

QUADRAM INSTITUTE BIOSCIENCE

England & Wales · Charity number 1058499

Details

Other names	THE INSTITUTE OF FOOD RESEARCH, INSTITUTE OF FOOD RESEARCH
Status	Registered
Legal form	Charitable company
Company number	03009972
Registered	1996-10-07
Register	View on the Charity Commission register

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Activities

Objects: For the public benefit the worldwide advancement of education in food and health sciences by: (1) undertaking research and disseminating the useful results of such research; and (2) training research scientists.

Activities: The world-wide advancement of education in food sciences and food related matters by undertaking research and disseminating for public benefit the useful results of such research

Classification

- **How:** Sponsors Or Undertakes Research
- **What:** Education/training
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** WORLDWIDE
- Norfolk

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£20,434,055	£20,867,941	£41,926,221	150
2024-03-31	£21,645,408	£19,279,862	£42,359,163	161
2023-03-31	£21,065,257	£19,735,644	£39,993,475	177
2022-03-31	£18,754,162	£18,163,998	£38,664,299	182
2021-03-31	£22,732,027	£19,998,432	£38,074,316	182

Trustees

Name	Role	Appointed
Dr Celia Ann Caulcott	Chair	2017-08-14
Dr Ian James Puddephat		2026-05-14
Dr Paul Quinlan		2026-05-14
Gillian Fine		2023-09-01
Julie Diane Waterfield		2020-02-13
Professor Gary Steven Frost		2025-10-01
Professor John Julian Blow		2024-09-26
Professor Margaret Jane Dallman		2025-10-01
TIMOTHY PETER WARREN EDWARDS		2026-04-01

QUADRAM INSTITUTE BIOSCIENCE

England & Wales - Charity number 1058499

Accounts

QUADRAM INSTITUTE BIOSCIENCE

Annual Report and Accounts

for the year ended 31 March 2025

Quadram Institute Bioscience is a company limited by guarantee and a registered charity: registered company number: 03009972; registered charity number: 1058499.

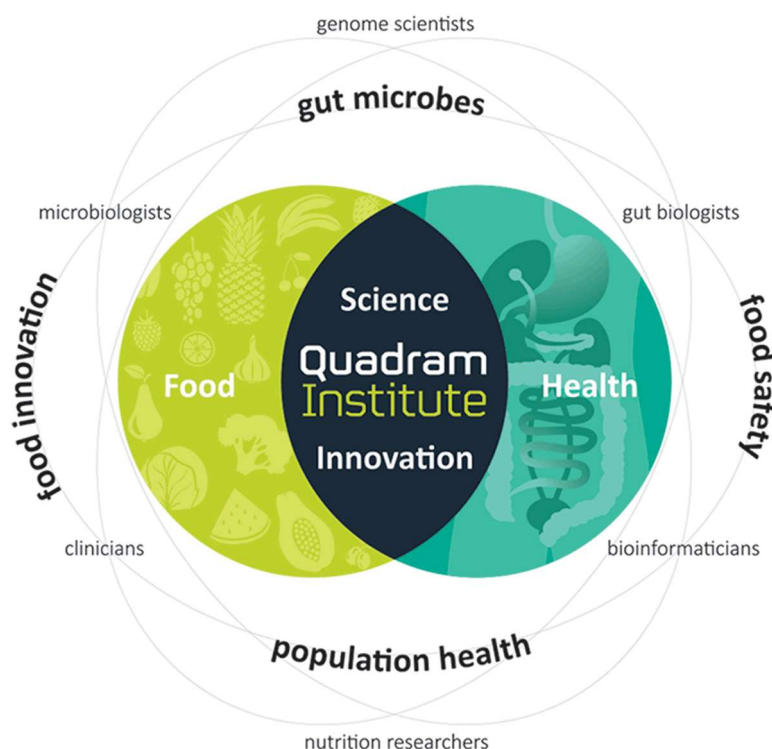
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THE QUADRAM INSTITUTE

Quadram Institute Bioscience (QIB) is one of four founding partners in the establishment of the Quadram Institute – a multi-million-pound food and health research centre that was completed in autumn 2018.

The Quadram Institute is at the forefront of the interface between food science, gut biology and health, developing solutions to worldwide challenges in food-related disease and human health. It brings together the Quadram Institute Bioscience research teams, the Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) and the University of East Anglia (UEA), as well as NNUH's regional gastrointestinal endoscopy unit and a clinical research facility.



The centre has been funded by the partners and the Biotechnology and Biological Sciences Research Council (BBSRC), part of UK Research and Innovation. The Quadram Institute has capacity for 300 research staff with a further 100 staff supporting one of Europe's largest endoscopy facilities. It is engaged in fundamental and translational food and health research, alongside clinical studies, endoscopy and industry, working together to become a leading international hub for food and health research. It combines scientific excellence and clinical expertise, delivering patient care and accelerating innovation.

The Quadram Institute maximises the unique world-class bioscience cluster based at the Norwich Research Park, including excellent plant and microbial science at the John Innes Centre and The Sainsbury Laboratory and computational science and sequencing expertise at the Earlham Institute.

INTRODUCTION TO THE ANNUAL REPORT

The Quadram Institute Bioscience trustees (who are also directors in company law) are pleased to present their Annual Report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2025, which are also prepared to meet the requirements for a directors' report (incorporating a strategic report) and accounts for Companies Act purposes.

The Annual Report and Accounts have been prepared in accordance with the Accounting and Reporting by

Charities: Statement of Recommended Practice (SORP), Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS102.

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

QUADRAM INSTITUTE BIOSCIENCE

Quadram Institute Bioscience (QIB) is a BBSRC National Capability purposed with understanding how food and microbes interact to promote health and prevent disease. QIB's research is supporting transformation of the food system to increase the availability of safe and nutritious food and enhance life-long physical and mental health. QIB leverages BBSRC strategic funding to attract investment from other research councils, funding organisations and industry to become a world leading institute for food and health research.

Moreover, it is forging links with other world-class academics to become a hub for national and international networks of related research

organisations that promotes collaboration and training necessary to accelerate innovation and deliver solutions to UK and global food and health challenges.

Charitable objective

The Charity's object is the worldwide advancement of education in food and health sciences for the public benefit by:

- undertaking research and disseminating the useful results of such research; and
- training research scientists.

REVIEW OF THE YEAR

In April 2025 QIB was delighted to welcome Professor Daniel Figeys as its new Director and Chief Executive Officer. The appointment was made following the retirement of QIB's previous Director, Professor Ian Charles, OBE. Professor Figeys is the founding Director of the School of Pharmaceutical Sciences and of the Ottawa Institute of Systems Biology, Faculty of Medicine, at the University of Ottawa in Canada. His research focuses on developing precision microbiome-based nutrition, with an emphasis on modulating specific microbiome metabolites and exploring host-gut microbiome interactions in conditions such as inflammatory bowel disease and Alzheimer's Disease. Notable achievements in the year include:

- QIB is one of Norwich Research Park's six partner institutions that have launched the Centre for Microbial Interactions (CMI). The CMI is a significant initiative launched by one of the world's largest concentrations of microbiologists on a single site. Together the CMI microbiologists are addressing critical global challenges in human health, environmental sustainability, food security, and climate change. The Centre fosters interdisciplinary collaboration and innovation and

is led by QIB's Prof Mark Webber and Dr Sam Rowe. It supports career development, public engagement, and ambitious large-scale research projects. The CMI establishes Norwich as a premier global destination for transformative microbiology research.

- The QIB fellowship scheme has funded three new fellows, Dr Serena Monaco, Dr Andrew Bell and Dr Rokas Juodeikis. The three-year fellowships offer an opportunity for the recipients to establish independent research groups.
- QIB's Dr Lizbeth Sayavedra was one of 15 promising researchers around the UK to be awarded a prestigious BBSRC fellowship. She will be researching nitrogen fixation in the human gut by sulphate-reducing bacteria.
- The Quadram Institute was honoured to announce Her Royal Highness The Princess Royal as its Patron in May 2025, following her December 2024 visit to meet scientists, students, and clinical staff. This prestigious patronage recognizes the Institute's mission to deliver healthier lives through innovation in gut health, microbiology, and food research, strengthening Norwich's reputation for scientific excellence globally.

Scientific achievements during the year include:

- Understanding the Nutritional Quality of Plant-Based Foods.** With the popularity of plant-based diets rising in the UK, QIB researchers have carried out a major study examining the nutritional quality of over 2,500 plant-based products available in UK supermarkets. Dr Maria Traka and QIB's Food & Nutrition National Bioscience Research Infrastructure team compared these products—including meat alternatives and ready meals—with their animal-based counterparts. The study found that most plant-based foods are higher in fibre, but generally lower in protein—particularly in essential amino acids. Fortification with key nutrients like vitamin B₁₂ and iron was inconsistent; for example, only 15% of products contained added B₁₂, a nutrient only found naturally in animal foods. Using the Nutri-Score system, researchers showed wide variation in the nutritional quality of plant-based products, highlighting the need for clearer labelling and better product formulation. While many products offer health and sustainability benefits, others could be improved to support healthier, balanced diets. This research underscores Quadram's role in providing trusted, evidence-based insights to help consumers, food manufacturers, and policymakers make informed decisions about healthier, sustainable food systems.
- Investigating the Role of Gut Bacteria in Breast Cancer.** Thanks to funding from Breast Cancer Now, Dr Stephen Robinson and his team at the Quadram Institute and University of East Anglia are exploring how gut bacteria may influence breast cancer, particularly the most common form—oestrogen receptor (ER) positive breast cancer. The gut microbiome can affect how our immune system works, and previous research suggests that a healthier gut may support better outcomes in some cancers. This study will investigate whether gut bacteria influence how breast cancer responds to treatment or spreads in the body. The team will collect stool samples from women newly diagnosed with ER-positive breast cancer at different stages of their treatment. By comparing samples from patients who respond well to treatment with those who don't, the researchers hope to identify bacterial patterns that could help predict outcomes. They will also test specific bacteria in mice to understand how they affect the immune system and cancer progression. This work could open the door to new ways of using gut bacteria to support breast cancer treatment and prevent the disease from becoming incurable.
- SKAN Research Trust and QIB Partner on New Microbial Therapies.** SKAN Research Trust from India and the UK's QIB have teamed up to explore how traditional medicines affect bacteria. Using QIB's advanced genetic tool, TraDIS-Xpress, they aim to develop new antibacterial treatments and improve gut health therapies. TraDIS-Xpress helps scientists understand which bacterial genes help bacteria survive under different conditions. This knowledge can lead to better prebiotics, probiotics, and treatments for infections. The joint project will also train Indian researchers on this technology, enabling them to study gut microbes in large Indian groups. This will speed up the creation of therapies tailored to India's needs and improve understanding of how bacteria become resistant to drugs. This partnership reflects a shared goal: to use cutting-edge science to improve health worldwide, especially in areas like ageing, neurological diseases, and lifestyle disorders.
- New UK Study Shows How Food Structure Affects Digestion and Health.** Researchers from the Quadram Institute and Imperial College London have discovered that the way food is processed, specifically how its natural structure is preserved, plays a crucial role in digestion and overall health. Using chickpea flour prepared to keep plant cells intact, they found it leads to a slower digestion and a healthier response in the body compared to conventional flour where cells are broken down. In a study with volunteers eating chickpea porridge made from either intact or broken cell flour, the intact cell version caused a steadier blood sugar rise and increased appetite-suppressing hormones, helping people feel fuller longer. This contrasts with rapidly digested, broken-cell flour that caused sharper blood sugar spikes. This research highlights that preserving the natural microstructure of food can improve how the body processes nutrients and regulates appetite, offering a promising way to make healthier foods without changing their ingredients. It also supports developing new food products like PulseON flour (under development by QIB spin out PulseON Foods Ingredients Ltd.), designed to maintain this beneficial structure, potentially helping reduce diet-related diseases.
- Nutrient levels declining in milk.** A comprehensive survey by the Food and Nutrition National Bioscience Resource Infrastructure at QIB revealed significant declines in essential micronutrients in UK supermarket milk compared to 1996 baseline levels, with vitamin B₁₂ levels dropping 50% on average, riboflavin (vitamin B₂) decreasing 22% in pasteurised milk, and iodine levels falling 21% overall. Milk and dairy products are a staple for 89% of the UK population and so are one of their most vital sources of these important micronutrients, which are essential for blood cell formation, energy metabolism, and thyroid function. The decline means that a standard 200ml glass of milk now provides only a quarter of the daily adult vitamin B₁₂ requirement, compared to half in 1996, while women of childbearing age face increased risk of iodine deficiency. Potential contributing factors include changes in cattle feed and grazing practices, seasonal variations in supplementation, changes in livestock genetics, altered processing techniques, and improvements in analytical methods that may provide more accurate measurements of historical nutrient levels. This research, funded by the Department of Health and Social Care, forms part of ongoing efforts to maintain current and accurate UK food composition data, ensuring that health professionals, policymakers, and consumers have reliable nutritional information for dietary planning and public health initiatives.

- AMAST Network to tackle antimicrobial resistance.** QIB is helping lead a major new initiative to address antimicrobial resistance (AMR) in the UK's food system. AMR – when microbes evolve to resist treatment by antibiotics and other medicines – is a growing threat to global health, and tackling it requires collaboration across many sectors. The new AMAST Network (Antimicrobial Resistance in Agrifood Systems Transdisciplinary Network) brings together scientists, farmers, food producers, industry, and policy experts to understand how AMR spreads from farm to fork – and to find practical, science-based solutions. Led by Dr Matthew Gilmour at the QIB and supported by UKRI funding, AMAST is uniting expertise from across the UK, including universities, government agencies, and food industry organisations. It will explore how AMR affects livestock, crops, aquaculture, and food supply chains, working closely with communities to identify the biggest risks and most urgent research needs. By drawing on QIB's expertise in microbial genomics and food safety, this collaborative effort aims to safeguard public health while supporting a resilient and sustainable agrifood system.
- Supporting the immune system through dietary modification.** A new study from Dr Naiara Beraza at QIB, with collaborators at the Earlham Institute and University of East Anglia, suggests that reducing dietary protein may benefit immune function during infections. Researchers studied the impact of low-protein diets on *Salmonella* infection response in both mice and human immune cells. They found that mice on low-protein diets experienced protective benefits, particularly against liver damage resulting from infection. The study revealed two key mechanisms: low-protein diets reduced macrophages' (a type of white blood cell) production of antimicrobial proteins that damage surrounding healthy tissue, while simultaneously making these immune cells "hungrier" for pathogens through enhanced autophagy - a cellular recycling process that helps engulf and destroy bacteria more effectively. Similar effects were observed in human macrophages, suggesting potential applications for humans. These are preliminary findings, but this research opens interesting possibilities for future research into nutritional approaches for boosting immunity, though more studies are needed to understand longer-term impacts.
- Advancing delivery of probiotics.** Xampla is a materials innovation company that QIB is now working with, having secured significant grant funding from Innovate UK and BBSRC. Together they will be working to advance revolutionary probiotic microencapsulation technology. This collaboration addresses critical challenges in the probiotics industry, where beneficial bacteria are highly vulnerable to oxygen exposure, pH imbalances, and pasteurisation processes that compromise their viability from production through consumption. Xampla's innovative microencapsulation technology promises to protect probiotics throughout manufacturing, storage, and digestion, ensuring they reach consumers with maximum efficacy. The project leverages QIB's expertise in gut microbiome research, utilising state-of-the-art model colon technology to assess how microencapsulated probiotics impact intestinal health across various consumer products. This breakthrough technology, which has already proven successful in protecting vitamin D for Britvic's fortified beverages, positions both organisations at the forefront of a rapidly expanding market projected to grow from £77 billion in 2024 to £170 billion by 2030. The partnership represents a significant step forward in delivering enhanced probiotic solutions that extend shelf-life, improve product stability, and maximise health benefits for consumers globally.
- QIB in European consortium to develop phage-based therapies against infections.** Dr Evellen Adriaenssens from QIB has joined the PHAGES-AntiPERS consortium, a multidisciplinary team developing innovative therapies to combat chronic bacterial infections caused by persister cells. Antimicrobial resistance poses a major global health threat as bacteria develop ways to escape antibiotic treatment. Scientists are exploring phage therapy as an alternative approach, using bacteriophages—viruses that naturally infect and kill bacteria—to target pathogenic bacteria without harming human cells. However, some antimicrobial-resistant bacterial strains persist even after phage therapy. The PHAGES-AntiPERS consortium, coordinated by Dr Maria Tomas in Spain and supported by JPIAMR funding, specifically targets these bacterial "persisters." The project focuses on three critical pathogens identified by the World Health Organisation: *Klebsiella pneumoniae*, *Acinetobacter baumannii*, and *Pseudomonas aeruginosa*. The consortium will establish biobanks of persistent strains and corresponding phages, then develop anti-persister strategies combining antimicrobial agents, phages, phage-derived enzymes, and other compounds. Dr Adriaenssens and her QIB team will investigate the genomic basis of persister development and treatment success, as well as interactions with the microbiome. The therapies will be tested in laboratory and organism models to assess effectiveness against these challenging infections.
- QIB has joined the groundbreaking UK Gut-Immunology-Brain Axis Network+**, a £4.5 million BBSRC-funded initiative exploring how gut health influences brain function, immune response, and mental well-being. Led by the University of Southampton and including Cambridge University and King's College London, this four-year network aims to uncover the biological mechanisms linking diet, sleep, and stress to neurological health. Dr Aimee Parker, a BBSRC Fellow based at QIB is part of the Network's management group. This collaborative network promises to develop evidence-based strategies for preventing conditions like anxiety, depression, and dementia through targeted gut health interventions.

Public engagement and policy

QIB scientists and students continued to support a wide range of public engagement and policy dialogue events.

The Quadram Institute hosted its inaugural Heritage Open Day, welcoming families to explore the hidden worlds of health, food and microbes. The event celebrated sixty years of food research in Norwich and featured hands-on activities, pathogen detective games, laboratory tours, and demonstrations of NNUH's state-of-the-art endoscopy facilities. Visitors discovered how current microbiome research integrates with clinical services and learned about participating in future health trials.

In May 2024, QIB Chief Scientific Officer Professor Martin Warren and colleagues provided written evidence to a House of Lords select committee

examining food, diet and obesity. Their submission highlighted "hidden hunger" - micronutrient deficiencies despite adequate caloric intake - as a key factor in poor health outcomes. The evidence also showcased translational research including vitamin B₁₂-fortified pea shoots and improved processed food ingredients.

Quadram Institute scientists contributed expertise to a new UKRI Innovate UK report on bacteriophage technologies for tackling antimicrobial resistance. Dr Evelien Adriaenssens and the UK Food Safety Research Network, hosted by QIB, informed the report "Developing and delivering phage-based technologies in the UK," which identifies barriers and opportunities for using these bacteria-killing viruses in healthcare and food safety applications across Britain.

PLANS FOR 2025/26

Key priorities

- Development of forward plan for QIB's strategic research programme 2028-2033. The new Director, Professor Daniel Figeys, will be implementing a change to the institute's organisational model that will improve the translation of QIB's research into public and economic benefit.
- Recruitment of new Group Leaders in expansion of QIB capacity and in alignment with the new research priority themes.
- Explore how to incorporate into QIB strategy and research the UK Government's ambitions to improve the health of the nation. We aim to build further alignment with the Norfolk and Norwich University Hospital and other NHS partners. This includes advancing collaborative translational projects in microbiome-based diagnostics and dietary interventions, with the goal of accelerating the path from lab to clinic.
- Explore and cultivate pathways that progress research with translational potential. This includes developing mechanisms to support spin-out activity, fostering new commercial partnerships, and promoting the application of our science through licensing, consultancy, and strategic collaborations.
- QIB will strengthen its contribution to government priorities on nutrition, public health, and disease prevention. This includes supporting national efforts to reduce the burden of obesity and diet-related diseases through evidence-based dietary interventions, and support healthy ageing through research into diet, gut health, and metabolic resilience across the life course.

GOING CONCERN

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

The Trustees have prepared cash flow forecasts for the period to March 2028 which indicate that, taking account of reasonable possible downsides and the potential impact of inflation on the operations and its financial resources, the Institute will have sufficient funds to meet its liabilities as they fall due for that period.

The Institute is reliant on its strategic programme funding from BBSRC, which was £10.9m in the year

(2024: £10.9m). BBSRC has confirmed continued strategic funding of £10.9m for the year to March 2026. BBSRC has also confirmed strategic programme funding allocation for 2 further years to March 2028 of £10.9m per annum.

Consequently, the Trustees are confident that the Institute will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have been prepared the financial statements on a going concern basis.

FINANCIAL REVIEW

Key performance indicators

QIB's key financial performance indicators during the year were as follows:

<i>Consolidated</i>	2025	2024
	£m	£m
Income excluding capital grants	19.3	18.0
Unrestricted general & designated strategic reserves	14.3	15.5
Cash	24.6	22.8
Value of grant submissions	29.6	30.4
Value of grant awards	3.8	5.2

The main indicator of non-financial performance is Institute publications in relevant scientific journals, as described in 'scientific achievements' above.

Income

Total income for the year was £20.4m (2024: £21.6m), including £1.1m of capital funding (2024: £3.6m). Income excluding capital grants was £19.3m (2024: £18.0m).

QIB's principal sponsor is the BBSRC, which contributed 73% of total income (2024: 77%). Other major sources of funding were the UK government agencies and charities. An analysis of grant income by principal sponsor is included in the notes to the financial statements.

Expenditure

Total expenditure for the year amounted to £20.9m (2024: £19.3m). Staff costs accounted for £8.7m (42%) (2024: £8.5m; 44%) of expenditure.

Fundraising

QIB does not carry out any significant fundraising activities.

Subsidiaries

QIB's trading subsidiary – QIB Extra Limited - contributed an operating profit of £17,000 (2024: £53,000).

Net Movement in Reserves

QIB recorded a net decrease in unrestricted reserves of £0.9m (2024: increase of £0.1m).

Restricted reserves increased by £0.5m (2024: increased by £2.3m).

Cash

Group cash at March 2025 was £24.6m (2024: £22.8m).

QIB deposits its cash with UK registered financial institutions that meet its credit rating policy and are subject to agreed counter-party limits. Investment income from cash deposits in the year was £1,031,000 (2024: £806,000).

Reserves position

Total group reserves decreased by £0.5m in the year to £41.9m (2024: increased by £2.4m to £42.4m).

Restricted reserves increased by £0.5m to £14.0m (2024: increased by £2.3m to £13.5m), of which £2.2m relates to capital grant funding from BBSRC that may only be utilised on completion of performance conditions.

Unrestricted reserves decreased by £0.9m in the year to £28.0m (2024: increased by £0.1m to £28.9m).

Unrestricted reserves include the following:

- A risk reserve of £2.8m was designated to cover the general financial risks such as energy cost increases;
- Strategic reserves of £10.3m (2024: £11.1m) have been designated to cover planned strategic programme and capital investment to support the development of QIB. This reserve was anticipated to be mainly used between 2025 and 2028; and
- A general reserve of £3.9m (2024: £4.3m).

Reserves policy

QIB's reserves are held to support financial solvency, manage uncertainty and fund future activities. The level of reserves required by QIB is therefore determined by reference to:

- Future operational and capital expenditure requirements in the Business Plan to March 2028;
- Potential financial risks identified in the Business Plan and Risk Register;
- Potential funding required for strategic investments not included in the Business Plan;
- Working capital / liquidity requirements.

As noted above, £2.8m has been designated in connection with QIB's general risk such as energy price increases. A further £10.3m has been designated in connection with planned investment in science programmes.

The unrestricted general reserve of £3.9m (2024: £4.3m) is above the minimum general reserves target of £3.0m set by the Trustees.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place, and confirm that the major risks to which the Institute is exposed have been reviewed and procedures established to manage those risks. The Audit and Risk Committee agrees an annual risk-based internal audit plan which covers major risks identified by management and Trustees. It receives reports from internal auditors on the effectiveness of internal controls, progress against the internal audit plan and progress on recommendations made in reports. The Board reviews a full risk report annually, including a 'heat map' tracking major risks.

The principal risks and uncertainties facing the Institute are considered to be:

Risk area	Description of Risk	Management of Risk
Future BBSRC research funding	<ul style="list-style-type: none"> ➤ BBSRC strategic funding for institutes is reduced due to budgetary pressures. ➤ BBSRC strategic funding is reduced due to scientific performance. 	<ul style="list-style-type: none"> ➤ Regular monitoring of scientific performance against strategic programme objectives. ➤ Regular communication with BBSRC to report performance and ensure strategic alignment of research programmes.
Research income and sponsor diversification	<ul style="list-style-type: none"> ➤ QIB is unable to generate sufficient grant and commercial research income to support the costs of its research activities and infrastructure 	<ul style="list-style-type: none"> ➤ Investment in new research leader positions in progress. ➤ Communication Strategy being developed to increase sponsor awareness of the Quadram Institute.
Staff retention and recruitment	<ul style="list-style-type: none"> ➤ QIB is unable to retain or attract suitably skilled staff to enable it to deliver its science strategy. ➤ In addition to scientific impact, this risk area could also have an impact on the level of funding the Institute is able to attract. 	<ul style="list-style-type: none"> ➤ Strategy and action plans in place, aligned to development of QIB. ➤ Career development programmes in place to support high potential staff. ➤ Performance Management processes in place.
Quadram Institute	<ul style="list-style-type: none"> ➤ Strategy for the Quadram Institute is not agreed between the partners. ➤ The Quadram Institute is not able to attract suitably skilled staff to enable it to deliver its strategy. ➤ Benefits from the project are not delivered. 	<ul style="list-style-type: none"> ➤ Governance arrangements in place. ➤ Strategy agreed and communicated. ➤ Recruitment plans in progress. ➤ Project plan in place, with identified work streams, terms of reference and appropriate partner representation. ➤ Project assurance framework in place.
QI Building	<ul style="list-style-type: none"> ➤ QI facilities management arrangements are poor value for money. ➤ Inadequate investment leads to facilities that are not fit for purpose. ➤ QI building is not used by partners in line with QI mission. 	<ul style="list-style-type: none"> ➤ Building Services Committee established to monitor facilities management arrangements and tenant coordination. ➤ Building operating costs regularly reviewed and remedial actions agreed. ➤ Lifecycle maintenance plan agreed by the partners.
Technology investment	<ul style="list-style-type: none"> ➤ QIB is unable to keep pace with developments in technology underpinning its science. ➤ Funding is inadequate to sustain and improve technology facilities necessary to deliver scientific objectives. 	<ul style="list-style-type: none"> ➤ Technology strategy has been updated alongside strategy for the QIB. ➤ Small value capital funding awarded for the period to March 2028 as part of institute strategic grant award.
Compliance with sponsor funding requirements	<ul style="list-style-type: none"> ➤ QIB fails to comply with sponsor grant requirements resulting in a material financial impact. 	<ul style="list-style-type: none"> ➤ QIB is subject to regular reviews of its grant compliance processes from sponsors and the internal auditors.
Cost pressures	<ul style="list-style-type: none"> ➤ Increased energy prices divert resources from science to infrastructure costs, resulting in a reduction in research activity and impact. ➤ High inflation rates increase research and support costs, resulting in a reduction in research activity and impact. 	<ul style="list-style-type: none"> ➤ Energy costs are hedged in the short-term and specialist advisers support the institute with energy procurement. ➤ Energy-saving opportunities are actively sought and investment cases developed. ➤ The impact of cost inflation is regularly discussed with funders with a view to mitigating the impact on research.

TRUSTEES' REPORT

GOVERNANCE AND MANAGEMENT

Organisation and governance

Quadram Institute Bioscience (referred to as “QIB”, the “Institute”, the “Charity” or the “Company”) is a company limited by guarantee (registered number 03009972) and a registered charity (number 1058499). During the year, QIB was governed by its Memorandum and Articles of Association adopted on 31 July 2018.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Members

The Members are all guarantors of QIB, a company limited by guarantee and a registered charity, of an amount not exceeding £1.

The Members of QIB are:

- UK Research and Innovation - Biotechnology and Biological Sciences Research Council (“BBSRC”);
- the University of East Anglia (“UEA”);
- the Norfolk and Norwich University Hospitals NHS Foundation Trust (“NNUH”); and
- the Chair of the Board of Trustees (from 23 August 2025).

UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company’s parent undertaking and controlling party. BBSRC, UEA and NNUH each have the right to nominate an “observer” to attend Board meetings. Observers are not entitled to vote and do not hold any authorities.

Board of Trustees

The Board of Trustees comprises an independent Chair, up to seven independent members and up to nine UEA-appointed members. The Trustees who served during the year and up to the date of signing these financial statements were:

Trustees	Sub-committees	Changes during the period
<i>At date of Report:</i>		
Dr C Caulcott (Chair)	Remuneration & Nomination Committee	-
Dr E Blair	Audit & Risk Committee; Industry Advisory Panel (Chair)	-
Prof P Morgan	Remuneration & Nomination Committee (Chair until July-25)	Resigned 1 October 2025
Mr G Potter	Audit & Risk Committee	Resigned 1 October 2025
Dr E Robertson	Remuneration & Nomination Committee (Chair from July-25)	-
Mrs J Waterfield	Audit & Risk Committee (Chair)	-
Dr M Koufali	-	-
Ms G Fine	Audit & Risk Committee	-
Prof M Dallman	-	Appointed 1 October 2025
Prof G Frost	-	Appointed 1 October 2025
Prof J Blow	-	Appointed 26 September 2024
Prof B Reid	-	Resigned 26 September 2024

The Board has established sub-committees to assist in exercising their company and charity stewardship responsibilities. The Audit and Risk Committee oversees internal controls, risk management and audit. The Remuneration and Nominations Committee considers remuneration, nominations, talent and succession.

The Science Innovation and Advisory Committee assists the development and maintenance of QIB’s science in relation to direction, balance, strategy and quality.

Recruitment, induction and training of Trustees

The Remuneration and Nominations Committee leads the process for Board appointments and makes recommendations to the Board for the appointment of

the Chair and Board Trustees. The appointment to Chair is made in agreement with the Members. The Committee makes recommendations to the Board on the Board's composition ensuring that the Board has an appropriate balance of skills, capabilities, expertise, experience and diversity to allow it to meet its strategic and organisational objectives.

The Institute advertises nationally for prospective Trustees to ensure appropriate expertise on the Board is maintained. The Institute will also approach individuals thought to have the right skills.

New Board Trustees are invited to spend time with members of the executive team. This is a chance to learn about the Institute and get more involved with the institute's work. In addition to the five formal meetings, all Trustees receive regular presentations from QIB's scientists and briefings on key issues.

Trustee remuneration

QIB remunerates Trustees where the Board considers payment is necessary to attract Trustees with specialist skills and experience. The power to remunerate Trustees is included in QIB's Articles of Association and has been approved by the Charities Commission.

During the year, Dr Celia Caulcott received £10,000 remuneration in connection with her role as Chair of QIB Board of Directors (2024: £10,000).

Seven members of the Board of Trustees were reimbursed for travel expenses incurred during the year (2024: eight). The total amount reimbursed was £3,171 (2024: £2,243).

Key Management Personnel

The Trustees delegate management of the day-to-day activities of the charitable company to the Institute Director and Executive Board, who are considered to be the key management personnel for the institute. The Executive Board (EB) works to support the Institute Director in developing scientific, financial, business and administrative policy and strategy. EB will monitor policy implementation and ensure that such policy is embedded in the day-to-day working of the Institute. EB is supported by the executive Science Strategy Board and the Management Forum.

EB membership during the year was as follows:

- Institute Director (EB Chair)
- Director of Operations / Chief Business Officer
- Finance Director
- Chief Scientific Officer
- Leader Food, Microbiome and Health ISP
- Leader Microbes in the Food Chain ISP
- Human Resources Director

Employees

QIB staff that joined before 1 October 2011 were employed by BBSRC up to 1 October 2017, when they transferred employment to the Institute under TUPE.

Transferred employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

QIB has recruited all new staff from October 2011 on its own terms and conditions, covering basic pay and allowances, contractual payments, tax, NI, and liabilities for pension contributions and redundancy. Such staff are eligible to join a defined contribution scheme.

QIB employs a number of group leaders jointly with UEA. Staff are employed under QIB terms & conditions, but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits.

Communication

QIB provides all staff with relevant information and seeks their views on matters of common concern through their representatives and through line managers. Priority is given to ensuring that employees are aware of all significant matters affecting QIB's position and any significant organisational change.

Equality and Diversity

It is the Institute's policy to provide equal opportunities to job applicants and employees of any race, nationality, ethnic origin, marital status, religion or belief, gender, disability, sexual orientation, age or employment status. The Institute does not condone or tolerate any form of discrimination in its recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities and are accountable for the impact of their own behaviour and actions. All the Institute's policies follow these principles.

RELATED PARTIES

Subsidiaries

QIB's subsidiaries in the year were as follows:

- QIB Extra Limited (contract research);
- IFR Enterprises Limited (dormant);
- IFR NRP Capital Limited (dormant).

NBI Partnership

QIB has a 25% interest in NBI Partnership Limited ("NBIP"). NBIP supplies support and administrative services to QIB and the other Norwich Institutes (John Innes Centre, Earlham Institute and The Sainsbury Laboratory) on a not-for-profit basis. NBIP fully recharges its costs to the four research organisations and accordingly it generates no profit or loss.

QI Partners

QIB is a member of QI Partners along with BBSRC, UEA and NNUH. QI Partners has been established for the purposes of constructing and managing the Quadram Institute building and providing such facilities for charitable use. QIB does not have any significant influence on QI Partners' financial and operating policies.

On 29 March 2019, QIB entered into a lease agreement for accommodation in the Quadram Institute building from QI Partners.

QIB agreed to provide QI Partners with a loan facility of £5.4m, which was repayable between November 2018 and October 2025. As at 31 March 2025, all of the facility had been repaid by QI Partners (2024: £0.2m drawn down). The loan had been provided on an arm's length basis and interest was payable on the loan at a rate of 3.0% pa.

University of East Anglia (UEA)

University of East Anglia is a member of the charitable company. UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party. The majority of QIB PhD students are registered with the UEA.

Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH)

NNUH is a member of the charitable company. NNUH is entitled to appoint an observer to attend, speak and provide information to meetings of the Board of Trustees, however such observers have no right to vote at any such meeting.

Anglia Innovation Partnership LLP (AIP LLP)

QIB is a member of Anglia Innovation Partnership LLP through its 100% subsidiary, IFR NRP Capital Limited. The objective of AIP LLP is to develop and sustain the Norwich Research Park as an international centre for food, health, plant, microbial and environmental research, innovation and enterprise. QIB is entitled to receive a share of certain profits generated by AIP LLP, however it has no liability for losses or in the event of insolvency. AIP LLP has not yet generated any realised profits.

BBSRC

BBSRC is a member of the charitable company. BBSRC is entitled to appoint an observer to attend, speak and provide information to meetings of the Board of Trustees, however such observers have no right to vote at any such meeting.

QIB is strategically funded, along with seven other institutes, by BBSRC. BBSRC supports QIB via strategic programme funding programmes, competitively won project grants and capital funding for infrastructure and technology investments. The principal terms and conditions under which BBSRC provides its funding are set out in the Institute Grant Agreement. Key conditions include:

- BBSRC and the Institute shall meet at least annually to review and discuss the implementation and progress of the Institute's business, including strategic and financial plans.
- The Institute shall submit a draft Business Plan, covering a period of at least five years, for discussion.
- The Institute will demonstrate appropriate plans for the maintenance, renewal and development of the estate through a rolling 10-year Institute Estates Strategy covering capital projects, long term and routine maintenance.

BBSRC is part of UK Research and Innovation (UKRI), an organisation that brings together the UK's seven research councils, Innovate UK and Research England.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF QUADRAM INSTITUTE BIOSCIENCE IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Public benefit

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Based on this guidance, and as described in this Trustees' report, the Trustees believe the activities of Quadram Institute Bioscience to be charitable in nature.

Insurance Disclosure

The Institute maintains liability insurance for its trustees, with an annual aggregate cover limit for all claims against them in that capacity. The trustees have also been granted a qualifying third party provision under section 233 of Companies Act 2006. Neither the Institute's indemnity nor insurance provides cover in the event that a trustee is proved to have acted fraudulently or dishonestly.

Disclosure of information to auditor

The trustees confirm that:

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

Independent auditors

Larking Gowen LLP have been appointed as auditors and a resolution has been passed by the Board, concerning their appointment as auditors.

On behalf of the Board of Trustees



Dr C Caulcott, Trustee Chair

1 October 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUADRAM INSTITUTE BIOSCIENCE

Opinion

We have audited the financial statements of Quadram Institute Bioscience (the 'parent charitable company') and its subsidiaries (together the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charitable Company Balances Sheets, Consolidated Statement of Cash Flows and Notes to the Accounts, including significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2025, and of the group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 groups and parent 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 group or parent 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.

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Due to the field in which the group operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with UK tax legislation, UK accounting standards, UK charity law and the Companies Act 2006. In addition, we considered the provisions of other laws and regulations which whilst not having a direct impact on the financial statements, are fundamental to the group's ability to operate including health and safety; employment law, and compliance with various other regulations relevant to the conduct of the group's operations.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management about any known or suspected instances of non-compliance with laws

and regulations, accidents in the workplace, potential litigation or claims and fraud;

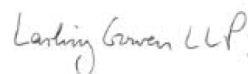
- Reviewing legal and professional fees to confirm matters where the group engaged lawyers during the year;
- Reviewing financial statement disclosures and tax matters, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgements made by management in their significant accounting estimates, particularly in relation to the recognition of grant income; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of any significant transactions outside the normal course of business.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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.



Anders Rasmussen FCA (Senior Statutory Auditor)

for and on behalf of
Larking Gowen LLP

Chartered Accountants
Statutory Auditors

7 October 2025

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2025

(Incorporating an income and expenditure account)

	Note	Unrestricted funds £000	Restricted general funds £000	Restricted capital funds £000	Total 2025 £000	Total 2024 £000
Incoming resources						
<i>Income from Charitable activities</i>						
Grant income		-	16,077	-	16,077	15,253
Capital and maintenance grants		-	225	893	1,118	3,629
Other charitable income		1,255	195	-	1,450	1,153
<i>Income from other trading activities</i>						
Trading income		750	-	-	750	791
<i>Investment income</i>						
		1,039	-	-	1,039	819
Total income	2	3,044	16,497	893	20,434	21,645
Expenditure						
Charitable activities		(2,762)	(14,848)	(2,311)	(19,921)	(18,494)
Raising funds		(203)	-	-	(203)	(196)
Trading expenditure		(744)	-	-	(744)	(589)
Total expenditure	3	(3,709)	(14,848)	(2,311)	(20,868)	(19,279)
Net income/(expenditure)		(665)	1,649	(1,418)	(434)	2,366
<i>Transfers</i>						
Capital transfers	17	(960)	-	960	-	-
Other transfers	17	738	(738)	-	-	-
Net movement in funds for the year		(887)	911	(458)	(434)	2,366
Funds brought forward	17	28,856	252	13,251	42,359	39,993
Funds carried forward	17	27,969	1,163	12,793	41,925	42,359

The Consolidated Statement of Financial Activities ("SoFA") includes all gains and losses recognised in the year. All incoming resources and expenditure relates to continuing activities.

The accompanying notes form part of these financial statements.

CONSOLIDATED AND CHARITABLE COMPANY BALANCE SHEETS

AS AT 31 MARCH 2025

	Note	Group 2025 £000	Group 2024 £000	Company 2025 £000	Company 2024 £000
<i>Fixed assets</i>					
Tangible assets	9	21,444	21,894	21,444	21,894
Intangible assets	10	-	-	-	-
Total fixed assets		21,444	21,894	21,444	21,894
<i>Current assets</i>					
Debtors	12	3,583	5,525	3,453	5,401
Cash at bank and in hand	13	24,606	22,780	24,547	22,706
		28,189	28,305	28,000	28,107
<i>Current liabilities</i>					
Creditors: amounts falling due within one year	14	(7,708)	(7,840)	(7,545)	(7,705)
Total net current assets		20,481	20,465	20,455	20,402
Total assets less current liabilities		41,925	42,359	41,899	42,296
Total net assets	16	41,925	42,359	41,899	42,296

Funds of the charity

Unrestricted funds

Fixed assets reserve	17	10,846	12,126	10,846	12,126
Designated strategic reserves	17	10,341	11,149	10,341	11,149
Designated risk reserves	17	2,808	1,250	2,808	1,250
General reserve	17	3,974	4,331	3,948	4,268
Total unrestricted funds		27,969	28,856	27,943	28,793

Restricted funds

Fixed assets reserve	17	10,598	9,768	10,598	9,768
Restricted general	17	1,163	252	1,163	252
Capital reserve	17	2,195	3,483	2,195	3,483
Total restricted funds		13,956	13,503	13,956	13,503

Total charity funds	17	41,925	42,359	41,899	42,296
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A separate income and expenditure account has not been presented for QIB as this is exempted by Section 408 of the Companies Act 2006. The loss after tax of QIB was £397,000 (2024: profit of £2,426,000).

The financial statements on pages 15 to 32 were approved by the Board of Trustees on 1 October 2025 and were signed on its behalf by:



Dr C Caulcott, Trustee Chair

The accompanying notes form part of these financial statements.

Company registration number: 03009972

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Total 2025	Total 2024
	£000	£000
Cash flow from operating activities		
Operating (deficit)/surplus	(434)	2,366
Interest receivable	(1,039)	(819)
Depreciation and amortisation	2,311	1,980
Capital grants received	(893)	(3,500)
(Profit)/Loss on disposal of tangible assets	(13)	180
Decrease in debtors	1,742	944
(Decrease) in creditors	(132)	(3,786)
Net cash provided by/(used in) operating activities	1,542	(2,635)
Cash flow from investing activities		
Interest received	1,039	819
Repayment of loan	200	150
Purchase of tangible assets	(1,861)	(2,141)
Disposal Proceeds	13	161
Capital grants received	893	3,500
Net cash provided by investing activities	284	2,489
Change in cash and cash equivalents in the reporting period	1,826	(146)
Cash and cash equivalents at the beginning of the reporting period	13	22,780
Cash and cash equivalents at the end of the reporting period	13	24,606

The movement in net debt for the current and prior year is identical to the movements in cash flow set out above.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a. Basis of preparation

The group financial statements have been prepared under the historical cost convention and applicable accounting standards. They have also been prepared in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The principal accounting policies adopted in these financial statements, which have been consistently applied, are:

b. Basis of consolidation

The consolidated financial statements incorporate the financial statements of Quadram Institute Bioscience ("QIB") and all its subsidiary undertakings in accordance with Financial Reporting Standard ("FRS") 102 "Accounting for Subsidiary Undertakings".

The financial statements of all group undertakings and associates are made up to 31 March 2025.

QIB is one of four members of QI Partners ("QIP"). QIP is accounted for as an investment rather than an associate and has not been consolidated in the QIB financial statements on the basis that QIB does not have significant influence over QIP financial and operating policies.

QIB is one of four members of NBIP Partnership Limited ("NBIP"). The group accounts for NBIP as an associate, although in practice the company makes no profit or loss and has net assets of NIL, therefore has no impact on the Group financial statements.

c. Going concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

The Trustees have prepared cash flow forecasts for the period to March 2028 which indicate, taking account of reasonable possible downsides on the operations and its financial resources, the Institute will have sufficient funds to meet its liabilities as they fall due for that period.

The Institute is reliant on its strategic programme funding from BBSRC, which was £10.9m in the year (2024: £10.9m). BBSRC has confirmed continued strategic funding of £10.9m for the year to March 2026. BBSRC has provided the Institute with a strategic programme funding allocation for 2 further years to March 2028 of £10.9m per annum.

Consequently, the Trustees are confident that the Institute will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have been prepared the financial statements on a going concern basis.

d. Judgements in applying accounting policies and key sources of estimation

Preparation of the financial statements require management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Depreciation, which has been charged in line with the accounting policy below. The amount of depreciation charged and net book value of the assets is included in Note 9.

e. Income

Charitable grant income represents grants received and receivable in the year from outside granting bodies and other miscellaneous income. Grants that provide core funding are recognised in the year in which entitlement passes. Grant funding received to undertake research is recognised in the year in which the obligation is fulfilled. Grant funding is released to match expenditure incurred during the year together with any related contributions towards overhead costs.

Trading income relates to the non-charitable services undertaken by QIB Extra Limited ("QIBX") and is recognised in accordance with the terms of the contracts entered into, reflecting the point at which the obligations of the company have been satisfied.

Investment income relates to interest receivable from treasury deposits and related party loans. The interest is recognised in the year in which it is earned.

Capital grants are recognised in the Consolidated Statement of Financial Activities ("SoFA") when entitlement passes, which is typically on receipt. Where capital funding includes terms and conditions that must be met before there is unconditional entitlement, the grant income is recognised as those conditions are met, which usually results in capital funding being recognised to match the capital costs incurred.

Where income has been received in advance of conditions being met, the income is deferred until those conditions have been fully satisfied.

f. Expenditure

Expenditure on charitable activities represents the full cost of the research performed. It includes the cost of direct staff, consumable stocks and indirect costs apportioned on the basis of use.

Costs of generating funds represent the cost of obtaining funds for research, preparing grant applications and raising the profile of QIB. Costs incurred in preparing grant applications, which primarily comprise staff costs, have been approximated based upon a sample review of time taken to prepare the detailed applications.

Governance costs represent the necessary cost of compliance with statutory and constitutional requirements and any other costs which are not direct charitable expenditure.

Support costs have been wholly allocated to charitable activity expenditure based upon activity as indicated in note 4 to the financial statements.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

g. Restricted funds

Where research at QIB is funded by grants with conditions attached to them, these are shown as restricted. Capital grants received and receivable together with other restricted funds received and receivable and used to purchase tangible assets are included within restricted funds.

A restricted fixed assets reserve has been established representing the net book value of fixed assets purchased from capital grants. The reserve is shown as restricted due to continuing conditions in connection with the capital grants and assets purchased.

