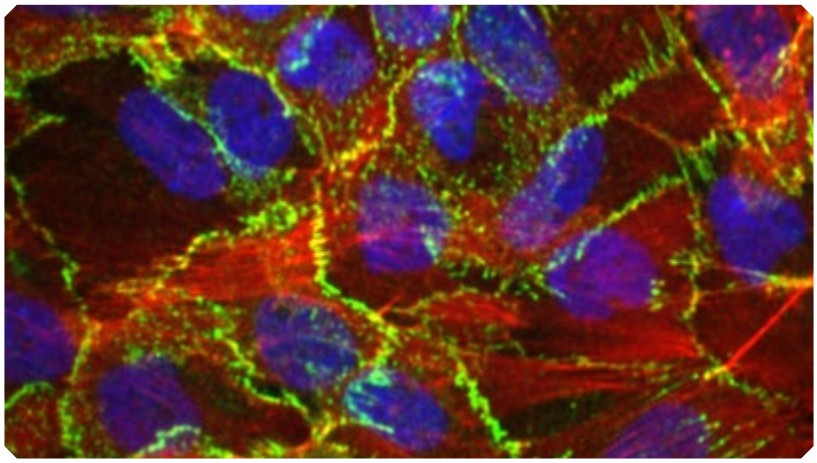
ICR The Institute of Cancer Research

The Institute of Cancer Research:
Royal Cancer Hospital
Company Number 00534147



Our year in 2024

Annual Report and Financial Statements for the year ended 31 July 2024

Introduction from the Chair

> The coming year is filled with promise – I am excited by what we can achieve as we work together on our mission to defeat cancer.

It's a privilege, as Chair, to reflect on the immense progress The Institute of Cancer Research, London, has made over the past year and to express my warmest thanks to our passionate staff and students for all their brilliant work.

We have had many highlights at the ICR this year, from exciting developments in research to new fundraising partnerships. We were thrilled and honoured to receive a prestigious Queen's Anniversary Prize for our transformational breast cancer research programme and to see the continued success of capivasertib as it passes through the regulatory systems to be introduced for the treatment of breast cancer. We saw the global reach that ICR research can have with the continued progress of Monte Rosa, a company formed as a spin-out at the ICR which entered into a significant collaboration with Roche and we saw exciting new companies, such as Kodiform Therapeutics, a joint spin-out company from the ICR and University of Oxford, receive major seed funding investment.

This year also saw the completion of an extensive refurbishment of our teaching space at Old Brompton Road on our Chelsea campus. The state-of-the-art teaching facilities, made possible by Office for Students funding, will enable us to bring our MSc Oncology students on-site for classes while the attractive social facilities provide an ideal environment for staff and students to interact and share ideas. In addition to this, we also supported the re-development of our new, interactive office space which supports hybrid working and provides our professional services staff with locations to work collaboratively to support our academic, research, advocacy and fundraising activities.

I am pleased to report that our programme for improving the efficiency of our professional services is bringing significant benefits. Looking forward, we will continue to explore new means of generating income and driving continued cost effectiveness and service improvements to maximise the impact of our funding while also working collaboratively with colleagues across the university sector to foster the long-term sustainability of research across the university ecosystem.

The coming year is filled with promise – I am excited by what we can achieve as we work together on our mission to defeat cancer.

Professor Julia Buckingham CBE
Chair of the Board of Trustees

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The Institute of Cancer Research: Royal Cancer Hospital

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Annual Report and Financial Statements for the year ended 31 July 2024

Chief Executive's review

Throughout my leadership, I've never been as proud of The Institute of Cancer Research, London, as I am today. We have continued to face financial challenges driven by external factors and we've effectively adapted to them.

There will be more challenges ahead, but this past year has been crucial for the ICR's continued development. The progress we've made will enable us to continue making the breakthroughs we want to see to advance the diagnosis and treatment of cancer. I want to thank everyone involved with the ICR – our staff, students and Trustees, our funders, donors, supporters and partners – for their continued hard work and dedication. I am inspired every day by their commitment to the ICR, and their passion for our overarching mission – to make the discoveries that defeat cancer.

We're operating in a tough financial environment. On top of the structural funding issues within the sector, the impact of inflation and the cost-of-living crisis are hitting all areas of our work and affecting everyone connected to our organisation. We've needed to be resilient to keep moving forward and we have continued to make great progress and have reached a number of important milestones. Our success is epitomised by two major achievements underpinned by decades of relentless hard work from colleagues across the ICR.

In February this year, I was honoured to attend a ceremony at Buckingham Palace to receive the prestigious Queen's Anniversary Prize on behalf of the institute, in recognition of our transformational breast cancer research programme. Another major achievement, which spans our discovery science, translational and clinical research, is the progress of the breast cancer drug capivasertib towards the clinic. This year, the first-in-class medicine, which was discovered by AstraZeneca, has been approved in the US, Europe and the UK for treatment of advanced breast cancer.

Our researchers have continued to make important discoveries and all eight of our research divisions are represented in our recent research highlights, which demonstrate progress against a range of cancer types. Among our achievements, we identified a way to reverse drug resistance and slow tumour progression in prostate cancer, showed that it was possible to destroy a protein that is crucial for breast cancer cell survival, and successfully trialled the use of PARP inhibitors in a new patient population.

To support this important research and continue the implementation of our research strategy, we have made excellent progress on our strategic priorities. This includes setting up new research centres and facilities that further bring together scientists from different specialities across the ICR to carry out interdisciplinary research in key areas.

> I want to thank everyone involved with the ICR – our staff, students and Trustees, our funders, donors, supporters and partners – for their continued hard work and dedication.

Outside of our researchers' labs, offices and facilities, we have reached many exciting milestones and developments. We reopened our office and teaching space in 123 Old Brompton Road. These newly renovated facilities allow us to bring teaching back onsite, while the modernisation of our office spaces in Chelsea mean they are now suitable for post-pandemic patterns of working and provide a high-quality working environment for both our professional services staff and researchers.

We were honoured to be chosen by the family and friends of Hairy Biker Dave Myers, who supported us during their 'Dave Day' motorbike ride in memory of Dave. This contributed to an excellent year for our fundraising, with £13.5 million raised from a mixture of major donations, legacies, and many smaller gifts – an increase of £1 million compared to last year despite the challenging fundraising environment. These vital donations contributed to a total annual income of £132.6 million.

We have taken the decision to invest in our research strategy using our reserves to increase our research capability, strengthen our research infrastructure and ensure continuity for our research in these particularly challenging times. This has resulted in an operating deficit of £20.0 million. This has been offset by a complete reversal of the deficit recovery provision for the University Superannuation Scheme (USS) pension scheme resulting from the 2023 scheme valuation. We have also recorded increases in the value of our investments, partially reversing losses incurred in recent years. This leaves us in a stronger position than at the start of the year but the underlying financial challenge remains. We need to tackle this in the longer term to sustain our mission.

Our improvement programme, Evolve, means we're working more effectively and continue to make changes to enhance the support we provide for our research and teaching. We're continuing to work on our financial sustainability through fundraising, commercialisation and advocacy, all to help improve the long-term sustainability of our organisation so it is fit for the future. I know we still have a lot more work to do but, each day, we are all working together to make the ICR the best organisation it can be so we can make the discoveries that will help save and improve the lives of people with cancer.

Professor Kristian Helin
Chief Executive
The Institute of Cancer Research, London

Year at a glance

The ICR enjoyed another successful year despite continued economic challenges.

We celebrated an excellent year for fundraising, secured significant grants for several of our research projects and welcomed staff and students back to our offices and teaching space in 123 Old Brompton Road, London.

We received a Queen's Anniversary Prize, saw important progress for a breast cancer drug called capivasertib and continued our Evolve programme to help build a stronger, more sustainable organisation to support our world-class research and teaching.

Here are some of the highlights.

Strategy delivery
We continue to implement our strategy, *Defeating Cancer*, and welcomed ten new faculty and launched two new centres to support the delivery of our research themes.

£13.5m

Successful year of fundraising
The ICR celebrated an excellent year for fundraising, with £13.5 million generated from a mixture of major donations, legacies and many smaller gifts, thanks to the generosity of our funders, supporters and donors.

Queen's Anniversary Prize
The ICR was granted the Queen's Anniversary Prize, the highest national honour in UK further and higher education, for our innovative work on breast cancer.

45,000

Inaugural Dave Day
More than 45,000 motorcyclists took part in the 'Dave Day' tribute to Hairy Biker Dave Myers, raising more than £120,000 in support of the ICR and NSPCC Childline.

Teaching space and office refurbishment
The ICR re-opened its refurbished office space in Chelsea in conjunction with the newly created learning suite which was reconfigured using funding from the Office for Students.

£132.6m

£132.6m of income
In 2023/24, the ICR had a total income of £132.6million.

Capivasertib approval
The first-in-class drug has been approved by the US Food and Drug Administration (FDA), European Medicines Agency (EMA) and the UK Medicines and Healthcare products Regulatory Agency (MHRA) in the last year for treatment of advanced breast cancer.

Income generated from intellectual property
The ICR continued to rank among the top UK universities for income generated from intellectual property – per member of academic staff – in 2022/23.

Knowledge Exchange Framework
The ICR has been rated as one of the UK's top higher education institutions in three categories in the latest Knowledge Exchange Framework (KEF).

phase III

Progress for patients
Results from a phase III trial support a 'new gold standard' for treating head and neck cancer patients. The DARS trial, managed by the ICR Clinical Trials and Statistics Unit, compared treatments and found evidence to reduce the risk of swallowing problems after radiotherapy.

London Cancer Hub development
The ICR welcomed the appointment of insurer Aviva and developer Socius, by The London Borough of Sutton, as partners to advance the development of the London Cancer Hub site co-located with the ICR and the Royal Marsden NHS Foundation Trust in Sutton.

97%

Education and learning
A survey showed 97 per cent satisfaction amongst our MSc Oncology students. We were also ranked top in the country for the quality of teaching, student engagement, community, and organisation.

Financial summary

Our finances over 2023/24

£132.6m
of income in 2023/24

In 2023/24 the ICR had a total income of £132.6m. 46% of our income came from research funding. Royalty income reduced by £4m to £15m in 2023/24 but this still represents 11% of our income, while 23% of our funding comes from public funding as a higher education institution, 10% from donations and endowments, and 10% from tuition fees, investments and other sources.

£152.5m
of operating expenditure in 2023/24

Operating expenditure was £152.5m, of which 75% was spent directly on research and education, including significant ongoing investment in our 2022–27 research strategy. A total of 21% of our spending was on supporting our research by creating the best possible environment for our scientists. This included investment in cutting-edge new research facilities to underpin our strategy and ongoing work to realise the ICR's digital vision. It also includes investment in our Evolve programme, discussed in more detail below, a major programme to develop the best possible services and infrastructure to support our long-term mission.

£42.4m
adjustment to our USS pension scheme liability

During the year, the 2023 valuation of the USS pension scheme, a multi-employer pension scheme covering the majority of employees in research intensive UK higher education institutions, was finalised and moved from a deficit of £14.1bn to a surplus of £7bn, across the scheme as a whole. All university employers previously accumulated significant liabilities in respect of obligations to contribute towards the scheme deficit, and in the case of the ICR these totalled £42.4m. The 2023 valuation outcome reverses the impact of these obligations and creates a one-off complete reversal of the deficit recovery provision, resulting in an overall uplift in the ICR's reserves in 2023/24.

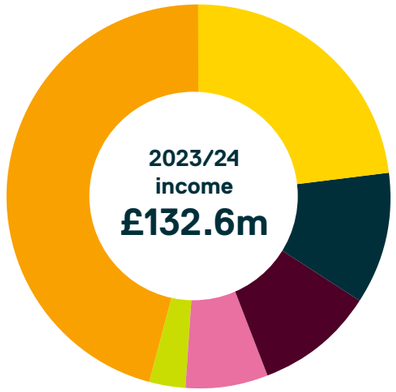
£20.0m
operating deficit in 2023/24

Our Board of Trustees made the decision to make a significant investment from our accumulated reserves in the delivery of our 2022-2027 Research Strategy, including funding areas of research that have been impacted by recent grant cuts. We therefore spent more than we received during the year, incurring an operating deficit (excluding the USS accounting adjustment and other gains and losses) of £20.0m. This has been offset by the USS change, and also by investment gains of £14.4m, the latter partially reversing investment losses of £20m over the prior 2 years. £28.7m was divested from our investments to support ongoing expenditure commitments in the coming year. Taking account of these, the overall increase in reserves was £38.2m. Given the nature of the accounting gains driving this position, this has not resulted in an increase in the ICR's actual expendable resources. Nevertheless, we will be continuing to invest from accumulated financial reserves directly into the delivery of our ambitious research strategy.

£8.9m
investment in new building and equipment in 2023/24

Capital expenditure was £8.9m, including £3.9m on research equipment and £2.9m creating the new teaching space on Old Brompton Road. The ICR continues to invest in new faculty, team recruitment and research infrastructure in key strategic areas, as well as in making our estate as environmentally efficient and sustainable as possible.

Total income 2023/24



46%
Research grants and contracts of which:
- **28%** Cancer Research UK
- **18%** Breast Cancer Now
- **14%** Industrial collaborations
- **5%** MRC
- **4%** Wellcome

23%
Funding body income, awarded in recognition of the quality and scale of our research, knowledge exchange and teaching activity

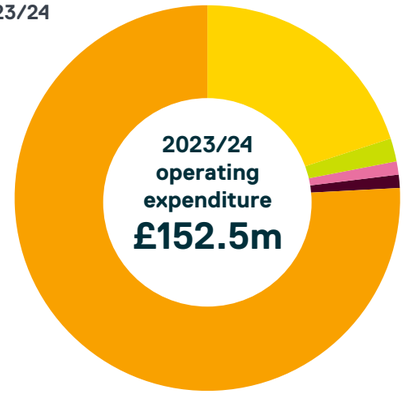
11%
Royalty income

10%
Donations and endowments

7%
Investments and other income

3%
Tuition fees and education contracts

Total expenditure 2023/24



76%
Direct research costs

20%
Research support costs

2%
Fundraising

1%
Other

1%
Information and education

The ICR finds itself at a key inflection point in our financial position. Over recent years our discoveries have had an incredible impact in progressing our research mission and making a difference for cancer patients in the clinic. They have also generated financial benefits through royalty income streams that we have used to strengthen our balance sheet and build up reserves. We are now deploying these reserves to deliver our 2022-2027 research strategy.

However, these royalty income streams are coming to an end. Over the coming years this will expose the ICR to the underlying structural deficit in how academic research is funded in the UK, whereby research grant funding only partially contributes to the overall 'full economic cost' of undertaking cancer research. This challenge is not unique to the ICR, but is particularly acute for us, given our specialist research focus. It is also exacerbated by broader uncertainty in the economic environment, not least the ongoing challenges in the medical research charity sector that have resulted in substantial cuts to the ICR's grant funding levels.

We are now entering a period where financial challenges are becoming more apparent, but we do so from a solid position. We have made significant progress in delivering our Evolve programme to strengthen our professional services, diversify and grow our income, and ensure that we remain as cost effective as possible.

We have made changes to our professional services model to provide a stronger, more resilient infrastructure for our research and further embed an ongoing focus on financial sustainability into how we plan and resource our services. These measures have resulted in reductions in our cost base that we are reinvesting to further drive our research strategy, and mitigate the ongoing impact of the financial risks that we face.

However, significant financial uncertainty remains on the horizon, for the ICR and for our peers in the academic and research sector. It will be essential that we build on our progress this year to continue growing and diversifying our income, to achieve and sustain our mission to make the discoveries that defeat cancer.

Our mission and strategy

1

Our mission and strategy

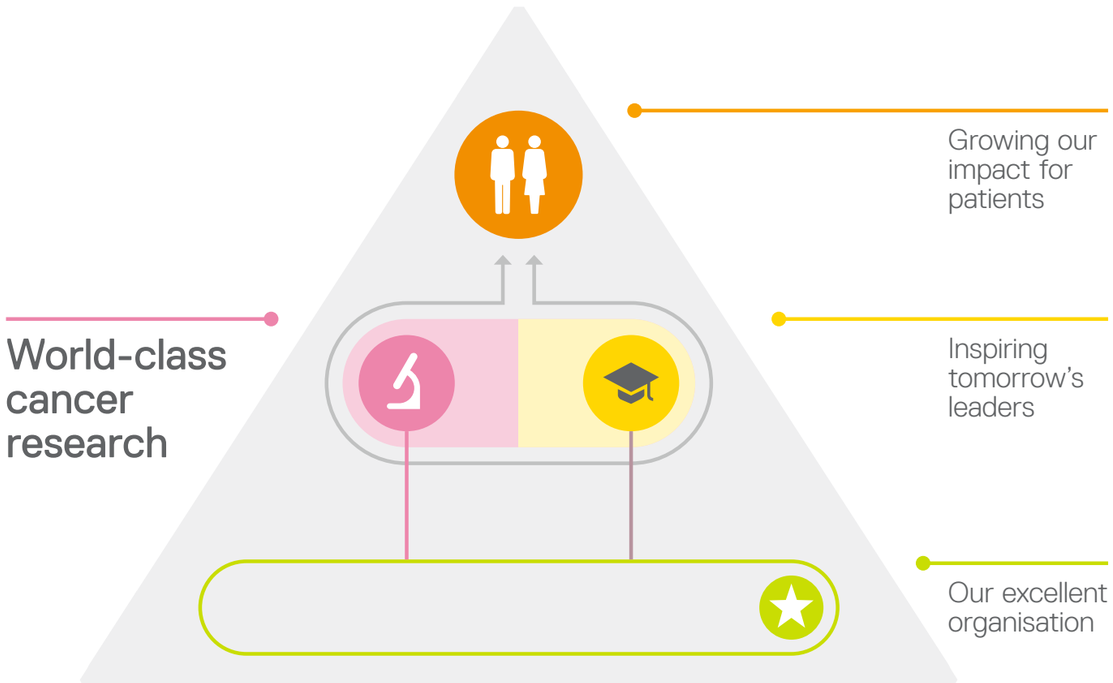
The ICR is one of the world's most influential cancer research organisations. It is also a higher education institute and a charity. At the ICR, we are dedicated to making advances that improve the lives of people with cancer.

Our 2022–2027 strategy, *Defeating Cancer*, aims to accelerate progress for cancer patients by harnessing the latest scientific knowledge and technology to drive innovation in treatment. Recent advances in science have led us to start seeing the disease as a complex ecosystem, in which cancer cells evolve amid a mesh of cells and signals from surrounding tissue and the immune system. Our current strategy to defeat cancer rests on both this understanding and the concept that cancer research is an ecosystem too.

Our mission: Making the discoveries that defeat cancer

Our vision: Transforming the lives of cancer patients through world-class research and education, and growing our impact on society

Our strategy has three pillars, representing research, education, and impact. These are underpinned by further developing our excellent organisation.



World-class cancer research

We will unravel cancer's ecosystem, overcome drug resistance, and advance diagnosis and treatment for patients – through world-class fundamental, translational and clinical research.

Find out more about each of our research pillars and the people who are making the discoveries on page 15.

Inspiring tomorrow's leaders

We will empower our students and early-career researchers to become tomorrow's leaders in cancer research and treatment by providing the best possible education, training and careers support.

Find out what it's like to study at the ICR on page 26.

Growing our impact for patients

We will maximise the impact of our research for patients by engaging with industry, funders, donors and the public, building partnerships in the UK and internationally, and influencing the uptake of our advances into routine healthcare.

See highlights from the work we are doing to grow our impact for patients on page 31.

Dr Amin Mirza - Head of Structural Chemistry Facility

World-class cancer research

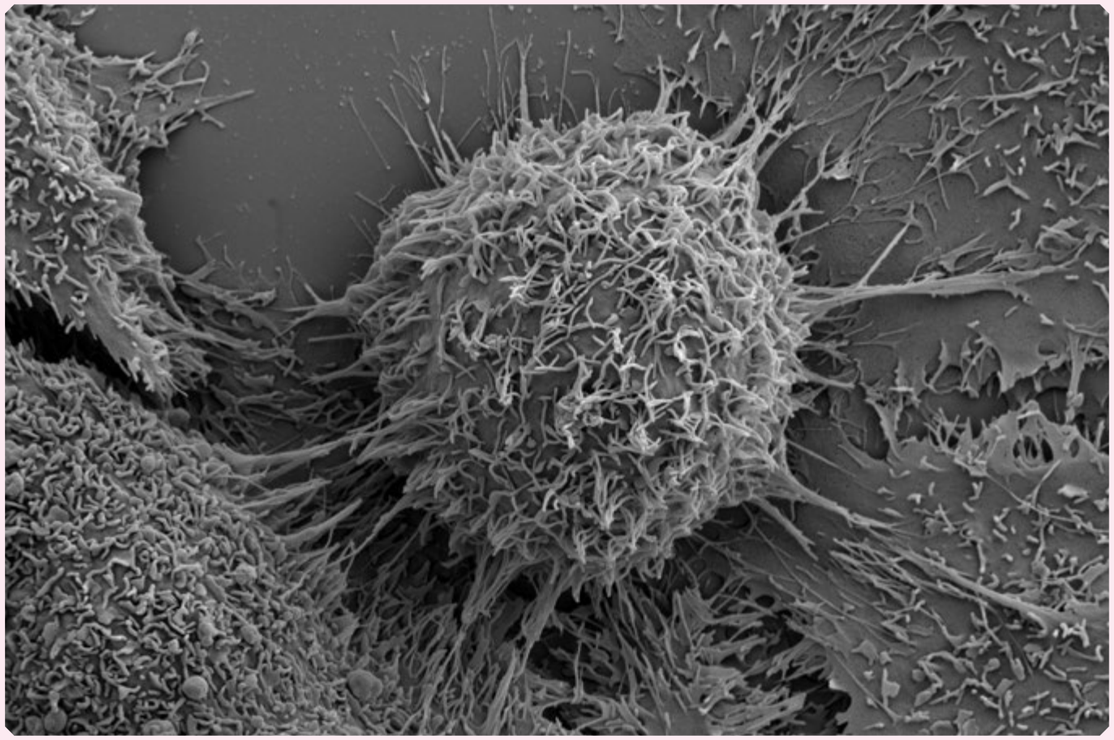
We developed the research pillar of *Defeating cancer: our strategy to transform the lives of cancer patients* with our hospital partner The Royal Marsden.

This pillar, which is structured around four themes, sets out our research priorities at the ICR from 2022 to 2027. The ICR and The Royal Marsden will tackle cancer's complexity, evolution and ecosystem through the central insight that cancer research is an ecosystem.

Our world-class research will run from bench to bedside and back again – linking together fundamental discoveries from across the ICR. We aim to identify new weaknesses in cancer, create innovative new ways to target cancer, and improve diagnosis and treatment for patients. We will also learn from the experiences of patients, clinicians and the wider community, and use this information to develop new life-changing and life-saving therapies.

Our four research themes are:

- Unravel the cancer ecosystem
- Diagnose better and earlier
- Target weaknesses in cancer
- Treat cancer more precisely



Research excellence

Our researchers lead the way in their fields and are often the recipients of prestigious awards and recognition to mark their achievements. Here is a selection of awards and prizes from the 2023/24 year.

Professor Axel Behrens, Scientific Director of the Cancer Research UK Convergence Science Centre at the ICR and Imperial College London and Professor of Stem Cell Research at the ICR, was elected as a Fellow of the Academy of Medical Sciences.

Professor Andrew Tutt, Head of the Division of Breast Cancer Research and Director of the Breast Cancer Now Toby Robins Research Centre has been awarded The Robert Sutherland Award for Excellence in Translational Research.

Dr Stephen John Sammut, Clinician Scientist at the ICR and Consultant in Medical Oncology at The Royal Marsden, was awarded the Royal College of Physicians Graham Bull Prize and delivered the Goulstonian Lecture.

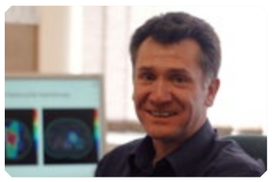
Professor Cathrin Brisken, Group Leader in Breast Cancer Research, has been awarded the 2023 Claudia von Schilling Prize.

Professor Terence Rabbitts, Professor of Molecular Immunology, was made an Honorary Fellow of the Royal College of Physicians.

PhD student Matt de Vries won Cancer Research Horizons' Early-career Entrepreneur of the Year award.

