



John Innes Foundation

Report and Financial Statements

Year ended: 31st March 2024

Charity no: 1111527

Company no: 05574485



INDEX	Page
Report of the trustees	3-11
Independent auditor's report	12-14
Consolidated statement of financial activities	15
Consolidated balance sheet	16
Charity aggregated balance sheet	17
Consolidated statement of cashflows	18
Consolidated summary income and expenditure account	18
Accounting policies and notes to the financial statements	19-32

## **Report of the trustees for the year ended 31st March 2024 (incorporating the Directors' report)**

- 1.1 The trustees (who are also the directors for the purposes of company law) present their annual report and financial statements of the charity for the year ended 31st March 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 published in October 2019. For registration and accounting purposes under the Charities Act 2011 the charity registration number 1111527 applies to both John Innes Foundation ("The Charitable Company" or "JIF") and John Innes Foundation Trust ("The Trust"), together with subsidiary entities this comprises "The Charitable Group".

### **Objectives and activities for the public benefit**

- 2.1 The John Innes Foundation is a charity supporting education and research and fostering commercial innovation for the benefit of agriculture, the environment and society through:
- (i) the provision of premises and facilities for research and the dissemination of the results of such research and assistance with the provision of funding for staffing, studentships, scholarships, professorships or bursaries in collaboration mainly with the John Innes Centre and other organisations located on the Norwich Research Park, and the University of East Anglia.
  - (ii) the application of a yearly sum of not less than £500 or such other sum as the Commission may from time to time in writing approve towards maintaining or providing scholarships to be called "John Innes Scholarships" to be awarded in accordance with rules to be made from time to time by the Governors of Rutlish School in the London Borough of Merton.
- 2.2 Also, the provision of facilities in the interests of social welfare for recreation and leisure-time occupation of children and young persons in the London Borough of Merton; and such other charitable purposes as are required in the Law of England and Wales as the Trustees think fit.
- 2.3 The trustees (who are directors of the Charitable Company) confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing JIF's aims and objectives, in planning future activities, setting the grant making policy for the year and in measuring the impact of the range of activities supported by JIF.
- 2.4 The charitable company owns 100% of the share capital of John Innes Bioprospects Limited ("JIB"), which was set up to carry out commercial activities that support the charitable company's aims. JIB was dormant during the year ended 31st March 2024.
- 2.5 JIF is a member of Anglia Innovation Partnership LLP ("AIP LLP") through its investment via JIB and also through ownership of freehold land at Norwich Research Park leased to AIP LLP on a peppercorn basis. The aim is to exploit the full value of the land working in collaboration with AIP LLP (which is responsible for facilitating the further development of a world class research park in Norwich) in pursuance of the Foundation's charitable objectives.

### **Grant making policy**

- 3.1 JIF and the Trust in part further their charitable purposes for the public benefit through its grant making policy which aims at:
- 3.1a making its land and buildings on the Norwich Research Park, Colney, Norwich available for scientific research by John Innes Centre ("JIC"), and other research institutes and organisations.
  - 3.1b provision of studentships and fellowships.
  - 3.1c fostering a collaborative culture at Norwich Research Park by working with the Institutes to introduce and fund new cross park research projects.

- 3.1d maintaining as an educational resource the Historical Collections of botanical books and other material which illustrate the history of botany and genetics and which includes the archives of certain senior JIC researchers.
- 3.1e making an annual donation of a 'John Innes Scholarship' to be awarded by the Governors of Rutlish School.
- 3.1f leasing the 'John Innes Youth Centre' premises in Merton to the YMCA as a programme related investment.
- 3.2 JIF and the Trust carry out this programme, enabling others to provide benefit on their behalf, through partnerships with institutions. In particular, the Trust has concentrated on developing the existing partnerships primarily with the John Innes Centre in Norwich (registered charity 223852) a closely related educational charity and world leading scientific institute undertaking fundamental research on plants and microbes.
- 3.3 As part of JIF's assessment in achieving public benefit, Trustees receive regular reports and briefings from grant recipients on research and educational advancement. This monitoring, which follows Charity Commission guidance, is reviewed at each Trustee meeting. Trustees also assess the impact of grants made on an annual basis and are satisfied JIF achieves its objective to deliver public benefit.

**A review of our achievements and performance: How our grants and research programmes deliver public benefit.**

- 4.0 Land and buildings detailed in 3.1a above are leased on concessionary terms and are 'programme related' investments in the Norwich Research Park complex contributing to JIF's aims and objectives. This enables lessees to maximise resources in undertaking scientific research. The value of concessions was last estimated at £1,552,050 in October 2021.

- 4.1 The following reviews grants and commitments for the year (notes 3a and 3b to the accounts).

**4.1a Studentships**

	Year ended 31/03/24 £'s		
	Committed	Paid	Accrual c/f
JIC Studentships (John Innes Foundation PhD Programme in Plant and Microbial Sciences)	600,000	510,000	2,700,000

JIC attracts students of the highest calibre from within the UK and abroad, as the programme nurtures tomorrow's scientists for the enhancement of knowledge of healthy plant development and threats from the natural environment. There are currently 21 students (11 UK) throughout the 4-year programme with JIF committing substantial financial support. Website [jic.ac.uk](http://jic.ac.uk). Continuing the annual rolling agreement of funding Students starting in the next academic year, an additional £600,000 has been committed.

**4.1b Research & Development Grants**

	Year ended 31/03/24 £'s		
	Committed	Paid	Accrual c/f
JIC Chris Leaver Fellowship	-	56,717	-
JIC Sir Ben Gill Fellowship	-	77,209	135,134
UEA Norwich Institute for Sustainable Development	-	150,000	250,500
Quadram Institute Amylose Research	-	11,174	-
Earlham Institute Data Driven Science	-	41,650	193,098
	-	336,750	578,732

**JIC Chris Leaver Fellowship** - a 5-year research project to 2023 with total JIF funding of £410,960 focusing on starch synthesis in plants at the molecular level, in light of concerns around diet, nutrition and healthy living. Concluded December 2023.





**JIC Sir Ben Gill fellowship** - a 5-year project to 2026 with total JIF funding of £386,061 to consolidate the outputs of JIC's pea research with a vision to accelerate outputs of new pea varieties with industry demands for pea protein to supplement other food staples, and to meet changing dietary requirements for better health.

**University of East Anglia, Norwich Institute for Sustainable Development** - a 5-year project to 2026 with total JIF funding of £750,000 providing for two fellows to intensify collaboration with JIC and other bodies facilitating joint projects with regard to agriculture in developing countries and the use of agricultural technologies.

**Quadram Institute Amylose Research Fellowship** - a 2-year project to 2023 with total JIF funding of £160,908 to produce high resistant starch content with favourable nutritional characteristics that can then be used as the basis for future projects to transfer knowledge into crop plants and future commercialisation in functional health-promoting foods. Concluded March 2023.

**Earlham Institute Fellowship in data driven science** - a 4-year project to 2026 with total JIF funding of £408,467 contributing to closing a recognised skills gap in computational biology aiding important national and global future developments in agricultural traits.

#### 4.1c Enterprise Grants (new category)

	Year ended 31/03/24 £'s		
	Recategorised	Paid	Accrual c/f
AIP Seed Funding (transferred from Research & Development)	66,400	15,854	-
AIP Seed Funding Administrator (transferred from Other Grants)	10,000	10,000	-
	76,400	25,854	-

**AIP LLP** - Seed Fund Enterprise provides early-stage capital to new projects that are assessed as having the potential to aid world food development and associated health issues. Agreed funding budget was not fully utilised and not carried forward.