Restricted reserves include a designated capital reserve of £2.2m (2024: £3.5m) in connection with funding received from BBSRC, which may only be utilised in line with grant conditions.

h. Unrestricted funds

These include the strategic programme grants from the Biotechnology and Biological Sciences Research Council ("BBSRC") and any other grants which do not have specific conditions attached to them.

A fixed assets reserve has been established within unrestricted reserves representing the net book value of fixed assets funded from unrestricted reserves.

Unrestricted reserves that have been designated by the Board for specific purposes are shown in separate designated reserves. As at March 2025, £13.1m (2024: £12.4m) of unrestricted reserves have been designated in relation to planned capital and science investment associated with the development of the Quadram Institute.

i. Capital Transfers

A transfer from unrestricted to restricted reserves equal to the depreciation charge for assets purchased from unrestricted reserves is made as a capital transfer.

A transfer from restricted to unrestricted reserves is made following the completion of performance conditions in connection with restricted capital grant activity.

j. Other Transfers

A transfer from restricted to unrestricted reserves is made following the completion of performance conditions in connection with restricted non-capital grant activity.

k. Tangible fixed assets and depreciation

Tangible assets are shown at cost or valuation less accumulated depreciation. The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated to write off the cost or valuation less the estimated residual value of tangible assets by equal instalments over their estimated useful economic lives as follows:

Leasehold land and buildings	shorter of lease term or useful life
Plant and machinery	5 years
Scientific apparatus and eq.	5 to 10 years
Motor vehicles	4 years
Other apparatus and eq.	3 to 5 years

The leasehold improvements have been depreciated over the shorter of their estimated economic life and the remainder of the lease period.

Tangible assets under construction are not depreciated until the asset is in full use.

l. Intangible fixed assets and amortisation

Computer Software development costs are recognised as intangible fixed assets at cost less amortisation and any provision for impairment. Intangible assets are amortised over the estimated life of the asset acquired less any residual value.

Amortisation is calculated to write off the cost or valuation less the estimated residual value of intangible assets by equal instalments over their estimated useful economic lives as follows:

Computer Software	3 to 5 years
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Intangible assets under construction are not amortised until the asset is in full use.

m. Cash balances held as grant co-ordinator

Cash balances held in the charitable company's capacity as grant co-ordinator are included within cash on the charitable company's balance sheet, and details are disclosed in note 21 to the financial statements.

n. Debtors

Debtors are non-interest bearing (excluding loan balances) and are stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts.

o. Trade creditors

Trade creditors are non-interest bearing and are stated at their nominal value.

p. Provisions

A provision is recognised in the financial statements where there is a legal or constructive obligation to transfer economic benefit to a third party.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

q. Staff and Pensions

All staff employed by QIB (formerly Institute of Food Research) on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). The Deployed Employees remained with the Institute on an exclusive and full-time basis and day-to-day direction and line management of the Deployed Employees was delegated to QIB, subject to the terms of the BBSRC Employment Contract. QIB retained responsibility for paying employment costs in relation to the Deployed Employees, including basic pay and allowances, contractual payments, tax, NI and pension contributions.

On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE.

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

QIB staff that joined after 30 September 2011 are eligible to join a defined contribution scheme.

The Company employs some staff jointly with the University of East Anglia. Staff are employed under QIB terms &

conditions, but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits. Accordingly, these arrangements have been accounted for as defined contribution scheme.

r. Termination benefits

Redundancy payments are recognised as a liability and an expense only when the event is demonstrably committed to by either: a. termination of the employment of an employee or group of employees before the normal retirement date, or b. provision of termination benefits as a result of an offer made in order to encourage voluntary redundancy.

s. Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

t. Foreign currency transactions

The functional and reporting currency of the charity is pounds sterling.

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at year end exchange rates.

All gains and losses are taken to the Statement of Financial Activities in the year to which they relate.

u. Financial instruments

Financial assets and financial liabilities are recognised upon becoming a party to the contractual provisions of the instrument.

The group only enters into basic financial instrument transactions that result in financial assets and liabilities like trade and other accounts receivable and payable.

NOTES TO THE ACCOUNTS

2. ANALYSIS OF INCOMING RESOURCES

	Research activities	Other activities	Total 2025	Research activities	Other activities	Total 2024
	£000	£000	£000	£000	£000	£000
Grant income						
BBSRC	14,027	-	14,027	13,273	-	13,273
Other government departments	883	-	883	789	-	789
European Union	128	-	128	493	-	493
Other grants	1,039	-	1,039	698	-	698
Total grant income	16,077	-	16,077	15,253	-	15,253
Capital and maintenance grants						
BBSRC						
Repairs & maintenance	-	-	-	-	-	-
Capital expenditure	893	-	893	3,500	-	3,500
Other grants						
Capital expenditure	225	-	225	129	-	129
Total capital grants	1,118	-	1,118	3,629	-	3,629
Other charitable income						
Miscellaneous income	-	1,450	1,450	-	1,153	1,153
Total other charitable income	-	1,450	1,450	-	1,153	1,153
Trading income						
IFR Enterprises	-	-	-	-	-	-
QIB Extra	-	750	750	-	791	791
Total trading income	-	750	750	-	791	791
Investment income						
Interest receivable on cash deposits	-	1,031	1,031	-	806	806
Other interest receivable	-	8	8	-	13	13
Total investment income	-	1,039	1,039	-	819	819
Total incoming resources	17,195	3,239	20,434	18,882	2,763	21,645

QIB's activities consist principally of scientific research in the United Kingdom.

- Grant income of £16,077k (2024: £15,253k) is all restricted general funds.
- Capital grants of £1,118k (2024: £3,629k) of which £225k (2024: £129k) is restricted general funds and £893k (2024: £3,500k) is restricted capital funds.
- Other charitable income of £1,450k (2024: £1,153k) of which £1,255k (2024: £1,067k) is unrestricted funds and £195k (2024: £86k) is restricted general funds.

In both periods all trading and investment income is unrestricted.

NOTES TO THE ACCOUNTS

3. ANALYSIS OF EXPENDITURE

	Research activities	Student activities	Other activities	Total 2025	Research activities	Student activities	Other activities	Total 2024
Note	£000	£000	£000	£000	£000	£000	£000	£000
Direct charitable expenditure								
Staff costs	7,514	-	-	7,514	6,988	-	-	6,988
Direct costs	2,818	375	-	3,193	2,451	425	-	2,876
Depreciation	2,311	-	-	2,311	1,980	-	-	1,980
Buildings maintenance	514	-	-	514	496	-	-	496
Governance costs	-	-	76	76	-	-	52	52
Support costs	4	6,076	237	6,313	5,854	248	-	6,102
Expenditure on charitable activities	19,233	612	76	19,921	17,769	673	52	18,494
Raising funds	-	-	203	203	-	-	196	196
Trading expenditure	-	-	744	744	-	-	589	589
Total expenditure	19,233	612	1,023	20,868	17,769	673	837	19,279

Included within expenditure on charitable activities is restricted general expenditure of £14,848k (2024: £13,822k), and restricted capital expenditure (depreciation) of £2,311k (2024: £1,980k). All other expenditure is unrestricted.

Staff costs are allocated based on time spent by staff. Depreciation is allocated based on the usage of assets. Other costs are allocated on the basis of their nature.

Analysis of governance costs	Total 2025	Total 2024
	£000	£000
Staff costs	27	27
Other costs	49	25
Total governance costs	76	52

4. ALLOCATION OF SUPPORT COSTS

	Research activities	Student activities	Total 2025	Research activities	Student activities	Total 2024	Basis of Allocation
	£000	£000	£000	£000	£000	£000	
Lab management	220	9	229	231	10	241	Headcount
Institute management	757	29	786	772	34	806	Headcount
Scientific services	356	14	370	582	25	607	Headcount
Facilities management and utilities*	2,689	105	2,794	1,886	83	1,969	Headcount
Finance and Purchasing*	566	22	588	496	22	518	Headcount
Computing and Library*	521	20	541	534	23	557	Headcount
Human Resources*	196	8	204	194	8	202	Headcount
Public engagement	482	19	501	337	15	352	Headcount
Health and Safety*	89	3	92	80	4	84	Headcount
Other support services*	200	8	208	742	24	766	Headcount
Total support costs	6,076	237	6,313	5,854	248	6,102	

*Includes services supplied by NBI Partnership Limited (see note 20).

NOTES TO THE ACCOUNTS

5. TAXATION

QIB is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The trading activities of the subsidiary companies are subject to corporation tax; however profits in the year are gifted to the charitable company resulting in a £nil (2024: £nil) tax charge payable.

There is no provision for deferred tax on fair value adjustments because any chargeable gains are applied to charitable objectives so no tax liability arises.

6. OPERATING SURPLUS/(DEFICIT)

Operating surplus/(deficit) is stated after charging/(crediting):

	Total 2025	Total 2024
	£000	£000
Audit services:		
Fees payable for the audit of the charitable company and consolidated financial statements	22	18
Fees payable for the audit of the charitable company's subsidiaries pursuant to legislation	2	2
Depreciation	2,311	1,980
Hire of plant and equipment	6	22
(Profit)/Loss on disposal of tangible assets	(13)	180
Loss/(Gain) on foreign exchange translations	14	(4)

7. REMUNERATION OF THE BOARD OF TRUSTEES

QIB has been given approval by the Charities Commission to remunerate Trustees where the Board considers that payment is necessary to attract Trustees with specialist skills and experience. The power to remunerate Trustees is included in the QIB's Articles of Association.

One member of the Board of Trustees, Dr Celica Caulcott, received remuneration from the group during the year for duties as a trustee (2024: one). Total trustee remuneration in the year was £10,000 (2024: £10,000).

Seven members of the Board of Trustees were reimbursed for expenses incurred during the year (2024: eight). The total amount reimbursed was £3,171 (2024: £2,243).

NOTES TO THE ACCOUNTS

8. EMPLOYEE INFORMATION

The average monthly number of persons employed by or deployed to the group during the year, analysed by category, was as follows:

	Group 2025	Group 2024	Company 2025	Company 2024
	Number	Number	Number	Number
Scientific	149	143	142	136
Office management and services	18	18	16	16
Total	167	161	158	152

The aggregate payroll costs of these persons were:

	Group 2025	Group 2024	Company 2025	Company 2024
Note	£000	£000	£000	£000
Wages and salaries	6,871	6,761	6,526	6,432
Redundancy payments	4	54	4	54
Social security costs	724	688	689	655
Other pension costs	1,061	986	1,027	954
19				
Total	8,660	8,489	8,246	8,095

As required by the Statement of Recommended Practice applicable to charities, an analysis has been provided below of the number of staff who fall within staff cost bands (excluding pension cost) from £60,000 upwards:

	Group 2025	Group 2024	Company 2025	Company 2024
	Number	Number	Number	Number
£60,000 - £69,999	8	13	9	12
£70,000 - £79,999	12	5	10	5
£80,000 - £89,999	2	4	2	4
£90,000 - £99,999	2	2	2	2
£100,000 - £109,999	2	1	2	1
£110,000 - £119,999	1	-	1	-
£120,000 - £129,999	-	1	-	1
£130,000 - £139,999	-	1	-	1
£140,000 - £149,999	1	1	1	1
£150,000 - £159,999	1	-	1	-
Total	29	28	28	27

The number of staff with emoluments greater than £60,000 who are also members of the Research Councils' Pension Schemes was four (2024: six). Eighteen staff with emoluments greater than £60,000 are members of a Defined Contribution Pension Scheme (2024: thirteen).

All staff employed by QIB on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE. Transferring employees retain their membership of the Research Councils Pension Scheme, where applicable, with QIB becoming an admitted employer in the scheme. QIB staff that joined after 30 September 2011 are employed under QIB terms & conditions.

The key management personnel of the parent charity, Quadram Institute Bioscience, comprise of the trustees and the members of the Executive Board. The total employee benefits of the key management personnel of the charity were £659,093 (2024: £735,909). The key management personnel of the group comprise those of the charity and the key management personnel of the wholly owned subsidiary, QIB Extra Ltd. The key management personnel of QIB Extra Ltd are the Chief Operating Officer and the Head of QIB Extra Operations. The costs of the key management personnel to QIB Extra was £79,571 (2024: £71,902). The employee benefits of the key management personnel for the group was £738,664 (2024: £807,811).

NOTES TO THE ACCOUNTS

9. TANGIBLE ASSETS

Group	Leasehold land and buildings	Plant, machinery and equipment	Apparatus and equipment	Assets under construction	Total
	£000	£000	£000	£000	£000
Cost/Valuation					
At 1 April 2024	15,184	278	18,991	354	34,807
Transfer	-	-	189	(189)	-
Additions	50	29	1,241	541	1,861
Disposals	-	-	(101)	-	(101)
At 31 March 2025	15,234	307	20,320	706	36,567
Accumulated Depreciation					
At 1 April 2024	1,230	83	11,600	-	12,913
Charge for the year	257	31	2,023	-	2,311
Disposals	-	-	(101)	-	(101)
At 31 March 2025	1,487	114	13,522	-	15,123
Net book value at 31 March 2025	13,747	193	6,798	706	21,444
Net book value at 31 March 2024	13,954	195	7,391	354	21,894
Charitable company					
	£000	£000	£000	£000	£000
Cost/Valuation					
At 1 April 2024	15,184	278	18,894	354	34,710
Transfer	-	-	189	(189)	-
Additions	50	29	1,241	541	1,861
Disposals	-	-	(101)	-	(101)
At 31 March 2025	15,234	307	20,223	706	36,470
Accumulated Depreciation					
At 1 April 2024	1,230	83	11,503	-	12,816
Charge for the year	257	31	2,023	-	2,311
Disposals	-	-	(101)	-	(101)
At 31 March 2025	1,487	114	13,425	-	15,026
Net book value at 31 March 2025	13,747	193	6,798	706	21,444
Net book value at 31 March 2024	13,954	195	7,391	354	21,894

All of the tangible assets of the charitable company are used for charitable purposes.

Assets under construction represent capital items which are not yet in full economic use.

NOTES TO THE ACCOUNTS

10. INTANGIBLE ASSETS

Group and charitable company	Software development £000	Total £000
Cost/Valuation		
At 1 April 2024	147	147
Additions	-	-
Disposals	-	-
At 31 March 2025	147	147
Accumulated Depreciation		
At 1 April 2024	147	147
Charge for the year	-	-
Disposals	-	-
At 31 March 2025	147	147
Net book value at 31 March 2025	-	-
Net book value at 31 March 2024	-	-

The intangible asset relates to internally generated research software.

11. INVESTMENT IN SUBSIDIARIES

Subsidiaries

The following are the operating subsidiary undertakings in which the charitable company has an interest:

Subsidiary Undertaking	Registration number	Country of registration	Principal activity	Class and percentage of shares held
QIB Extra Limited	06500711	England	Contract research	100% ordinary shares
IFR Enterprises Limited	03398534	England	Dormant	100% ordinary shares
IFR NRP Capital Limited	08132483	England	Dormant	100% ordinary shares

The charitable company owns 100% of the ordinary share capital of IFR Enterprises Limited (cost: £3), QIB Extra Limited (cost: £100) and IFR NRP Capital Limited (cost: £1), all of which are incorporated in England. The subsidiaries are used for trading activities. The companies' results for the year were as follows:

Profit and loss account	IFR Enterprises Limited £000	QIB Extra Limited £000	IFR NRP Capital Limited £000	Total 2025 £000	Total 2024 £000
Turnover	-	761	-	761	800
Cost of sales	-	(423)	-	(423)	(428)
Gross profit	-	338	-	338	372
Administrative expenses	-	(321)	-	(321)	(319)
Operating profit	-	17	-	17	53
Interest receivable and similar income	-	7	-	7	9
Profit retained in subsidiary	-	24	-	24	62
Net assets at 31 March	-	28	-	28	65

In addition to the above, £59,905 (2024: £122,065) in Gift Aid was paid to the charitable company in the year.

The charitable company has committed to provide financial support to QIB Extra Limited ("QIBX"), and not demand repayment of amounts due to it, in order to enable QIBX to meet its liabilities as they fall due – but only to the extent that money is not otherwise available to the company to meet such liabilities – for a period of at least 12 months from the signing of the financial statements of QIBX for the year ended 31 March 2025. IFR NRP Capital Limited is a member of Anglia Innovation Partnership LLP, which is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. IFR NRP Capital Limited did not trade during the year.

NOTES TO THE ACCOUNTS

12. DEBTORS

		Group	Group	Company	Company
		2025	2024	2025	2024
	Note	£000	£000	£000	£000
<i>Grants receivable:</i>					
from government bodies		453	1,542	453	1,542
from other sources		645	188	645	188
Trade debtors		181	189	117	98
Amounts owed by group undertakings	20	328	827	360	871
Amounts owed by other related parties	20	173	1,089	124	1,089
Other debtors		359	356	359	310
Prepayments and accrued income		1,444	1,334	1,395	1,303
Total amounts falling due within one year		3,583	5,525	3,453	5,401

Included in the above amounts is £nil (2024: £200k) unsecured loan to QI Partners, of which £nil (2024: £200k) is repayable in over one year. Interest is payable on the loan at a rate of 3.0% per annum.

13. CASH AT BANK AND IN HAND

		Group	Group	Company	Company
		2025	2024	2025	2024
		£000	£000	£000	£000
Cash at bank		24,605	22,778	24,546	22,704
Cash in hand		1	2	1	2
Total		24,606	22,780	24,547	22,706

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		Group	Group	Company	Company
		2025	2024	2025	2024
	Note	£000	£000	£000	£000
<i>Grants received in advance:</i>					
from government bodies		1,816	1,743	1,816	1,743
from other sources		1,252	1,204	1,252	1,150
Amounts owed to group undertakings	20	246	97	254	98
Amounts owed to other related parties	20	263	171	263	171
Trade creditors		1,117	845	1,115	834
Other creditors		1,745	2,012	1,741	2,004
Accruals and deferred income		1,113	1,613	956	1,557
Taxation and social security		156	155	148	148
Total amounts falling due within one year		7,708	7,840	7,545	7,705

NOTES TO THE ACCOUNTS

15. RECONCILIATION OF MOVEMENT IN GRANTS RECEIVABLE

Group	Note	Total 2025 £000	Total 2024 £000
Grants receivable	12	1,098	1,730
Grants received in advance	14	(3,068)	(2,947)
Net grants received in advance		(1,970)	(1,217)
Net grants received in advance at beginning of year		(1,217)	642
Grant monies received during the year		(17,948)	(20,741)
Grant money released to SOFA during the year		17,195	18,882
Net grants received in advance at end of year		(1,970)	(1,217)

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Fixed assets £000	Net current assets £000	Creditors over one year and provisions £000	Total 2025 £000
<i>Unrestricted:</i>				
Fixed assets reserve	10,846	-	-	10,846
Designated strategic reserve	-	10,341	-	10,341
Designated risk reserve	-	2,808	-	2,808
General	-	3,974	-	3,974
<i>Restricted:</i>				
Fixed assets reserve	10,598	-	-	10,598
Capital reserve	-	2,195	-	2,195
General	-	1,163	-	1,163
Net assets	21,444	20,481	-	41,925
Charitable company				
<i>Unrestricted:</i>				
Fixed assets reserve	10,846	-	-	10,846
Designated strategic reserves	-	10,341	-	10,341
Designated risk reserve	-	2,808	-	2,808
General	-	3,948	-	3,948
<i>Restricted:</i>				
Fixed assets reserve	10,598	-	-	10,598
Capital reserve	-	2,195	-	2,195
General	-	1,163	-	1,163
Net assets	21,444	20,455	-	41,899

NOTES TO THE ACCOUNTS

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

Group	Fixed	Net	Creditors	Total
	assets	current	over one	
	£000	assets	year and	2024
		£000	provisions	£000
Group				
<i>Unrestricted:</i>				
Fixed assets reserve	12,126	-	-	12,126
Designated strategic reserve	-	11,149	-	11,149
Designated building reserve	-	1,250	-	1,250
General	-	4,331	-	4,331
<i>Restricted:</i>				
Fixed assets reserve	9,768	-	-	9,768
Capital reserve	-	3,483	-	3,483
General	-	252	-	252
Net assets	21,894	20,465	-	42,359
Charitable company				
<i>Unrestricted:</i>				
Fixed assets reserve	12,126	-	-	12,126
Designated strategic reserves	-	11,149	-	11,149
Designated building reserves	-	1,250	-	1,250
General	-	4,268	-	4,268
<i>Restricted:</i>				
Fixed assets reserve	9,768	-	-	9,768
Capital reserve	-	3,483	-	3,483
General	-	252	-	252
Net assets	21,894	20,402	-	42,296

The unrestricted fixed assets reserve relates to the net book value of fixed assets purchased from unrestricted funds. The restricted fixed assets reserve relates to the net book value of fixed assets purchased from capital grants.

The unrestricted designated strategic reserve relates to funds designated by the Board for use in relation to planned science investment associated with the Quadram Institute. The designated risk reserve is ringfenced for risks in the QIB financial plans such as energy cost increases.

The restricted capital reserve is not an endowment fund, but represents capital funding received, from BBSRC, that may only be utilised on fulfilment of certain grant conditions.

The unrestricted general reserve is held to manage income fluctuations, cover unexpected liabilities including restructuring costs.

17. ANALYSIS OF FUNDS MOVEMENTS

Group	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Restricted	Restricted	Restricted	Total
	fixed	designated	designated	Unrestricted	fixed	Restricted	Restricted	
	assets	strategic	risk	general	assets	general	capital	2025
	£000	£000	£000	£000	£000	£000	£000	£000
Group								
At 1 April 2024	12,126	11,149	1,250	4,331	9,768	252	3,483	42,359
Loss for the year	-	-	-	(665)	(1,418)	1,649	-	(434)
Designated reserve transfers	-	-	(250)	988	-	(738)	-	-
Depreciation transfer	(1,280)	-	-	-	1,280	-	-	-
Capital transfers	-	-	-	320	968	-	(1,288)	-
Other transfers	-	(808)	1,808	(1,000)	-	-	-	-
At 31 March 2025	10,846	10,341	2,808	3,974	10,598	1,163	2,195	41,925
Charitable company								
At 1 April 2024	12,126	11,149	1,250	4,268	9,768	252	3,483	42,296
Loss for the year	-	-	-	(628)	(1,418)	1,649	-	(397)
Designated reserve transfers	-	-	(250)	988	-	(738)	-	-
Depreciation transfer	(1,280)	-	-	-	1,280	-	-	-
Capital transfers	-	-	-	320	968	-	(1,288)	-
Other transfers	-	(808)	1,808	(1,000)	-	-	-	-
At 31 March 2025	10,846	10,341	2,808	3,948	10,598	1,163	2,195	41,899

NOTES TO THE ACCOUNTS

17. ANALYSIS OF FUNDS MOVEMENTS (CONTINUED)

	Unrestricted fixed assets	Unrestricted designated strategic	Unrestricted designated building	Unrestricted general	Restricted fixed assets	Restricted general	Restricted capital	Total 2024
	£000	£000	£000	£000	£000	£000	£000	£000
Group								
At 1 April 2023	13,317	9,831	1,250	4,375	8,757	-	2,463	39,993
Surplus for the year	-	-	-	(800)	1,520	1,646	-	2,366
Designated reserve transfers	-	1,318	-	76	-	(1,394)	-	-
Depreciation transfer	(1,195)	-	-	-	1,195	-	-	-
Capital transfers	4	-	-	680	(1,704)	-	1,020	-
Other transfers	-	-	-	-	-	-	-	-
At 31 March 2024	12,126	11,149	1,250	4,331	9,768	252	3,483	42,359
Charitable company								
At 1 April 2023	13,317	9,831	1,250	4,252	8,757	-	2,463	39,870
Surplus for the year	-	-	-	(740)	1,520	1,646	-	2,426
Designated reserve transfers	-	1,318	-	76	-	(1,394)	-	-
Depreciation transfer	(1,195)	-	-	-	1,195	-	-	-
Capital transfers	4	-	-	680	(1,704)	-	1,020	-
Other transfers	-	-	-	-	-	-	-	-
At 31 March 2024	12,126	11,149	1,250	4,268	9,768	252	3,483	42,296

The designated reserve transfers relates to costs incurred in the year that have been set against the designated strategic reserves, or changes to designations approved by the trustees.

The depreciation transfer is the reallocation of the depreciation charge for assets purchased from unrestricted reserves.

Capital transfers include a transfer from restricted to unrestricted reserves following the completion of performance conditions in connection with restricted capital grant activity, and the reallocation of funds to reflect the capital funding restrictions.

Other transfers relate to the reallocation of funds to reflect current strategic plans.

18. COMMITMENTS

Group and charitable company	Total 2025	Total 2024
	£000	£000

Capital commitments at the end of the financial year for which no provision has been made:

Contracted	294	588
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Amounts due under other operating leases for plant and machinery:

Within one year	4	8
Between one and two years	1	4
Between two and five years	1	2
	6	14

NOTES TO THE ACCOUNTS

19. PENSION SCHEMES

All staff employed by QIB on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE.

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements. The employer contribution rate during the year was 26% (2024: 26%).

QIB employees that joined after 30 September 2011 are eligible to join a defined contribution scheme.

The Company employs some staff jointly with the University of East Anglia. Staff are employed under QIB terms & conditions but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits. Accordingly, these arrangements have been accounted for as defined contribution scheme.

The total pension charge for the year was £1,060,827 (2024: £986,449), with outstanding contributions at the year-end of £86,435 (2024: £nil).

20. RELATED PARTY TRANSACTIONS

Biotechnology and Biological Science Research Council (Member)

The charitable company is strategically funded by BBSRC along with seven other Institutes.

Grants received from BBSRC are detailed in note 2.

As at 31 March 2025, BBSRC owed £426,187 (2024: £188,373) to QIB, and QIB owed BBSRC £nil (2024: £nil).

BBSRC is part of UK Research and Innovation (UKRI), an organisation that brings together the UK's seven research councils, Innovate UK and Research England.

University of East Anglia (Member)

University of East Anglia ("UEA") is a member of the charitable company. UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party.

UEA invoiced QIB £1,200,260 (2024: £1,267,032) for salaries and other charges and QIB invoiced UEA £1,687,036 (2024: £980,247) for services.

As at 31 March 2025, the UEA owed QIB £327,749 (2024: £826,710) and QIB owed UEA £246,092 (2024: £96,426).

Norfolk and Norwich University Hospitals NHS Foundation Trust (Member)

Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) is a member of the charitable company.

During the year NNUH invoiced QIB £253,264 for services and capital costs (2024: £202,890) and QIB invoiced £20,326 (2024: £39,463) for grant related costs. As at 31 March 2025, NNUH owed QIB £1,734 (2024: £20,043) and QIB owed NNUH £100,313 (2024: £21,135).

NBI Partnership Limited (Associate)

The charitable company is one of four members and guarantors of NBI Partnership Limited ("NBIP"), a company limited by guarantee. QIB has provided short-term loans to NBIP to enable NBIP to manage its cash requirements. At 31 March 2025, QIB had a loan balance with NBIP of £98,000 (2024: £105,000).

During the year, QIB received services totalling £1,624,095 (2024: £1,577,173) and received interest from NBIP of £4,665 (2024: £4,043). As at 31 March 2025, QIB owed NBIP £161,711 (2024: £150,726) and NBIP owed QIB £nil (2024: £nil).

NOTES TO THE ACCOUNTS

20. RELATED PARTY TRANSACTIONS (CONTINUED)

QI Partners

The charitable company is one of four members and guarantors of QI Partners, a charitable company limited by guarantee.

QIB has agreed to provide QI Partners with a loan facility of £5,400,000, which is repayable between November 2018 and October 2025. As at 31 March 2025, all of the facility had been repaid by QI Partners (2024: £200,000 drawn down). Interest was payable on the loan at a rate of 3.0% pa.

During the year, QIB invoiced QI Partners £7,037 (2024: £8,871) for interest on its loan. As at 31 March 2025, QI Partners owed QIB £18,701 (2024: £763,814) and QIB Extra Ltd £49,479 (2024: £nil).

QI Partners has invoiced QIB for service charges totalling £1,108,776 (2024: £2,598,629) in relation to the building running costs. As at 31 March 2025, QIB owed QI Partners £nil (2024: £nil).

QIB does not have any significant influence on QI Partners' financial and operating policies.

Anglia Innovation Partnership LLP

QIB is a member of Anglia Innovation Partnership LLP ("AIP LLP") through its 100% subsidiary, IFR NRP Capital Limited. AIP LLP is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. During the year, QIB was charged £28,719 (2024: £19,320) for estate costs. As at 31 March 2025, QIB owed AIP LLP £1,555 (2024: £nil). QIB invoiced AIP £31,000 for grant funding in the year (2024: £nil) and as at 31 March 2025 AIP owed QIB £6,193 (2024: £nil).

QIB Extra Ltd

QIB Extra Ltd is the wholly owned trading subsidiary of QIB. QIB Extra undertakes contract research for the food industry.

During the year, QIB invoiced QIBX for services and other costs totalling £144,505 (2024: £140,325). As at 31 March 2025, QIBX owed QIB £32,036 (2024: £44,022). QIBX invoiced QIB for services totalling £10,683 (2024: £9,782). In addition, QIBX made a gift aid payment to QIB of £59,905 (2024: £122,065). As at 31 March 2025 QIB owed QIBX £8,317 (2024: £620)

21. CASH HELD AS GRANT CO-ORDINATOR

The charitable company holds cash on behalf of various institutes in its capacity as project co-ordinator on a number of projects. It acts as an intermediary only and does not control the risks and rewards associated with the cash. Cash balances of £1,401,364 (2024: £1,721,614) in relation to this are included within the balance sheet.

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The trustees consider that the ultimate parent undertaking and controlling party is the University of East Anglia, by virtue of its right under the Articles of Association to appoint a majority of the company's directors.

QIB is the parent undertaking of the smallest group of undertakings to consolidate these financial statements, and the University of East Anglia is the parent undertaking of the largest group of undertakings to consolidate these financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Directors and Trustees	Dr C Caulcott (Chair – Board) Dr E Blair Dr E Robertson (Chair – Remuneration and Nomination Committee) Mrs J Waterfield (Chair – Audit and Risk Committee) Dr M Koufali Ms G Fine Prof J Blow Prof M Dallman Prof G Frost
Director of the Institute	Professor D Figeys
Company Secretary	Mrs S Bennion
Key Management Personnel	Prof D Figeys Dr G Brown Prof S Carding Mrs S Bennion Prof A Mather Prof M Warren
Registered charity number	1058499
Registered company number	03009972
Registered and principal office	Norwich Research Park Norwich NR4 7UQ
Independent auditors	Larking Gowen LLP Chartered Accountants and Statutory Auditors Prospect House Rouen Road Norwich NR1 1RE
Bankers	Barclays Bank Plc 54 Lombard Street London EC3V 9EX

QUADRAM INSTITUTE BIOSCIENCE

England & Wales - Charity number 1058499

Accounts

QUADRAM INSTITUTE BIOSCIENCE

Annual Report and Accounts

for the year ended 31 March 2024

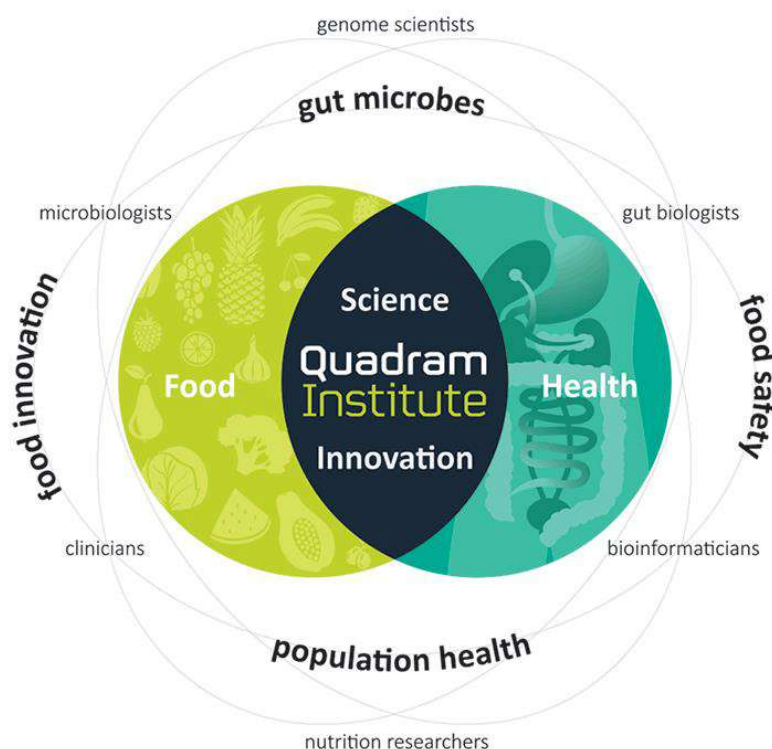
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THE QUADRAM INSTITUTE

Quadram Institute Bioscience (QIB) is one of four founding partners in the establishment of the Quadram Institute – a multi-million-pound food and health research centre that was completed in autumn 2018.

The Quadram Institute is at the forefront of the interface between food science, gut biology and health, developing solutions to worldwide challenges in food-related disease and human health. It brings together the Quadram Institute Bioscience research teams, the Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) and the University of East Anglia (UEA), as well as NNUH's regional gastrointestinal endoscopy unit and a clinical research facility.



The centre has been funded by the partners and the Biotechnology and Biological Sciences Research Council (BBSRC), part of UK Research and Innovation. The Quadram Institute has capacity for 300 research staff with a further 100 staff supporting one of Europe's largest endoscopy facilities. It is engaged in fundamental and translational food and health research, alongside clinical studies, endoscopy and industry, working together to become a leading international hub for food and health research. It combines scientific excellence and clinical expertise, delivering patient care and accelerating innovation.

The Quadram Institute maximises the unique world-class bioscience cluster based at the Norwich Research Park, including excellent plant and microbial science at the John Innes Centre and The Sainsbury Laboratory and computational science and sequencing expertise at the Earlham Institute.

INTRODUCTION TO THE ANNUAL REPORT

The Quadram Institute Bioscience trustees (who are also directors in company law) are pleased to present their Annual Report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2024, which are also prepared to meet the requirements for a directors' report (incorporating a strategic report) and accounts for Companies Act purposes.

The Annual Report and Accounts have been prepared in accordance with the Accounting and Reporting by

Charities: Statement of Recommended Practice (SORP), Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS102.

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

QUADRAM INSTITUTE BIOSCIENCE

The Quadram Institute Bioscience (QIB) is a BBSRC National Capability Institute purposed with understanding how food and microbes interact to promote health and prevent disease. QIB's research is supporting transformation of the food system to increase the availability of safe and nutritious food and enhance life-long physical and mental health. QIB leverages BBSRC strategic funding to attract investment from other research councils, funding organisations and industry to become a world leading institute for food and health research. Moreover, it is forging links with other world-class academics to become a hub for national and international networks

of related research organisations that promotes collaboration and training necessary to accelerate innovation and deliver solutions to UK and global food and health challenges.

Charitable objective

The Charity's object is the worldwide advancement of education in food and health sciences for the public benefit by:

- undertaking research and disseminating the useful results of such research; and
- training research scientists.

REVIEW OF THE YEAR

In April 2023 QIB was awarded strategic funding totalling £55.9m. BBSRC's five-year investment funds two Institute Strategic Programme Grants:

- The Food, Microbiome and Health programme studies how changes in plant food structure and composition can improve the release of nutrients and promote colonisation and resilience of health-promoting gut microbes.
- The Microbes and Food Safety programme develops knowledge of foodborne pathogens and their ability to colonise and persist on surfaces, and is being used to predict for potential food safety issues. The programme also focuses on the role of microbes in food spoilage and antimicrobial resistance.

The BBSRC strategic funding also supports the Food & Nutrition National Bioscience Research Infrastructure (F&N-NBRI), as a national coordinating 'hub' in nutrition and health and the leading national provider of data, tools and services for UK public health research and innovation.

Notable achievements in the year include:

- QIB scientists are part of two consortia awarded Engineering Biology hub grants worth £26 million by UK Research and Innovation (UKRI). The Environmental Processing and Recovery of Metals project, led by Prof Martin Warren, will use biology to

recover and recycle rare earth minerals and aims to address the growing need for critical minerals and metals in clean energy technologies. Prof Nathalie Juge is a co-investigator on the GlycoCell project, led by the University of Nottingham and the London School of Hygiene and Tropical Medicine. The GlycoCell hub will boost glycobiology research across the UK and accelerate translation into products, including vaccines.

- Quadram Institute's Director, Prof Ian Charles was recognised with an OBE in the 2023 King's Birthday Honours for a lifetime of pioneering research. An internationally recognised scientist, entrepreneur and business leader, Ian has over 30 years' experience in academic and commercial research on infectious diseases and the microbiome. Ian will retire from his role as Director and Chief Executive in October 2024 and taking an Emeritus position to pursue his research interests.
- Career track group leader, Dr Cathrina Edwards demonstrated an outstanding track record of science and food innovation and gained tenure.

The QIB fellowship scheme was launched giving post-doctoral scientists the opportunity to develop independent research. Two appointments were made: one, to Dr Dipali Singh, in Artificial

intelligence for metabolic modelling and the second, to Dr Dimitra Lamprinaki to study the relationship between the gut microbiota and host immune regulation.

Scientific achievements during the year include:

- QIB researcher Dr Gemma Langridge and her team have been collaborating with colleagues from the Norfolk and Norwich University Hospital (NNUH) to understand antimicrobial resistance (AMR) in the bacteria responsible for urinary tract infections (UTIs), sampled from around 200 patients in Norfolk. UTIs are a major cause of antibiotic prescribing, and higher rates of antibiotic use can lead to bacteria becoming resistant to the drugs. Furthermore, in 2021 antibiotic prescribing for UTIs cost the NHS in Norfolk £860,161. The new study by scientists at the Quadram Institute and the Norfolk and Norwich University Hospital (NNUH) showed that 6.5 per cent of UTIs were resistant to several antibiotics used to treat them. There is no national surveillance programme for specifically monitoring the *Escherichia coli* (*E. coli*) that causes UTIs. By identifying the groups of *E. coli* that were responsible for difficult to treat cases of UTIs, it is possible to look for a common source of infection and recommend strategies for limiting cases of multi-drug resistant *E. coli* causing UTIs. Sequencing the *E. coli* that are resistant to antibiotics will enable the researchers to identify the mechanisms enabling these bacteria to survive.
- QIB group leader, Cathrina Edwards published a study that showed how bread made from a new type of whole cell pulse flour can lower blood glucose levels and keep you fuller for longer. In the collaboration with King's College London, the effects on feelings of fullness, hormone regulation insulin and blood sugar levels, following replacement of regular wheat flour with 'cellular chickpea flour', were studied in people who ate it. The study was the first of its kind and was based on the design of a new pulse ingredient that is now being commercialised as PulseON® by PulseON Foods Ltd. for food industry use. The study is a promising example of how new ingredient structures can be used successfully to improve the metabolic and fullness effects of everyday food products. It is hoped that the findings will attract interest from food producers seeking to improve the health credentials of their products.
- QIB fellow Dr Dipali Singh is part of a UK-wide group (led from the University of Nottingham) managing the recently launched Artificial Intelligence in the Biosciences Network (AIBIO-UK), funded by BBSRC. Artificial intelligence (AI) is a tool that in the case of research, can assist scientists with data analysis and understanding the complexity of data. Bioscience researchers are already using AI tools

but, in the future, it will be important to enhance the use of algorithms in bioscience and make biology a more quantitative discipline. AIBIO-UK aims to bring bioscience and AI expertise together to foster interaction and knowledge exchange, facilitating collaborative solutions for complex biological problems. The network encompasses both academia and industry, with support from institutes and industries such as Turing Institute, Syngenta and NVIDIA. Involvement from industry is important because it can contribute advanced expertise and computational power to tackle complex real life bioscience challenges.

- Research that QIB's Prof Martin Warren is undertaking with collaborators at the John Innes Centre and industry partner Lettus Grow, which has led to a breakthrough in biofortifying pea shoots with vitamin B12 could enhance health and sustainability. The project uses LettUs Grow's ultrasonic aeroponic technology to grow B12 biofortified pea shoots that contain the recommended daily dose in a single small portion. Biofortification is the process of enhancing the nutritional value of crops through biotechnology, traditional plant breeding or agronomic practices that increase the amount or types of vitamins or nutrients compared to what is normally present. Traditionally, B12 has been a nutrient primarily obtained from animal sources. Deficiency can lead to severe and irreversible damage, particularly to the brain and nervous system. Unlike traditional vitamin supplements, biofortified crops align more closely with our existing dietary habits and cultural preferences since they are integrated into commonly consumed foods. Using this new method, a standard salad bag could contain as much B12 as two portions of beef. This makes it easier to integrate into people's daily life, which helps promote sustainable dietary changes.
- Researchers at QIB have launched a project in which they will enrol family members (siblings, fathers, guardians, grandparents and great-grandparents) in a research study to understand which microbes can be shared among family members and how these might affect the health of whole families. All individuals have a community of trillions of bacteria and other beneficial microbes, called the microbiota, in their gut. These microbes play a critical role in protecting our health, right from the earliest moments of life. The microbiota help to break down and digest food and is critical in programming our immune system to fight off infections. QIB, with partners at the NNUH have launched this study to understand better the importance of beneficial microbes in the development of the infant microbiota and beyond during an individual's lifetime. This will help define microbial 'signatures' that are beneficial to health

and lead to new therapies to promote health and prevent disease.

- Dr Evelien Adriaenssens, QIB group leader, has led and moderated discussions that have generated four new principles that provide a framework for classification of all viruses. This work, undertaken within the International Committee on Taxonomy of Viruses (the official body charged with virus classification) accommodates the need for efficient classification of viruses now that state-of-the-art genome technologies are discovering millions of new virus species. The committee proposed that virus taxonomy can and should be based formally upon evolutionary relationships amongst viruses, with other physical properties used where appropriate to inform the placement of the ranks.
- QIB scientists showed that genome sequencing can be used to better understand the causes, sources and risks posed by food poisoning bacteria. Microbes on foods place an estimated £9 billion burden on the UK each year. *Salmonella* bacteria make a significant contribution to this, with around 30,000 cases. There are many different types of *Salmonella*, and they can cause gastrointestinal disease through infections associated with a range of different foods. This presents challenges when trying to detect or trace causes of the disease, or pinpoint vulnerabilities in the food supply system, and how these may change with shifts in dietary patterns or food production. To help address this, QIB's Prof Alison Mather and Dr Samuel Bloomfield, with collaborators at the UEA, have been deploying next generation sequencing techniques to better understand *Salmonella* populations on our food. When food and clinical samples were sequenced and compared, the researchers were able to identify foods that were more likely to be the source of *Salmonella* infections and identify the genes that give the bacteria specific properties, such as an enhanced ability to cause infections or resist antimicrobials. This suggests genomic surveillance could be a valuable tool to ensure food safety.
- QIB group leader, Prof Rob Kingsley has been part of an international partnership to establish how genomics can counter antimicrobial resistant typhoid-causing bacteria in Zimbabwe. The partnership undertook a genomic survey of typhoid fever in Zimbabwe and showed how the bacteria behind recent outbreaks evolved extra levels of antimicrobial resistance. Rob joined researchers

from the UEA and Zimbabwe's National Microbiology Reference Laboratory, which is supporting management of the disease, as part of locally led effort to trace the spread of resistance genes. Typhoid fever, which is caused by *Salmonella enterica* serotype Typhi (*S. Typhi*), claims over 135,000 lives annually, and with up to 18 million infections it presents a significant burden on healthcare, especially in low-resource countries in South Asia and Africa. Rob and the team sequenced the genomes of 85 *S. Typhi* samples obtained from people with confirmed typhoid fever from 2012 to 2019, plus an extra 10 from clinical infections in the UK that were associated with travel to Zimbabwe. They established that most of the strains sequenced came from a subbranch of a globally distributed multi-drug resistant *S. Typhi*. Their genomic detective work linked these to a common ancestor first seen in Zimbabwe in 2009. Of concern is that since 2009, *S. Typhi* in Zimbabwe has become even more resistant to antimicrobials. Within three years nearly two thirds of isolates studied had gained extra genes including those conferring additional resistance to antibiotics. The genomic analysis contributed to the decision to initiate a mass typhoid vaccination campaign in Harare, Zimbabwe.

- QIB researchers have published research that has uncovered a role for intestinal mucus in ensuring optimum communication between the gut, microbiome and brain, which maintains brain health. Gut, mucus has a major influence over our health by providing an environment in which microbes of the gut microbiome can live. These microbes influence many conditions inside and outside the gut, including neurological disorders such as Alzheimer's disease. Research, by Prof Nathalie Juge and UEA collaborators showed that when mucus sugars in the colon of mice were altered, it resulted in a more permeable gut lining. The mice also had different levels of certain metabolites previously linked to Alzheimer's disease and depression. With these mice displaying leakier guts, it's more likely these metabolites could move to the brain or otherwise affect signalling between the gut and the brain. The team observed changes in the part of the brain responsible for memory formation, and this seemed to have a detrimental effect on memory and recognition. These results suggest a link between the mucus in the colon and the development of neurological conditions.

Public engagement

QIB scientists and students continued to support a wide range of public engagement events ranging from school visits to the Norwich Science Festival, Pint of Science and the Royal Norfolk Show. Emma Waters' "What is a Scientist?" exhibition continued to be in demand with exhibitions at the Royal Norfolk Show and the Norwich Science Festival's satellite event at East Norfolk College in Gorleston.

Scientists from the institute worked with undergraduates from the Norwich University of the Arts on a collaboration involving BA Illustration students. This led to creative interpretations of our research - ranging from using football visuals to communicate the evolution of antimicrobial resistance, a dress to highlight the diversity of the gut microbiome, and interactive children's books to explore the relationship between food and the gut microbiome.

In July 2023, the Quadram Institute opened its doors to the BBC and the general public to host the live outside broadcast of BBC Radio 4's flagship topical discussion show, Any Questions? hosted by BBC political correspondent Alex Forsyth.