Professor Ian Judson, Emeritus Professor of Cancer Pharmacology, was recognised by Sarcoma UK with a Lifetime Achievement Award, and research led by Dr Paul Huang to create the first and largest encyclopaedia of protein alterations in soft tissue sarcomas was awarded their Shining Star Research of the Year Award.

Professor Clare Isacke, Professor of Molecular Cell Biology and Dean of Academic and Research Affairs, was awarded the biennial Women in Science Achievement Award by the Metastasis Research Society.



Dr Glenn Flux, Head of Radioisotope Physics at the Joint Department of Physics at the ICR and The Royal Marsden, has been awarded the Norman Veall Medal from the British Nuclear Medicine Society.

Theme 1
Unravel the cancer ecosystem

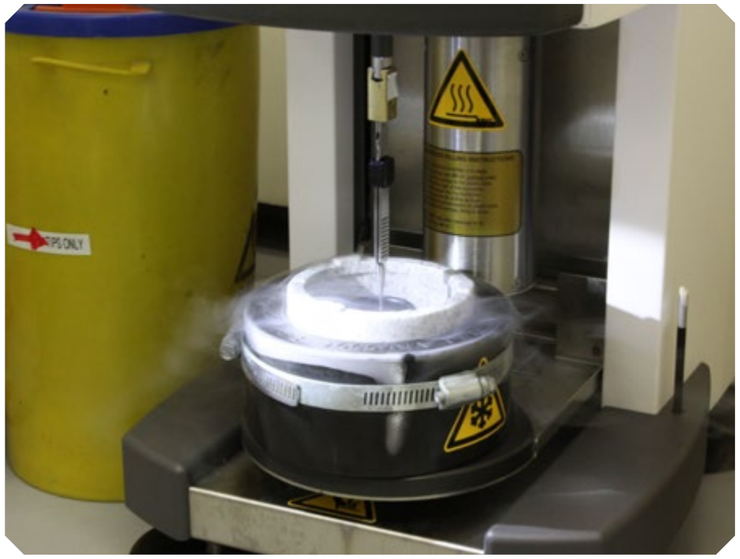
Cancer is genetically diverse, and it can develop, evolve and become resistant to treatment. We are beginning to understand more about how cancer interacts with the cells and tissues surrounding it, including how tumours and the immune system affect each other, and how the body's microbiome influences the delicate balance between tumour and tissue environment. Our challenge is to unravel cancer's complex ecosystem to reveal new weaknesses we can target with treatments. To achieve this, we are examining cancer at an unprecedented resolution.

Overcoming a longstanding technical challenge in drug discovery

The structural biology community is likely to benefit from a ground-breaking methodological advance made by scientists at the ICR. The team developed a new cryogenic electron microscopy (cryo-EM) workflow that provided higher-resolution images in a shorter timeframe. The resulting images will help scientists determine the structure and interactions of protein complexes more accurately.

Cryo-EM can reveal the detailed structure of biological molecules by rapidly freezing samples to below -150° before passing a beam of electrons through them to collect images from different angles. However, both the resolution of the images and the time it takes to produce them can limit the use of this technique.

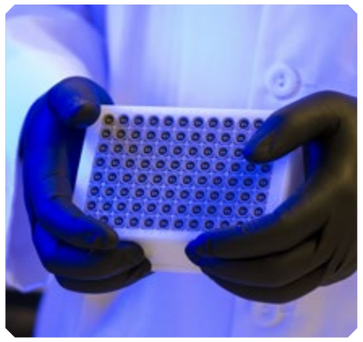
In the study, led by Dr Basil Greber, Structural Biology of DNA Repair Complexes Group Leader at the ICR, the researchers developed an improved cryo-EM workflow involving two stages. They began by performing rapid screening using a less costly and more readily available cryo-EM instrument to select the specimens with high potential. For these only, they then used a cold field emission gun to obtain higher resolution images. This approach allowed the team to achieve exceptional images at a resolution that had only ever been achieved for one protein complex of a similar size before. It also made it possible for the team to determine more than 12 structures per day – an impressively high number.



Cryo-EM equipment

In this case, the researchers used their new technique to determine 16 detailed structures of a protein complex known as CAK, which has shown promise as a target for cancer drugs. However, the team believes that scientists in other labs will be able to apply the new methodology to drug discovery, meaning it could support the design of multiple next-generation therapeutics.

> "The resulting images will help scientists determine the structure and interactions of protein complexes more accurately."



DNA samples. Credit: Daniel Sone and National Cancer Institute.

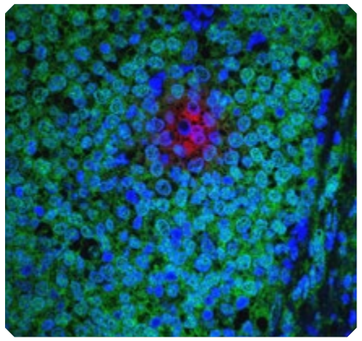
Identifying a potential new drug target in acute myeloid leukaemia

A team of researchers led by Professor Kristian Helin, Chief Executive and Professor of Epigenetics and Cancer at the ICR, set out to identify new vulnerabilities in acute myeloid leukaemia (AML), an aggressive form of blood cancer with a low survival rate. The scientists decided to focus on MLL-rearranged AML – a type of the disease driven by a common mutation that affects blood cell production.

They used a versatile tool called CRISPR interference (CRISPRi) to screen 1,046 genes associated with regulating the packaged DNA in these cancer cells. The aim was to identify genes involved in packaging DNA that was also required for sustaining the proliferation of AML cells. This led to the identification of an alternative form of the nucleosome remodelling factor (NURF) that plays an important part in regulating gene expression

> This important work has opened the door to a new therapeutic strategy.

The scientists showed that the alternative NURF complex comprises proteins called BPTF, SMARCA5 and BAP18, and that BPTF is essential for AML cells to grow and multiply. Overall, this protein complex promotes the survival of AML, meaning drugs that target it could potentially control or eliminate the disease. This important work has opened the door to a new therapeutic strategy that might lead to much-needed new treatments for AML.



Treatment-resistance breast cancer cells. Credit: National Cancer Institute and Dana-Farber Harvard Cancer Center at Massachusetts General Hospital

Gaining an important insight into the mechanisms promoting breast cancer recurrence

Early-stage research carried out by scientists in the Breast Cancer Research Division at the ICR has uncovered the role of epigenetic changes – which alter how genes work without changing the body's DNA code – in breast cancer recurrence. The group, led by Professor Luca Magnani, Professor of Epigenetic Plasticity at the ICR, found that specific changes to proteins in chromatin, which is the condensed structure of DNA in cells, can cause oestrogen receptor positive (ER+) breast cancer cells to 'hibernate', allowing them to survive treatment. They can then 'wake up' years later, causing a relapse that is difficult to treat.

> The scientists were able to destroy cells that had already become dormant.

The work, which was started at Imperial College London and completed in the Breast Cancer Now Toby Robins Research Centre at the ICR, showed that hormone therapy could trigger these epigenetic changes. By targeting an enzyme called G9a, the scientists were able to block these changes, destroy cells that had already become dormant and prevent other cells from entering this state. This work could support the development of new treatments that prevent breast cancer from recurring following initial treatment for the disease.

Theme 2
Diagnose better and earlier

Our increased understanding of biomarkers, cancer risk and diagnostics is helping us detect cancer earlier, diagnose it more precisely and identify initial signs of recurrence or resistance. Diagnosing cancer precisely is critical to allow treatments to be tailored to each patient, and early detection is important because cancer is much easier to treat before it has spread. At the ICR, our work to develop new strategies for targeted screening and early detection draws on our knowledge of molecular data and cancer's interactions in its ecosystem.

Highlighting the importance of testing for biomarkers

> Biomarkers can help clinicians detect early signs of cancer in people who have not yet received a diagnosis and allow them to identify both the type of cancer and how likely it is to be aggressive. They also serve as a way to monitor how a patient is responding to treatment or to predict how they are likely to respond.

Biomarkers are measurable indicators that have multiple roles in the diagnosis and treatment of cancer. They can help clinicians detect early signs of cancer in people who have not yet received a diagnosis and allow them to identify both the type of cancer and how likely it is to be aggressive. They also serve as a way to monitor how a patient is responding to treatment or to predict how they are likely to respond. The ICR believes that testing for biomarkers that provide important information about cancers is essential to advance precision medicine for cancer.

Last year, the ICR released a position statement emphasising that:

- there is a need to discover and improve biomarkers right from the start of a treatment's discovery and through clinical development
- new precision medicines should be accompanied by biomarker tests to target them to the patients most likely to benefit from them
- all cancer clinical trials should be collecting exploratory biomarker data to make it easier to identify biomarkers.

The collaborative nature of scientific research makes it important for all cancer institutions worldwide to consider how important biomarkers are to our shared ambition to save and improve the lives of people with cancer.

Genome sequencing machine.

Identifying previously unknown cancer drivers that could aid precision oncology

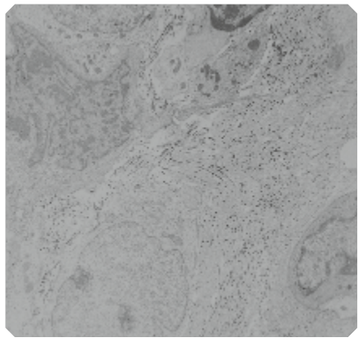
A large-scale analysis of whole-genome sequencing data revealed 330 unique genes likely to have a role in driving cancer, 74 of which had not previously been identified. The study, led by Professor Richard Houlston, Head of the Division of Genetics and Epidemiology at the ICR, used data from 10,478 patients spanning 35 cancer types. All these individuals were participating in the 100,000 Genomes Project, a UK initiative to provide an information bank that could help researchers study the role of human genes in various diseases.

The researchers looked for common associations between mutations and cancer types to help them identify possible culprit genes. They were able to detect up to 80 per cent of the known driver genes, confirming the validity of their approach. In addition, they identified new cancer driver genes in several cancer types, including uterine, bladder and colorectal.

> This study could help clinicians determine the optimal treatments for patients.

Importantly, the researchers believe that about 55 per cent of patients' tumours are likely to harbour a mutation that could predict their response to certain treatments. In addition, they estimate that 15 per cent of patients may be eligible for a currently approved therapy targeting known oncogenes, which include HER2 in breast cancer and KRAS in multiple cancer types.

Using the information from this study and similar work to inform diagnostic panels could, therefore, help clinicians determine the optimal treatments for patients based on the genetics of their cancer.



Soft tissue sarcoma. Credit: Dr Timothy Triche and National Cancer Institute.

Using AI to improve the accuracy of diagnosis

Collaborative work from the ICR and its hospital partner, The Royal Marsden, has shown that artificial intelligence (AI) has the potential to benefit thousands of cancer patients each year by improving the accuracy of diagnosis. Professor Christina Messiou, Consultant Radiologist at The Royal Marsden and Professor in Imaging for Personalised Oncology at the ICR, led the study, in which a new AI algorithm was revealed to be around twice as accurate as a biopsy in grading the aggressiveness of a rare soft tissue cancer called retroperitoneal sarcoma.

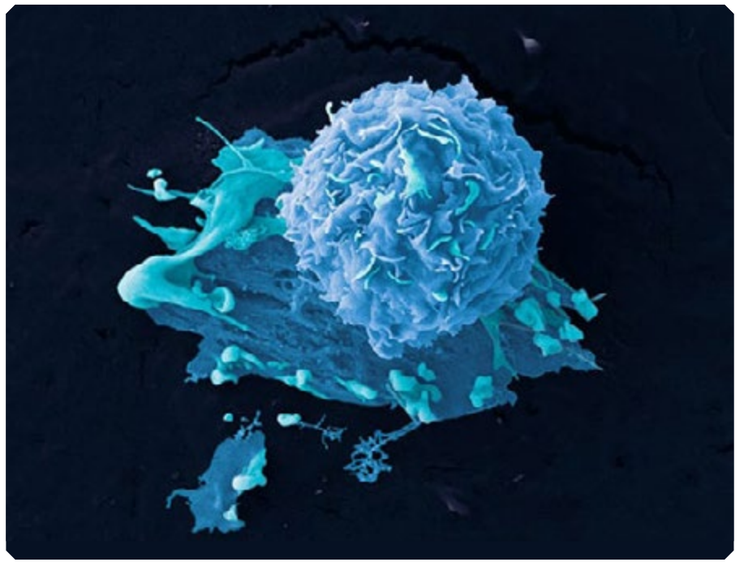
The researchers created the algorithm using CT scans from 170 people with this disease, all of whom were treated at The Royal Marsden. When they tested it on nearly 90 patients based in Europe and the US, they found that the model accurately determined the likely aggressiveness of 82 per cent of the tumours analysed. This was much higher than the 44 per cent correctly graded using a biopsy. The model was also able to differentiate between the two most common forms of retroperitoneal sarcoma in 84 per cent of cases, while radiologists were only able to do this in 35 per cent of the sarcomas tested. By improving the accuracy of diagnosis, this technique could improve the management of the disease, leading to better outcomes for patients.

> This technique could improve the management of the disease, leading to better patient outcomes.

Theme 3
Target weaknesses in cancer

Attacking cancer in radical new ways is essential for making progress against the disease. Our last research strategy changed our approach to treatment discovery. It prioritised a deep understanding of how cancers adapt, evolve and become drug resistant, aiming to better equip us to identify new and targetable weaknesses and dependencies. Our current strategy compels us to draw more effectively from both clinical observations and ideas generated by discovery research across the ICR. Knowing where cancer's vulnerabilities lie helps us create more potent medications that can save more lives.

Repurposing existing cancer drugs to exploit a genetic weakness



Breast cancer cell. Credit Anne Weston, Francis Crick Institute.

Dr Rachael Natrajan, Leader of the Functional Genomics Group at the ICR, recently led investigative work on a gene called SF3B1, which plays a part in processing the genetic information used to build proteins. The gene has been linked to several types of cancer, including some ER+ breast cancers and certain types of leukaemia and melanoma.

In the first stage of the study, the researchers, working in the Breast Cancer Now Toby Robins Research Centre at the ICR, showed that cells with an altered SF3B1 gene lack a protein called CINP. They found that they could exploit this using drugs called PARP inhibitors to hamper the cells' ability to copy their DNA accurately, thereby preventing cancer growth. In the second stage, the team assessed the efficacy of 80 of these drugs against cancer cells with an altered SF3B1 gene, finding that the treatments reduced the cells' ability to survive.

The ICR has been involved in the development of PARP inhibitor drugs, which include olaparib, for many years, and these medications are already used to treat some breast, ovarian and prostate cancer patients who have inherited an altered BRCA1 or BRCA2 gene. This latest research suggests that PARP inhibitors could also be used to treat the thousands of patients with mutations in the SF3B1 gene, potentially transforming the treatment of multiple cancer types.

> "This latest research suggests that PARP inhibitors could also be used to treat the thousands of patients with mutations in the SF3B1 gene, potentially transforming the treatment of multiple cancer types."

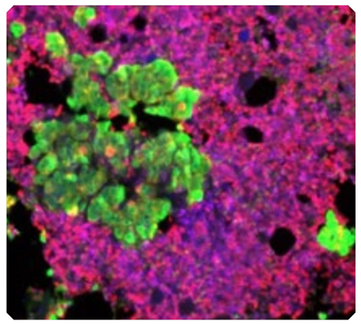
Using the cell's own machinery to destroy a key cancer protein

A new and innovative technology has successfully been used by ICR scientists to destroy RIPK1, a protein that is crucial for breast cancer cells to remain undetected and survive. Through a process known as targeted protein degradation, the technology – called proteolysis targeting chimera (PROTAC) – eliminates RIPK1, which triggers a particular form of cell death that switches on the immune system and makes it alert to the cancer. Once mobilised, the immune system can destroy any remaining cancer cells that have evaded treatment or become resistant to it.

For the pre-clinical study, which was carried out using mouse models, scientists in the Breast Cancer Now Toby Robins Research Centre at the ICR, led by Professor Pascal Meier, collaborated with colleagues at the ICR's Centre for Cancer Drug Discovery and Centre for Protein Degradation. Their new approach to killing breast cancer cells, which effectively trains the immune system to recognise them, could provide patients with longer lasting protection from the disease. This approach may be effective for a range of cancer types, including triple negative breast cancer, which is known for its high recurrence rate and for being particularly difficult to treat.

Reducing the likelihood of disease recurrence, and the associated anxiety, could significantly improve quality of life for people whose initial treatment proves successful.

> Once mobilised, the immune system can destroy any remaining cancer cells.



Prostate cancer cell. Credit: Professor Johann de Bono, ICR.

Targeting blood cells that cancer uses to promote its growth

Researchers at the ICR co-led a recent study showing that it is possible to reverse drug resistance and slow tumour progression in prostate cancer by targeting myeloid white blood cells. Tumours can 'hijack' these cells to help fuel their growth, progression and resistance to treatment.

Professor Johann De Bono, Regius Professor of Cancer Research at the ICR, led the study, which could lead to an entirely new way of treating prostate cancer. Based on their knowledge that myeloid cells are elevated in patients with more aggressive tumours, the scientists had theorised that the cells contributed to treatment resistance. For the study, they recruited patients with advanced prostate cancer and gave them an experimental drug called AZD5069 alongside the hormone therapy commonly used to treat the disease. The addition of AZD5069, which blocks tumour cells from recruiting myeloid cells, led to increased tumour shrinkage and decreased circulating levels of prostate specific antigen (PSA), a marker of the disease.

This study was the first to prove that preventing myeloid cell recruitment, which AZD5069 does by blocking a receptor on the myeloid cells, has anti-tumour activity in humans with prostate cancer. The next step is to test this treatment approach in clinical trials involving more patients.

> The study could lead to an entirely new way of treating prostate cancer.

Theme 4
Treat cancer more precisely

The ICR's research has helped embed a new era of precision medicine in which patients receive treatment that is tailored to them. Smarter treatments are more effective than the older options, and they tend to have fewer side effects. This means that patients are living longer with a better quality of life. Together with The Royal Marsden, we play a crucial part in ensuring that advances in cancer treatment reach patients through innovative clinical trials. We also aim to take these advances into NHS care where they can benefit anyone in the UK affected by cancer.

Investing in our Centre for Cancer Drug Discovery

Professor Zoran Rankovic, Centre for Cancer Drug Discovery

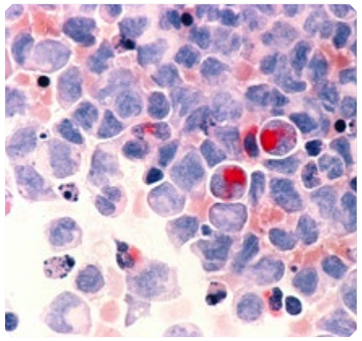
The ICR's Centre for Cancer Drug Discovery is dedicated to the discovery and development of new treatments for all types of cancer. Based in a new state-of-the-art laboratory building on the ICR's Sutton campus, it houses around 160 scientists, all of whom are committed to finding ways to exploit cancer's weaknesses to develop innovative new drugs.

The centre, which represents one of the largest academic cancer drug discovery groups in the world, has already discovered 21 preclinical development candidates, 13 of which have been progressed to clinical evaluation. ICR scientists also discovered the prostate cancer drug abiraterone (*Zytiga*), which, as an approved treatment in the US, Canada and Europe, has benefited hundreds of thousands of patients worldwide. More recently, the breast cancer drug capivasertib, which was discovered by AstraZeneca subsequent to a collaboration with Astex Pharmaceuticals and the ICR, was approved in the US, Europe and the UK.

The ICR is currently making a significant investment in the Centre for Cancer Drug Discovery and in the centres linked closely to it – the Centre for Protein Degradation, which focuses on exploiting the cell's own protein disposal system to destroy cancer-causing proteins, and the Centre for Target Validation, which aims to identify candidate targets spanning the spectrum of ICR laboratories and take those with the most potential forwards as drug discovery projects. Earlier this year we recruited Professor Zoran Rankovic, an international leader in the field, to be director of our Centre for Protein Degradation.

Together, these centres represent the ICR's multidisciplinary 'bench to bedside' approach, which is crucial to our long-term goal of treating cancer more precisely.

> "The ICR is currently making a significant investment in the Centre for Cancer Drug Discovery and in the centres linked closely to it.



Acute myeloid leukaemia. Credit National Cancer Institute.

Stopping PHD proteins working prevented leukaemia from starting or progressing.

Finding a new treatment approach for a cancer of unmet need

Groundbreaking work co-led by researchers at the ICR has demonstrated the feasibility of a new treatment approach for acute myeloid leukaemia (AML), an aggressive type of blood cancer for which there are currently limited treatment options.

The team, led by Professor Kamil Kranc, Professor of Haemato-Oncology at the ICR, investigated enzymes called prolyl hydroxylases (PHDs), which promote aggressive AML by targeting proteins called HIF proteins for destruction. PHDs become less active when oxygen levels are low, and the scientists had previously used this to show that these conditions result in increased levels of HIF.

In this study, the team successfully used genetic modification to inactivate PHDs in mice and used existing anaemia drugs to do the same in patient samples. In both cases, PHD inactivation led to higher HIF levels and stopped leukaemia from starting or progressing. The researchers then built on these findings to develop a new first-in-class PHD inhibitor called IOX5, which blocked AML progression by selectively inhibiting PHDs. They were then able to further increase the anti-cancer effect of IOX5 by combining it with an existing leukaemia drug called venetoclax.

Radiotherapy suite. Credit Joe Dunckley for the ICR.

79 per cent of the people in the first group had survived without their cancer spreading.

Making a 'practice-changing' discovery that may spare patients from unnecessary treatment

Professor Chris Parker, Professor of Prostate Oncology at the ICR and Consultant Clinical Oncologist at The Royal Marsden, was chief investigator on the phase III RADICALS-HD trial, which produced findings that might change the standard of care in a certain group of prostate cancer patients.

In the trial, the scientists assessed the value of hormone therapy when given alongside radiotherapy following surgery to remove the prostate. A total of 1,480 people with low-risk prostate cancer were randomly assigned to two groups – the first received only postoperative radiotherapy and the second received hormone therapy in addition.

After 10 years, the team found that 79 per cent of the people in the first group had survived without their cancer spreading, compared with 80 per cent of those in the second group. This small difference, which could be due merely to chance, demonstrates that hormone therapy provides no significant benefit for this patient group. This means that patients with a lower chance of their cancer returning could be spared from hormone therapy, which can cause a range of side effects, including erectile dysfunction and loss of muscle mass and bone density.

Inspiring tomorrow's leaders

As part of our 2022–2027 strategy, *Defeating Cancer,* the ICR is committed to empowering our students and early-career researchers to become tomorrow's leaders in cancer research and treatment. We will do this by providing the best possible education, training and careers support.

#1

We ranked top in the UK for student experience in the UK-wide Postgraduate Taught Experience Survey

Goal 1
Provide world-class research degree programmes

We aim to further develop and enhance the quality of the ICR's research degree programme and the support we provide for students.

Goal 2
Teach tomorrow's clinical leaders today's discoveries

We aim to provide postgraduate taught degrees that support the rapid translation of scientific advances into benefits for cancer patients and fuel the pipeline of highly skilled researchers working to defeat cancer.

Goal 3
Support early-career scientists and clinicians to become research leaders

We aim to support postdoctoral researchers and clinician scientists to have successful careers in science, medicine and industry – especially in making the key transition to becoming a research group leader.

Faculty update
The following group leaders joined the ICR in the past year.

- Professor Victoria Sanz-Moreno, Breast Cancer Research
- Professor Luca Magnani, Breast Cancer Research
- Professor Zoran Rankovic, Cancer Therapeutics
- Professor Kamil Kranc, Molecular Pathology
- Dr Aliaksandra Radzisheuskaya*, Cancer Biology
- Dr Erik Wennerberg*, Radiotherapy and Imaging
- Dr Esther Arwert*, Breast Cancer Research
- Dr Nuria Porta, Clinical Studies
- Dr Ben O'Leary*, Radiotherapy and Imaging
- Dr Agnieszka Konopacka*, Cancer Therapeutics

* Refers to those appointed to Career Development Faculty or Fellow positions, all others are to Career Faculty positions.

"We will provide the best possible education, training and careers support.

