

Annual Report

for the year ended 31st March 2018



John Innes Centre

Unlocking Nature's Diversity

Registered charity number: 223852
Registered company number: 00511709

Contents

Trustees' Report including the Strategic Report

Introduction to the Annual Report *03*

Achievements and Highlights *05-19*

Future Plans *20*

Financial Review *21-22*

Risk Assessment and Management *23-24*

Structure, Governance and Management *25-28*

Independent Auditor's Report *29-30*

Financial Statements *31-50*

Charity Information *51*

John Innes Centre ('JIC') is a company limited by guarantee and a registered charity. The Annual Report provides information on the legal purposes of the charity, the activities it undertakes and its main achievements. The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Trustees' Report including the Strategic Report

The Board of Trustees of John Innes Centre (Governing Council) presents its Annual Report and Financial Statements for the year ended 31 March 2018. The Annual Report provides details of the John Innes Centre's objectives, achievements, scientific and financial performance in the year, future plans, risk management and its governance and management structure.

About us

The John Innes Centre (JIC) is an independent, world-leading international centre of excellence in plant science and microbiology. Our mission is to generate knowledge of plants and microbes through innovative research, to apply knowledge to benefit agriculture, the environment, human health, and well-being, to train scientists for the future and engage with policy makers and the public.

Our strategy

The John Innes Centre's key strategic aims are:

- To deliver world leading research and to develop opportunities for innovative and long-term research in plant and microbial sciences. A central principle of John Innes Centre's research is the use of genetics, continuing the long and prestigious history of genetics at JIC.
- To translate research in the areas of yield and quality in crop plants, the use of microbial and plant products to promote human health and the use of plants and microbes in industrial biotechnology.
- To use novel genetic approaches to generate new varieties and strains of plants and microbes that can be used to further knowledge and to enhance productive and biotechnological capacity.
- To apply modern biotechnology to agriculture in an environmentally-sustainable context.

- To use a wide range of contemporary approaches to develop dialogue with policy makers and the public.
- To train the scientific leaders of the future in a broad range of scientific and transferable skills

Our impact

The John Innes Centre's research spans the spectrum from new discoveries in fundamental science to strategic applications to deliver practical outcomes.

The expertise of John Innes Centre scientists has made important contributions to industry and society in the UK and world-wide. These include: the discovery and application of conserved gene order in grasses for cereal improvement; the characterisation of the dominant dwarfing phenotype that underpins improved wheat crop productivity; the understanding and application of flowering time; contributing to the first sequencing of a plant genome and the development of genomic systems for exploiting *Streptomyces*, the principal source of anti-infectives for human health.

It has been independently estimated that John Innes Centre research into wheat yield improvements and, reducing cereal diseases could be worth £4.3bn at a global level.

(Source: Brookdale Consulting, June 2018)



Dr Will West
Chair – Governing Council & Remuneration Committee



John Innes Centre contributes

£13.98

back to the UK economy for every

£1 invested

(source: Brookdale Consulting, July 2018)

88%

of our staff Agree/
Strongly Agree that the
John Innes Centre is a
great place to work

(Source: JIC Temperature Check Survey, January 2018)

Achievements and Highlights

Professor Dale Sanders FRS, Director of the John Innes Centre



The 2017/18 financial year marked the start of our new five-year Institute Strategic Programmes (ISPs) funded by the BBSRC.

The new programmes, which include **Designing Future Wheat, Genes in the Environment, Plant Health and Molecules from Nature** are already delivering significant scientific achievements.

All ISPs span our internal departments, and two have external collaboration built into their design. Designing Future Wheat is a national consortium that we co-ordinate, and Plant Health is delivered in partnership with The Sainsbury Laboratory, Norwich.

In the autumn of 2017 we became the first institution in the UK to receive an Athena SWAN Gold Award. This is a terrific achievement which recognises the hard work of a large group of staff and students who are dedicated to transforming our research centre into a place where everyone is treated with dignity and respect.

This work continues and is reflected in the results of the staff temperature check survey – an

■ ■ In the autumn of 2017 we became the first institution in the UK to receive an Athena SWAN Gold Award. ■ ■

impressive 88% of staff responding that they would “recommend this as a great place to work”.

This year we began construction of a new field experimental station at Church Farm, which will be officially opened in the spring of 2019. Investment from both BBSRC and the John Innes Foundation, means that Church Farm goes from strength to strength. This facility brings laboratory and field-based research together in one location and aims to further our research in understanding how genes control plant growth and development.

After many years as the Chair of Governing Council, Mr Stuart Holmes retired from the post at the end of the Financial Year 2017/18. Since 2011, Mr Holmes has made a significant

contribution to the smooth running of the institute, and we thank him for his insights and devotion to shaping the organisation. We welcome in a new Chair of Governing Council, Dr Will West. Dr West’s background in microbiology and his passion for biological sciences is a great asset to the institute. We look forward to working with him.



Institute Strategic Programmes (2017-2022)

Molecules from Nature

The scientific challenge:

To provide a new level of understanding of the nature, origins and functions of the vast array of chemicals produced by plants and microbes.