#### 4.1d Education Grants

	Year ended 31/03/24 £'s		
	Committed	Paid	Accrual c/f
Agricultural Bursaries	46,250	46,250	9,250
Agricultural Bursaries Administration Fees (RNAA)	3,936	3,936	-
JIC Undergraduate Summer School	(1,500)	20,520	82,080
JIC Find My Future	-	4,000	16,500
JIC Year in Industry supporting science education	20,168	20,168	-
SAW Trust Forest Garden Project, Agritech Taster Course, and Science Story adventure for children.	18,000	18,000	-
Other Grants	10,300	10,300	-
	97,154	123,174	107,830

**Agricultural bursaries** assist with degree education funding of four financially disadvantaged students from non-traditional farming backgrounds, at the Royal Agricultural University, Newcastle University and Writtle University. This is backed up by mentoring and support by a Trustee in determining career paths.

**JIC International Undergraduate School** - 5-year funding to 2027 total £102,600 gives undergraduates experience for 8 weeks each summer in plant and microbial science, interacting with world-leading scientists and gaining unrivalled insight into research.

**JIC Find My Future** - a 4-year funding to 2026 total of £20,500, an annual event focussed on year 10 students mainly from disadvantaged areas, aimed at inspiring the next generation of STEMM professionals.

**JIC Year in Industry** provides a placement to a University student to experience hands on research at JIC.

**SAW Trust and other education grants** are provided to organisations providing education to young persons opening up career pathways in agriculture and research environments critical to future world food supplies and public health.

#### 4.1e Other Grants

	Year ended 31/03/24 £'s		
	Committed	Paid	Accrual c/f
JIC NGI Infrastructure site redevelopment	4,500,000	-	4,500,000
JIC Rare Books Collection - administration	13,375	20,630	5,795
JIC recreation and sporting facilities for staff and student welfare	18,950	18,950	-
JIC Student Voice - social, academic, wellbeing and training support	12,000	12,000	-
Other grants	7,600	600	7,000
	<b>4,551,925</b>	<b>52,180</b>	<b>4,512,795</b>

**JIC NGI Infrastructure site redevelopment** – JIC has been awarded a total of £317m by BBSRC for its Next Generation Infrastructure redevelopment, an investment in new facilities essential for researchers and innovators to undertake ground breaking research. JIC is required to raise the outstanding finance, in which context, JIF has pledged grant funding of £4.5m with stage payments of £1.35m April 2025, £1.35m April 2026, and £1.8m January 2028, although the payment dates may be subject to variation according to the progress of the project.

#### Financial review

- 5.1 JIF's and the Trust's work is reliant on income and investment returns from their endowments. The capital value and capital gains of endowed investments is protected in so much that it cannot be used for grant disbursement, income however is transferred to non-endowed funds.
- 5.2 Income and capital gains from unendowed funds are available for charitable purposes of JIF and the Trust.
- 5.3 The charitable group had total income of £1,509,543 (2023: £1,317,852). Direct expenditure excluding depreciation amounted to £5,540,083 (2023: £1,845,064) and depreciation £338,123 (2023: £338,123) was charged to the financial statements for the year, resulting in a net deficit of £4,368,663 (2023 deficit: £865,335) before investment results.
- 5.4 There were gains of £2,112,050 (2023 loss: £2,032,663) in the value of portfolio managed listed investments (see note 9 to the accounts), and a decrease of £2,256,613 (2023 decrease: £2,897,411) in total funds. Grants committed in both years, not invoiced, contributed to the decrease in total funds.
- 5.5 In the opinion of the trustees, the market value of the land and buildings at 31st March 2024 would exceed the book value included in the financial statements, but they are unable to quantify this excess in the absence of a full professional valuation, the costs of which are not considered justifiable.

#### Investment policy and performance

- 6.1 The value of the charitable group's market investments (net of fees and movements in cash held in brokers accounts) increased by £2,112,050 (2023 decrease: £2,032,663) during the year ending 31st March 2024 and generated £1,152,399 (2023: £1,091,270) in dividends and interest. This represents an income stream of 3% (investment income / opening balance of market invested funds) (2023: 2.9%). The overall return for the year (net gains/losses on investments plus investment income less investment management fees as a percentage of opening balance of market invested funds) was 8.6% (2023: -2.7%).
- 6.2 Rathbones Investment Management Limited, Quilter Cheviot and Barratt & Cooke have managed the JIF portfolio during the year ended 31st March 2024. Investment reports are provided quarterly. JIF has an Investment Sub Committee (ISC) to carry out policy in line with Charity Commission guidance, and investment managers meet with the ISC annually to agree requirements for the following year (and at other times as necessary) within the general requirement to maintain capital values while increasing income generation.



- 6.3 The charity is a long-term investor and, on professional advice, continue to hold a mixed portfolio of equities, bonds, cash and other investments designed to provide a stable level of income and the possibility of investment gains. The returns in 6.1 compare with (for the same period) the MSCI PIMFA Private Investor Balanced total return index 12.2% (2023: -3.2%)

#### **Risk management**

- 7.1 The principal risks faced by the Charitable Group lie in the performance of investments and operational risks from ineffective grant making and the capacity of the Charitable Group to make effective grants.
- 7.2 The trustees consider variability of investment returns on endowed and non-endowed funds to constitute the Charitable Group's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio.
- 7.3 The operational risk from ineffective research and student grant awards that are not consistent with the advancement of education is managed by firstly retaining trustees of sufficient skill and expertise and secondly through the quality of the institutions, particularly JIC, and their rigorous selection of the people who we support. A thorough process of reporting and reviewing the progress of students has been introduced which assists us in measuring the effectiveness and impact of JIF's support for education in agriculture, horticulture and biotechnology. This review process retains our focus on the public benefit derived from our funding of their work.
- 7.4 Operational risk covering both income and expenditure is also managed with the preparation of net movement in funds and cashflow forecasts, regular monitoring of actual performance against these forecasts and ensuring that adequate liquid resources are in place to meet the requirements of the business.
- 7.5 The Charitable Group maintains liability insurance for its trustees and officers as permitted by section 233 of the Companies Act 2006. The Charitable Group's insurance policy does not provide cover in the event that a trustee or officer is proved to have acted fraudulently or dishonestly.
- 7.6 The Trust holds a library collection of books and papers. The assets were acquired in past accounting periods and not capitalised. The value of such assets is excluded from the balance sheet reflecting the fact that reliable cost information is not available and conventional valuation approaches lack sufficient reliability. It is also assessed that the inclusion of such information would provide very limited (if any) additional benefit to users of the accounts in assessing the trustees' stewardship of the assets. The library collection is under the guardianship of John Innes Centre who employ an archivist, the cost to which JIF contributes. JIC is also responsible for insurance, valuation for insurance purposes at 31st March 2024 was £2,731,700.
- 7.7 The Charity has generated sufficient financial resources from its activities and holds a significant level of funds. The financial impact on JIF of changing global economies is balanced by its diverse portfolio and fund management.
- 7.8 In this context Trustees have also reviewed forecasts for the next 1 to 5 years from the date of approving these financial statements to confirm the resilience of the Charity, consulting with all investment managers on future prospects with regard to portfolio structures and returns.
- 7.9 Trustees do not consider that there has been any other significant increase in risks during the year and that funds have been applied appropriately. A risk register is maintained and reviewed at each Trustee meeting.

#### **Reserves Policy**

- 8.1 The reserves policy of the trustees is that the aggregated reserves of the Charitable Company and The Trust shall be sufficient to ensure that, when invested by the appointed investment manager, they shall produce sufficient income to fund budgeted costs each year and, over the long term, increase their capital value at least in line with inflation.
- 8.2 At 31st March 2024 the charitable group had unrestricted net current assets of £273,537 (2023: net current liabilities £118,589) with long term liabilities of £6,945,834 (2023: £2,746,508). Sufficient funds are held in unrestricted investments and cash, including income from investments in future years, to meet long term liabilities (grants committed to over the next 4/5 years). Application has been made to the Charities Commission to utilise some

endowed funds towards the grant of £4.5m awarded to JIC NGI infrastructure site redevelopment as the endowment fund includes profits of £17m from the sale of land in the year ended 31st March 2017.

