

# QUADRAM INSTITUTE BIOSCIENCE

## Annual Report and Accounts

for the year ended 31 March 2024

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

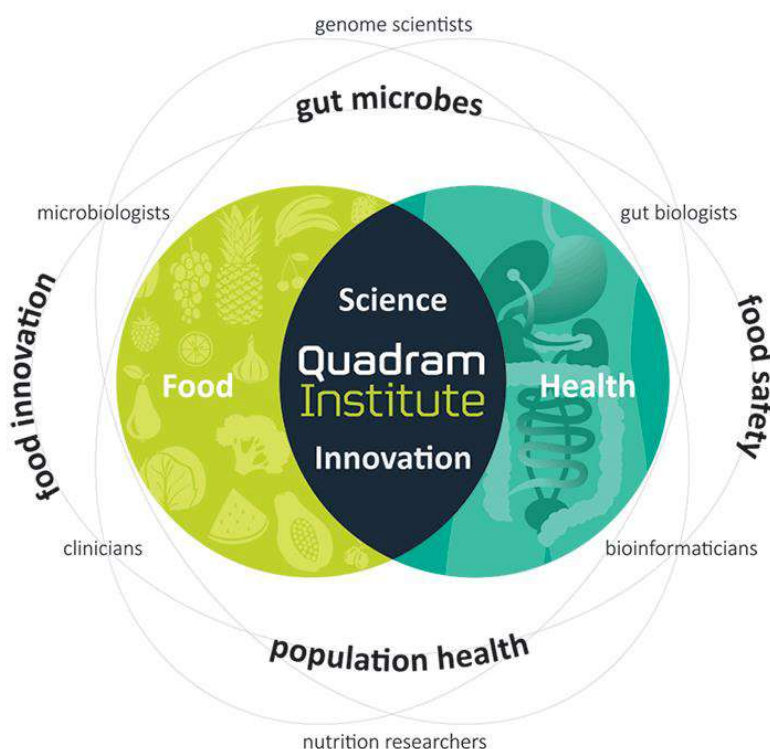
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## THE QUADRAM INSTITUTE

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 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>	<b>2024</b>	2023
	<b>£m</b>	£m
Income excluding capital grants	<b>18.0</b>	15.2
Unrestricted general & designated strategic reserves	<b>15.5</b>	14.2
Cash	<b>22.8</b>	22.9
Value of grant submissions	<b>30.4</b>	18.3
Value of grant awards	<b>5.2</b>	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"> <li>➤ BBSRC strategic funding for institutes is reduced due to budgetary pressures.</li> <li>➤ BBSRC strategic funding is reduced due to scientific performance.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Regular monitoring of scientific performance against strategic programme objectives.</li> <li>➤ Regular communication with BBSRC to report performance and ensure strategic alignment of research programmes.</li> </ul>
Research income and sponsor diversification	<ul style="list-style-type: none"> <li>➤ QIB is unable to generate sufficient grant and commercial research income to support the costs of its research activities and infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>➤ Investment in new research leader positions in progress.</li> <li>➤ Communication Strategy being developed to increase sponsor awareness of the Quadram Institute.</li> </ul>
Staff retention and recruitment	<ul style="list-style-type: none"> <li>➤ QIB is unable to retain or attract suitably skilled staff to enable it to deliver its science strategy.</li> <li>➤ In addition to scientific impact, this risk area could also have an impact on the level of funding the Institute is able to attract.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Strategy and action plans in place, aligned to development of Quadram Institute.</li> <li>➤ Career development programmes in place to support high potential staff.</li> <li>➤ Performance Management processes in place.</li> </ul>
Quadram Institute	<ul style="list-style-type: none"> <li>➤ Strategy for the Quadram Institute is not agreed between the partners.</li> <li>➤ The Quadram Institute is not able to attract suitably skilled staff to enable it to deliver its strategy.</li> <li>➤ Benefits from the project are not delivered.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Governance arrangements in place.</li> <li>➤ Strategy agreed and communicated.</li> <li>➤ Recruitment plans in progress.</li> <li>➤ Project plan in place, with identified work streams, terms of reference and appropriate partner representation.</li> <li>➤ Project assurance framework in place.</li> </ul>
QI Building	<ul style="list-style-type: none"> <li>➤ QI facilities management arrangements are poor value for money.</li> <li>➤ Inadequate investment leads to facilities that are not fit for purpose.</li> <li>➤ QI building is not used by partners in line with QI mission.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Building Services Committee established to monitor facilities management arrangements and tenant coordination.</li> <li>➤ Building operating costs regularly reviewed and remedial actions agreed.</li> <li>➤ Lifecycle maintenance plan agreed by the partners.</li> </ul>
Technology investment	<ul style="list-style-type: none"> <li>➤ QIB is unable to keep pace with developments in technology underpinning its science.</li> <li>➤ Funding is inadequate to sustain and improve technology facilities necessary to deliver scientific objectives.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Technology strategy has been updated alongside strategy for the Quadram Institute.</li> <li>➤ Small value capital funding awarded for the period to March 2028 as part of institute strategic grant award.</li> </ul>
Compliance with sponsor funding requirements	<ul style="list-style-type: none"> <li>➤ QIB fails to comply with sponsor grant requirements resulting in a material financial impact.</li> </ul>	<ul style="list-style-type: none"> <li>➤ QIB is subject to regular reviews of its grant compliance processes from sponsors and the internal auditors.</li> </ul>
Cost pressures	<ul style="list-style-type: none"> <li>➤ Increased energy prices divert resources from science to infrastructure costs, resulting in a reduction in research activity and impact.</li> <li>➤ High inflation rates increase research and support costs, resulting in a reduction in research activity and impact.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Energy costs are hedged in the short-term and specialist advisers support the institute with energy procurement.</li> <li>➤ Energy-saving opportunities are actively sought and investment cases developed.</li> <li>➤ The impact of cost inflation is regularly discussed with funders with a view to mitigating the impact on research.</li> </ul>