The strategic challenge:

To use this knowledge for the discovery and engineering of new molecules that drive advances in health, medicine and sustainable manufacturing and agricultural practices.



Genes in the Environment

The scientific challenge:

To obtain a deep understanding of how the environment influences plant growth and development.

The strategic challenge:

To use this knowledge to enable the breeding of crop plants that are more resilient to a wider range of growing conditions, to improve the stability of crop yields and improve security of global food supplies.

Plant Health

The Plant Health ISP is a cross-institute programme between the John Innes Centre and The Sainsbury Laboratory in Norwich.

The scientific challenge:

To understand the molecular dialogue between plants, pests and microbes, establishing how they communicate with each other and how they have evolved in relation to one another.

The strategic challenge:

To influence the interactions between plants and associated organisms to increase future crop productivity and enhance agricultural sustainability.



Designing Future Wheat

The Designing Future Wheat programme is coordinated by the John Innes Centre, and spans eight research institutes and universities.

The scientific challenge:

To develop a new wheat germplasm containing the next generation of key traits.

The strategic challenge:

Accelerating plant breeding by understanding the underlying genetics.

Science Spotlights

Plant-produced polio vaccines could help eradicate age old disease

Plants have been used to produce a new vaccine against poliovirus in what is hoped to be a major step towards global eradication of the disease. A team of scientists, including Dr Johanna Marsian working in Professor George Lomonosoff's lab, has produced the novel vaccine with a method that uses virus-like particles – non-pathogenic mimics of poliovirus which are grown in plants. Professor Lomonosoff said, "This is an incredible collaboration involving plant science, animal virology and structural biology. The question for us now is how to scale it up – we don't want to stop at a lab technique."

The work at the John Innes Centre furthered work of scientists at the University of Leeds, who first discovered a way of producing the virus-like particles (VLP) using the Hypertrans® expression system.

George Lomonosoff (DOI:10.1038/s41467-017-00090-w)



Pumping Iron: Biofortified wheat produces white flour with extra iron

A variety of wheat that contains high levels of iron has been developed. The amounts of iron are significantly higher than commercially grown varieties of wheat, and could alleviate problems of iron deficiency in people around the world. Dr James Connorton (pictured above), working with Dr Janneke Balk (pictured above) and Dr Cristobal Uauy, used the recently published wheat genome to locate two genes that were responsible for transport of iron. They then used one of these genes to direct more iron into the endosperm, the part of the grain from which white flour is milled.

Dr Balk commented on the impact of this research, "This breakthrough means that higher levels of iron from the wheat itself could replace added iron in everyday items such as white flour and breakfast cereals, helping the estimated one billion people that suffer from iron deficiency worldwide."

Janneke Balk, James Connorton and Cristobal Uauy (DOI:10.1104/pp.17.00672)

Green revolution genes promise additional yield

Dwarf varieties of wheat and barley were developed in the 1950s and 60s, when plant breeders selected for mutations that were short-stemmed. Research by Professor Sablowski's team has shown how selecting the mutation for shorter stems also resulted in a smaller inflorescence meristem, the growth zone where flowers form. A smaller growth zone results in fewer flowers and seeds, a key factor in crop yield potential.

The team shows how the effects can be separated. Professor Sablowski (pictured right) explains why this is beneficial: "By separating the stem growth and meristem size effect we could unlock further yield increases in widely-used varieties, the 'green revolution' may not have yielded all its fruits."

Robert Sablowski and Scott Boden (DOI:10.1038/s41477-017-0003-y)





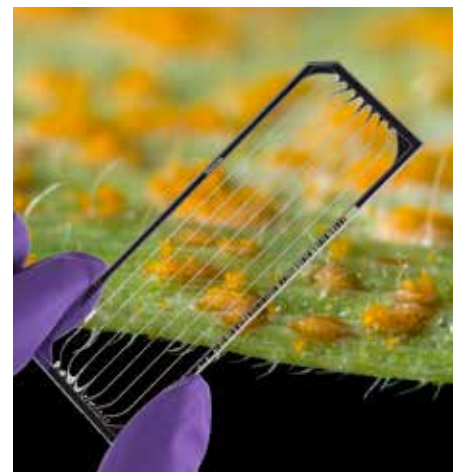
New solution to harmful algal blooms raises hope of economic and environmental benefits

A cheap, safe and effective method of dealing with harmful algal blooms is on the verge of being introduced following successful field and lab tests.

Moves to adopt use of hydrogen peroxide (H₂O₂) as an effective treatment against toxic algae are already underway following the results of new research by a team from the John Innes Centre and the University of East Anglia.

Successful trials during the summer (pictured above) showed that H₂O₂ was effective against the golden algae, *Prymnesium parvum* and follow up lab tests have demonstrated that controlled doses are effective in dealing with cyanobacteria commonly known as blue green algae – a major public health hazard and potentially fatal to dogs and livestock.

Ben Wagstaff, Martin Rejzek and Rob Field



First report in decades of a forgotten crop pathogen, Stem Rust

Scientists, breeders, farmers and conservation groups must continue to work in close collaboration to prepare for the potential re-emergence of a forgotten crop pathogen.

