company. Staff costs disclosed in Note 7 do not include any remuneration in respect of the key management personnel. There were no Directors for whom retirement benefits are accruing under a money purchase or defined benefit scheme. The Company does not issue share options or offer any long-term incentive schemes. There are no other related party transactions.

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4. INCOME FROM CHARITABLE ACTIVITIES

	Restricted Building Fund £000s	Unrestricted General Fund £000s	2020 Total £000s	Restricted Building Fund	Unrestricted General Fund £000s	2019 Total £000s
Construction services	-	986	986	-	329	329
Facilities management services						
Services charges	-	15,892	15,892	-	17,367	17,367
Grants from Wellcome - allocated as capital	-	15	15	-	305	305
Grants from Wellcome - allocated as revenue	-	183	183	-	176	176
	-	16,090	16,090	-	17,848	17,848
Conference centre						
Conference centre sales	-	1,284	1,284	-	2,470	2,470
Grants from Wellcome - allocated as capital	-	70	70	-	-	-
Grants from Wellcome - allocated as revenue	-	1,321	1,321	-	515	515
	-	2,675	2,675	-	2,985	

5. NET EXPENDITURE

Net expenditure is stated after charging:

	Restricted Building Fund £000s	Unrestricted General Fund £000s	2020 Total £000s	Building Fund £000s	Unrestricted General Fund £000s	2019 Total £000s
Total expenditure includes						
Operating lease costs	-	150	150	-	150	150
Fees payable to the Charity's auditor for audit services	-	17	17	-	16	16
	-	167	167	-	166	166
Depreciation						
Facilities management services	470	369	839	470	372	842
Conference centre	538	56	594	538	64	602
	1,008	425	1,433	1,008	436	1,444

Included within facilities management services is governance costs, consisting entirely of audit fees payable to the charity's statutory auditor for the external audit of the charity of £17,000 (2019: £16,000).

6. OPERATING LEASE COMMITMENTS

The Charity is committed to the following minimum lease payments in respect of a non-cancellable operating lease due to expire in February 2055:

	2020 Property £000s	2019 Property £000s
Due in less than one year	150	150
Due between two and five years	600	600
Due after 5 years	4,415	4,566
	5,165	5,316

7. STAFF COSTS

The Charity has no employees (2019: no employees), as services provided are sub-contracted from third parties. The management and administration of the Charity is undertaken by staff employed by Genome Research Limited. Staff costs recharged to the Charity amounted to £1.0 million in the year (2019: £1.0 million). These costs along with governance costs referred to in note 5 comprise all support costs, and are allocated to the direct expenditure of each activity for which the staff perform services.

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8. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £000s	Plant equipment and vehicles £000s	Office equipment and computers £000s	Furniture and fittings £000s	Assets in the course of construction £000s	Total £000s
Costs as at 1 October 2019	49,219	6,066	168	835	923	57,211
Additions	-	15	-	70	-	85
Disposals	-	(35)	-	-	-	(35)
Transfers	-	-	-	-	-	-
As at 30 September 2020	49,219	6,046	168	905	923	57,261
Depreciation as at 1 October 2019	(13,596)	(3,388)	(167)	(791)	-	(17,942)
Charge for the year	(1,008)	(405)	(1)	(19)	-	(1,433)
Eliminated on disposal	-	22	-	-	-	22
As at 30 September 2020	(14,604)	(3,771)	(168)	(810)	-	(19,353)
Net book value as at 30 September 2020	34,615	2,275	-	95	923	37,908
Net book value as at 30 September 2019	35,623	2,678	1	44	923	39,269

9. DEBTORS

	2020 £000s	2019 £000s
Trade debtors	23	155
Amounts owed by parent undertaking	-	234
Amounts owed by other group entities	1,319	2,194
Other debtors	1	1
VAT receivable	13	-
Prepayments	35	37
Accrued income	599	469
	1,990	3,090

The amounts owed from parent and other group undertakings and other group entities are unsecured, incur no interest and are receivable on request.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £000s	2019 £000s
Trade creditors	765	1,031
Amounts owed to parent undertaking	1,876	-
VAT payable	-	128
Accruals	1,839	1,680
Deferred income	13	145
	4,493	2,984

The amounts owed to group undertakings are unsecured, incur no interest and are repayable on request.