100%

PhD pass rate in 2023

Inspiring tomorrow's leaders

82%
At least 82 per cent of non-clinical students with award dates in 2016/17, 2017/18 and 2018/19 went into scientific research roles for their first destination.

465
We have 323 MSc students and 142 PhD students.

25
25 ICR-wide committees, groups and networks have roles for students to represent their peers.

97%
Satisfaction among students attending our MSc in Oncology course was at 97 per cent

Our students are integral to the ICR and our culture – they are the people who will be making the cancer discoveries of tomorrow and they help shape us as an organisation today. There are student representatives on committees and working groups across the ICR, including the Academic Board and the Board of Trustees. The student liaison committees remain a valued source of feedback and suggestions on improving student experiences and outcomes.

We sought an extension to the MRC doctoral training partnership from three years to five years. Our application was submitted in April 2024, and following the MRC panel meeting our programme was renewed for two further intake years (2025 and 2026).

Our MSc in Oncology is taught as a mixture of face-to-face and hybrid, making the course more accessible for those students further afield while maintaining the benefits of in-person teaching. The ICR was again ranked top in the UK amongst all higher education institutions that take part in the Postgraduate Taught Experience Survey (PTES). Satisfaction amongst students attending our MSc in Oncology course was at 97 per cent, and we were also ranked top in the country for the quality of teaching, student engagement, community, and organisation.

We have also created the new role of 'Educational Fellow' where up to three individuals a year will be sponsored to attend a PGCert in Medical Education, assisting with marking on the MSc in Oncology and with curriculum development.

Additional oversight and support for clinical education and research come from the establishment of a new Clinical Academic Oversight Group, and the appointment of a new Clinical Research Career Development Manager.

Teaching venue
123 Old Brompton Road reopened in March 2024. The creation of the modern self-contained teaching suite was largely funded by the Office for Students, following a successful bid that we placed for a substantial teaching capital grant.

Teaching of the MSc in Oncology has been piloted in the new building on several occasions, with delivery of the course fully moving there for the new academic year. The move will reduce our running costs by removing our reliance on external venues.

The new space gives us the ability to offer additional courses, pre-recorded teaching, and other team workshops and events. It also gives us the option to hire out the space in the future.

Celebrating success
Our inaugural lecture series, 'Celebrating promotions to Professor', continued. In November 2023, Professor Sebastian Guettler spoke on 'Decoding the language of signalling proteins' and in June 2024, Professor Andrew Hayes spoke on 'Sarcoma and Melanoma – A Tale of Two Cancers'.

We held six Grand Rounds seminars this academic year where different research divisions showcase their activities and cross-disciplinary research at the ICR and The Royal Marsden.

The ICR and Imperial College London worked together to run a cohort of Imperial's successful Media Academy training for ethnic minority staff and students. The Academy had 17 graduates this year, which included six from the ICR – our first graduates on the scheme.

The ICR Conference took place 10–11 June, with the theme of artificial intelligence in research and clinical settings.

Ciara Leonard-Booker, a fourth year PhD student in Cancer Biology won a prestigious poster award following her presentation at the EMBO Workshop on "Telomere function and evolution in health and disease" held in Rome.

We were successful in our application to renew the Cancer Research UK ICR/Imperial clinical academic training programme, which will now provide four clinical research training fellows and four intercalated MB-PhD students each year for a further five years.

Learning and teaching at a glance

19 students enrolled in the 2023 summer undergraduate placement scheme. Seven of the studentships were ring-fenced for Black British and first generation students (as these groups have been identified as under-represented among both ICR students and the wider postgraduate community.

7

7 further summer students were funded from other sources, including The Lister Institute, The Royal Society of Chemistry and The Genetics Society.

The ICR's Student Conference, which took place in February, had the theme Bench to Bedside and involved six student speakers.

44

44 student presentations were given at the ICR Conference in June.

The periodic review of the MSc in Oncology by a panel, which included external expertise, ultimately concluded that the course is "a premier product of the UK market", and world-leading in the education of UK oncologists.

12

12 academic events were held (including the ICR conference).

PhD studentships

This year we were able to open 23 new PhD studentships for the 2024/25 intake.

11 studentships are attached to the MRC-funded Doctoral Training Partnership (DTP).

Two studentships come from ICR central and endowment funds.

Two studentships are funded by Brain Tumour Research.

5

5 of the 11 MRC DTP studentships are part of iCASE projects in collaboration with four industry partners: Merck, AstraZeneca, TesselateBio and Artios Pharma.

Six studentships are attached to the recruitment of new Group Leaders.

Two studentships come via the National Institute for Health and Care Research (NIHR) Biomedical Research Centre at The Royal Marsden and the ICR.

One studentship is funded by Breast Cancer Now.

Three studentships are attached to the Cancer Research UK Convergence Science Centre at the ICR and Imperial College London.

One studentship is funded by Cancer Research UK.

Growing our impact for patients

As part of our 2022–2027 strategy, *Defeating Cancer*, we are supporting our ambitions for our research and teaching by attracting new sources of income to the ICR. Our excellent organisation will underpin the key pillars in our strategy.

££

We are aiming to maintain our position as one of the leading higher education institutions in the UK at generating invention income from our research.

Our operational pillar, *Growing our impact for patients*, sets out our priorities at the ICR for making an impact from 2022 to 2027. It is structured around three goals.

Goal 1: Amplify our research impact
We will use our ability to bridge rapidly between the laboratory and the clinic to lead through networks, sharing our research with a wide audience to influence the uptake of our findings into routine healthcare.

Goal 2: Strengthen our partnerships
Alongside working strategically with our existing partners to build the impact of our work, we will seek to establish new relationships that will expand the scope of our findings and increase their likelihood of reaching patients.

Goal 3: Increase income for our research
We are committed to working in new ways to grow our income, which will increase the future impact of our work. We believe we can also grow our impact by deepening our bonds with donors and funders and by expanding our reach internationally.

The ultimate goal of the world-leading research carried out at the ICR is to ensure that our findings have benefits for cancer patients, society and the economy. We want to introduce new treatments, technologies and approaches to improve routine healthcare, which we are doing by building an evidence base to support their adoption, working through networks and commercial partnerships, and influencing policymakers.

Our focus on infrastructure and technology to support our research and teaching allows us to deliver the best possible environment for staff and students. We are aiming to maintain our position as one of the leading higher education institutions in the UK at generating invention income from our research. This income is crucial in supporting our life-saving work in the years ahead.

> The London Cancer Hub will be one of London's most significant regeneration projects and, once completed, will make Sutton, and the wider capital, home to the world's largest cancer life science district.

ICR funding secured to train clinician scientists
In April 2024, the ICR, in partnership with Imperial College London, was awarded £8.9 million from Cancer Research UK to fund clinician scientist training up to 2029. The Clinical Academic Training Programme at the Convergence Science Centre will take the form of fellowships for qualified doctors and intercalated PhDs for medical students.

£8.9m

The Clinical Academic Training Programme at the Convergence Science Centre was awarded £8.9m from Cancer Research UK to fund clinician scientist training up to 2029

Advancing childhood cancer research
In October 2023, the ICR announced it was one of the founding members of a new not-for-profit company that will enable scientists across the world to test cancer drugs in cell and animal models of childhood cancers.

The new company, called ITCC-P4 gGmbH, is the first and only non-profit company in the world to offer access to laboratory models for systematic efficacy testing on fully-characterised paediatric tumour models. The company will provide researchers at academic institutions and drug companies with access to a comprehensive array of cutting-edge laboratory models of children's cancers.

The company has emerged from a consortium called the Innovative Therapies for Children with Cancer Preclinical Proof-of-Concept Platform, or ITCC-P4 for short.

ITCC-P4 members have created more than 400 new models of childhood tumours under this consortium – derived from cell and tissues from patients with childhood cancers including neuroblastoma, brain and bone cancers – and made them available via the new initiative.

In November 2023, Children with Cancer UK and Cancer Research UK announced a major £5.5 million research programme led by the ICR to advance precision medicine for children and young people whose cancer has returned or whose treatment has stopped working.

ICR among top UK universities for industry and academic partnerships and public engagement
In the Government's latest Knowledge Exchange Framework (KEF), the ICR has ranked as one of the UK's best higher education institutions at engaging with industry, academic partners and the wider public.

We were in the top fifth of comparable organisations – the top mark – in three categories: intellectual property and commercialisation, research partnership, and public and community engagement.

The strong performance repeats our success in the two previous versions of the KEF in 2021, when it first ran, and last year. Its ratings are defined by a mixture of data relating to our partnerships, research publications and finances, and reports drawn together and submitted by our Academic Services, Business and Innovation Office, and Development and Communications directorates.

Income generated from intellectual property
For the academic year 2022-2023, the ICR continued to be ranked first for invention income when figures are adjusted for numbers of academic staff, for the 11th year running. In absolute numbers, we were fourth place behind the Universities of Oxford, Cambridge and Sheffield.

The ICR was also ranked as the top London university for intellectual property income in 2022-2023, according to a report by London Higher analysing 2024 Higher Education Statistics Agency (HESA) data. In their briefing note, London Higher highlighted that the ICR's intellectual property income is "more than the combined totals of the five other London institutions".

Spin out companies
Kodiform Therapeutics, a joint spin-out company from the ICR and the University of Oxford, has received a major seed funding investment from venture creation firm Oxford Science Enterprises.

Kodiform Therapeutics is a drug discovery company with an initial focus on cancer; specifically on developing small molecules that could become cancer drugs. It aims to build on the expertise of its co-founders, Professor Terry Rabbitts (ICR) and Professor Angela Russell (University of Oxford), to create first-in-class small molecules against intrinsically disordered protein targets.

Working alongside Professor Rabbitts, the ICR's Business and Innovation Office led on the spin-out process for the new company, including negotiating the initial ICR and founder equity positions, the terms of the license of associated intellectual property, and providing support and legal advice throughout the process from our in-house team.

Monte Rosa, a company formed as a spinout at the ICR, aims to target cancer using small-molecule protein degraders. The company has developed a platform to rationally design small molecules that reprogram ubiquitin ligases to eliminate disease drivers previously deemed undruggable.

In October 2023, Monte Rosa hit another milestone by entering a significant collaboration with Roche to develop novel molecular glue degraders targeting previously undruggable proteins in cancer and neurological diseases.

New AI collaboration could advance precision therapy in breast cancer
In February 2024, we announced an exciting new partnership between the ICR, The Royal Marsden, Durham University and techbio company Concr. The new collaboration, made possible by a new grant of almost £800,000 from Innovate UK, will launch 'AI-VISION', an observational clinical study where tissue samples from patients with early triple-negative breast cancer will be profiled to define and validate biomarkers of chemotherapy response, with and without immunotherapy.

This new collaboration between academic and industry researchers could help to improve clinical decision making – such as by helping clinicians identify the breast cancer patients most likely to benefit from immunotherapy.

TRANSFORM
In April 2024, the ICR's Professor Ros Eeles was announced as one of the six co-leads of the TRANSFORM clinical trial, which aims to find the best way to screen men for prostate cancer and double the number of lives saved.

Professor Eeles will lead a team at the ICR to discover how targeted genetic screening could help to save lives, building on decades of research into the genetic markers of prostate cancer.

Developing the UK's first Lynch Syndrome Database
Researchers from the ICR, alongside the National Disease Registration Service (NDRS), NHS Genomic Medicine Service Alliances (GMSAs) and NHS Regional Clinical Genetics Services worked together to set up the UK's first comprehensive database registry for Lynch syndrome patients. The database will ensure that all patients with Lynch syndrome are called up for regular bowel cancer screening to detect the disease earlier. In addition, researchers will be able to find patients who are eligible for clinical trials, expediting the process and ensuring that treatments can reach patients faster.

Progressing the London Cancer Hub
The London Brough of Sutton appointed insurer Aviva and developer Socius as partners to advance the development of the London Cancer Hub site in Sutton – a key strategic project led by the council and the ICR.

The site on which the development will be made is already home to the ICR, The Royal Marsden, a Maggie's Centre providing care and support to cancer patients, secondary school Harris Academy Sutton, and the Innovation Gateway – a pioneering science incubator that provides cancer-related start-ups with high-quality laboratory, office and collaboration space.

The development partnership will deliver 1 million square feet of research, treatment and innovation spaces alongside residential accommodation and amenities for local people and visitors. It will be one of London's most significant regeneration projects and once completed will make Sutton, and the wider capital, home to the world's largest cancer life science district.

The new development will deliver major social and economic benefits for the UK, contributing around £1.2 billion to the UK economy and a £12 million increase in business rates. mome 13,000 jobs in health, science, education and construction will be created as part of the project, as well as space for start-up, growing and established businesses. Aviva and Socius have commenced community and stakeholder engagement with a view to submitting a planning application in late 2024.

Our excellent organisation

At the ICR, we aim to support our world-leading research by providing a vibrant scientific environment where brilliant and diverse people work together, motivated by our mission and values. We also want to ensure that our facilities and infrastructure are top class to support our science and professional services staff and we want to allow individuals and groups who share our passion for science and teaching to join us on our mission to defeat cancer.

Continuing to evolve for the future
The Evolve programme set out the ICR's vision for an excellent organisation, and a roadmap to deliver the financial sustainability, modern workplace and positive environmental impact needed for the ICR to thrive into the future and ultimately achieve our mission to defeat cancer.

Teams across the ICR have come together to work on a huge number of projects and initiatives, which have already achieved impressive results. Top level targets are all moving in the right direction, with annual savings of £6.4 million already secured, and good progress made in our efforts to increase unrestricted income.

Several projects have focused on making services more efficient and easier to use. These include a new suite of automated HR reports, which have given staff access to up-to-date people data and reduced ad hoc information requests, and a new Service Hub offering centralised support for common services and transactions from a single 'virtual front door'.

The results from Evolve are a big achievement, and a testament to the excellent work of our staff across many different teams. The success of the programme so far has put us on track to achieve our goal of being a sustainable organisation, and we are also starting to put in place the continuous improvement approaches that will enable us to keep making progress to support our strategic goals.

Pilot lab technician apprenticeship
The ICR was awarded £1 million from Wellcome to lead a national initiative that will strengthen and promote career development for scientific research technicians. The funding, which followed a competitive grant application, is being used to pilot an entry-level lab technician apprenticeship, build a team science technician development programme for mid-career professionals, and deliver a leadership development programme for senior technicians and core research facilities managers.

In February 2024, we welcomed our first Laboratory Technician apprentices, following a competitive application process with more than 200 applicants. As it stands, 50 per cent of our apprentices have ethnic minority backgrounds and 75 per cent are women. We're proud that, through a 21-month apprenticeship studying for a level 3 Laboratory Technician Apprenticeship, we're helping to develop an exciting new pathway into a scientific career for people who haven't been to university.

Rhonda Ryan with her family

Support from the Wolfson Foundation
The Wolfson Foundation have been generous supporters of the ICR for many years, contributing to state-of-the-art infrastructure across both of our campuses. This year, we received £1 million from Wolfson, which allowed us to establish a new cryo-correlative light and electron microscopy (cryo-CLEM) laboratory. This new microscopy suite, which combines the strengths of cryo-fluorescence microscopy and 3D cryo-electron microscopy, will allow our scientists to study cancer at unprecedented resolution.

£2.2m

The ICR's Centre for Cancer Drug Discovery secured a £2.2 million grant from UK Research and Innovation (UKRI)

Centre for Cancer Drug Discovery UKRI funding success
In July 2024, the ICR's Centre for Cancer Drug Discovery secured a £2.2 million grant from UK Research and Innovation (UKRI) – this grant was the first of its kind to be awarded to the centre.

The grant, which comes from the Medical Research Council's Developmental Pathway Funding Scheme (DPFS), follows the recent discovery by ICR researchers, including Professor Pascal Meier and Professor Swen Hoelder, that by causing cancer cells to undergo a process called immunogenic cell death, the immune system is switched on and becomes alert to the disease in the body. This trains the immune system to recognise and destroy residual cancer cells and could offer longer lasting protection to people with the disease. This funding will help the ICR discover and develop prototype drugs and will fund a pioneering collaboration between our Centre for Cancer Drug Discovery, Centre for Protein Degradation and Division of Breast Cancer Research.

The power of professional networks in harnessing philanthropic support for our research
A few years ago, investment professional Rhonda Ryan and her husband Sean, an academic, made a significant donation to the ICR to establish an endowed studentship fund. Rhonda subsequently decided to use her networks within the finance industry to secure further support for the ICR's breast cancer research, focused on Professor Victoria Sanz-Moreno's new lab at the ICR. Professor Sanz-Moreno leads the Cytoskeleton and Cancer Metastasis Group, investigating the hallmarks and vulnerabilities in cancer cells that have metastasised, with the aim of improving the treatment of patients with advanced breast cancer.

Working with the ICR's Philanthropy team, Rhonda has now raised almost £500,000 towards Vicky's work, with donations secured from both individuals and corporate foundations. We are so grateful to Rhonda for her passion and hard work in harnessing support from her contacts. In her words: "Imagine the difference we could make to the lives of so many if we all came together to fund research into cancer."

"Working with the ICR's Philanthropy team, Rhonda has now raised almost £500,000 towards Vicky's work, with donations secured from both individuals and corporate foundations. In her words: "Imagine the difference we could make to the lives of so many if we all came together to fund research into cancer."

Re-opening of 123 Old Brompton Road

March 2024 saw the re-opening of 123 Old Brompton Road following its extensive refurbishment funded by the Office for Students and the ICR. Our newly renovated office and teaching spaces are an important part of the expansion of our teaching capacity, allowing us to bring teaching back onsite, while also modernising our office and meeting spaces in Chelsea for use by our professional services staff, researchers and students. They are now suitable for post-pandemic patterns of working and will enable professional services staff to provide even better support for our research and teaching activities.

The refurbished building reopened with upgraded network infrastructure allowing for strong wireless internet and network connections throughout the spaces. The wider ICR will be brought up to this high level by the Digital Services directorate, which launched a major £3.5 million project to upgrade the ICR's network infrastructure over the next two years to improve its performance, reliability, and security following Major Investment Committee approval in September 2023.

Sustainable Discoveries – delivering our sustainability action plan

42%

We have made a commitment to achieve net zero by 2040, with an interim reduction in carbon emissions of 42 per cent by 2030.

In the Sustainable Discoveries Action Plan, the ICR committed to achieving net zero by 2040. We have set an interim science-based target of 42 per cent reduction in our carbon footprint across the three scopes of emissions (direct and indirect) by 2030.

Approaching two years since the launch of the Sustainable Discoveries Action Plan, we are meeting our objectives for a more sustainable ICR, through creating a dedicated team to support the action plan, increasing awareness and a strong governance and implementation structure.

Over 2023/24 we have again reduced our scope 1 (directly from the ICR) and scope 2 (indirectly caused by the ICR) carbon emissions, integrated sustainability requirements in the tender process, updated the travel procedure to reduce our business travel carbon emissions, further developed the sustainability of our catering and made significant progress in our target of having 80 per cent of our laboratories achieve a certified sustainability standard by 2030. The sustainable laboratories certification is now being extended to include our digital and computational laboratories after a successful trial this year.

The ICR has signed up to the 'Concordat for the Environmental Sustainability of Research and Innovation Practice'. This shared ambition by universities, research institutes and funding bodies aims to ensure that the future design and practice of UK research is environmentally sustainable.

The ICR's Clinical Trials and Statistics Unit (ICR-CTSU) translate cutting-edge science into quality clinical trials to transform cancer care. This group has proactively led the development of the NIHR-funded 'Detailed guidance and method to calculate the carbon footprint of clinical trials'. Their guidance and case studies quantifying the carbon footprint of clinical trials was published at the start of 2024 and exemplifies sustainable science. Follow-on work includes leadership of the MRC-NIHR Trials Methodology Research Partnership Greener Trials sub-group and collaboration with the pharmaceutical industry and NHS to align work in this area.

> "We are meeting our objectives for a more sustainable ICR."

ActNow, the ICR's sustainability engagement group, has continued to champion sustainability issues, such as more sustainable food choices, biodiversity, and the carbon impact of business travel: not only to raise awareness, but to call for action. Over the year the group has heard from key speakers on sustainability topics, including a presentation on biodiversity from the University of Oxford, a Christmas lecture on sustainable wellbeing and a session on eco-emotions at a time of climate and ecological crisis from the University of Bath.

World Environment Day 2024 saw the ICR working with The Royal Marsden's Green Matters group to deliver events and activities focused around this year's theme of land restoration, desertification and drought resilience.

This event saw the UK premiere of the environment documentary film 'We Are Guardians' and was a great success, enhancing collaboration between our organisations and raising awareness of sustainability issues, which are an underlying shared challenge.

The ICR has launched an electric vehicle (EV) scheme, in conjunction with Octopus EV, which provides a tax-efficient option for ICR staff to lease a new or nearly-new electric car and promotes a more sustainable option for car travel in line with the ICR's environmental commitments. A travel survey across the ICR has been conducted, this will feed into the ICR Framework Strategy, the London Cancer Hub development and local authority improvements.

We need to reduce the heating, cooling and lighting demand of each building – this is fundamental to reducing the energy use and carbon emissions of our sites. The ICR has carried out decarbonisation assessments of our estate and we are taking action by increasing photovoltaic arrays on roofs, improving or replacing fabric elements – especially in our older buildings, upgrading fluorescent lighting across all buildings to LEDs, and installing a combination of air source heat pumps and ground source heat pumps.

Carbon footprint

Across 2023/24, the ICR continued to reduced its scope 1 and 2 carbon footprint against the previous year by 5.9 per cent to 4,557 tonnes of CO2 emissions. This includes direct and indirect emissions from our electricity and gas usage, reducing our energy costs by £224,250. In total the ICR emitted 63,313 tonnes of carbon dioxide equivalents (including impact of business travel) and consumed 23,253,254 kWh of electricity and gas, equating to 553.65 kWh/m2.

Read more in the ICR Sustainability Action Plan at ICR.ac.uk/sustainability.

Our people and culture

At the ICR, we know that we can only achieve our mission to make the discoveries that defeat cancer if we provide a supportive and inclusive working culture that allows our staff and students to reach their potential. We are committed to valuing all our people, believing that the ICR's strength relies on both commonalities – in the form of shared goals and values – and differences among individuals.

We strive to work in a way that is sustainable and has a positive impact on society. To this end, we share our research with the public and involve a wide range of people in our decision making.

We are also transparent about the progress we are making in our work on culture and wellbeing. We report on the impact of our actions on society, including our work to address our gender pay gap and the ways in which we engage with our local communities and stakeholders. We also publish annual reports on gender and ethnicity pay gaps at the ICR and on sustainability.

Launched in 2021, our culture and engagement strategy aims to bring our wide community together as One ICR – where everyone is equally valued in working towards a common goal to defeat cancer.

Our current focus is on five key themes:

1. Vibrant research culture, by celebrating innovation and new ideas
2. Breaking down barriers and promoting collaboration across the organisation
3. Work-life balance and wellbeing, by building a supportive workplace with a focus on mental health
4. Equality, racial diversity and inclusivity
5. Staff and student recognition, by encouraging peer-to-peer appreciation

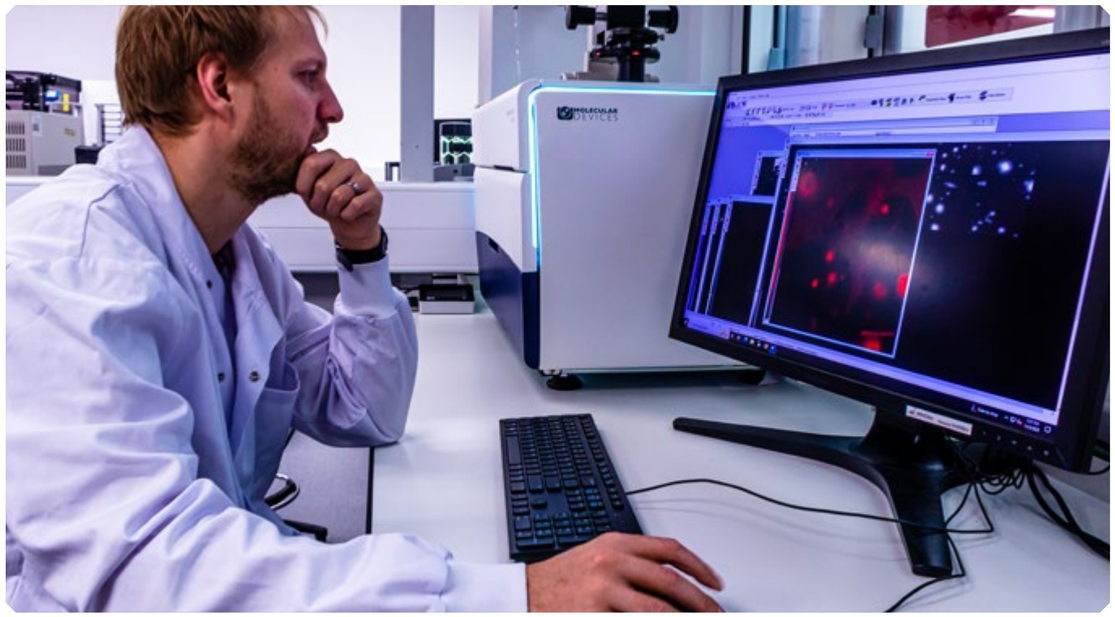
Gender pay gap report*

The ICR's 2023 gender pay gap report showed a continued pay gap between men and women. The report covers the 1,114 members of staff on the ICR's payroll in April 2023, of whom 59 per cent were female and 41 per cent were male.