Work between groups has already started following the discovery of a single wheat plant infected with stem rust – the first confirmed case of the plant disease in the UK in over 60 years. Stem rust of wheat and barley has throughout history been associated with crop failure and famine, and has recently re-emerged in western Europe.

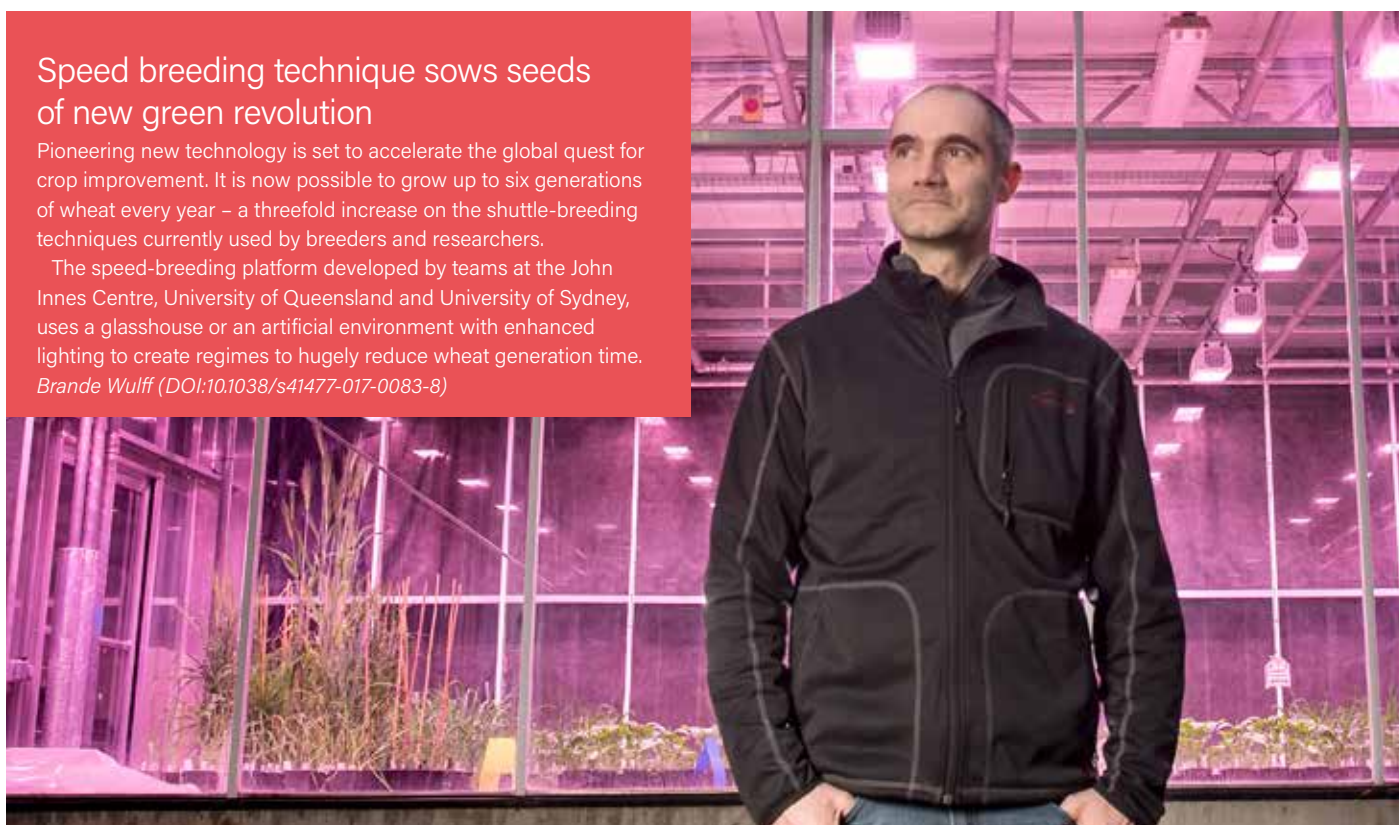
Diane Saunders (DOI:10.1038/s42003-018-0013-y)

Speed breeding technique sows seeds of new green revolution

Pioneering new technology is set to accelerate the global quest for crop improvement. It is now possible to grow up to six generations of wheat every year – a threefold increase on the shuttle-breeding techniques currently used by breeders and researchers.

The speed-breeding platform developed by teams at the John Innes Centre, University of Queensland and University of Sydney, uses a glasshouse or an artificial environment with enhanced lighting to create regimes to hugely reduce wheat generation time.

Brande Wulff (DOI:10.1038/s41477-017-0083-8)



New Appointments

Professor Dave Evans

Director of Norwich Research Park Biosciences Doctoral Training Partnership

Professor Evans re-joined John Innes Centre in spring 2017 from the University of Hull as Director of the BBSRC Norwich Research Park Biosciences Doctoral Training Partnership and Chair of the NBI Graduate School Executive. Prior to his period in Hull, he was an AFRC/BBSRC Project Leader (1986-2012), first with the Nitrogen Fixation Laboratory, Sussex, and, after relocation, the John Innes Centre. Professor Evans scientific interests range from bioinorganic chemistry to bionanoscience. He plays a pivotal role in the development of future bioscientists, by progressing a world-class doctoral programme for the postgraduate research community at the NRP.