# 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 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.

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

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
<b>Total fixed assets</b>		<b>21,894</b>	<b>22,074</b>	<b>21,894</b>	<b>22,074</b>
<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
		<b>28,305</b>	<b>29,545</b>	<b>28,107</b>	<b>29,177</b>
<i>Current liabilities</i>					
Creditors: amounts falling due within one year	14	(7,840)	(11,626)	(7,705)	(11,381)
<b>Total net current assets</b>		<b>20,465</b>	<b>17,919</b>	<b>20,402</b>	<b>17,796</b>
<b>Total assets less current liabilities</b>		<b>42,359</b>	<b>39,993</b>	<b>42,296</b>	<b>39,870</b>
<b>Total net assets</b>	16	<b>42,359</b>	<b>39,993</b>	<b>42,296</b>	<b>39,870</b>
<b>Funds of the charity</b>					
<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
<b>Total unrestricted funds</b>		<b>28,856</b>	<b>28,773</b>	<b>28,793</b>	<b>28,650</b>
<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
<b>Total restricted funds</b>		<b>13,503</b>	<b>11,220</b>	<b>13,503</b>	<b>11,220</b>
<b>Total charity funds</b>	17	<b>42,359</b>	<b>39,993</b>	<b>42,296</b>	<b>39,870</b>

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
<b>Cash flow from operating activities</b>		
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
<b>Net cash provided by/(used in) operating activities</b>	<b>(2,635)</b>	<b>(1,648)</b>
<b>Cash flow from investing activities</b>		
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
<b>Net cash provided by/(used in) investing activities</b>	<b>2,489</b>	<b>2,119</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(146)</b>	<b>471</b>
Cash and cash equivalents at the beginning of the reporting period	13	22,926
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>13</b>	<b>22,780</b>

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
-------------------	--------------

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

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
<b>Expenditure on charitable activities</b>	<b>17,769</b>	<b>673</b>	<b>52</b>	<b>18,494</b>	<b>18,287</b>	<b>727</b>	<b>51</b>	<b>19,065</b>
Raising funds	-	-	196	196	-	-	184	184
Trading expenditure	-	-	589	589	-	-	487	487
<b>Total expenditure</b>	<b>17,769</b>	<b>673</b>	<b>837</b>	<b>19,279</b>	<b>18,287</b>	<b>727</b>	<b>722</b>	<b>19,736</b>

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.