- 8.3 At 31st March 2024 the charitable group held £39,735,730 (2023: £38,331,761) in endowment funds.

#### Plans for the future

- 9.1 JIF is a founding member of Anglia Innovation Partnership LLP, which continues to provide a unique opportunity for the Charitable Group primarily to realise the potential of the land within JIF's ownership at Norwich Research Park in pursuance of its Charitable Objectives. Along with the other two landowners at NRP (UEA and UKRI), each owner of undeveloped land at Norwich Research Park concluded individual Development and option Agreements (DoA) with an external investor Vengrove Real Estate Management Ltd., on 17th September 2024.

Under each DoA, Vengrove may draw down land for development for a period of 10 years. At the same time as the DoA was concluded, a template ground lease was also finalised. This ground lease will apply to each plot of land drawn down and will run for 150 years. Both documents contain a number of key provisions to ensure the objectives of the three landowners may be achieved. These largely centre on maintaining the integrity and quality of NRP, in which all landowners have a significant long term interest.

Development of a speculative research and development building of 65,000 sq ft will commence initially on the UKRI site with the sequence of development continuing on JIF and UEA land within strict timescales, which if not achieved, give the landowners the opportunity to terminate the arrangement. However, the intention of all parties, as confirmed in the legal documentation, is to commence a programme of development which will generate ground rental income for the landowners in accordance with a formula linked to both the size of development and the rental income received by Vengrove from its occupational tenants.

- 9.2 Trustees applaud the level and quality of the science undertaken by JIC and other organisations in and around the Norwich Research Park with support agreed over varying periods as mentioned in 4.1 above and continue to review further opportunities to provide additional support of studentships at educational centres focused on agriculture, horticulture and biotechnology.
- 9.3 BDW Trading Ltd has a 10 year Option Agreement dated 24<sup>th</sup> August 2018 to purchase 66 acres of Newfound Farm. Non-refundable payments of £155,000 and £20,000 have been made by Barratt Developments (BDW Trading Ltd) and recognised in accounts year end 31st March 2019 and 2021 respectively. These 66 acres remain at cost in Land and Buildings pending determination of development potential. Should planning permission be obtained for residential development and the option exercised, it is expected that there would be a material increase in the value of land from its present value of £30,000. The site was allocated for the development of 410 houses in the Greater Norwich Development Plan, formally adopted in March 2024. That establishes the principle of development, which adds to the expectation of an increase in value when planning permission is obtained by BDW Trading Ltd.
- 9.4 In 2020 Trustees agreed to contribute a capital sum of £4.5m to the proposed redevelopment of the John Innes Centre site (known as Next Generation Infrastructure – NGI). Whilst negotiations re Heads of Terms continue, there is constructive agreement, and this sum has therefore now been recognised in the Accounts. It is currently agreed that payments of £1.35m will be made in both April 2025 and April 2026. The balance of £1.8m will be paid in January 2028. These payments are contingent on specific milestones in the project programme being achieved and their timing may therefore be subject to amendment. The project has secured substantial Government funding.

As part of the re-gearing of the ground lease from JIF to JIC associated with the grant to be provided by JIF, it is intended that JIF may gain possession of certain existing buildings that will not be required as part of NGI and will be outside the new lease demise. In which case, the letting of these buildings will provide Trustees with the opportunity to create a new and significant income stream, further increasing JIF's reach and impact. Note 11 of the Financial Statements refers.

- 9.5 As part of the first phase of the NGI project, heads of terms were agreed in December 2023 for the surrender of part of the land within the lease dated 7th August 2012 from JIF to AIP and for the land simultaneously to be leased to JIC for a term of 60 years at a peppercorn rent for the development of a new Norwich Bioscience Institutes Data Centre, the Data Centre then to be sub-let by JIC to Earlham Institute. At 31<sup>st</sup> March 2024, solicitors were preparing the relevant legal documents. JIC submitted a planning application for the development in March 2024.



## Structure, governance and management

- 10.1 John Innes Foundation is an independent charity (registered Charity No. 1111527) and a company limited by guarantee (registered no. 05574485).
- 10.2 The John Innes Foundation Trust's property and original investments prior to 1972 have been quantified and disclosed as Endowment Funds held on permanent endowment trust as stated in the 2005 Charity Commission scheme. The endowment funds of John Innes Foundation Trust are held by John Innes Foundation as trustee subject to the trusts contained in the 2005 Scheme under which income arising from the Endowment Funds are transferred to the John Innes Foundation.
- 10.3 The Charities Commission, in a Scheme dated 4th November 2005, issued a Uniting Direction such that the financial statements show the aggregation of the results of the John Innes Foundation ("the charitable company") and the John Innes Foundation Trust ("the trust"), combining the results as if they are one entity. The charitable company is sole trustee of the trust and accordingly is not the beneficial owner of the trust's assets.
- 10.4 The charitable company is governed by its Memorandum and Articles of Association, incorporated on 26th September 2005 and registered with the Charity Commission on 30th September 2005. New Articles of Association were adopted on 27th October 2015, further updated and adopted on 10th July 2018, and again on 28th January 2021.
- 10.5 The Trust does not actively fundraise and seeks to continue the legacy of John Innes and charitable work through the careful stewardship of its existing resources.
- 10.6 Trustees meet four times each year to agree the broad strategy and areas of activity for the Trust, including consideration of grant making, investment (more specifically managed by an Investment Sub Committee), reserves and risk management policies and performance. Financial budgets based on estimated incomes from investments are approved annually and reviewed at Trustee meetings to recognise available funds for grant disbursement.
- 10.7 An Investment Sub Committee comprising three trustees and Financial Administrator in the capacity of Secretary, The Sub Committee meets at least bi-annually with Investment Managers.
- 10.8 A Property Sub Committee provides appropriate oversight of JIF's property assets in response to increasing activity in this area. This comprises three trustees and meets on a regular basis, as required by ongoing events.
- 10.9 A Science Sub Committee comprising three Trustees seek new opportunities for JIF to pursue, as well as assessing grant fund applications and applying the necessary criteria for applicants to meet JIF charitable objectives.
- 10.10 A Remuneration Committee comprising one Trustee and two other independent persons govern Trustees remuneration.
- 10.11 The Trustees are selected to provide a range of business skills and understanding of the areas of activity undertaken by the charitable company. Briefings are received from appropriate experts on key issues facing the Trust.
- 10.12 The Trustees seek to follow the good practice as promulgated by (amongst others) the Charity Commission for England and Wales and has adopted the voluntary Charities Code of Governance. Trustees are encouraged to read the Charity Commission guidance and newsletters, and to attend courses designed to keep them abreast of their duties and responsibilities. The minimum number of trustees is three with no maximum as stated in the Memorandum and Articles of Association of 10th July 2018. Trustees are appointed, with reference to a skills



matrix to ensure trustees collectively offer the wide range of appropriate skills needed to manage and operate JIF effectively and also to ensure compliance with its charitable objects. Appointments are for a fixed term of 5 years which may be renewed for further terms of 5 years subject to re-election.

- 10.13 Day to day administration is sub-contracted to the Clerk to Trustees and Financial Administrator.
- 10.14 John Innes Centre is considered a related party of John Innes Foundation as during the course of the year Jason Vincent (non-trustee), replaced by William Kendall on 20th July 2023, sat on the Governing Council of John Innes Centre as JIF's representative and one trustee (currently Tina Barsby) acts as an observer at JIC Governing Council meetings (note 16 to the accounts).

#### **Key management personnel remuneration**

- 11.1 Trustees consider the board of trustees as comprising the key management personnel of the charity in directing and controlling the charity, assisted by a Clerk to Trustees and a Financial Administrator in running and operating the charity on a day-to-day basis.
- 11.2 Details of trustee remuneration and expenses and related party transactions are disclosed in notes 4, 5 and 16 to the accounts. Remuneration is governed by the Remuneration Committee.