Dr Felicity Perry

Head of Communications and Engagement

Dr Perry joined the John Innes Centre to head up the Communications and Engagement team in June 2017. Her team enables the research of the organisation to be shared with a wide range of people. The team manages the website, social media, public events and press coverage, and creates a range of digital and print resources. Dr Perry joins from the National Centre for Atmospheric Science, a NERC-funded research institute, where she held a similar role, after completing her PhD at the University of Leeds.



Dr Noam Chayut

Germplasm Resources Unit Manager

Dr Chayut took over from Mike Ambrose who retired after leading the Germplasm Resource Unit (GRU) since 1991. The GRU is an internationally recognised repository for the long-term curation and provision of crop germplasm resources for the UK and international bioscience community. It hosts comprehensive wheat, barley, oat and pea collections which form part of the International Treaty for Plant Genetic Resources for Food and Agriculture. The GRU supports key BBSRC strategic objectives relating to food security through sustainable crop production. With a background in molecular plant biology and plant breeding, Dr Chayut is working to bridge the gap between plant science and plant breeding communities.

UKRI/BBSRC Future Leaders Fellowships

Future Leaders Fellowships support early career researchers and innovators with outstanding potential in universities, businesses, institutes and laboratories. These Fellowships support applicants from diverse career paths, including those returning from a career break or following time in other roles.



Dr David Seung

BBSRC Future Leaders Fellow

Dr Seung's research aims to develop a complete understanding of starch biosynthesis at the molecular detail. Dr Seung began a BBSRC Future Leader Fellowship in May 2017 within the lab of Professor Smith. His research uses *Arabidopsis* and other model plants to find

new candidate proteins and study their function in starch synthesis. Starch plays a vital role in our lives as the major calorific component of our staple foods, such as wheat, rice and potatoes. It is also an important ingredient in manufacturing items such as paper, textiles and pharmaceuticals. Despite the unquestionable importance of starch, we still do not fully understand how it is made in plants.



Dr Thomas Mathers

BBSRC Future Leaders Fellow

Dr Mathers has been awarded a BBSRC Future Leaders Fellowship, hosted in the lab of Professor Hogenhout. Dr Mathers will use cutting-edge genomics approaches to sequence the genomes of individual aphids to compare specialised aphid species to those that have large host

ranges (generalists). He will then use molecular techniques to investigate the role of 'generalism genes' in the ability of the model generalist aphid *Myzus persicae* to move between host plant species. This project will greatly expand genomic resources available for aphid crop pests and potentially reveal pathways and genes that could develop control methods.

Awards and Science Achievements



Professor Claire Domoney MBE

Professor Domoney was awarded an MBE in the Queen's Birthday Honours list, for services to crop science and improvement to the UK pea crop. Her innovative research and leadership are enabling the breeding and development of improved pea crops with superior quality for food and animal feed.

"I feel very honoured and humbled in receiving this award," said Professor Domoney. "I thank everyone who has worked with me to ensure that research outcomes are translated to benefit stakeholders and UK agriculture."

Professor Dame Caroline Dean

L'Oréal-UNESCO For Women in Science Laureate & Royal Society Professorship

Professor Dame Caroline Dean FRS, received the prestigious 2018 L'Oréal-UNESCO For Women in Science laureate for her, "ground-breaking research on how plants adapt to their surroundings and climate change, leading to new ways for crop improvement."

Professor Dean says, "It's a great honour to be recognised by the L'Oréal Foundation with this award. I look forward to an exciting year ahead and hope that I can continue to inspire girls and female scientists to follow their curiosity."

Adding to this, Professor Dean was awarded a prestigious Royal Society Research Professorship, a premier research award (read more on p16), providing long-term support for internationally-recognised scientists.



Achievements In Brief



Professor Sarah O'Connor

Elected into The European Molecular Biology Organisation (EMBO).



Professor Graham Moore

Awarded 2018 Rank Prize in Nutrition for his exceptional contribution to wheat research.



Dr Cristobal Uauy

Awarded the prestigious Research Medal by The Royal Agricultural Society of England (RASE).



Professor Cathie Martin

Awarded a fellowship from the American Society of Plant Biologists.



Professor Allan Downie

Awarded the Adam Kondorosi prize for Plant Sciences.



Professor Dale Sanders

Ten-year China Talent Visa.



Dr Jemima Brinton

Monogram Early Career Award.



Sreya Ghosh

2018 Women in Triticum Early Career Award.

Science Communication and Engagement

Communicating our science to a wide range of audiences, and inspiring a future generation of scientists.



In 2017 the John Innes reached a gold milestone, 50 years in Norwich. To celebrate, a year of events and activities to mark this milestone culminated in a public open day on Saturday September 16. Throughout the year we also hosted an artist in residence Malca Schotten who produced six large artworks looking at Lives in Science, held an Alumni Conference and attended the Lord Mayor's Procession.