The gender pay gap describes the difference in pay between men and women as an average across all job roles. It differs from equal pay, which measures the differences between men and women who carry out similar jobs or work of equal value.

Our mean gender pay gap for 2023 was 19.0 per cent, compared with 21.5 per cent in 2022, 18.8 per cent in 2021, 17.9 per cent in 2020, 21.0 per cent in 2019. The ICR's figure is higher than the national average, which was 14.8 per cent in 2023. Our median pay gap for 2023 was 10.4 per cent.

*Gender and Ethnicity pay gap data is reported at a specific point in time each year as specified by government guidance, rather than for a financial year.



Gender pay gap

Mean gender pay gap for 2023:

19%

The ICR workforce is:

41% Male | **59%** Female

Ethnicity pay gap

Mean ethnicity pay gap for 2023:

19%

*The ICR workforce is:

73% White | **27%** Black, Asian or other ethnicity

Ethnicity pay gap report

The ICR is committed to transparency on pay to ensure equality, diversity and inclusion. We voluntarily publish results on our ethnicity pay gap each year to address and improve racial inequality.

The ethnicity pay gap shows the difference in the average pay between employees from minority ethnic backgrounds and White employees within an organisation, expressed as a percentage of average earnings for White employees. It differs from equal pay, which measures the differences between groups of people who carry out similar jobs or work of equal value.

The latest report covers 1,114 staff on the ICR's payroll in April 2023, of whom 73.0 per cent identified as White and 27.0 per cent identified as ethnic minority.

Our mean ethnicity pay gap for 2023 was 19.0 per cent. This compares with 17.4 per cent in 2022 and 12.5 per cent in 2021.

Driving pay equity

The ICR is committed to driving equity across the institution in all areas, particularly when it comes to pay.

There is continued, concerted effort to reduce the Gender and Ethnicity pay gaps. We recognise that we need to double down on our efforts in this area, as despite being a consistent focus for the ICR, figures are not yet moving in the right direction.

We have identified that the pay gaps are primarily caused by the upper quartile of staff:

- This group has the largest within-group pay gap, and the largest spread of hourly pay rates.
- There is a greater proportion of women than men in the lower paid roles, and a greater proportion of men in higher paid roles.
- Men comprise 41 per cent of ICR staff but 55 per cent of the upper quartile.
- The upper quartile has the largest spread of pay, and the largest within-quartile mean and median pay gaps.

The ICR has also undertaken a significant amount of work to address the current imbalance. Our work to date has included:

- Salary transparency and negotiations.
- Focusing on staff development at all levels.
- Revision of academic promotion criteria to remove requirements detrimental to staff working part-time or who have taken time away from research.
- Revision of recruitment processes to ensure all recruiters undergo equality and recruitment training to reduce bias.
- Focusing on attracting more female applicants.
- Promoting a flexible working culture to provide support for families with young children. For example, we encourage all staff to hold meetings inside the working day and to take up leadership development opportunities as appropriate.

Change will take time, however this focus has already started to show results. For instance, in the last three years, more than 50 per cent of the 20 group leaders hired have been women. Out of 89 group leaders, 31 are now female.

Public engagement

Within our strategic priorities we aim to establish and maintain productive partnerships to engage with our target audiences in schools and the local community, and to reach new audiences. We've seen innovation across our public engagement activity over the past year, which has included creating a volunteer-run medical mentoring programme – I_AM Medical Mentoring, new hands-on activities, and further enhancing our careers in research events across the Sutton and Chelsea sites to inspire the next generation of cancer researchers.

This year, we have seen partnerships strengthen through our participation in the Great Exhibition Road Festival and Sutton STEAM Fair where we were able to interact with more than 700 people from a wide range of ages and backgrounds.

We have also built new partnerships, including the sponsorship and involvement within the STEM enrichment programme 'I'm a Scientist...'. Ten of our researchers are registered and connecting with schools across the

country through text-based, fast-paced live chats through the online portal. The locations of the schools that researchers have engaged with range from Ealing and Surrey to Aberdeenshire and Antrim, Northern Ireland, and there have been more than 60 interactions. This has allowed us to engage new audiences that we wouldn't normally reach, supporting students' science capital and opening options for the future. Topics that have been discussed with our researchers include health, biology and technology.

Another success this year saw our researchers return for the first time since 2019 to speak at two sold-out events as part of Pint of Science. Eighty attendees joined us to learn about the latest advances in cancer research, from AI to ultrasound-stimulated microbubbles. Pint of Science takes place over three days, in 450 venues around the UK. This year, a team of volunteers from the ICR organised events in the themes of 'Our Body' and 'Tech Me Out'. The ICR's 'Our Body' event was the first Pint of Science event in London to sell out.

All of this is possible thanks to more than 100 staff and students who volunteer at public engagement events and activities throughout the year.

Six values, one ICR

Our values make it clear how each and every one of us work to meet our mission – to make the discoveries that defeat cancer.

"Our values summarise our desired behaviours, attitudes and culture – how we value one another and how we take pride in the work we do, to deliver impact for people with cancer and their loved ones."
Professor Kristian Helin

PURSUING EXCELLENCE
We aspire to excellence in everything we do, and aim to be leaders in our fields.

ACTING WITH INTEGRITY
We promote an open and honest environment that gives credit and acknowledges mistakes, so that our actions stand up to scrutiny.

VALUING ALL OUR PEOPLE
We value the contribution of all our people, help them reach their full potential, and treat everyone with kindness and respect.

WORKING TOGETHER
We collaborate with colleagues and partners to bring together different skills, resources and perspectives.

LEADING INNOVATION
We do things differently in ways that no one else has done before, and share the expertise and learning we gain.

MAKING A DIFFERENCE
We all play our part, doing a little bit more, a little bit better, to help improve the lives of people with cancer.

Dr Agnieszka Konopacka, a new Group Leader in the Centre for Protein Degradation and the Division of Cancer Therapeutics.

The Financial Report for the year ended 31 July 2024

Financial review

The ICR's operating deficit of £20.0m for 2023/24 was an improvement against the planned deficit position agreed for the financial year as part of the Board of Trustees' decision to invest a significant element of accumulated reserves in the delivery of the 2022-2027 Research Strategy. This deficit was offset by the reversal of the USS pension deficit provision following the 2023 scheme valuation, and also by investment gains of £14.4m, resulting in a £38.2m increase in our net assets.

£+ £132.6m

of income in 2023/24.

£- £152.5m

£152.5m operating expenditure in 2023/24. £110.1m including the USS provision reversal.

We continue to prioritise our resources to achieve the greatest impact possible in progressing our research mission, including continuing to invest in new faculty recruitment and research infrastructure in key strategic areas, as well as ensuring that our estate is as environmentally efficient and sustainable as possible.

However, this is against the backdrop of continuing financial pressure on the research funding sector and wider ongoing cost pressures. We therefore continue to take steps to strengthen and future-proof professional services, diversify and grow our income and identify further opportunities for cost efficiencies in our operations. Through these measures, we are working to tackle the longer-term financial challenge arising from the structural funding deficit within the academic research sector. However, without substantial change within the funding system, significant financial uncertainty remains on the horizon.

Overall results

The ICR's total income for 2023/24 was £132.6m, a decrease of £6.1m (4%) compared with the prior year. The decrease in income is largely attributable to known declining royalty streams which were anticipated in the ICR's forward financial plans.

Research grants and contracts income was £60.9m for 2023/24, a reduction of £3.7m compared to the previous year. This reflects the continued, full-year impact of cuts to peer reviewed grant income from charities in recent years. partially offset by growth in income from government. The continued diversification of our research funding remains a key goal.

Expenditure was £110.1m, a decrease of £25m (18%) compared to the previous year. The expenditure figure includes the impact of a non-cash credit of £42.4m in respect of the accounting adjustment to reverse the pension provision relating to the Universities Superannuation Scheme (USS). The previous year's expenditure included the impact of a reduction in the same USS pension provision of £8.7m, so a year-on-year net change of £33.7m from the impact of pension adjustments. Excluding these pension movements, underlying expenditure has increased by £10.3m (7%), reflecting the continued, planned investment of accumulated financial reserves in research priorities and the inflationary pressures faced by the organisation.

The income and expenditure position results in a surplus of £22.5m, with an underlying operating deficit of £20.0m when pension adjustments are stripped out. After including all gains and losses, our total reserves for the year increased by £38.2m.

£38.2m

The ICR's total reserves grew by £38.2m in 2023/24.

46%

46% of the ICR's income is research grants and industrial collaboration funding.

This comprised:

- A reduction in restricted and endowment funds of £2.6m; and
- An increase in unrestricted funds of £40.8m.

The restricted deficit reflects timing differences on receipts and expenditure of research grants. The unrestricted movement includes the non-cash USS provision reversal of £42.7m, and the £14.4m unrealised increase in the value of our investments. The increase therefore does not result in additional expendable resources for the ICR.

Excluding these gains, the ICR has operated at a deficit in 2023/24, as financial reserves were allocated according to the Research Strategy priorities previously approved by our Board of Trustees. These allocations were strategically planned to invest in the ICR's Research Strategy priorities and to safeguard research areas affected by substantial reductions in our charity research grant funding.

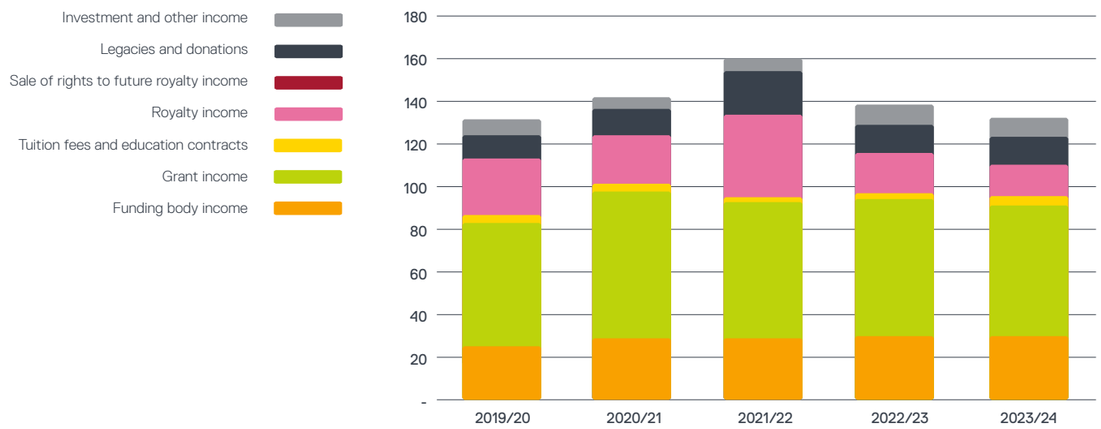
Income

The breakdown of our total income of £132.6m was as follows:

- 46% research grant and industrial collaboration income, of which 28% was from Cancer Research UK, 18% from Breast Cancer Now, 5% from Wellcome, 4% from the Medical Research Council, and 14% from industrial collaborations;
- 11% royalty income;
- 23% Funding Body income, received from the Office for Students (OfS) and UK Research and Innovation (UKRI), including funding of £16.3m for research, £1.1m for teaching and £1.9m for capital expenditure;
- 10% legacy income and donations raised through our Development Office;
- 7% income from investments and other sources; and
- 3% tuition fees and education contracts.

An analysis of the 2023/24 income breakdown compared with historic levels is provided below:

Income history – £m



8%

Academic and related expenditure has increased by £2.8m (8%) due to the continued investment in new faculty recruitment.

96%

96% of our expenditure was spent on research and education activity.

Expenditure

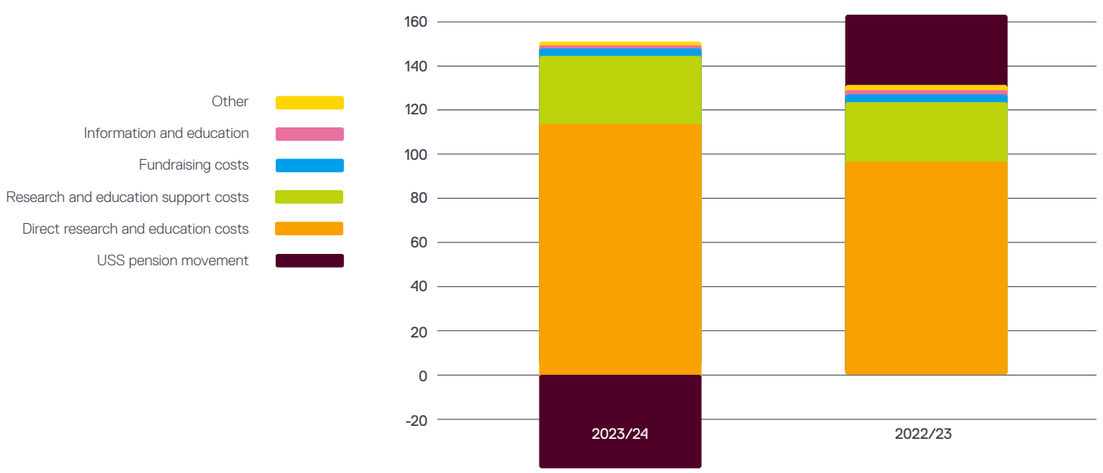
Total expenditure in 2023/24 was £110.1m, a decrease of £24.8m (18%) compared with 2022/23. A significant part of the decrease is the pension credit of £42.4m as a result of the change in valuation of the USS pension scheme deficit. The majority of ICR staff, of whom 75% are researchers working purely on cancer research projects, are USS members.

Excluding the pension provision movements, expenditure has increased by £10.3m (5%) compared with last year. Key changes in underlying expenditure relate to the following:

- Academic and related expenditure has increased by £2.8m (8%) due to the continued investment in new faculty recruitment.
- Premises costs have increased by £3.7m (20%), reflecting the impact of recent increases in utilities costs, as price protection arrangements have come to an end. The increase also reflects significant ongoing investment in our laboratory facilities.
- Expenditure on administration and central services has increased by £1.6m (10%). This reflects the continued impact of inflationary pressures and significant investment in improving our services, systems and processes through the Evolve programme.

96% of our expenditure was spent on research and education activity – 75% direct research costs and 20% research support costs (the other 5% related to fundraising and governance expenditure). Direct research expenditure comprises academic and related expenditure, research grants and contracts expenditure, and those premises costs that relate directly to the construction and fit-out of research laboratories and some laboratory services. The expenditure chart, below, analyses the ICR's expenditure in these areas.

Expenditure analysis – £m



In 2023/24, we spent £113.9m on the direct costs of research and education, an increase on the £106.3m spent in 2022/23, reflecting the continued investment in our 2022–27 Research Strategy priorities, including on-boarding new research teams, establishing new research centres, and upgrading our laboratories. We also continued to invest heavily in our infrastructure and professional services, including the continuation of our ongoing investment in Digital Services to realise the ICR's digital vision and big data capability.

£113.9m

£113.9m was spent on the direct costs of research and education in 2023/24.

£167.2m

Some £167.2m of unrestricted reserves are held within the Development Fund, which includes recent royalty income.

Net assets

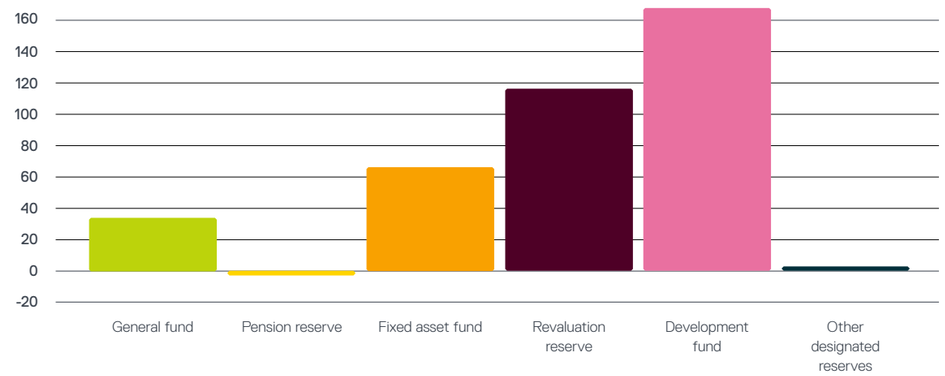
The ICR's net assets increased by £38.2m over the year, from £476.8m to £515.0m. This movement comprises the surplus (after USS adjustments) (£36.9m), the unrealised gain on revaluation of land and buildings (£0.2m) and the actuarial gain in respect of the ICR Pension Scheme (£1.1m)

Reserves policy and position

The ICR's mission is a long-term commitment. While the Board of Trustees ensures all funds are used for this mission within a reasonable period after they are received, they also consider it prudent to maintain a reserve of unrestricted funds to safeguard our long-term financial stability. These free reserves can be used at the Trustees' discretion and are not allocated for any specific purpose.

The Board of Trustees has decided that the ICR should maintain free reserves in the range of £30.0m to £36.1m, which equates to 10–12 weeks of the ICR's budgeted annual expenditure for the next year. In determining the level of free funds to be held in reserve, the Board of Trustees considers the ICR's income and expenditure forecasts and its future needs, opportunities, contingencies and possible risks. The Board reviews its Reserves Policy and the assessment and calculation of the level of free reserves at least every three years.

Unrestricted reserves at 31 July 2024 – £m



Total reserves at 31 July 2024 were £515.0m, of which £380.9m were unrestricted including £33.4m free reserves ("General Fund") and £116.1m revaluation reserves, which have limitations to their use. The General Fund balance is in the middle of the approved range in view of the challenging financial outlook.

Some £167.2m of unrestricted reserves are held within the Development Fund, which includes recent royalty income. This is being committed to make long-term investments in the priorities detailed in our research strategy, including key areas of faculty recruitment and infrastructure. The Development Fund comprises £84.8m committed to scientific initiatives in the delivery of our research strategy, £7.0m to capital projects and £75.4m to other projects, including the delivery of strategic progammes.

Financial outlook

Financial sustainability remains at the heart of the ICR's financial plans and our 2022-2027 Strategy. The Evolve programme has been a core part of this mission, through which we have continued to identify ways to deliver services and support more cost-effectively whilst safeguarding the quality and robustness of our professional services infrastructure.

£515.0m

Total reserves at 31 July 2024 were £515.0m, of which £380.9m were unrestricted, including £33.4m free reserves

£2.4m

The ICRPS deficit, calculated under the FRS102 accounting standard, improved in the year to £2.4m.

We also continue to seek to grow our research funding and wider income base, diversifying as far as possible to mitigate the risk of reliance on traditional grant sources of funding. Strategic collaborations are being actively pursued in recognition of the fact that by partnering with other research institutions and industry leaders, the ICR enhances its research capabilities and financial stability. Our commitment to sustainable operations and cost management is key to supporting the organisation's financial health, and we are focused on innovation and commercialisation of our research to generate additional revenue streams.

However, we recognise that we are navigating a very difficult financial landscape. Traditional research funding sources remain uncertain, and we anticipate a continued decline in the ICR's royalty income as key drugs lose patent protection. Therefore it is essential for the ICR to build on its achievements from 2023/24 and to further expand and diversify its revenue streams.

Investment policy and performance

Under the Articles of Association, the ICR can "invest and deal with any monies not immediately required for its purposes in such a manner as may be thought fit". The ICR does not invest directly in any company perceptibly involved in the sale of tobacco or tobacco products.

During the year the ICR approved a new Investment Policy, taking a more diversified approach in deploying our funds across a range of investment strategies, and working with a new set of investment managers.

The aim of the Investment Policy is to deliver a sustainable long term return, net of costs, to protect the ICR's purchasing power and support our financial plan spending requirements. The asset distribution is subject to review at regular meetings of the Investments and Building Development Committee and is dependent on the ICR's programme for future development. Assets are invested on a total return basis, so that we are able to plan to invest in a way that generates the best overall return at an appropriate level of risk and liquidity.

In July 2024 the Investments and Building Development Committee approved that £28.7m be divested from the portfolio to support the ICR's expenditure commitments for the coming year. Excluding this, the ICR's investments delivered a total return of £16.4m, of which £2m was income reinvested in the portfolio, and £14.4m represented gains on revaluation of our assets.

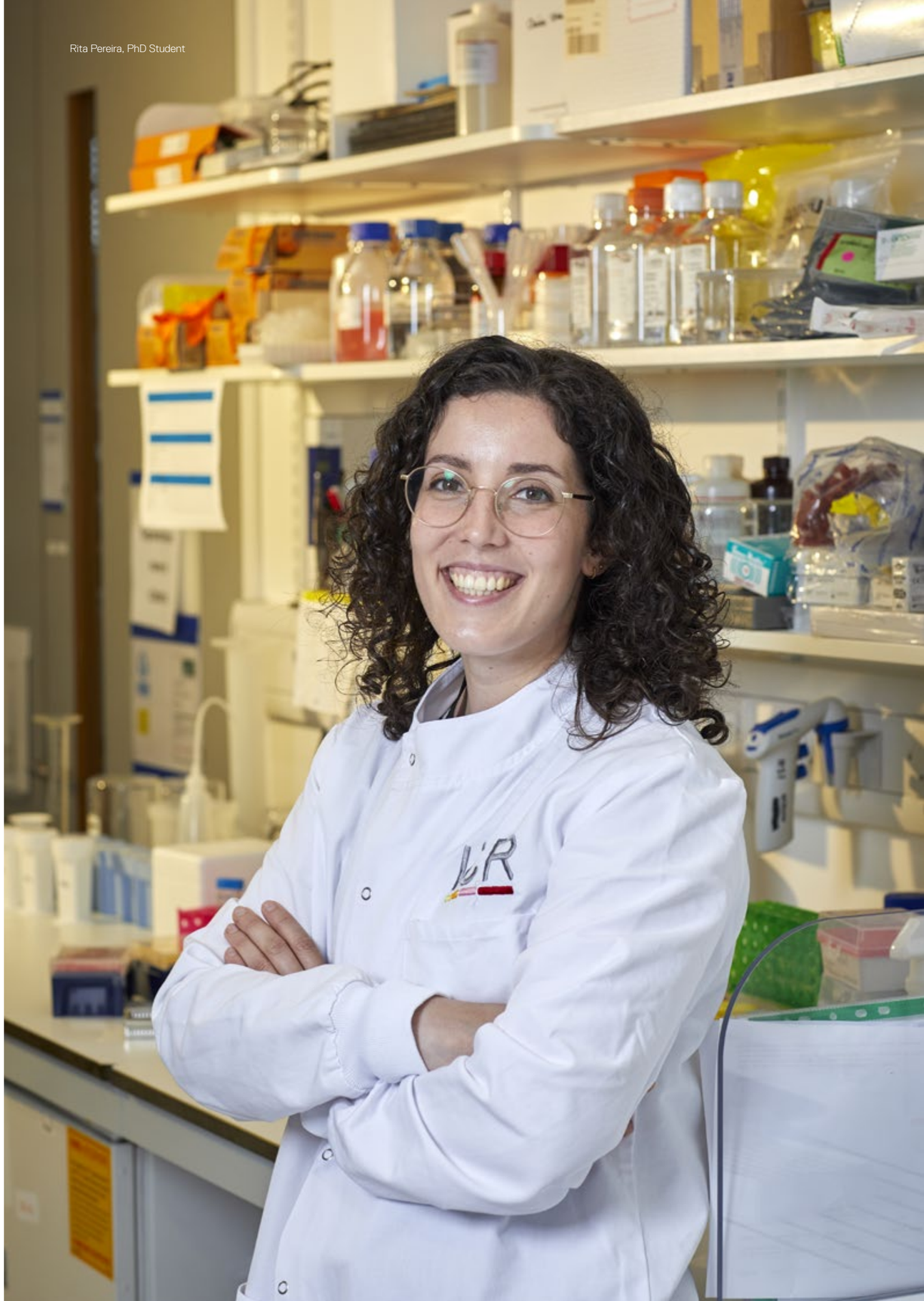
Pensions

The majority of ICR staff are members of the Universities Superannuation Scheme (USS). The ICR recognised an opening liability (as at 1 August 2023) of £42.7m for the obligations arising from the deficit recovery plan, completed in 2020.