Group leader Dr Nicol Janecko contributed to a UN international expert panel on a common bacterial cause of food poisoning from chicken. Dr Janecko was rapporteur for the United Nations joint Food and Agriculture Organization (FAO) and World Health Organization (WHO) Joint Expert Meeting on the control of *Campylobacter* at a meeting held in Rome, Italy, and their report was published in March 2024.

PLANS FOR 2024/25

Key priorities

- Recruitment of a new Quadram Institute Director following the retirement of Professor Ian Charles. Professor Martin Warren, QIB's Chief Scientific Officer will take on the role of interim Director during this process.
- Review progress of the strategic research programmes.
- Explore opportunities to participate in Horizon Europe-funded calls now that the UK has become associated with the programme.
- Review the QIB Science Strategy and consider opportunities to recruit new research groups to expand and strengthen research interests.
- Further develop science interactions within Quadram Institute and across the Norwich Research Park.
- QIB will continue to apply its clinical Seedcorn fund in the development of new research projects with our clinical colleagues at the Norfolk and Norwich University Hospital (NNUH).
- QIB will explore opportunities to engage with policy makers in areas such as food safety and precision breeding of crops in collaboration with the John Innes Centre, Earlham Institute, The Sainsbury Laboratory and University of East Anglia.
- Develop new opportunities to generate new spin out companies and other commercial interactions.

GOING CONCERN

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

The Trustees have prepared cash flow forecasts for the period to March 2028 which indicate that, taking account of reasonable possible downsides and the potential impact of inflation on the operations and its financial resources, the Institute will have sufficient funds to meet its liabilities as they fall due for that period.

The Institute is reliant on its strategic programme funding from BBSRC, which was £10.9m in the year

(2023: £8.2m). BBSRC has confirmed continued strategic funding of £10.9m for the year to March 2025. BBSRC has also confirmed strategic programme funding allocation for 3 further years to March 2028 of £10.9m per annum.

Consequently, the Trustees are confident that the Institute will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have been prepared the financial statements on a going concern basis.

FINANCIAL REVIEW

Key performance indicators

QIB's key financial performance indicators during the year were as follows:

<i>Consolidated</i>	2024	2023
	£m	£m
Income excluding capital grants	18.0	15.2
Unrestricted general & designated strategic reserves	15.5	14.2
Cash	22.8	22.9
Value of grant submissions	30.4	18.3
Value of grant awards	5.2	7.3

The main indicator of non-financial performance is Institute publications in relevant scientific journals, as described in 'scientific achievements' above.

Income

Total income for the year was £21.6m (2023: £21.1m), including £3.6m of capital funding (2023: £5.8m). Income excluding capital grants was £18.0m (2023: £15.2m).

QIB's principal sponsor is the BBSRC, which contributed 77% of total income (2023: 77%). Other major sources of funding were the UK government agencies and charities. An analysis of grant income by principal sponsor is included in the notes to the financial statements.

Expenditure

Total expenditure for the year amounted to £19.3m (2023: £19.7m). Staff costs accounted for £8.5m (44%) (2023: £8.7m; 44%) of expenditure.

Fundraising

QIB does not carry out any significant fundraising activities.

Subsidiaries

QIB's trading subsidiary – QIB Extra Limited - contributed an operating profit of £53,000 (2023: £118,000).

Net Movement in Reserves

QIB recorded a net increase in unrestricted reserves of £0.1m (2023: decreased by £1m).

Restricted reserves increased by £2.3m (2023: increased by £2.3m).

Cash

Group cash at March 2024 was £22.8m (2023: £22.9m).

QIB deposits its cash with UK registered financial institutions that meet its credit rating policy and are subject to agreed counter-party limits. Investment income from cash deposits in the year was £806,000 (2023: £370,000).

Reserves position

Total group reserves increased by £2.4m in the year to £42.4m (2023: increased by £1.3m to £40.0m).

Restricted reserves increased by £2.3m to £13.5m (2023: increased by £2.3m to £11.2m), of which £3.5m relates to capital grant funding from BBSRC that may only be utilised on completion of performance conditions.

Unrestricted reserves increased by £0.1m in the year to £28.9m (2023: decreased by £1m to £28.8m).

Unrestricted reserves include the following:

- A building reserve of £1.25m was designated to cover the outstanding loan advances to QI Partners of £0.2m (2023: £0.35m) and energy cost increases;
- Strategic reserves of £11.1m (2023: £9.8m) have been designated to cover planned strategic programme and capital investment to support the development of the Quadram Institute. This reserve was anticipated to be mainly used between 2024 and 2025; and
- A general reserve of £4.3m (2023: £4.4m).

Reserves policy

QIB's reserves are held to support financial solvency, manage uncertainty and fund future activities. The level of reserves required by QIB is therefore determined by reference to:

- Future operational and capital expenditure requirements in the Business Plan to March 2028;
- Potential financial risks identified in the Business Plan and Risk Register;
- Potential funding required for strategic investments not included in the Business Plan;
- Working capital / liquidity requirements.

As noted above, £1.25m has been designated in connection with QIB's loan commitments and energy cost increases. A further £11.1m has been designated in connection with planned investment in science programmes.

The unrestricted general reserve of £4.3m (2023: £4.4m) is above the minimum general reserves target of £3.0m set by the Trustees.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place, and confirm that the major risks to which the Institute is exposed have been reviewed and procedures established to manage those risks. The Audit and Risk Committee agrees an annual risk-based internal audit plan which covers major risks identified by management and Trustees. It receives reports from internal auditors on the effectiveness of internal controls, progress against the internal audit plan and progress on recommendations made in reports. The Board reviews a full risk report annually, including a 'heat map' tracking major risks.

The principal risks and uncertainties facing the Institute are considered to be:

Risk area	Description of Risk	Management of Risk
Future BBSRC research funding	<ul style="list-style-type: none"> ➤ BBSRC strategic funding for institutes is reduced due to budgetary pressures. ➤ BBSRC strategic funding is reduced due to scientific performance. 	<ul style="list-style-type: none"> ➤ Regular monitoring of scientific performance against strategic programme objectives. ➤ Regular communication with BBSRC to report performance and ensure strategic alignment of research programmes.
Research income and sponsor diversification	<ul style="list-style-type: none"> ➤ QIB is unable to generate sufficient grant and commercial research income to support the costs of its research activities and infrastructure 	<ul style="list-style-type: none"> ➤ Investment in new research leader positions in progress. ➤ Communication Strategy being developed to increase sponsor awareness of the Quadram Institute.
Staff retention and recruitment	<ul style="list-style-type: none"> ➤ QIB is unable to retain or attract suitably skilled staff to enable it to deliver its science strategy. ➤ In addition to scientific impact, this risk area could also have an impact on the level of funding the Institute is able to attract. 	<ul style="list-style-type: none"> ➤ Strategy and action plans in place, aligned to development of Quadram Institute. ➤ Career development programmes in place to support high potential staff. ➤ Performance Management processes in place.
Quadram Institute	<ul style="list-style-type: none"> ➤ Strategy for the Quadram Institute is not agreed between the partners. ➤ The Quadram Institute is not able to attract suitably skilled staff to enable it to deliver its strategy. ➤ Benefits from the project are not delivered. 	<ul style="list-style-type: none"> ➤ Governance arrangements in place. ➤ Strategy agreed and communicated. ➤ Recruitment plans in progress. ➤ Project plan in place, with identified work streams, terms of reference and appropriate partner representation. ➤ Project assurance framework in place.
QI Building	<ul style="list-style-type: none"> ➤ QI facilities management arrangements are poor value for money. ➤ Inadequate investment leads to facilities that are not fit for purpose. ➤ QI building is not used by partners in line with QI mission. 	<ul style="list-style-type: none"> ➤ Building Services Committee established to monitor facilities management arrangements and tenant coordination. ➤ Building operating costs regularly reviewed and remedial actions agreed. ➤ Lifecycle maintenance plan agreed by the partners.
Technology investment	<ul style="list-style-type: none"> ➤ QIB is unable to keep pace with developments in technology underpinning its science. ➤ Funding is inadequate to sustain and improve technology facilities necessary to deliver scientific objectives. 	<ul style="list-style-type: none"> ➤ Technology strategy has been updated alongside strategy for the Quadram Institute. ➤ Small value capital funding awarded for the period to March 2028 as part of institute strategic grant award.
Compliance with sponsor funding requirements	<ul style="list-style-type: none"> ➤ QIB fails to comply with sponsor grant requirements resulting in a material financial impact. 	<ul style="list-style-type: none"> ➤ QIB is subject to regular reviews of its grant compliance processes from sponsors and the internal auditors.
Cost pressures	<ul style="list-style-type: none"> ➤ Increased energy prices divert resources from science to infrastructure costs, resulting in a reduction in research activity and impact. ➤ High inflation rates increase research and support costs, resulting in a reduction in research activity and impact. 	<ul style="list-style-type: none"> ➤ Energy costs are hedged in the short-term and specialist advisers support the institute with energy procurement. ➤ Energy-saving opportunities are actively sought and investment cases developed. ➤ The impact of cost inflation is regularly discussed with funders with a view to mitigating the impact on research.

TRUSTEES' REPORT

GOVERNANCE AND MANAGEMENT

Organisation and governance

Quadram Institute Bioscience (referred to as “QIB”, the “Institute”, the “Charity” or the “Company”) is a company limited by guarantee (registered number 03009972) and a registered charity (number 1058499). During the year, QIB was governed by its Memorandum and Articles of Association adopted on 31 July 2018.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Members

The Members are all guarantors of QIB, a company limited by guarantee and a registered charity, of an amount not exceeding £1.

Board of Trustees

The Board of Trustees comprises an independent Chair, up to seven independent members and up to nine UEA-appointed members. The Trustees who served during the year and up to the date of signing these financial statements were:

Trustees	Sub-committees	Changes during the period
<i>At date of Report:</i>		
Dr C Caulcott (Chair)	Remuneration & Nomination Committee	-
Dr E Blair	Audit & Risk Committee; Industrial Advisory Panel (Chair)	-
Prof F Lettice	Science Innovation & Advisory Committee (Chair)	Resigned 31 August 2023
Prof P Morgan	Remuneration & Nomination Committee (Chair)	-
Mr G Potter	Audit & Risk Committee	-
Dr E Robertson	Science Innovation & Advisory Committee; Remuneration & Nomination Committee	-
Mrs J Waterfield	Audit & Risk Committee (Chair)	-
Dr M Koufali	-	Appointed 1 September 2023
Ms G Fine	Audit & Risk Committee	Appointed 1 September 2023
Prof B Reid	-	Resigned 26 September 2024
Prof J Blow	-	Appointed 26 September 2024

The Members of QIB are:

- UK Research and Innovation - Biotechnology and Biological Sciences Research Council (“BBSRC”);
- the University of East Anglia (“UEA”);
- the Norfolk and Norwich University Hospitals NHS Foundation Trust (“NNUH”); and
- the Chair of the Board of Trustees (from 23 August 2024).

UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company’s parent undertaking and controlling party. BBSRC, UEA and NNUH each have the right to nominate an “observer” to attend Board meetings. Observers are not entitled to vote and do not hold any authorities.

The Board has established sub-committees to assist in exercising their company and charity stewardship responsibilities. The Audit and Risk Committee oversees internal controls, risk management and audit. The Remuneration and Nominations Committee considers remuneration, nominations, talent and succession.

The Science Innovation and Advisory Committee assists the development and maintenance of QIB’s

science in relation to direction, balance, strategy and quality.

Recruitment, induction and training of Trustees

The Remuneration and Nominations Committee leads the process for Board appointments and makes recommendations to the Board for the appointment of the Chair and Board Trustees. The appointment to Chair is made in agreement with the Members. The Committee makes recommendations to the Board on

the Board's composition ensuring that the Board has an appropriate balance of skills, capabilities, expertise, experience and diversity to allow it to meet its strategic and organisational objectives.

The Institute advertises nationally for prospective Trustees to ensure appropriate expertise on the Board is maintained. The Institute will also approach individuals thought to have the right skills.

New Board Trustees are invited to spend time with members of the executive team. This is a chance to learn about the Institute and get more involved with the institute's work. In addition to the five formal meetings, all Trustees receive regular presentations from QIB's scientists and briefings on key issues.

Trustee remuneration

QIB remunerates Trustees where the Board considers payment is necessary to attract Trustees with specialist skills and experience. The power to remunerate Trustees is included in QIB's Articles of Association and has been approved by the Charities Commission.

During the year, Dr Celia Caulcott received £10,000 remuneration in connection with her role as Chair of QIB Board of Directors (2023: £10,000).

Eight members of the Board of Trustees were reimbursed for travel expenses incurred during the year (2023: four). The total amount reimbursed was £2,243 (2023: £847).

Key Management Personnel

The Trustees delegate management of the day-to-day activities of the charitable company to the Institute Director and Executive Board, who are considered to be the key management personnel for the institute. The Executive Board (EB) works to support the Institute Director in developing scientific, financial, business and administrative policy and strategy. EB will monitor policy implementation and ensure that such policy is embedded in the day-to-day working of the Institute. EB is supported by the executive Science Strategy Board and the Management Forum.

EB membership during the year was as follows:

- Institute Director (EB Chair)
- Director of Operations
- Chief Business Officer
- Finance Director
- Chief Scientific Officer / Leader Food and Health ISP
- Leader Gut Health & Food Safety ISP
- Leader Microbes in the Food Chain ISP
- Human Resources Director

Employees

QIB staff that joined before 1 October 2011 were employed by BBSRC up to 1 October 2017, when they transferred employment to the Institute under TUPE.

Transferred employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

QIB has recruited all new staff from October 2011 on its own terms and conditions, covering basic pay and allowances, contractual payments, tax, NI, and liabilities for pension contributions and redundancy. Such staff are eligible to join a defined contribution scheme.

QIB employs a number of group leaders jointly with UEA. Staff are employed under QIB terms & conditions, but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits.

Communication

QIB provides all staff with relevant information and seeks their views on matters of common concern through their representatives and through line managers. Priority is given to ensuring that employees are aware of all significant matters affecting QIB's position and any significant organisational change.

Equality and Diversity

It is the Institute's policy to provide equal opportunities to job applicants and employees of any race, nationality, ethnic origin, marital status, religion or belief, gender, disability, sexual orientation, age or employment status. The Institute does not condone or tolerate any form of discrimination in its recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities and are accountable for the impact of their own behaviour and actions. All the Institute's policies follow these principles.

RELATED PARTIES

Subsidiaries

QIB's subsidiaries in the year were as follows:

- QIB Extra Limited (contract research);
- IFR Enterprises Limited (dormant);
- IFR NRP Capital Limited (dormant).

NBI Partnership

QIB has a 25% interest in NBI Partnership Limited ("NBIP"). NBIP supplies support and administrative services to QIB and the other Norwich Institutes (John Innes Centre, Earlham Institute and The Sainsbury Laboratory) on a not-for-profit basis. NBIP fully recharges its costs to the four research organisations and accordingly it generates no profit or loss.

QI Partners

QIB is a member of QI Partners along with BBSRC, UEA and NNUH. QI Partners has been established for the purposes of constructing and managing the Quadram Institute building and providing such facilities for charitable use. QIB does not have any significant influence on QI Partners' financial and operating policies.

On 29 March 2019, QIB entered into a lease agreement for accommodation in the Quadram Institute building from QI Partners.

QIB has agreed to provide QI Partners with a loan facility of £5.4m, which is repayable between November 2018 and October 2024. As at 31 March 2024, £0.2m of the facility was drawn down by QI Partners (2023: £0.35m). The loan has been provided on an arm's length basis and interest is payable on the loan at a rate of 3.0% pa.

University of East Anglia (UEA)

University of East Anglia is a member of the charitable company. UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party. The majority of QIB PhD students are registered with the UEA.

Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH)

NNUH is a member of the charitable company. NNUH is entitled to appoint an observer to attend, speak and provide information to meetings of the Board of Trustees, however such observers have no right to vote at any such meeting.

Anglia Innovation Partnership LLP (AIP LLP)

QIB is a member of Anglia Innovation Partnership LLP through its 100% subsidiary, IFR NRP Capital Limited. The objective of AIP LLP is to develop and sustain the Norwich Research Park as an international centre for food, health, plant, microbial and environmental research, innovation and enterprise. QIB is entitled to receive a share of certain profits generated by AIP LLP, however it has no liability for losses or in the event of insolvency. AIP LLP has not yet generated any realised profits.

BBSRC

BBSRC is a member of the charitable company. BBSRC is entitled to appoint an observer to attend, speak and provide information to meetings of the Board of Trustees, however such observers have no right to vote at any such meeting.

QIB is strategically funded, along with seven other institutes, by BBSRC. BBSRC supports QIB via strategic programme funding programmes, competitively won project grants and capital funding for infrastructure and technology investments. The principal terms and conditions under which BBSRC provides its funding are set out in the Institute Grant Agreement. Key conditions include:

- BBSRC and the Institute shall meet at least annually to review and discuss the implementation and progress of the Institute's business, including strategic and financial plans.
- The Institute shall submit a draft Business Plan, covering a period of at least five years, for discussion.
- The Institute will demonstrate appropriate plans for the maintenance, renewal and development of the estate through a rolling 10-year Institute Estates Strategy covering capital projects, long term and routine maintenance.

BBSRC is part of UK Research and Innovation (UKRI), an organisation that brings together the UK's seven research councils, Innovate UK and Research England.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF QUADRAM INSTITUTE BIOSCIENCE IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably

open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Public benefit

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Based on this guidance, and as described in this Trustees' report, the Trustees believe the activities of Quadram Institute Bioscience to be charitable in nature.

Insurance Disclosure

The Institute maintains liability insurance for its trustees, with an annual aggregate cover limit for all claims against them in that capacity. The trustees have also been granted a qualifying third party provision under section 233 of Companies Act 2006. Neither the Institute's indemnity nor insurance provides cover in the event that a trustee is proved to have acted fraudulently or dishonestly.

Disclosure of information to auditor

The trustees confirm that:

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

Independent auditors

Larking Gowen LLP have been appointed as auditors and a resolution has been passed by the Board, concerning their appointment as auditors.

On behalf of the Board of Trustees

Dr C Caulcott, Trustee Chair
24 October 2024



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUADRAM INSTITUTE BIOSCIENCE

Opinion

We have audited the financial statements of Quadram Institute Bioscience (the 'parent charitable company') and its subsidiaries (together the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charitable Company Balances Sheets, Consolidated Statement of Cash Flows and Notes to the Accounts, including significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024, and of the group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 groups and parent 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 group or parent 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.

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Due to the field in which the group operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with UK tax legislation, UK accounting standards, UK charity law and the Companies Act 2006. In addition, we considered the provisions of other laws and regulations which whilst not having a direct impact on the financial statements, are fundamental to the group's ability to operate including health and safety; employment law, and compliance with various other regulations relevant to the conduct of the group's operations.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management about any known or suspected instances of non-compliance with laws

and regulations, accidents in the workplace, potential litigation or claims and fraud;

- Reviewing legal and professional fees to confirm matters where the group engaged lawyers during the year;
- Reviewing financial statement disclosures and tax matters, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgements made by management in their significant accounting estimates, particularly in relation to the recognition of grant income; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of any significant transactions outside the normal course of business.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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.

Larking Gowen LLP

Anders Rasmussen FCA (Senior Statutory Auditor)

for and on behalf of

Larking Gowen LLP

Chartered Accountants & Statutory Auditors

24 October 2024

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2024

(Incorporating an income and expenditure account)

	Note	Unrestricted funds £000	Restricted general funds £000	Restricted capital funds £000	Total 2024 £000	Total 2023 £000
Incoming resources						
<i>Income from Charitable activities</i>						
Grant income		-	15,253	-	15,253	13,112
Capital and maintenance grants		-	129	3,500	3,629	5,820
Other charitable income		1,067	86	-	1,153	950
<i>Income from other trading activities</i>						
Trading income		791	-	-	791	791
<i>Investment income</i>						
		819	-	-	819	392
Total income	2	2,677	15,468	3,500	21,645	21,065
Expenditure						
Charitable activities		(2,692)	(13,822)	(1,980)	(18,494)	(19,065)
Raising funds		(196)	-	-	(196)	(184)
Trading expenditure		(589)	-	-	(589)	(487)
Total expenditure	3	(3,477)	(13,822)	(1,980)	(19,279)	(19,736)
Net income/(expenditure)		(800)	1,646	1,520	2,366	1,329
<i>Transfers</i>						
Capital transfers	17	(511)	-	511	-	-
Other transfers	17	1,394	(1,394)	-	-	-
Net movement in funds for the year		83	252	2,031	2,366	1,329
Funds brought forward	17	28,773	-	11,220	39,993	38,664
Funds carried forward	17	28,856	252	13,251	42,359	39,993

The Consolidated Statement of Financial Activities ("SoFA") includes all gains and losses recognised in the year. All incoming resources and expenditure relates to continuing activities.

The accompanying notes form part of these financial statements.

CONSOLIDATED AND CHARITABLE COMPANY BALANCE SHEETS

AS AT 31 MARCH 2024

	Note	Group 2024 £000	Group 2023 £000	Company 2024 £000	Company 2023 £000
<i>Fixed assets</i>					
Tangible assets	9	21,894	22,074	21,894	22,074
Total fixed assets		21,894	22,074	21,894	22,074
<i>Current assets</i>					
Debtors	12	5,525	6,619	5,401	6,365
Cash at bank and in hand	13	22,780	22,926	22,706	22,812
		28,305	29,545	28,107	29,177
<i>Current liabilities</i>					
Creditors: amounts falling due within one year	14	(7,840)	(11,626)	(7,705)	(11,381)
Total net current assets		20,465	17,919	20,402	17,796
Total assets less current liabilities		42,359	39,993	42,296	39,870
Total net assets	16	42,359	39,993	42,296	39,870
Funds of the charity					
<i>Unrestricted funds</i>					
Fixed assets reserve	17	12,126	13,317	12,126	13,317
Designated strategic reserves	17	11,149	9,831	11,149	9,831
Designated building reserves	17	1,250	1,250	1,250	1,250
General reserve	17	4,331	4,375	4,268	4,252
Total unrestricted funds		28,856	28,773	28,793	28,650
<i>Restricted funds</i>					
Fixed assets reserve	17	9,768	8,757	9,768	8,757
Restricted general	17	252	-	252	-
Capital reserve	17	3,483	2,463	3,483	2,463
Total restricted funds		13,503	11,220	13,503	11,220
Total charity funds	17	42,359	39,993	42,296	39,870

A separate income and expenditure account has not been presented for QIB as this is exempted by Section 408 of the Companies Act 2006. The profit after tax of QIB was £2,426,000 (2023: £1,745,000).

The financial statements on pages 15 to 30 were approved by the Board of Trustees on 24 October 2024 and were signed on its behalf by:



Dr C Caulcott, Trustee Chair

The accompanying notes form part of these financial statements.

Company registration number: 03009972

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Total 2024	Total 2023
	£000	£000
Cash flow from operating activities		
Operating surplus	2,366	1,329
Interest receivable	(819)	(392)
Depreciation and amortisation	1,980	1,260
Capital grants received	(3,500)	(5,254)
Loss on disposal of tangible assets	180	7
Decrease/(Increase) in debtors	944	(2,206)
(Decrease)/Increase in creditors	(3,786)	3,608
Net cash provided by/(used in) operating activities	(2,635)	(1,648)
Cash flow from investing activities		
Interest received	819	392
Repayment of loan	150	900
Purchase of tangible assets	(2,141)	(4,512)
Disposal Proceeds	161	85
Capital grants received	3,500	5,254
Net cash provided by/(used in) investing activities	2,489	2,119
Change in cash and cash equivalents in the reporting period	(146)	471
Cash and cash equivalents at the beginning of the reporting period	13	22,926
Cash and cash equivalents at the end of the reporting period	13	22,780

The movement in net debt for the current and prior year is identical to the movements in cash flow set out above.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a. Basis of preparation

The group financial statements have been prepared under the historical cost convention and applicable accounting standards. They have also been prepared in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The principal accounting policies adopted in these financial statements, which have been consistently applied, are:

b. Basis of consolidation

The consolidated financial statements incorporate the financial statements of Quadram Institute Bioscience ("QIB") and all its subsidiary undertakings in accordance with Financial Reporting Standard ("FRS") 102 "Accounting for Subsidiary Undertakings".

The financial statements of all group undertakings and associates are made up to 31 March 2024.

QIB is one of four members of QI Partners ("QIP"). QIP is accounted for as an investment rather than an associate and has not been consolidated in the QIB financial statements on the basis that QIB does not have significant influence over QIP financial and operating policies.

QIB is one of four members of NBIP Partnership Limited ("NBIP"). The group accounts for NBIP as an associate, although in practice the company makes no profit or loss and has net assets of NIL, therefore has no impact on the Group financial statements.

c. Going concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

The Trustees have prepared cash flow forecasts for the period to March 2028 which indicate, taking account of reasonable possible downsides on the operations and its financial resources, the Institute will have sufficient funds to meet its liabilities as they fall due for that period.

The Institute is reliant on its strategic programme funding from BBSRC, which was £10.9m in the year (2023: £8.2m). BBSRC has confirmed continued strategic funding of £10.9m for the year to March 2025. BBSRC has provided the Institute with a strategic programme funding allocation for 3 further years to March 2028 of £10.9m per annum.

Consequently, the Trustees are confident that the Institute will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have been prepared the financial statements on a going concern basis.

d. Judgements in applying accounting policies and key sources of estimation

Preparation of the financial statements require management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Depreciation, which has been charged in line with the accounting policy below. The amount of depreciation charged and net book value of the assets is included in Note 9.

e. Income

Charitable grant income represents grants received and receivable in the year from outside granting bodies and other miscellaneous income. Grants that provide core funding are recognised in the year in which entitlement passes. Grant funding received to undertake research is recognised in the year in which the obligation is fulfilled. Grant funding is released to match expenditure incurred during the year together with any related contributions towards overhead costs.

Trading income relates to the non-charitable services undertaken by QIB Extra Limited ("QIBX") and is recognised in accordance with the terms of the contracts entered into, reflecting the point at which the obligations of the company have been satisfied.

Investment income relates to interest receivable from treasury deposits and related party loans. The interest is recognised in the year in which it is earned.

Capital grants are recognised in the Consolidated Statement of Financial Activities ("SoFA") when entitlement passes, which is typically on receipt. Where capital funding includes terms and conditions that must be met before there is unconditional entitlement, the grant income is recognised as those conditions are met, which usually results in capital funding being recognised to match the capital costs incurred.

Where income has been received in advance of conditions being met, the income is deferred until those conditions have been fully satisfied.

f. Expenditure

Expenditure on charitable activities represents the full cost of the research performed. It includes the cost of direct staff, consumable stocks and indirect costs apportioned on the basis of use.

Costs of generating funds represent the cost of obtaining funds for research, preparing grant applications and raising the profile of QIB. Costs incurred in preparing grant applications, which primarily comprise staff costs, have been approximated based upon a sample review of time taken to prepare the detailed applications.

Governance costs represent the necessary cost of compliance with statutory and constitutional requirements and any other costs which are not direct charitable expenditure.

Support costs have been wholly allocated to charitable activity expenditure based upon activity as indicated in note 4 to the financial statements.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

g. Restricted funds

Where research at QIB is funded by grants with conditions attached to them, these are shown as restricted. Capital grants received and receivable together with other restricted funds received and receivable and used to purchase tangible assets are included within restricted funds.

A restricted fixed assets reserve has been established representing the net book value of fixed assets purchased from capital grants. The reserve is shown as restricted due to continuing conditions in connection with the capital grants and assets purchased.

Restricted reserves include a designated capital reserve of £3.5m (2023: £2.5m) in connection with funding received from BBSRC, which may only be utilised in line with grant conditions.

h. Unrestricted funds

These include the strategic programme grants from the Biotechnology and Biological Sciences Research Council ("BBSRC") and any other grants which do not have specific conditions attached to them.

A fixed assets reserve has been established within unrestricted reserves representing the net book value of fixed assets funded from unrestricted reserves.

Unrestricted reserves that have been designated by the Board for specific purposes are shown in separate designated reserves. As at March 2024, £12.4m (2023: £11.1m) of unrestricted reserves have been designated in relation to planned capital and science investment associated with the development of the Quadram Institute.

i. Capital Transfers

A transfer from unrestricted to restricted reserves equal to the depreciation charge for assets purchased from unrestricted reserves is made as a capital transfer.

A transfer from restricted to unrestricted reserves is made following the completion of performance conditions in connection with restricted capital grant activity.

j. Other Transfers

A transfer from restricted to unrestricted reserves is made following the completion of performance conditions in connection with restricted non-capital grant activity.

k. Tangible fixed assets and depreciation

Tangible assets are shown at cost or valuation less accumulated depreciation. The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated to write off the cost or valuation less the estimated residual value of tangible assets by equal instalments over their estimated useful economic lives as follows:

Leasehold land and buildings	shorter of lease term or useful life
Plant and machinery	5 years
Scientific apparatus and eq.	5 to 10 years
Motor vehicles	4 years
Other apparatus and eq.	3 to 5 years

The leasehold improvements have been depreciated over the shorter of their estimated economic life and the remainder of the lease period.

Tangible assets under construction are not depreciated until the asset is in full use.

l. Intangible fixed assets and amortisation

Computer Software development costs are recognised as intangible fixed assets at cost less amortisation and any provision for impairment. Intangible assets are amortised over the estimated life of the asset acquired less any residual value.

Amortisation is calculated to write off the cost or valuation less the estimated residual value of intangible assets by equal instalments over their estimated useful economic lives as follows:

Computer Software	3 to 5 years
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Intangible assets under construction are not amortised until the asset is in full use.

m. Cash balances held as grant co-ordinator

Cash balances held on behalf of the European Union in the charitable company's capacity as grant co-ordinator are included within cash on the charitable company's balance sheet, and details are disclosed in note 20 to the financial statements.

n. Debtors

Debtors are non-interest bearing (excluding loan balances) and are stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts.

Included in debtors is a loan of £0.2m provided to QI Partners, which is repayable between November 2018 and October 2024. The loan has been provided on an arm's length basis and interest is payable on the loan at a rate of 3.0% pa.

o. Trade creditors

Trade creditors are non-interest bearing and are stated at their nominal value.

p. Provisions

A provision is recognised in the financial statements where there is a legal or constructive obligation to transfer economic benefit to a third party.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

q. Staff and Pensions

All staff employed by QIB (formerly Institute of Food Research) on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). The Deployed Employees remained with the Institute on an exclusive and full-time basis and day-to-day direction and line management of the Deployed Employees was delegated to QIB, subject to the terms of the BBSRC Employment Contract. QIB retained responsibility for paying employment costs in relation to the Deployed Employees, including basic pay and allowances, contractual payments, tax, NI and pension contributions.

On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE.

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

QIB staff that joined after 30 September 2011 are eligible to join a defined contribution scheme.

The Company employs some staff jointly with the University of East Anglia. Staff are employed under QIB terms & conditions,

but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits. Accordingly, these arrangements have been accounted for as defined contribution scheme.

r. Termination benefits

Redundancy payments are recognised as a liability and an expense only when the event is demonstrably committed to by either: a. termination of the employment of an employee or group of employees before the normal retirement date, or b. provision of termination benefits as a result of an offer made in order to encourage voluntary redundancy.

s. Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

t. Foreign currency transactions

The functional and reporting currency of the charity is pounds sterling.

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at year end exchange rates.

All gains and losses are taken to the Statement of Financial Activities in the year to which they relate.

u. Financial instruments

Financial assets and financial liabilities are recognised upon becoming a party to the contractual provisions of the instrument.

The group only enters into basic financial instrument transactions that result in financial assets and liabilities like trade and other accounts receivable and payable.

NOTES TO THE ACCOUNTS

2. ANALYSIS OF INCOMING RESOURCES

	Research activities	Other activities	Total 2024	Research activities	Other activities	Total 2023
	£000	£000	£000	£000	£000	£000
Grant income						
BBSRC	13,273	-	13,273	10,495	-	10,495
Other government departments	789	-	789	1,517	-	1,517
European Union	493	-	493	261	-	261
Other grants	698	-	698	839	-	839
Total grant income	15,253	-	15,253	13,112	-	13,112
Capital and maintenance grants						
BBSRC						
Capital expenditure	3,500	-	3,500	5,254	-	5,254
Other grants						
Capital expenditure	129	-	129	566	-	566
Total capital grants	3,629	-	3,629	5,820	-	5,820
Other charitable income						
Miscellaneous income	-	1,153	1,153	-	950	950
Total other charitable income	-	1,153	1,153	-	950	950
Trading income						
QIB Extra	-	791	791	-	791	791
Total trading income	-	791	791	-	791	791
Investment income						
Interest receivable on cash deposits	-	806	806	-	370	370
Other interest receivable	-	13	13	-	22	22
Total investment income	-	819	819	-	392	392
Total incoming resources	18,882	2,763	21,645	18,932	2,133	21,065

QIB's activities consist principally of scientific research in the United Kingdom.

- Grant income of £15,253k (2023: £13,112k) is all restricted general funds.
- Capital grants of £3,629k (2023: £5,820k) of which £129k (2023: £566k) is restricted general funds and £3,500k (2023: £5,254k) is restricted capital funds.
- Other charitable income of £1,153k (2023: £950k) of which £1,067k (2023: £642k) is unrestricted funds and £86k (2023: £308k) is restricted general funds.

In both periods all trading and investment income is unrestricted.

NOTES TO THE ACCOUNTS

3. ANALYSIS OF EXPENDITURE

	Research activities	Student activities	Other activities	Total 2024	Research activities	Student activities	Other activities	Total 2023
Note	£000	£000	£000	£000	£000	£000	£000	£000
Direct charitable expenditure								
Staff costs	6,988	-	-	6,988	7,395	-	-	7,395
Direct costs	2,451	425	-	2,876	3,371	472	-	3,843
Depreciation	1,980	-	-	1,980	1,260	-	-	1,260
Buildings maintenance	496	-	-	496	336	-	-	336
Governance costs	-	-	52	52	-	-	51	51
Support costs	4 5,854	248	-	6,102	5,925	255	-	6,180
Expenditure on charitable activities	17,769	673	52	18,494	18,287	727	51	19,065
Raising funds	-	-	196	196	-	-	184	184
Trading expenditure	-	-	589	589	-	-	487	487
Total expenditure	17,769	673	837	19,279	18,287	727	722	19,736

Included within expenditure on charitable activities is restricted general expenditure of £13,822k (2023: £14,578k), and restricted capital expenditure (depreciation) of £1,980k (2023: £1,260k). All other expenditure is unrestricted.

Staff costs are allocated based on time spent by staff. Depreciation is allocated based on the usage of assets. Other costs are allocated on the basis of their nature.

Analysis of governance costs	Total 2024	Total 2023
	£000	£000
Staff costs	27	26
Other costs	25	25
Total governance costs	52	51

4. ALLOCATION OF SUPPORT COSTS

	Research activities	Student activities	Total 2024	Research activities	Student activities	Total 2023	Basis of Allocation
	£000	£000	£000	£000	£000	£000	
Lab management	231	10	241	194	9	203	Headcount
Institute management	772	34	806	760	34	794	Headcount
Scientific services	582	25	607	965	43	1,008	Headcount
Facilities management and utilities*	1,886	83	1,969	2,028	90	2,118	Headcount
Finance and Purchasing*	496	22	518	533	24	557	Headcount
Computing and Library*	534	23	557	486	22	508	Headcount
Human Resources*	194	8	202	173	8	181	Headcount
Public engagement	337	15	352	333	14	347	Headcount
Health and Safety*	80	4	84	103	5	108	Headcount
Other support services*	742	24	766	350	6	356	Headcount
Total support costs	5,854	248	6,102	5,925	255	6,180	

*Includes services supplied by NBI Partnership Limited (see note 20).

NOTES TO THE ACCOUNTS

5. TAXATION

QIB is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The trading activities of the subsidiary companies are subject to corporation tax; however profits in the year are gifted to the charitable company resulting in a £nil (2023: £nil) tax charge payable.

There is no provision for deferred tax on fair value adjustments because any chargeable gains are applied to charitable objectives so no tax liability arises.

6. OPERATING SURPLUS/(DEFICIT)

Operating surplus/(deficit) is stated after charging/(crediting):

	Total 2024	Total 2023
	£000	£000
Audit services:		
Fees payable for the audit of the charitable company and consolidated financial statements	18	20
Fees payable for the audit of the charitable company's subsidiaries pursuant to legislation	2	2
Non-audit services:		
Other fees payable to the charitable company's auditors	-	-
Depreciation	1,980	1,260
Hire of plant and equipment	22	19
Loss on disposal of tangible assets	180	7
Loss/(Gain) on foreign exchange translations	4	(4)

7. REMUNERATION OF THE BOARD OF TRUSTEES

QIB has been given approval by the Charities Commission to remunerate Trustees where the Board considers that payment is necessary to attract Trustees with specialist skills and experience. The power to remunerate Trustees is included in the QIB's Articles of Association.

One member of the Board of Trustees, Dr Celica Caulcott, received remuneration from the group during the year for duties as a trustee (2023: one). Total trustee remuneration in the year was £10,000 (2023: £10,000).

Eight members of the Board of Trustees were reimbursed for expenses incurred during the year (2023: four). The total amount reimbursed was £2,243 (2023: £847).

NOTES TO THE ACCOUNTS

8. EMPLOYEE INFORMATION

The average monthly number of persons employed by or deployed to the group during the year, analysed by category, was as follows:

	Group 2024	Group 2023	Company 2024	Company 2023
	Number	Number	Number	Number
Scientific	143	161	136	154
Office management and services	18	16	16	14
Total	161	177	152	168

The aggregate payroll costs of these persons were:

	Group 2024	Group 2023	Company 2024	Company 2023
	£000	£000	£000	£000
	Note			
Wages and salaries	6,761	7,004	6,432	6,701
Redundancy payments	54	9	54	9
Social security costs	688	767	655	735
Other pension costs	986	940	954	916
Total	8,489	8,720	8,095	8,361

As required by the Statement of Recommended Practice applicable to charities, an analysis has been provided below of the number of staff who fall within staff cost bands (excluding pension cost) from £60,000 upwards:

	Group 2024	Group 2023	Company 2024	Company 2023
	Number	Number	Number	Number
£60,000 - £69,999	13	12	12	11
£70,000 - £79,999	5	6	5	6
£80,000 - £89,999	4	5	4	5
£90,000 - £99,999	2	1	2	1
£100,000 - £109,999	1	2	1	2
£110,000 - £119,999	-	-	-	-
£120,000 - £129,999	1	-	1	-
£130,000 - £139,999	1	1	1	1
£140,000 - £149,999	1	2	1	2
Total	28	29	27	28

The number of staff with emoluments greater than £60,000 who are also members of the Research Councils' Pension Schemes was six (2023: seven). Thirteen staff with emoluments greater than £60,000 are members of a Defined Contribution Pension Scheme (2023: thirteen).

All staff employed by QIB on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE. Transferring employees retain their membership of the Research Councils Pension Scheme, where applicable, with QIB becoming an admitted employer in the scheme. QIB staff that joined after 30 September 2011 are employed under QIB terms & conditions.

The key management personnel of the parent charity, Quadram Institute Bioscience, comprise of the trustees and the members of the Executive Board. The total employee benefits of the key management personnel of the charity were £735,909 (2023: £776,385). The key management personnel of the group comprise those of the charity and the key management personnel of the wholly owned subsidiary, QIB Extra Ltd. The key management personnel of QIB Extra Ltd are the Director of Operations and the Head of QIB Extra Operations. The costs of the key management personnel to QIB Extra was £71,902 (2023: £67,268). The employee benefits of the key management personnel for the group was £807,811 (2023: £843,653).

NOTES TO THE ACCOUNTS

9. TANGIBLE ASSETS

Group	Leasehold land and buildings £000	Plant, machinery and equipment £000	Apparatus and equipment £000	Assets under construction £000	Total £000
Cost/Valuation					
At 1 April 2023	14,670	278	15,591	2,787	33,326
Transfer	273	-	2,187	(2,460)	-
Additions	241	-	1,873	27	2,141
Disposals	-	-	(660)	-	(660)
At 31 March 2024	15,184	278	18,991	354	34,807
Accumulated Depreciation					
At 1 April 2023	977	55	10,220	-	11,252
Charge for the year	253	28	1,699	-	1,980
Disposals	-	-	(319)	-	(319)
At 31 March 2024	1,230	83	11,600	-	12,913
Net book value at 31 March 2024	13,954	195	7,391	354	21,894
Net book value at 31 March 2023	13,693	223	5,371	2,787	22,074

Charitable company	Leasehold land and buildings £000	Plant, machinery and equipment £000	Apparatus and equipment £000	Assets under construction £000	Total £000
Cost/Valuation					
At 1 April 2023	14,670	278	15,494	2,787	33,229
Transfer	273	-	2,187	(2,460)	-
Additions	241	-	1,873	27	2,141
Disposals	-	-	(660)	-	(660)
At 31 March 2024	15,184	278	18,894	354	34,710
Accumulated Depreciation					
At 1 April 2023	977	55	10,123	-	11,155
Charge for the year	253	28	1,699	-	1,980
Disposals	-	-	(319)	-	(319)
At 31 March 2024	1,230	83	11,503	-	12,816
Net book value at 31 March 2024	13,954	195	7,391	354	21,894
Net book value at 31 March 2023	13,693	223	5,371	2,787	22,074

All of the tangible assets of the charitable company are used for charitable purposes.

Assets under construction represent capital items which are not yet in full economic use.

NOTES TO THE ACCOUNTS

10. INTANGIBLE ASSETS

Group and charitable company	Software development £000	Total £000
Cost/Valuation		
At 1 April 2023	147	147
Additions	-	-
Disposals	-	-
At 31 March 2024	147	147
Accumulated Depreciation		
At 1 April 2023	147	147
Charge for the year	-	-
Disposals	-	-
At 31 March 2024	147	147
Net book value at 31 March 2024	-	-
Net book value at 31 March 2023	-	-

The intangible asset relates to internally generated research software.

11. INVESTMENT IN SUBSIDIARIES

Subsidiaries

The following are the operating subsidiary undertakings in which the charitable company has an interest:

Subsidiary Undertaking	Registration number	Country of registration	Principal activity	Class and percentage of shares held
QIB Extra Limited	06500711	England	Contract research	100% ordinary shares
IFR Enterprises Limited	03398534	England	Dormant	100% ordinary shares
IFR NRP Capital Limited	08132483	England	Dormant	100% ordinary shares

The charitable company owns 100% of the ordinary share capital of IFR Enterprises Limited (cost: £3), QIB Extra Limited (cost: £100) and IFR NRP Capital Limited (cost: £1), all of which are incorporated in England. The subsidiaries are used for trading activities.

The companies' results for the year were as follows:

Profit and loss account	IFR Enterprises Limited	QIB Extra Limited	IFR NRP Capital Limited	Total 2024	Total 2023
	£000	£000	£000	£000	£000
Turnover	-	800	-	800	800
Cost of sales	-	(428)	-	(428)	(396)
Gross profit	-	372	-	372	404
Administrative expenses	-	(319)	-	(319)	(286)
Operating profit	-	53	-	53	118
Interest receivable and similar income	-	9	-	9	6
Profit retained in subsidiary	-	62	-	62	124
Net assets at 31 March	-	65	-	65	125

In addition to the above, £122,065 (2023: £540,332) in Gift Aid was paid to the charitable company in the year.

The charitable company has committed to provide financial support to QIB Extra Limited ("QIBX"), and not demand repayment of amounts due to it, in order to enable QIBX to meet its liabilities as they fall due – but only to the extent that money is not otherwise available to the company to meet such liabilities – for a period of at least 12 months from the signing of the financial statements of QIBX for the year ended 31 March 2024. IFR NRP Capital Limited is a member of Anglia Innovation Partnership LLP, which is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. IFR NRP Capital Limited did not trade during the year.

NOTES TO THE ACCOUNTS

12. DEBTORS

		Group	Group	Company	Company
		2024	2023	2024	2023
	Note	£000	£000	£000	£000
<i>Grants receivable:</i>					
from government bodies		1,542	1,345	1,542	1,345
from other sources		188	2,834	188	2,834
Trade debtors		189	301	98	91
Amounts owed by group undertakings	20	827	6	871	63
Amounts owed by other related parties	20	1,089	463	1,089	463
Other debtors		356	213	310	213
Prepayments and accrued income		1,334	1,457	1,303	1,356
Total amounts falling due within one year		5,525	6,619	5,401	6,365

Included in the above amounts is £200k (2023: £350k) unsecured loan to QI Partners, of which £nil (2023: £200k) is repayable in over one year. Interest is payable on the loan at a rate of 3.0% per annum.