Open Day 2017

More than 3,000 visitors attended the open day in September, and over 400 people went on tours to bioimaging, metabolomics and the historical collections. One of the visitors commented, "The passion of all involved was amazing, open days should happen more often."



Innes Lecture 2018

This year's Innes Lecture was titled 'Networks of Naturalists: Scientific communities in the 19th and 21st centuries'. Invited speakers Professor Shuttleworth and Dr Tweddle explored the history behind popular participation in natural knowledge and mapped today's landscape of 'citizen science'.

Professor Shuttleworth, Professor of English Literature at the University of Oxford, highlighted how the roots of today's public engagement with natural history projects go back to the 19th century, citing Charles Darwin's correspondence network of over 2,000 people, including amateur naturalists, farmers and keen gardeners, as an example of how elite scientists could recruit assistance from a surprising number of sources.

Dr Tweddle, Head of the Angela Marmont Centre for UK Biodiversity and Programme Lead for 'citizen science' at London's Natural History Museum, showed the geography of 1,160,000 observations made within 10km of the John Innes Centre, relating to 6,900 species of flora and fauna.

Following the lecture, both speakers were then kind enough to take spirited and interesting questions from the audience, many of whom were interested in getting involved with citizen science projects.



Alumni Conference

Over 100 alumni attended a one-day conference to catch up with colleagues, find out what the institute is up to now, and meet some of the current scientists. This day was a great success and to mark the event a Merton Cherry Tree was planted in Woolhouse Court.

Women of the Future 2017

The Women of the Future event is designed to inspire the next generation of female STEMM professionals. This year 17 local schools brought groups of young women to a day of inspirational talks, activities and interaction with a range of STEMM professionals.

Three speakers gave talks on topics related to their career experiences; Dr Pillippa Borril (JIC), Dr Manjit Dosanjh (CERN) and Keynote speaker Dr Emily Grossman (Science broadcaster), and an exhibition from local employers including the Norfolk and Norwich University Hospital, Easton and Otley College, Briar Chemicals and Carter showed the breadth and depth of careers open to all.



Working with Industry

Screening seeds

Professor Steve Penfield has been working in collaboration with the Earlham Institute and Syngenta on the SeedGerm screening tool. The device can routinely screen commercial seed lots required by seed companies, growers, insurance companies, or regulatory agencies to ensure the quality of seeds. This allows seed lots to be sold with guaranteed germination rates and establishment performance.



Connecting industry to our science

We hosted the Science for Innovation Showcase in February 2018. The event showcased John Innes Centre science to industry with the aim of developing and promoting new relationships, breaking down barriers and enabling productive collaborations. The showcase was attended by representatives from across the biotech industry.



Supporting the future agricultural supply to the Tropics

Tropic Biosciences is an innovative start-up company formed in 2016 to develop new high yielding coffee and banana varieties. Originally based in Israel and the USA, a global search led to the company relocating to Norwich.

Following extensive support from JIC's Head of Business Development the company are now based at NRP. Their move capitalises on the local supply of highly trained researchers, available facilities and equipment, and support from Eastern Agritech and the NRP. Tropic Bioscience attributes 20% of its growth to co-locating with the John Innes Centre and estimates that it will take five years for new varieties to reach the market.

Algal bloom solution

Scientists from the John Innes Centre and University of East Anglia carried out trials in the Broads National Park, finding that at controlled concentrations hydrogen peroxide (H_2O_2) is deadly to *Prymnesium parvum*, the golden algae whose blooms cause millions of fish-deaths. The discovery follows research aimed at finding a cost-effective solution to a persistent problem that threatens the £100m angling economy of the Broads.



Organisational Achievements

The Gold Standard

John Innes Centre receives Athena SWAN Gold award



In October 2017 we became the first institution in the UK to achieve an Athena SWAN Gold Award.

The Athena SWAN Charter was originally established to encourage and recognise commitment to advancing women's careers in science, technology, engineering, maths, and medicine (STEMM).

The Charter now includes addressing gender equality more broadly, not just the barriers to progression that affect women. The award recognised a culture that embraces flexibility, to provide family-friendly working practices, while demonstrating a commitment to career advancement for all.

Our Athena SWAN application was overseen by a group of staff and students from a spectrum of roles within the organisation. This team is led by Dr Carole Thomas who remarked: "We're dedicated to becoming a work place where everyone is treated with dignity and respect. As we work towards this, it's fantastic to be recognised with the highest award from the Athena SWAN Charter, especially as it allows us to reflect on how we can achieve more."

One of the key areas of focus for our Gold Award was enhancing our family orientated initiatives set-up as part of our Silver Award. It is recognised that having children and working on fixed-term contracts, especially in science where performance tends to be measured by the number and quality of publications, is not easy. To try to offset this and to provide more support at a critical time in an Early Career Researcher's personal and scientific life, we introduced a new initiative committing institutional funding to extend the contracts of those on fixed-term contracts, mainly Postdoctoral scientists, for up to six months following return from parental leave. This provides time for the individual to adjust to working and looking after a family and to finish off their research and publications putting them in a strong position for the next step in their career.