During the year, USS finalised its 2023 valuation of the scheme. The overall value of the entirety of the scheme (i.e. across all employers in the sector) moved from a liability of £14.1bn in 2020 to a surplus of £7.4bn. As a consequence of this, both employer and employee contributions were reduced from January 2024, and the requirement for employers to account for future deficit repair obligations was removed. The provision has therefore been reversed back into the ICR's balance sheet.

The ICR Pension Scheme (ICRPS) closed to future accrual on 31 July 2008, and active members were able to build future pensions within USS after that date. The financial statements report that the ICRPS deficit, calculated under the FRS102 accounting standard, improved in the year to £2.4m (2022/23: £4.2m).

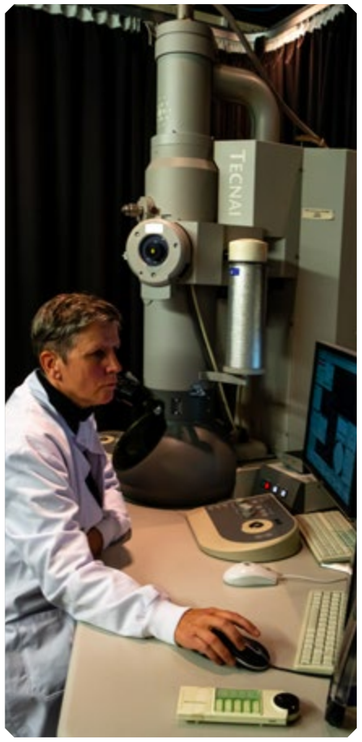
The ICRPS's and the ICR's Trustees continue to review the options with regard to the future of the closed scheme and how best to secure the funding position and build on the pension risk management framework and investment strategy adopted in 2016. The last triennial valuation, as at 31 March 2022 set the target date to achieve full funding on the scheme to 2030.



Rita Pereira, PhD Student

Risks

The period ahead continues to hold challenges for the ICR, as we face a higher cost environment and an uncertain funding landscape for the higher education sector.



We continue to monitor the challenges ahead, identifying risks and taking action to mitigate them to ensure that we can continue to deliver world-leading research to improve the lives of people living with cancer.

Inflation and cost pressures
In recent years, inflation rose to levels exceeding most expectations. Although in 2023/24 it has now fallen closer to historical levels, the cumulative cost pressure remains acute.

The ICR's activities are particularly energy intensive. We were able to mitigate the impact of gas and electricity price increases across the last three years through forward purchasing of energy contracts, but these arrangements came to an end in 2023/24, exposing the ICR to dramatic increases.

We are implementing a range of measures to mitigate this, including new energy purchasing arrangements. We are also developing detailed plans to reduce our energy requirements. We aim to do this both through the self-generation of some of our energy needs through renewables and through changes in technology and working practices. We are looking at how we run and utilise our buildings, how we can develop and fund our decarbonisation plans and what opportunities we can explore for the self-generation of some of our energy needs.

Other inflationary pressures remain a concern. Pricing of laboratory supplies also increased significantly in recent years. We also implemented a range of salary increases in recent years in response to inflation and pressures within the labour market.

All of these cost increases have accumulated over a number of years and continue to put pressure on our research activities, even as inflation has fallen. The ICR's funding levels have not come close to catching up with recent increases in pay and non pay, and indeed current grant indexation levels remain significantly below even current inflation levels.

Research funding
The ICR's ambitious Evolve programme continues to realise benefits, with a diversification of funding bringing new opportunities and a more resilient portfolio.

As few research funders will pay the full economic cost of conducting research activities, it is important that we continue to find new funding sources to meet those shortfalls. Evolve plays a critical role in these endeavours.

One area of diversification continues to be European Commission funding and new opportunities through collaboration. The UK Government reached an agreement with the European Commission on the association of the UK to Horizon Europe and Copernicus from

1 January 2024. This means UK organisations are able to participate in Horizon Europe calls for proposals and directly receive Horizon Europe funding as 'Beneficiaries' and this will likely represent an important area of funding for the ICR in future years.

The ICR continues to lobby with the Association of Medical Research Charities and on behalf of the higher education sector for enhanced science funding for research intensive and specialist institutions. One such critical example is the need for increased Charity Support Fund allocations from the Government, to help ensure charity-funded research is financially sustainable.

Fundraising and philanthropy
Our 2023/24 fundraising income increased on the prior financial year, driven particularly by income from charitable trusts and foundations. However, we still fell fractionally short of our income target, reflecting that we are operating in a slowly improving but still challenging fundraising landscape after the last few years.

Legacy income remained strong in 2023/24 with the ICR benchmarking highly for legacy income in the Higher Education sector. That said, bequests can be affected by volatility in the investment and housing markets, and analysis shows that our income in the medium term is forecast to go down in real terms, if we stand still. Therefore, legacies remain an important area for investment in order to maintain and grow legacy income for the long term.

Although there are green shoots of recovery in public fundraising, increased competition across all areas of fundraising is very high. To realise our fundraising ambition and meet our ongoing financial challenge, we must continue to invest in and develop a variety of fundraising streams – particularly major donor philanthropy, legacies and regular giving. This will ensure that we grasp new opportunities and diversify our income to maximise our research, reducing our exposure to fluctuations in giving caused by external factors, such as we have seen in recent years. By developing our regular giving proposition to attract donors to give monthly, we will have a more stable and sustainable donation base allowing us to better predict income and weather 'fundraising storms'.

Cyber risk
Like all organisations, the ICR faces a fast-evolving threat landscape on cyber risk, and the potential impact on the services, data and systems that underpin our research. We continue to invest in our infrastructure and security arrangements to meet the ongoing challenge in this area. However, given the constantly changing external environment, this will remain a key area of focus for the foreseeable future

Pensions
Whilst the ICR's defined-benefit pension liabilities on the balance sheet have significantly reduced, these long-term obligations continue to constitute a significant source of uncertainty, and they impact on both financial planning and employee relations across the sector.

Most ICR staff are members of the Universities Superannuation Scheme (USS), and the high and volatile cost of that scheme presents a financial risk to our ability to continue investing in research activities at current levels. The 2023 USS valuation showed a significant upturn in the scheme's funding position, resulting in improvements in member benefits and in the cost of the scheme to members and employers alike.

However, the scale and pace of movement in the economic factors that drove this significant turnaround in the scheme position, not least rapid changes in the UK treasury bond (Gilt) yields in 2022, illustrates the volatility to which the USS scheme is subjected. The ICR will continue to engage with USS and with Universities UK on options to embed more stability into the future scheme arrangements and to understand lower-cost options within the scheme, noting that it remains prohibitively expensive to many staff.

"We continue to monitor the challenges ahead, identifying risks and taking action to mitigate them to ensure that we can continue to deliver world-leading research to improve the lives of people living with cancer."

Governance and management

Everything we do is aimed at fulfilling our mission, which is to make the discoveries that defeat cancer.

> Everything we do is aimed at fulfilling our mission, which is to make the discoveries that defeat cancer.

We are focused on undertaking research of the highest quality that will ultimately have the greatest impact on improving outcomes for cancer patients.

Public benefit

The charitable objects of the ICR are:

- the study of disease and particularly the disease of cancer and allied diseases
- to initiate, encourage, support and carry out research into the causes, prevention, diagnosis and methods of treatment of such diseases
- to assist in the prevention, diagnosis and treatment of such diseases
- to provide for education and practical training in subjects relevant to the study of cancer and allied diseases and the alleviation of suffering.

Our research students make a significant contribution to our scientific endeavours, and we are committed to inspiring them to become the next generation of researchers. Our long-term achievements are set out on our website and highlight the ICR's contribution to many significant advances in reducing mortality for a wide range of cancers.

The Board of Trustees gives due consideration to the Charity Commission's guidance on public benefit.

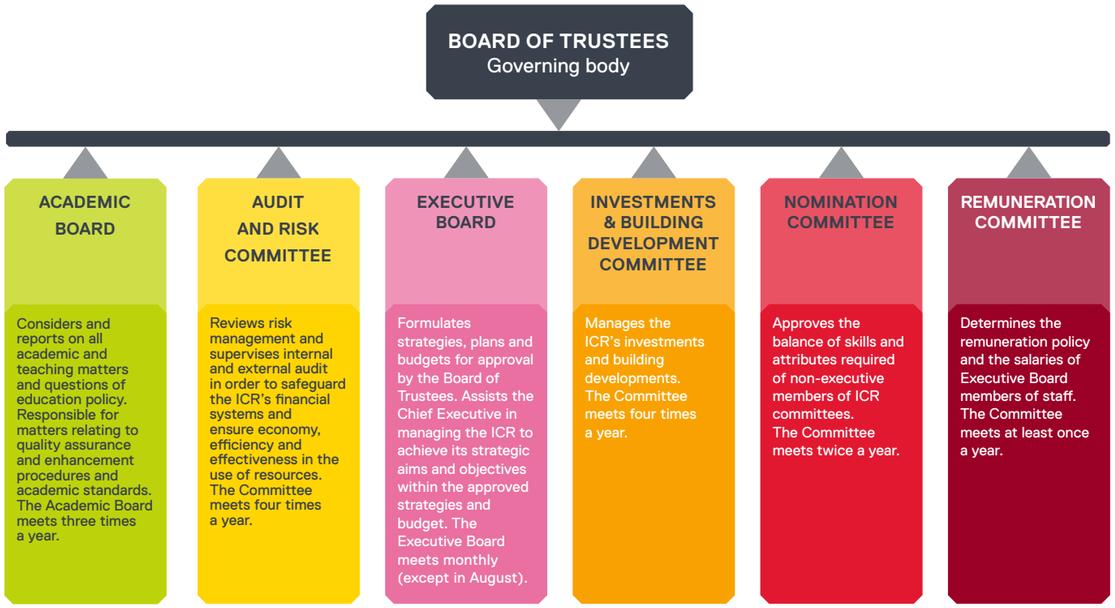
Statement of Corporate Governance

The ICR has continued to ensure effective corporate governance throughout the year ended 31 July 2024 and up to this report's approval on 21 November 2024. The ICR's governance arrangements ensure that the ICR conducts its affairs in a responsible and transparent way to support strategic leadership and accountability in the fulfilment of its mission. The ICR's governance arrangements reflect its multiple organisational roles.

The ICR is a company limited by guarantee, incorporated in 1954. We are also a member institution of the University of London and adhere to regulations as set by the Office for Students (OfS) and UK Research and Innovation (UKRI).

The ICR is an exempt charity under the Third Schedule of the Charities Act 2011. The ICR's objects, powers and framework of governance are set out in its Articles of Association, the current version of which was approved by the Members of the ICR in May 2024.

The overall governing body of the ICR is its Board of Trustees. Our Trustees are responsible for ensuring that the ICR pursues its charitable objects, complies with its constitution and relevant legislation and regulations, applies its resources exclusively to its objects, and enacts cancer research of the highest international standard. Our Trustees carry the responsibility of company directors of the ICR.



> As at 31 July 2024, the Board of Trustees comprised 15 members.

In addition, the Board of Trustees has established a Financial Sustainability Advisory Group, which is a task and finish working group reporting to the Board of Trustees.

The Board of Trustees

The Board of Trustees approves the ICR's strategies; approves its scientific and financial plans, annual report and accounts, and governance structure; makes key appointments (Chief Executive, Academic Dean, Chief Financial Officer and Chief Research and Academic officer); and monitors the ICR's strategic performance. It also approves new initiatives and non-recurrent expenditure costing £2m or more.

As of 31 July 2024, the Board of Trustees comprised 15 members. The majority of Board members are appointed members. In addition, one is nominated by The Royal Marsden (with an alternate as permitted in the Articles of Association), one member elected by the Academic Board, together with ex-officio members (the Chief Executive and the Academic Dean) and a student nominee. Details of the membership of the Board of Trustees as of 31 July 2024 are given on page 97.

Members of the Board of Trustees and its committees conduct their business in accordance with the seven principles identified by the Committee on Standards in Public Life, namely selflessness, integrity, objectivity, accountability, openness, honesty and leadership. The ICR also complies with the primary elements of the Committee of University Chairs' Higher Education Code of Governance. The Board met formally six times in 2023/24.

A copy of the Register of Interests of Board members is available upon application.

We continued to have student representation on the Board.

The Nomination Committee makes recommendations on appointments to the Board of Trustees. In addition, it also makes recommendations to the Board regarding the award of Honorary Degrees, Fellowships and Associates of the ICR. When considering new appointments, the Nomination Committee seeks proposals for candidates from a range of sources. All new Trustees are offered a tailored induction programme and further training is available on request.

During the year, there were a number of changes to the ICR Board:

- Two new Trustees (Carolin Barth and Anthony Clare) have been appointed and took up office on 1 October 2023 and 1 August 2023, respectively.
- Charlie Foreman succeeded Charlie Geffen as Deputy Chair. He also took the role of Chair of the Remuneration Committee and became a member of the Nomination Committee.
- Margaret Frame joined the Nomination Committee and Carolin Barth joined the Remuneration Committee.
- Chris Bakal stepped down as Academic Board representative at the end of his term on 29 February 2024. In July 2024, Amy Berrington was elected to the Board of Trustees as the new Academic Board nominee for the period March 2024 – February 2028.
- We continued to have student representation on the Board. The student nominee is reviewed by the students annually.

“ ”
New arrangements have been established outside the Articles to revive the practice of awarding Fellowships of the ICR, a practice which has been in abeyance for 10 years.

Changes to the ICR’s Articles of Association May 2024

On 23 May 2024 the Board of Trustees convened an Extraordinary General Meeting (EGM) of ICR members in order to seek their agreement to make some changes to the ICR’s Articles of Association. The Articles (which were originally made in 1954) were last changed in 2011.

The main change proposed was to reduce the number of Members of the ICR under its Articles of Association from 92 to current Trustees of the ICR only. Other changes were proposed as follows:

- Some modernisation of the language in the Articles
- Provision for holding meetings of the board electronically should this be required
- The removal of the requirement to have a representative of Cancer Research UK on the Board of Trustees (as agreed with Cancer Research UK)
- Some clarification regarding the mechanisms for the appointment of Trustees and definition of their length of term of four years
- Recognition that the OfS is now the ICR’s regulator, replacing HEFCE
- Two changes suggested by the University of London regarding academic freedom and freedom of speech and the removal of the University of London’s approval rights of the Articles.

New arrangements have been established outside the Articles to revive the practice of awarding Fellowships of the ICR, a practice which has been in abeyance for 10 years.

The result of the vote at the EGM was as follows:

- 30 proxy votes in favour
- 8 proxy votes where Members requested the Chair to vote at her discretion on their behalf. The Chair has accordingly chose to vote in favour.
- 2 votes against.

The changes to the Articles were accordingly agreed and have been posted on the ICR’s website. The revised Articles have also been communicated to the University of London and Companies House as required by law.

The former Members of the ICR have subsequently been designated as Honorary Members of the ICR and the ICR will continue to communicate with them and involve them in our activities and events.

“ ”
The Chair of the Audit and Risk Committee is a member of the ICR’s Board of Trustees.

Executive Board

The Executive Board assists the ICR’s Chief Executive, Professor Kristian Helin, who chairs the Board, in managing the ICR. Its membership during 2023/24 included the Chief Executive, the Chief Financial Officer, the Chief Research and Academic Officer, the Academic Dean, three Heads of Research Divisions and the Chief People Officer. The Director of Communications and Policy and Interim Director of the Development Office left in September 2023 and was not replaced on the Executive Board.

Audit and Risk Committee

The Audit and Risk Committee’s remit was changed during 2022 to take on risk management on behalf of the Board of Trustees. The title of the Committee was accordingly changed to reflect this new remit.The Chair of the Audit and Risk Committee is a member of the ICR’s Board of Trustees, as is one other member of the committee. The other three members are non-executives who are not members of the Board.

The Audit & Risk Committee has previously considered the recommendation in paragraph 20 the Committee of University Chairs (CUC) Higher Education Audit Committee Code of Practice that there should be at least three independent members of the governing body in membership. At that time, it was decided that having additional Board of Trustee members on the Committee was not in the ICR’s best interest given the size of the Board and the nature of the ICR’s business. However, there are now two members of the Board of Trustees in membership of the ARC since June 2023. The Audit and Risk Committee agreed to co-opt an incoming member of the Board of Trustees, Anthony Clare, to its membership with effect from 1 August 2023. In light of this development, the Committee amended its Terms of Reference to stipulate that one of the two members required for the Committee to be quorate should be a Board Member – this is in line with the recommendation set out in paragraph 33 of the CUC Code of Practice for HE Audit Committees. That person will chair the meeting.

The Committee receives minutes and key papers from Board of Trustee meetings to ensure that all Committee members obtain and maintain an appropriate understanding of the ICR.

Other than the exception above on Trustee membership, the Audit and Risk Committee has adopted and complies with the CUC Audit Committees Code of Practice.

This governance structure ensures that the ICR continues to comply with the terms and conditions of funding with both the OfS and UKRI. The arrangements enable the ICR to ensure regularity and propriety in the use of public funding, in particular through promising compliance with the ICR’s Standing Financial Instructions, which ensure a proper and efficient use of resources and support the policies, aims and objectives of the ICR.

Auditors

BDO LLP was reappointed external auditor during the year.

No non-audit fees were paid to the external auditors in 2023/24

Statement of internal control

The Board of Trustees is responsible for the ICR’s system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives, and it can provide only reasonable, not absolute, assurance of effectiveness.

The Executive Board is responsible for the identification and, with the risk owners, the management of all the major risks to the achievement of the ICR’s

The Audit and Risk Committee has identified no significant control weaknesses that should be disclosed.

strategic objectives – this covers business, operational, compliance and financial risk. The Executive Board is supported and advised on risk matters by the Academic Board, Research Strategy Board and Management Committee, with a member of the Executive Board designated Risk Management Leader.

The Risk Register is agreed with the Executive Board and approved annually by the Board of Trustees. Each risk identified is assessed and prioritised with reference to the potential impact if the risk were to occur and the likelihood of its occurrence. The responsibility for specific risks is assigned to the relevant academic, scientific and support staff who provide assurance on the action taken. There is a continuous process of review throughout the year; significant risks may be added, revised or removed from the risk register after evaluation by the Executive Board. A strategic risk report is appraised quarterly by the Executive Board, the Board of Trustees and the Audit and Risk Committee. The Audit and Risk Committee also undertake regular in-depth reviews of specific areas of risk, to inform consideration of the Strategic risk report.

PwC is currently the ICR's internal auditor. The internal audit adopts a risk-based approach, undertaking a programme of examinations covering all aspects of the ICR's activities.

The external auditor provides feedback to the Audit and Risk Committee on the operation of internal financial controls reviewed as part of the external audit.

The Audit and Risk Committee is responsible for assuring the governing body about the adequacy and effectiveness of the ICR arrangements listed above and the management and quality assurance of data submitted to the Higher Education Statistics Agency, the Student Loans Company, the OfS, Research England and other bodies.

The Audit and Risk Committee's opinion is that the ICR has adequate and effective arrangements for risk management, control and governance, data quality, and economy, efficiency and effectiveness, and that the Board of Trustees can place reliance on those arrangements. The Audit and Risk Committee has identified no significant control weaknesses that should be disclosed.

"The ICR has substantial liquid investments and cash balances, which are sufficient to meet its forecast cash requirements, and it has no borrowing."

Conclusion

The Board of Trustees is of the view that there is an ongoing process for identifying, evaluating and managing the ICR's key risks and that it has been in place for the year ended 31 July 2024 and up to the date of the approval of the annual report and accounts.

Going concern

The Board of Trustees has considered the ICR's financial planning for the medium term, and the level of reserves and the financial resources available to the ICR. At 31 July 2024, the ICR's free reserves were £30.1m, which is within the target range set through the Reserves Policy. In addition, the ICR is reporting a further £127.1m in unrestricted reserves (excluding the revaluation and fixed-asset reserves). The ICR has substantial liquid investments and cash balances, which are sufficient to meet its forecast cash requirements, and it has no borrowing.

Detailed analysis and stress testing have been undertaken and reported to the Board of Trustees to support longer-term decision making on financial planning and strategy and to provide in-depth understanding and assurance about the ICR's financial risks. The ICR has, for example, considered a range of potential scenarios around its core income streams, future estates strategy, and the impact of any research grant cuts. Hence, having considered the ICR's future plans and the risks associated with those plans, together with the existing resources available to the ICR, the Board of Trustees considers it appropriate to continue to adopt the going concern basis in preparing the financial statements.

Planning for the future with our stakeholders (Section 172, Companies Act 2006)

The ICR aims to engage with many different stakeholders, within and outside the organisation, in taking decisions for its future. Our mission is to make the discoveries that defeat cancer, and we work with patients, supporters, other stakeholders and our own staff and students to ensure our research achieves its aims by successfully improving the lives of people with cancer.

We also know that to maximise the impact we have for patients and wider society, we need to work closely with many different organisations, including academic and commercial partners, funders and suppliers. In engaging with these different people and organisations, we give particular consideration to the following issues:

Securing our future

We are careful to take decisions that ensure the long-term financial stability of our organisation and a future for our research, so we can keep on making discoveries that help defeat cancer. We frame decisions around a five-year strategic planning cycle, with key investments and priorities set accordingly.

During the academic year 1 August 2023 – 31 July 2024 our Board of Trustees has focused on the ongoing discussions with The Royal Marsden regarding our partnership arrangements. It has regularly reviewed the ICR's financial position and has encouraged the strengthening of our fundraising and philanthropy programmes. The Board has been kept informed of major areas of current and future expenditure and has discussed plans for ensuring the ICR's long term financial sustainability.

The Board has discussed the evolving plans for the Sutton estate including both short term interim planning and long term plans. The Board has ensured strict compliance with the requirements of the OfS our regulator and other statutory bodies including the Information Commissioner and the Health and Safety Executive.

The Board has also discussed important cultural and people matters, including the Annual Anti-Bullying and Harassment plan, the results of staff surveys and how to improve and enhance the student experience at the ICR. The Board has continued to encourage the commercialisation of the ICR's research, approving a spin-out called Kodiform in February 2024 and plans for a further spin-out titled Sentinal 4D. Cyber Security has also been a major area of focus, with the Board approving the ICR's overall risk appetite and cyber security protection agreements.

Engaging with ICR staff and students

Engagement with our staff and students is core to the ICR's values, and particularly our commitment to valuing all our people. Formal staff and student networks are supported and represented on all relevant ICR committees.

The ICR holds at least two Chief Executive briefings open to all staff and students each year, as well as two forum meetings with the Chief Executive for representatives of staff and student networks. The Board of Trustees has student and Faculty representation, and the ICR further promotes and supports student engagement via its Academic Board and through interactions with the Student Association. Staff and student consultation forms a key pillar of all decision making. More recently, the ICR has been holding regular briefings for professional services staff, where they can hear from and engage with the leadership of professional services.

The ICR developed its five-year strategy in close collaboration with staff and student groups. We also engaged closely internally to establish new working patterns among some groups of staff, including through surveys and focus groups.

Our culture and engagement strategy puts staff and students at the heart of all our activities and was developed in partnership with them. We also consulted closely with staff and students from across the ICR in developing our public engagement strategy.

Working with partners and funders

Partnership is integral to the way we work. We work closely with partners, funders and donors to ensure strategic alignment in our shared mission to defeat cancer. Our research strategy is a joint framework, developed and owned with our partner hospital The Royal Marsden. The Royal Marsden is also represented in the membership of the ICR's Board of Trustees. We have a strategic partnership with Imperial College London, through which we developed the Cancer Research UK Convergence Science Centre. We also have important strategic relationships with various pharmaceutical and biotech companies, including AstraZeneca and Merck KGaA.