13. CASH AT BANK AND IN HAND

		Group	Group	Company	Company
		2024	2023	2024	2023
		£000	£000	£000	£000
Cash at bank		22,778	22,924	22,704	22,810
Cash in hand		2	2	2	2
Total		22,780	22,926	22,706	22,812

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		Group	Group	Company	Company
		2024	2023	2024	2023
	Note	£000	£000	£000	£000
<i>Grants received in advance:</i>					
from government bodies		1,743	956	1,743	956
from other sources		1,204	2,581	1,150	2,467
Amounts owed to group undertakings	20	97	352	98	352
Amounts owed to other related parties	20	171	623	171	623
Trade creditors		845	3,136	834	3,132
Other creditors		2,012	1,722	2,004	1,669
Accruals and deferred income		1,613	2,061	1,557	2,022
Taxation and social security		155	195	148	160
Total amounts falling due within one year		7,840	11,626	7,705	11,381

15. RECONCILIATION OF MOVEMENT IN GRANTS RECEIVABLE

Group		Total	Total
	Note	2024	2023
		£000	£000
Grants receivable	12	1,730	4,179
Grants received in advance	14	(2,947)	(3,537)
Net grants received in advance		(1,217)	642
Net grants received in advance at beginning of year		642	(1,082)
Grant monies received during the year		(20,741)	(17,208)
Grant money released to SOFA during the year		18,882	18,932
Net grants received in advance at end of year		(1,217)	642

NOTES TO THE ACCOUNTS

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed assets £000	Net current assets £000	Total 2024 £000
Group			
<i>Unrestricted:</i>			
Fixed assets reserve	12,126	-	12,126
Designated strategic reserve	-	11,149	11,149
Designated building reserve	-	1,250	1,250
General	-	4,331	4,331
<i>Restricted:</i>			
Fixed assets reserve	9,768	-	9,768
Capital reserve	-	3,483	3,483
General	-	252	252
Net assets	21,894	20,465	42,359
Charitable company			
<i>Unrestricted:</i>			
Fixed assets reserve	12,126	-	12,126
Designated strategic reserves	-	11,149	11,149
Designated building reserves	-	1,250	1,250
General	-	4,268	4,268
<i>Restricted:</i>			
Fixed assets reserve	9,768	-	9,768
Capital reserve	-	3,483	3,483
General	-	252	252
Net assets	21,894	20,402	42,296

NOTES TO THE ACCOUNTS

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

	Fixed assets £000	Net current assets £000	Total 2023 £000
Group			
<i>Unrestricted:</i>			
Fixed assets reserve	13,317	-	13,317
Designated strategic reserve	-	9,831	9,831
Designated building reserve	-	1,250	1,250
General	-	4,375	4,375
<i>Restricted:</i>			
Fixed assets reserve	8,757	-	8,757
Capital reserve	-	2,463	2,463
General	-	-	-
Net assets	22,074	17,919	39,993
Charitable company			
<i>Unrestricted:</i>			
Fixed assets reserve	13,317	-	13,317
Designated strategic reserves	-	9,831	9,831
Designated building reserves	-	1,250	1,250
General	-	4,252	4,252
<i>Restricted:</i>			
Fixed assets reserve	8,757	-	8,757
Capital reserve	-	2,463	2,463
General	-	-	-
Net assets	22,074	17,796	39,870

The Unrestricted fixed assets reserve relates to the net book value of fixed assets purchased from unrestricted funds. The restricted fixed assets reserve relates to the net book value of fixed assets purchased from capital grants.

The unrestricted designated strategic reserve relates to funds designated by the Board for use in relation to planned science investment associated with the Quadram Institute. The designated building reserve represents the loan advances to QI Partners £0.2m (2023: £0.35m) and energy cost increases.

The restricted capital reserve is not an endowment fund, but represents capital funding received, from BBSRC, that may only be utilised on fulfilment of certain grant conditions.

The unrestricted general reserve is held to manage income fluctuations, cover unexpected liabilities including restructuring costs.

17. ANALYSIS OF FUNDS MOVEMENTS

	Unrestricted fixed assets £000	Unrestricted designated strategic £000	Unrestricted designated building £000	Unrestricted general £000	Restricted fixed assets £000	Restricted general £000	Restricted capital £000	Total 2024 £000
Group								
At 1 April 2023	13,317	9,831	1,250	4,375	8,757	-	2,463	39,993
Surplus for the year	-	-	-	(800)	1,520	1,646	-	2,366
Designated reserve transfers	-	1,318	-	76	-	(1,394)	-	-
Depreciation transfer	(1,195)	-	-	-	1,195	-	-	-
Capital transfers	4	-	-	680	(1,704)	-	1,020	-
At 31 March 2024	12,126	11,149	1,250	4,331	9,768	252	3,483	42,359
Charitable company								
At 1 April 2023	13,317	9,831	1,250	4,252	8,757	-	2,463	39,870
Surplus for the year	-	-	-	(740)	1,520	1,646	-	2,426
Designated reserve transfers	-	1,318	-	76	-	(1,394)	-	-
Depreciation transfer	(1,195)	-	-	-	1,195	-	-	-
Capital transfers	4	-	-	680	(1,704)	-	1,020	-
At 31 March 2024	12,126	11,149	1,250	4,268	9,768	252	3,483	42,296

NOTES TO THE ACCOUNTS

17. ANALYSIS OF FUNDS MOVEMENTS (CONTINUED)

	Unrestricted fixed assets £000	Unrestricted designated strategic £000	Unrestricted designated building £000	Unrestricted general £000	Restricted fixed assets £000	Restricted general £000	Restricted capital £000	Total 2023 £000
Group								
At 1 April 2022	14,069	10,423	1,250	4,011	4,845	2,229	1,837	38,664
Surplus for the year	-	-	-	(2,073)	3,994	(592)	-	1,329
Designated reserve transfers	-	(1,592)	-	3,229	-	(1,637)	-	-
Depreciation transfer	(804)	-	-	-	804	-	-	-
Capital transfers	52	-	-	208	(886)	-	626	-
Other transfers	-	1,000	-	(1,000)	-	-	-	-
At 31 March 2023	13,317	9,831	1,250	4,375	8,757	-	2,463	39,993
Charitable company								
At 1 April 2022	14,069	10,423	1,250	3,472	4,845	2,229	1,837	38,125
Surplus for the year	-	-	-	(1,657)	3,994	(592)	-	1,745
Designated reserve transfers	-	(1,592)	-	3,229	-	(1,637)	-	-
Depreciation transfer	(804)	-	-	-	804	-	-	-
Capital transfers	52	-	-	208	(886)	-	626	-
Other transfers	-	1,000	-	(1,000)	-	-	-	-
At 31 March 2023	13,317	9,831	1,250	4,252	8,757	-	2,463	39,870

The designated reserve transfers relates to costs incurred in the year that have been set against the designated strategic reserves, or changes to designations approved by the trustees.

The depreciation transfer is the reallocation of the depreciation charge for assets purchased from unrestricted reserves.

Capital transfers include a transfer from restricted to unrestricted reserves following the completion of performance conditions in connection with restricted capital grant activity, and the reallocation of funds to reflect the capital funding restrictions.

Other transfers include a transfer from restricted to unrestricted funds following the completion of performance conditions in connection with restricted non-capital grant activity, and the reallocation of funds to reflect funding restrictions.

18. COMMITMENTS

Group and charitable company	Total 2024 £000	Total 2023 £000
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Capital commitments at the end of the financial year for which no provision has been made:

Contracted	588	1,087
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Amounts due under other operating leases for plant and machinery:

Within one year	8	2
Between one and two years	4	2
Between two and five years	2	-
	14	4

NOTES TO THE ACCOUNTS

19. PENSION SCHEMES

All staff employed by QIB on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE.

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements. The employer contribution rate during the year was 26% (2023: 26%).

QIB employees that joined after 30 September 2011 are eligible to join a defined contribution scheme.

The Company employs some staff jointly with the University of East Anglia. Staff are employed under QIB terms & conditions but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits. Accordingly, these arrangements have been accounted for as defined contribution scheme.

The total pension charge for the year was £986,449 (2023: £940,861), with outstanding contributions at the year-end of £nil (2023: £50,232).

20. RELATED PARTY TRANSACTIONS

Biotechnology and Biological Science Research Council (Member)

The charitable company is strategically funded by BBSRC along with seven other Institutes.

Grants received from BBSRC are detailed in note 2.

As at 31 March 2024, BBSRC owed £188,373 (2023: £1,264,663) to QIB, and QIB owed BBSRC £nil (2023: £nil).

BBSRC is part of UK Research and Innovation (UKRI), an organisation that brings together the UK's seven research councils, Innovate UK and Research England.

University of East Anglia (Member)

University of East Anglia ("UEA") is a member of the charitable company. UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party.

UEA invoiced QIB £1,267,032 (2023: £1,477,319) for salaries and other charges and QIB invoiced UEA £980,247 (2023: £704,513) for services.

As at 31 March 2024, the UEA owed QIB £826,710 (2023: £5,661) and QIB owed UEA £96,426 (2023: £351,741).

Norfolk and Norwich University Hospitals NHS Foundation Trust (Member)

Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) is a member of the charitable company.

During the year NNUH invoiced QIB £202,890 for services and capital costs (2023: £969,378) and QIB invoiced £39,463 (2023: £31,140) for grant related costs. As at 31 March 2024, NNUH owed QIB £20,043 (2023: £10,034) and QIB owed NNUH £21,135 (2023: £486,711).

NBI Partnership Limited (Associate)

The charitable company is one of four members and guarantors of NBI Partnership Limited ("NBIP"), a company limited by guarantee. QIB has provided short-term loans to NBIP to enable NBIP to manage its cash requirements. At 31 March 2024, QIB had a loan balance with NBIP of £105,000 (2023: £100,339).

During the year, QIB received services totalling £1,577,173 (2023: £1,453,450) and received interest from NBIP of £4,043 (2023: £2,100). As at 31 March 2024, QIB owed NBIP £150,726 (2023: £136,191) and NBIP owed QIB £nil (2023: £nil).

NOTES TO THE ACCOUNTS

20. RELATED PARTY TRANSACTIONS (CONTINUED)

QI Partners

The charitable company is one of four members and guarantors of QI Partners, a charitable company limited by guarantee.

QIB has agreed to provide QI Partners with a loan facility of £5,400,000, which is repayable between November 2018 and October 2024. As at 31 March 2024, £200,000 of the facility has been drawn down by QI Partners (2023: £350,000). Interest is payable on the loan at a rate of 3.0% pa.

During the year, QIB invoiced QI Partners £8,871 (2023: £19,861) for interest on its loan. As at 31 March 2024, QI Partners owed QIB £763,814 (2023: £2,603).

QI Partners has invoiced QIB for service charges totalling £2,598,629 (2023: £2,275,084) in relation to the building running costs. As at 31 March 2024, QIB owed QI Partners £nil (2023: £nil).

QIB does not have any significant influence on QI Partners' financial and operating policies.

Anglia Innovation Partnership LLP

QIB is a member of Anglia Innovation Partnership LLP ("AIP LLP") through its 100% subsidiary, IFR NRP Capital Limited. AIP LLP is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. During the year, QIB was charged £19,320 (2023: £19,464) for estate costs. As at 31 March 2024, QIB owed AIP LLP £nil (2023: £nil).

QIB Extra Ltd

QIB Extra Ltd is the wholly owned trading subsidiary of QIB. QIB Extra undertakes contract research for the food industry.

During the year, QIB invoiced QIBX for services and other costs totalling £140,325 (2023: £180,103). As at 31 March 2024, QIBX owed QIB £44,022 (2023: £57,028). QIBX invoiced QIB for services totalling £9,782 (2023: £8,800). In addition, QIBX made a gift aid payment to QIB of £122,065 (2023: £540,332). As at 31 March 2024 QIB owed QIBX £620 (2023: £nil)

21. CASH HELD AS GRANT CO-ORDINATOR

The charitable company holds cash on behalf of various institutes in its capacity as project co-ordinator on a number of projects. It acts as an intermediary only and does not control the risks and rewards associated with the cash. Cash balances of £1,721,614 (2023: £1,470,390) in relation to this are included within the balance sheet.

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The trustees consider that the ultimate parent undertaking and controlling party is the University of East Anglia, by virtue of its right under the Articles of Association to appoint a majority of the company's directors.

QIB is the parent undertaking of the smallest group of undertakings to consolidate these financial statements, and the University of East Anglia is the parent undertaking of the largest group of undertakings to consolidate these financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Directors and Trustees	Dr C Caulcott (Chair – Board) Dr E Blair Prof P Morgan (Chair – Remuneration and Nomination Committee) Mr G Potter Dr E Robertson Mrs J Waterfield (Chair – Audit and Risk Committee) Dr M Koufali Ms G Fine Prof B Reid
Director of the Institute	Professor I Charles
Company Secretary	Mrs S Bennion
Key Management Personnel	Prof I Charles Dr G Brown Prof S Carding Mrs S Bennion Ms A O'Halleron Dr A Mather Prof M Warren
Registered charity number	1058499
Registered company number	03009972
Registered and principal office	Norwich Research Park Norwich NR4 7UQ
Independent auditors	Larking Gowen LLP Chartered Accountants and Statutory Auditors Prospect House Rouen Road Norwich NR1 1RE
Bankers	Barclays Bank Plc 54 Lombard Street London EC3V 9EX

QUADRAM INSTITUTE BIOSCIENCE

England & Wales - Charity number 1058499

Accounts

QUADRAM INSTITUTE BIOSCIENCE

Annual Report and Accounts

for the year ended 31 March 2023

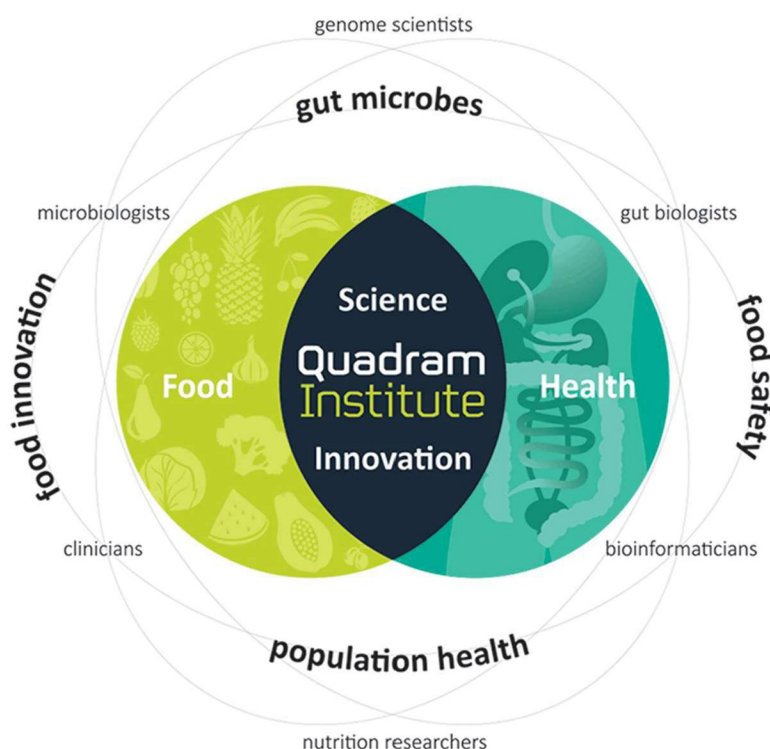
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THE QUADRAM INSTITUTE

Quadram Institute Bioscience (QIB) is one of four founding partners in the establishment of the Quadram Institute – a multi-million-pound food and health research centre that was completed in autumn 2018.

The Quadram Institute is at the forefront of the interface between food science, gut biology and health, developing solutions to worldwide challenges in food-related disease and human health. It brings together the Quadram Institute Bioscience research teams, the Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) and the University of East Anglia (UEA), as well as NNUH's regional gastrointestinal endoscopy unit and a clinical research facility.



The centre has been funded by the partners and the Biotechnology and Biological Sciences Research Council (BBSRC), part of UK Research and Innovation. The Quadram Institute has capacity for 300 research staff with a further 100 staff supporting one of Europe's largest endoscopy facilities. It is engaged in fundamental and translational food and health research, alongside clinical studies, endoscopy and industry, working together to become a leading international hub for food and health research. It combines scientific excellence and clinical expertise, delivering patient care and accelerating innovation.

The Quadram Institute maximises the unique world-class bioscience cluster based at the Norwich Research Park, including excellent plant and microbial science at the John Innes Centre and The Sainsbury Laboratory and computational science and sequencing expertise at the Earlham Institute.

INTRODUCTION TO THE ANNUAL REPORT

The Quadram Institute Bioscience trustees (who are also directors in company law) are pleased to present their Annual Report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2023, which are also prepared to meet the requirements for a directors' report (incorporating a strategic report) and accounts for Companies Act purposes.

The Annual Report and Accounts have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS102.

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

QUADRAM INSTITUTE BIOSCIENCE

The Quadram Institute Bioscience (QIB) is a BBSRC National Capability Institute purposed with understanding how food and microbes interact to promote health and prevent disease. QIB's research is supporting transformation of the food system to increase the availability of safe and nutritious food and enhance life-long physical and mental health. QIB leverages BBSRC strategic funding to attract investment from other research councils, funding organisations and industry to become a world leading institute for food and health research. Moreover, it is forging links with other world-class academics to become a hub for national and international networks

of related research organisations that promotes collaboration and training necessary to accelerate innovation and deliver solutions to UK and global food and health challenges.

Charitable objective

The Charity's object is the worldwide advancement of education in food sciences for the public benefit by:

- undertaking research and disseminating the useful results of such research; and
- training research scientists.

REVIEW OF THE YEAR

In early 2023, QIB was delighted to welcome Sir Patrick Vallance, the then UK Government Chief Scientific Adviser, and Prof. Robin May, Chief Scientific Adviser at the Food Standards Agency, to the Quadram Institute. Sir Patrick unveiled a plaque marking the formal opening of the institute. In June 2022 QIB submitted proposals for the next round of BBSRC strategic funding, which were initiated in April 2023.

Key milestones achieved in the year include:

- The Quadram Institute and the John Innes Centre are co-hosting The Biofortification Hub, which is one of six innovation hubs established by BBSRC in 2022 as part of the Open Innovation Research Club (OIRC) on diet and health. The Hub is funding research into biofortification to increase nutrient levels in crops and food.
- QIB has increased its interactions with policy makers, including written evidence provided by Dr Evelien Adriaenssens to the House of Commons Science and Technology select committee, which examined the use of bacteriophages to help tackle the global health challenge of antimicrobial resistance. QIB has also continued to participate

in the discussions with UK Government departments about the use of gene editing in agriculture. The Genetic Technology (Precision Breeding) Bill was recently passed.

- Three career track group leaders, Dr Naiara Beraza, Dr Falk Hildebrand and Dr Evelien Adriaenssens, demonstrated their respective international track records and gained tenure.
- Benefiting from capital investment by BBSRC, QIB acquired state-of-the-art equipment for two new facilities: a *Food Structure Analysis Facility* and a *Facility for the Culture and Analysis of Anaerobic Organisms*. BBSRC has also made a significant investment to create a facility for Faecal Microbiota Transplants (FMT) at Quadram Institute, which will give QIB and the NNUH the facilities required to progress a clinical service and further research into FMT.
- Professor Nathalie Juge was appointed Deputy Chief Scientific Officer (DCSO) in which role she will work with Prof Martin Warren, Chief Scientific Officer in developing QIB's scientific strategy.

Scientific achievements during the year include:

- An international research team, led by Prof Alison Mather, has provided valuable new information about what drives the global spread of genes responsible for antimicrobial resistance (AMR) in bacteria. Without concerted efforts on a global scale, AMR will undoubtedly make millions more people vulnerable to infections from bacteria and other microorganisms that can currently be tackled with antimicrobials. The research examined the genomes of around two thousand resistant bacteria and found that different types of AMR genes varied in their temporal dynamics. Bacteria were studied from different geographic regions but also from diverse hosts including humans, animals, food (meat) and the environment (wastewater), to define how these separate but interconnected factors influenced the development and spread of AMR. Understanding the flow of genetic information within and between bacterial populations is key to understanding AMR transmission and the global spread of antimicrobial resistance. This knowledge will contribute to the design of vitally needed interventions that can halt AMR.
- Scientists and clinicians from the Quadram Institute and Norfolk and Norwich University Hospital have discovered that a broccoli-derived compound, known to reduce the risk and progression of prostate cancer, accumulates in prostate tissue. Cruciferous vegetables like broccoli have been associated with a lower risk of aggressive prostate cancer due to the activity of their breakdown compounds. These compounds, broken down by plant enzymes or gut bacteria, form biologically active compounds that protect against prostate cancer in cell and animal studies. Led by Robert Mills, Consultant Urological Surgeon NNUH, Dr Antonietta Hayhoe, QIB Human Study Lead and Tracey Livingstone Urology Research Fellow, the study conducted a clinical trial involving Norfolk patients with known or suspected prostate cancer who volunteered to take supplements before their routine biopsies. The research provides further evidence that dietary interventions with these compounds could benefit prostate cancer patients.
- Prof Rob Kingsley (QIB and the University of East Anglia) and his team have found that bacteriophage resistance, along with antimicrobial resistance, has contributed to the emergence of dominant strains of *Salmonella*. Bacteriophages, viruses that infect and kill bacteria, have been explored as potential allies in the fight against bacterial infections. *Salmonella enterica* serovar Typhimurium (*S. Typhimurium*), a major cause of bacterial disease globally, has demonstrated genetic flexibility, allowing it to adapt and overcome resistance. A new study examined the influence of bacteriophage resistance on *Salmonella* populations and their co-evolution. The dominant strain, ST34, shows high resistance to bacteriophages due to the acquisition of phage genetic material into its genome. However, phage resistance may limit the acquisition of new genetic material, including resistance genes, leading to a reduction in long-term adaptability of the bacteria. Genomic surveillance of these bacteria and their bacteriophages is crucial to identify emerging threats and develop effective countermeasures against them.
- QIB researchers have shown that simultaneously targeting two signalling switches that trigger angiogenesis, the growth of new blood vessels, might be the key to halting the spread of aggressive. The study by Dr Stephen Robinson (who has a joint appointment with the University of East Anglia) and his team highlights potential new approaches for treating cancer in humans. Tumours require a blood supply for growth, and they release signalling proteins to trigger blood vessel formation. Disrupting these proteins and their receptors on cell surfaces has shown limited success in slowing tumour growth. Researchers focused on neuropilin-1 and 2, co-receptors that bind to vascular endothelial growth factors (VEGFs), and found that simultaneously targeting both severely inhibited tumour angiogenesis, cancer growth, and metastasis. Targeting both receptors together had a more significant effect than targeting either receptor individually. The research opens up the possibility of targeting multiple proteins to achieve a synergistic anti-cancer response, thus restricting a cancer's ability to escape therapy.
- Prof Simon Carding, a researcher based at QIB and the University of East Anglia, and his team have discovered that transplanting faecal microbiota from young mice into old mice can reverse age-related effects in the gut, eyes, and brain. Conversely, microbiota from aged mice induced inflammation and vision impairment in young mice. The study suggests that gut microbes play a role in regulating the detrimental effects of aging and paves the way for potential gut microbe-based therapies to combat age-related decline. The findings highlight the connection between gut microbiota and healthy aging, shedding light on the possibility of manipulating diet and gut bacteria to promote good health in later life.

- Researchers from QIB, the University of East Anglia, and University of Cambridge have discovered that the maternal microbiome, the mother's gut microbes, plays a crucial role in placental development and healthy foetal growth. In mice, Prof Lindsey Hall and her collaborators found that a specific gut bacteria called *Bifidobacterium breve*, known for its health benefits, alters the mother's body during pregnancy, affecting placental structure and nutrient transport crucial for the growing baby. As *Bifidobacterium breve* is commonly used as a probiotic, this finding suggests potential strategies for preventing pregnancy complications and promoting healthy outcomes. The gut microbiome, composed of microbes in our digestive system, influences immunity, metabolism, and overall health by breaking down food and releasing active substances. While the impact of microbiome-mediated interactions on ageing is increasingly understood, their influence on foetal development remains largely unexplored. Further research is needed to validate these findings to determine if similar effects occur in humans, potentially offering a simple and cost-effective approach to enhancing pregnancy outcomes and lifelong well-being for both mother and child.
- QIB research leader Prof Nathalie Juge and her team have discovered the role of a gut bacterium, *Ruminococcus gnavus*, in influencing communication between the gut and the brain. This study provides evidence of how bacteria residing in the gut's mucosal lining can impact the brain and neurological disorders. Altering the gut microbiota through diet or microbial therapies is being explored as a means of maintaining mental health and preventing cognitive decline. In this study, by colonizing the intestinal mucus, *R. gnavus* influenced brain regulation, neurogenesis, and behaviour through the activation of immune cells and the release of metabolites. These findings shed light on the mechanisms underlying the gut-brain association and could inform future interventions to support cognitive health as people age.
- The Food Safety Research Network (FSRN), which is hosted at Quadram Institute Bioscience, was established in April 2022 to tackle, through innovation, the major challenges of microbial food safety in the UK. The central value proposition of the FSRN is to connect three related stakeholder communities - food businesses, food researchers, and food policy - into funded collaborations to collectively amplify the opportunity to improve the safety of UK foods. In the first year of its existence, the FSRN has: attracted over 80 formal members; the management team has hosted 105 one-to-one meetings with 56 different organisations; awarded nine collaborative research projects and run or planned five workshops to bring experts and stakeholders together to discuss challenges in larger areas of food safety. A series of project topics spans the network's three stakeholder communities, and its three priority areas: (1) reducing the microbial risk of known pathogens; (2) understanding the risk of alternative proteins and new plant-based foods; (3) applying food safety knowledge and new tools to ready-to-eat foods. Interest in the FSRN model was strong because it not only had a mechanism to capture knowledge and needs, but it has financial resource to provide as a key facilitator and motivator, enabling members to set to work on food safety solutions.

Public engagement

The resumption of in-person events during the year saw QIB scientists and students take part in a wide range of public engagement events ranging from school visits to the Norwich Science Festival, British Science Week, the Norfolk and Norwich University Hospital Open Day, and the Fascination of Plants Open Day held on the Norwich Research Park.

PhD student Bushra Schuitemaker was chosen to feature in British Science Week's #smashingstereotypes national social media campaign and postdoctoral researcher Emma Waters' "What is a Scientist?" exhibition proved highly popular at the Norwich Science Festival and later went on show at Eaton Primary School and the other research institutes on the research park.

Quadram Institute scientists working on future foods and resistant starch attended the British Science Week in Leicester and 150 volunteers carried out taste tests on pretzels made with a novel chickpea flour which is higher in fibre. The results are being used to inform potential product development.

The BBC Radio 4 Today programme visited QIB laboratories and presenter Justin Webb interviewed Professor Simon Carding about his group's research into Myalgic Encephalomyelitis (ME). Research into ME also featured at the "STEM for Britain" finals at the Houses of Parliament where postdoctoral researchers Katharine Seton and Eleftheria Trampari presented their research into ME, and using microbes to prevent food spoilage, respectively.

PLANS FOR 2023/24

Key priorities

- Delivery of academic excellence.
- Embed new strategic programme structure.
- Review the QIB Science Strategy to incorporate the research detailed in the strategic grants.
- Further development of clinical and science interactions within Quadram Institute and across the Norwich Research Park.

QIB will continue to develop new research projects with our clinical colleagues at the Norfolk and Norwich University Hospital (NNUH). This will be achieved

using the clinical seedcorn fund, launched in 2022, through which NNUH clinical colleagues can take time out to engage with QIB research.

QIB will also be continuing the important work it undertakes in collaboration with the John Innes Centre, Earlham Institute, The Sainsbury Laboratory and University of East Anglia to engage with policy makers on such points as food safety and precision breeding of crops.

GOING CONCERN

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

The Trustees have prepared cash flow forecasts for the period to March 2028 which indicate that, taking account of reasonable possible downsides and the potential impact of inflation and COVID-19 on the operations and its financial resources, the Institute will have sufficient funds to meet its liabilities as they fall due for that period.

The Institute is reliant on its strategic programme funding from BBSRC, which was £8.2m in the year

(2022: £8.2m). BBSRC has confirmed continued strategic funding of £10.9m for the year to March 2024. BBSRC has also confirmed strategic programme funding allocation for 5 years to March 2028 of £10.9m per annum.

Consequently, the Trustees are confident that the Institute will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have been prepared the financial statements on a going concern basis.

FINANCIAL REVIEW

Key performance indicators

QIB's key financial performance indicators during the year were as follows:

<i>Consolidated</i>	2023	2022
	£m	£m
Income excluding capital grants	15.2	18.0
Unrestricted general & designated strategic reserves	14.2	14.4
Cash	22.9	22.5
Value of grant submissions	18.3	18.6
Value of grant awards	7.3	5.7

The main indicator of non-financial performance is Institute publications in relevant scientific journals, as described in 'scientific achievements' above.

Income

Total income for the year was £21.1m (2022: £18.8), including £5.8m of capital funding (2022: £0.7m). Income excluding capital grants was £15.2m (2022: £18.0m).

QIB's principal sponsor is the BBSRC, which contributed 77% of total incoming resources (2022: 57%). Other major sources of funding were the UK government agencies and charities. An analysis of grant income by principal sponsor is included in the notes to the financial statements.

Expenditure

Total expenditure for the year amounted to £19.7m (2022: £18.2m). Staff costs accounted for £8.4m (42%) (2022: £8.0m; 44%) of expenditure.

Fundraising

QIB does not carry out any significant fundraising activities.

Subsidiaries

QIB's trading subsidiary – QIB Extra Limited - contributed an operating profit of £119,000 (2022: £544,000).

Net Movement in Reserves

QIB recorded a net decrease in unrestricted reserves of £1m (2022: increased by £1.2m).

Restricted reserves increased by £2.3m (2022: decreased by £0.6m).

Cash

Group cash at March 2023 was £22.9m (2022: £22.5m).

QIB deposits its cash with UK registered financial institutions that meet its credit rating policy and are subject to agreed counter-party limits. Investment income from cash deposits in the year was £370,000 (2022: £67,000).

Reserves position

Total group reserves increased by £1.3m in the year to £40.0m (2022: increased by £0.6m to £38.7m).

Restricted reserves increased by £2.3m to £11.2m (2022: decreased by £0.6m to £8.9m), of which £2.5m relates to capital grant funding from BBSRC that may only be utilised on completion of performance conditions.

Unrestricted reserves decreased by £1m in the year to £28.8m (2022: increased by £1.2m to £29.7m).

Unrestricted reserves include the following:

- A building reserve of £1.25m was designated to cover the outstanding loan advances to QI Partners of £0.35m (2022: £1.25m) and energy cost increases;
- Strategic reserves of £9.8m (2022: £10.4m) have been designated to cover planned strategic programme and capital investment to support the development of the Quadram Institute. This reserve was anticipated to be mainly used between 2022 and 2023; and
- A general reserve of £4.4m (2022: £4.0m).

Reserves policy

QIB's reserves are held to support financial solvency, manage uncertainty and fund future activities. The level of reserves required by QIB is therefore determined by reference to:

- Future operational and capital expenditure requirements in the Business Plan to March 2028;
- Potential financial risks identified in the Business Plan and Risk Register;
- Potential funding required for strategic investments not included in the Business Plan;
- Working capital / liquidity requirements.

As noted above, £1.25m has been designated in connection with QIB's loan commitments and energy cost increases. A further £9.8m has been designated in connection with planned investment in science programmes.

The general reserve of £4.4m (2022: £4.0m) is above the minimum general reserves target of £3.0m set by the Trustees.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place, and confirm that the major risks to which the Institute is exposed have been reviewed and procedures established to manage those risks. The Audit and Risk Committee agrees an annual risk-based internal audit plan which covers major risks identified by management and Trustees. It receives reports from internal auditors on the effectiveness of internal controls, progress against the internal audit plan and progress on recommendations made in reports. The Board reviews a full risk report annually, including a 'heat map' tracking major risks.

The principal risks and uncertainties facing the Institute are considered to be:

Risk area	Description of Risk	Management of Risk
Future BBSRC research funding	<ul style="list-style-type: none"> ➤ BBSRC strategic funding for institutes is reduced due to budgetary pressures. ➤ BBSRC strategic funding is reduced due to scientific performance. 	<ul style="list-style-type: none"> ➤ Regular monitoring of scientific performance against strategic programme objectives. ➤ Regular communication with BBSRC to report performance and ensure strategic alignment of research programmes.
Research income and sponsor diversification	<ul style="list-style-type: none"> ➤ QIB is unable to generate sufficient grant and commercial research income to support the costs of its research activities and infrastructure 	<ul style="list-style-type: none"> ➤ Investment in new research leader positions in progress. ➤ Communication Strategy being developed to increase sponsor awareness of the Quadram Institute.
Staff retention and recruitment	<ul style="list-style-type: none"> ➤ QIB is unable to retain or attract suitably skilled staff to enable it to deliver its science strategy. ➤ In addition to scientific impact, this risk area could also have an impact on the level of funding the Institute is able to attract. 	<ul style="list-style-type: none"> ➤ Strategy and action plans in place, aligned to development of Quadram Institute. ➤ Career development programmes in place to support high potential staff. ➤ Performance Management processes in place.
Quadram Institute	<ul style="list-style-type: none"> ➤ Strategy for the Quadram Institute is not agreed between the partners. ➤ The Quadram Institute is not able to attract suitably skilled staff to enable it to deliver its strategy. ➤ Benefits from the project are not delivered. 	<ul style="list-style-type: none"> ➤ Governance arrangements in place. ➤ Strategy agreed and communicated. ➤ Recruitment plans in progress. ➤ Project plan in place, with identified work streams, terms of reference and appropriate partner representation. ➤ Project assurance framework in place.
QI Building	<ul style="list-style-type: none"> ➤ QI facilities management arrangements are poor value for money. ➤ Inadequate investment leads to facilities that are not fit for purpose. ➤ QI building is not used by partners in line with QI mission. 	<ul style="list-style-type: none"> ➤ Building Services Committee established to monitor facilities management arrangements and tenant coordination. ➤ Building operating costs regularly reviewed and remedial actions agreed. ➤ Lifecycle maintenance plan agreed by the partners.
Technology investment	<ul style="list-style-type: none"> ➤ QIB is unable to keep pace with developments in technology underpinning its science. ➤ Funding is inadequate to sustain and improve technology facilities necessary to deliver scientific objectives. 	<ul style="list-style-type: none"> ➤ Technology strategy has been updated alongside strategy for the Quadram Institute. ➤ Small value capital funding awarded for the period to March 2028 as part of institute strategic grant award.
Compliance with sponsor funding requirements	<ul style="list-style-type: none"> ➤ QIB fails to comply with sponsor grant requirements resulting in a material financial impact. 	<ul style="list-style-type: none"> ➤ QIB is subject to regular reviews of its grant compliance processes from sponsors and the internal auditors.
Cost pressures	<ul style="list-style-type: none"> ➤ Increased energy prices divert resources from science to infrastructure costs, resulting in a reduction in research activity and impact. ➤ High inflation rates increase research and support costs, resulting in a reduction in research activity and impact. 	<ul style="list-style-type: none"> ➤ Energy costs are hedged in the short-term and specialist advisers support the institute with energy procurement. ➤ Energy-saving opportunities are actively sought and investment cases developed. ➤ The impact of cost inflation is regularly discussed with funders with a view to mitigating the impact on research.

TRUSTEES' REPORT

GOVERNANCE AND MANAGEMENT

Organisation and governance

Quadram Institute Bioscience (referred to as "QIB", the "Institute", the "Charity" or the "Company") is a company limited by guarantee (registered number 03009972) and a registered charity (number 1058499). During the year, QIB was governed by its Memorandum and Articles of Association adopted on 31 July 2018.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Board of Trustees

The Board of Trustees comprises an independent Chair, up to seven independent members and up to nine UEA-appointed members. The Trustees who served during the year and up to the date of signing these financial statements were:

Trustees	Sub-committees	Changes during the period
<i>At date of Report:</i>		
Dr C Caulcott (Chair)	Remuneration & Nomination Committee	-
Dr E Blair	Audit & Risk Committee; Remuneration & Nomination Committee	-
Prof F Lettice	Science Innovation & Advisory Committee (Chair)	Resigned 20 July 2023
Prof P Morgan	Remuneration & Nomination Committee (Chair)	-
Mr G Potter	Audit & Risk Committee	-
Dr E Robertson	Science Innovation & Advisory Committee	-
Mrs J Waterfield	Audit & Risk Committee (Chair)	-
Dr M Koufali	TBC	Appointed 1 September 2023
Ms G Fine	TBC	Appointed 1 September 2023
Prof B Reid	TBC	Appointed 17 November 2023

The Board has established sub-committees to assist in exercising their company and charity stewardship responsibilities. The Audit and Risk Committee oversees internal controls, risk management and audit. The Remuneration and Nominations Committee considers remuneration, nominations, talent and succession.

The Science Innovation and Advisory Committee assists the development and maintenance of QIB's science in relation to direction, balance, strategy and quality.

Recruitment, induction and training of Trustees

The Remuneration and Nominations Committee leads the process for Board appointments and makes recommendations to the Board for the appointment of the Chair and Board Trustees. The appointment to

Members

The Members are all guarantors of QIB, a company limited by guarantee and a registered charity, of an amount not exceeding £1.

The Members of QIB during the year were:

- UK Research and Innovation - Biotechnology and Biological Sciences Research Council ("BBSRC");
- the University of East Anglia ("UEA"); and
- the Norfolk and Norwich University Hospitals NHS Foundation Trust ("NNUH").

UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party. BBSRC, UEA and NNUH each have the right to nominate an "observer" to attend Board meetings. Observers are not entitled to vote and do not hold any authorities.

Chair is made in agreement with the Members. The Committee makes recommendations to the Board on the Board's composition ensuring that the Board has an appropriate balance of skills, capabilities, expertise, experience and diversity to allow it to meet its strategic and organisational objectives.

The Institute advertises nationally for prospective Trustees to ensure appropriate expertise on the Board is maintained. The Institute will also approach individuals thought to have the right skills.

New Board Trustees are invited to spend time with members of the executive team. This is a chance to learn about the Institute and get more involved with the institute's work. In addition to the five formal meetings, all Trustees receive regular presentations from QIB's scientists and briefings on key issues.

Trustee remuneration

QIB remunerates Trustees where the Board considers payment is necessary to attract Trustees with specialist skills and experience. The power to remunerate Trustees is included in QIB's Articles of Association and has been approved by the Charities Commission.

During the year, Dr Celia Caulcott received £10,000 remuneration in connection with her role as Chair of QIB Board of Directors (2022: £11,177).

Four members of the Board of Trustees were reimbursed for travel expenses incurred during the year (2022: three). The total amount reimbursed was £847 (2022: £576).

Key Management Personnel

The Trustees delegate management of the day-to-day activities of the charitable company to the Institute Director and Executive Board, who are considered to be the key management personnel for the institute. The Executive Board (EB) works to support the Institute Director in developing scientific, financial, business and administrative policy and strategy. EB will monitor policy implementation and ensure that such policy is embedded in the day-to-day working of the Institute. EB is supported by the executive Science Strategy Board and the Management Forum.

EB membership during the year was as follows:

- Institute Director (EB Chair)
- Director of Operations
- Chief Business Officer
- Finance Director
- Chief Scientific Officer / Leader Food and Health ISP
- Leader Gut Health & Food Safety ISP
- Leader Microbes in the Food Chain ISP
- Head of HR

Employees

QIB staff that joined before 1 October 2011 were employed by BBSRC up to 1 October 2017, when they transferred employment to the Institute under TUPE.

Transferred employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-

you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

QIB has recruited all new staff from October 2011 on its own terms and conditions, covering basic pay and allowances, contractual payments, tax, NI, and liabilities for pension contributions and redundancy. Such staff are eligible to join a defined contribution scheme.

QIB employs a number of group leaders jointly with UEA. Staff are employed under QIB terms & conditions, but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits.

Communication

QIB provides all staff with relevant information and seeks their views on matters of common concern through their representatives and through line managers. Priority is given to ensuring that employees are aware of all significant matters affecting QIB's position and any significant organisational change.

Equality and Diversity

It is the Institute's policy to provide equal opportunities to job applicants and employees of any race, nationality, ethnic origin, marital status, religion or belief, gender, disability, sexual orientation, age or employment status. The Institute does not condone or tolerate any form of discrimination in its recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities and are accountable for the impact of their own behaviour and actions. All the Institute's policies follow these principles.

RELATED PARTIES

Subsidiaries

QIB's subsidiaries in the year were as follows:

- QIB Extra Limited (contract research);
- IFR Enterprises Limited (dormant);
- IFR NRP Capital Limited (dormant).

NBI Partnership

QIB has a 25% interest in NBI Partnership Limited ("NBIP"). NBIP supplies support and administrative services to QIB and the other Norwich Institutes (John Innes Centre, Earlham Institute and The Sainsbury Laboratory) on a not-for-profit basis. NBIP fully recharges its costs to the four research organisations and accordingly it generates no profit or loss.

QI Partners

QIB is a member of QI Partners along with BBSRC, UEA and NNUH. QI Partners has been established for the purposes of constructing and managing the Quadram Institute building and providing such facilities for charitable use. QIB does not have any significant influence on QI Partners' financial and operating policies.

On 29 March 2019, QIB entered into a lease agreement for accommodation in the Quadram Institute building from QI Partners.

QIB has agreed to provide QI Partners with a loan facility of £5.4m, which is repayable between November 2018 and October 2024. As at 31 March 2023, £0.35m of the facility was drawn down by QI Partners (2022: £1.25m). The loan has been provided on an arm's length basis and interest is payable on the loan at a rate of 3.0% pa.

University of East Anglia (UEA)

University of East Anglia is a member of the charitable company. UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party. The majority of QIB PhD students are registered with the UEA.

Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH)

NNUH is a member of the charitable company. NNUH is entitled to appoint an observer to attend, speak and provide information to meetings of the Board of Trustees, however such observers have no right to vote at any such meeting.

Anglia Innovation Partnership LLP (AIP LLP)

QIB is a member of Anglia Innovation Partnership LLP through its 100% subsidiary, IFR NRP Capital Limited. The objective of AIP LLP is to develop and sustain the Norwich Research Park as an international centre for

food, health, plant, microbial and environmental research, innovation and enterprise. QIB is entitled to receive a share of certain profits generated by AIP LLP, however it has no liability for losses or in the event of insolvency. AIP LLP has not yet generated any realised profits.

BBSRC

BBSRC is a member of the charitable company. BBSRC is entitled to appoint an observer to attend, speak and provide information to meetings of the Board of Trustees, however such observers have no right to vote at any such meeting.

QIB is strategically funded, along with seven other institutes, by BBSRC. BBSRC supports QIB via strategic programme funding programmes, competitively won project grants and capital funding for infrastructure and technology investments. The principal terms and conditions under which BBSRC provides its funding are set out in the Institute Grant Agreement. Key conditions include:

- BBSRC and the Institute shall meet at least annually to review and discuss the implementation and progress of the Institute's business, including strategic and financial plans.
- The Institute shall submit a draft Business Plan, covering a period of at least five years, for discussion.
- The Institute will demonstrate appropriate plans for the maintenance, renewal and development of the estate through a rolling 10-year Institute Estates Strategy covering capital projects, long term and routine maintenance.

BBSRC is part of UK Research and Innovation (UKRI), an organisation that brings together the UK's seven research councils, Innovate UK and Research England.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF QUADRAM INSTITUTE BIOSCIENCE IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Public benefit

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Based on this guidance, and as described in this Trustees' report, the Trustees believe the activities of Quadram Institute Bioscience to be charitable in nature.

Insurance Disclosure

The Institute maintains liability insurance for its trustees, with an annual aggregate cover limit for all claims against them in that capacity. The trustees have also been granted a qualifying third party provision under section 233 of Companies Act 2006. Neither the Institute's indemnity nor insurance provides cover in the event that a trustee is proved to have acted fraudulently or dishonestly.

Disclosure of information to auditor

The trustees confirm that:

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

Independent auditors

Larking Gowen LLP have been appointed as auditors and a resolution has been passed by the Board, concerning their appointment as auditors.

On behalf of the Board of Trustees



Dr C Caulcott, Trustee Chair

14 December 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUADRAM INSTITUTE BIOSCIENCE

Opinion

We have audited the financial statements of Quadram Institute Bioscience (the 'parent charitable company') and its subsidiaries (together the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charitable Company Balances Sheets, Consolidated Statement of Cash Flows and Notes to the Accounts, including significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023, and of the group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 groups and parent 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 group or parent 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.

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Due to the field in which the group operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with UK tax legislation, UK accounting standards, UK charity law and the Companies Act 2006. In addition, we considered the provisions of other laws and regulations which whilst not having a direct impact on the financial statements, are fundamental to the group's ability to operate including health and safety; employment law, and compliance with various other regulations relevant to the conduct of the group's operations.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management about any known or suspected instances of non-compliance with laws

and regulations, accidents in the workplace, potential litigation or claims and fraud;


- Reviewing legal and professional fees to confirm matters where the group engaged lawyers during the year;
- Reviewing financial statement disclosures and tax matters, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgements made by management in their significant accounting estimates, particularly in relation to the recognition of grant income; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of any significant transactions outside the normal course of business.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

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.



Anders Rasmussen (Senior Statutory Auditor)
for and on behalf of
Larking Gowen LLP
Chartered Accountants & Statutory Auditors
Norwich

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

(Incorporating an income and expenditure account)

	Note	Unrestricted funds £000	Restricted general funds £000	Restricted capital funds £000	Total 2023 £000	Total 2022 £000
Incoming resources						
<i>Income from Charitable activities</i>						
Grant income		-	13,112	-	13,112	15,921
Capital and maintenance grants		-	566	5,254	5,820	744
Other charitable income		642	308	-	950	682
<i>Income from other trading activities</i>						
Trading income		791	-	-	791	1,276
<i>Investment income</i>						
		392	-	-	392	131
Total income	2	1,825	13,986	5,254	21,065	18,754
Expenditure						
Charitable activities		(3,227)	(14,578)	(1,260)	(19,065)	(17,269)
Raising funds		(184)	-	-	(184)	(166)
Trading expenditure		(487)	-	-	(487)	(729)
Total expenditure	3	(3,898)	(14,578)	(1,260)	(19,736)	(18,164)
Net income/(expenditure)		(2,073)	(592)	3,994	1,329	590
<i>Transfers</i>						
Capital transfers	17	(544)	-	544	-	-
Other transfers	17	1,637	(1,637)	-	-	-
Net movement in funds for the year		(980)	(2,229)	4,538	1,329	590
Funds brought forward	17	29,753	2,229	6,682	38,664	38,074
Funds carried forward	17	28,773	-	11,220	39,993	38,664

The Consolidated Statement of Financial Activities ("SoFA") includes all gains and losses recognised in the year. All incoming resources and expenditure relates to continuing activities.

The accompanying notes form part of these financial statements.