We also launched the 'Stop the Clock' initiative, aimed at tenure-track group leaders (essentially a five-year review period ahead of



■ ■ We're dedicated to becoming a work place where everyone is treated with dignity and respect. ■ ■

tenure). Originally 'Stop the Clock' was set-up to support tenure-track group leaders on parental leave, by stopping the clock for a year and providing extra resources to help mitigate the impact parental leave can have.

It soon became apparent that having a key group member take parental leave also

impacts the output from a tenure-track group leader's lab at a time critical to their science programmes. So, for our Athena SWAN Gold award submission we revised the policy to include stopping the clock if a key member of the lab goes on parental leave, making the policy more inclusive and of benefit to all group leaders regardless of gender.

The Scott-Moncrieff lecture

In 2017 we introduced the first JIC lecture named after a female scientist, in honor of the talented biochemist, Rose Scott-Moncrieff.

Rose Scott-Moncrieff (pictured below) worked at the John Innes Horticultural Institution and was credited with founding the science of biochemical genetics after determining the metabolic sequence and genetic basis of pigment biosynthesis in flowers. In 2017 we welcomed Professor Hopi Hoekstra from Harvard University who gave a talk entitled 'From the field to the lab: the genetic basis of evolutionary change.'



PROUD SUPPORTER OF THE Technician Commitment



John Innes Centre a founding signatory of the Technicians Commitment

The John Innes Centre joined more than 35 universities and research institutions from across the UK, to back a pledge to support our technicians by becoming founding signatory of the Technician Commitment.

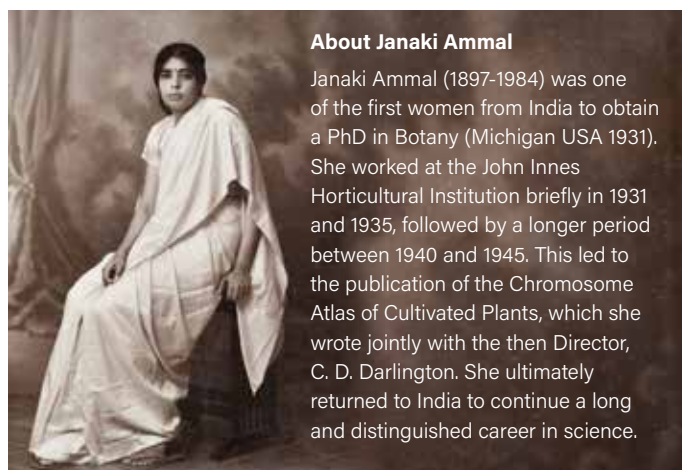
The Technician Commitment is a sector-wide initiative led by the Science Council, supported by the Gatsby Foundation to help address key challenges facing technical staff working in research. The principles of this initiative are recognition, visibility, career development and sustainability, and this commitment ensures we continue to embed these more fully into the culture of the institute.

Janaki Ammal Scholarship Scheme

The John Innes Centre introduced a scheme to support postgraduate students from developing countries. The Janaki Ammal Scholarship Scheme will make awards to post-graduate research applicants from 88 eligible countries who wish to study plant and microbial sciences at the John Innes Centre.

The scheme has been set up to reduce the financial impact of UK tuition fees on international students from less developed and lower income countries.

The scholarships are named in honour of Dr Janaki Ammal (1897-1984), one of the first women from India to obtain a PHD in Botany. Dr Ammal worked at the John Innes Horticultural Institution first in the 1930s and then between 1940 and 1945.



About Janaki Ammal

Janaki Ammal (1897-1984) was one of the first women from India to obtain a PhD in Botany (Michigan USA 1931). She worked at the John Innes Horticultural Institution briefly in 1931 and 1935, followed by a longer period between 1940 and 1945. This led to the publication of the Chromosome Atlas of Cultivated Plants, which she wrote jointly with the then Director, C. D. Darlington. She ultimately returned to India to continue a long and distinguished career in science.

Funding and Investment

Investing in future research at the John Innes Centre



BBSRC Research Grant

Professor Graham Moore has been awarded a three-year BBSRC research grant to increase wheat yield to feed a growing population. Wheat yield is strongly affected by temperature, and this

project aims to provide tools to aid the development of wheat varieties that are more tolerant of temperature fluctuations during critical periods of growth and seed development.

Royal Society Professorship

Professor Dame Caroline Dean FRS has been awarded a prestigious Royal Society Professorship, a position which gives the recipient the freedom to focus on an area of research, freeing them from administrative restraints.

This opportunity will allow Professor Dean to further the understanding of epigenetic switches, and develop an in-depth understanding of the key events in the epigenetic regulation of genes.

Her previous work has identified the key gene, FLC and furthered understanding of its role in acting as a brake on flowering in plants. FLC is epigenetically regulated, meaning that this gene is switched on and off by other molecules because of changes in the plant's environment.