#### **Reference and administration information Trustees:**

The following served as Trustees (and Directors for the purposes of Company Law) during the year and/or as at the date of this report:

P D Innes (Chair of Trustees)  
K R Norman  
Dr D K Lawrence  
D J McLeavy Hill  
Dr T L Barsby OBE  
Professor Dame Melanie Welham (appointed 1<sup>st</sup> April 2024)

#### **Registered Office:**

John Innes Centre, Colney lane, Colney, Norwich NR4 7UH

#### **Auditors:**

Lovewell Blake LLP, Bankside 300, Peachman Way, Broadland Business Park, Norwich NR7 0LB

#### **Solicitors:**

Mills & Reeve LLP, Botanic House, 100 Hills Road, Cambridge CB2 1PH

#### **Investment Managers:**

Rathbone Investment Management Limited, 8 Finsbury Circus, London EC2M 7AZ  
Quilter Cheviot, Senator House, 85 Queen Victoria Street, London EC4V 4AB  
Barratt & Cooke, 5 Opie Street, Norwich NR1 3DW

#### **Clerk to Trustees:**

David Harvey, Harvey & Co, High House Farm, Gunn Street, Foulsham, Norfolk NR20 5RN

#### **Financial Administrator:**

David Marshall ACMA, UKMarshall Ltd, 15 Seton Road, Taverham, Norwich, Norfolk NR8 6Q

#### Trustees' responsibilities in relation to financial statements

- 12.1 The trustees (who are also directors of John Innes Foundation for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).
- 12.2 Company law requires the trustees to prepare financial statements for each financial year. 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and then apply them consistently
  - observe the methods and principles in the Charities SORP 2019 (FRS102)
  - make judgments and accounting 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
  - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.
- 12.3 The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- 12.4 The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.
- 12.5 In so far as each of the trustees is aware:
- there is no relevant audit information of which the charitable company and group's auditor is unaware; and
  - the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Trustees on 6th November 2024 and signed on their behalf by:

*P D Innes*

P D Innes  
Chair of Trustees





## **Independent Auditor's Report to the Members and Trustees of John Innes Foundation**

### **Opinion**

We have audited the financial statements of John Innes Foundation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31st March 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity aggregated Balance Sheet, Consolidated Statement of Cashflows, Consolidated Summary Income and Expenditure account and notes to the financial statements, 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 31st 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 and 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 report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 report of the trustees which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the report of the trustees has 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 report of the trustees (which includes the directors' report prepared for the purposes of company law).

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11, 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 group 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 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.

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

- enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- performing audit work over the risk of management override of controls, testing of journal entries and other adjustments for appropriateness, evaluation of the rational of significant transactions outside the normal course of activity and reviewing material accounting estimates for bias.

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



A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/library/standards-codes-policy/audit-assurance-and-ethics/auditors-responsibilities-for-the-audit/>  
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.

**Tobias Wilson BA (Hons) FCA**  
Senior Statutory Auditor  
for and on behalf of Lovewell Blake LLP  
Statutory Auditor, Chartered Accountants  
**Norwich**

17 December 2024.

## Consolidated Statement of Financial Activities for the year ending 31st March 2024

	Note	Unrestricted fund £	Endowment funds £	Total funds 2024 £	Total funds 2023 £
<b>Income and endowments from:</b>					
Charitable activities		116,233	-	116,233	117,382
Other trading activities		46,185	-	46,185	48,128
Investments	2	1,317,680	-	1,317,680	1,152,342
Other income		29,445	-	29,445	-
<b>Total</b>		<b>1,509,543</b>	<b>-</b>	<b>1,509,543</b>	<b>1,317,852</b>
<b>Expenditure on:</b>					
<i>Raising funds:</i>					
Investment Manager costs		20,101	133,439	153,540	146,420
Legal and other Professional Fees		8,371	69,800	78,171	32,243
<b>Cost of raising funds</b>		<b>28,472</b>	<b>203,239</b>	<b>231,711</b>	<b>178,663</b>
<i>Expenditure on charitable activities:</i>					
Grants and donations	3	5,198,533	-	5,198,533	1,547,493
Depreciation		263,523	74,600	338,123	338,123
Support, overhead costs and governance	4	109,839	-	109,839	118,908
<b>Cost of charitable activities</b>		<b>5,571,895</b>	<b>74,600</b>	<b>5,646,495</b>	<b>2,004,524</b>
<b>Total expenditure</b>		<b>5,600,367</b>	<b>277,839</b>	<b>5,878,206</b>	<b>2,183,187</b>
Net income / (expenditure)		(4,090,824)	(277,839)	(4,368,663)	(865,335)
Net gains / (losses) on investments	8	430,242	1,681,808	2,112,050	(2,032,663)
Other recognised gains / (losses):		-	-	-	587
<b>Net movement in funds</b>		<b>(3,660,582)</b>	<b>1,403,969</b>	<b>(2,256,613)</b>	<b>(2,897,411)</b>
<i>Reconciliation of funds:</i>					
Total funds brought forward		5,887,470	38,331,761	44,219,231	47,116,642
<b>Total funds carried forward</b>		<b>2,226,888</b>	<b>39,735,730</b>	<b>41,962,618</b>	<b>44,219,231</b>



**Consolidated Balance Sheet as at 31st March 2024**  
**Registered number 05574485**

		Unrestricted funds	Endowment funds	Total funds 2024	Total funds 2023
	Note	£	£	£	£
<b>Fixed assets:</b>					
Tangible assets	6	3,215,425	1,095,500	4,310,925	4,649,048
Investments	8	5,683,760	35,122,105	40,805,865	38,850,634
<b>Total fixed assets</b>		<b>8,899,185</b>	<b>36,217,605</b>	<b>45,116,790</b>	<b>43,499,682</b>
<b>Current assets:</b>	9				
Debtors		262,842	-	262,842	140,703
Cash at bank and in hand		1,184,362	3,551,904	4,736,266	4,486,058
<b>Total current assets</b>		<b>1,447,204</b>	<b>3,551,904</b>	<b>4,999,108</b>	<b>4,626,761</b>
<b>Liabilities:</b>	10				
Creditors: Amounts falling due within one year		(1,173,667)	(33,779)	(1,207,446)	(1,160,704)
<b>Net current assets or liabilities</b>		<b>273,537</b>	<b>3,518,125</b>	<b>3,791,662</b>	<b>3,466,057</b>
<b>Total assets less current liabilities</b>		<b>9,172,722</b>	<b>39,735,730</b>	<b>48,908,452</b>	<b>46,965,739</b>
Creditors: Amounts falling due after more than one year	10	(6,945,834)	-	(6,945,834)	(2,746,508)
<b>Net assets</b>		<b>2,226,888</b>	<b>39,735,730</b>	<b>41,962,618</b>	<b>44,219,231</b>
<b>The funds of the charity:</b>	13				
Endowment funds		-	39,735,730	39,735,730	38,331,761
Unrestricted funds		2,226,888	-	2,226,888	5,887,470
		<b>2,226,888</b>	<b>39,735,730</b>	<b>41,962,618</b>	<b>44,219,231</b>

The accompanying accounting policies and notes on pages 19 to 32 form an integral part of these financial statements.