Relationships with suppliers

We nurture strong, productive relationships with our suppliers to ensure robust supply chains for the provision of the goods and services that are essential to our research.

The ICR has also worked with suppliers to put in place measures to prevent modern slavery and human trafficking in its business and supply chains.

Impact on community and environment

We engage actively with local people in Sutton and Chelsea. We work with schools and community groups to reach local audiences, and we partner with the London Borough of Sutton to deliver meaningful community projects. Our active role in community events and festivals allows us to share with local people the science taking place on their doorsteps. We also work closely with our local communities to ensure mutual support.

The ICR is also committed to minimising the adverse impact of our activities on the environment, through the delivery of our health, safety, environment and quality strategy for 2020–2025. We have set an objective to incorporate best sustainable practice into our laboratory operations to reduce our impact on the environment, and we are working with research staff to understand barriers to sustainable behaviour and where support is most valuable.

High standards of ethics conduct

The ICR is committed to integrity, honesty and high ethical standards in everything we do. This is set out through our values and delivered via our effective policy and governance framework, presented in more detail on pages 54-58. We promote honest, transparent working practises and are committed to responsible stewardship of public and charitable funds.

Acting fairly

The ICR maintains an open dialogue with our stakeholders to take their priorities and requirements into account and to ensure that we are inclusive and collaborative. We know there are areas where we must continue to progress, and we will do so by proactively seeking out and learning from examples of best practice. We are committed to investing skills and resources to build our research culture and to drive equality and diversity across all parts of our workplace.

We aim to lead through our actions and provide a model for others in our sectors to follow. This approach was directed by the Board's scrutiny and approval of a number of key statements in this area, including the ICR's Annual Equality Statement, Gender Pay Gap reporting and Ethnicity Pay Gap reporting. Our strategic ambitions, systems and culture share our core focus on making the discoveries that defeat cancer, working in a way that acknowledges and benefits everyone.

Hairy Biker Si King with Sophie Barrett, our Sports and Challenge Events Manager, at Dave Day

Fundraising statement

The ICR works to ensure that all elements of its fundraising and marketing programme (including activities performed on its behalf by third parties) fully comply with all statutory regulations. We aim to build transparent and respectful relationships with all our supporters and remain incredibly grateful for their involvement in helping us to make the discoveries that defeat cancer.

We are registered with the Fundraising Regulator and fully committed to the Code of Fundraising Practice and the Fundraising Promise. As part of our GDPR-compliant data protection policy, we ensure that all fundraising and marketing materials have a clear opt-out process, allowing supporters to choose not to receive further communication from the charity or to update their preferences on how they would like to hear from us. Any concerns relating to members of the public are recorded appropriately by our Fundraising Campaigns and Individual Giving team. We are unaware of any failure, either by the organisation or any third parties operating on our behalf, to comply with any fundraising or marketing regulations or standards during 2023-2024.

In addition to meeting all legal requirements, our fundraising, marketing and communications programme is enhanced by our commitment to ICR values, particularly our focus on acting with integrity and delivering the best possible supporter experience. Our fundraising staff also fully adhere to the Code of Fundraising Practice regarding vulnerable supporters, and we will not accept or seek donations from individuals identified to be vulnerable. We do not participate in door-to-door or other types of face-to-face fundraising.

In the year from 1 August 2023 to 31 July 2024, we received two complaints. One related to our regular giving calling campaign and one was related to our Will for Free programme. We take any complaint seriously and genuinely appreciate the opportunity to receive feedback from our supporters. Any complaints are swiftly resolved – we respond within two working days – and they help us improve our processes.

All third-party contractors working on our behalf are asked to adhere to all statutory regulations, as well as our own best-practice guidelines. Training is given to third parties on how to deal with queries, and any more complex questions are passed back to the Fundraising Campaigns and Individual Giving team for a response. We also monitor fundraising activities conducted on our behalf through various means. For example, our direct mail programme is monitored by members of the Fundraising Campaigns and Individual Giving team who are included in our mailing lists and receive the same appeals as our supporters. These team members also monitor and support the activity of our volunteer fundraisers, who are given guidance on fundraising standards.

We thank all our donors and supporters for investing in our work to create more and better treatments for cancer patients.

Statement of the responsibilities of members of the Board of Trustees

In accordance with the ICR's Memorandum and Articles of Association, the Board of Trustees is responsible for the administration and management of the affairs of the institution and is required to present audited financial statements for each financial year.

The Board of Trustees (the Trustees of which are also the directors of the ICR for the purposes of company law as well as the Members of the ICR under the revised Articles of Association) is responsible for preparing the Strategic Report and Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Board of Trustees to prepare financial statements for each financial year.

Under that law, the Board of Trustees is required to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". In addition, the Board of Trustees is required to prepare the financial statements in accordance with the Terms and Conditions of the Office for Students (OfS) of funding for higher education institutions for 2023–2024 through its accountable officer.

Under company law, the Board of 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 ICR and the Group and of the surplus or deficit, gains and losses, changes in reserves and cash flows of the ICR and the Group for that year.

In preparing the financial statements, the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently
- make judgements 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 Group will continue in business.

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the ICR's transactions. The records must disclose with reasonable accuracy at any time the financial position of the ICR and enable it to ensure that the financial statements comply with the following: the OfS terms and conditions of funding for higher education institutions (issued July 2023); the Statement of Recommended Practice – Accounting for Further and Higher Education as issued in October 2018, and

any subsequent amendments; the Office for Students Accounts Direction (issued October 2019); and the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the ICR and hence for adopting appropriate measures to prevent and detect fraud and other irregularities.

The members of Board of Trustees have taken reasonable steps to ensure that:

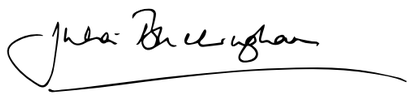
- funds from the OfS and other funding bodies are used only for the proper purposes for which they have been given and seek to achieve value for money in accordance with the OfS Terms and Conditions of funding for higher education institutions (issued July 2023) and any other conditions which the funding body may from time to time prescribe
- the ICR has a robust and comprehensive system of risk management, control and corporate governance, which includes the prevention and detection of corruption, fraud, bribery and irregularities
- there is regular, reliable, timely and adequate information to monitor performance and track the use of public funds
- it plans and manages the ICR's activities to remain sustainable and financially viable
- it informs the OfS of any material change in its circumstances, including any significant developments that could affect the mutual interests of the ICR and the OfS
- there are adequate and effective arrangements for the management and quality assurance of data submitted to HESA, the Student Loans Company, the OfS, Research England and other funding or regulatory bodies
- there is an effective framework – overseen by the ICR's senate, academic board or equivalent – to manage the quality of learning and teaching and to maintain academic standards
- it considers and acts on the OfS's assessment of the ICR's risks specifically in relation to these funding purposes.

The Board of Trustees is responsible for the maintenance and integrity of the corporate and financial information included on the ICR's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board of Trustees confirms that:

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

Approved on behalf of the Board of Trustees by:



Professor Julia Buckingham

Chair of The Institute of Cancer Research, London

Date of approval: 21 November 2024

Independent auditor's report to the Board of Trustees of The Institute of Cancer Research

OPINION ON THE FINANCIAL STATEMENTS

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of ICR's affairs as at 31 July 2024 and of the Group's and the ICR's income and expenditure, gains and losses, changes in reserves and of the Group's cash flows 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.

We have audited the financial statements of The Institute of Cancer Research ("the ICR") and its subsidiaries (the "Group") for the year ended 31 July 2024 which comprise Consolidated and ICR Statement of Comprehensive Income and Expenditure, Consolidated and ICR Statement of Changes in Reserves, Consolidated and ICR Balance Sheets and the Consolidated Statement of Cashflows and notes to the financial statements, including a summary of 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and ICR 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.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Board of 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 ICR'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 Board of Trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The Board of Trustees is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OTHER COMPANIES ACT 2006 REPORTING

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

- the information given in the annual report, which includes the Report of the Board of Trustees 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 Report of the Board of Trustees, which are included in the annual report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and ICR and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board of Trustees.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Board of Trustees was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

OPINION ON OTHER MATTERS REQUIRED BY THE OFFICE FOR STUDENTS ("OFS") AND UK RESEARCH AND INNOVATION (INCLUDING RESEARCH ENGLAND)

In our opinion, in all material respects:

- Funds from whatever source administered by ICR for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS and UK Research and Innovation (including Research England) have been applied in accordance with the relevant terms and conditions
- The requirements of the OfS's Accounts Direction (OfS 2019.41) have been met.

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

- The ICR's grant and fee income, as disclosed in notes to the accounts, has been materially misstated.

RESPONSIBILITIES OF THE BOARD OF TRUSTEES

As explained more fully in the Statement of the responsibilities of members of the Board of Trustees, the Board of Trustees (who are also the directors of ICR 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 Board of 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 Board of Trustees are responsible for assessing the Group and the ICR'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 Board of Trustees either intend to liquidate the Group or the ICR 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.

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- Direct representation from the Accountable Officer.

we considered the significant laws and regulations to be the applicable accounting framework and Companies Act 2006.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be compliance with the Office for Students Ongoing Conditions of Registration.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
- Detecting and responding to the risks of fraud; and

- Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override through accounting estimates and inappropriate journal entries and revenue recognition of research grants, royalty income and legacy income.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of journal entries throughout the year that do not meet a defined risk criteria (ie non risky journals);
- Assessing significant estimates made by management for bias, including accrual of royalty income; and
- Testing sample of revenue in the year and post yearend to supporting documents and associated bank receipts.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

USE OF OUR REPORT

This report is made solely to the Trustee 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 ICR's Board of Trustees 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 ICR and the Board of Trustees members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
James Aston
DD20C4C69BC440C...

James Aston MBE (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK 22 November 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The Institute of Cancer Research: Royal Cancer Hospital
Consolidated and ICR statement of comprehensive income and expenditure
Year ended 31 July 2024

		Year ended 31 July 2024		Year ended 31 July 2023	
	Notes	**Consolidated £000**	**ICR £000**	Consolidated £000	ICR £000
Income					
Tuition fees and education contracts	1	4,031	4,031	3,171	3,171
Funding body grants	2	30,293	30,293	29,522	29,522
Research grants and contracts	3	60,853	60,853	64,573	64,573
Donations and endowments	4	13,497	13,497	12,787	12,787
Investment income	5	6,167	6,167	7,962	7,962
Other income	6	17,750	17,750	20,628	20,636
Total income		**132,591**	**132,591**	138,643	138,651
Expenditure					
Staff costs	8				
Staff costs excluding reversal of USS provision		82,023	82,023	78,189	78,189
Reversal of USS provision		(42,443)	(42,443)	(7,324)	(7,324)
Total staff costs		**39,580**	**39,580**	**70,865**	**70,865**
Other operating expenses		59,460	59,459	53,882	53,882
Depreciation	12	9,894	9,894	8,360	8,360
Interest and other finance costs	11	1,171	1,171	1,831	1,831
Total expenditure	**9**	**110,105**	**110,104**	134,938	134,938
Surplus before other gains and losses		**22,486**	**22,487**	3,705	3,713
Gain / (loss) on investments	13	14,428	14,428	(8,070)	(8,070)
Surplus/ (loss) for the year		**36,914**	**36,915**	(4,365)	(4,357)
Unrealised gain on revaluation of land and buildings	12	233	233	18,151	18,151
Actuarial gain/ (loss) in respect of pension schemes	21	1,058	1,058	(739)	(739)
Total comprehensive income for the year		**38,205**	**38,206**	13,047	13,055
Represented by:					
Endowment comprehensive income for the year		69	69	507	507
Restricted comprehensive loss for the year		(2,628)	(2,628)	(912)	(912)
Unrestricted comprehensive income for the year		40,764	40,765	13,452	13,460
		38,205	**38,206**	13,047	13,055

All items of income and expenditure relate to continuing activities.

The table below does not form part of the financial statements.

Surplus/(loss) for the year	36,914	36,915	(4,365)	(4,357)
Reversal of USS provision	(42,443)	(42,443)	(7,324)	(7,324)
Deficit for the year excluding USS pension provision	**(5,529)**	**(5,528)**	(11,689)	(11,681)

The Institute of Cancer Research: Royal Cancer Hospital
Consolidated and ICR statement of changes in reserves
Year ended 31 July 2024

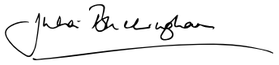
Consolidated	**Income and expenditure account**			**Revaluation reserve**	
	Endowment £000	*Restricted* £000	*Unrestricted* £000	*Reserve* £000	*Total* £000
Balance at 1 August 2022	**1,562**	**135,513**	**225,370**	**101,275**	**463,720**
Surplus/ (deficit) from the income and expenditure statement	507	(912)	(3,960)	-	(4,365)
Other comprehensive income	-	-	17,412	-	17,412
Transfers between revaluation and income and expenditure reserve	-	-	(16,659)	16,659	-
Other transfers between reserves	-	-	-	-	-
	507	**(912)**	**(3,207)**	**16,659**	**13,047**
Balance at 1 August 2023	**2,069**	**134,601**	**222,163**	**117,934**	**476,767**
Surplus / (deficit) from the income and expenditure statement	69	(2,628)	39,473	-	36,914
Other comprehensive income	-	-	1,291	-	1,291
Transfers between revaluation and income and expenditure reserve	-	-	1,880	(1,880)	-
Other transfers between reserves	-	-	-	-	-
Total comprehensive income / (loss) for the year	**69**	**(2,628)**	**42,644**	**(1,880)**	**38,205**
Balance at 31 July 2024	**2,138**	**131,973**	**264,807**	**116,054**	**514,972**

ICR	**Income and expenditure account**			**Revaluation**	
	Endowment £000	*Restricted* £000	*Unrestricted* £000	*Reserve* £000	*Total* £000
Balance at 1 August 2022	**1,562**	**135,513**	**225,197**	**101,275**	**463,547**
Surplus/ (deficit) from the income and expenditure statement	507	(912)	(3,952)	-	(4,357)
Other comprehensive income	-	-	17,412	-	17,412
Transfers between revaluation and income and expenditure reserve	-	-	(16,659)	16,659	-
Release of restricted capital funds spent in year	-	-	-	-	-
	507	**(912)**	**(3,199)**	**16,659**	**13,055**
Balance at 1 August 2023	**2,069**	**134,601**	**221,998**	**117,934**	**476,602**
Surplus / (deficit) from the income and expenditure statement)	69	(2,628)	39,474	-	36,915
Other comprehensive income	-	-	1,291	-	1,291
Transfers between revaluation and income and expenditure reserve	-	-	1,880	(1,880)	-
Other transfers between reserves	-	-	-	-	-
Total comprehensive income / (loss) for the year	69	(2,628)	42,645	(1,880)	38,206
Balance at 31 July 2024	**2,138**	**131,973**	**264,643**	**116,054**	**514,808**

The Institute of Cancer Research: Royal Cancer Hospital
Consolidated and ICR balance sheets
Year ended 31 July 2024

		As at 31 July 2024		As at 31 July 2023	
	Notes	**Consolidated £000**	**ICR £000**	Consolidated £000	ICR £000
Non-current assets					
Fixed assets	12	**252,982**	**252,982**	254,505	254,505
Investments	13a	**180,576**	**180,581**	192,932	192,937
		433,558	**433,563**	447,437	447,442
Current assets					
Stock		**179**	**179**	132	132
Trade and other receivables	14	**40,501**	**40,445**	41,353	41,384
Investments	13b	**53,631**	**53,631**	52,851	52,851
Cash and cash equivalents		**12,992**	**12,878**	9,357	8,827
		107,303	**107,133**	103,693	103,194
Less: Creditors: amounts falling due within one year	15	**(22,869)**	**(22,868)**	(27,052)	(26,723)
Net current assets		**84,434**	**84,265**	76,641	76,471
Total assets less current liabilities		**517,992**	**517,828**	524,078	523,913
Provisions					
Pension provisions	16	**(2,503)**	**(2,503)**	(46,855)	(46,855)
Other provisions	16	**(517)**	**(517)**	(456)	(456)
Total net assets		**514,972**	**514,808**	476,767	476,602
Restricted Reserves					
Income and expenditure reserve - endowment reserve	18b	**2,138**	**2,138**	2,069	2,069
Income and expenditure reserve - restricted reserve	18a	**131,973**	**131,973**	134,601	134,601
Unrestricted Reserves					
Income and expenditure reserve - unrestricted	17a	**264,807**	**264,643**	222,163	221,998
Revaluation reserve	17b	**116,054**	**116,054**	117,934	117,934
Total Reserves		**514,972**	**514,808**	476,767	476,602

The financial statements were approved and authorised for issue by the Board of Trustees on 21 November 2024 and were signed on its behalf on that date by:



Professor Julia Buckingham
Chair of the Board of Trustees

Professor Kristian Helin
Chief Executive

The Institute of Cancer Research: Royal Cancer Hospital
Consolidated statement of cashflows
Year ended 31 July 2024

	Notes	**31 July 2024 £000**	31 July 2023 £000
Cash flow from operating activities			
Surplus / (deficit) for the year		**36,914**	(4,365)
Adjustment for non-cash, working capital and other items			
Depreciation	12	**9,894**	8,360
Investment income	5	**(6,167)**	(7,962)
(Gain) / loss on endowments, donations and investment property		**(14,428)**	8,070
(Increase) / decrease in stock		**(47)**	83
Decrease in debtors	14	**852**	806
Decrease in creditors	15	**(4,013)**	(2,849)
Increase in provisions	16	**166**	32
Defined benefit pension scheme costs less contributions payable	21	**(741)**	(1,892)
Decrease in USS pension provision	16	**(42,660)**	(8,342)
Impairment of fixed assets	12	**778**	-
Net cash outflow from operating activities		**(19,451)**	(8,059)
Cash flows from investing activities			
Non-current investment disposal	13	**224,086**	87,634
New non-current asset investments	13	**(197,301)**	(90,613)
Investment income	5	**6,167**	7,962
(Increase)/ decrease in current investments	13	**(780)**	13,057
Payments made to acquire fixed assets	12	**(9,086)**	(11,949)
		23,086	6,091
Increase/ (decrease) in cash and cash equivalents in the year		**3,635**	(1,968)
Cash and cash equivalents at beginning of the year		**9,358**	11,326
Cash and cash equivalents at end of the year		**12,992**	9,358

1. Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019) and in accordance with applicable accounting standards. The ICR is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable accounting standards. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets).

The Trustees consider that the ICR and its active subsidiary companies have adequate resources to continue activities for the foreseeable future and that, for this reason, it should continue to adopt the going concern basis in preparing the accounts.

2. Basis of consolidation

The ICR owns 100% of the share capital of seven companies – ICR Enterprises Ltd (ICRE), ICR Chelsea Development Ltd (ICRCD), ICR Sutton Developments Ltd (ICRSD), ICR Equipment Leasing No.8 Limited (ICRENo8), Everyman Action Against Male Cancer, ICR London Cancer Hub Company Limited (ICRLCH) and ICR Chemical Probes Portal Limited (ICRCPP). ICRE undertakes trading activities. ICRCD and ICRSD have been set up to act as developers for the construction of laboratories. ICRENo8 owns a long leasehold interest in the Chester Beatty Laboratory which is occupied by the ICR. Everyman Action Against Male Cancer has not traded since incorporation. ICRLCH has been set up in 2016/17 to undertake activities in respect of the London Cancer Hub project, and has not traded since incorporation. ICRCPP owns the intellectual prioperty in an online biodmedical resrearch portal. The consolidated statements include the financial statements of these companies.

The ICR makes a small contribution each year towards the costs of the Student Association. The ICR has no management responsibility for the Association and therefore does not consolidate their accounts into the ICR's accounts.

Associated companies and joint ventures are accounted for using the equity method.

3. Income recognition

Income is credited to the Consolidated Statement of Comprehensive Income and Expenditure (CSOCIE) in the year in which it is receivable.

3.i) Grant accounting

Government grants including funding council block grant; research grants from government sources; other grants and donations from non government sources (including research grants from non government sources) are recognised within the CSOCIE when the ICR is entitled to the income and performance related conditions have been met.

Where a grant funder has confirmed a set payment schedule that is in line with the planned undertaking of the funded research, the income is recognised when it is receivable as per the schedule. This will either be fixed stage payments or based on expenditure incurred on the grant, dependent on the funder's terms for remitting funds.

Where a grant funder has specified requirements related to performance and deliverables, income is recognised when ICR earns the right to consideration by its delivery of agreed milestones.

Where funds for multi-year grants are received in full in year one but linked to a multi-year programme of research, then this is treated as funds received in advance of performance related conditions being met, and the element relating to future years is deferred and included in creditors.

Where entitlement occurs before the income is received the income is accrued and included in debtors.

Capital grants are recorded in income when the ICR is entitled to the income subject to any performance related conditions being met. The depreciation of the asset is charged to the CSOCIE over the life of the asset.

3.ii) Royalty income

Royalty income is included in the CSOCIE in the year in which ICR is entitled to claim it, where there is certainty of receipt and the amount due can be identified.

Income from the sale of rights to future royalties is included in the CSOCIE in the year in which ICR is entitled to claim it, where there is certainty of receipt and the amount due can be identified.

3. Income recognition (continued)

3.iii) Legacies and donations

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised within the CSOCIE when the ICR is entitled to the Income. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions.

Legacies are included in the year that entitlement and probability of receipt is established. Receipt is normally probable when there has been grant of probate, the executors have established that there are sufficient assets in the estate, and any conditions attached to the legacy are either within the control of the Institute or have been met.

There are four main types of donations and endowments with restrictions:

1. Restricted donations - the donor has specified that the donation must be used for a particular objective.

2. Unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the Institute.

3. Restricted expendable endowments - the donor has specified a particular objective and the ICR can convert the donated sum into Income.

4. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations with no restrictions are recorded within the CSOCIE when the ICR is entitled to the income.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

3.iv) Investment income

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

4. Accounting for retirement benefits

The ICR participates in three defined benefit schemes, the Universities' Superannuation Scheme (USS), National Health Service Pension Scheme (NHSPS) and The ICR Pension Scheme (ICRPS).

The assets of the USS scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme -wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 "Employee Benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme and the deficit recovery contributions payable under the scheme's Recovery Plan.

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit. The institution recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related expenses being recognised through the income statement. Further disclosures relating to the deficit recovery liability can be found in note 21.

The NHSPS is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of The Secretary of State, in England and Wales. As a consequence it is not possible for the ICR to identify its share of the underlying scheme liabilities.

The USS and NHSPS schemes are both therefore accounted for as defined contribution schemes. Obligations for contributions to these schemes are recognised as an expense in the CSOCIE in the periods during which services are rendered by employees.

For the ICRPS the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the CSOCIE if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the CSOCIE. Gains arising on a curtailment not allowed for in the actuarial assumptions are recognised in the CSOCIE under incoming resources.

ICRPS scheme assets are held separately from those of the ICR. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on high quality corporate bonds. The actuarial valuation is obtained at least tri-annually and is updated at each balance sheet date.

5. Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the ICR. Any unused benefits are accrued and measured as the additional amount the ICR expects to pay as a result of the unused entitlement.

6. Finance leases

Leases in which the ICR assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

7. Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

8. Foreign Currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the CSOCIE.

9. Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, with the exception of land and buildings which are revalued under the depreciated replacement cost basis.

9i) Land and buildings

Land and buildings are measured using the revaluation model. Under the revaluation model, assets are revalued to depreciated replacement cost. The ICR has a policy of ensuring a full revaluation takes place on a sufficiently regular basis to ensure that the fair value is not materially different to the current value. Depreciation and impairment losses are subsequently charged on the revalued amount. The ICR will review annually whether interim valuations should be undertaken to ensure the value remains materially correct.

A full valuation took place on 31 July 2024. Valuations are made on a Depreciated Replacement Cost basis for scientific properties. Unrealised gains arising at each revaluation are shown in the Revaluation Reserve. Unrealised losses are taken to the CSOCIE except to the extent that they reverse revaluation gains on the same asset.

The Institute of Cancer Research: Royal Cancer Hospital
Statement of accounting policies (continued)
Year ended 31 July 2024

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the ICR.