This Professorship will allow Professor Dean to decipher how these molecules interact with DNA to switch the gene off, and how this is maintained during DNA replication. This work has wide implications not only in understanding plant biology, but potentially across all organisms, for example in understanding how epigenetic switches occur in cancer and other diseases.





Department
for Environment
Food & Rural Affairs

DEFRA funds Genetic Improvement Networks in Pulses and Wheat

DEFRA has awarded funding to continue to support pioneering research in improving the resilience and sustainability of UK pulse and wheat crops. This is part of a £5.3 million funding package shared between four of the UK's leading agricultural research centres to help develop new technologies and environmentally friendly production for farmers and growers across the country.

This funding ensures a sustained programme to improve a staple crop in the UK. Professor Claire Domoney (pictured right), who leads on pulse crop research at the John Innes Centre, said: "I am delighted that Defra has made this long-term funding commitment to the Pulse Crop Genetic Improvement Network. This funding will see the results of

fundamental science developed into practical outcomes, ensuring farmers and growers are equipped with the tools they need to produce the most resilient pulse crops."

Within the current Pulse Crop Genetic Improvement Network, the John Innes Centre will work with the National Institute of Agricultural Botany, the University of Reading, Aberystwyth University and the Processors and Growers Research Organisation to deliver genetic improvements to UK pulse crops. The John Innes Centre will also work with Rothamsted Research on the Wheat Genetic Improvement Network which aims to improve the resilience, efficiency and stability of the wheat crop through genetics and targeted trait analysis.

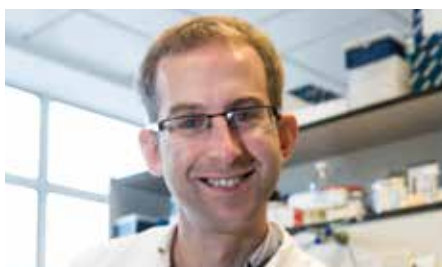


In Brief



Dr Brande Wulff

Receives a Newton Institutional Links grant from The British Council to study Egyptian wheat yield loss to disease through resistance gene enrichment breeding.



Dr Andrew Truman

Receives a Royal Society Research Enhancement Award to further research into understanding and engineering the biosynthesis of anticancer peptides.



Professor Robert Sablowski

Receives a Royal Society Newton Advanced Fellowship to host Professor Yuling Jiao, from IGDB, Beijing, to investigate the cellular-level regulation of axillary meristem formation.

International Collaboration

International scientific alliance launched for crop improvement in sub-Saharan Africa



2017 saw the launch of a new international scientific alliance to accelerate crop improvement in sub-Saharan Africa. The Alliance to Accelerate Crop Improvement in Africa (ACACIA) will support African Scientists to find solutions to local food security challenges and maximize the impact of the John Innes Centre's cutting-edge science in Africa.

The Alliance was established by the Biosciences eastern and central Africa-International Livestock Research Institute (BeCA-ILRI) Hub in Kenya and the John Innes Centre (JIC) in the UK. Its activities will pull in a range of other Alliance members in both the UK and Africa.

At the launch of ACACIA in June 2017, the BeCA-ILRI Hub director, Professor Jacob

■ ■ We hope to develop a team of scientists who have a deeper understanding of the agricultural challenges in Africa. ■ ■

Mignouna explained that the initiative will support advances made by African scientists and their international partners to achieve food security and to improve nutrition through sustainable agriculture.

Along with developing the next generation of African crops, the alliance will support the development of African and UK scientists. "We hope to develop a team of scientists who have a

deeper understanding of the agricultural challenges in Africa and can connect to African scientists to achieve significant impact through their expertise," said JIC Director, Professor Dale Sanders.

ACACIA is built on three pillars – research, technology development and capacity building. In its first year, ACACIA has been successful in winning separate Global Challenges Research Fund grants to support all three of these pillars.



81%

of our staff agree/strongly agree that that **the organisation as a whole is managed well**

90%

of our staff agree/strongly agree that **"my team can be relied upon when needed"**

(source: JIC Temperature Check Survey, January 2018)



Future Plans

Objectives for 2018/19

JIC's principal objectives for the year ended 31 March 2019 are as follows:

- To continue a world-leading research programme by publishing ground-breaking scientific research, winning research funding, and recruiting and retaining the brightest and the best staff and students.
- To further develop the John Innes Centre long term science vision, seeking and reflecting public opinion into science strategy.
- To progress plans and secure funding for new Institute research facilities through developing an ambitious science vision and compelling business case with the help of our external Project Champion, and the Programme Director.
- To diversify our funding through access to the Global Challenges Research Fund and other new funding opportunities.
- To build on international research initiatives; the Centre for Excellence of Plant and Microbial Science (CEPAMS) and the Alliance for Accelerated Crop Improvement in Africa (ACACIA), by initiating and delivering high quality research and impact.
- To build on the Athena SWAN Gold award by continuing to embed inclusivity and diversity into JIC culture and spreading best practice through beacon activities.