Approved by the trustees on 6th November 2024 and signed on their behalf by:

*P D Innes*

PD Innes  
Chair of Trustees





**Charity Aggregated Balance Sheet as at 31st March 2024**  
Registered number 05574485

	Note	Charitable Company Unrestricted funds £	Charitable Trust Endowment funds £	Total funds 2024 £	Total funds 2023 £
<b>Fixed assets:</b>					
Tangible assets	7	3,215,425	1,095,500	4,310,925	4,649,048
Investments	8	5,683,760	35,122,105	40,805,865	38,850,634
<b>Total fixed assets</b>		<b>8,899,185</b>	<b>36,217,605</b>	<b>45,116,790</b>	<b>43,499,682</b>
<b>Current assets:</b>	9				
Debtors		262,842	-	262,842	140,703
Cash at bank and in hand		1,184,362	3,551,904	4,736,266	4,486,058
<b>Total current assets</b>		<b>1,447,204</b>	<b>3,551,904</b>	<b>4,999,108</b>	<b>4,626,761</b>
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	10	(1,173,667)	(33,779)	(1,207,446)	(1,160,704)
<b>Net current assets or liabilities</b>		<b>273,537</b>	<b>3,518,125</b>	<b>3,791,662</b>	<b>3,466,057</b>
<b>Total assets less current liabilities</b>		<b>9,172,722</b>	<b>39,735,730</b>	<b>48,908,452</b>	<b>46,965,739</b>
Creditors: Amounts falling due after more than one year	10	(6,945,834)	-	(6,945,834)	(2,746,508)
<b>Net assets</b>		<b>2,226,888</b>	<b>39,735,730</b>	<b>41,962,618</b>	<b>44,219,231</b>
<b>The funds of the charity:</b>	13				
Endowment funds		-	39,735,730	39,735,730	38,331,761
Unrestricted funds		2,226,888	-	2,226,888	5,887,470
		<b>2,226,888</b>	<b>39,735,730</b>	<b>41,962,618</b>	<b>44,219,231</b>
<b>Reconciliation of funds:</b>	14				
Total funds brought forward		5,887,470	38,331,761	44,219,231	47,116,642
Net movement in funds		(3,660,582)	1,403,969	(2,256,613)	(2,897,411)
<b>Total funds carried forward</b>		<b>2,226,888</b>	<b>39,735,730</b>	<b>41,962,618</b>	<b>44,219,231</b>

The movement in funds of the charity (aggregated charitable company and charitable trust) for the financial year was (£2,256,613) 2023: (£2,897,411)

The accompanying accounting policies and notes on pages 19 to 32 form an integral part of these financial statements.

Approved by the trustees on 6th November 2024 and signed on their behalf by:

*P D Innes*

PD Innes, Chair of Trustees

### Consolidated Statement of Cash Flows for the year ending 31st March 2024

		<b>Total funds 2024 £</b>	<b>Total funds 2023 £</b>
<b>Net cash used in operating activities</b>	<b>Note 15</b>	<b>(1,070,751)</b>	<b>1,366,752</b>
<i>Cash flows from activities:</i>			
Interest and dividends	2	1,317,680	1,152,342
<b>Cash provided by investments and activities</b>		<b>246,929</b>	<b>2,519,094</b>
<i>Cash flows from other sources:</i>			
Transfer to / from investment funds	8	3,279	(2,571,680)
<b>Change in cash and cash equivalents in the year</b>		<b>250,208</b>	<b>(52,586)</b>
Cash and cash equivalents brought forward		4,486,058	4,538,644
<b>Cash and cash equivalents carried forward</b>		<b>4,736,266</b>	<b>4,486,058</b>

### Consolidated Summary Income and Expenditure Account for the year ending 31st March 2024

	<b>2024</b>	<b>2023</b>
Total income	1,509,543	1,317,852
Total expenditure	(5,878,206)	(2,183,187)
Gains/(losses) on investments	2,112,050	(2,032,663)
Other recognised gains/(losses)	-	587
<b>Net income / expenditure for year</b>	<b>(2,256,613)</b>	<b>(2,897,411)</b>

Detailed analysis of expenditure is provided in the statement of financial activities and notes 3 to 5.

The summary income and expenditure account is derived from the financial activities on page 15 which together with the notes to the financial statements on pages 19 to 32 provides full information on the movements during the year on all funds of the group.



## Notes to the financial statements

### 1. Accounting Policies

#### a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), Companies Act 2006 and the Charities Act 2011.

John Innes Foundation is a private charitable company limited by guarantee and is governed by its Memorandum and Articles of Association.

The Charities Commission, in a Scheme dated 4th November 2005, issued a Uniting Direction such that the financial statements should show the aggregation of the results of John Innes Foundation ("the charitable company") and the John Innes Foundation Trust ("the trust") for submission to the Commission. An aggregation combines the results of the two entities to report them as if they were one entity. The charitable company is sole trustee of the trust and accordingly is not the beneficial owner of the trust's assets. The Uniting Direction, contained in the 2005 Scheme, requires the charitable company to file one set of financial statements aggregating the results of the charitable company and the trust. Information in respect of the trust has been identified separately within these financial statements to allow proper identification of the assets and liabilities of the charitable company and its subsidiaries as required by the Companies Act 2006. The charity aggregated balance sheet and the related notes separately identify the assets relating to the Charitable Company and the Trust.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charitable company and group's ability to continue as a going concern. The charitable company and group have generated sufficient financial resources from its activities to allow the trustees to believe that the charitable company and group are well placed to manage their business risks successfully in the current economic climate. Accordingly, the trustees have a reasonable expectation that the charitable company and group have adequate resources to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

#### b) Functional currency

The functional and reporting currency is £ sterling.

#### c) Basis of consolidation

The consolidated financial statements comprise the financial statements of John Innes Foundation and its subsidiary undertakings using acquisition accounting and aggregates the results, assets and liabilities of The John Innes Foundation Trust for which the charitable company is the sole trustee.

A separate statement of financial activities has not been included for John Innes Foundation by virtue of Section 408 of the Companies Act 2006. The net incoming resources for the year of John Innes Foundation are included in the consolidated statement of financial activities and the consolidated summary income and expenditure account.

#### d) Funds structure

The charity has a single permanent endowment bestowed by John Innes in 1904 and established under a scheme of the Charities Commission in 1909 to carry out investigation and research whether of a scientific or practical nature, into the growth of trees and plants generally. The will of John Innes also secured funding as part of the endowment of the John Innes (Merton) Boys Club, and a donation to the Rutlish Foundation to fund scholarships to Rutlish School, Merton being the home of John Innes. A relocation of the charity to Norwich was agreed in 1963.





Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Under the Charity Commission 2005 Scheme income arising from the Endowment Funds is transferred to the John Innes Foundation unrestricted funds. Capital appreciation / depreciation and realised gains / losses in value remain with the endowed fund.

**e) Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of the income receivable can be measured reliably.

Investment income is recognised on entitlement to the declared dividends and interest on cash deposits, and recognised on an accruals basis. One endowed investment portfolio is specific to fixed interest investments and structured for income to remain in the portfolio. Interest is included in investment income and reinvested back into capital under capital introduced.

Rental income is accounted for on a receivable basis.

BDW Trading Ltd has a 10 year Option Agreement dated 24<sup>th</sup> August 2018 to purchase 66 acres of Newfound Farm. Non-refundable fees of £155,000 and £20,000 have been paid by Barratt Developments (BDW Trading Ltd) and recognised in accounts year end 31st March 2019 and 2021 respectively. These 66 acres remain at cost in Land and Buildings pending determination of development potential. Should planning permission be obtained for residential development and the option exercised it is expected that there would be a material increase in the value of land to its present value of £30,000. The site was allocated for the development of 410 houses in the Greater Norwich Development Plan, formally adopted in March 2024. That establishes the principle of development, which adds to the expectation of an increase in value when planning permission is obtained by BDW Trading Ltd.

**f) Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (h) below.

Grants payable are payments to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

**g) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**h) Allocation of support and governance costs**

Governance costs comprise all costs involving the public accountability of the charitable company and its compliance with regulation and good practice. These costs include those related to the statutory audit, any legal fees incurred for advice to the trustees and an apportionment of support and overhead costs. Support costs and overheads have been allocated between charitable activities and governance. Costs are allocated on the basis of a best estimate of the purpose of expenditure.

**i) Cost of raising funds**

The costs of generating funds consist of investment management costs and certain legal fees.



**j) Charitable activities**

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in notes to the accounts.

**k) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost subject to depreciation and impairment.

Depreciation is provided by the charitable company to write off the cost less estimated residual value of tangible fixed assets by equal instalments over the estimated useful economic lives as follows:

Freehold land	Not depreciated
Freehold buildings	Originally 34 to 50 years but subsequently amended with changes in valuations and lease terms.