Depreciation is provided to write off the costs of leases and buildings over their useful economic lives based on their net book values. The annual rates of amortisation and depreciation are as follows:

Freehold buildings	2%
Leasehold building	2% or the length of the lease if shorter than 50 years.

Freehold land is not depreciated.

9ii) Equipment

Equipment costing less than £25,000 per individual asset are written off in the year of acquisition. All other equipment is capitalised. Capitalised equipment is stated at cost and depreciated over four years on a straight-line basis

9iii) Assets under construction

Buildings and furniture, plant and equipment under construction at year end are included in Note 12 as assets under construction, and are not depreciated. On completion of construction, these assets are transferred into the appropriate asset class and depreciated from the month of completion onwards in line with the depreciation policy for that asset.

10. Investments

10i) Non current investments

Listed investments are stated at the market value at the date of the balance sheet. Investments such as hedge funds and private equity funds, which have no readily identifiable market value, are included at the most recent valuations from their respective managers. Unlisted shares, where there is no readily identifable market value, are recorded at cost or a nominal amount. Investments in non basic instruments, where there is no readily available market value, are valued at fair value based on fair value modelling of the asset. Investments in subsidiaries are stated at cost less any provision for impairment. Revaluation gains or losses and impairments arising during the year are included in the CSOCIE. Investment income is the amount receivable by the ICR in the year.

10ii) Current asset investments

Current asset investments are held at fair value with movements recognised in the CSOCIE.

11. Stock

Stocks of research material are held at the lower of cost and net realisable value, and are measured using an average cost formula.

12. Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

13. Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:
(a) the ICR has a present obligation (legal or constructive) as a result of a past event;
(b) it is probable that an outflow of economic benefits will be required to settle the obligation; and
(c) a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the ICR a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the ICR. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the ICR a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the ICR.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

14. Taxation

The ICR is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the ICR is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The ICR receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The ICR's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

15. Reserves

Reserves are allocated between restricted and unrestricted reserves. Restricted endowment reserves include balances which, through endowment to the ICR, are held as a permanently restricted fund as the ICR must hold the fund to perpetuity.

Other restricted reserves include balances through which the donor has designated a specific purpose and therefore the ICR is restricted in the use of these funds.

Additional accounting of ICR's reserves is provided in Notes 17 and 18. This includes information on restricted endowments and other restricted reserves.

Unrestricted designated funds are accounted for in Note 17. Designated funds comprise unrestricted funds that have been set aside by the Board of Trustees for particular purposes. The aim of each designated fund is set out in the notes to the financial statements. This includes the Fixed Asset Fund which represents the amount of general funds invested in fixed assets and the Revaluation Reserve which represents the increase in fixed assets arising as a result of revaluation.

Revaluation gains and losses in respect of non current investments are included in the unrestricted income and expenditure reserve.

1. Tuition fees and education contracts	**Year ended 31 July 2024**		Year ended 31 July 2023	
	Consolidated £000	**ICR £000**	Consolidated £000	ICR £000
Tuition fees	**1,522**	**1,522**	1,213	1,213
Research training support grant	**2,509**	**2,509**	1,958	1,958
	4,031	**4,031**	3,171	3,171

2. Funding body grants	**Consolidated £000**	**ICR £000**	Consolidated £000	ICR £000
Recurrent grant				
Funding body grants	**19,476**	**19,476**	20,749	20,749
Specific grants				
Higher Education Innovation Fund	**6,039**	**6,039**	5,087	5,087
Other specific funds	**1,481**	**1,481**	681	681
Capital funding	**3,297**	**3,297**	3,005	3,005
	30,293	**30,293**	29,522	29,522

3. Research grants and contracts	**Consolidated £000**	**ICR £000**	Consolidated £000	ICR £000
Research councils	**4,215**	**4,215**	4,468	4,468
Research charities	**36,880**	**36,880**	41,405	41,405
Government (UK and overseas)	**10,838**	**10,838**	8,948	8,948
Industry and commerce	**8,650**	**8,650**	9,160	9,160
Other	**270**	**270**	592	592
	60,853	**60,853**	64,573	64,573

The source of grant and fee income included in notes 1 to 3 is as follows:

Grant income from the OfS	**2,582**	**2,582**	1,145	1,145
Grant income from other bodies	**91,073**	**91,073**	94,908	94,908
Fee income for research awards	**1,021**	**1,021**	767	767
Fee income from non-qualifying courses	**192**	**192**	144	144
Fee income for taught awards	**309**	**309**	301	301
	95,177	**95,177**	97,265	97,265

4. Donations and endowments	**Consolidated £000**	**ICR £000**	Consolidated £000	ICR £000
Unrestricted legacies	**4,548**	**4,548**	4,979	4,979
Unrestricted donations	**3,181**	**3,181**	3,093	3,093
Restricted donations	**5,768**	**5,768**	4,715	4,715
	13,497	**13,497**	12,787	12,787

5. Investment income	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	**ICR £000**	Consolidated £000	ICR £000
Investment income on endowments	**25**	**25**	35	35
Investment income on restricted reserves	**1,579**	**1,579**	2,248	2,248
Other investment income	**4,563**	**4,563**	5,679	5,679
	6,167	**6,167**	**7,962**	**7,962**

6. Other income	**Consolidated £000**	**ICR £000**	Consolidated £000	ICR £000
Royalty income	**15,049**	**15,049**	19,061	19,061
Other income	**2,701**	**2,701**	1,567	1,575
	17,750	**17,750**	20,628	20,636

The ICR acts as an agent in respect of certain royalty-sharing arrangements in place with key partner organisations. Under these arrangements, the ICR receives gross receipts generated by invention sales, and passes on a predetermined, fixed percentage of these receipts to the other entities. Only the net income figure after passing on the royalty share to partner organisations is included as income in the financial statements. A summary of the gross and net position in respect of these arrangements is provided below:

7. Agency arrangements

	Consolidated £000	**ICR £000**	Consolidated £000	ICR £000
Gross receipts	35,490	35,490	50,624	50,624
Amounts due to ICR partners	(20,441)	(20,441)	(31,563)	(31,563)
Net ICR income	**15,049**	**15,049**	19,061	19,061

8. Staff costs	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	**ICR £000**	Consolidated £000	ICR £000
Salaries	**65,458**	**65,458**	63,838	63,838
Social security costs	**7,436**	**7,436**	7,049	7,049
Other pension costs	**9,129**	**9,129**	7,302	7,302
Total staff costs excluding reversal of USS provision	**82,023**	**82,023**	78,189	78,189
Reversal of USS provision	**(42,443)**	**(42,443)**	(7,324)	(7,324)
Total staff costs after reversal of USS provision	**39,580**	**39,580**	70,865	70,865

This note has been re-analysed to show the impact of the USS scheme valuation accounting. For more information please refer to Notes 21a and 24.

Average number of employees	Year ended 31 July 2024	Year ended 31 July 2023*
	No.	**No.**
Research staff	**941**	895
Research support staff	**139**	134
Fundraising services	**31**	26
Professional services including academic services	**115**	115
	1,226	1,170

Compensation for loss of office
In 2023/24 payments for compensation for loss of office were made to 29 staff, totalling £403,387 (2022/23: £60,000 paid to 14 staff). 10 of these, totalling £30,750 were contractual payments made to staff on fixed term contracts that were ending as research grants finished. 14 members of staff received redundancy pay totalling £338,160. These redundancies were made as part of the Evolve change programme. 5 redundancies were made to staff from the scientifc teams totalling £34,477. The highest individual payment to a member of staff was £76,963 paid to a senior post holder who was not part of the ICR's key management personnel.

Remuneration of the Chief Executive
The Chief Executive's remuneration package is set by the Remuneration Committee, at a level that reflects the skills required to lead a globally recognised and high performing medical research institute in the higher education sector. It is set at a level that appropriately rewards the Chief Executive in terms of their recruitment, retention and motivation through a process which is robust and proportionate in its use of funds. Benchmarking of market data of similar roles in leading international medical research organisations within the higher education sector is used when determining the remuneration package

The Chief Executive's salary and performance are reviewed annually by the Remuneration Committee, following a performance assessment by the Chairman of the Board of Trustees who undertakes an annual review of the Chief Executive's performance, considering achievements over the past twelve months and sets agreed objectives and KPIs.

The Chief Executive has elected not to be a member of the USS pension scheme, therefore the Chief Executive's salary was increased to compensate for the reduction in employer pension contributions. The Chief Executive does not have any accommodation provided by the ICR.

The Chief Executive's salary and total remuneration is 9.7 times the median pay of staff (2023: 9.0 for both multiples), where the median is calculated on a full-time equivalent basis for the salaries and remuneration paid by the ICR to its staff.

	Year ended 31 July 2024	Year ended 31 July 2023
	£000	£000
Salary	**436**	404
Performance related bonus	**20**	15

8. Staff costs (continued)		
	Year ended 31 July 2024	Year ended 31 July 2023
Remuneration of higher paid staff	**No.**	**No.**
£100,000 - £104,999	**1**	7
£105,000 - £109,999	**10**	3
£110,000 - £114,999	**7**	7
£115,000 - £119,999	**5**	5
£120,000 - £124,999	**4**	3
£125,000 - £129,999	**2**	10
£130,000 - £134,999	**15**	-
£135,000 - £139,999	**1**	1
£140,000 - £144,999	**1**	2
£145,000 - £149,999	**1**	1
£150,000 - £154,999	**3**	-
£155,000 - £159,999	**1**	-
£165,000 - £169,999	**1**	1
£170,000 - £174,999	**2**	-
£175,000 - £179,999	**1**	1
£185,000 - £189,999	**-**	1
£195,000 - £199,999	**1**	-
£205,000 - £209,999	**1**	-
£215,000 - £219,999	**1**	-
£230,000 - £234,999	**-**	1
£245,000 - £249,999	**1**	-
£285,000 - £289,999	**-**	1
£300,000 - £304,999	**1**	-
£415,000 - £419,999	**-**	1
£435,000 - £439,999	**1**	-

The table above reflects the impact of additional faculty recruitment over the last 2 years.

Key management personnel
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Institute. Staff costs include compensation paid to key management personnel. These costs relate to the Chief Executive, Chief Financial Officer, Chief Research & Academic Officer, and the Dean of Academic and Research Affairs. The costs include salaries and employers pension contributions:

	Year ended 31 July 2024	Year ended 31 July 2023
	£000	£000
Key management personnel compensation	**1,067**	843

Emoluments of the Board of Trustees
No fees are paid to the members of the Board of Trustees for their services as charity trustees or company directors. During the year, there were three members of staff of the ICR who were members of the Board of Trustees and who received only the normal remuneration of their appointments. This includes the Chief Executive and Dean of Academic and Research Affairs. The other staff member is the representative elected by the Academic Board to serve on the Board of Trustees – this role was undertaken by Professor Chris Bakal up to the end of February 2024 and then by Professor Amy Berrington from March 2024. Remuneration for these staff is included in the remuneration of higher paid staff above. In addition, Bastien Lecoeur undertook the role of student representative on the Board of Trustees up to the end of February 2024 and from March 2024 this role was undertaken by Ricardo Sainz. Bastien and Ricardo both received the normal PhD student stipend. The aggregate emoluments of those who served on the Board of Trustees was £946,020 (2023: £858,000). The emoluments of the highest paid director were £456,050 (2023: £419,000). One of the four staff who are trustees participates in a defined benefit pension scheme. Three non-executive trustees received a total of £3,283 (2023: three received £4,000) for reimbursement of travel and accommodation expenses in the year.

9. Analysis of total expenditure by activity	**Year ended 31 July 2024**		Year ended 31 July 2023	
	Consolidated £000	**ICR £000**	Consolidated £000	ICR £000
Academic and related expenditure*	**3,586**	**3,586**	27,384	27,384
Administration and central services*	**12,905**	**12,905**	14,999	14,999
Premises*	**20,146**	**20,146**	18,135	18,135
Residences, catering and conferences	**305**	**305**	337	337
Research grants and contracts	**71,789**	**71,789**	70,506	70,506
Other expenses*	**1,374**	**1,373**	3,577	3,577
	110,105	**110,104**	134,938	134,938
Other operating expenditure includes:				
Investment management costs	**706**	**706**	615	615
External auditors remuneration:				
Fees payable to the ICR's auditor for the audit of the ICR's annual accounts	**106**	**106**	96	94
Fees payable to the ICR's auditors for the audit of the accounts of subsidiaries	**9**	**-**	7	-
Operating lease expenditure	**717**	**717**	392	392

*The expenditure on these lines in 2023/24 includes a credit of £42,660,000 (2023: credit of £8,678,000) in respect of the movement in the USS provision, as analysed in Note 16.

10. Taxation

The ICR is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and as such is a charity within the meaning of paragraph 1 of Schedule 6 of the Finance Act 2010. Accordingly the ICR is exempt from taxation in respect of income or capital gains received within categories covered by Section 471 and 478-488 of the 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 to exclusively charitable purposes.

In 2023/24 the group incurred no Corporation Tax charges in respect of the activity of its subsidiary companies (2023: £ nil). The ICR incurred irrecoverable VAT of £3,536,000 in 2024 (2023: £2,912,000).

11. Interest and other finance costs	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	**ICR £000**	Consolidated £000	ICR £000
Net charge on ICRPS pension scheme	**190**	**190**	143	143
Unwinding of discount of USS pension provision	**981**	**981**	1,688	1,688
	1,171	**1,171**	1,831	1,831

12. Fixed assets (Consolidated and Institute)	Freehold land and buildings £000	Leasehold land and buildings £000	Furniture plant and equipment £000	Assets under construction £000	Total
Cost or valuation					
At 31 July 2023	245,866	795	48,564	337	295,562
Revaluation	(4,156)	-	-	-	(4,156)
impairment	(778)	-	-	-	(778)
Additions at cost	832	-	3,873	4,211	8,916
Disposals at cost	-	-	-	-	-
Transfer of completed assets	275	**2,909**	993	(4,177)	-
At 31 July 2024	**242,039**	**3,704**	**53,430**	**371**	**299,544**
Depreciation					
At 31 July 2023	-	546	40,511	-	41,057
Revaluation	(4,389)	-	-	-	(4,389)
Provided in the year	4,389	301	5,204	-	9,894
At 31 July 2024	**-**	**847**	**45,715**	**-**	**46,562**
Net book value					
At 31 July 2024	**242,039**	**2,857**	**7,715**	**371**	**252,982**
of which:					
Scientific properties	241,993	2,618	7,715	371	252,697
Other properties	46	239	-	-	285
At 31 July 2023	245,866	249	8,053	337	254,505
of which:					
Scientific properties	245,816	-	8,053	-	253,869
Other properties	50	249	-	337	636
Historic cost - net book value					
At 31 July 2024	**126,315**	**2,857**	**7,715**	**371**	**137,258**
At 31 July 2023	128,262	249	8,053	**337**	136,901

ICR's scientific properties were revalued by Gerald Eve Chartered Surveyors as at 31 July 2024. The valuations were undertaken on a depreciated replacement cost basis. The laboratory buildings were valued at £215,513,000 with associated land valued at £26,480,000.

Furniture plant and equipment detailed above includes fully depreciated leasehold equipment originally costing £1,000,000 (2023: £1,000,000).

13. Investments (Consolidated)	Market value 31 July 2023 £000	Additions at cost £000	Disposals at book value £000	Gains/losses £000	**Market value 31 July 2024**
a. Non-current investments – re-analysed					
Equity investments	120,781	73,267	(147,951)	8,398	**54,495**
Passive tracker funds	-	63,099	(12,074)	4,836	**55,861**
Capital preservation assets	32,280	62,842	(43,083)	3,026	**55,065**
Investment properties	7,206	-	-	(417)	**6,789**
Investment cash	5,316	184,395	(189,879)	387	**219**
Other investments	27,350	229	(17,630)	(1,802)	**8,147**
	192,933	**383,832**	**(410,617)**	**14,428**	**180,576**

During the year to 31 July 2024, the ICR implemented a new investment strategy, and migrated non current investments across to a number of new investment managers and assets. This note note has therefore been restructured to provide a better analysis of the ICR's investments and performance. The change includes restructuring the analysis of the opening balance- the overall opening balance value of non current asset investments is unchanged.

The investments held by the Group were all held by the ICR which in addition held investments of £5,000 in subsidiary companies.

The historical cost of the Group and the ICR investments at 31 July 2024 was £168,770,000 (2023: £186,196,000) and £168,775,000 (2023: £186,201,000) respectively.

b. Current Investments	52,851	41,780	(41,000)	-	**53,631**

Current investments comprise cash held in short term cash funds. These do not have fixed maturity dates. Access to funds takes greater than 24 hours.

14. Trade and other receivables	Year ended 31 July 2024		Year ended 31 July 2023	
Amounts falling due within one year	**Consolidated £000**	**ICR £000**	Consolidated £000	ICR £000
Revenue grants	**7,143**	**7,143**	11,584	11,584
Other trade debtors	**1,636**	**1,564**	3,979	3,979
Legacy debtors	**3,404**	**3,404**	2,823	2,823
Other debtors	**650**	**650**	1,108	1,108
Amounts due from subsidiary companies	**-**	**16**	-	31
Prepayments and accrued income	**27,668**	**27,668**	21,859	21,859
	40,501	**40,445**	41,353	41,384

The estimated value of legacies notified but neither received nor included in the income is £4,205,000 (2023: £4,050,000).

15. Creditors	Year ended 31 July 2024		Year ended 31 July 2023	
	Consolidated £000	**ICR £000**	Consolidated £000	ICR £000
Trade creditors	5,650	5,650	4,191	4,191
Accruals	13,800	13,732	17,933	17,598
Amounts due to subsidiary companies		67		-
Other creditors	1,529	1,529	1,473	1,473
Taxes and social security	1,890	1,890	3,455	3,461
	22,869	22,868	27,052	26,723

16. Provisions for liabilities and charges (Consolidated and ICR)	Obligation to fund deficit on USS Pension (Note 21a)	Defined Benefit Obligations (Note 21b)	Other pension obligations	Total Pensions Provisions	Total Leasehold & decomm-issioning
At 1 August 2023	42,660	4,195	-	46,855	456
Utilised in year	(1,199)	(3,325)	(34)	(4,558)	(363)
Additions and remeasurements in year	981	1,528	139	2,648	424
Unused amounts reversed in year	(42,442)	-	-	(42,442)	-
At 31 July 2024	**-**	**2,398**	**105**	**2,503**	**517**

The USS pension provision is the discounted value of the agreed deficit reduction payments, however no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus. The ICR was therefore no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account. More detail is given in Note 21.

The defined benefit obligation is the net liability under the obligation to the ICR Pension Scheme. More information on the calculation of this liability is provided in Note 21.

The other pension obligation relates to an individual who retired under the previous superannuation scheme and who is in receipt of an unfunded pension paid directly by the ICR.

The leasehold and decommissioning provisions are held to cover liabilities as a result of vacating leasehold premises and the safe removal of a caesium source.

17. Unrestricted reserves (Consolidated)

The Board of Trustees has designated elements of the unrestricted income and expenditure reserve for specific purposes. These designations represent an internal decision and are not imposed by donors or funding bodies.

	Balance at 1 August 2023	Income	Expenditure	Transfers, gains and losses	**Balance at 31 July 2024**
a. Income and expenditure reserve - unrestricted					
General Fund	33,400	56,469	(24,857)	(31,612)	**33,400**
Pension Reserve	(4,195)	-	(1,035)	2,832	**(2,398)**
Fixed Asset Fund	65,311	-	(2,965)	3,838	**66,184**
Development Fund	127,031	-	-	40,196	**167,227**
FC Hunter Studentship Fund	356	-	(79)	-	**277**
Faringdon Fund	104	-	(154)	75	**25**
Amenity Fund	156	-	(64)	-	**92**
	222,163	56,469	(29,154)	15,329	**264,807**
		-	-	-	
b. Revaluation Reserve	117,934	-	(2,113)	233	**116,054**
		-	-	-	
Total unrestricted reserves	340,097	56,469	(31,267)	15,562	**380,861**

The consolidated unrestricted reserves position includes £165,000 in respect of subsidiary company reserves. The ICR unrestricted reserves position is therefore as above, but with a Development Fund balance of £167,062,000 and total unrestricted reserves of £380,696,000.

The pension reserve recognises the shortfall in funds attributable to the ICR Pension Scheme (ICRPS) deficit.

The Board of Trustees has decided that the ICR should maintain free reserves (General Fund) of £33,400,000 at 31 July 2024. These reserves are expendable at the Trustees' discretion and not designated for particular purposes. The General Fund includes £11,803,000 cumulative net unrealised gains on revaluation of fixed asset investments

The Fixed Asset Fund represents the amount invested in Fixed Assets from unrestricted funds, and is designated to meeting the future depreciation costs of these assets.

17. Unrestricted reserves (Consolidated) (Continued)

The Development Fund is the amount set aside by the ICR for future commitments relating to the buildings, capital equipment and Research Strategy. The amount is calculated based on the position at the balance sheet date and a transfer is effected to or from unrestricted funds to achieve the amount required. The fund is made up as follows:

	2024 £000	2023 £000
Capital projects and refurbishments	**7,003**	1,858
Scientific initiatives	**84,793**	92,158
Other development funds	**75,431**	33,015
	167,227	127,031

The FC Hunter Studentship Fund is a legacy from the estate of Mr FC Hunter designated by the ICR for the purpose of supporting research studentships.

The Faringdon Fund provides funds to enable the commercial potential of inventions by ICR scientists to be developed.

The Amenity Fund provides funds for staff welfare

18. Restricted reserves (Consolidated and ICR)	Balance at 31 July 2023 £000	Income £000	Expenditure £000	Transfers, gains and losses £000	**Balance at 31 July 2024 £000**
a. Income funds					
Funds invested in fixed assets					
Breast Cancer Now	2,985	-	(109)	-	**2,876**
The Bob Champion Cancer Trust	540	-	(20)	-	**520**
Everyman Appeal	427	-	(15)	-	**412**
The Garfield Weston Foundation	680	-	(20)	-	**660**
The Monument Trust	187	-	(7)	-	**180**
The Wolfson Foundation	3,752	-	(112)	-	**3,640**
The Ivan and Felicite Stoller Fund	572	-	-	-	**572**
Sir SK Tang Fund	581	-	(1)	-	**580**
Funding body capital funding	50,847	3,297	(4,017)	-	**50,127**
Wellcome Trust	4,622	-	(162)	-	**4,460**
Building funds	2,713	1	(93)	-	**2,621**
Equipment funds	3,355	2,906	(2,163)	-	**4,098**
	71,261	6,204	(6,719)	-	**70,746**
Other restricted funds					
Other restricted donations	16,071	4,940	(4,522)	-	**16,489**
Research grants	47,269	64,978	(67,508)	-	**44,739**
	63,340	69,918	(72,030)	-	**61,228**
Total restricted income funds	134,601	76,122	(78,749)	-	**131,973**

18. Restricted reserves (Consolidated and ICR) (Continued)

The ICR is proud to partner with a range of organisations in its investment in cutting edge laboratory facilities. Key examples reflected above include the following generous contributions from our partners:

Breast Cancer Now contributed funding for the Breast Cancer Now Toby Robins Breast Cancer Research Centre, part of the Chester Beatty Laboratories.

The ICR received funds from The Bob Champion Cancer Trust, The Monument Trust, The Garfield Weston Foundation, The Wolfson Foundation and donations from the Everyman Appeal to build the Male Urological Cancer Research Centre.

The Higher Education Funding Council for England, The Wellcome Trust and The Wolfson Foundation have contributed funding to the building of The Brookes Lawley Building.

The Higher Education Funding Council for England, Wolfson Foundation, Garfield Weston Foundation and Ivan and Felicite Stoller Fund contributed to the Centre for Cancer Imaging.

UKRI, The Wolfson Foundation, The Ivan and Felicite Stoller Fund and the Sir SK Tang Fund were important funders for the Centre for Cancer Drug Discovery building.

Equipment funds represent grants which have been invested in fixed asset equipment. Building funds represent grants which have been invested in fixed asset buildings.

Other restricted donations relates to philanthropic donations received to support specific research projects.