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

### 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
<b>Total support costs</b>	<b>5,854</b>	<b>248</b>	<b>6,102</b>	<b>5,925</b>	<b>255</b>	<b>6,180</b>	

\*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):

	<b>Total 2024 £000</b>	Total 2023 £000
Audit services:		
Fees payable for the audit of the charitable company and consolidated financial statements	<b>18</b>	20
Fees payable for the audit of the charitable company's subsidiaries pursuant to legislation	<b>2</b>	2
Non-audit services:		
Other fees payable to the charitable company's auditors	-	-
Depreciation	<b>1,980</b>	1,260
Hire of plant and equipment	<b>22</b>	19
Loss on disposal of tangible assets	<b>180</b>	7
Loss/(Gain) on foreign exchange translations	<b>4</b>	(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
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
<b>Cost/Valuation</b>					
At 1 April 2023	14,670	278	15,591	2,787	<b>33,326</b>
Transfer	273	-	2,187	(2,460)	-
Additions	241	-	1,873	27	<b>2,141</b>
Disposals	-	-	(660)	-	<b>(660)</b>
<b>At 31 March 2024</b>	<b>15,184</b>	<b>278</b>	<b>18,991</b>	<b>354</b>	<b>34,807</b>
<b>Accumulated Depreciation</b>					
At 1 April 2023	977	55	10,220	-	<b>11,252</b>
Charge for the year	253	28	1,699	-	<b>1,980</b>
Disposals	-	-	(319)	-	<b>(319)</b>
<b>At 31 March 2024</b>	<b>1,230</b>	<b>83</b>	<b>11,600</b>	<b>-</b>	<b>12,913</b>
<b>Net book value at 31 March 2024</b>	<b>13,954</b>	<b>195</b>	<b>7,391</b>	<b>354</b>	<b>21,894</b>
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
<b>Cost/Valuation</b>					
At 1 April 2023	14,670	278	15,494	2,787	<b>33,229</b>
Transfer	273	-	2,187	(2,460)	-
Additions	241	-	1,873	27	<b>2,141</b>
Disposals	-	-	(660)	-	<b>(660)</b>
<b>At 31 March 2024</b>	<b>15,184</b>	<b>278</b>	<b>18,894</b>	<b>354</b>	<b>34,710</b>
<b>Accumulated Depreciation</b>					
At 1 April 2023	977	55	10,123	-	<b>11,155</b>
Charge for the year	253	28	1,699	-	<b>1,980</b>
Disposals	-	-	(319)	-	<b>(319)</b>
<b>At 31 March 2024</b>	<b>1,230</b>	<b>83</b>	<b>11,503</b>	<b>-</b>	<b>12,816</b>
<b>Net book value at 31 March 2024</b>	<b>13,954</b>	<b>195</b>	<b>7,391</b>	<b>354</b>	<b>21,894</b>
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
<b>Cost/Valuation</b>		
At 1 April 2023	147	147
Additions	-	-
Disposals	-	-
<b>At 31 March 2024</b>	<b>147</b>	<b>147</b>
<b>Accumulated Depreciation</b>		
At 1 April 2023	147	147
Charge for the year	-	-
Disposals	-	-
<b>At 31 March 2024</b>	<b>147</b>	<b>147</b>
<b>Net book value at 31 March 2024</b>	-	-
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:

	IFR Enterprises Limited £000	QIB Extra Limited £000	IFR NRP Capital Limited £000	Total 2024 £000	Total 2023 £000
<b>Profit and loss account</b>					
Turnover	-	800	-	800	800
Cost of sales	-	(428)	-	(428)	(396)
<b>Gross profit</b>	-	372	-	372	404
Administrative expenses	-	(319)	-	(319)	(286)
<b>Operating profit</b>	-	53	-	53	118
Interest receivable and similar income	-	9	-	9	6
<b>Profit retained in subsidiary</b>	-	62	-	62	124
<b>Net assets at 31 March</b>	-	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 2024	Group 2023	Company 2024	Company 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
<b>Total amounts falling due within one year</b>		<b>5,525</b>	<b>6,619</b>	<b>5,401</b>	<b>6,365</b>