CONSOLIDATED AND CHARITABLE COMPANY BALANCE SHEETS

AS AT 31 MARCH 2023

	Note	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
<i>Fixed assets</i>					
Tangible assets	9	22,074	18,914	22,074	18,914
Intangible assets	10	-	-	-	-
Total fixed assets		22,074	18,914	22,074	18,914
<i>Current assets</i>					
Debtors	12	6,619	5,313	6,365	5,043
Cash at bank and in hand	13	22,926	22,455	22,812	22,033
		29,545	27,768	29,177	27,076
<i>Current liabilities</i>					
Creditors: amounts falling due within one year	14	(11,626)	(8,018)	(11,381)	(7,865)
Total net current assets		17,919	19,750	17,796	19,211
Total assets less current liabilities		39,993	38,664	39,870	38,125
Total net assets	16	39,993	38,664	39,870	38,125
Funds of the charity					
<i>Unrestricted funds</i>					
Fixed assets reserve	17	13,317	14,069	13,317	14,069
Designated strategic reserves	17	9,831	10,423	9,831	10,423
Designated building reserves	17	1,250	1,250	1,250	1,250
General reserve	17	4,375	4,011	4,252	3,472
Total unrestricted funds		28,773	29,753	28,650	29,214
<i>Restricted funds</i>					
Fixed assets reserve	17	8,757	4,845	8,757	4,845
Restricted general	17	-	2,229	-	2,229
Capital reserve	17	2,463	1,837	2,463	1,837
Total restricted funds		11,220	8,911	11,220	8,911
Total charity funds	17	39,993	38,664	39,870	38,125

A separate income and expenditure account has not been presented for QIB as this is exempted by Section 408 of the Companies Act 2006. The profit after tax of QIB was £1,745,000 (2022: £76,000).

The financial statements on pages 15 to 30 were approved by the Board of Trustees on 14 December 2023 and were signed on its behalf by:



Dr C Caulcott, Trustee Chair

The accompanying notes form part of these financial statements.

Company registration number: 03009972

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Total 2023 £000	Total 2022 £000
Cash flow from operating activities		
Operating surplus	1,329	590
Interest receivable	(392)	(131)
Depreciation and amortisation	1,260	1,151
Capital grants received	(5,254)	(744)
Loss on disposal of tangible assets	7	67
(Increase)/Decrease in debtors	(2,206)	2,769
Increase/(Decrease) in creditors	3,608	(2,075)
Net cash provided by/(used in) operating activities	(1,648)	1,627
Cash flow from investing activities		
Interest received	392	131
Repayment of loan	900	1,550
Purchase of tangible assets	(4,512)	(1,054)
Disposal Proceeds	85	-
Capital grants received	5,254	744
Net cash provided by/(used in) investing activities	2,119	1,371
Change in cash and cash equivalents in the reporting period	471	2,998
Cash and cash equivalents at the beginning of the reporting period	13	22,455
Cash and cash equivalents at the end of the reporting period	13	22,926

The movement in net debt for the current and prior year is identical to the movements in cash flow set out above.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a. Basis of preparation

The group financial statements have been prepared under the historical cost convention and applicable accounting standards. They have also been prepared in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The principal accounting policies adopted in these financial statements, which have been consistently applied, are:

b. Basis of consolidation

The consolidated financial statements incorporate the financial statements of Quadram Institute Bioscience ("QIB") and all its subsidiary undertakings in accordance with Financial Reporting Standard ("FRS") 102 "Accounting for Subsidiary Undertakings".

The financial statements of all group undertakings and associates are made up to 31 March 2023.

QIB is one of four members of QI Partners ("QIP"). QIP is accounted for as an investment rather than an associate and has not been consolidated in the QIB financial statements on the basis that QIB does not have significant influence over QIP financial and operating policies.

QIB is one of four members of NBIP Partnership Limited ("NBIP"). The group accounts for NBIP as an associate, although in practice the company makes no profit or loss and has net assets of NIL, therefore has no impact on the Group financial statements.

c. Going concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

The Trustees have prepared cash flow forecasts for the period to March 2028 which indicate, taking account of reasonable possible downsides on the operations and its financial resources, the Institute will have sufficient funds to meet its liabilities as they fall due for that period.

The Institute is reliant on its strategic programme funding from BBSRC, which was £8.2m in the year (2022: £8.2m). BBSRC has confirmed continued strategic funding of £10.9m for the year to March 2024. BBSRC has provided the Institute with a strategic programme funding allocation for 5 years to March 2028 of £10.9m per annum.

Consequently, the Trustees are confident that the Institute will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have been prepared the financial statements on a going concern basis.

d. Judgements in applying accounting policies and key sources of estimation

Preparation of the financial statements require management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Depreciation, which has been charged in line with the accounting policy below. The amount of depreciation charged and net book value of the assets is included in Note 9.

e. Income

Charitable grant income represents grants received and receivable in the year from outside granting bodies and other miscellaneous income. Grants that provide core funding are recognised in the year in which entitlement passes. Grant funding received to undertake research is recognised in the year in which the obligation is fulfilled. Grant funding is released to match expenditure incurred during the year together with any related contributions towards overhead costs.

Trading income relates to the non-charitable services undertaken by QIB Extra Limited ("QIBX") and is recognised in accordance with the terms of the contracts entered into, reflecting the point at which the obligations of the company have been satisfied.

Investment income relates to interest receivable from treasury deposits and related party loans. The interest is recognised in the year in which it is earned.

Capital grants are recognised in the Consolidated Statement of Financial Activities ("SoFA") when entitlement passes, which is typically on receipt. Where capital funding includes terms and conditions that must be met before there is unconditional entitlement, the grant income is recognised as those conditions are met, which usually results in capital funding being recognised to match the capital costs incurred.

Where income has been received in advance of conditions being met, the income is deferred until those conditions have been fully satisfied.

f. Expenditure

Expenditure on charitable activities represents the full cost of the research performed. It includes the cost of direct staff, consumable stocks and indirect costs apportioned on the basis of use.

Costs of generating funds represent the cost of obtaining funds for research, preparing grant applications and raising the profile of QIB. Costs incurred in preparing grant applications, which primarily comprise staff costs, have been approximated based upon a sample review of time taken to prepare the detailed applications.

Governance costs represent the necessary cost of compliance with statutory and constitutional requirements and any other costs which are not direct charitable expenditure.

Support costs have been wholly allocated to charitable activity expenditure based upon activity as indicated in note 4 to the financial statements.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

g. Restricted funds

Where research at QIB is funded by grants with conditions attached to them, these are shown as restricted. Capital grants received and receivable together with other restricted funds received and receivable and used to purchase tangible assets are included within restricted funds.

A restricted fixed assets reserve has been established representing the net book value of fixed assets purchased from capital grants. The reserve is shown as restricted due to continuing conditions in connection with the capital grants and assets purchased.

Restricted reserves include a designated capital reserve of £2.5m (2022: £1.8m) in connection with funding received from BBSRC, which may only be utilised in line with grant conditions.

h. Unrestricted funds

These include the strategic programme grants from the Biotechnology and Biological Sciences Research Council ("BBSRC") and any other grants which do not have specific conditions attached to them.

A fixed assets reserve has been established within unrestricted reserves representing the net book value of fixed assets funded from unrestricted reserves.

Unrestricted reserves that have been designated by the Board for specific purposes are shown in separate designated reserves. As at March 2023, £11.1m (2022: £11.7m) of unrestricted reserves have been designated in relation to planned capital and science investment associated with the development of the Quadram Institute.

i. Capital Transfers

A transfer from unrestricted to restricted reserves equal to the depreciation charge for assets purchased from unrestricted reserves is made as a capital transfer.

A transfer from restricted to unrestricted reserves is made following the completion of performance conditions in connection with restricted capital grant activity.

j. Other Transfers

A transfer from restricted to unrestricted reserves is made following the completion of performance conditions in connection with restricted non-capital grant activity.

k. Tangible fixed assets and depreciation

Tangible assets are shown at cost or valuation less accumulated depreciation. The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated to write off the cost or valuation less the estimated residual value of tangible assets by equal instalments over their estimated useful economic lives as follows:

Leasehold land and buildings	shorter of lease term or useful life
Plant and machinery	5 years
Scientific apparatus and eq.	5 to 10 years
Motor vehicles	4 years
Other apparatus and eq.	3 to 5 years

The leasehold improvements have been depreciated over the shorter of their estimated economic life and the remainder of the lease period.

Tangible assets under construction are not depreciated until the asset is in full use.

l. Intangible fixed assets and amortisation

Computer Software development costs are recognised as intangible fixed assets at cost less amortisation and any provision for impairment. Intangible assets are amortised over the estimated life of the asset acquired less any residual value.

Amortisation is calculated to write off the cost or valuation less the estimated residual value of intangible assets by equal instalments over their estimated useful economic lives as follows:

Computer Software	3 to 5 years
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Intangible assets under construction are not amortised until the asset is in full use.

m. Cash balances held as grant co-ordinator

Cash balances held on behalf of the European Union in the charitable company's capacity as grant co-ordinator are included within cash on the charitable company's balance sheet, and details are disclosed in note 20 to the financial statements.

n. Debtors

Debtors are non-interest bearing (excluding loan balances) and are stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts.

Included in debtors is a loan of £0.35m provided to QI Partners, which is repayable between November 2018 and October 2024. The loan has been provided on an arm's length basis and interest is payable on the loan at a rate of 3.0% pa.

o. Trade creditors

Trade creditors are non-interest bearing and are stated at their nominal value.

p. Provisions

A provision is recognised in the financial statements where there is a legal or constructive obligation to transfer economic benefit to a third party.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

q. Staff and Pensions

All staff employed by QIB (formerly Institute of Food Research) on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). The Deployed Employees remained with the Institute on an exclusive and full-time basis and day-to-day direction and line management of the Deployed Employees was delegated to QIB, subject to the terms of the BBSRC Employment Contract. QIB retained responsibility for paying employment costs in relation to the Deployed Employees, including basic pay and allowances, contractual payments, tax, NI and pension contributions.

On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE.

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

QIB staff that joined after 30 September 2011 are eligible to join a defined contribution scheme.

The Company employs some staff jointly with the University of East Anglia. Staff are employed under QIB terms & conditions,

but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits. Accordingly, these arrangements have been accounted for as defined contribution scheme.

r. Termination benefits

Redundancy payments are recognised as a liability and an expense only when the event is demonstrably committed to by either: a. termination of the employment of an employee or group of employees before the normal retirement date, or b. provision of termination benefits as a result of an offer made in order to encourage voluntary redundancy.

s. Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

t. Foreign currency transactions

The functional and reporting currency of the charity is pounds sterling.

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at year end exchange rates.

All gains and losses are taken to the Statement of Financial Activities in the year to which they relate.

u. Financial instruments

Financial assets and financial liabilities are recognised upon becoming a party to the contractual provisions of the instrument.

The group only enters into basic financial instrument transactions that result in financial assets and liabilities like trade and other accounts receivable and payable.

NOTES TO THE ACCOUNTS

2. ANALYSIS OF INCOMING RESOURCES

	Research activities £000	Other activities £000	Total 2023 £000	Research activities £000	Other activities £000	Total 2022 £000
Grant income						
BBSRC	10,495	-	10,495	10,031	-	10,031
Other government departments	1,517	-	1,517	4,299	-	4,299
European Union	261	-	261	754	-	754
Other grants	839	-	839	837	-	837
Total grant income	13,112	-	13,112	15,921	-	15,921
Capital and maintenance grants						
BBSRC						
Capital expenditure	5,254	-	5,254	744	-	744
Other grants						
Capital expenditure	566	-	566	-	-	-
Total capital grants	5,820	-	5,820	744	-	744
Other charitable income						
Miscellaneous income	-	950	950	-	682	682
Total other charitable income	-	950	950	-	682	682
Trading income						
QIB Extra	-	791	791	-	1,276	1,276
Total trading income	-	791	791	-	1,276	1,276
Investment income						
Interest receivable on cash deposits	-	370	370	-	67	67
Other interest receivable	-	22	22	-	64	64
Total investment income	-	392	392	-	131	131
Total incoming resources	18,932	2,133	21,065	16,665	2,089	18,754

QIB's activities consist principally of scientific research in the United Kingdom.

- Grant income of £13,112k (2022: £15,921k) is all restricted general funds.
- Capital grants of £5,820k (2022: £744k) of which £566k (2022: £183k) is restricted general funds and £5,254k (2022: £561k) is restricted capital funds.
- Other charitable income of £950k (2022: £682k) of which £642k (2022: £549k) is unrestricted funds and £308k (2022: £133k) is restricted general funds.
- In both periods all trading and investment income is unrestricted.

3. ANALYSIS OF EXPENDITURE

	Research activities £000	Student activities £000	Other activities £000	Total 2023 £000	Research activities £000	Student activities £000	Other activities £000	Total 2022 £000
Direct charitable expenditure								
Staff costs	7,395	-	-	7,395	7,304	-	-	7,304
Direct costs	3,371	472	-	3,843	2,875	441	-	3,316
Depreciation	1,260	-	-	1,260	1,151	-	-	1,151
Buildings maintenance	336	-	-	336	351	-	-	351
Governance costs	-	-	51	51	-	-	50	50
Support costs	4	5,925	255	6,180	4,864	233	-	5,097
Expenditure on charitable activities	18,287	727	51	19,065	16,545	674	50	17,269
Raising funds	-	-	184	184	-	-	166	166
Trading expenditure	-	-	487	487	-	-	729	729
Total expenditure	18,287	727	722	19,736	16,545	674	945	18,164

Included within expenditure on charitable activities is restricted general expenditure of £14,578k (2022: £13,731), and restricted capital expenditure (depreciation) of £1,260k (2022: £1,151k). All other expenditure is unrestricted.

Staff costs are allocated based on time spent by staff. Depreciation is allocated based on the usage of assets. Other costs are allocated on the basis of their nature.

NOTES TO THE ACCOUNTS

3. ANALYSIS OF EXPENDITURE (CONTINUED)

Analysis of governance costs	Total 2023 £000	Total 2022 £000
Staff costs	26	26
Other costs	25	24
Total governance costs	51	50

4. ALLOCATION OF SUPPORT COSTS

	Research activities £000	Student activities £000	Total 2023 £000	Research activities £000	Student activities £000	Total 2022 £000
Lab management	194	9	203	151	8	159
Institute management	760	34	794	638	32	670
Scientific services	965	43	1,008	247	12	259
Facilities management and utilities*	2,028	90	2,118	1,996	100	2,096
Finance and Purchasing*	533	24	557	388	19	407
Computing and Library*	486	22	508	460	23	483
Human Resources*	173	8	181	168	8	176
Public engagement	333	14	347	355	18	373
Health and Safety*	103	5	108	115	6	121
Other support services*	350	6	356	346	7	353
Total support costs	5,925	255	6,180	4,864	233	5,097

*Includes services supplied by NBI Partnership Limited (see note 20).

5. TAXATION

QIB is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The trading activities of the subsidiary companies are subject to corporation tax; however profits in the year are gifted to the charitable company resulting in a £nil (2022: £nil) tax charge payable.

There is no provision for deferred tax on fair value adjustments because any chargeable gains are applied to charitable objectives so no tax liability arises.

6. OPERATING SURPLUS/(DEFICIT)

Operating surplus/(deficit) is stated after charging/(crediting):

	Total 2023 £000	Total 2022 £000
Audit services:		
Fees payable for the audit of the charitable company and consolidated financial statements	20	19
Fees payable for the audit of the charitable company's subsidiaries pursuant to legislation	2	2
Depreciation	1,260	1,151
Hire of plant and equipment	19	22
Loss on disposal of tangible assets	7	67
(Gain)/Loss on foreign exchange translations	(4)	8

NOTES TO THE ACCOUNTS

7. REMUNERATION OF THE BOARD OF TRUSTEES

QIB has been given approval by the Charities Commission to remunerate Trustees where the Board considers that payment is necessary to attract Trustees with specialist skills and experience. The power to remunerate Trustees is included in the QIB's Articles of Association.

One member of the Board of Trustees, Dr Celica Caulcott, received remuneration from the group during the year for duties as a trustee (2022: one). Total trustee remuneration in the year was £10,000 (2022: £11,177).

Four members of the Board of Trustees were reimbursed for expenses incurred during the year (2022: three). The total amount reimbursed was £847 (2022: £576).

8. EMPLOYEE INFORMATION

The average monthly number of persons employed by or deployed to the group during the year, analysed by category, was as follows:

	Group 2023	Group 2022	Company 2023	Company 2022
	Number	Number	Number	Number
Scientific	161	163	154	156
Office management and services	16	19	14	17
Total	177	182	168	173

The aggregate payroll costs of these persons were:

	Group 2023	Group 2022	Company 2023	Company 2022
	£000	£000	£000	£000
Wages and salaries	7,004	6,761	6,701	6,450
Redundancy payments	9	3	9	3
Social security costs	767	683	735	663
Other pension costs	940	948	916	917
Total	8,720	8,395	8,361	8,033

As required by the Statement of Recommended Practice applicable to charities, an analysis has been provided below of the number of staff who fall within staff cost bands (excluding pension cost) from £60,000 upwards:

	Group 2023	Group 2022	Company 2023	Company 2022
	Number	Number	Number	Number
£60,000 - £69,999	12	7	11	7
£70,000 - £79,999	6	4	6	4
£80,000 - £89,999	5	4	5	4
£90,000 - £99,999	1	2	1	2
£100,000 - £109,999	2	1	2	1
£110,000 - £119,999	-	1	-	1
£120,000 - £129,999	-	1	-	1
£130,000 - £139,999	1	2	1	2
£140,000 - £149,999	2	-	2	-
Total	29	22	28	22

The number of staff with emoluments greater than £60,000 who are also members of the Research Councils' Pension Schemes was seven (2022: six). Thirteen staff with emoluments greater than £60,000 are members of a Defined Contribution Pension Scheme (2022: seven).

All staff employed by QIB on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE. Transferring employees retain their membership of the Research Councils Pension Scheme, where applicable, with QIB becoming an admitted employer in the scheme. QIB staff that joined after 30 September 2011 are employed under QIB terms & conditions.

The key management personnel of the parent charity, Quadram Institute Bioscience, comprise of the trustees and the members of the Executive Board. The total employee benefits of the key management personnel of the charity were £776,385 (2022: £776,414). The key management personnel of the group comprise those of the charity and the key management personnel of the wholly owned subsidiary, QIB Extra Ltd. The key management personnel of QIB Extra Ltd are the Director of Operations and the Head of QIB Extra Operations. The costs of the key management personnel to QIB Extra was £67,268 (2022: £54,223).

The employee benefits of the key management personnel for the group was £843,653 (2022: £830,637).

NOTES TO THE ACCOUNTS

9. TANGIBLE ASSETS

Group	Leasehold land and buildings £000	Plant, machinery and equipment £000	Apparatus and equipment £000	Assets under construction £000	Total £000
Cost/Valuation					
At 1 April 2022	14,670	278	13,751	302	29,001
Transfer	-	-	95	(95)	-
Additions	-	-	1,932	2,580	4,512
Disposals	-	-	(187)	-	(187)
At 31 March 2023	14,670	278	15,591	2,787	33,326
Accumulated Depreciation					
At 1 April 2022	731	27	9,329	-	10,087
Charge for the year	246	28	986	-	1,260
Disposals	-	-	(95)	-	(95)
At 31 March 2023	977	55	10,220	-	11,252
Net book value at 31 March 2023	13,693	223	5,371	2,787	22,074
Net book value at 31 March 2022	13,939	251	4,422	302	18,914

Charitable company	Leasehold land and buildings £000	Plant, machinery and equipment £000	Apparatus and equipment £000	Assets under construction £000	Total £000
Cost/Valuation					
At 1 April 2022	14,670	278	13,654	302	28,904
Transfer	-	-	95	(95)	-
Additions	-	-	1,932	2,580	4,512
Disposals	-	-	(187)	-	(187)
At 31 March 2023	14,670	278	15,494	2,787	33,229
Accumulated Depreciation					
At 1 April 2022	731	27	9,232	-	9,990
Charge for the year	246	28	986	-	1,260
Disposals	-	-	(95)	-	(95)
At 31 March 2023	977	55	10,123	-	11,155
Net book value at 31 March 2023	13,693	223	5,371	2,787	22,074
Net book value at 31 March 2022	13,939	251	4,422	302	18,914

All of the tangible assets of the charitable company are used for charitable purposes.

Assets under construction represent capital items which are not yet in full economic use.

10. INTANGIBLE ASSETS

Group and charitable company	Software development £000	Total £000
Cost/Valuation		
At 1 April 2022	147	147
Additions	-	-
Disposals	-	-
At 31 March 2023	147	147
Accumulated Depreciation		
At 1 April 2022	147	147
Charge for the year	-	-
Disposals	-	-
At 31 March 2023	147	147
Net book value at 31 March 2023	-	-
Net book value at 31 March 2022	-	-

The intangible asset relates to internally generated research software.

NOTES TO THE ACCOUNTS

11. INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

Subsidiaries

The following are the operating subsidiary undertakings in which the charitable company has an interest:

Subsidiary Undertaking	Registration number	Country of registration	Principal activity	Class and percentage of shares held
QIB Extra Limited	06500711	England	Contract research	100% ordinary shares
IFR Enterprises Limited	03398534	England	Dormant	100% ordinary shares
IFR NRP Capital Limited	08132483	England	Dormant	100% ordinary shares

The charitable company owns 100% of the ordinary share capital of IFR Enterprises Limited (cost: £3), QIB Extra Limited (cost: £100) and IFR NRP Capital Limited (cost: £1), all of which are incorporated in England. The subsidiaries are used for trading activities.

The companies' results for the year were as follows:

Profit and loss account	IFR Enterprises Limited £000	QIB Extra Limited £000	IFR NRP Capital Limited £000	Total 2023 £000	Total 2022 £000
Turnover	-	800	-	800	1,276
Cost of sales	-	(396)	-	(396)	(537)
Gross profit	-	404	-	404	739
Administrative expenses	-	(286)	-	(286)	(195)
Operating profit	-	118	-	118	544
Interest receivable and similar income	-	6	-	6	-
Profit retained in subsidiary	-	124	-	124	544
Net assets at 31 March	-	125	-	125	541

In addition to the above, £540,332 (2022: £29,827) in Gift Aid was paid to the charitable company in the year.

The charitable company has committed to provide financial support to QIB Extra Limited ("QIBX"), and not demand repayment of amounts due to it, in order to enable QIBX to meet its liabilities as they fall due – but only to the extent that money is not otherwise available to the company to meet such liabilities – for a period of at least 12 months from the signing of the financial statements of QIBX for the year ended 31 March 2023.

IFR NRP Capital Limited is a member of Anglia Innovation Partnership LLP, which is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. IFR NRP Capital Limited did not trade during the year.

12. DEBTORS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
	Note			
<i>Grants receivable:</i>				
from government bodies		743	1,345	743
from other sources		1,657	2,834	1,657
Trade debtors		223	91	26
Amounts owed by subsidiary undertakings		-	57	72
Amounts owed by other related parties	21	1,452	469	1,452
Other debtors		98	213	97
Prepayments and accrued income		1,140	1,356	996
Total amounts falling due within one year		5,313	6,365	5,043

Included in the above amounts is £350k (2022: £1,250k) unsecured loan to QI Partners, of which £200k (2022: £350k) is repayable in over one year. Interest is payable on the loan at a rate of 3.0% per annum.

13. CASH AT BANK AND IN HAND

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Cash at bank	22,924	22,452	22,810	22,031
Cash in hand	2	3	2	2
Total	22,926	22,455	22,812	22,033

NOTES TO THE ACCOUNTS

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		Group	Group	Company	Company
		2023	2022	2023	2022
	Note	£000	£000	£000	£000
<i>Grants received in advance:</i>					
from government bodies		956	892	956	892
from other sources		2,581	2,590	2,467	2,572
Amounts owed to subsidiary undertakings		-	-	-	-
Amounts owed to other related parties	21	975	788	975	788
Trade creditors		3,136	849	3,132	842
Other creditors		1,722	1,470	1,669	1,430
Accruals and deferred income		2,061	1,265	2,022	1,186
Taxation and social security		195	164	160	155
Total amounts falling due within one year		11,626	8,018	11,381	7,865

15. RECONCILIATION OF MOVEMENT IN GRANTS RECEIVABLE

Group		Total	Total
		2023	2022
	Note	£000	£000
Grants receivable	12	4,179	2,400
Grants received in advance	14	(3,537)	(3,482)
Net grants received in advance		642	(1,082)
Net grants received in advance at beginning of year		(1,082)	1,715
Grant monies received during the year		(17,208)	(19,462)
Grant money released to SOFA during the year		18,932	16,665
Net grants received in advance at end of year		642	(1,082)

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed	Net	Total
	assets	current	2023
	£000	£000	£000
Group			
<i>Unrestricted:</i>			
Fixed assets reserve	13,317	-	13,317
Designated strategic reserve	-	9,831	9,831
Designated building reserve	-	1,250	1,250
General	-	4,375	4,375
<i>Restricted:</i>			
Fixed assets reserve	8,757	-	8,757
Capital reserve	-	2,463	2,463
General	-	-	-
Net assets	22,074	17,919	39,993
Charitable company			
<i>Unrestricted:</i>			
Fixed assets reserve	13,317	-	13,317
Designated strategic reserves	-	9,831	9,831
Designated building reserves	-	1,250	1,250
General	-	4,252	4,252
<i>Restricted:</i>			
Fixed assets reserve	8,757	-	8,757
Capital reserve	-	2,463	2,463
General	-	-	-
Net assets	22,074	17,796	39,870

NOTES TO THE ACCOUNTS

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

	Fixed assets £000	Net current assets £000	Total 2022 £000
Group			
<i>Unrestricted:</i>			
Fixed assets reserve	14,069	-	14,069
Designated strategic reserve	-	10,423	10,423
Designated building reserve	-	1,250	1,250
General	-	4,011	4,011
<i>Restricted:</i>			
Fixed assets reserve	4,845	-	4,845
Capital reserve	-	1,837	1,837
General	-	2,229	2,229
Net assets	18,914	19,750	38,664
Charitable company			
<i>Unrestricted:</i>			
Fixed assets reserve	14,069	-	14,069
Designated strategic reserves	-	10,423	10,423
Designated building reserves	-	1,250	1,250
General	-	3,472	3,472
<i>Restricted:</i>			
Fixed assets reserve	4,845	-	4,845
Capital reserve	-	1,837	1,837
General	-	2,229	2,229
Net assets	18,914	19,211	38,125

The Unrestricted fixed assets reserve relates to the net book value of fixed assets purchased from unrestricted funds. The restricted fixed assets reserve relates to the net book value of fixed assets purchased from capital grants.

The unrestricted designated strategic reserve relates to funds designated by the Board for use in relation to planned science investment associated with the Quadram Institute. The designated building reserve represents the loan advances to QI Partners £0.35m (2022: £1.25m) and energy cost increases.

The restricted capital reserve is not an endowment fund, but represents capital funding received, from BBSRC, that may only be utilised on fulfilment of certain grant conditions.

The unrestricted general reserve is held to manage income fluctuations, cover unexpected liabilities including restructuring costs.

17. ANALYSIS OF FUNDS MOVEMENTS

	Unrestricted fixed assets £000	Unrestricted designated strategic £000	Unrestricted designated building £000	Unrestricted general £000	Restricted fixed assets £000	Restricted general £000	Restricted capital £000	Total 2023 £000
Group								
At 1 April 2022	14,069	10,423	1,250	4,011	4,845	2,229	1,837	38,664
Surplus for the year	-	-	-	(2,073)	3,994	(592)	-	1,329
Designated reserve transfers	-	(1,592)	-	3,229	-	(1,637)	-	-
Depreciation transfer	(804)	-	-	-	804	-	-	-
Capital transfers	52	-	-	208	(886)	-	626	-
Other transfers	-	1,000	-	(1,000)	-	-	-	-
At 31 March 2023	13,317	9,831	1,250	4,375	8,757	-	2,463	39,993
Charitable company								
At 1 April 2022	14,069	10,423	1,250	3,472	4,845	2,229	1,837	38,125
Surplus for the year	-	-	-	(1,657)	3,994	(592)	-	1,745
Designated reserve transfers	-	(1,592)	-	3,229	-	(1,637)	-	-
Depreciation transfer	(804)	-	-	-	804	-	-	-
Capital transfers	52	-	-	208	(886)	-	626	-
Other transfers	-	1,000	-	(1,000)	-	-	-	-
At 31 March 2023	13,317	9,831	1,250	4,252	8,757	-	2,463	39,870

NOTES TO THE ACCOUNTS

17. ANALYSIS OF FUNDS MOVEMENTS (CONTINUED)

	Unrestricted fixed assets	Unrestricted designated strategic	Unrestricted designated building	Unrestricted general	Restricted fixed assets	Restricted general	Restricted capital	Total 2022
	£000	£000	£000	£000	£000	£000	£000	£000
Group								
At 1 April 2021	14,972	6,486	3,050	4,013	4,106	2,914	2,533	38,074
Surplus for the year	-	-	-	(1,326)	(590)	2,506	-	590
Designated reserve transfers	-	3,937	(1,800)	1,054	-	(3,191)	-	-
Depreciation transfer	(903)	-	-	-	903	-	-	-
Capital transfers	-	-	-	270	426	-	(696)	-
At 31 March 2022	14,069	10,423	1,250	4,011	4,845	2,229	1,837	38,664
Charitable company								
At 1 April 2021	14,972	6,486	3,050	3,988	4,106	2,914	2,533	38,049
Surplus for the year	-	-	-	(1,840)	(590)	2,506	-	76
Designated reserve transfers	-	3,937	(1,800)	1,054	-	(3,191)	-	-
Depreciation transfer	(903)	-	-	-	903	-	-	-
Capital transfers	-	-	-	270	426	-	(696)	-
At 31 March 2022	14,069	10,423	1,250	3,472	4,845	2,229	1,837	38,125

The designated reserve transfers relates to costs incurred in the year that have been set against the designated strategic reserves, or changes to designations approved by the trustees.

The depreciation transfer is the reallocation of the depreciation charge for assets purchased from unrestricted reserves.

Capital transfers include a transfer from restricted to unrestricted reserves following the completion of performance conditions in connection with restricted capital grant activity, and the reallocation of funds to reflect the capital funding restrictions.

Other transfers include a transfer from restricted to unrestricted funds following the completion of performance conditions in connection with restricted non-capital grant activity, and the reallocation of funds to reflect funding restrictions.

18. COMMITMENTS

Group and charitable company	Total 2023 £000	Total 2022 £000
Capital commitments at the end of the financial year for which no provision has been made:		
Contracted	1,087	963
Amounts due under other operating leases for plant and machinery:		
Within one year	2	2
Between one and two years	2	2
Between two and five years	-	2
	4	6

NOTES TO THE ACCOUNTS

19. PENSION SCHEMES

All staff employed by QIB on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE.

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements. The employer contribution rate during the year was 26% (2022: 26%).

QIB employees that joined after 30 September 2011 are eligible to join a defined contribution scheme.

The Company employs some staff jointly with the University of East Anglia. Staff are employed under QIB terms & conditions but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits. Accordingly, these arrangements have been accounted for as defined contribution scheme.

The total pension charge for the year was £940,861 (2022: £937,011), with outstanding contributions at the year-end of £50,232 (2022: £50,079).

20. RELATED PARTY TRANSACTIONS

Biotechnology and Biological Science Research Council (Member)

The charitable company is strategically funded by BBSRC along with seven other Institutes.

Grants received from BBSRC are detailed in note 2.

As at 31 March 2023, BBSRC owed £1,264,663 (2022: £358,202) to QIB, and QIB owed BBSRC £nil (2022: £nil).

BBSRC is part of UK Research and Innovation (UKRI), an organisation that brings together the UK's seven research councils, Innovate UK and Research England.

University of East Anglia (Member)

University of East Anglia ("UEA") is a member of the charitable company. UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party.

UEA invoiced QIB £1,477,319 (2022: £4,320,482) for salaries and other charges and QIB invoiced UEA £704,513 (2022: £162,221) for services.

As at 31 March 2023, the UEA owed QIB £5,661 (2022: £82,355) and QIB owed UEA £351,741 (2022: £241,093).

Norfolk and Norwich University Hospitals NHS Foundation Trust (Member)

Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) is a member of the charitable company.

During the year NNUH invoiced QIB £969,378 for services and capital costs (2022: £407,681) and QIB invoiced £31,140 (2022: £28,802) for grant related costs. As at 31 March 2023, NNUH owed QIB £10,034 (2022: £3,028) and QIB owed NNUH £486,711 (2022: £160,796).

NBI Partnership Limited (Associate)

The charitable company is one of four members and guarantors of NBI Partnership Limited ("NBIP"), a company limited by guarantee. QIB has provided short-term loans to NBIP to enable NBIP to manage its cash requirements. At 31 March 2023, QIB had a loan balance with NBIP of £100,339 (2022: £105,000).

During the year, QIB received services totalling £1,453,450 (2022: £1,399,627), received interest from NBIP of £2,100 (2022: £2,100) and invoiced NBIP £nil (2022: £nil) for other services. As at 31 March 2023, QIB owed NBIP £136,191 (2022: £117,109) and NBIP owed QIB £nil (2022: £nil).

NOTES TO THE ACCOUNTS

20. RELATED PARTY TRANSACTIONS (CONTINUED)

QI Partners (Associate)

The charitable company is one of four members and guarantors of QI Partners, a charitable company limited by guarantee.

QIB has agreed to provide QI Partners with a loan facility of £5,400,000, which is repayable between November 2018 and October 2024. As at 31 March 2023, £350,000 of the facility has been drawn down by QI Partners (2022: £1,250,000). Interest is payable on the loan at a rate of 3.0% pa.

During the year, QIB invoiced QI Partners £19,861 (2022: £61,705) for interest on its loan. As at 31 March 2023, QI Partners owed QIB £2,603 (2022: £11,178).

QI Partners has invoiced QIB for service charges totalling £2,275,084 (2022: £1,809,666) in relation to the building running costs. As at 31 March 2023, QIB owed QI Partners £nil (2022: £268,547).

QIB does not have any significant influence on QI Partners' financial and operating policies.

Anglia Innovation Partnership LLP

QIB is a member of Anglia Innovation Partnership LLP ("AIP LLP") through its 100% subsidiary, IFR NRP Capital Limited. AIP LLP is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. During the year, QIB was charged £19,464 (2022: £24,854) for estate costs and services and QIB charged AIP £nil for utility costs (2022: £nil). As at 31 March 2023, QIB owed AIP LLP £nil (2022: £nil).

QIB Extra Ltd

QIB Extra Ltd is the wholly owned trading subsidiary of QIB. QIB Extra undertakes contract research for the food industry.

During the year, QIB invoiced QIBX for services and other costs totalling £180,103 (2022: £258,148). QIBX invoiced QIB for services totalling £8,800 (2022: £817). In addition, QIBX made a gift aid payment to QIB of £540,332 (2022: £29,827). As at 31 March 2023, QIBX owed QIB £57,028 (2022: £71,955).

21. CASH HELD AS EUROPEAN GRANT CO-ORDINATOR

The charitable company holds cash on behalf of the European Union in its capacity as project co-ordinator on a number of projects. It acts as an intermediary only and does not control the risks and rewards associated with the cash balances. Cash balances of £1,470,390 (2022: £1,088,439) in relation to this are included within the balance sheet.

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The trustees consider that the ultimate parent undertaking and controlling party is the University of East Anglia, by virtue of its right under the Articles of Association to appoint a majority of the company's directors.

QIB is the parent undertaking of the smallest group of undertakings to consolidate these financial statements, and the University of East Anglia is the parent undertaking of the largest group of undertakings to consolidate these financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Directors and Trustees	Dr C Caulcott (Chair – Board) Dr E Blair Prof P Morgan (Chair – Remuneration and Nomination Committee) Mr G Potter Dr E Robertson Mrs J Waterfield (Chair – Audit and Risk Committee) Dr M Koufali Ms G Fine Prof B Reid
Director of the Institute	Professor I Charles
Company Secretary	Mrs S Bennion
Key Management Personnel	Prof I Charles Dr G Brown Prof S Carding Mrs S Bennion Ms A O'Halleron Dr A Mather Prof M Warren Dr R Wilson
Registered charity number	1058499
Registered company number	03009972
Registered and principal office	Norwich Research Park Norwich NR4 7UQ
Independent auditors	Larking Gowen LLP Chartered Accountants and Statutory Auditors Prospect House Rouen Road Norwich NR1 1RE
Bankers	Barclays Bank Plc 54 Lombard Street London EC3V 9EX

QUADRAM INSTITUTE BIOSCIENCE

England & Wales - Charity number 1058499

Accounts

QUADRAM INSTITUTE BIOSCIENCE

Annual Report and Accounts
for the year ended 31 March 2022

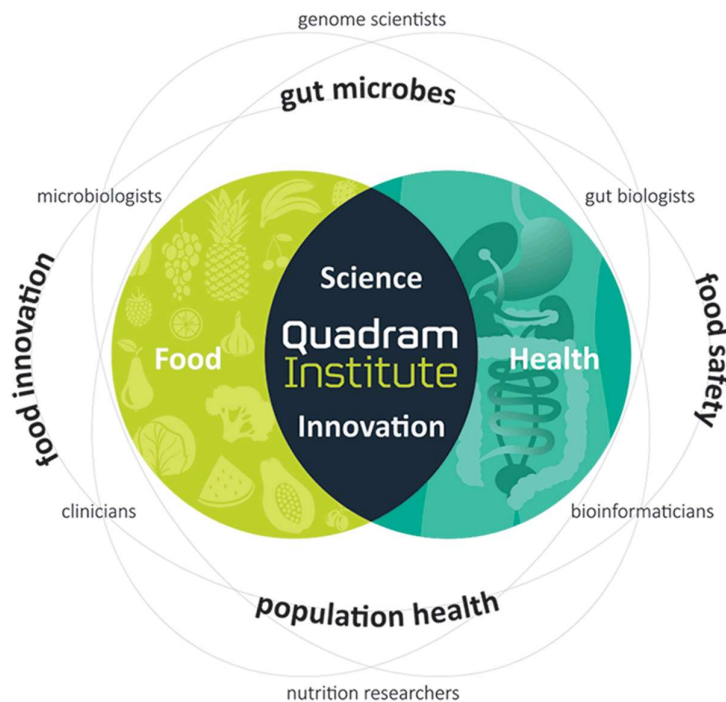
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THE QUADRAM INSTITUTE

Quadram Institute Bioscience (QIB) is one of four founding partners in the establishment of the Quadram Institute – a multi-million-pound food and health research centre that was completed in autumn 2018.

The Quadram Institute is at the forefront of the interface between food science, gut biology and health, developing solutions to worldwide challenges in food-related disease and human health. It brings together the Quadram Institute Bioscience research teams, the Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) and the University of East Anglia (UEA), as well as NNUH's regional gastrointestinal endoscopy unit and a clinical research facility.



The centre has been funded by the partners and the Biotechnology and Biological Sciences Research Council (BBSRC), part of UK Research and Innovation. The Quadram Institute has capacity for 300 research staff with a further 100 staff supporting one of Europe's largest endoscopy facilities. It is engaged in fundamental and translational food and health research, alongside clinical studies, endoscopy and industry, working together to become a leading international hub for food and health research. It combines scientific excellence and clinical expertise, delivering patient care and accelerating innovation.

The Quadram Institute maximises the unique world-class bioscience cluster based at the Norwich Research Park, including excellent plant and microbial science at the John Innes Centre and The Sainsbury Laboratory and computational science and sequencing expertise at the Earlham Institute.

INTRODUCTION TO THE ANNUAL REPORT

The Quadram Institute Bioscience trustees (who are also directors in company law) are pleased to present their Annual Report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2022, which are also prepared to meet the requirements for a directors' report (incorporating a strategic report) and accounts for Companies Act purposes.

The Annual Report and Accounts have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS102.

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

QUADRAM INSTITUTE BIOSCIENCE

QIB is focussed on the relationship between food and health with an emphasis on the gut microbiota and the potentially pathogenic microorganisms that can be present in the food chain. QIB is delivering its vision of excellence, with an ambitious programme to increase the number of Research Leaders in the institute to 40 by 2024, attracting the best minds from around the world, funded by a combination of the Quadram Institute partners, other funding bodies and industry. QIB will leverage BBSRC strategic funding to attract investment from other research councils, funding organisations and industry to become a world leading institute for food and health research. Moreover, it is forging links with other world-class academics to

become a hub for national and international networks of related research organisations that promotes collaboration and training necessary to accelerate innovation and deliver solutions to UK and global food and health challenges.

Charitable objective

The Charity's object is the worldwide advancement of education in food sciences for the public benefit by:

- undertaking research and disseminating the useful results of such research; and
- training research scientists.

REVIEW OF THE YEAR

QIB has continued to bounce back from the 2020-21 COVID-19 pandemic delays. The laboratories have returned to full occupancy and in-person working in the offices has resumed along with in-person meetings. Preparation for the next round of BBSRC strategic funding was well underway by end of year with strong new programmes of research proposed.

Key milestones achieved in the year include:

- As part of the COVID-19 Genomics UK Consortium QIB scientists completed sequencing of over 87,000 SARS-CoV-2 genomes;
- The Food Standards Agency invested £1.6m into the UK Food Safety Research Network, hosted by Quadram Institute Bioscience.
- Professor Martin Warren was appointed as QIB's Chief Scientific Officer with responsibility for development of the Institute's scientific strategy and the scientific leadership of QIB.
- Alison Mather, Mark Webber and Lindsay Hall all received promotion by the University of East Anglia to Professor.
- QIB received Bronze Athena SWAN accreditation in acknowledgement of its work towards supporting gender equality;
- QIB's Business Development Team expanded under the leadership of Dr Graeme Brown, This has facilitated a powerful integration of translation activities within QIB's strategic science programmes.
- QIB's international collaborations have received a funding boost with BBSRC partnership funding that will support research interactions with Canadian, New Zealand and Dutch scientists.
- Nathalie Juge at QIB led development of a new £1.1m "Integrated Models of the Human Gut" technology hub, funded by BBSRC. The hub includes organ-on-chip technology and the SHIME® simulator model of the human digestion system.
- International opportunities were given a boost in 2021 when Norfolk and Suffolk were selected for inclusion in the Department for International Trade's (DIT) prestigious High Potential Opportunities programme. QIB was a partner in preparation of the document that proposed a DIT showcase of the region's globally renowned plant science expertise in developing nutritious food products. We look forward to discussing investment opportunities.

Scientific achievements during the year include:

- A QIB study has uncovered a new link between bowel cancer progression and the microbiome. Research in Nathalie Juge's group has shown how the bacterium *Fusobacterium nucleatum*, which is enriched in bowel cancer tissue, interacts with specific proteins on immune cells and promotes inflammation. Bowel cancer is one of the most common cancers and is second only to lung cancer in the number of fatalities it causes each year in the UK. This collaboration with Professor Kristian Bowles from the Norfolk and Norwich University Hospital and Norwich Medical School at the University of East Anglia provides new fundamental insights into how *F. nucleatum* interacts with human cells, but also provides exciting new routes to alleviate the issues associated with the presence of *F. nucleatum* in colorectal tumours
- QIB researcher Fred Warren is developing healthier foods based on the slower release of energy. Using the latest scientific knowledge about how different types of starch are digested, the project hopes to introduce consumer-focused products that can contribute to consumers' health and reduce the risk of developing diet-related disease. 10-25% of the adult population of the European Union is obese, and 10% has Type II diabetes, so there has been a lot of focus on supporting consumers to eat more nutritious foods. The calorific value of foods is not the only thing that defines their impact on health, the rate at which they are digested is also extremely important. In an EU-funded project with collaborators at Pepsico and KU leuven, QIB is selecting starches from different botanical origins and then optimising processing conditions to produce a range of products with slow starch digestion properties. They have produced oat-based cookie prototypes that deliver a high level of slowly digestible starch. The team is now developing oat-based drinkable and spoonable products, creating opportunities for a new class of breakfast products with the added benefits of sustained energy release.
- In a second EU-funded project, called PERNUG, Paul Kroon is aiming to bring sustainable vertical farming and personalised nutrition into the home and workplace by developing kitchen gardens that grow produce to match individual dietary needs. Vertical farming is one of the solutions to making agriculture more sustainable, whilst still supplying produce year-round to satisfy consumer demand. Crops are cultivated without soil in a controlled, optimised environment in which they efficiently reuse resources, reducing wastage. Vertical farms have been shown to use 90% less water and deliver much higher yields per square metre of land. QIB has teamed up with KU Leuven and Studio Kapp to develop ways of biofortifying crops with bioactive forms of iron and B₁₂ through the PERNUG kitchen garden then provide these directly to consumers who most need them, reducing the need for expensive supplements.
- Simon Carding (QIB) and Tamás Korcsmáros (QIB and Earlham Institute) have developed a new computational biology method to better understand how communication between the gut microbiome and the immune system affects Inflammatory Bowel Disease (IBD) to help deliver targeted clinical treatments. By analysing specific differences in gut cell types, the study deciphers cellular crosstalk to identify how beneficial bacteria communicate with our immune system to treat IBD and reduce gut inflammation. Around 500,000 people in the UK live with IBD (including Crohn's Disease and Ulcerative Colitis), a life-long, chronic condition characterised by sporadic bouts of gut inflammation causing debilitating symptoms. The insights gained from studies such as this will be invaluable in developing new interventions aimed at maintaining health by promoting beneficial interactions with gut microbes and preventing harmful ones that can lead to diseases such as IBD.
- QIB has entered into a strategic agreement with Eagle Genomics, a Deep Tech software business pioneering the application of network science to biology, that will promote the understanding of microbiome science. will involve the sharing of datasets, innovation pipelines and tools to facilitate the understanding of complex microbiome data through Eagle Genomics' e[datascientist]TM platform. By applying advances in genetic sequencing technology, laboratories across the world can now identify which species of microbes are present in different microbiome ecosystems, and also comprehend, from reading the sequence of individual genes, which functions those microbes might have. In addition, analysis of 'multi-omic' data from humans, as well as that of soil, plants, animals, and their interactions with their diverse hosts, could help scientists develop new innovations to meet the rapidly increasing nutritional requirements of a growing global population. Such an approach would also help in reducing the carbon footprint of sectors such as food processing and agriculture.
- Martin Warren, QIB's Chief Scientific Officer, joined leading international researchers in warning of the dangers of a quiet epidemic of vitamin B12 deficiency in people who follow increasingly popular plant-based diets. Plant-

based diets (vegetarian or vegan) are becoming significantly more popular as people adopt a diet that is seen to be better for the environment, animal welfare, and/or personal health. Sales of plant-based foods have seen a 49 per cent increase in Western Europe since 2018. Martin joined scientists from around the world with expertise in food, nutrition, medicine, and health in forming a vitamin B12 research discussion group called cluB-12 to raise awareness of B12 deficiency and how it can be addressed. Vitamin B12 is an essential micronutrient which plays a role in supporting red blood cell production, energy, metabolism, and nerve function, but it is not found in plants. cluB-12 aims to make public and policymakers aware of the public health implications and measures needed to mitigate vitamin B12 deficiency.