The research grants are funds received by the ICR for specific cancer research projects. Within research grants there are grants in deficit of £2,987,000 which represents grants where expenditure has been incurred ahead of funding expected to be received in 2024/25. There are no material individual fund deficits.

b. Endowment funds	Balance at 31 July 2023 £000	Income £000	Expenditure £000	Transfers, gains and losses £000	**Balance at 31 July 2024 £000**
Permanent endowment funds					
Sir SK Tang Fund	394	-	-	30	**424**
Expendable endowment funds					
Rhonda and Sean Ryan Postgraduate Scholarship Fund	617	-	(25)	47	**639**
Hensley Nankivell Studentship Fund	1,058	-	(63)	80	**1,075**
Total endowment funds	2,069	-	(88)	157	**2,138**

The Hensley Nankivell Studentship Fund was received from the estate of Mrs SMA Nankivell for the purpose of supporting research studentships at the ICR and is currently funding 3 students. The Sir SK Tang Fund is a legacy received from the estate of Sir SK Tang for cancer research.

The Rhonda and Sean Ryan Postgraduate Scholarship Fund is a new endowment to fund a research student working in the field of breast cancer.

For permanent endowment funds the capital cannot be expended. For expendable endowment funds the capital can be spent on qualifying expenditure.

The Sir S K Tang Fund has been classifed as a permanent endowment for which a total return approach to investment has been adopted and the unapplied total return can be spent on qualifying expenditure:

Balance as at 1 August 2023	Endowment £000	Unapplied total return £000	**Total £000**
Gift component of the permanent endowment	333	-	**333**
Unapplied total return	-	61	**61**
Total permanent endowments as at 1 August 2023	333	61	**394**
Movements in the period			
Investment return: realised and unrealised gains	-	30	**30**
Less: Investment management costs	-	-	**-**
Less: Transfer to funds invested in fixed assets	-	-	**-**
	-	30	**30**
Balance as at 31 July 2024			
Gift component of the permanent endowment	333	-	**333**
Unapplied total return	-	91	**91**
Total permanent endowments as at 31 July 2024	333	91	**424**

19. Capital commitments

	2024 £000	2023 £000
Contracted but not provided for	**949**	2,264

The capital commitments relate to laboratory and office building works.

20. Lease commitments

At 31 July 2024 the ICR had operating lease commitments in respect of all future payments for equipment and property leases which expire as follows:

	31 July 2024			31 July 2023
	Land and Buildings	**Plant and machinery**	**Total**	Total
Payable during the year	**218**	**499**	**717**	518
Future minimum lease payments due:				
Not later than 1 year	**291**	**499**	**790**	499
Later than 1 year and not later than 5 years	**946**	**208**	**1,154**	697
Total lease payments due	**1,237**	**707**	**1,944**	1,196

21. Superannuation schemes

The ICR participates in three superannuation schemes. The majority of scientific and other non-clinical staff are in the Universities Superannuation Scheme (USS) (and the Universities Supplementary Dependants & Ill Health Retirement Pension Scheme (USDPS)). The majority of clinical staff are in the National Health Service Superannuation Scheme (NHSPS). The ICR Pension Scheme (ICRPS) was closed to future accrual for new and existing members on 31 July 2008 and most of its active members joined the USS. All three schemes provide benefits based on final pensionable salary.

a) Universities Superannuation Scheme (USS)

The ICR participates in the Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee- administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The ICR is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the ICR therefore accounts for the scheme as if it were a wholly defined contribution scheme. A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 16, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The instution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

The total credit released to the CSOCIE is £42,442,000 (2023: total cost charged £9,420,000). There are no deficit recovery contributions due within one year for the institution.

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date), and was carried out using the projected unit method.

Since the ICR cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

CPI assumption	**Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less: 1% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030.**
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps
	Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5% and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3 bps.
Discount rate (forward rates)	Fixed interest gilt yield curve plus:
	Pre-retirement: 2.5% p.a.
	Post retirement: 0.9% p.a.

21. Superannuation schemes (continued)

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

		2023 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females	
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females	
The current life expectancies on retirement at age 65 are:	**2024**	2023
Males currently aged 65 (years)	**23.7**	24.0
Females currently aged 65 (years)	**25.6**	25.6
Males currently aged 45 (years)	**25.4**	26.0
Females currently aged 45 (years)	**27.2**	27.4

b) ICR Pension Scheme (ICRPS)

The Institute operates a funded final salary pension scheme in the UK. The Scheme is a registered scheme under UK legislation. The Scheme is subject to the scheme funding requirements outlined in UK legislation. The Scheme provides Final Salary (Defined Benefit) benefits. The Scheme provides benefits in retirement and death benefits to members. Pension benefits are linked to a members' final salary at retirement or earlier withdrawal, and their length of service, revalued between their date of leaving service and date of retirement if appropriate. The Scheme was established from 1 April 1975 under trust and is governed by the Scheme's Consolidated version of the Third Definitive Trust Deed and Rules including amendments to date. Since 31 July 2008 there has been no future accrual in the Defined Benefit section. The Trustees are responsible for the operation and the governance of the Scheme, including making decisions regarding the Scheme's funding & investment strategy in conjunction with the Institute. The Scheme exposes the Institute to actuarial risks such as market (investment) risk, interest rate risk, inflation risk and longevity risk.

The pension cost that would have been charged to the operating surplus under FRS 102 for the year amounts to £1,035,000 (2023: £777,000). This is equal to the past service cost of £845,000 (2023: £634,000) plus the finance income of £190,000 (2023: £143,000).

A full actuarial valuation was carried out at 31 July 2024 by a qualified independent actuary, based on membership data at 31 March 2022, updated to take account of actual inflation, actual pension increases, material member movements and expected benefit outgo, using actuarial assumptions at 31 July 2024. An allowance has been made for the discretionary increases awarded as at 1 April 2022, 1 April 2023 and 1 April 2024.

21. Superannuation schemes (continued)

Contributions to the Scheme for the year beginning 1 August 2024 are expected to be £1,826,870 based on the current Schedule of Contributions.

The major assumptions used by the actuary were (in nominal terms):

		As at 31 July 2024	As at 31 July 2023	As at 31 July 2022
Discount rate		**5.00%**	5.10%	3.30%
Consumer Prices Index ("CPI")		**2.90%**	2.70%	2.50%
Future 5%LPI pension increases		**2.90%**	2.70%	2.50%
Future 2.5%LPI pension increases		**2.50%**	2.50%	2.50%
Revaluation in deferment		**2.90%**	2.70%	2.50%
Assumed life expectancies on retirement at age 65 are:				
Retiring today	Males	**21.5**	21.4	21.4
	Females	**24.1**	24.0	24.2
Retiring in 20 years time	Males	**22.8**	22.7	22.7
	Females	**25.5**	25.4	25.7

The fair value of the Scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the Scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

	Value at 31 July 2024 £000	Value at 31 July 2023 £000
Equities	**16,725**	25,901
Fixed Interest	**14,780**	12,481
Inflation Linked Bonds	**28,429**	17,458
Insured Annuities	**14,184**	14,333
Cash and Other	**734**	580
Fair value of scheme assets	**74,852**	70,753
The return on Scheme assets was:		
Interest Income	**3,569**	2,947
Return on Scheme assets (excluding amount included in net interest expense)	**2,081**	(21,138)
Total return on plan assets	**5,650**	(18,191)
Present value of funded obligations	**(77,250)**	(74,948)
Fair value of scheme assets	**74,852**	70,753
Deficit in funded scheme	**(2,398)**	(4,195)
Deficit	**(2,398)**	(4,195)
Net liability in balance sheet	**(2,398)**	(4,195)

21. Superannuation schemes (continued)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	As at 31 July 2024	As at 31 July 2023
Benefit obligation at beginning of year	**74,948**	95,020
Interest cost	**3,759**	3,090
Actuarial (gains)/losses	**1,023**	(20,399)
Benefits paid	**(3,325)**	(3,397)
Past service cost	**845**	634
Benefit obligation at end of year	**77,250**	74,948
Reconciliation of opening and closing balances of the fair value of scheme assets		
Fair value of scheme assets at beginning of year	**70,753**	89,671
Interest income on scheme assets	**3,569**	2,947
Return on assets, excluding interest income	**2,081**	(21,138)
Contributions by employers	**1,774**	2,670
Benefits paid	**(3,325)**	(3,397)
Fair value of scheme assets at end of year	**74,852**	70,753
The amounts recognised in CSOCIE:		
Service cost - including current service costs, past service costs and settlements	**845**	634
Net interest on the net defined benefit liability	**190**	143
Total expense	**1,035**	777
Remeasurements of the net defined benefit liability to be shown in CSOCIE:		
Actuarial (gains) / losses on the liabilities	**1,023**	(20,399)
Return on assets, excluding interest income	**(2,081)**	21,138
Total remeasurement of the net defined benefit liability to be shown in CSOCIE	**(1,058)**	739

c) NHS pension scheme
Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and the 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

21. Superannuation schemes (continued)

i) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024 is based on valuation data at 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

ii) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024.

The Department of Health and Social Care confirmed that the employer contribution rate was to increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap of the scheme was calculated to be outside of the 3% cost cap corridor at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

22. Subsidiary undertakings

The ICR has the following subsidiary undertakings:

(i) ICR Sutton Developments Limited - The ICR owns 100% of the issued share capital of this company which has been set up to act as the developer of ICR properties. It made a loss of £3,680 in the year ended 31 July 2024 (2023: £nil profit). Its net assets at 31 July 2024 amounted to £186,305 (2023: £189,985). The accounts of ICR Sutton Developments Ltd have been consolidated into the accounts of the ICR.

(ii) ICR Equipment Leasing No.8 Limited - The ICR owns 100% of the share capital of this company which holds a leasehold interest in the Chester Beatty Laboratory. It did not make a profit for the year ended 31 July 2024 (2023: £nil profit). Its net assets at 31 July 2024 were £5,351 (2023: £5,351). The accounts of ICR Equipment Leasing No.8 Limited have been consolidated into the accounts of the ICR.

(iii) ICR Enterprises Limited - The ICR owns 100% of the issued share capital of this company which undertakes trading activities for the benefit of the ICR that the ICR cannot carry out itself as an exempt charity. It was dormant in 2024 (2023: £nil). Its net assets at 31 July 2024 amounted to £1,581 (2023: £1,581). The accounts of ICR Enterprises Ltd have been consolidated into the accounts of the ICR.

(iv) ICR Chelsea Development Limited - The ICR owns 100% of the issued share capital of this company which has been set up to act as the developer of a refurbishment project which has now been completed. It did not make a profit or a loss for the period ended 31 July 2024 (2023: £nil).

(v) Everyman Action Against Male Cancer - The company is limited by guarantee and was dormant throughout the period ended 31 July 2024. (This company was also dormant throughout the period ended 31 July 2023).

(vi) Other investments - The ICR is a founder and shareholder of three companies whose aims are to exploit the intellectual property generated at the ICR. This includes Domainex Limited (3% shareholding), Chroma Therapeutics Limited (0.2% shareholdng) and Monte Rosa Therapeutics (3.7% shareholding). The cost of the ICR's shareholding of these companies is included in investments.

(vii) ICR London Cancer Hub Company Limited - the ICR owns 100% of the issued share capital of this company, which undertake activities in respect of the London Cancer Hub project. The company was incorporated on 2 March 2017 and has not traded since incorporation.

viii) ICR Chemical Probes Portal Limited that owns a database used for research purposes.

The ICR has the following associate and joint venture undertakings:

(i) Diafora Medical Limited - the ICR owns 33.3% of the issued share capital of this company, which owns intellectual property licensed to Celescan Limited, Diafora Medical Limited owns a 49% shareholding in Celescan Limited. There were no material transactions in the year and this undertaking is recognised in the accounts as a joint venture. The Directors of the company have now applied to Companies House to have the company struck off.

22. Subsidiary undertakings (continued)

A summary of the results of the subsidiaries is set out below:

ICR Sutton Developments Limited	2024 £000	2023 £000
Turnover	(70)	122
Expenditure	66	(122)
Operating profit	(4)	-
Assets	221	668
Liabilities	(35)	(477)
Funds	186	190

The above position includes negative income and expenditure, due to credit note adjustments.

ICR Chemical Probes Portal Limited	2024 £000	2023 £000
Turnover	-	-
Expenditure	(4)	(4)
Operating profit	(4)	(4)
Assets	4	8
Liabilities	-	-
Funds	4	8

ICR Chelsea Development Limited has net assets of £2 and ICR Enterprises Limited has net assets of £1,581. There were no transactions for in either of these subsidiaries during 2023/24.

23. Related parties

The ICR has taken the exemption given by Financial Reporting Standard 102, from disclosing transactions with wholly owned subsidiaries. One of the Trustees is Chief Executive of The Royal Marsden NHS Foundation Trust ("The Royal Marsden"). The ICR's Chief Executive is a non-executive director of The Royal Marsden. Research expenditure includes £3,366,344 and research grant income includes £3,114,422 in respect of collaborative research undertaken with The Royal Marsden. The year end accounts receivable balance includes £1,484,738 owed to ICR by The Royal Marsden and £55,600 was owed to The Royal Marsden by ICR.

24. Accounting estimates and judgements

In the applications of the ICR's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period to which they relate.

In preparing these financial statements, key judgements have been made in respect of the following:

- In valuing the estate, the ICR considers how different valuation bases are applied to different properties, with specialised properties valued by reference to Depreciated Replacement Cost, and non-specialised operational properties valued on a Fair Value basis equating to Market Value on the assumption of a continuation of the existing use. The valuation is reported under the special assumptions to exclude any value of development opportunities for which planning permission would be required and has not been granted or where development has not yet commenced.

The key sources of estimation are summarised below:

- Legacy income of £3,060,000 has been accrued based on the estimated value of legacy cases for which probate has been granted and any other related conditions met, for which no funds have yet been received.
- The freehold and leasehold properties comprising the Institute of Cancer Research operational estate were valued as at 31 July 2024 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the requirements of the RICS Valuation - Professional Standards, January 2014 amendment, and April 2015 UK amendment and Financial Reporting Standard 102 and the 2019 Statement of Recommended Practice 'Accounting for Further and Higher Education'. For further detail please see note 12.
- The ICR had previously estimated a liability in respect of the commitment to contribute to a University Superannuation Scheme (USS) deficit recovery plan. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. Due to the 2023 valuation the deficit provision has been reversed as the scheme has been determined to be in surplus. FRS 102 makes the distinction between a group plan and a multi-employer scheme.
- The ICR recognises a liability in respect of the ICR defined benefit pension scheme. The valuation of this liability is estimated based on a number of assumptions, laid out in more detail in Note 21.

The Board of Trustees

The Board of Trustees is the governing body of the ICR and is constituted under Article 13 of its Articles of Association.

Name	Title/nominating body	Number of meetings could have attended*	Actual Attendance	Notes
Professor Chris Bakal PhD	Academic Board	3	3	Until March 2024
Professor Amy Berrington de Gonzalez D.Phil.	Academic Board	1	1	Since July 2024
Professor Julia Buckingham CBE, FMedSci	Chair	6	6	
Dr Carolin Barth	Co-option	5	5	Since 1 October 2023
Mr Anthony Clare	Co-option	6	6	Since 1 August 2023
Mr Charlie Foreman BA	Co-option	6	6	
Professor Margaret Frame OBE, PhD	Co-option	6	5	
Professor Kristian Helin	Chief Executive and President	6	6	Ex Officio
Professor Clare Isacke FMedSci	Dean of Academic & Research Affairs	6	4	Ex Officio
Professor Nicholas Jones FMedSci	Co-option	6	4	
Mr Nigel Jones MA(Cantab) FCA	Co-option	6	6	Chair of Audit and Risk Committee
Mr Bastien Lecoeur	Student representative	3	3	Until 29 February 2024
Mr Chris Molloy	Co-option	6	5	
Mr Karl Munslow-Ong BA(Econ) MSc	Alternate Director to Cally Palmer / The Royal Marsden	3	3	
Dame Cally Palmer MSc MIHM DipHSM	The Royal Marsden	6	3	
Mr Ruchir Rodrigues MSc	Co-option	6	4	Until 30 September 2024
Mr Ricardo Sainz	Student Representative	3	2	Since March 2024
Mr John Shakeshaft MA	Co-option	6	6	

*Includes Board of Trustees, Nomination Committee and Remuneration Committee meetings

Senior members of staff in attendance at Board of Trustees meetings:

Mr Paul Norris BSc(Hons) FCA MBA	Chief Financial Officer
Dr Barbara Pittam	Chief Research and Academic Officer
Professor Jonathon Pines FRS, FMedSci, PhD	Head, Division of Cancer Biology
Professor Kevin Harrington PhD FRCP FRCR FRSB	Head, Division of Radiotherapy & Imaging
Dr Olivia Rossanese	Head of Division and Director of CCDD

Governing committees, fellows, members and associates

The ICR benefits from external expertise on the following committees that report to the Board of Trustees (as at 31 July 2024):

Fellows of the ICR

The honorary appointment of Fellow of the ICR is conferred upon distinguished individuals who have some connection with the ICR or with cancer research in its broadest sense. Such appointments are in recognition of past achievement and based on a major contribution to the advancement of the ICR's objectives. The practice of awarding Fellowships of the ICR was ceased in 2014 by management decision, but the Board of Trustees have now decided to revive the practice and further Fellows will be appointed during the next academic year.

Sir John Michael Ashworth
Professor Sir Kenneth Charles Calman
Mr Edward Alexander Campbell Cottrell
Dr Michael Joseph Crumpton
Professor Mike Dexter
Lord Charles Michael Faringdon
Professor Peter Bryan Garland
Mr Jonathan Mark Kipling
Baroness Delyth Jane Morgan of Drefelin
Professor Robert Anthony Weiss

Members of the ICR

Members are subscribers to the ICR's Articles of Association and as such are entitled to attend any Extraordinary General Meeting which may be convened. Under the changes to the Articles of Association agreed in May 2024, the Members of the ICR now consist of current Trustees as follows:

Professor Julia Clare Buckingham
Dr Carolin Madeleine Barth
Professor Amy Berrington de Gonzalez
Mr Anthony James Clare
Mr Charles James Foreman
Professor Margaret Frame
Professor Kristian Helin
Professor Clare Margaret Isacke
Professor Christopher Richard Molloy
Professor Nicholas Clwyd Jones
Mr Nigel Philip Jones
Dame Caroline Ann Palmer
Mr Ruchir Rodrigues
Mr Ricardo Sainz
Mr John Charles Shakeshaft

Honorary Members of the ICR

Honorary members of the ICR are persons who, by reason of their past and present contributions, are, in the opinion of the Board of Trustees, likely to assist the furtherance of the objects of the ICR. They consist of individuals who were formerly Members of the ICR until the changes to the Articles of Association in May 2024.

Mr Neil Ashley
Sir John Michael Ashworth
Dr Peter John Bailey
Professor David Barford
Professor Sir Tom Leon Blundell
Dr Mark William Bodmer
Sir Marsom Henry Boyd-Carpenter
Mr William Murray Burns
Mr Andrew Campbell
Mr Graham John Clarke
Mr Edward Alexander Campbell Cottrell
Mr Marcus Basil Ziani de Ferranti
Mr Jeffrey Jack Defries
Ms Mandy Donald
Mr Anthony William Charlton Edwards
Mr Richard John Elliott
Lord Charles Michael Faringdon
Dr Susan Elizabeth Foden
Mr David Richard Fryatt
Professor Peter Bryan Garland
Ms Sandra Gallagher
Mr Charles Slade Henry Geffen
Mr Dermot James Gleeson
Dr Peter Neville Goodfellow
Mrs Jane Elizabeth Hamilton
Professor Adrian Llewellyn Harris
Mr Clive Andrew Heaphy
Mr Thomas Alexander Gavin Henderson
Dr Trevor Anthony Hince
Mr Ian Hodgson
Mr James Hollond
Mrs Susan Ann Johnson
Mr Luke Oliver Johnson
Mr Peter John Charles Keemer
Mr Jonathan Mark Kipling
Mr Artem Korolev
Professor Martin Leach
Professor Ronald Alfred Laskey
Mr Anthony Edward Lightly
Mr Michael George Lillywhite
Mr Justin Nicholas Macklin
Mr Kenneth Alfred Markham
Mr Frederick Ian Maroudas
Professor Timothy Stanley Maughan
Dr Michael James Morgan
Professor Howard Redfern Morris
Professor Ghulam Jeelani Mufti
Ms Sharmila Nebhrajani
Professor Stephen Neidle
Mr Sath Nirmalananthan
Dr Brendan Richard O'Neill
Professor Robert John Ott
Lady Helen Margaret Otton
Ms Lianne Patterson
Miss Annabel Clare Pillman
Mrs Jenkin Rathbone
Mrs Marie-Christine Riachi
Mrs Winifred Robbins
Mr Anthony John Roberts
Lord RT Hon Richard Andrew Ryder
Mr Michael John Lawson Sales
Mr Guy Edmund Sangster
Mrs Catherine Scivier
Mr Julian Seymour
Mr Farhan Shakoor
Mr Richard Simon Sharp
Mr Martin Stephen Smith
Dr Keith Snell
Mr Ronald Edwin Spurgeon
Ms Auriol Stevens
Mrs Jo Stimpson
Professor Sir Michael Rudolf Stratton
Mr Stuart Arthur Taylor
Mr James Thorne
Mr Michael John Usher
Miss Monica Irena Watson
Professor Steve Webb
Mr Michael William Weston
Mr John Frank Williamson
Mr Andrew Wolstenholme
Sir David Hugh Wootton
Dr Michael Robert Young

Associates of the ICR
Appointment as an Associate of the ICR is conferred on long serving ex-employees of the ICR or on those former members of staff or students or other individuals who are deemed eligible by reason of their having rendered exceptional service to the ICR or having otherwise done something outstanding to enhance the reputation of the ICR.

Dr Gladys Wynne Aherne
Ms Annette Carola Argent
Mrs Rosemary Joan Atkins
Ms Linda Margaret Baldwin
Dr Susan Elaine Barrie
Mrs Elizabeth Anne Bennett
Mrs Susan Braddish
Mr Dennis A Brunning
Mrs Bridget Therese Carey-Watts
Dr Paul Carnochan
Professor Richard Lawrance Carter
Mr Christopher Stephen Chandler
Mr Nicholas David Clarke
Miss Susan Clinton
Mr Paul Frederick Collins
Mrs Gillian Alice Coombes
Mrs Jacqueline Ann Cordell
Professor Dame Jessica Lois Corner
Mr William John Court
Mrs Christine Croucher
Dr Douglas Augustine Darcy
Dr Lawrence Christopher Davies
Professor Suzanne Amy Eccles
Mr Paul Charles Farley
Mrs Carol Ann Faux
Dr Edwin Oscar Field
Dr Margaret Alice Flower
Mrs Ann Susan Ford
Mr Frank Friedlos
Professor Michelle Dawn Garrett
Mrs Phyllis Maud Goddard
Dr Graham Humphreys Goodwin
Dr P Grover
Professor Barry Austin Gusterson
Mr John Gordon Harris
Mr Alan John Hewer
Professor Christopher Rowland Hill
Mr Paul Stephen Hyett
Professor Ann Lesley Jackman
Ms Liz Jackson
Professor Michael Jarman
Mrs Marjorie Cameron Kipling
Mrs Betty Dorothy Lloyd
Mr Robert MacCormick
Mrs Ruth Marriott
Mrs Christine Martin
Dr Lesley-Ann Martin
Dr Estella Matutes
Dr Edward McDonald
Mr Robert Kenneth Merrifield
Mr Edward Reginald Howard Merryweather
Ms Judith Mills
Dr Martin Roy Osborne
Mr Kwasi Ampadu Owusu-Ankomah
Mr Geoffrey Douglas Parnell
Dr John Peacock
Mrs Rosemary Ann Pendry
Ms Nina Padmini Perusinghe
Professor Charles Ross Pinkerton
Mrs Marcia Rangeley
Dr Jane Renshaw
Mr Dave Robertson
Mrs Sheila Sanford
Mr Derek Simmons
Mrs Margaret Rosina Snigorska
Professor Gordon G Steel
Mr Arthur Leslie Stewart
Mrs Sylvia M Stockbridge
Mr Steve Surridge
Ms Debbie Tandy
Miss Dorothy Lilian Tharp
Dr Ian Titley
Mrs Melanie Rose Valenti
Mr Maurizio Luigi Piero Valeri
Dr Stan Venitt
Dr Mike Walton
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Dr Kathy Weston
Mrs Eileen Margaret Williams
Mrs Marion Zanelli

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