**l) Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the bid price at the year-end date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**m) Heritage assets**

The charity holds a library collection of books and papers. The assets were acquired in past accounting periods and not capitalised. The value of such assets is excluded from the balance sheet reflecting the fact that reliable cost information is not available and conventional valuation approaches lack sufficient reliability. It is also assessed that the inclusion of such information would provide very limited (if any) additional benefit to users of the accounts in assessing the trustees' stewardship of the assets. However, it should be noted that their valuation for insurance purposes (insured by JIC) is £2,731,700.

**m) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**n) Contingent liabilities**

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably

**o) Programme related and mixed motive investments**

A programme related investment is an asset held by the group in order to directly further the charitable purposes of the investing charity. Any financial return obtained is incidental to the primary reason for making the investment. Such assets include those held to further the charitable aims of the charity by funding specific activities or related tangible fixed assets of a third party which, in turn, contribute to the investor's own charitable purposes. Such assets are measured at amortised cost and are assessed for objective evidence of impairment at the end of each reporting period. Such an assessment takes account of their service potential in pursuit of charitable objects.

Where an apportionment of value between a property asset held for financial return and for non-financial motives (mixed motives) is impractical, the whole asset is classed as a fixed asset.

**p) Estimations and accounting judgements**

In the application of accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period or in the period of the revision and future periods if the revision affects current and future periods.

The areas which require the exercising of judgement and reflect a degree estimation uncertainty relate to:

- the fixed assets: determination of useful economic lives and classification as programme related investments (note k above and notes 6,7 and 8).
- investments: the assessment of impairment risk relating to the investment in Anglia Innovation Partnership LLP ('AIP LLP') and its classification as a programme related investment (note l above and note 8).
- grants: the point at which such grants should be recognised as outgoing expenses when there are conditional terms attached thereto.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year although given their nature such a risk exists.

## 2. Investment income

	Unrestricted Funds £	Endowed funds £	2024 £	2023 £
Investments	1,152,399	-	1,152,399	1,091,270
Bank Interest	165,281	-	165,281	61,072
	<u>1,317,680</u>	<u>-</u>	<u>1,317,680</u>	<u>1,152,342</u>

2023 included endowed investment income of £73,081.

## 3. Analysis of charitable expenditure - grants and donations

### 3a: Grants Payable 2024

Reconciliation of grants payable	Studentships £	Research £	Enterprise £	Education £	Other £	2024 £
Commitments at 1st April 2023	2,610,000	981,882	-	133,850	23,050	3,748,782
Recategorised grants	-	(66,400)	76,400	-	(10,000)	-
Commitments made in the year	600,000	-	-	98,654	4,551,799	5,250,453
Grants cancelled or recovered	-	-	(50,546)	(1,500)	126	(51,920)
<b>Grants payable for the year</b>	<b>600,000</b>	<b>(66,400)</b>	<b>25,854</b>	<b>97,154</b>	<b>4,541,925</b>	<b>5,198,533</b>
Grants paid during the year	(510,000)	(336,750)	(25,854)	(123,174)	(52,180)	(1,047,958)
<b>Commitments at 31st March 2024</b>	<b><u>2,700,000</u></b>	<b><u>578,732</u></b>	<b><u>-</u></b>	<b><u>107,830</u></b>	<b><u>4,512,795</u></b>	<b><u>7,899,357</u></b>
Within one year	600,000	305,458	-	35,270	12,795	953,523
After more than one year	2,100,000	273,274	-	72,560	4,500,000	6,945,834
	<u>2,700,000</u>	<u>578,732</u>	<u>-</u>	<u>107,830</u>	<u>4,512,795</u>	<u>7,899,357</u>

### Grants Payable 2023

Reconciliation of grants payable	Studentships £	Research £	Education £	Other £	2023 £
Commitments at 1st April 2022	1,913,921	1,256,247	80,000	80,663	3,330,831
Commitments made in the year	1,147,500	222,613	190,718	82,613	1,643,444
Grants cancelled or recovered	(5,000)	(13,751)	(1,500)	(75,700)	(95,951)
<b>Grants payable for the year</b>	<b>1,142,500</b>	<b>208,862</b>	<b>189,218</b>	<b>6,913</b>	<b>1,547,493</b>
Grants paid during the year	(446,421)	(483,227)	(135,368)	(64,526)	(1,129,542)
<b>Commitments at 31st March 2023</b>	<b><u>2,610,000</u></b>	<b><u>981,882</u></b>	<b><u>133,850</u></b>	<b><u>23,050</u></b>	<b><u>3,748,782</u></b>
Within one year	510,000	439,749	35,270	17,255	1,002,274
After more than one year	2,100,000	542,133	98,580	5,795	2,746,508
	<u>2,610,000</u>	<u>981,882</u>	<u>133,850</u>	<u>23,050</u>	<u>3,748,782</u>

All costs were from unrestricted funds for both 2024 and 2023.





### 3b: Grant commitments agreed during the year

Purpose	Payable to	£
<b>Studentships</b>	JIC	<b>600,000</b>
<b>Research and development</b>	AIP LLP	-
<b>Enterprise</b>		
Seed Fund Enterprise - not utilised	AIP LLP	(50,546)
		<b>(50,546)</b>
<b>Education Grants</b>		
JIC Find My Future	JIC (not utilised)	(1,500)
JIC Year in Industry	JIC	20,168
Annual grant as per Governing Document	Rutlish Foundation	1,000
Forest Garden Project	SAW Trust	10,000
AgriTech Taster Course	SAW Trust	6,000
Science story adventure for children	SAW Trust	2,000
Voice of Young Science Partnership 2023	Sense About Science	9,300
Agricultural Bursary Admin Fees	RNAA	3,936
Agricultural Bursaries	Individuals	46,250
		<b>97,154</b>
<b>Other Grants</b>		
JIC NIG Infrastructure site redevelopment	JIC	4,500,000
Rare Books Collection - administration	JIC	13,375
Student Support Activities	JIC	12,000
Recreation Centre Manager	JIC	18,950
Other	Other	7,600
		<b>4,551,925</b>

### 4. Analysis of support, overhead and governance costs

	2024	2023
	£	£
Trustees' remuneration	39,155	37,575
Trustees' indemnity insurance	8,237	6,779
Trustees' and clerk's expenses	5,197	4,960
Auditor's remuneration	14,015	13,075
Auditor's remuneration - non audit fees	636	3,161
Clerk to Trustees and Financial Administrator's Fees	41,317	49,357
Other support costs	1,282	4,001
	<b>109,839</b>	<b>118,908</b>



All costs were from unrestricted funds for both 2024 and 2023

#### 5. Trustees' remuneration

	2024	2023
	£	£
P D Innes	11,751	10,800
K R Norman	6,851	6,300
D K Lawrence	6,851	6,300
D J McLeavy Hill	6,851	6,300
Dr T L Barsby	6,851	6,300
Professor R S Hails (resigned 20 <sup>th</sup> December 2022)	-	1,575
	<u>39,155</u>	<u>37,575</u>

The scheme for the charitable company agreed by the Charities Commission on 24th January 2018 following a review by the Remuneration Committee and application to the Charities Commission, authorises remuneration to a maximum payable of £40,000 subject to inflationary increases (2023/24 maximum payable £48,278) and incorporated within The Articles dated 10th July 2018, to be divided among Trustees in such amounts as approved by resolution of the Trustees and recommended by the charity's Remuneration Committee. No one Trustee is to receive more than 25% of the maximum.

The minimum number of trustees is 3 with no maximum as stated in the Memorandum and Articles of Association of 10th July 2018.

The 5 trustees (2023: 6) incurred an aggregate sum of £5,197 (2023: £4,960) for travel expenses and meeting costs.

Directors and officers liability insurance of £8,237 (2023: £6,779) was incurred in the year. There are considered to be no other Key Management Personnel in addition to the Trustees.