- Researchers from QIB, University of East Anglia and Technische Universität Braunschweig have undertaken research to unravel the role of a key molecule in cholestatic liver disease. They showed that, in mice, a key metabolic regulator, SIRT 1, triggers cells in the immune system to attack liver cells, progressing the disease. Cholestatic liver disease is a spectrum of conditions characterised by an accumulation of bile acids in the liver, leading to liver damage. Naiara Beraza at QIB and others have previously shown that SIRT1 is involved in liver disease and in impairing liver regeneration. This new research showed how SIRT 1 activates macrophages (key immune cells) and promote inflammation, damaging the liver. This suggests that fine-tuning SIRT 1 levels could help to maintain liver health.
- Mark Webber and Ian Charles at QIB have identified genes that are essential for bacteria to survive in the environment. Many bacteria, such as *E. coli*, live in complex communities called biofilms. Communities of microbes form biofilms by exuding a sticky slime to hold them together and also to adhere to surfaces. This helps protect the community from environmental stresses, like drying out, as well as the actions of disinfectants or antibiotics. Biofilms can be a significant source of infections in hospital environments and foodstuffs, but they can also be beneficial, and we use bacterial biofilms to make products including some medicines like insulin. This research used a genetic sequencing platform developed by QIB researchers called TraDIS-Xpress. This can simultaneously analyse all of an organism's genes to find those that are essential, as well as those which when turned on or off help the organism survive and grow under specific conditions. The team used the model bacterium *E. coli* and identified the genes that are important at each

stage of the bacterium's biofilm creation. Understanding the importance of these genes could lead to new ways of stopping bacterial biofilms forming, helping prevent infections.

- QIB's COVID-19 activities continued into the second year of the pandemic. The QIB Head of Informatics, Andrew Page, was an attendee at the SAGE social care working group, providing expert advice on genomics to inform pandemic management in care settings. QIB researchers also provided outbreak management and genomic sequencing support for Ireland, Germany, Nepal, Tunisia, Palestine, Lebanon, The Gambia, Zimbabwe, Mexico, Bangladesh and Pakistan. Simon Carding provided expert guidance to the World Health Organisation (WHO) in relation to standardising international vaccine guidelines and Mark Pallen worked in a group led by the Virus Evolution Working Group of the WHO to devise a new, virus nomenclature for SARS-CoV-2 new variants (the Greek alphabet system). QIB was also involved in the production of recombinant viral proteins that were used to help develop and evaluate vaccines. The QIB Communications team and counterparts at the NNUH formed an efficient partnership to recruit 500 volunteers to the Novavax COVID-19 vaccine trial. The QI CRF was one of 33 UK sites where the Novavax COVID-19 vaccine was trialled ahead of its approval in early 2022 by the Medicines and Healthcare products Regulatory Agency (MHRA).
- Rob Kingsley has used genome sequencing to reveal how Salmonella carves out a niche in pork production. With collaborators at Roslin and Earlham Institutes he showed that Salmonella variants, despite being extremely closely related, can have very different effects on the health of pigs and also on the risks they pose to food safety. Salmonella Typhimurium is a major cause of human gastroenteritis. It can also affect the health, productivity and welfare of pigs. Bacterial pathogens continually evolve to exploit new ecological niches and to evade antibiotics. Understanding exactly how this happens is crucial to countering the consequences of new variants on human and animal health. Using whole genome sequencing the research team found that two types of *S. Typhimurium*, have been circulating in UK pigs since 2003 but they infected pigs differently. Inspection of changes in the genome sequence of one variant suggested that it emerged by a unique set of changes that occurred within a short period of time and the researchers believe that these changes hold the key to understanding how this variant interacts differently with pigs during infections, in the lab, and potentially the food chain.

Public engagement

The QIB Communications Team was keen to keep engaging with the public during the pandemic. It produced an online storyboard called “This Unrelenting Pandemic”, for which it won Silver for Best Content at the 2021 Chartered Institute of Public Relations Pride 2021 awards. The QIB science team was back out and about this year and undertaking a series of in-person public engagement activities. The Norwich Science Festival had nearly 50 QIB researchers taking part at talks or other public activities.

Postdocs Aimée Parker and Stefano Romano took to the airwaves during a World Microbiome Day Radio Marathon. They spent a morning being interviewed by different radio stations to talk about the gut-brain axis, and how the microbiota could be contributing to diseases such as dementia, Parkinson’s Disease and Alzheimer’s Disease. Fred Warren was interviewed on the BBC World Service about starch.

In collaboration with the National Biofilm Innovation Centre QIB microbiologists created the Biofilm Brainhub website to provide a public resource centre about biofilms and impact they have in different areas of our lives.

PLANS FOR 2022/23

Key priorities

- Delivery of academic excellence.
- Submit proposals to the BBSRC Institute Assessment Exercise 2022 in request of strategic funding renewal.
- Review the QIB Science Strategy to incorporate the research proposed strategic grant submissions.
- Further development of clinical and science interactions within Quadram Institute.

QIB will continue to develop new research projects with our clinical colleagues at the Norfolk and Norwich

University Hospital (NNUH). This will be achieved using the clinical seedcorn fund, launched in 2021, through which NNUH clinical colleagues can take time out to engage with QIB research.

QIB will also be continuing the important work it undertakes in collaboration with the John Innes Centre, Earlham Institute, The Sainsbury Laboratory and University of East Anglia to engage with policy makers on such points as food safety and precision breeding of crops.

GOING CONCERN

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

The Trustees have prepared cash flow forecasts for the period to March 2028 which indicate that, taking account of reasonable possible downsides and the potential impact of inflation and COVID-19 on the operations and its financial resources, the Institute will have sufficient funds to meet its liabilities as they fall due for that period.

The Institute is reliant on its strategic programme funding from BBSRC, which was £8.2m in the year (2021: £11.5m). BBSRC has confirmed continued

strategic funding of £8.2m for the year to March 2023. BBSRC has provided the Institute with a provisional strategic programme funding allocation for 5 years to March 2028 of £10.9m per annum. The funding is expected to be confirmed in late 2022, once BBSRC has received confirmation of its Spending Review Allocation.

Consequently, the Trustees are confident that the Institute will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have been prepared the financial statements on a going concern basis.

FINANCIAL REVIEW

Key performance indicators

QIB's key financial performance indicators during the year were as follows:

<i>Consolidated</i>	2022	2021
	£m	£m
Income excluding capital grants	18.0	16.7
Unrestricted general & designated strategic reserves	14.4	10.5
Cash	22.5	19.5
Value of grant submissions	18.6	18.3
Value of grant awards	5.7	5.1

The main indicator of non-financial performance is Institute publications in relevant scientific journals, as described in 'scientific achievements' above.

Income

Total incoming resources for the year were £18.8m (2021: £22.7m), including £0.7m of capital funding (2021: £6.1m). Income excluding capital grants was £18.0m (2021: £16.7m).

QIB's principal sponsor is the BBSRC, which contributed 57% of total incoming resources (2021: 81%). Other major sources of funding were the European Union, UK government agencies and charities. An analysis of grant income by principal sponsor is included in the notes to the financial statements.

Expenditure

Total resources expended for the year amounted to £18.1m (2021: £20.0m). Staff costs accounted for £8.0m (44%) (2021: £8.1m; 41%) of expenditure.

Fundraising

QIB does not carry out any significant fundraising activities.

Subsidiaries

QIB's trading subsidiary – QIB Extra Limited - contributed an operating profit of £544,000 (2021: £32,000).

Net Movement in Reserves

QIB recorded a net increase in unrestricted reserves of £1.2m (2021: decrease of £2.6m).

Restricted reserves decreased by £0.6m (2021: increased by £5.4m).

Cash

Group cash at March 2021 was £22.5m (2021: £19.5m).

QIB deposits its cash with UK registered financial institutions that meet its credit rating policy and are subject to agreed counter-party limits. Investment income from cash deposits in the year was £67,000 (2021: £86,000).

Reserves position

Total group reserves increased by £0.6m in the year to £38.7m (2021: increased by £2.7m to £38.1m).

Restricted reserves decreased by £0.6m to £8.9m (2021: increased by £5.4m), of which £1.8m relates to capital grant funding from BBSRC that may only be utilised on completion of performance conditions.

Unrestricted reserves increased by £1.2m in the year to £29.7m (2021: £28.5m). Unrestricted reserves include the following:

- A building reserve of £1.25m has been designated to cover the outstanding loan advances to QI Partners (£1.25m) and energy cost increases;
- Strategic reserves of £10.4m have been designated to cover planned strategic programme and capital investment to support the development of the Quadram Institute. This reserve is anticipated to be mainly used between 2022 and 2023; and
- A general reserve of £4.0m (2021: £4.0m).

Reserves policy

QIB's reserves are held to support financial solvency, manage uncertainty and fund future activities. The level of reserves required by QIB is therefore determined by reference to:

- Future operational and capital expenditure requirements in the Business Plan to March 2028;
- Potential financial risks identified in the Business Plan and Risk Register;
- Potential funding required for strategic investments not included in the Business Plan;
- Working capital / liquidity requirements.

As noted above, £1.25m has been designated in connection with QIB's loan commitments. A further £10.4m has been designated in connection with planned investment in science programmes.

The general reserve of £4.0m (2021: £4.0m) is above the minimum general reserves target of £3.0m set by the Trustees.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place, and confirm that the major risks to which the Institute is exposed have been reviewed and procedures established to manage those risks. The Audit and Risk Committee agrees an annual risk-based internal audit plan which covers major risks identified by management and Trustees. It receives reports from internal auditors on the effectiveness of internal controls, progress against the internal audit plan and progress on recommendations made in reports. The Board reviews a full risk report annually, including a ‘heat map’ tracking major risks.

The principal risks and uncertainties facing the Institute are considered to be:

Risk area	Description of Risk	Management of Risk
Future BBSRC research funding	<ul style="list-style-type: none"> ➤ BBSRC strategic funding for institutes is reduced due to budgetary pressures. ➤ BBSRC strategic funding is reduced due to scientific performance. 	<ul style="list-style-type: none"> ➤ Regular monitoring of scientific performance against strategic programme objectives. ➤ Regular communication with BBSRC to report performance and ensure strategic alignment of research programmes.
Research income and sponsor diversification	<ul style="list-style-type: none"> ➤ QIB is unable to generate sufficient grant and commercial research income to support the costs of its research activities and infrastructure 	<ul style="list-style-type: none"> ➤ Investment in new research leader positions in progress. ➤ Communication Strategy being developed to increase sponsor awareness of the Quadram Institute.
Staff retention and recruitment	<ul style="list-style-type: none"> ➤ QIB is unable to retain or attract suitably skilled staff to enable it to deliver its science strategy. ➤ In addition to scientific impact, this risk area could also have an impact on the level of funding the Institute is able to attract. 	<ul style="list-style-type: none"> ➤ Strategy and action plans in place, aligned to development of Quadram Institute. ➤ Career development programmes in place to support high potential staff. ➤ Performance Management processes in place.
Quadram Institute	<ul style="list-style-type: none"> ➤ Strategy for the Quadram Institute is not agreed between the partners. ➤ The Quadram Institute is not able to attract suitably skilled staff to enable it to deliver its strategy. ➤ Benefits from the project are not delivered. 	<ul style="list-style-type: none"> ➤ Governance arrangements in place. ➤ Strategy agreed and communicated. ➤ Recruitment plans in progress. ➤ Project plan in place, with identified work streams, terms of reference and appropriate partner representation. ➤ Project assurance framework in place.
QI Building	<ul style="list-style-type: none"> ➤ QI facilities management arrangements are poor value for money. ➤ Inadequate investment leads to facilities that are not fit for purpose. ➤ QI building is not used by partners in line with QI mission. 	<ul style="list-style-type: none"> ➤ Building Services Committee established to monitor facilities management arrangements and tenant coordination. ➤ Building operating costs regularly reviewed and remedial actions agreed. ➤ Lifecycle maintenance plan agreed by the partners.
Technology investment	<ul style="list-style-type: none"> ➤ QIB is unable to keep pace with developments in technology underpinning its science. ➤ Funding is inadequate to sustain and improve technology facilities necessary to deliver scientific objectives. 	<ul style="list-style-type: none"> ➤ Technology strategy has been updated alongside strategy for the Quadram Institute. ➤ Capital funding awarded for the period to March 2023 as part of institute strategic grant award.
Compliance with sponsor funding requirements	<ul style="list-style-type: none"> ➤ QIB fails to comply with sponsor grant requirements resulting in a material financial impact. 	<ul style="list-style-type: none"> ➤ QIB is subject to regular reviews of its grant compliance processes from sponsors and the internal auditors.
Impact of leaving EU	<ul style="list-style-type: none"> ➤ QIB is not able to access EU programme funding or participate in EU research collaborations. ➤ QIB is not able to recruit or retain researchers from EU member countries. 	<ul style="list-style-type: none"> ➤ Regular dialogue with staff, BBSRC, EU partners and other key stakeholders on risks and emerging issues with respect to potential changes in arrangements.
Cost pressures	<ul style="list-style-type: none"> ➤ Increased energy prices divert resources from science to infrastructure costs, resulting in a reduction in research activity and impact. ➤ High inflation rates increase research and support costs, resulting in a reduction in research activity and impact. 	<ul style="list-style-type: none"> ➤ Energy costs are hedged in the short-term and specialist advisers support the institute with energy procurement. ➤ Energy-saving opportunities are actively sought and investment cases developed. ➤ The impact of cost inflation is regularly discussed with funders with a view to mitigating the impact on research.

TRUSTEES' REPORT

GOVERNANCE AND MANAGEMENT

Organisation and governance

Quadram Institute Bioscience (referred to as "QIB", the "Institute", the "Charity" or the "Company") is a company limited by guarantee (registered number 03009972) and a registered charity (number 1058499). During the year, QIB was governed by its Memorandum and Articles of Association adopted on 31 July 2018.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Board of Trustees

The Board of Trustees comprises an independent Chair, up to seven independent members and up to nine UEA-appointed members. The Trustees who served during the year and up to the date of signing these financial statements were:

Trustees	Sub-committees	Changes during the period
<i>At date of Report:</i>		
Dr C Caulcott (Chair)	Remuneration & Nomination Committee	-
Dr E Blair	Audit & Risk Committee; Remuneration & Nomination Committee	-
Prof F Lettice	Science Innovation & Advisory Committee (Chair)	-
Prof P Morgan	Remuneration & Nomination Committee (Chair)	-
Mr G Potter	Audit & Risk Committee	-
Dr E Robertson	Science Innovation & Advisory Committee	-
Mrs J Waterfield	Audit & Risk Committee (Chair)	-

The Board has established sub-committees to assist in exercising their company and charity stewardship responsibilities. The Audit and Risk Committee oversees internal controls, risk management and audit. The Remuneration and Nominations Committee considers remuneration, nominations, talent and succession.

The Science Innovation and Advisory Committee assists the development and maintenance of QIB's science in relation to direction, balance, strategy and quality.

Recruitment, induction and training of Trustees

The Remuneration and Nominations Committee leads the process for Board appointments and makes recommendations to the Board for the appointment of the Chair and Board Trustees. The appointment to Chair is made in agreement with the Members. The Committee makes recommendations to the Board on

Members

The Members are all guarantors of QIB, a company limited by guarantee and a registered charity, of an amount not exceeding £1.

The Members of QIB during the year were:

- UK Research and Innovation - Biotechnology and Biological Sciences Research Council ("BBSRC");
- the University of East Anglia ("UEA"); and
- the Norfolk and Norwich University Hospitals NHS Foundation Trust ("NNUH").

UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party. BBSRC, UEA and NNUH each have the right to nominate an "observer" to attend Board meetings. Observers are not entitled to vote and do not hold any authorities.

the Board's composition ensuring that the Board has an appropriate balance of skills, capabilities, expertise, experience and diversity to allow it to meet its strategic and organisational objectives.

The Institute advertises nationally for prospective Trustees to ensure appropriate expertise on the Board is maintained. The Institute will also approach individuals thought to have the right skills.

New Board Trustees are invited to spend time with members of the executive team. This is a chance to learn about the Institute and get more involved with the institute's work. In addition to the five formal meetings, all Trustees receive regular presentations from QIB's scientists and briefings on key issues.

Trustee remuneration

QIB remunerates Trustees where the Board considers payment is necessary to attract Trustees with specialist skills and experience. The power to remunerate Trustees is included in QIB's Articles of Association and has been approved by the Charities Commission.

During the year, Dr Celia Caulcott received £11,177 remuneration in connection with her role as Chair of QIB Board of Directors (2021: £10,000).

Three members of the Board of Trustees were reimbursed for travel expenses incurred during the year (2021: one). The total amount reimbursed was £576 (2021: £1,514).

Key Management Personnel

The Trustees delegate management of the day-to-day activities of the charitable company to the Institute Director and Executive Board, who are considered to be the key management personnel for the institute. The Executive Board (EB) works to support the Institute Director in developing scientific, financial, business and administrative policy and strategy. EB will monitor policy implementation and ensure that such policy is embedded in the day-to-day working of the Institute. EB is supported by the executive Science Strategy Board and the Management Forum.

EB membership during the year was as follows:

- Institute Director (EB Chair)
- Director of Operations
- Chief Business Officer
- Finance Director
- Chief Scientific Officer / Leader Food and Health ISP
- Leader Gut Health & Food Safety ISP
- Leader Microbes in the Food Chain ISP
- Head of HR

Employees

QIB staff that joined before 1 October 2011 were employed by BBSRC up to 1 October 2017, when they transferred employment to the Institute under TUPE.

Transferred employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit

scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

QIB has recruited all new staff from October 2011 on its own terms and conditions, covering basic pay and allowances, contractual payments, tax, NI, and liabilities for pension contributions and redundancy. Such staff are eligible to join a defined contribution scheme.

QIB employs a number of group leaders jointly with UEA. Staff are employed under QIB terms & conditions, but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits.

Communication

QIB provides all staff with relevant information and seeks their views on matters of common concern through their representatives and through line managers. Priority is given to ensuring that employees are aware of all significant matters affecting QIB's position and any significant organisational changes

Equality and Diversity

It is the Institute's policy to provide equal opportunities to job applicants and employees of any race, nationality, ethnic origin, marital status, religion or belief, gender, disability, sexual orientation, age or employment status. The Institute does not condone or tolerate any form of discrimination in its recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities and are accountable for the impact of their own behaviour and actions. All the Institute's policies follow these principles.

RELATED PARTIES

Subsidiaries

QIB's subsidiaries in the year were as follows:

- QIB Extra Limited (contract research);
- IFR Enterprises Limited (dormant);
- IFR NRP Capital Limited (dormant).

NBI Partnership

QIB has a 25% interest in NBI Partnership Limited ("NBIP"). NBIP supplies support and administrative services to QIB and the other Norwich Institutes (John Innes Centre, Earlham Institute and The Sainsbury Laboratory) on a not-for-profit basis. NBIP fully recharges its costs to the four research organisations and accordingly it generates no profit or loss.

QI Partners

QIB is a member of QI Partners along with BBSRC, UEA and NNUH. QI Partners has been established for the purposes of constructing and managing the Quadram Institute building and providing such facilities for charitable use. QIB does not have any significant influence on QI Partners' financial and operating policies.

On 29 March 2019, QIB entered into a lease agreement for accommodation in the Quadram Institute building from QI Partners.

QIB has agreed to provide QI Partners with a loan facility of £5.4m, which is repayable between November 2018 and October 2024. As at 31 March 2022, £1.25m of the facility was drawn down by QI Partners (2021: £2.8m). The loan has been provided on an arm's length basis and interest is payable on the loan at a rate of 3.0% pa.

University of East Anglia (UEA)

University of East Anglia is a member of the charitable company. UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party. The majority of QIB PhD students are registered with the UEA.

Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH)

NNUH is a member of the charitable company. NNUH is entitled to appoint an observer to attend, speak and provide information to meetings of the Board of Trustees, however such observers have no right to vote at any such meeting.

Anglia Innovation Partnership LLP (AIP LLP)

QIB is a member of Anglia Innovation Partnership LLP through its 100% subsidiary, IFR NRP Capital Limited. The objective of AIP LLP is to develop and sustain the Norwich Research Park as an international centre for

food, health, plant, microbial and environmental research, innovation and enterprise. QIB is entitled to receive a share of certain profits generated by AIP LLP, however it has no liability for losses or in the event of insolvency. AIP LLP has not yet generated any profits.

BBSRC

BBSRC is a member of the charitable company. BBSRC is entitled to appoint an observer to attend, speak and provide information to meetings of the Board of Trustees, however such observers have no right to vote at any such meeting.

QIB is strategically funded, along with seven other institutes, by BBSRC. BBSRC supports QIB via strategic programme funding programmes, competitively won project grants and capital funding for infrastructure and technology investments. The principal terms and conditions under which BBSRC provides its funding are set out in the Institute Grant Agreement. Key conditions include:

- BBSRC and the Institute shall meet at least annually to review and discuss the implementation and progress of the Institute's business, including strategic and financial plans.
- The Institute shall submit a draft Business Plan, covering a period of at least five years, for discussion.
- The Institute will demonstrate appropriate plans for the maintenance, renewal and development of the estate through a rolling 10-year Institute Estates Strategy covering capital projects, long term and routine maintenance.

BBSRC is part of UK Research and Innovation (UKRI), an organisation that brings together the UK's seven research councils, Innovate UK and Research England.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF QUADRAM INSTITUTE BIOSCIENCE IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Public benefit

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Based on this guidance, and as described in this Trustees' report, the Trustees believe the activities of Quadram Institute Bioscience to be charitable in nature.

Insurance Disclosure

The Institute maintains liability insurance for its trustees, with an annual aggregate cover limit for all claims against them in that capacity. The trustees have also been granted a qualifying third party provision under section 233 of Companies Act 2006. Neither the Institute's indemnity nor insurance provides cover in the event that a trustee is proved to have acted fraudulently or dishonestly.

Disclosure of information to auditor

The trustees confirm that:

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

Independent auditors

Larking Gowen LLP have been appointed as auditors and a resolution has been passed by the Board, concerning their appointment as auditors.

On behalf of the Board of Trustees



Dr C Caulcott, Trustee Chair
28 September 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUADRAM INSTITUTE BIOSCIENCE

Opinion

We have audited the financial statements of Quadram Institute Bioscience (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charitable Company Balances Sheets, Consolidated Statement of Cash Flows and Notes to the Accounts, including significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, and of the group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 groups and parent 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 group or parent 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

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Due to the field in which the group operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with UK tax legislation, UK accounting standards, UK charity law and the Companies Act 2006. In addition, we considered the provisions of other laws and regulations which whilst not having a direct impact on the financial statements, are fundamental to the group's ability to operate including health and safety; employment law, and compliance with various other regulations relevant to the conduct of the group's operations.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace, potential litigation or claims and fraud;
- Reviewing legal and professional fees to confirm matters where the group engaged lawyers during the year;
- Reviewing financial statement disclosures and tax matters, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgements made by management in their significant accounting estimates, particularly in relation to the recognition of grant income; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of any significant transactions outside the normal course of business.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

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.



Anders Rasmussen FCA (Senior Statutory Auditor)
for and on behalf of

Larking Gowen LLP

Chartered Accountants & Statutory Auditors
Norwich
30 September 2022

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

(Incorporating an income and expenditure account)

	Note	Unrestricted funds £000	Restricted general funds £000	Restricted capital funds £000	Total 2022 £000	Total 2021 £000
Incoming resources						
<i>Income from Charitable activities</i>						
Grant income		-	15,921	-	15,921	14,820
Capital and maintenance grants		-	183	561	744	6,069
Other charitable income		549	133	-	682	1,005
<i>Income from other trading activities</i>						
Trading income		1,276	-	-	1,276	642
<i>Investment income</i>						
		131	-	-	131	195
Total income	2	1,956	16,237	561	18,754	22,731
Expenditure						
Charitable activities		(2,387)	(13,731)	(1,151)	(17,269)	(19,200)
Raising funds		(166)	-	-	(166)	(184)
Trading expenditure		(729)	-	-	(729)	(614)
Total expenditure	3	(3,282)	(13,731)	(1,151)	(18,164)	(19,998)
Net income/(expenditure)		(1,326)	2,506	(590)	590	2,733
<i>Transfers</i>						
Capital transfers	18	(633)	-	633	-	-
Other transfers	18	3,191	(3,191)	-	-	-
Net movement in funds for the year		1,232	(685)	43	590	2,733
Funds brought forward	18	28,521	2,914	6,639	38,074	35,341
Funds carried forward	18	29,753	2,229	6,682	38,664	38,074

The Consolidated Statement of Financial Activities ("SoFA") includes all gains and losses recognised in the year. All incoming resources and expenditure relates to continuing activities.

The accompanying notes form part of these financial statements.

CONSOLIDATED AND CHARITABLE COMPANY BALANCE SHEETS

AS AT 31 MARCH 2022

	Note	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
<i>Fixed assets</i>					
Tangible assets	9	18,914	19,078	18,914	19,078
Intangible assets	10	-	-	-	-
Total fixed assets		18,914	19,078	18,914	19,078
<i>Current assets</i>					
Debtors	12	5,313	9,632	5,043	9,584
Cash at bank and in hand	13	22,455	19,457	22,033	19,183
		27,768	29,089	27,076	28,767
<i>Current liabilities</i>					
Creditors: amounts falling due within one year	14	(8,018)	(10,093)	(7,865)	(9,796)
Total net current assets		19,750	18,996	19,211	18,971
Total assets less current liabilities		38,664	38,074	38,125	38,049
Provisions for liabilities and charges	16	-	-	-	-
Total net assets	17	38,664	38,074	38,125	38,049
Funds of the charity					
<i>Unrestricted funds</i>					
Fixed assets reserve	18	14,069	14,972	14,069	14,972
Designated strategic reserves	18	10,423	6,486	10,423	6,486
Designated building reserves	18	1,250	3,050	1,250	3,050
General reserve	18	4,011	4,013	3,472	3,988
Total unrestricted funds		29,753	28,521	29,214	28,496
<i>Restricted funds</i>					
Fixed assets reserve	18	4,845	4,106	4,845	4,106
Restricted general	18	2,229	2,914	2,229	2,914
Capital reserve	18	1,837	2,533	1,837	2,533
Total restricted funds		8,911	9,553	8,911	9,553
Total charity funds	18	38,664	38,074	38,125	38,049

A separate income and expenditure account has not been presented for QIB as this is exempted by Section 408 of the Companies Act 2006. The profit after tax of QIB was £76,000 (2021: £2,795,000).

The financial statements on pages 15 to 32 were approved by the Board of Trustees on 28 September 2022 and were signed on its behalf by:



Dr C Caulcott, Trustee Chair

The accompanying notes form part of these financial statements.

Company registration number: 03009972

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Total	Total
	2022	2021
	£000	£000
Cash flow from operating activities		
Operating surplus	590	2,733
Interest receivable	(131)	(195)
Depreciation and amortisation	1,151	981
Capital grants received	(744)	(6,069)
Loss on disposal of tangible assets	67	2
Decrease/(Increase) in debtors	2,769	(4,099)
(Decrease)/Increase in creditors	(2,075)	3,991
Decrease in provisions	-	(36)
Net cash provided by/(used in) operating activities	1,627	(2,692)
Cash flow from investing activities		
Interest received	131	195
Repayment of loan	1,550	975
Purchase of tangible assets	(1,054)	(1,693)
Disposal Proceeds	-	8
Capital grants received	744	6,069
Net cash provided by/(used in) investing activities	1,371	5,554
Change in cash and cash equivalents in the reporting period	2,998	2,862
Cash and cash equivalents at the beginning of the reporting period	13	16,595
Cash and cash equivalents at the end of the reporting period	13	19,457

The movement in net debt for the current and prior year is identical to the movements in cash flow set out above.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a. Basis of preparation

The group financial statements have been prepared under the historical cost convention and applicable accounting standards. They have also been prepared in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The principal accounting policies adopted in these financial statements, which have been consistently applied, are:

b. Basis of consolidation

The consolidated financial statements incorporate the financial statements of Quadram Institute Bioscience ("QIB") and all its subsidiary undertakings in accordance with Financial Reporting Standard ("FRS") 102 "Accounting for Subsidiary Undertakings".

The financial statements of all group undertakings and associates are made up to 31 March 2022.

QIB is one of four members of QI Partners ("QIP"). QIP is accounted for as an investment rather than an associate and has not been consolidated in the QIB financial statements on the basis that QIB does not have significant influence over QIP financial and operating policies.

QIB is one of four members of NBIP Partnership Limited ("NBIP"). The group accounts for NBIP as an associate, although in practice the company makes no profit or loss and has net assets of NIL, therefore has no impact on the Group financial statements.

c. Going concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

The Trustees have prepared cash flow forecasts for the period to March 2028 which indicate, taking account of reasonable possible downsides and that the anticipated impact of COVID-19 on the operations and its financial resources, the Institute will have sufficient funds to meet its liabilities as they fall due for that period.

The Institute is reliant on its strategic programme funding from BBSRC, which was £8.2m in the year (2021: £11.5m). BBSRC has confirmed continued strategic funding of £8.2m for the year to March 2023. BBSRC has provided the Institute with a provisional strategic programme funding allocation for 5 years to March 2028 of £10.9m per annum. The funding is expected to be confirmed in late 2022, once BBSRC has received confirmation of its Spending Review Allocation.

Like most research organisations, the Institute's activities have been impacted by Covid-19 measures over the last 2 years. During this period, the Institute has been able to successfully maintain its research programmes and projects with minimal financial impact. The Institute has considered the potential financial impact of any restrictions for the next 12 months, including the potential for a further lockdown. Taking into account experience to date, business continuity

arrangements and financial projections, the Institute considers the risk of a significant financial impact from Covid-19 to be low. The Institute has considered the potential financial impact of continued restrictions for the next 12 months, including the potential for a further lockdown. Taking into account experience to date, business continuity arrangements and financial projections, the Institute considers the risk of a significant financial impact from COVID-19 to be low.

Consequently, the Trustees are confident that the Institute will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have been prepared the financial statements on a going concern basis.

d. Judgements in applying accounting policies and key sources of estimation

Preparation of the financial statements require management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Depreciation, which has been charged in line with the accounting policy below. The amount of depreciation charged and net book value of the assets is included in Note 9.

e. Income

Charitable grant income represents grants received and receivable in the year from outside granting bodies and other miscellaneous income. Grants that provide core funding are recognised in the year in which entitlement passes. Grant funding received to undertake research is recognised in the year in which the obligation is fulfilled. Grant funding is released to match expenditure incurred during the year together with any related contributions towards overhead costs.

Trading income relates to the non-charitable services undertaken by QIB Extra Limited ("QIBX") and is recognised in accordance with the terms of the contracts entered into, reflecting the point at which the obligations of the company have been satisfied.

Investment income relates to interest receivable from treasury deposits and related party loans. The interest is recognised in the year in which it is earned.

Capital grants are recognised in the Consolidated Statement of Financial Activities ("SoFA") when entitlement passes, which is typically on receipt. Where capital funding includes terms and conditions that must be met before there is unconditional entitlement, the grant income is recognised as those conditions are met, which usually results in capital funding being recognised to match the capital costs incurred.

Where income has been received in advance of conditions being met, the income is deferred until those conditions have been fully satisfied.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

f. Expenditure

Expenditure on charitable activities represents the full cost of the research performed. It includes the cost of direct staff, consumable stocks and indirect costs apportioned on the basis of use.

Costs of generating funds represent the cost of obtaining funds for research, preparing grant applications and raising the profile of QIB. Costs incurred in preparing grant applications, which primarily comprise staff costs, have been approximated based upon a sample review of time taken to prepare the detailed applications.

Governance costs represent the necessary cost of compliance with statutory and constitutional requirements and any other costs which are not direct charitable expenditure.

Support costs have been wholly allocated to charitable activity expenditure based upon activity as indicated in note 4 to the financial statements.

g. Restricted funds

Where research at QIB is funded by grants with conditions attached to them, these are shown as restricted. Capital grants received and receivable together with other restricted funds received and receivable and used to purchase tangible assets are included within restricted funds.

A restricted fixed assets reserve has been established representing the net book value of fixed assets purchased from capital grants. The reserve is shown as restricted due to continuing conditions in connection with the capital grants and assets purchased.

Restricted reserves include a designated capital reserve of £1.8m (2021: £2.5m) in connection with funding received from BBSRC, which may only be utilised in line with grant conditions.

h. Unrestricted funds

These include the strategic programme grants from the Biotechnology and Biological Sciences Research Council ("BBSRC") and any other grants which do not have specific conditions attached to them.

A fixed assets reserve has been established within unrestricted reserves representing the net book value of fixed assets funded from unrestricted reserves.

Unrestricted reserves that have been designated by the Board for specific purposes are shown in separate designated reserves. As at March 2022, £11.7m (2021: £9.5m) of unrestricted reserves have been designated in relation to planned capital and science investment associated with the development of the Quadram Institute.

i. Capital Transfers

A transfer from unrestricted to restricted reserves equal to the depreciation charge for assets purchased from unrestricted reserves is made as a capital transfer.

A transfer from restricted to unrestricted reserves is made following the completion of performance conditions in connection with restricted capital grant activity.

j. Other Transfers

A transfer from restricted to unrestricted reserves is made following the completion of performance conditions in connection with restricted non-capital grant activity.

k. Tangible fixed assets and depreciation

Tangible assets are shown at cost or valuation less accumulated depreciation. The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated to write off the cost or valuation less the estimated residual value of tangible assets by equal instalments over their estimated useful economic lives as follows:

Leasehold land and buildings	over lease term or useful life, if shorter;
Plant and machinery	5 years
Scientific apparatus and equipment	5 to 10 years
Motor vehicles	4 years
Other apparatus and equipment	3 to 5 years

The leasehold improvements have been depreciated over the shorter of their estimated economic life and the remainder of the lease period.

Tangible assets under construction are not depreciated until the asset is in full use.

l. Intangible fixed assets and amortisation

Computer Software development costs are recognised as intangible fixed assets at cost less amortisation and any provision for impairment. Intangible assets are amortised over the estimated life of the asset acquired less any residual value.

Amortisation is calculated to write off the cost or valuation less the estimated residual value of intangible assets by equal instalments over their estimated useful economic lives as follows:

Computer Software	3 to 5 years
-------------------	--------------

Intangible assets under construction are not amortised until the asset is in full use.

m. Cash balances held as grant co-ordinator

Cash balances held on behalf of the European Union in the charitable company's capacity as grant co-ordinator are included within cash on the charitable company's balance sheet, and details are disclosed in note 22 to the financial statements.

n. Debtors

Debtors are non-interest bearing (excluding loan balances) and are stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts.

Included in debtors is a loan (£1.25m) provided to QI Partners, which is repayable between November 2018 and October 2024. The loan has been provided on an arm's length basis and interest is payable on the loan at a rate of 3.0% pa.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

o. Trade creditors

Trade creditors are non-interest bearing and are stated at their nominal value.

p. Provisions

A provision is recognised in the financial statements where there is a legal or constructive obligation to transfer economic benefit to a third party.

q. Staff and Pensions

All staff employed by QIB (formerly Institute of Food Research) on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). The Deployed Employees remained with the Institute on an exclusive and full-time basis and day-to-day direction and line management of the Deployed Employees was delegated to QIB, subject to the terms of the BBSRC Employment Contract. QIB retained responsibility for paying employment costs in relation to the Deployed Employees, including basic pay and allowances, contractual payments, tax, NI and pension contributions.

On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE.

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

QIB staff that joined after 30 September 2011 are eligible to join a defined contribution scheme.

The Company employs some staff jointly with the University of East Anglia. Staff are employed under QIB terms & conditions, but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits. Accordingly, these arrangements have been accounted for as defined contribution scheme.

r. Termination benefits

Redundancy payments are recognised as a liability and an expense only when the event is demonstrably committed to by either: a. termination of the employment of an employee or group of employees before the normal retirement date, or b. provision of termination benefits as a result of an offer made in order to encourage voluntary redundancy.

s. Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

t. Foreign currency transactions

The functional and reporting currency of the charity is pounds sterling.

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at year end exchange rates.

All gains and losses are taken to the Statement of Financial Activities in the year to which they relate.

u. Financial instruments

Financial assets and financial liabilities are recognised upon becoming a party to the contractual provisions of the instrument.

The group only enters into basic financial instrument transactions that result in financial assets and liabilities like trade and other accounts receivable and payable.

NOTES TO THE ACCOUNTS

2. ANALYSIS OF INCOMING RESOURCES

	Research activities	Other activities	Total 2022	Research activities	Other activities	Total 2021
	£000	£000	£000	£000	£000	£000
Grant income						
BBSRC	10,031	-	10,031	12,402	-	12,402
Other government departments	4,299	-	4,299	1,011	-	1,011
European Union	754	-	754	488	-	488
Other grants	837	-	837	919	-	919
Total grant income	15,921	-	15,921	14,820	-	14,820
Capital and maintenance grants						
BBSRC						
Capital expenditure	744	-	744	6,069	-	6,069
Total capital grants	744	-	744	6,069	-	6,069
Other charitable income						
Miscellaneous income	-	682	682	-	1,005	1,005
Total other charitable income	-	682	682	-	1,005	1,005
Trading income						
QIB Extra	-	1,276	1,276	-	642	642
Total trading income	-	1,276	1,276	-	642	642
Investment income						
Interest receivable on cash deposits	-	67	67	-	86	86
Other interest receivable	-	64	64	-	109	109
Total investment income	-	131	131	-	195	195
Total incoming resources	16,665	2,089	18,754	20,889	1,842	22,731

QIB's activities consist principally of scientific research in the United Kingdom.

- Grant income of £15,921k (2021: £14,820k) is all restricted general funds.
- Capital grants of £744k (2021: £6,069k), £183k (2021: £3,243k) is restricted general funds and £561k (2021: £2,826k) is restricted capital funds
- Other charitable income of £682k (2021: £1,005k), £549k (2021: £775k) is unrestricted funds and £133k (2021: £230k) is restricted general funds
- In both periods all trading and investment income is unrestricted.

NOTES TO THE ACCOUNTS

3. ANALYSIS OF EXPENDITURE

	Research activities	Student activities	Other activities	Total 2022	Research activities	Student activities	Other activities	Total 2021
Note	£000	£000	£000	£000	£000	£000	£000	£000
Direct charitable expenditure								
Staff costs	7,304	-	-	7,304	7,146	-	-	7,146
Direct costs	2,875	441	-	3,316	5,130	546	-	5,676
Depreciation	1,151	-	-	1,151	981	-	-	981
Buildings maintenance	351	-	-	351	348	-	-	348
Governance costs	-	-	50	50	-	-	36	36
Support costs	4	4,864	233	5,097	4,759	254	-	5,013
Expenditure on charitable activities	16,545	674	50	17,269	18,364	800	36	19,200
Raising funds	-	-	166	166	-	-	184	184
Trading expenditure	-	-	729	729	-	-	614	614
Total expenditure	16,545	674	945	18,164	18,364	800	834	19,998

Included within expenditure on charitable activities is restricted general expenditure of £13,731k (2021: £17,557k), and restricted capital expenditure (depreciation) of £1,151k (2021: £981k). All other expenditure is unrestricted.

Staff costs are allocated based on time spent by staff. Depreciation is allocated based on the usage of assets. Other costs are allocated on the basis of their nature.

Analysis of governance costs	Total 2022	Total 2021
	£000	£000
Staff costs	26	16
Other costs	24	20
Total governance costs	50	36

4. ALLOCATION OF SUPPORT COSTS

	Research activities	Student activities	Total 2022	Research activities	Student activities	Total 2021	Basis of Allocation
	£000	£000	£000	£000	£000	£000	
Lab management	151	8	159	141	8	149	Headcount
Institute management	638	32	670	589	33	622	Headcount
Scientific services	247	12	259	251	14	265	Headcount
Facilities management and utilities*	1,996	100	2,096	1,780	100	1,880	Headcount
Finance and Purchasing*	388	19	407	639	36	675	Headcount
Computing and Library*	460	23	483	498	28	526	Headcount
Human Resources*	168	8	176	159	9	168	Headcount
Public engagement	355	18	373	346	19	365	Headcount
Health and Safety*	115	6	121	109	6	115	Headcount
Other support services*	346	7	353	247	1	248	Headcount
Total support costs	4,864	233	5,097	4,759	254	5,013	

*Includes services supplied by NBI Partnership Limited (see note 21).

NOTES TO THE ACCOUNTS

5. TAXATION

QIB is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The trading activities of the subsidiary companies are subject to corporation tax; however profits in the year are gifted to the charitable company resulting in a £nil (2021: £nil) tax charge payable.

There is no provision for deferred tax on fair value adjustments because any chargeable gains are applied to charitable objectives so no tax liability arises.

6. OPERATING SURPLUS/(DEFICIT)

Operating surplus/(deficit) is stated after charging/(crediting):

	Total 2022 £000	Total 2021 £000
Audit services:		
Fees payable for the audit of the charitable company and consolidated financial statements	19	18
Fees payable for the audit of the charitable company's subsidiaries pursuant to legislation	2	2
Depreciation	1,151	981
Hire of plant and equipment	22	18
Loss on disposal of tangible assets	67	2
Loss on foreign exchange translations	8	59

7. REMUNERATION OF THE BOARD OF TRUSTEES

QIB has been given approval by the Charities Commission to remunerate Trustees where the Board considers that payment is necessary to attract Trustees with specialist skills and experience. The power to remunerate Trustees is included in the QIB's Articles of Association.

One member of the Board of Trustees, Dr Celica Caulcott, received remuneration from the group during the year for duties as a trustee (2021: none). Total trustee remuneration in the year was £11,177 (2021: £10,000).

Three members of the Board of Trustees were reimbursed for expenses incurred during the year (2021: one). The total amount reimbursed was £576 (2021: £1,514).

NOTES TO THE ACCOUNTS

8. EMPLOYEE INFORMATION

The average monthly number of persons employed by or deployed to the group during the year, analysed by category, was as follows:

Group	2022 Number	2021 Number
Scientific	163	162
Office management and services	19	20
Total	182	182

The aggregate payroll costs of these persons were:

	Note	2022 £000	2021 £000
Wages and salaries		6,450	6,480
Redundancy payments		3	56
Social security costs		663	683
Other pension costs	20	917	889
Total		8,033	8,108

As required by the Statement of Recommended Practice applicable to charities, an analysis has been provided below of the number of staff who fall within staff cost bands (excluding pension cost) from £60,000 upwards:

Group and charitable company	2022 Number	2021 Number
£60,000 - £69,999	7	7
£70,000 - £79,999	4	7
£80,000 - £89,999	4	4
£90,000 - £99,999	2	1
£100,000 - £109,999	1	1
£110,000 - £119,999	1	1
£120,000 - £129,999	1	1
£130,000 - £139,999	2	1
Total	22	23

The number of staff with emoluments greater than £60,000 who are also members of the Research Councils' Pension Schemes was six (2021: seven). Seven staff with emoluments greater than £60,000 are members of a Defined Contribution Pension Scheme (2021: seven).

All staff employed by QIB on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE. Transferring employees retain their membership of the Research Councils Pension Scheme, where applicable, with QIB becoming an admitted employer in the scheme.

QIB staff that joined after 30 September 2011 are employed under QIB terms & conditions.

The key management personnel of the parent charity, Quadram Institute Bioscience, comprise of the trustees and the members of the Executive Board. The total employee benefits of the key management personnel of the charity were £776,414 (2021: £734,001).

The key management personnel of the group comprise those of the charity and the key management personnel of the wholly owned subsidiary, QIB Extra Ltd. The key management personnel of QIB Extra Ltd are the Director of Operations and the Head of QIB Extra Operations. The costs of the key management personnel to QIB Extra was £54,223 (2021: £44,985).

The employee benefits of the key management personnel for the group was £830,637 (2021: £778,986).

NOTES TO THE ACCOUNTS

9. TANGIBLE ASSETS

Group	Leasehold land and buildings £000	Plant, machinery and equipment £000	Apparatus and equipment £000	Assets under construction £000	Total £000
Cost/Valuation					
At 1 April 2021	14,609	22	11,918	1,536	28,085
Transfer	-	217	1,252	(1,469)	-
Additions	61	39	652	302	1,054
Disposals	-	-	(71)	(67)	(138)
At 31 March 2022	14,670	278	13,751	302	29,001
Accumulated Depreciation					
At 1 April 2021	485	2	8,520	-	9,007
Charge for the year	246	25	880	-	1,151
Disposals	-	-	(71)	-	(71)
At 31 March 2022	731	27	9,329	-	10,087
Net book value at 31 March 2022	13,939	251	4,422	302	18,914
Net book value at 31 March 2021	14,124	20	3,398	1,536	19,078

Charitable company	Leasehold land and buildings £000	Plant, machinery and equipment £000	Apparatus and equipment £000	Assets under construction £000	Total £000
Cost/Valuation					
At 1 April 2021	14,609	22	11,821	1,536	27,988
Transfer	-	217	1,252	(1,469)	-
Additions	61	39	652	302	1,054
Disposals	-	-	(71)	(67)	(138)
At 31 March 2022	14,670	278	13,654	302	28,904
Accumulated Depreciation					
At 1 April 2021	485	2	8,423	-	8,910
Charge for the year	246	25	880	-	1,151
Disposals	-	-	(71)	-	(71)
At 31 March 2022	731	27	9,232	-	9,990
Net book value at 31 March 2022	13,939	251	4,422	302	18,914
Net book value at 31 March 2021	14,124	20	3,398	1,536	19,078

All of the tangible assets of the charitable company are used for charitable purposes.