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Deferred income consists of conference centre fees billed in advance to customers and advance rental charges to campus tenants. The movements in the year were as follows:

	2020 £000s	2019 £000s
At 1 October	145	200
Amounts billed in advance to customers	253	505
Released to income	(385)	(561)
At 30 September	13	145

11. COMMITMENTS

As at 30 September 2020 £1.1 million of commitments (2019: £2.7 million) were contracted but not accrued relating to construction works in progress on the Wellcome Genome Campus. This comprises works on the West Pavilion redevelopment. Costs are accrued only where services have been performed under the contract before the end of the reporting period.

12. FUND MOVEMENTS

	Restricted Building Fund £000s	Unrestricted General Fund £000s	Total £000s
Balance at 1 October 2018	37,554	3,129	40,683
Income	-	21,166	21,166
Expenditure	(1,008)	(21,279)	(22,287)
Balance at 30 September 2019	36,546	3,016	39,562
Income	-	19,755	19,755
Expenditure	(1,008)	(20,239)	(21,247)
Balance at 30 September 2020	35,538	2,532	38,070

13. ANALYSIS OF NET ASSETS BY FUND

	Restricted Building Fund 2020 £000s	Unrestricted General Fund 2020 £000s	Total 2020 £000s	Restricted Building Fund 2019 £000s	Unrestricted General Fund 2019 £000s	Total 2019 £000s
Tangible fixed assets	35,538	2,370	37,908	36,546	2,723	39,269
Stock	-	2	2	-	2	2
Debtors	-	1,990	1,990	-	3,090	3,090
Cash	-	2,663	2,663	-	185	185
Creditors	-	(4,493)	(4,493)	-	(2,984)	(2,984)
	35,538	2,532	38,070	36,546	3,016	39,562

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14. ANALYSIS OF INCOME AND EXPENDITURE BY FUND

	Restricted Building Fund £000s	Unrestricted General Fund £000s	Total 2020 £000s	Building Fund £000s	Unrestricted General Fund £000s	2019 Total £000s
INCOME						
Income from charitable activities						
Construction services	-	986	986	-	329	329
Facilities management services	-	16,090	16,090	-	17,848	17,848
Conference centre	-	2,675	2,675	-	2,985	2,985
	-	19,751	19,751	-	21,162	21,162
Income from Investments						
Interest	-	4	4	-	4	4
Total income	-	19,755	19,755	-	21,166	21,166
EXPENDITURE						
Charitable activities						
Construction services	-	986	986	-	329	329
Facilities management services	470	16,647	17,117	470	17,964	18,434
Conference centre	538	2,606	3,144	538	2,986	3,524
Total expenditure	1,008	20,239	21,247	1,008	21,279	22,287
Net (expenditure)/income for the year	(1,008)	(484)	(1,492)	(1,008)	(113)	(1,121)
Fund balances brought forward at 1 October	36,546	3,016	39,562	37,554	3,129	40,683
Fund balances carried forward at 30 September	35,538	2,532	38,070	36,546	3,016	39,562

15. RELATED PARTY TRANSACTIONS

The Charity has taken advantage of the exemption contained in FRS 102, paragraph 33.1A, which exempts it from disclosing details of transactions with Wellcome and its subsidiaries, as the Company is a wholly-owned subsidiary of The Wellcome Trust Limited, as Trustee of the Wellcome Trust. As stated in the trustees' report the trustees are paid employees of GRL. The trustees received no remuneration or expenses in the current or prior year for their services as trustees, or had any other related party transactions.

16. CONTROLLING ENTITY

The members of the Charity are The Wellcome Trust Limited (as Trustee of the Wellcome Trust) and Genome Research Limited. The Charity is considered to be a wholly-owned subsidiary of the Wellcome Trust for accounting purposes. The Wellcome Trust is the largest and smallest group of which the Charity is a member and which prepares consolidated financial statements. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member.

Genome Research Limited is a charity registered in England and Wales, number 1021457, and a company registered in the England and Wales, number 10058101. Its principal address is Wellcome Genome Campus, Hinxton, Cambridgeshire, CB10 1RQ.

The Trustees regard the Wellcome Trust as the ultimate parent undertaking and controlling party. The Wellcome Trust is a charity registered in England and Wales, number 210183. Its registered address is Gibbs Building, 215 Euston Road, London, NW1 2BE. Its key activities are dedicated to improving health.

Copies of Wellcome Annual Report and Financial Statements 2020 are available from Wellcome's website (www.wellcome.ac.uk/about-us) or, without charge, from the Company Secretary.

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17. POST BALANCE SHEET EVENTS

On 17 November 2020, the Wellcome Trust awarded the Company, jointly with fellow group Charity Genome Research Limited, a further £232.8 million, as an extension of the 2016 quinquennial award, with a revised end date of 30 September 2023.