There were no employees and no individual earned over £60,000.

#### 6. Consolidated tangible fixed assets

	Unrestricted funds	Endowment funds	Total funds
	£	£	2024
	£	£	£
Cost at 1st April 2023	13,002,039	2,960,500	15,962,539
At 31st March 2024	<u>13,002,039</u>	<u>2,960,500</u>	<u>15,962,539</u>
Depreciation at 1st April 2023	9,523,091	1,790,400	11,313,491
Charge for the year	263,523	74,600	338,123
At 31st March 2024	<u>9,786,614</u>	<u>1,865,000</u>	<u>11,651,614</u>
Net book value at 31st March 2023	<u>3,478,948</u>	<u>1,170,100</u>	<u>4,649,048</u>
Net book value at 31st March 2024	<u>3,215,425</u>	<u>1,095,500</u>	<u>4,310,925</u>

All tangible fixed assets are considered Program Related Investments, all being used by third parties congruent with charitable objectives.



During the year ended 31st March 2013 the Trustees reviewed the carrying value of the Earlham Institute within land and buildings above. The building was originally designed and built for a specific user and the trustees are pleased that it now continues to be used for scientific purposes. After taking professional advice regarding the value of the building it was identified that the current net book value was greater than the net realisable value and the value in use. Therefore, an impairment charge of £2.2m was identified and applied in 2013.

Endowed funds include £367,800 not depreciated being held at cost.

#### 7. Charity aggregated tangible fixed assets

The narrative given in note 7 with regard to consolidated fixed assets is equally applicable to those held by the Charity aggregated with the trust.

	Unrestricted funds	Endowment funds	Total funds 2024
	£	£	£
Cost at 1st April 2023	10,973,314	2,960,500	13,933,814
Additions	-	-	-
Disposals	-	-	-
At 31st March 2024	10,973,314	2,960,500	13,933,814
Depreciation at 1st April 2023	7,494,366	1,790,400	9,284,766
Charge for the year	263,523	74,600	338,123
At 31st March 2024	7,757,889	1,865,000	9,622,889
Net book value at 31st March 2023	3,478,948	1,170,100	4,649,048
Net book value at 31st March 2024	3,215,425	1,095,500	4,310,925



## 8. Investments

	2024		2023	
	Group	Charity & Trust	Group	Charity & Trust
	£	£	£	£
Listed investments and Cash	39,972,865	39,972,865	38,017,634	38,017,634
Investment in subsidiary undertaking	-	1,083,001	-	1,083,001
Provision	-	(250,001)	-	(250,001)
Investment in AIP LLP	833,000	-	833,000	-
	<u>40,805,865</u>	<u>40,805,865</u>	<u>38,850,634</u>	<u>38,850,634</u>

Listed investments and cash	Cash	Portfolio	Total 2024
Market value brought forward	1,175,206	36,842,428	38,017,634
Capital withdrawn	(3,279)	-	(3,279)
Additions to investments	(10,234,750)	10,234,750	-
Disposal proceeds	9,900,075	(9,900,075)	-
Management fees	(153,540)	-	(153,540)
Gains on investments	-	2,112,050	2,112,050
	<u>683,712</u>	<u>39,289,153</u>	<u>39,972,865</u>

	2024	2023
	£	£
Investment portfolio consists of:		
Equities	26,616,682	24,481,456
Fixed interest securities	9,924,754	7,533,348
Alternative investments	2,747,719	4,827,624
Cash	683,710	1,175,206
Total	<u>39,972,865</u>	<u>38,017,634</u>

The investment portfolios are balanced funds with no single shareholding more than 2.1 % (2023: 2.1%) of total fund value.

The following are the operating undertakings in which the charitable company held an interest during the year:

Subsidiary undertaking	Country of Registration	Principal activity	Class and percentage shares held
John Innes Bioprospects Limited	England	Holding Company	100% ordinary shares

John Innes Bioprospects Limited did not trade in the year and has net assets of £833,000 (being the investment in AIP LLP). Its registered office address is the same as that of JIF.

The provision against the investment in subsidiary undertakings has been made as the net assets of John Innes Bioprospects Limited solely comprise its investment as a partner in Anglia Innovation Partnership ('AIP' LLP). Management consider AIP LLP to be a mixed motive investment in that it is not primarily held for financial objectives. Premises and facilities are also provided for research which contributes to the charitable objectives of John Innes Foundation. The investment continues to contribute to the wider objects and purpose of the Group. No impairment is considered necessary at this time but is monitored annually.

As at 31st March 2024 there had been no division of profits agreed by the members of Anglia Innovation Partnership (2023: £nil). Consequently, no amounts were receivable by the group at that date in respect of profits earned by Anglia Innovation Partnership LLP (2023: £nil).

#### 9. Analysis of current assets

	2024		2023	
	Group	Charity & Trust	Group	Charity & Trust
	£	£	£	£
Prepayments and accrued income	221,070	221,070	112,531	112,531
Trade debtors	41,772	41,772	28,172	28,172
Cash at Bank	4,736,266	4,736,266	4,486,058	4,486,058
	<u>4,999,108</u>	<u>4,999,108</u>	<u>4,626,761</u>	<u>4,626,761</u>

#### 10. Analysis of current and long-term liabilities

	2024		2023	
	Group	Charity & Trust	Group	Charity & Trust
	£	£	£	£
<i>Creditors under 1 year:</i>				
Trade creditors	178,422	178,422	104,686	104,686
Tax and social security	3,013	3,013	2,513	2,513
Committed grants	953,523	953,523	1,002,274	1,002,274
Other accruals and deferred income	72,488	72,488	51,231	51,231
	<u>1,207,446</u>	<u>1,207,446</u>	<u>1,160,704</u>	<u>1,160,704</u>
<i>Creditors over 1 year:</i>				
Committed grants	<u>6,945,834</u>	<u>6,945,834</u>	<u>2,746,508</u>	<u>2,746,508</u>

	2024	2023
	£	£
Deferred income b/f	26,029	26,029
Transferred to income	(26,029)	(26,029)
Deferred in year (Earlham Institute advance rent invoiced)	26,029	26,029
Deferred income c/f	<u>26,029</u>	<u>26,029</u>

#### 11. Contingent assets and liabilities

BDW Trading Ltd has a 10 year Option Agreement dated 24<sup>th</sup> August 2018 to purchase 66 acres of Newfound Farm. Non-refundable fees of £155,000 and £20,000 have been paid by Barratt Developments (BDW Trading Ltd) and recognised in accounts year end 31st March 2019 and 2021 respectively. These 66 acres remain at cost in Land and Buildings pending determination of development potential. Should planning permission be obtained for residential development and the option exercised it is expected that there would be a material increase in the value of land to its present value of £30,000. The site was allocated for the development of 410 houses in the Greater Norwich Development Plan, formally adopted in March 2024. That establishes the principle of development, which adds to the expectation of an increase in value when planning permission is obtained by BDW Trading Ltd.

In 2020 Trustees agreed to contribute a capital sum of £4.5m to the proposed redevelopment of the John Innes Centre site (known as Next Generation Infrastructure – NGI). Whilst Negotiations re Heads of Terms continue, there is constructive agreement, and this sum has therefore now been recognised in the Accounts.

As part of the re-gearing of the ground lease from JIF to JIC associated with the grant to be provided by JIF, it is intended that JIF may gain possession of certain existing buildings that will not be required as part of NGI and may be outside the new lease demise. In which case, the letting of these buildings will provide Trustees with the opportunity to create

a new and significant income stream, further increasing JIF's reach and impact. A future assessment of these buildings will need to be undertaken to consider use and value.

## 12. Commitments

As at year end 31st March 2024 Trustees, along with other landowners, UEA and UKRI, were committed to supporting the development of their combined undeveloped land through the appointment of an external investor to deliver new laboratory and office accommodation. This will enable the further growth of the internationally renowned Norwich Research Park, a top-tier global research and innovation campus. This concluded with the signing by each landowner of individual Development and Option Agreements with real estate investment manager Vengrove Real Estate Management Ltd., on 17th September 2024.