Assets under construction represent capital items which are not yet in full economic use.

NOTES TO THE ACCOUNTS

10. INTANGIBLE ASSETS

Group and charitable company	Software development £000	Total £000
Cost/Valuation		
At 1 April 2021	147	147
Additions	-	-
Disposals	-	-
At 31 March 2022	147	147
Accumulated Depreciation		
At 1 April 2021	147	147
Charge for the year	-	-
Disposals	-	-
At 31 March 2022	147	147
Net book value at 31 March 2022	-	-
Net book value at 31 March 2021	-	-

The intangible asset relates to internally generated research software.

11. INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

Subsidiaries

The following are the operating subsidiary undertakings in which the charitable company has an interest:

Subsidiary Undertaking	Registration number	Country of registration	Principal activity	Class and percentage of shares held
QIB Extra Limited	06500711	England	Contract research	100% ordinary shares
IFR Enterprises Limited	03398534	England	Dormant	100% ordinary shares
IFR NRP Capital Limited	08132483	England	Dormant	100% ordinary shares

The charitable company owns 100% of the ordinary share capital of IFR Enterprises Limited (cost: £3), QIB Extra Limited (cost: £100) and IFR NRP Capital Limited (cost: £1), all of which are incorporated in England. The subsidiaries are used for trading activities.

The companies' results for the year were as follows:

Profit and loss account	IFR Enterprises Limited £000	QIB Extra Limited £000	IFR NRP Capital Limited £000	Total 2022 £000	Total 2021 £000
Turnover	-	1,276	-	1,276	646
Cost of sales	-	(537)	-	(537)	(346)
Gross profit	-	739	-	739	300
Administrative expenses	-	(195)	-	(195)	(268)
Operating profit retained in subsidiary	-	544	-	544	32
Net assets at 31 March 2022	-	541	-	541	27

In addition to the above, £29,827 (2021: £93,852) in Gift Aid was paid to the charitable company in the year.

The charitable company has committed to provide financial support to QIB Extra Limited ("QIBX"), and not demand repayment of amounts due to it, in order to enable QIBX to meet its liabilities as they fall due – but only to the extent that money is not otherwise available to the company to meet such liabilities – for a period of at least 12 months from the signing of the financial statements of QIBX for the year ended 31 March 2022.

IFR NRP Capital Limited is a member of Anglia Innovation Partnership LLP, which is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. IFR NRP Capital Limited did not trade during the year.

NOTES TO THE ACCOUNTS

12. DEBTORS

		Group	Group	Company	Company
		2022	2021	2022	2021
	Note	£000	£000	£000	£000
<i>Grants receivable:</i>					
from government bodies		743	3,477	743	3,477
from other sources		1,657	1,521	1,657	1,521
Trade debtors		223	322	26	211
Amounts owed by subsidiary undertakings		-	-	72	75
Amounts owed by other related parties	21	1,452	3,524	1,452	3,524
Other debtors		98	83	97	83
Prepayments and accrued income		1,140	705	996	693
Total amounts falling due within one year		5,313	9,632	5,043	9,584

Included in the above amounts is £1,250k (2021: £2,800k) unsecured loan to QI Partners, of which £350k is repayable in over one year. Interest is payable on the loan at a rate of 3.0% per annum.

13. CASH AT BANK AND IN HAND

		Group	Group	Company	Company
		2022	2021	2022	2021
		£000	£000	£000	£000
Cash at bank		22,452	19,454	22,031	19,180
Cash in hand		3	3	2	3
Total		22,455	19,457	22,033	19,183

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		Group	Group	Company	Company
		2022	2021	2022	2021
	Note	£000	£000	£000	£000
<i>Grants received in advance:</i>					
from government bodies		892	951	892	951
from other sources		2,590	2,332	2,572	2,179
Amounts owed to subsidiary undertakings		-	-	-	-
Amounts owed to other related parties	21	788	3,467	788	3,467
Trade creditors		849	425	842	419
Other creditors		1,470	1,415	1,430	1,415
Accruals and deferred income		1,265	1,342	1,186	1,204
Taxation and social security		164	161	155	161
Total amounts falling due within one year		8,018	10,093	7,865	9,796

NOTES TO THE ACCOUNTS

15. RECONCILIATION OF MOVEMENT IN GRANTS RECEIVABLE

Group	Note	Total 2022 £000	Total 2021 £000
Grants receivable	12	2,400	4,998
Grants received in advance	14	(3,482)	(3,283)
Net grants received in advance		(1,082)	1,715
Net grants received in advance at beginning of year		1,715	(767)
Grant monies received during the year		(19,400)	(13,343)
Grant money released to SOFA during the year		16,603	15,825
Net grants received in advance at end of year		(1,082)	1,715

16. PROVISIONS FOR LIABILITIES AND CHARGES

Group and charitable company	Dilapidations provision £000	Total 2022 £000	Total 2021 £000
Provision at beginning of year	-	-	36
Charge in the year	-	-	(36)
Utilised	-	-	-
Provision at end of year	-	-	-

The dilapidations provision related to remedial costs to be incurred by QIB when it relocated to the Quadram Institute in 2019.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Fixed assets £000	Net current assets £000	Total 2022 £000
<i>Unrestricted:</i>			
Fixed assets reserve	14,069	-	14,069
Designated strategic reserve	-	10,423	10,423
Designated building reserve	-	1,250	1,250
General	-	4,011	4,011
<i>Restricted:</i>			
Fixed assets reserve	4,845	-	4,845
Capital reserve	-	1,837	1,837
General	-	2,229	2,229
Net assets	18,914	19,750	38,664
Charitable company			
<i>Unrestricted:</i>			
Fixed assets reserve	14,069	-	14,069
Designated strategic reserves	-	10,423	10,423
Designated building reserves	-	1,250	1,250
General	-	3,472	3,472
<i>Restricted:</i>			
Fixed assets reserve	4,845	-	4,845
Capital reserve	-	1,837	1,837
General	-	2,229	2,229
Net assets	18,914	19,211	38,125

NOTES TO THE ACCOUNTS

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

Group	Fixed	Net	Total
	assets	current	2021
	£000	£000	£000
Group			
<i>Unrestricted:</i>			
Fixed assets reserve	14,972	-	14,972
Designated strategic reserve	-	6,486	6,486
Designated building reserve	-	3,050	3,050
General	-	4,013	4,013
<i>Restricted:</i>			
Fixed assets reserve	4,106	-	4,106
Capital reserve	-	2,533	2,533
General	-	2,914	2,914
Net assets	19,078	18,996	38,074
Charitable company			
<i>Unrestricted:</i>			
Fixed assets reserve	14,972	-	14,972
Designated strategic reserves	-	6,486	6,486
Designated building reserves	-	3,050	3,050
General	-	3,988	3,988
<i>Restricted:</i>			
Fixed assets reserve	4,106	-	4,106
Capital reserve	-	2,533	2,533
General	-	2,914	2,914
Net assets	19,078	18,971	38,049

The unrestricted fixed assets reserve relates to the net book value of fixed assets purchased from unrestricted funds. The restricted fixed assets reserve relates to the net book value of fixed assets purchased from capital grants.

The unrestricted designated strategic reserve relates to funds designated by the Board for use in relation to planned science investment associated with the Quadram Institute. The designated building reserve represents the loan advances to QI Partners (£1.25m).

The restricted capital reserve is not an endowment fund, but represents capital funding received, from BBSRC, that may only be utilised on fulfilment of certain grant conditions.

The unrestricted general reserve is held to manage income fluctuations, cover unexpected liabilities including restructuring costs.

18. ANALYSIS OF FUNDS MOVEMENTS

Group	Unrestricted	Unrestricted	Unrestricted	Unrestricted	Restricted	Restricted	Restricted	Total
	fixed	designated	designated	Unrestricted	fixed	general	capital	
	assets	strategic	building	general	assets	general	capital	2022
	£000	£000	£000	£000	£000	£000	£000	£000
Group								
At 1 April 2021	14,972	6,486	3,050	4,013	4,106	2,914	2,533	38,074
Surplus for the year	-	-	-	(1,326)	(590)	2,506	-	590
Designated reserve transfers	-	3,937	(1,800)	1,054	-	(3,191)	-	-
Depreciation transfer	(903)	-	-	-	903	-	-	-
Capital transfers	-	-	-	270	426	-	(696)	-
At 31 March 2022	14,069	10,423	1,250	4,011	4,845	2,229	1,837	38,664
Charitable company								
At 1 April 2021	14,972	6,486	3,050	3,988	4,106	2,914	2,533	38,049
Surplus for the year	-	-	-	(1,840)	(590)	2,506	-	76
Designated reserve transfers	-	3,937	(1,800)	1,054	-	(3,191)	-	-
Depreciation transfer	(903)	-	-	-	903	-	-	-
Capital transfers	-	-	-	270	426	-	(696)	-
At 31 March 2022	14,069	10,423	1,250	3,472	4,845	2,229	1,837	38,125

NOTES TO THE ACCOUNTS

18. ANALYSIS OF FUNDS MOVEMENTS (CONTINUED)

	Unrestricted fixed assets £000	Unrestricted designated strategic £000	Unrestricted designated building £000	Unrestricted general £000	Restricted fixed assets £000	Restricted general £000	Restricted capital £000	Total 2021 £000
Group								
At 1 April 2020	15,746	6,921	4,375	4,108	2,630	-	1,561	35,341
Surplus for the year	-	-	-	152	1,845	736	-	2,733
Designated reserve transfers	-	(807)	(1,325)	2,132	-	-	-	-
Depreciation transfer	(824)	-	-	-	824	-	-	-
Capital transfers	50	-	-	171	(1,193)	-	972	-
Other transfers	-	372	-	(2,550)	-	2,178	-	-
At 31 March 2021	14,972	6,486	3,050	4,013	4,106	2,914	2,533	38,074
Charitable company								
At 1 April 2020	15,739	6,921	4,375	4,022	2,636	-	1,561	35,254
Surplus for the year	-	-	-	214	1,845	736	-	2,795
Designated reserve transfers	-	(807)	(1,325)	2,132	-	-	-	-
Depreciation transfer	(818)	-	-	-	818	-	-	-
Capital transfers	51	-	-	170	(1,193)	-	972	-
Other transfers	-	372	-	(2,550)	-	2,178	-	-
At 31 March 2021	14,972	6,486	3,050	3,988	4,106	2,914	2,533	38,049

The designated reserve transfers relates to costs incurred in the year that have been set against the designated strategic reserves, or changes to designations approved by the trustees.

The depreciation transfer is the reallocation of the depreciation charge for assets purchased from unrestricted reserves.

Capital transfers include a transfer from restricted to unrestricted reserves following the completion of performance conditions in connection with restricted capital grant activity, and the reallocation of funds to reflect the capital funding restrictions.

Other transfers include a transfer from restricted to unrestricted funds following the completion of performance conditions in connection with restricted non-capital grant activity, and the reallocation of funds to reflect funding restrictions.

19. COMMITMENTS

Group and charitable company	Total 2022 £000	Total 2021 £000
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Capital commitments at the end of the financial year for which no provision has been made:

Contracted	963	391
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Amounts due under other operating leases for plant and machinery:

Within one year	2	1
Between one and two years	2	1
Between two and five years	2	3
	6	5

NOTES TO THE ACCOUNTS

20. PENSION SCHEMES

All staff employed by QIB on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the “Deployed Employees”). On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE.

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements. The employer contribution rate during the year was 26% (2021: 26%).

QIB employees that joined after 30 September 2011 are eligible to join a defined contribution scheme.

The Company employs some staff jointly with the University of East Anglia. Staff are employed under QIB terms & conditions but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits. Accordingly, these arrangements have been accounted for as defined contribution scheme.

The total pension charge for the year was £916,995 (2021: £889,644), with outstanding contributions at the year-end of £50,079 (2021: £47,236).

21. RELATED PARTY TRANSACTIONS

Biotechnology and Biological Science Research Council (Member)

The charitable company is strategically funded by BBSRC along with seven other Institutes.

Grants received from BBSRC are detailed in note 2.

As at 31 March 2022, BBSRC owed £358,502 (2021: £78,905) to QIB, and QIB owed BBSRC £nil (2021: £37,498).

BBSRC is part of UK Research and Innovation (UKRI), an organisation that brings together the UK’s seven research councils, Innovate UK and Research England.

University of East Anglia (Member)

University of East Anglia (“UEA”) is a member of the charitable company. UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company’s parent undertaking and controlling party.

UEA invoiced QIB £4,320,482 (2021: £4,559,763) for salaries and other charges and QIB invoiced UEA £162,221 (2021: £753,880) for services.

As at 31 March 2022, the UEA owed QIB £82,355 (2021: £580,375) and QIB owed UEA £241,093 (2021: £2,989,655).

Norfolk and Norwich University Hospitals NHS Foundation Trust (Member)

Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) is a member of the charitable company.

During the year NNUH invoiced QIB £407,681 for services and capital costs (2021: £428,734) and QIB invoiced £28,802 (2021: £42,287) for grant related costs. As at 31 March 2022, NNUH owed QIB £3,028 (2021: £10,689) and QIB owed NNUH £160,796 (2021: £146,028).

NBI Partnership Limited (Associate)

The charitable company is one of four members and guarantors of NBI Partnership Limited (“NBIP”), a company limited by guarantee. QIB has provided short-term loans to NBIP to enable NBIP to manage its cash requirements. At 31 March 2022, QIB had a loan balance with NBIP of £105,000 (2021: £105,000).

During the year, QIB received services totalling £1,399,627 (2021: £1,395,255), received interest from NBIP of £2,100 (2021: £2,100) and invoiced NBIP £nil (2021: £2,160) for other services. As at 31 March 2022, QIB owed NBIP £117,109 (2021: £177,468) and NBIP owed QIB £nil (2021: £2,100).

NOTES TO THE ACCOUNTS

21. RELATED PARTY TRANSACTIONS (CONTINUED)

QI Partners (Associate)

The charitable company is one of four members and guarantors of QI Partners, a charitable company limited by guarantee.

QIB has agreed to provide QI Partners with a loan facility of £5,400,000, which is repayable between November 2018 and October 2024. As at 31 March 2022, £1,250,000 of the facility has been drawn down by QI Partners (2021: £2,800,000). Interest is payable on the loan at a rate of 3.0% pa.

During the year, QIB invoiced QI Partners £61,705 (2021: £106,741) for interest on its loan. As at 31 March 2022, QI Partners owed QIB £11,178 (2021: £25,045).

QI Partners has invoiced QIB for service charges totalling £1,809,666 (2021: £1,826,465) in relation to the building running costs. As at 31 March 2022, QIB owed QI Partners £268,547 (2021: £92,197).

QIB does not have any significant influence on QI Partners' financial and operating policies.

Anglia Innovation Partnership LLP

QIB is a member of Anglia Innovation Partnership LLP ("AIP LLP") through its 100% subsidiary, IFR NRP Capital Limited. AIP LLP is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. During the year, QIB was charged £24,854 (2021: £32,117) for estate costs and services and QIB charged AIP £nil for utility costs (2021: £nil). As at 31 March 2022, QIB owed AIP LLP £nil (2021: £23,783).

QIB Extra Ltd

QIB Extra Ltd is the wholly owned trading subsidiary of QIB. QIB Extra undertakes contract research for the food industry.

During the year, QIB invoiced QIBX for services and other costs totalling £258,148 (2021: £394,796). QIBX invoiced QIB for services totalling £817 (2021: £3,759). In addition, QIBX made a gift aid payment to QIB of £29,827 (2021: £93,852). As at 31 March 2022, QIBX owed QIB £71,955 (2021: £75,099).

22. CASH HELD AS EUROPEAN GRANT CO-ORDINATOR

The charitable company holds cash on behalf of the European Union in its capacity as project co-ordinator on a number of projects. It acts as an intermediary only and does not control the risks and rewards associated with the cash balances. Cash balances of £1,088,439 (2021: £1,178,812) in relation to this are included within the balance sheet.

23. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The trustees consider that the ultimate parent undertaking and controlling party is the University of East Anglia, by virtue of its right under the Articles of Association to appoint a majority of the company's directors.

QIB is the parent undertaking of the smallest group of undertakings to consolidate these financial statements, and the University of East Anglia is the parent undertaking of the largest group of undertakings to consolidate these financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Directors and Trustees

Dr C Caulcott	Chair – Board
Dr E Blair	
Prof F Lettice	Chair – Science Innovation and Advisory Committee
Prof P Morgan	Chair – Remuneration and Nomination Committee
Mr G Potter	
Dr E Robertson	
Mrs J Waterfield	Chair – Audit and Risk Committee

Director of the Institute Professor I Charles

Company Secretary Mr D Foreman

Key Management Personnel

Prof I Charles
Dr G Brown
Prof S Carding
Mr D Foreman
Ms A O'Halleron
Dr A Mather
Prof M Warren
Dr R Wilson

Registered charity number 1058499

Registered company number 03009972

Registered office and principal office of the charity

Norwich Research Park
Norwich
NR4 7UQ

Independent auditors

Larking Gowen LLP
Chartered Accountants and Statutory Auditors
King Street House
15 Upper King Street
Norwich
NR3 1RB

Bankers

Barclays Bank Plc
54 Lombard Street
London
EC3V 9EX

QUADRAM INSTITUTE BIOSCIENCE

England & Wales - Charity number 1058499

Accounts

QUADRAM INSTITUTE BIOSCIENCE

Annual Report and Accounts

for the year ended 31 March 2021

Quadram Institute Bioscience is a company limited by guarantee and a registered charity: registered company number: 03009972; registered charity number: 1058499.

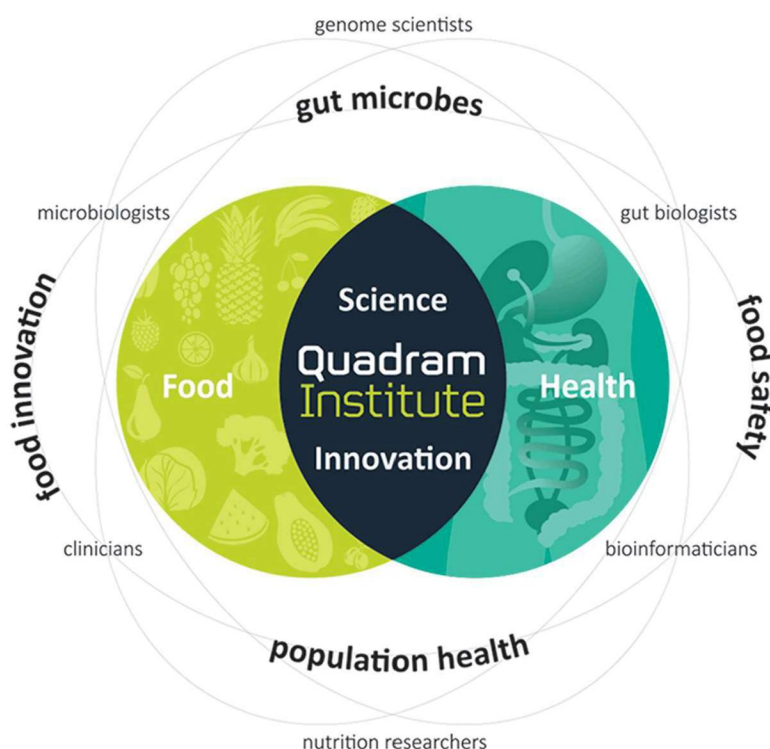
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THE QUADRAM INSTITUTE

Quadram Institute Bioscience (QIB) is one of four founding partners in the establishment of the Quadram Institute – a multi-million-pound food and health research centre that was completed in autumn 2018.

The Quadram Institute is at the forefront of the interface between food science, gut biology and health, developing solutions to worldwide challenges in food-related disease and human health. It brings together the Quadram Institute Bioscience research teams, the Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) and the University of East Anglia (UEA), as well as NNUH's regional gastrointestinal endoscopy unit and a clinical research facility.



The centre has been funded by the partners and the Biotechnology and Biological Sciences Research Council (BBSRC), part of UK Research and Innovation. The Quadram Institute has capacity for 300 research staff with a further 100 staff supporting one of Europe's largest endoscopy facilities. It is engaged in fundamental and translational food and health research, alongside clinical studies, endoscopy and industry, working together to become a leading international hub for food and health research. It combines scientific excellence and clinical expertise, delivering patient care and accelerating innovation.

The Quadram Institute maximises the unique world-class bioscience cluster based at the Norwich Research Park, including excellent plant and microbial science at the John Innes Centre and The Sainsbury Laboratory and computational science and sequencing expertise at the Earlham Institute.

INTRODUCTION TO THE ANNUAL REPORT

The Quadram Institute Bioscience trustees (who are also directors in company law) are pleased to present their Annual Report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2021, which are also prepared to meet the requirements for a directors' report (incorporating a strategic report) and accounts for Companies Act purposes.

The Annual Report and Accounts have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS102.

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

QUADRAM INSTITUTE BIOSCIENCE

QIB is focussed on the relationship between food and health with an emphasis on the gut microbiota and the potentially pathogenic microorganisms that can be present in the food chain. QIB is delivering its vision of excellence, with an ambitious programme to increase the number of Research Leaders in the institute to 40 by 2024, attracting the best minds from around the world, funded by a combination of the Quadram Institute partners, other funding bodies and industry. QIB will leverage BBSRC strategic funding to attract investment from other research councils, funding organisations and industry to become a world leading institute for food and health research. Moreover, it is forging links with other world-class academics to

become a hub for national and international networks of related research organisations that promotes collaboration and training necessary to accelerate innovation and deliver solutions to UK and global food and health challenges.

Charitable objective

The Charity's object is the worldwide advancement of education in food sciences for the public benefit by:

- undertaking research and disseminating the useful results of such research; and
- training research scientists.

REVIEW OF THE YEAR

This year, as for so many others, has been extraordinary for QIB. The year began with the UK going into lockdown as a result of the COVID-19 pandemic, but QIB was quick to respond and adapt. QIB scientists played significant roles in a number of UK COVID-19 response research projects and a number of researchers were seconded to NHS laboratories to support testing. By early summer, QIB research was back in the laboratories allowing strong progress against scientific and impact milestones.

Key milestones achieved in the year include:

- Participation in the COVID-19 Genomics UK Consortium;
- Significant contribution to the Norwich Research Park COVID-19 response workstreams;
- Introduction and first three meetings of the QIB *Science and Impact Advisory Committee* undertaken;
- Graeme Brown was appointed as QIB's first Chief Business Officer. Graeme joined QIB having been the Director of Technology Transfer at Queen Mary University of London and Executive Director of its research commercialisation company. His experience includes setting up high-value

research collaborations and partnerships with industry, licensing research innovations, creating new technology spinout companies and securing investment. The Chief Business Officer role encompasses responsibility for Business Development and Communications.

- Alison Mather was appointed as the new lead for the *Microbes in the Food Chain* Institute Strategic Programme.
- Matthew Gilmour has been appointed as research group leader for QIB's Listeria group. Previously the Scientific Director General of Canada's National Microbiology Laboratory, Matthew's research will establish the microbial traits of Listeria that contribute to its significant risk as a foodborne contaminant and human pathogen. He will also work alongside Alison Mather as co-lead of the Microbes in the Food Chain programme.
- Ashley Blackshaw has been appointed as research group leader within the Gut Microbes and Health programme. Ashley will be investigating microbe-gut-brain interactions and supporting neuroscience research.

Scientific achievements during the year include:

- QIB's Head of Informatics, Andrew Page, and group leader Justin O'Grady led the Norwich involvement in the COVID-19 Genomics UK Sequencing Consortium (COG-UK). COG-UK has involved the NHS, Public Health Agencies, Wellcome Sanger Institute, and numerous academic institutions. Throughout the pandemic it has delivered large scale, rapid sequencing of SARS-CoV-2 and shared intelligence with hospitals, regional NHS centres and the Government. Samples from patients with confirmed COVID-19 have been sent to sequencing centres, including QIB for Norwich. By looking at the whole virus genome in confirmed cases of COVID-19, scientists have been monitoring changes in the virus at a national scale to understand how the virus is spreading and whether different strains are emerging. Justin O'Grady is now a Deputy Director for COG-UK and QIB has been one of the most active partners, sequencing over 19,000 SARS-CoV-2 genomes since the start of the pandemic.
- COVID-19 is caused by the SARS-CoV-2 virus. QIB researcher Arjan Narbad and Ngozi Elumgo of the Norfolk and Norwich University Hospital have initiated the SARS-CoV-2 Prevalence and Persistence in Stool (CoPS) Study. Initial studies have shown that over 60% of COVID-19 positive subjects show gastrointestinal symptoms, such as diarrhoea, nausea and vomiting. SARS-CoV-2 has been identified in faecal samples of these patients. The CoPS study aims to understand the ability of SARS-CoV-2 to persist in the gastrointestinal tract both during and after patients have recovered from symptoms of COVID 19.
- Falk Hildebrand has won a €1.5 million grant from the European Research Council (ERC) to research the role elusive microbes may play in the gut microbiome and human health. The funding comes from the ERC's prestigious Starting Grants, designed to help early-career scientists and scholars build their own teams and lead pioneering research. The funding will enable Falk to study the function and genetic makeup of gut bacteria and the impact they have on human health. He also aims to establish these microbes randomly colonise the gut for short periods of time or are essential parts of us that permanently reside within our guts.
- A number of QIB researchers, led by Maria Traka, Deputy Head of the Food Databanks National Capability, have been contributors to a free, online course aimed at helping participants discover more about the microbiome and its links to health throughout life. 'The Human Microbiome' course runs over three weeks and explained how the composition of the microbiome changes during ageing, and also how diet can be used to modulate the microbiome to combat diseases. The course was funded by EITFood, delivered through the FutureLearn platform and was developed by academics and health professionals from the University of Turin, QIB, the University of Reading, the Spanish National Research Council (CSIC) and Microbion.
- Cathrina Edwards has developed a new ingredient, PulseON®, to replace refined carbohydrates in staple foods, which in a human trial lowered the blood glucose response to white bread by 40%. In a collaboration with King's College London, Cathrina showed that replacing wheat flour with a new ingredient derived from chickpeas improved the glycaemic response of people eating white bread. The ingredient uses specially developed milling and drying processes that preserves cellular structure, making its starch more resistant to digestion. Developing food products that contain more of this resistant starch would help to control blood glucose levels and reduce risk of type 2 diabetes.
- Quercetin, found in onions, apples, tea and other leafy vegetables, alters metabolic processes in vascular cells in a way that would protect against inflammation that, if left unchecked, may develop into atherosclerosis, a major contributor to cardiovascular disease. This research, led by QIB's Paul Kroon, may start to explain why diets rich in quercetin tend to reduce the risk of heart disease. The study provides powerful evidence for how quercetin in the diet, once taken up and modified by certain cells, can help fine tune central cellular processes in a way that reduces inflammation, and so would be expected to promote health.
- Outer Membrane Vesicles (OMVs) are nanoscale structures that are produced naturally by many bacteria. They are made of lipids and are formed by budding off from the outer membrane of bacteria. In collaboration with Imperial College London and London North West Healthcare NHS Trust, Simon Carding's group has demonstrated that OMVs produced by the gut bacteria *Bacteroides thetaiotaomicron* (Bt) have a key role in regulating the altered immune system in Inflammatory Bowel Disease (IBD). OMVs package up and disperse chemical messages to communicate with other bacteria and with human cells. Unlike the bacteria themselves, OMVs can cross the gut lining and access the blood circulatory system, including the cells of the

immune system. Taking advantage of this, the team has engineered OMVs to contain therapeutic and vaccine proteins demonstrating the potential for OMVs to be used for delivering novel treatments, based on their ability to cross into the body.

- Research published by Nathalie Juge’s group at QIB has shown that supplements of Human Milk Oligosaccharides (HMOs), the sugars found in breast milk, may help improve the gut health of adults. In collaboration with Glycom, a Danish-based biotechnology company, the researchers used highly advanced “gut-on-chip” technology, to show that the fermentation products of HMOs made the gut lining less “leaky.” A leaky intestinal barrier has been linked to gut conditions such as coeliac disease, Crohn’s disease, and irritable bowel syndrome as well as a range of conditions affecting the rest of the body. This study provides scientific evidence that HMOs may be used to develop strategies to counter these conditions and improve gut health in adults.
- Mark Webber has published research showing how the development of antibiotic resistance by bacteria can have ‘side-effects’ for them including affecting their ability to cause disease. Antibiotic resistance remains one of the greatest challenges to global health with very few new antibiotics and widespread resistance. It has been estimated that tens of millions of people will die annually due to antibiotic resistant infections not being treatable. Most bacteria in nature are found in communities known as ‘biofilms’; in biofilms, bacteria are very hard to kill, but little is known about how they might adapt when exposed to antibiotics. Mark and colleagues showed that bacteria in a biofilm can develop antibiotic resistance very rapidly but that when this happened other properties of the bacteria were compromised including their ability to cause disease, or to form a biofilm in the first place. This research paves the way for more studies to understand how antibiotic resistance evolves in real world conditions and can help guide how best to use current antibiotics and inform development of new antibiotics.
- Rob Kingsley has implicated a toxin-carrying virus in the emergence of a new strain of Salmonella in pigs. Half of all Salmonella infections in the EU are linked to pigs, and a new strain called ST34 is dominant in these animals. Certain viruses, called bacteriophages, use bacteria to replicate and in doing so kill the bacterium. However, some are also able to hide inside the bacterial cell by merging with the bacteria’s genetic material. Analysis of the ST34 genome sequence indicated that bacterial virus mTmV infected ST34. When

Rob analysed the population structure of ST34 it was clear that Salmonella harbouring the mTmV virus in their genetic material became more numerous over time and that they had gained a competitive advantage over their brethren lacking the virus. It is hoped that understanding how and why new strains of Salmonella emerge in livestock will help develop improved strategies to reduce its incidence, making our food supply safer and healthier.

- Scientist, Mark Pallen at QIB, has developed an automated system for generating names for bacteria that are based on the traditional Linnaean system, providing a pool of over a million names— both for newly discovered bacteria and those we’ve yet to find. Despite there being millions of bacterial species, so far only around 20,000 have been given Latin names. Mark has created an automated approach to combine a small set of Latin and Greek roots to create over a million new names. The input files for this process have been carefully checked over by an expert in bacterial nomenclature, Aharon Oren, at the Hebrew University of Jerusalem in Israel, while a QIB bioinformatician, Andrea Telatin has written a computer program to automate the process.
- *Pseudomonas aeruginosa* bacteria, pose a serious worldwide health risk due to their abilities to resist antimicrobial drugs. Cynthia Whitchurch’s team from QIB and the ithree institute at the University of Technology Sydney, showed that *P. aeruginosa* can actively acquire and incorporate DNA from the environment whilst in biofilms. This important new insight about how they acquire genes for resistance is critical to controlling and preventing the growing problem of antimicrobial resistance. One of the ways that bacteria can acquire DNA is natural transformation, when DNA is taken up from the environment. Very few bacterial species have been found to be competent for natural transformation; *P. aeruginosa* was not one of these. Cynthia’s team demonstrated that *P. aeruginosa* could carry out natural transformation when in the conditions found in a biofilm. The team showed that *P. aeruginosa* in biofilms could take up resistance genes, enabling them to grow in the presence of an antibiotic.

Public engagement

The COVID-19 pandemic response had a dramatic impact on QIB's capacity to engage directly with the public. Despite the Quadram Institute building being closed to visitors and the cancellation of many public events, there were still significant opportunities to undertake public engagement via online platforms staged by local and national science outreach teams.

Despite the challenges, around 40% of QIB personnel, from all career stages, participated in a wide variety of public-facing events and activities. For schools, Lindsay Hall expanded her Guardians of the Gut activity and created a new teaching resource to explain the microbiome. Eight staff members took part

in the Women of the Future careers event that took place across the Norwich Research Park with talks and videos to inspire the next generation of scientists. Three researchers took part in the *I'm a scientist, stay at home* competition for schools and scientists. Opportunities to highlight QIB science for a more general audience were also found through participation in the *Pint of Science* and *Norwich Science Festival* programmes. In the absence of live events, greater use of blogs and social media has also been established.

As a partner in the COG-UK consortium, QIB was able to contribute to a number of COVID-19-related national news media articles, television and radio broadcasts in discussion of tracking the virus.

PLANS FOR 2021/22

Key priorities

- Delivery of academic excellence.
- Return to full scientific programme within COVID-19 safe-working guidelines.
- Development of Institute Strategic Programme Grant proposals for 2023-2028.
- Integration in QIB culture of Knowledge Exchange Strategy by Chief Business Officer.
- Further development of clinical and science interactions within Quadram Institute.

The COVID-19 pandemic led to changes in the clinical operations of the Quadram Institute, but it continued to provide an environment in which clinicians and

scientists were able to undertake core activities and maintain strong outputs.

The COVID-19 pandemic led to significant changes in the way QIB works and ensuring the safety of staff and students has been a priority. The COVID-19 safety measures led to some project delays that will be addressed in the coming year. QIB is, however, in a clear forward trajectory and its Science Strategy Board has strong plans for future programmes of strategic research that will place QIB as an international centre of excellence for gut health, nutrition and food safety.

GOING CONCERN

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

The Trustees have prepared cash flow forecasts for the period to March 2025 which indicate that, taking account of reasonable possible downsides and the anticipated impact of COVID-19 on the operations and its financial resources, the Institute will have sufficient funds to meet its liabilities as they fall due for that period.

The Institute is reliant on its strategic programme funding from BBSRC, which was £11.5m in the year (2020: £9.7m). BBSRC has confirmed continued strategic funding of £8.2m for the year to March 2022 plus provisional funding for a further year to March 2023 subject to the next government spending review. The Institute expects its funding for the year to March 2023 to be confirmed in late 2021 based on feedback from BBSRC.

Like most research organisations, the Institute's activities have been impacted by COVID-19

measures. From late March 2020 until June 2020, the Institute's facilities were closed to all staff and students, except for essential work and activity supporting COVID-19-related testing and research. During this period, QIB staff and students have been able to operate effectively from home and, with facilities being re-opened progressively since then, the Institute has been able to successfully maintain its research programmes and projects with minimal financial impact. The Institute has considered the potential financial impact of continued restrictions for the next 12 months, including the potential for a further lockdown. Taking into account experience to date, business continuity arrangements and financial projections, the Institute considers the risk of a significant financial impact from COVID-19 to be low.

Consequently, the Trustees are confident that the Institute will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have been prepared the financial statements on a going concern basis.

FINANCIAL REVIEW

Key performance indicators

QIB's key financial performance indicators during the year were as follows:

<i>Consolidated</i>	2021	2020
	£m	£m
Income excluding capital grants	16.7	13.8
Unrestricted general & designated strategic reserves	10.5	11.0
Cash	19.5	16.6
Value of grant submissions	18.3	20.7
Value of grant awards	5.1	2.7

The main indicator of non-financial performance is Institute publications in relevant scientific journals, as described in 'scientific achievements' above.

Income

Total incoming resources for the year were £22.7m (2020: £15.1m), including £6.1m of capital funding (2020: £1.3m). Income excluding capital grants was £16.7m (2020: £13.8m).

QIB's principal sponsor is the BBSRC, which contributed 81% of total incoming resources (2020: 75%). Other major sources of funding were the European Union, UK government agencies and charities. An analysis of grant income by principal sponsor is included in the notes to the financial statements.

Expenditure

Total resources expended for the year amounted to £20.0m (2020: £16.4m). Staff costs accounted for £8.1m (41%) (2020: £7.6m; 46%) of expenditure.

Fundraising

QIB does not carry out any significant fundraising activities.

Subsidiaries

QIB's trading subsidiary – QIB Extra Limited - contributed an operating profit of £32,000 (2020: £97,000).

Net Movement in Reserves

QIB recorded a net decrease in unrestricted reserves of £2.6m (2020: decrease of £0.1m).

Restricted reserves increased by £5.4m (2020: decreased by £1.2m) due to additional restricted funding from BBSRC and capital funding received.

Cash

Group cash at March 2020 was £19.5m (2020: £16.6m).

QIB deposits its cash with UK registered financial institutions that meet its credit rating policy and are subject to agreed counter-party limits. Investment income from cash deposits in the year was £86,000 (2020: £165,000).

Reserves position

Total group reserves increased by £2.7m in the year to £38.1m (2020: decreased by £1.4m to £35.3m).

Restricted reserves increased by £5.4m to £9.6m (2020: decreased by £1.2m), of which £2.5m relates to capital grant funding from BBSRC that may only be utilised on completion of performance conditions.

Unrestricted reserves decreased by £2.6m in the year to £28.5m (2020: £31.2m). Unrestricted reserves include the following:

- A building reserve of £3.1m has been designated to cover the outstanding loan advances to QI Partners (£2.8m) and planned expenditure in connection with the QI building (£0.3m);
- A strategic reserve of £6.5m has been designated to cover planned strategic programme investment to support the development of the Quadram Institute. This reserve is anticipated to be mainly used between 2021 and 2023; and
- A general reserve of £4.0m (2020: £4.1m).

Reserves policy

QIB's reserves are held to support financial solvency, manage uncertainty and fund future activities. The level of reserves required by QIB is therefore determined by reference to:

- Future operational and capital expenditure requirements in the Business Plan to March 2025;
- Potential financial risks identified in the Business Plan and Risk Register;
- Potential funding required for strategic investments not included in the Business Plan;
- Working capital / liquidity requirements.

As noted above, £3.1m has been designated in connection with QIB's loan commitments and planned expenditure in respect of the Quadram Institute building. A further £6.5m has been designated in connection with planned investment in science programmes.

The general reserve of £4.0m (2020: £4.1m) is above the minimum general reserves target of £3.0m set by the Trustees.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place, and confirm that the major risks to which the Institute is exposed have been reviewed and procedures established to manage those risks. The Audit and Risk Committee agrees an annual risk-based internal audit plan which covers major risks identified by management and Trustees. It receives reports from internal auditors on the effectiveness of internal controls, progress against the internal audit plan and progress on recommendations made in reports. The Board reviews a full risk report annually, including a 'heat map' tracking major risks.

The principal risks and uncertainties facing the Institute are considered to be:

Risk area	Description of Risk	Management of Risk
Future BBSRC research funding	<ul style="list-style-type: none"> ➤ BBSRC strategic funding for institutes is reduced due to budgetary pressures. ➤ BBSRC strategic funding is reduced due to scientific performance. 	<ul style="list-style-type: none"> ➤ Regular monitoring of scientific performance against strategic programme objectives. ➤ Regular communication with BBSRC to report performance and ensure strategic alignment of research programmes.
Research income and sponsor diversification	<ul style="list-style-type: none"> ➤ QIB is unable to generate sufficient grant and commercial research income to support the costs of its research activities and infrastructure 	<ul style="list-style-type: none"> ➤ Investment in new research leader positions in progress. ➤ Communication Strategy being developed to increase sponsor awareness of the Quadram Institute.
Staff retention and recruitment	<ul style="list-style-type: none"> ➤ QIB is unable to retain or attract suitably skilled staff to enable it to deliver its science strategy. ➤ In addition to scientific impact, this risk area could also have an impact on the level of funding the Institute is able to attract. 	<ul style="list-style-type: none"> ➤ Strategy and action plans in place, aligned to development of Quadram Institute. ➤ Career development programmes in place to support high potential staff. ➤ Performance Management processes in place.
Quadram Institute	<ul style="list-style-type: none"> ➤ Strategy for the Quadram Institute is not agreed between the partners. ➤ The Quadram Institute is not able to attract suitably skilled staff to enable it to deliver its strategy. ➤ Benefits from the project are not delivered. 	<ul style="list-style-type: none"> ➤ Governance arrangements in place. ➤ Strategy agreed and communicated. ➤ Recruitment plans in progress. ➤ Project plan in place, with identified work streams, terms of reference and appropriate partner representation. ➤ Project assurance framework in place.
QI Building	<ul style="list-style-type: none"> ➤ QI facilities management arrangements are poor value for money. ➤ Inadequate investment leads to facilities that are not fit for purpose. ➤ QI building is not used by partners in line with QI mission. 	<ul style="list-style-type: none"> ➤ Building Services Committee established to monitor facilities management arrangements and tenant coordination. ➤ Building operating costs regularly reviewed and remedial actions agreed. ➤ Lifecycle maintenance plan agreed by the partners.
Technology investment	<ul style="list-style-type: none"> ➤ QIB is unable to keep pace with developments in technology underpinning its science. ➤ Funding is inadequate to sustain and improve technology facilities necessary to deliver scientific objectives. 	<ul style="list-style-type: none"> ➤ Technology strategy has been updated alongside strategy for the Quadram Institute. ➤ Capital funding awarded for the period to March 2023 as part of institute strategic grant award.
Compliance with sponsor funding requirements	<ul style="list-style-type: none"> ➤ QIB fails to comply with sponsor grant requirements resulting in a material financial impact. 	<ul style="list-style-type: none"> ➤ QIB is subject to regular reviews of its grant compliance processes from sponsors and the internal auditors.
Impact of leaving EU	<ul style="list-style-type: none"> ➤ QIB is not able to access EU programme funding or participate in EU research collaborations. ➤ QIB is not able to recruit or retain researchers from EU member countries. 	<ul style="list-style-type: none"> ➤ Regular dialogue with staff, BBSRC, EU partners and other key stakeholders on risks and emerging issues with respect to potential changes in arrangements.
COVID-19	<ul style="list-style-type: none"> ➤ Loss of research activity due to staff becoming ill, or not being able to attend work due to the COVID-19. ➤ Loss of income or additional costs incurred as a result of the impact of Covid-19 on activity. ➤ Failure of supply chain. 	<ul style="list-style-type: none"> ➤ Building has been reopened subject to strict H&S/risk management protocols. ➤ Business Continuity Group established to implement policies and oversee arrangements. ➤ UKRI funding received to mitigate impact on grants and studentships.

TRUSTEES' REPORT

GOVERNANCE AND MANAGEMENT

Organisation and governance

Quadram Institute Bioscience (referred to as "QIB", the "Institute", the "Charity" or the "Company") is a company limited by guarantee (registered number 03009972) and a registered charity (number 1058499). During the year, QIB was governed by its Memorandum and Articles of Association adopted on 31 July 2018.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Board of Trustees

The Board of Trustees comprises an independent Chair, up to seven independent members and up to nine UEA-appointed members. The Trustees who served during the year and up to the date of signing these financial statements were:

Trustees	Sub-committees	Changes during the period
<i>At date of Report:</i>		
Dr C Caulcott (Chair)	Remuneration & Nomination Committee	-
Dr E Blair	Audit & Risk Committee; Remuneration & Nomination Committee	Appointed 14 May 2020
Prof F Lettice	Science Innovation & Advisory Committee (Chair)	-
Prof P Morgan	Remuneration & Nomination Committee (Chair)	-
Mr G Potter	Audit & Risk Committee	Appointed 14 May 2020
Dr E Robertson	Science Innovation & Advisory Committee	Appointed 14 May 2020
Mrs J Waterfield	Audit & Risk Committee (Chair)	-
<i>Served during the year:</i>		
Dr T Brears (Chair)	Remuneration & Nomination Committee	Resigned 14 May 2020
Prof S Walker	Audit & Risk Committee; Remuneration & Nomination Committee	Resigned 17 June 2020

The Board has established sub-committees to assist in exercising their company and charity stewardship responsibilities. The Audit and Risk Committee oversees internal controls, risk management and audit. The Remuneration and Nominations Committee considers remuneration, nominations, talent and succession.

The Science Innovation and Advisory Committee assists the development and maintenance of QIB's science in relation to direction, balance, strategy and quality.

Members

The Members are all guarantors of QIB, a company limited by guarantee and a registered charity, of an amount not exceeding £1. The Members of QIB during the year were:

- UK Research and Innovation - Biotechnology and Biological Sciences Research Council ("BBSRC");
- the University of East Anglia ("UEA"); and
- the Norfolk and Norwich University Hospitals NHS Foundation Trust ("NNUH").

UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party. BBSRC, UEA and NNUH each have the right to nominate an "observer" to attend Board meetings. Observers are not entitled to vote and do not hold any authorities.

Recruitment, induction and training of Trustees

The Remuneration and Nominations Committee leads the process for Board appointments and makes recommendations to the Board for the appointment of the Chair and Board Trustees. The appointment to Chair is made in agreement with the Members. The Committee makes recommendations to the Board on the Board's composition ensuring that the Board has an appropriate balance of skills, capabilities, expertise, experience and diversity to allow it to meet its strategic and organisational objectives.

The Institute advertises nationally for prospective Trustees to ensure appropriate expertise on the Board

is maintained. The Institute will also approach individuals thought to have the right skills.

New Board Trustees are invited to spend time with members of the executive team. This is a chance to learn about the Institute and get more involved with the institute's work. In addition to the five formal meetings, all Trustees receive regular presentations from QIB's scientists and briefings on key issues.

Trustee remuneration

QIB remunerates Trustees where the Board considers payment is necessary to attract Trustees with specialist skills and experience. The power to remunerate Trustees is included in QIB's Articles of Association and has been approved by the Charities Commission.

During the year, Dr Celica Caulcott received £10,000 remuneration in connection with her role as Chair of QIB Board of Directors (2020: none).

One member of the Board of Trustees was reimbursed for travel expenses incurred during the year (2020: four). The total amount reimbursed was £1,514 (2020: £690).

Key Management Personnel

The Trustees delegate management of the day-to-day activities of the charitable company to the Institute Director and Executive Board, who are considered to be the key management personnel for the institute.

The Executive Board (EB) works to support the Institute Director in developing scientific, financial, business and administrative policy and strategy. EB will monitor policy implementation and ensure that such policy is embedded in the day-to-day working of the Institute. EB is supported by the executive Science Strategy Board and the Management Forum.