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

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024	Group 2023	Company 2024	Company 2023
	£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	352
Amounts owed to other related parties	20	171	623	623
Trade creditors		845	3,136	834
Other creditors		2,012	1,722	2,004
Accruals and deferred income		1,613	2,061	1,557
Taxation and social security		155	195	148
<b>Total amounts falling due within one year</b>	<b>7,840</b>	<b>11,626</b>	<b>7,705</b>	<b>11,381</b>

### 15. RECONCILIATION OF MOVEMENT IN GRANTS RECEIVABLE

Group		Total 2024	Total 2023
	Note	£000	£000
Grants receivable	12	1,730	4,179
Grants received in advance	14	(2,947)	(3,537)
<b>Net grants received in advance</b>		<b>(1,217)</b>	<b>642</b>
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
<b>Net grants received in advance at end of year</b>		<b>(1,217)</b>	<b>642</b>

## NOTES TO THE ACCOUNTS

### 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

## NOTES TO THE ACCOUNTS

### 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

	Fixed assets £000	Net current assets £000	Total 2023 £000
<b>Group</b>			
<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	-	-	-
<b>Net assets</b>	<b>22,074</b>	<b>17,919</b>	<b>39,993</b>
<b>Charitable company</b>			
<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	-	-	-
<b>Net assets</b>	<b>22,074</b>	<b>17,796</b>	<b>39,870</b>

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
<b>Group</b>								
<b>At 1 April 2023</b>	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	-
<b>At 31 March 2024</b>	<b>12,126</b>	<b>11,149</b>	<b>1,250</b>	<b>4,331</b>	<b>9,768</b>	<b>252</b>	<b>3,483</b>	<b>42,359</b>
<b>Charitable company</b>								
<b>At 1 April 2023</b>	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	-
<b>At 31 March 2024</b>	<b>12,126</b>	<b>11,149</b>	<b>1,250</b>	<b>4,268</b>	<b>9,768</b>	<b>252</b>	<b>3,483</b>	<b>42,296</b>

## NOTES TO THE ACCOUNTS

### 17. ANALYSIS OF FUNDS MOVEMENTS (CONTINUED)

Group	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
<b>At 1 April 2022</b>	14,069	10,423	1,250	4,011	4,845	2,229	1,837	<b>38,664</b>
Surplus for the year	-	-	-	(2,073)	3,994	(592)	-	<b>1,329</b>
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)	-	-	-	-
<b>At 31 March 2023</b>	<b>13,317</b>	<b>9,831</b>	<b>1,250</b>	<b>4,375</b>	<b>8,757</b>	-	<b>2,463</b>	<b>39,993</b>
<b>Charitable company</b>								
<b>At 1 April 2022</b>	14,069	10,423	1,250	3,472	4,845	2,229	1,837	<b>38,125</b>
Surplus for the year	-	-	-	(1,657)	3,994	(592)	-	<b>1,745</b>
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)	-	-	-	-
<b>At 31 March 2023</b>	<b>13,317</b>	<b>9,831</b>	<b>1,250</b>	<b>4,252</b>	<b>8,757</b>	-	<b>2,463</b>	<b>39,870</b>

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
Capital commitments at the end of the financial year for which no provision has been made:		
Contracted	588	1,087
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	-
	<b>14</b>	<b>4</b>

## 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

<b>Directors and Trustees</b>	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
<b>Director of the Institute</b>	Professor I Charles
<b>Company Secretary</b>	Mrs S Bennion
<b>Key Management Personnel</b>	Prof I Charles Dr G Brown Prof S Carding Mrs S Bennion Ms A O'Halleron Dr A Mather Prof M Warren
<b>Registered charity number</b>	1058499
<b>Registered company number</b>	03009972
<b>Registered and principal office</b>	Norwich Research Park Norwich NR4 7UQ
<b>Independent auditors</b>	Larking Gowen LLP Chartered Accountants and Statutory Auditors Prospect House Rouen Road Norwich NR1 1RE
<b>Bankers</b>	Barclays Bank Plc 54 Lombard Street London EC3V 9EX