Legal and other associated costs in this respect incurred subsequent to 31st March amounted to £165,917 plus and insurance policy premium £24,000 to protect JIF against any claims for breach of covenant on historic land covenants.

## 13. Group and Charity analysis of net assets

Year ended 31st March 2024	Unrestricted fund £	Endowment Fund £	Total £
Tangible fixed assets	3,215,425	1,095,500	4,310,925
Investments	5,683,760	35,122,105	40,805,865
Debtors due in 1 year	262,842	-	262,842
Cash at bank	1,184,362	3,551,904	4,736,266
Creditors due in 1 year	(1,173,667)	(33,779)	(1,207,446)
Creditors due after 1 year	(6,945,834)	-	(6,945,834)
	<u>2,226,888</u>	<u>39,735,730</u>	<u>41,962,618</u>

Year ended 31st March 2023	Unrestricted fund £	Endowment Fund £	Total £
Tangible fixed assets	3,478,948	1,170,100	4,649,048
Investments	5,273,619	33,577,015	38,850,634
Debtors due in 1 year	140,703	-	140,703
Cash at bank	900,152	3,585,906	4,486,058
Creditors due in 1 year	(1,159,444)	(1,260)	(1,160,704)
Creditors due after 1 year	(2,746,508)	-	(2,746,508)
	<u>5,887,470</u>	<u>38,331,761</u>	<u>44,219,231</u>



#### 14. Group and Charity aggregated analysis of charitable funds

	Bal B/fwd 1st April 2023	Income 2024	Expenditure 2024	Gains/Losses 2024	Other recognised losses 2024	Fund C/fwd 31st March 2024
	£	£	£	£	£	£
Endowment funds	38,331,761	-	(277,839)	1,681,808	-	39,735,730
Unrestricted funds	5,887,470	1,509,543	(5,600,367)	430,242	-	2,226,888
Total	44,219,231	1,509,543	(5,878,206)	2,112,050	-	41,962,618

	Bal B/fwd 1st April 2022	Income 2023	Expenditure 2023	Gains/Losses 2023	Other recognised losses 2023	Fund C/fwd 31st March 2023
	£	£	£	£	£	£
Endowment funds	40,190,693	73,081	(232,175)	(1,700,425)	587	38,331,761
Unrestricted funds	6,925,949	1,244,771	(1,951,012)	(332,238)	-	5,887,470
Total	47,116,642	1,317,852	(2,183,187)	(2,032,663)	587	44,219,231

#### 15 Notes to the Consolidated Statement of Cashflows

##### 15a Reconciliation of net movement in funds to net cash flow from operating activities

	2024	2023
	£	£
Net movement in funds	(2,256,613)	(2,897,411)
Add back losses / deduct gains on investments	(2,112,050)	2,032,663
Investment income	(1,317,680)	(1,152,342)
Add back depreciation charge	338,123	338,123
Deduct Investment Management Fees paid from Broker Capital Accounts	153,540	146,420
Decrease (increase) in debtors	(122,139)	2,821,747
Increase (decrease) in creditors	4,246,068	77,552
Net cash used in operating activities	<u>(1,070,751)</u>	<u>1,366,752</u>

##### 15b Analysis of Net Funds

	31st March 2023	Cashflows	31st March 2024
	£	£	£
Cash at Bank	<u>4,486,058</u>	<u>250,208</u>	<u>4,736,266</u>

## 16. Related party transactions

The charitable registration number within these financial statements represents both the Company and John Innes Foundation Trust ('the Trust') in line with a Uniting Direction from the Charity Commissioners dated 4th November 2005.

Transactions between the Charitable Company and the Trust during the year have been as follows:

- The Charitable Company, as part of the hive up from John Innes Bioprospects limited, had a lease of land from the Trust on which the building occupied by Earlham Institute was constructed. A new lease dated 2nd March 2015 commenced on 1st December 2014 between John Innes Foundation in its capacity as sole trustee of the John Innes Foundation Trust as landlord, and the Genome Analysis Centre (now the Earlham Institute) as tenant for a term of 25 years to 30th November 2039. The rent for the first year was £70,000, increasing to £100,000pa until the first rent review on 30th November 2019 at which time the rent increased to £112,689pa. However, the increase was waived by JIF for the first year following the rent review. The new rent therefore took effect on 1st December 2020.
- Pursuant to the 2005 Scheme the Charitable Company is entitled to all income arising on the trust's property and investments from 4th November 2005.

John Innes Centre is considered a related party of John Innes Foundation as during the course of the year Jason Vincent (non-trustee) sat on the Governing Council of John Innes Centre as JIF's representative (replaced by William Kendall on 20th July 2023), and one trustee (currently Tina Barsby) acts as an observer at JIC Governing Council meetings.

Transactions between the entities can be summarised as follows:

Paid and/or accrued by the Foundation to John Innes Centre:

	2024	2023
	£	£
Grants for Studentships	600,000	1,142,500
Grant Chris Leaver Fellowship	-	(1)
Grant for Year in Industry	20,168	2,668
Grant for Undergraduate Summer School	-	102,600
Grant for Find My Future event	(1,500)	20,500
Grants for Student Support Activities	12,000	12,000
Rare Books Administration	13,375	12,695
Rare Books Archivist	-	14,947
Diversity Focused Lectures	-	(700)
Recreation Centre Manager	18,950	18,016
Recreation Centre Refurbishment Review	-	7,170
NIG Infrastructure site redevelopment	4,500,000	-
<b>JIC total</b>	<b>5,162,993</b>	<b>1,332,395</b>



In 2015/16, JIF completed a lease dated 27th July 2015 to JIC for terms of 60 years from 27th July 2015. A peppercorn rent is levied on this letting which is compliant with JIF's charitable objectives.

A creditor balance of £80,680 (2023: £47,362) was outstanding to JIC at the year end, and accrued grants of £7,439,509 (2023: £3,016,708).

A grant of £333,204 was committed to the Earlham Institute in 2020 with an additional £75,263 in 2023. £41,650 was paid in the year (2023: £69,593) and £193,098 was outstanding at the year-end (2023: £234,748).

During the year John Innes Foundation were due ground rents of £46,185 (2023: £48,128) from Anglia Innovation Partnership LLP ('AIP LLP') an entity the group holds an investment in. A balance of £7,609 (2023: £7,875) was outstanding at the year end. A grant of £75,000 was committed to AIP in 2023 toward a Seed Enterprise Fund (including £10,000 for scheme administration). £25,854 was paid during the year and with £50,546 underutilised and £nil (2023: £76,400) was outstanding at the year end.

#### **17. Lease and Tenancy Agreement income**

Lease dated 2nd March 2015 commencing 1st December 2014 to Earlham Institute (note 16) income £112,689 (2023: £112,689) with 5 yearly rent reviews. December 2019 kept at £100,000 for further 12 months and December 2020 uplifted to £112,689 per annum.

Farm Business Tenancy dated 1st August 2013 to Morley Farms Ltd at a rent of £1,515 per annum plus the annual Single Farm Payment (replaced by the Basic Payment Scheme in 2015). The tenancy agreement was replaced with new agreement dated 28th January 2020 and then 25<sup>th</sup> February 2021 for 2 years from 1<sup>st</sup> October 2020 to 30<sup>th</sup> September 2022 and again renewed 1<sup>st</sup> October 2023 for 1 year for £757 per annum being the remaining land area at Newfound Farm upon which BDW Trading Ltd has an option agreement (note 12). Income £3,544 (2023: £4,693) includes Basic Payment Scheme payments.

#### **18. Members liability**

The Company is limited by guarantee. The liability to the members is limited to a sum not exceeding £10, being the amount, each member undertakes to contribute to the assets of the charity in the event it is wound up which he, she or it is a member or within one year after he, she or it ceases to be a member.