EB membership during the year was as follows:

- Institute Director (EB Chair)
- Director of Operations
- Chief Business Officer
- Finance Director
- Leader Gut Health & Food Safety ISP
- Leader Microbes in the Food Chain ISP
- Leader Food and Health ISP
- Head of HR

Employees

QIB staff that joined before 1 October 2011 were employed by BBSRC up to 1 October 2017, when they transferred employment to the Institute under TUPE.

Transferred employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

QIB has recruited all new staff from October 2011 on its own terms and conditions, covering basic pay and allowances, contractual payments, tax, NI, and liabilities for pension contributions and redundancy. Such staff are eligible to join a defined contribution scheme.

QIB employs a number of group leaders jointly with UEA. Staff are employed under QIB terms & conditions, but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits.

Communication

QIB provides all staff with relevant information and seeks their views on matters of common concern through their representatives and through line managers. Priority is given to ensuring that employees are aware of all significant matters affecting QIB's position and any significant organisational changes

Equality and Diversity

It is the Institute's policy to provide equal opportunities to job applicants and employees of any race, nationality, ethnic origin, marital status, religion or belief, gender, disability, sexual orientation, age or employment status. The Institute does not condone or tolerate any form of discrimination in its recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities and are accountable for the impact of their own behaviour and actions. All the Institute's policies follow these principles.

RELATED PARTIES

Subsidiaries

QIB's subsidiaries in the year were as follows:

- QIB Extra Limited (contract research);
- IFR Enterprises Limited (dormant);
- IFR NRP Capital Limited (dormant).

NBI Partnership

QIB has a 25% interest in NBI Partnership Limited ("NBIP"). NBIP supplies support and administrative services to QIB and the other Norwich Institutes (John Innes Centre, Earlham Institute and The Sainsbury Laboratory) on a not-for-profit basis. NBIP fully recharges its costs to the four research organisations and accordingly it generates no profit or loss.

QI Partners

QIB is a member of QI Partners along with BBSRC, UEA and NNUH. QI Partners has been established for the purposes of constructing and managing the Quadram Institute building and providing such facilities for charitable use. QIB does not have any significant influence on QI Partners' financial and operating policies.

On 29 March 2019, QIB entered into a lease agreement for accommodation in the Quadram Institute building from QI Partners.

QIB has agreed to provide QI Partners with a loan facility of £5.4m, which is repayable between November 2018 and August 2022. As at 31 March 2021, £2.8m of the facility was drawn down by QI Partners (2020: £3.8m). The loan has been provided on an arm's length basis and interest is payable on the loan at a rate of 3.0% pa.

University of East Anglia (UEA)

University of East Anglia is a member of the charitable company. UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party. The majority of QIB PhD students are registered with the UEA.

Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH)

NNUH is a member of the charitable company. NNUH is entitled to appoint an observer to attend, speak and provide information to meetings of the Board of Trustees, however such observers have no right to vote at any such meeting.

Anglia Innovation Partnership LLP (AIP LLP)

QIB is a member of Anglia Innovation Partnership LLP through its 100% subsidiary, IFR NRP Capital Limited. The objective of AIP LLP is to develop and sustain the Norwich Research Park as an international centre for

food, health, plant, microbial and environmental research, innovation and enterprise. QIB is entitled to receive a share of certain profits generated by AIP LLP, however it has no liability for losses or in the event of insolvency. AIP LLP has not yet generated any profits.

BBSRC

BBSRC is a member of the charitable company. BBSRC is entitled to appoint an observer to attend, speak and provide information to meetings of the Board of Trustees, however such observers have no right to vote at any such meeting.

QIB is strategically funded, along with seven other institutes, by BBSRC. BBSRC supports QIB via strategic programme funding programmes, competitively won project grants and capital funding for infrastructure and technology investments. The principal terms and conditions under which BBSRC provides its funding are set out in the Institute Grant Agreement. Key conditions include:

- BBSRC and the Institute shall meet at least annually to review and discuss the implementation and progress of the Institute's business, including strategic and financial plans.
- The Institute shall submit a draft Business Plan, covering a period of at least five years, for discussion.
- The Institute will demonstrate appropriate plans for the maintenance, renewal and development of the estate through a rolling 10-year Institute Estates Strategy covering capital projects, long term and routine maintenance.

BBSRC is part of UK Research and Innovation (UKRI), an organisation that brings together the UK's seven research councils, Innovate UK and Research England.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF QUADRAM INSTITUTE BIOSCIENCE IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Public benefit

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Based on this guidance, and as described in this Trustees' report, the Trustees believe the activities of Quadram Institute Bioscience to be charitable in nature.

Insurance Disclosure

The Institute maintains liability insurance for its trustees, with an annual aggregate cover limit for all claims against them in that capacity. The trustees have also been granted a qualifying third party provision under section 233 of Companies Act 2006. Neither the Institute's indemnity nor insurance provides cover in the event that a trustee is proved to have acted fraudulently or dishonestly.

Disclosure of information to auditor

The trustees confirm that:

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

Independent auditors

Larking Gowen LLP have been appointed as auditors and a resolution has been passed by the Board, concerning their appointment as auditors.

On behalf of the Board of Trustees



Dr C Caulcott, Trustee Chair
8th December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUADRAM INSTITUTE BIOSCIENCE

Opinion

We have audited the financial statements of Quadram Institute Bioscience (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charitable Company Balances Sheets, Consolidated Statement of Cash Flows and Notes to the Accounts, including significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 groups and parent 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 group or parent 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

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Due to the field in which the group operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with UK tax legislation, UK accounting standards, UK charity law and the Companies Act 2006. In addition, we considered the provisions of other laws and regulations which whilst not having a direct impact on the financial statements, are fundamental to the group's ability to operate including health and safety; employment law, and compliance with various other regulations relevant to the conduct of the group's operations.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

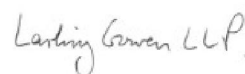
- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace, potential litigation or claims and fraud;
- Reviewing legal and professional fees to confirm matters where the group engaged lawyers during the year;
- Reviewing financial statement disclosures and tax matters, and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing board minutes and any relevant correspondence with external authorities;
- Challenging assumptions and judgements made by management in their significant accounting estimates, particularly in relation to the recognition of grant income; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of any significant transactions outside the normal course of business.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

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.



Anders Rasmussen FCA (Senior Statutory Auditor)
for and on behalf of

Larking Gowen LLP

Chartered Accountants & Statutory Auditors
Norwich

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

(Incorporating an income and expenditure account)

	Note	Unrestricted funds £000	Restricted general funds £000	Restricted capital funds £000	Total 2021 £000	Total 2020 £000
Incoming resources						
<i>Income from Charitable activities</i>						
Grant income		-	14,820	-	14,820	12,143
Capital and maintenance grants		-	3,243	2,826	6,069	1,302
Other charitable income		775	230	-	1,005	503
<i>Income from other trading activities</i>						
Trading income		642	-	-	642	798
<i>Investment income</i>						
		195	-	-	195	312
Total income	2	1,612	18,293	2,826	22,731	15,058
Expenditure						
Charitable activities		(662)	(17,557)	(981)	(19,200)	(15,547)
Raising funds		(184)	-	-	(184)	(172)
Trading expenditure		(614)	-	-	(614)	(711)
Total expenditure	3	(1,460)	(17,557)	(981)	(19,998)	(16,430)
Net income/(expenditure)		152	736	1,845	2,733	(1,372)
<i>Transfers</i>						
Capital transfers	18	(603)	-	603	-	-
Other transfers	18	(2,178)	2,178	-	-	-
Net movement in funds for the year		(2,629)	2,914	2,448	2,733	(1,372)
Funds brought forward	18	31,150	-	4,191	35,341	36,713
Funds carried forward	18	28,521	2,914	6,639	38,074	35,341

The Consolidated Statement of Financial Activities ("SoFA") includes all gains and losses recognised in the year. All incoming resources and expenditure relates to continuing activities.

The accompanying notes form part of these financial statements.

CONSOLIDATED AND CHARITABLE COMPANY BALANCE SHEETS

AS AT 31 MARCH 2021

	Note	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
<i>Fixed assets</i>					
Tangible assets	9	19,078	18,364	19,078	18,363
Intangible assets	10	-	12	-	12
Total fixed assets		19,078	18,376	19,078	18,375
<i>Current assets</i>					
Debtors	12	9,632	6,508	9,584	6,519
Cash at bank and in hand	13	19,457	16,595	19,183	16,385
		29,089	23,103	28,767	22,904
<i>Current liabilities</i>					
Creditors: amounts falling due within one year	14	(10,093)	(6,102)	(9,796)	(5,989)
Total net current assets		18,996	17,001	18,971	16,915
Total assets less current liabilities		38,074	35,377	38,049	35,290
Provisions for liabilities and charges	16	-	(36)	-	(36)
Total net assets	17	38,074	35,341	38,049	35,254

Funds of the charity

Unrestricted funds

Fixed assets reserve	18	14,972	15,746	14,972	15,739
Designated strategic reserves	18	6,486	6,921	6,486	6,921
Designated building reserves	18	3,050	4,375	3,050	4,375
General reserve	18	4,013	4,108	3,988	4,022
Total unrestricted funds		28,521	31,150	28,496	31,057

Restricted funds

Fixed assets reserve	18	4,106	2,630	4,106	2,636
Restricted general	18	2,914	-	2,914	-
Capital reserve	18	2,533	1,561	2,533	1,561
Total restricted funds		9,553	4,191	9,553	4,197

Total charity funds	18	38,074	35,341	38,049	35,254
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A separate income and expenditure account has not been presented for QIB as this is exempted by Section 408 of the Companies Act 2006. The profit after tax of QIB was £2,795,000 (2020: loss of £1,297,000).

The financial statements on pages 15 to 32 were approved by the Board of Trustees on 8th December 2021 and were signed on its behalf by:



Dr C Caulcott, Trustee Chair

The accompanying notes form part of these financial statements.

Company registration number: 03009972

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Total 2021 £000	Total 2020 £000
Cash flow from operating activities		
Operating surplus/(deficit)	2,733	(1,372)
Interest receivable	(195)	(312)
Depreciation and amortisation	981	804
Capital grants received	(6,069)	(1,302)
Loss on disposal of tangible assets	2	4
Decrease in stocks	-	32
Increase in debtors	(4,099)	(561)
Increase in creditors	3,991	1,846
Decrease in provisions	(36)	(215)
Net cash provided by/(used in) operating activities	(2,692)	(1,076)
Cash flow from investing activities		
Interest received	195	312
Repayment of loan	975	1,300
Purchase of tangible assets	(1,693)	(3,242)
Disposal Proceeds	8	-
Capital grants received	6,069	1,302
Net cash provided by/(used in) investing activities	5,554	(328)
Change in cash and cash equivalents in the reporting period	2,862	(1,404)
Cash and cash equivalents at the beginning of the reporting period	13	16,595
Cash and cash equivalents at the end of the reporting period	13	16,595

The movement in net debt for the current and prior year is identical to the movements in cash flow set out above.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a. Basis of preparation

The group financial statements have been prepared under the historical cost convention and applicable accounting standards. They have also been prepared in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The principal accounting policies adopted in these financial statements, which have been consistently applied, are:

b. Basis of consolidation

The consolidated financial statements incorporate the financial statements of Quadram Institute Bioscience ("QIB") and all its subsidiary undertakings in accordance with Financial Reporting Standard ("FRS") 102 "Accounting for Subsidiary Undertakings".

The financial statements of all group undertakings and associates are made up to 31 March 2021.

QIB is one of four members of QI Partners ("QIP"). QIP is accounted for as an investment rather than an associate and has not been consolidated in the QIB financial statements on the basis that QIB does not have significant influence over QIP financial and operating policies.

QIB is one of four members of NBIP Partnership Limited ("NBIP"). The group accounts for NBIP as an associate, although in practice the company makes no profit or loss and has net assets of NIL, therefore has no impact on the Group financial statements.

c. Going concern

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons:

The Trustees have prepared cash flow forecasts for the period to March 2025 which indicate, taking account of reasonable possible downsides and that the anticipated impact of COVID-19 on the operations and its financial resources, the Institute will have sufficient funds to meet its liabilities as they fall due for that period.

The Institute is reliant on its strategic programme funding from BBSRC, which was £11.5m in the year (2020: £9.7m). BBSRC has confirmed continued strategic funding of £8.2m for the year to March 2022 plus provisional funding for a further year to March 2023 subject to the next government spending review. The Institute expects its funding for the year to March 2023 to be confirmed in late 2021 based on feedback from BBSRC.

Like most research organisations, the Institute's activities have been impacted by COVID-19 measures. From late March 2020 until June 2020, the Institute's facilities were closed to all staff and students, except for essential work and activity supporting COVID-19-related testing and research. During this period, QIB staff and students have been able to operate effectively from home and, with facilities being re-opened progressively since then, the Institute has been able to successfully maintain its research programmes

and projects with minimal financial impact. The Institute has considered the potential financial impact of continued restrictions for the next 12 months, including the potential for a further lockdown. Taking into account experience to date, business continuity arrangements and financial projections, the Institute considers the risk of a significant financial impact from COVID-19 to be low.

Consequently, the Trustees are confident that the Institute will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have been prepared the financial statements on a going concern basis.

d. Judgements in applying accounting policies and key sources of estimation

Preparation of the financial statements require management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Depreciation, which has been charged in line with the accounting policy below. The amount of depreciation charged and net book value of the assets is included in Note 9.

e. Income

Charitable grant income represents grants received and receivable in the year from outside granting bodies and other miscellaneous income. Grants that provide core funding are recognised in the year in which entitlement passes. Grant funding received to undertake research is recognised in the year in which the obligation is fulfilled. Grant funding is released to match expenditure incurred during the year together with any related contributions towards overhead costs.

Trading income relates to the non-charitable services undertaken by QIB Extra Limited ("QIBX") and is recognised in accordance with the terms of the contracts entered into, reflecting the point at which the obligations of the company have been satisfied.

Investment income relates to interest receivable from treasury deposits and related party loans. The interest is recognised in the year in which it is earned.

Capital grants are recognised in the Consolidated Statement of Financial Activities ("SoFA") when entitlement passes, which is typically on receipt. Where capital funding includes terms and conditions that must be met before there is unconditional entitlement, the grant income is recognised as those conditions are met, which usually results in capital funding being recognised to match the capital costs incurred.

Where income has been received in advance of conditions being met, the income is deferred until those conditions have been fully satisfied.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

f. Expenditure

Expenditure on charitable activities represents the full cost of the research performed. It includes the cost of direct staff, consumable stocks and indirect costs apportioned on the basis of use.

Costs of generating funds represent the cost of obtaining funds for research, preparing grant applications and raising the profile of QIB. Costs incurred in preparing grant applications, which primarily comprise staff costs, have been approximated based upon a sample review of time taken to prepare the detailed applications.

Governance costs represent the necessary cost of compliance with statutory and constitutional requirements and any other costs which are not direct charitable expenditure.

Support costs have been wholly allocated to charitable activity expenditure based upon activity as indicated in note 4 to the financial statements.

g. Restricted funds

Where research at QIB is funded by grants with conditions attached to them, these are shown as restricted. Capital grants received and receivable together with other restricted funds received and receivable and used to purchase tangible assets are included within restricted funds.

A restricted fixed assets reserve has been established representing the net book value of fixed assets purchased from capital grants. The reserve is shown as restricted due to continuing conditions in connection with the capital grants and assets purchased.

Restricted reserves include a designated capital reserve of £2.5m (2020: £1.5m) in connection with funding received from BBSRC, which may only be utilised in line with grant conditions.

h. Unrestricted funds

These include the strategic programme grants from the Biotechnology and Biological Sciences Research Council ("BBSRC") and any other grants which do not have specific conditions attached to them.

A fixed assets reserve has been established within unrestricted reserves representing the net book value of fixed assets funded from unrestricted reserves.

Unrestricted reserves that have been designated by the Board for specific purposes are shown in separate designated reserves. As at March 2021, £9.5m (2020: £11.3m) of unrestricted reserves have been designated in relation to planned capital and science investment associated with the development of the Quadram Institute.

i. Capital Transfers

A transfer from unrestricted to restricted reserves equal to the depreciation charge for assets purchased from unrestricted reserves is made as a capital transfer.

A transfer from restricted to unrestricted reserves is made following the completion of performance conditions in connection with restricted capital grant activity.

j. Other Transfers

A transfer from restricted to unrestricted reserves is made following the completion of performance conditions in connection with restricted non-capital grant activity.

k. Tangible fixed assets and depreciation

Tangible assets are shown at cost or valuation less accumulated depreciation. The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated to write off the cost or valuation less the estimated residual value of tangible assets by equal instalments over their estimated useful economic lives as follows:

Leasehold land and buildings	over lease term or useful life, if shorter;
Plant and machinery	5 years
Scientific apparatus and equipment	5 to 10 years
Motor vehicles	4 years
Other apparatus and equipment	3 to 5 years

The leasehold improvements have been depreciated over the shorter of their estimated economic life and the remainder of the lease period.

Tangible assets under construction are not depreciated until the asset is in full use.

l. Intangible fixed assets and amortisation

Computer Software development costs are recognised as intangible fixed assets at cost less amortisation and any provision for impairment. Intangible assets are amortised over the estimated life of the asset acquired less any residual value.

Amortisation is calculated to write off the cost or valuation less the estimated residual value of intangible assets by equal instalments over their estimated useful economic lives as follows:

Computer Software	3 to 5 years
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Intangible assets under construction are not amortised until the asset is in full use.

m. Cash balances held as grant co-ordinator

Cash balances held on behalf of the European Union in the charitable company's capacity as grant co-ordinator are included within cash on the charitable company's balance sheet, and details are disclosed in note 22 to the financial statements.

n. Debtors

Debtors are non-interest bearing (excluding loan balances) and are stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts.

Included in debtors is a loan (£2.8m) provided to QI Partners, which is repayable between November 2018 and August 2022. The loan has been provided on an arm's length basis and interest is payable on the loan at a rate of 3.0% pa.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

o. Trade creditors

Trade creditors are non-interest bearing and are stated at their nominal value.

p. Provisions

A provision is recognised in the financial statements where there is a legal or constructive obligation to transfer economic benefit to a third party.

q. Staff and Pensions

All staff employed by QIB (formerly Institute of Food Research) on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). The Deployed Employees remained with the Institute on an exclusive and full-time basis and day-to-day direction and line management of the Deployed Employees was delegated to QIB, subject to the terms of the BBSRC Employment Contract. QIB retained responsibility for paying employment costs in relation to the Deployed Employees, including basic pay and allowances, contractual payments, tax, NI and pension contributions.

On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE.

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

QIB staff that joined after 30 September 2011 are eligible to join a defined contribution scheme.

The Company employs some staff jointly with the University of East Anglia. Staff are employed under QIB terms & conditions, but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits. Accordingly, these arrangements have been accounted for as defined contribution scheme.

r. Termination benefits

Redundancy payments are recognised as a liability and an expense only when the event is demonstrably committed to by either: a. termination of the employment of an employee or group of employees before the normal retirement date, or b. provision of termination benefits as a result of an offer made in order to encourage voluntary redundancy.

s. Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

t. Foreign currency transactions

The functional and reporting currency of the charity is pounds sterling.

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at year end exchange rates.

All gains and losses are taken to the Statement of Financial Activities in the year to which they relate.

u. Financial instruments

Financial assets and financial liabilities are recognised upon becoming a party to the contractual provisions of the instrument.

The group only enters into basic financial instrument transactions that result in financial assets and liabilities like trade and other accounts receivable and payable.

NOTES TO THE ACCOUNTS

2. ANALYSIS OF INCOMING RESOURCES

	Research activities £000	Other activities £000	Total 2021 £000	Research activities £000	Other activities £000	Total 2020 £000
Grant income						
BBSRC	12,402	-	12,402	10,017	-	10,017
Other government departments	1,011	-	1,011	471	-	471
European Union	488	-	488	403	-	403
Other grants	919	-	919	1,252	-	1,252
Total grant income	14,820	-	14,820	12,143	0	12,143
Capital and maintenance grants						
BBSRC						
Capital expenditure	6,069	-	6,069	1,302	-	1,302
Total capital grants	6,069	-	6,069	1,302	-	1,302
Other charitable income						
Miscellaneous income	-	1,005	1,005	-	503	503
Total other charitable income	-	1,005	1,005	-	503	503
Trading income						
QIB Extra	-	642	642	-	798	798
Total trading income	-	642	642	-	798	798
Investment income						
Interest receivable on cash deposits	-	86	86	-	165	165
Other interest receivable	-	109	109	-	147	147
Total investment income	-	195	195	-	312	312
Total incoming resources	20,889	1,842	22,731	13,445	1,613	15,058

QIB's activities consist principally of scientific research in the United Kingdom.

- Grant income of £14,820k (2020: £12,143k) is all restricted general funds.
- Capital grants of £6,069k (2020: £1,302k), £3,243k (2020: £82k) is restricted general funds and £2,826k (2020: £1,210k) is restricted capital funds
- Other charitable income of £1,005k (2020: £503k), £775k (2020: £313k) is unrestricted funds and £230k (2020: £190k) is restricted general funds
- In both periods all trading and investment income is unrestricted.

NOTES TO THE ACCOUNTS

3. ANALYSIS OF EXPENDITURE

	Research activities	Student activities	Other activities	Total 2021	Research activities	Student activities	Other activities	Total 2020
Note	£000	£000	£000	£000	£000	£000	£000	£000
Direct charitable expenditure								
Staff costs	7,146	-	-	7,146	6,592	-	-	6,592
Direct costs	5,130	546	-	5,676	2,651	490	-	3,141
Depreciation	981	-	-	981	804	-	-	804
Buildings maintenance	348	-	-	348	190	-	-	190
Governance costs	-	-	36	36	-	-	44	44
Support costs	4 4,759	254	-	5,013	4,534	242	-	4,776
Expenditure on charitable activities	18,364	800	36	19,200	14,771	732	44	15,547
Raising funds	-	-	184	184	-	-	172	172
Trading expenditure	-	-	614	614	-	-	711	711
Total expenditure	18,364	800	834	19,998	14,771	732	927	16,430

Included within expenditure on charitable activities is restricted general expenditure of £17,557k (2020: £12,482k), and restricted capital expenditure (depreciation) of £981k (2020: £804k). All other expenditure is unrestricted.

Staff costs are allocated based on time spent by staff. Depreciation is allocated based on the usage of assets. Other costs are allocated on the basis of their nature.

Analysis of governance costs	Total 2021	Total 2020
	£000	£000
Staff costs	16	18
Other costs	20	26
Total governance costs	36	44

4. ALLOCATION OF SUPPORT COSTS

	Research activities	Student activities	Total 2021	Research activities	Student activities	Total 2020	Basis of Allocation
	£000	£000	£000	£000	£000	£000	
Lab management	141	8	149	142	8	150	Headcount
Institute management	589	33	622	590	33	623	Headcount
Scientific services	251	14	265	404	23	427	Headcount
Facilities management and utilities*	1,780	100	1,880	1,710	97	1,807	Headcount
Finance and Purchasing*	639	36	675	440	25	465	Headcount
Computing and Library*	498	28	526	427	24	451	Headcount
Human Resources*	159	9	168	152	9	161	Headcount
Public engagement	346	19	365	305	17	322	Headcount
Health and Safety*	109	6	115	99	6	105	Headcount
Other support services*	247	1	248	265	-	265	Headcount
Total support costs	4,759	254	5,013	4,534	242	4,776	

*Includes services supplied by NBI Partnership Limited (see note 21).

NOTES TO THE ACCOUNTS

5. TAXATION

QIB is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The trading activities of the subsidiary companies are subject to corporation tax; however profits in the year are gifted to the charitable company resulting in a £nil (2020: £nil) tax charge payable.

There is no provision for deferred tax on fair value adjustments because any chargeable gains are applied to charitable objectives so no tax liability arises.

6. OPERATING SURPLUS/(DEFICIT)

Operating surplus/(deficit) is stated after charging/(crediting):

	Total	Total
	2021	2020
	£000	£000
Audit services:		
Fees payable for the audit of the charitable company and consolidated financial statements	22	22
Fees payable for the audit of the charitable company's subsidiaries pursuant to legislation	2	2
Depreciation	981	804
Hire of plant and equipment	18	48
Loss on disposal of tangible assets	2	4
Loss/(Gain) on foreign exchange translations	59	(21)

7. REMUNERATION OF THE BOARD OF TRUSTEES

QIB has been given approval by the Charities Commission to remunerate Trustees where the Board considers that payment is necessary to attract Trustees with specialist skills and experience. The power to remunerate Trustees is included in the QIB's Articles of Association.

One member of the Board of Trustees received remuneration from the group during the year for duties as a trustee (2020: none). Total trustee remuneration in the year was £10,000 (2020: £nil).

One member of the Board of Trustees was reimbursed for expenses incurred during the year (2020: four). The total amount reimbursed was £1,514 (2020: £690).

NOTES TO THE ACCOUNTS

8. EMPLOYEE INFORMATION

The average monthly number of persons employed by or deployed to the group during the year, analysed by category, was as follows:

Group	2021 Number	2020 Number
Scientific	162	138
Office management and services	20	29
Total	182	167

The aggregate payroll costs of these persons were:

	2021 £000	2020 £000
Wages and salaries	6,480	5,982
Redundancy payments	56	126
Social security costs	683	620
Other pension costs	889	843
Total	8,108	7,571

As required by the Statement of Recommended Practice applicable to charities, an analysis has been provided below of the number of staff who fall within staff cost bands (excluding pension cost) from £60,000 upwards:

Group and charitable company	2021 Number	2020 Number
£60,000 - £69,999	7	9
£70,000 - £79,999	7	7
£80,000 - £89,999	4	1
£90,000 - £99,999	1	1
£100,000 - £109,999	1	1
£110,000 - £119,999	1	2
£120,000 - £129,999	1	1
£130,000 - £139,999	1	-
Total	23	22

The number of staff with emoluments greater than £60,000 who are also members of the Research Councils' Pension Schemes was seven (2020: five). Seven staff with emoluments greater than £60,000 are members of a Defined Contribution Pension Scheme (2020: six).

All staff employed by QIB on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE. Transferring employees retain their membership of the Research Councils Pension Scheme, where applicable, with QIB becoming an admitted employer in the scheme.

QIB staff that joined after 30 September 2011 are employed under QIB terms & conditions.

The key management personnel of the parent charity, Quadram Institute Bioscience, comprise of the trustees and the members of the Executive Board. The total employee benefits of the key management personnel of the charity were £734,001 (2020: £565,488).

The key management personnel of the group comprise those of the charity and the key management personnel of the wholly owned subsidiary, QIB Extra Ltd. The key management personnel of QIB Extra Ltd are the Director of Operations and the Head of QIB Extra Operations. The costs of the key management personnel to QIB Extra was £44,985 (2020: £45,737).

The employee benefits of the key management personnel for the group was £778,986 (2020: £611,225).

NOTES TO THE ACCOUNTS

9. TANGIBLE ASSETS

Group	Leasehold land and buildings £000	Apparatus and equipment £000	Assets under construction £000	Total £000
Cost/Valuation				
At 1 April 2020	14,609	11,591	727	26,927
Transfer	-	649	(649)	-
Additions	-	225	1,468	1,693
Disposals	-	(525)	(10)	(535)
At 31 March 2021	14,609	11,940	1,536	28,085
Accumulated Depreciation				
At 1 April 2020	240	8,323	-	8,563
Charge for the year	245	724	-	969
Disposals	-	(525)	-	(525)
At 31 March 2021	485	8,522	-	9,007
Net book value at 31 March 2021	14,124	3,418	1,536	19,078
Net book value at 31 March 2020	14,369	3,268	727	18,364
Charitable company				
	Leasehold land and buildings £000	Apparatus and equipment £000	Assets under construction £000	Total £000
Cost/Valuation				
At 1 April 2020	14,609	11,494	727	26,830
Transfer	-	649	(649)	-
Additions	-	225	1,468	1,693
Disposals	-	(525)	(10)	(535)
At 31 March 2021	14,609	11,843	1,536	27,988
Accumulated Depreciation				
At 1 April 2020	240	8,227	-	8,467
Charge for the year	245	723	-	968
Disposals	-	(525)	-	(525)
At 31 March 2021	485	8,425	-	8,910
Net book value at 31 March 2021	14,124	3,418	1,536	19,078
Net book value at 31 March 2020	14,369	3,267	727	18,363

All of the tangible assets of the charitable company are used for charitable purposes.

Assets under construction represent capital items which are not yet in full economic use.

NOTES TO THE ACCOUNTS

10. INTANGIBLE ASSETS

Group and charitable company	Software development £000	Total £000
Cost/Valuation		
At 1 April 2020	147	147
Additions	-	-
Disposals	-	-
At 31 March 2021	147	147
Accumulated Depreciation		
At 1 April 2020	135	135
Charge for the year	12	12
Disposals	-	-
At 31 March 2021	147	147
Net book value at 31 March 2021	-	-
Net book value at 31 March 2020	12	12

The intangible asset relates to internally generated research software.

11. INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

Subsidiaries

The following are the operating subsidiary undertakings in which the charitable company has an interest:

Subsidiary Undertaking	Registration number	Country of registration	Principal activity	Class and percentage of shares held
QIB Extra Limited	06500711	England	Contract research	100% ordinary shares
IFR Enterprises Limited	03398534	England	Dormant	100% ordinary shares
IFR NRP Capital Limited	08132483	England	Dormant	100% ordinary shares

The charitable company owns 100% of the ordinary share capital of IFR Enterprises Limited (cost: £3), QIB Extra Limited (cost: £100) and IFR NRP Capital Limited (cost: £1), all of which are incorporated in England. The subsidiaries are used for trading activities.

The companies' results for the year were as follows:

Profit and loss account	IFR Enterprises Limited £000	QIB Extra Limited £000	IFR NRP Capital Limited £000	Total 2021 £000	Total 2020 £000
Turnover	-	646	-	646	808
Cost of sales	-	(346)	-	(346)	(477)
Gross profit	-	300	-	300	331
Administrative expenses	-	(268)	-	(268)	(234)
Operating profit retained in subsidiary	-	32	-	32	97

In addition to the above, £93,852 (2020: £172,059) in Gift Aid was paid to the charitable company in the year.

The charitable company has committed to provide financial support to QIB Extra Limited ("QIBX"), and not demand repayment of amounts due to it, in order to enable QIBX to meet its liabilities as they fall due – but only to the extent that money is not otherwise available to the company to meet such liabilities – for a period of at least 12 months from the signing of the financial statements of QIBX for the year ended 31 March 2021.

IFR NRP Capital Limited is a member of Anglia Innovation Partnership LLP, which is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. IFR NRP Capital Limited did not trade during the year.

NOTES TO THE ACCOUNTS

12. DEBTORS

		Group	Group	Company	Company
	Note	2021	2020	2021	2020
		£000	£000	£000	£000
<i>Grants receivable:</i>					
from government bodies		3,477	548	3,477	548
from other sources		1,521	963	1,521	963
Trade debtors		322	84	211	11
Amounts owed by subsidiary undertakings		-	-	75	89
Amounts owed by other related parties	21	3,524	4,347	3,524	4,346
Other debtors		83	178	83	178
Prepayments and accrued income		705	388	693	384
Total amounts falling due within one year		9,632	6,508	9,584	6,519

Included in the above amounts is £2,800k (2020: £3,775k) unsecured loan to QI Partners, of which £1,250k is repayable in over one year. Interest is payable on the loan at a rate of 3.0% per annum.

13. CASH AT BANK AND IN HAND

		Group	Group	Company	Company
		2021	2020	2021	2020
		£000	£000	£000	£000
Cash at bank		19,454	16,593	19,180	16,383
Cash in hand		3	2	3	2
Total		19,457	16,595	19,183	16,385

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		Group	Group	Company	Company
	Note	2021	2020	2021	2020
		£000	£000	£000	£000
<i>Grants received in advance:</i>					
from government bodies		951	793	951	793
from other sources		2,332	1,485	2,179	1,473
Amounts owed to subsidiary undertakings		-	-	-	-
Amounts owed to other related parties	21	3,467	853	3,467	853
Trade creditors		425	498	419	486
Other creditors		1,415	1,106	1,415	1,100
Accruals and deferred income		1,342	1,206	1,204	1,123
Taxation and social security		161	161	161	161
Total amounts falling due within one year		10,093	6,102	9,796	5,989

NOTES TO THE ACCOUNTS

15. RECONCILIATION OF MOVEMENT IN GRANTS RECEIVABLE

Group	Note	Total 2021 £000	Total 2020 £000
Grants receivable	12	4,998	1,511
Grants received in advance	14	(3,283)	(2,278)
Net grants received in advance		1,715	(767)
Net grants received in advance at beginning of year		(767)	(872)
Grant monies received during the year		(13,343)	(12,541)
Grant money released to SOFA during the year		15,825	12,646
Net grants received in advance at end of year		1,715	(767)

16. PROVISIONS FOR LIABILITIES AND CHARGES

Group and charitable company	Dilapidations provision £000	Total 2021 £000	Total 2020 £000
Provision at beginning of year	36	36	251
Charge in the year	(36)	(36)	(34)
Utilised	-	-	(181)
Provision at end of year	-	-	36

The dilapidations provision relates to expected remedial costs to be incurred by QIB when it relocated to the Quadram Institute in 2019.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Fixed assets £000	Net current assets £000	Creditors over one year and provisions £000	Total 2021 £000
<i>Unrestricted:</i>				
Fixed assets reserve	14,972	-	-	14,972
Designated strategic reserve	-	6,486	-	6,486
Designated building reserve	-	3,050	-	3,050
General	-	4,013	-	4,013
<i>Restricted:</i>				
Fixed assets reserve	4,106	-	-	4,106
Capital reserve	-	2,533	-	2,533
General	-	2,914	-	2,914
Net assets	19,078	18,996	-	38,074
Charitable company				
<i>Unrestricted:</i>				
Fixed assets reserve	14,972	-	-	14,972
Designated strategic reserves	-	6,486	-	6,486
Designated building reserves	-	3,050	-	3,050
General	-	3,988	-	3,988
<i>Restricted:</i>				
Fixed assets reserve	4,106	-	-	4,106
Capital reserve	-	2,533	-	2,533
General	-	2,914	-	2,914
Net assets	19,078	18,971	-	38,049

NOTES TO THE ACCOUNTS

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

	Fixed assets £000	Net current assets £000	Creditors over one year and provisions £000	Total 2020 £000
Group				
<i>Unrestricted:</i>				
Fixed assets reserve	15,746	-	-	15,746
Designated strategic reserve	-	6,921	-	6,921
Designated building reserve	-	4,375	-	4,375
General	-	4,144	(36)	4,108
<i>Restricted:</i>				
Fixed assets reserve	2,630	-	-	2,630
Capital reserve	-	1,561	-	1,561
Net assets	18,376	17,001	(36)	35,341
Charitable company				
<i>Unrestricted:</i>				
Fixed assets reserve	15,739	-	-	15,739
Designated strategic reserves	-	6,921	-	6,921
Designated building reserves	-	4,375	-	4,375
General	-	4,058	(36)	4,022
<i>Restricted:</i>				
Fixed assets reserve	2,636	-	-	2,636
Capital reserve	-	1,561	-	1,561
Net assets	18,375	16,915	(36)	35,254

The unrestricted fixed assets reserve relates to the net book value of fixed assets purchased from unrestricted funds. The restricted fixed assets reserve relates to the net book value of fixed assets purchased from capital grants.

The unrestricted designated strategic reserve relates to funds designated by the Board for use in relation to planned science investment associated with the Quadram Institute. The designated building reserve represents the loan advances to QI Partners (£2.8m) and planned building expenditure (£0.3m).

The restricted capital reserve is not an endowment fund, but represents capital funding received, from BBSRC, that may only be utilised on fulfilment of certain grant conditions.

The unrestricted general reserve is held to manage income fluctuations, cover unexpected liabilities including restructuring costs.

18. ANALYSIS OF FUNDS MOVEMENTS

	Unrestricted fixed assets £000	Unrestricted designated strategic £000	Unrestricted designated building £000	Unrestricted general £000	Restricted fixed assets £000	Restricted general £000	Restricted capital £000	Total 2021 £000
Group								
At 1 April 2020	15,746	6,921	4,375	4,108	2,630	-	1,561	35,341
Surplus for the year	-	-	-	152	1,845	736	-	2,733
Designated reserve transfers	-	(807)	(1,325)	2,132	-	-	-	-
Depreciation transfer	(824)	-	-	-	824	-	-	-
Capital transfers	50	-	-	171	(1,193)	-	972	-
Other transfers	-	372	-	(2,550)	-	2,178	-	-
At 31 March 2021	14,972	6,486	3,050	4,013	4,106	2,914	2,533	38,074
Charitable company								
At 1 April 2020	15,739	6,921	4,375	4,022	2,636	-	1,561	35,254
Surplus for the year	-	-	-	214	1,845	736	-	2,795
Designated reserve transfers	-	(807)	(1,325)	2,132	-	-	-	-
Depreciation transfer	(818)	-	-	-	818	-	-	-
Capital transfers	51	-	-	170	(1,193)	-	972	-
Other transfers	-	372	-	(2,550)	-	2,178	-	-
At 31 March 2021	14,972	6,486	3,050	3,988	4,106	2,914	2,533	38,049

NOTES TO THE ACCOUNTS

18. ANALYSIS OF FUNDS MOVEMENTS (CONTINUED)

	Unrestricted fixed assets £000	Unrestricted designated strategic £000	Unrestricted designated building £000	Unrestricted general £000	Restricted fixed assets £000	Restricted capital £000	Total 2020 £000
Group							
At 1 April 2019	14,196	6,781	6,025	4,281	1,746	3,684	36,713
Deficit for the year	-	(1,239)	-	(539)	406	-	(1,372)
Designated reserve transfers	-	1,300	(1,300)	-	-	-	-
Depreciation transfer	(689)	-	-	-	689	-	-
Capital transfers	2,239	350	(350)	95	(211)	(2,123)	-
Other transfers	-	(271)	-	271	-	-	-
At 31 March 2020	15,746	6,921	4,375	4,108	2,630	1,561	35,341

Charitable company

At 1 April 2019	14,189	6,781	6,025	4,120	1,752	3,684	36,551
Deficit for the year	-	(1,239)	-	(464)	406	-	(1,297)
Designated reserve transfers	-	1,300	(1,300)	-	-	-	-
Depreciation transfer	(689)	-	-	-	689	-	-
Capital transfers	2,239	350	(350)	95	(211)	(2,123)	-
Other transfers	-	(271)	-	271	-	-	-
At 31 March 2020	15,739	6,921	4,375	4,022	2,636	1,561	35,254

The designated reserve transfers relates to costs incurred in the year that have been set against the designated strategic reserves, or changes to designations approved by the trustees.

The depreciation transfer is the reallocation of the depreciation charge for assets purchased from unrestricted reserves

Capital transfers include a transfer from restricted to unrestricted reserves following the completion of performance conditions in connection with restricted capital grant activity, and the reallocation of funds to reflect the capital funding restrictions.

Other transfers include a transfer from restricted to unrestricted funds following the completion of performance conditions in connection with restricted non-capital grant activity, and the reallocation of funds to reflect funding restrictions.

19. COMMITMENTS

Group and charitable company	Total 2021 £000	Total 2020 £000
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Capital commitments at the end of the financial year for which no provision has been made:

Contracted	391	66
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Amounts due under other operating leases for plant and machinery:

Within one year	1	-
Between one and two years	1	-
Between two and five years	3	-
	5	-

NOTES TO THE ACCOUNTS

20. PENSION SCHEMES

All staff employed by QIB on 30 September 2011 became BBSRC employees on 1 March 2012 and were deployed back to the Institute under conditions set out in the Deployment Agreement (the "Deployed Employees"). On 1 October 2017, Deployed Employees transferred employment to the Institute under TUPE.

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with QIB becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and QIB is unable to identify its share of the underlying assets and liabilities. QIB therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements. The employer contribution rate during the year was 26% (2020: 26%).

QIB employees that joined after 30 September 2011 are eligible to join a defined contribution scheme.

The Company employs some staff jointly with the University of East Anglia. Staff are employed under QIB terms & conditions but are eligible to join The University Superannuation Scheme (USS). QIB is obliged to pay the prevailing employer contribution rate for staff in the USS, however it has no liability for scheme funding deficits. Accordingly, these arrangements have been accounted for as defined contribution scheme.

The total pension charge for the year was £889,644 (2020: £843,702), with outstanding contributions at the year-end of £47,236 (2020: £66,651).

21. RELATED PARTY TRANSACTIONS

Biotechnology and Biological Science Research Council (Member)

The charitable company is strategically funded by BBSRC along with seven other Institutes. QIB charged BBSRC £nil (2020: £324,351) for staff redundancy costs incurred during the year.

Grants received from BBSRC are detailed in note 2.

As at 31 March 2021, BBSRC owed £78,905 (2020: £455,513) to QIB, and QIB owed BBSRC £37,498 (2020: £29,998).

BBSRC is part of UK Research and Innovation (UKRI), an organisation that brings together the UK's seven research councils, Innovate UK and Research England.

University of East Anglia (Member)

University of East Anglia ("UEA") is a member of the charitable company. UEA is entitled to appoint a majority of the members of the Board of Trustees and accordingly is deemed to be the company's parent undertaking and controlling party.

UEA invoiced QIB £4,559,763 (2020: £1,058,413) for salaries and other charges and QIB invoiced UEA £753,880 (2020: £264,286) for services.

As at 31 March 2021, the UEA owed QIB £580,375 (2020: £435,874) and QIB owed UEA £2,989,655 (2020: £318,736).

Norfolk and Norwich University Hospitals NHS Foundation Trust (Member)

Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH) is a member of the charitable company.

During the year NNUH invoiced QIB £428,734 for services and capital costs (2020: £687,321) and QIB invoiced £42,287 (2020: £30,470) for grant related costs. As at 31 March 2021, NNUH owed QIB £10,689 (2020: £10,457) and QIB owed NNUH £146,028 (2020: £357,505).

NBI Partnership Limited (Associate)

The charitable company is one of four members and guarantors of NBI Partnership Limited ("NBIP"), a company limited by guarantee. QIB has provided short-term loans to NBIP to enable NBIP to manage its cash requirements. At 31 March 2021, QIB had a loan balance with NBIP of £105,000 (2020: £92,000).

During the year, QIB received services totalling £1,395,255 (2020: £1,400,196), received interest from NBIP of £2,100 (2020: £1,840) and invoiced NBIP £2,160 (2020: £nil) for other services. As at 31 March 2021, QIB owed NBIP £177,468 (2020: £123,141) and NBIP owed QIB £2,100 (2020: £1,840).

NOTES TO THE ACCOUNTS

21. RELATED PARTY TRANSACTIONS (CONTINUED)

QI Partners (Associate)

The charitable company is one of four members and guarantors of QI Partners, a charitable company limited by guarantee.

QIB has agreed to provide QI Partners with a loan facility of £5,400,000, which is repayable between November 2018 and August 2022. As at 31 March 2021, £2,800,000 of the facility has been drawn down by QI Partners (2020: £3,775,000). Interest is payable on the loan at a rate of 3.0% pa.

During the year, QIB invoiced QI Partners £nil (2020: £47,733) for the transfer of the benefits in, and the recharge of the costs of the supplies received by QIB in respect of the Quadram Institute building. QIB also invoiced QI Partners £106,741 (2020: £145,249) for interest on its loan. As at 31 March 2021, QI Partners owed QIB £25,045 (2020: £31,617).

QI Partners has invoiced QIB for service charges totalling £1,826,465 (2020: £1,305,553) in relation to the building running costs. As at 31 March 2021, QIB owed QI Partners £92,197 (2020: £nil).

QIB does not have any significant influence on QI Partners' financial and operating policies.

Anglia Innovation Partnership LLP

QIB is a member of Anglia Innovation Partnership LLP ("AIP LLP") through its 100% subsidiary, IFR NRP Capital Limited. AIP LLP is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. During the year, QIB was charged £32,117 (2020: £23,783) for estate costs and services and QIB charged AIP £nil for utility costs (2020: £29,225). As at 31 March 2021, QIB owed AIP LLP £23,783 (2020: £23,783).

QIB Extra Ltd

QIB Extra Ltd is the wholly owned trading subsidiary of QIB. QIB Extra undertakes contract research for the food industry.

During the year, QIB invoiced QIBX for services and other costs totalling £394,796 (2020: £569,158). QIBX invoiced QIB for services totalling £3,759 (2020: £7,392). In addition, QIBX made a gift aid payment to QIB of £93,852 (2020: £172,059). As at 31 March 2021, QIBX owed QIB £75,099 (2020: £89,251).

22. CASH HELD AS EUROPEAN GRANT CO-ORDINATOR

The charitable company holds cash on behalf of the European Union in its capacity as project co-ordinator on a number of projects. It acts as an intermediary only and does not control the risks and rewards associated with the cash balances. Cash balances of £1,178,812 (2020: £854,522) in relation to this are included within the balance sheet.

23. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The trustees consider that the ultimate parent undertaking and controlling party is the University of East Anglia, by virtue of its right under the Articles of Association to appoint a majority of the company's directors.

QIB is the parent undertaking of the smallest group of undertakings to consolidate these financial statements, and the University of East Anglia is the parent undertaking of the largest group of undertakings to consolidate these financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Directors and Trustees

Dr C Caulcott	Chair – Board
Dr E Blair	
Prof F Lettice	Chair – Science Innovation and Advisory Committee
Prof P Morgan	Chair – Remuneration and Nomination Committee
Mr G Potter	
Dr E Robertson	
Mrs J Waterfield	Chair – Audit and Risk Committee

Director of the Institute Professor I Charles

Company Secretary Mr D Foreman

Key Management Personnel

Prof I Charles
Dr G Brown
Prof S Carding
Mr D Foreman
Ms A O'Halleron
Dr A Mather
Prof M Warren
Dr R Wilson

Registered charity number 1058499

Registered company number 03009972

Registered office and principal office of the charity

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Independent auditors

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Chartered Accountants and Statutory Auditors
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