Going Concern

The Institute is reliant on its strategic programme funding from BBSRC, which was £13.7m in the year (2017: £13.7m). BBSRC has confirmed continued strategic funding at this level for the two years to March 2020 plus provisional funding for a further two years to March 2022 subject to the next government spending review.

Having considered the risks in respect of future funding, financial forecasts for the period to March 2022 and the level of unrestricted reserves, the Governors have concluded that it remains appropriate to prepare the financial statements on a going concern basis.

Key Performance Indicators

JIC's key performance indicators are:

- publications in relevant scientific journals;
- submission levels and success rates for research grant proposals;
- recruitment and retention of high quality staff and students;
- annual research income; and
- unrestricted reserves.

Financial Review

Income

Total incoming resources for the year were £48.9m (2017: £40.5m). The increase in the year was primarily due to higher research grant income and additional capital funding.

Income excluding capital funds was £39.3m (£37.4m).

An analysis of grant income by principal sponsor is included in the notes to the financial statements. JIC's principal sponsor is the Biotechnology and Biological Sciences Research Council (BBSRC), which contributed 77% of total incoming resources (2017: 74%). Other major sources of funding were the European Union and charitable organisations.

Expenditure

Recurrent expenditure for the year amounted to £42.3m (2017: £41.6m). Staff costs accounted for £17.3m (41%) (2017: £17.2m; 41%) of expenditure.

Net Movement in Reserves

JIC recorded a net increase in unrestricted reserves of £0.6m (2017: decrease £0.6m).

Restricted reserves increased by £8.1m (2017: £1.9m) principally due to £9.6m of capital funding (2017: £3.1m) and a revaluation of tangible fixed assets of £2.1m (2017: £2.5m).

Subsidiaries and Related Parties

Subsidiary companies contributed an operating profit of £110,000 (2017: £69,000), while JIC's share of associates' results was a profit of £96,000 (2017: loss of £48,000). The share of associates' results in the year relates to JIC's 33% interest in Plant Bioscience Limited and 45% interest in Leaf Systems International Limited.

Capital expenditure

Capital expenditure in the year was £9.7m (2017: £3.2m). Investment has been made in a new field experimentation station, strategically important investments in state-of-the-art scientific equipment, energy-efficient plant infrastructure, well-found laboratory equipment and enhanced plant growth facilities.

Cash

Group cash at March 2018 was £37.0m (2017: £31.4m).

JIC deposits its cash with UK registered financial institutions that meet its credit rating policy and subject to agreed counter-party limits. Investment income from cash deposits in the year was £260,000 (2017: £287,000), down on last year due to lower deposit rates.

Reserves position

Total group reserves increased by £8.8m in the year to £101.1m (2017: £1.4m to £92.4m).

Restricted reserves increased by £8.1m to £77.1m. Reserves of £8.0m relate to restricted designated capital reserves in connection with funding received from BBSRC to be used for agreed future capital projects. Reserves of £0.6m relate to restricted designated general reserves in respect of ring-fenced strategic funding from BBSRC. The remaining £68.5m of restricted reserves relate to the value of fixed assets.

Unrestricted reserves increased by £0.6m in the year to £24.0m (2017: £23.4m). Reserves of £8.7m relate to unrestricted designated capital reserves for planned capital investments. The remaining unrestricted reserves include general reserves of £6.4m and designated fixed assets reserves of £9.0m.

Reserves policy

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

- Future operational and capital expenditure requirements in the March 2022 Business Plan;
- Potential financial risks identified in the Business Plan and Risk Register;
- Potential funding required for strategic investments not included in the Business Plan;
- Working capital / liquidity requirements.

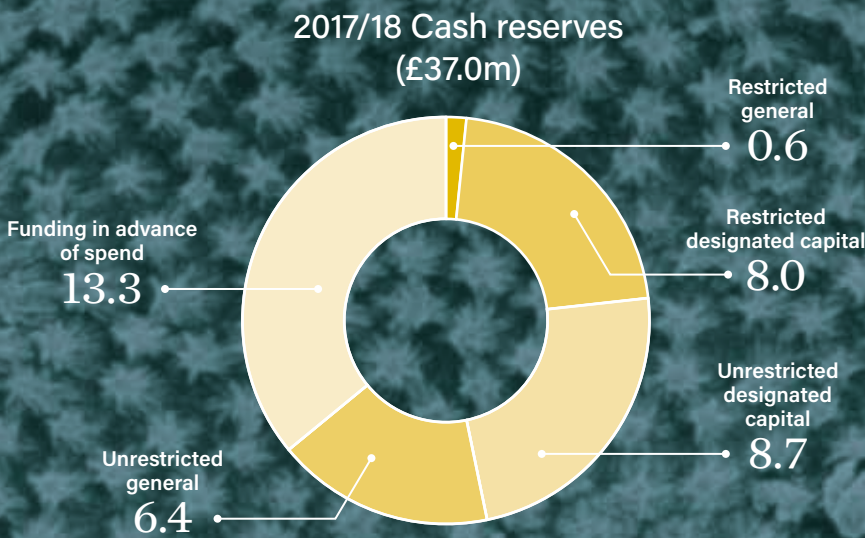
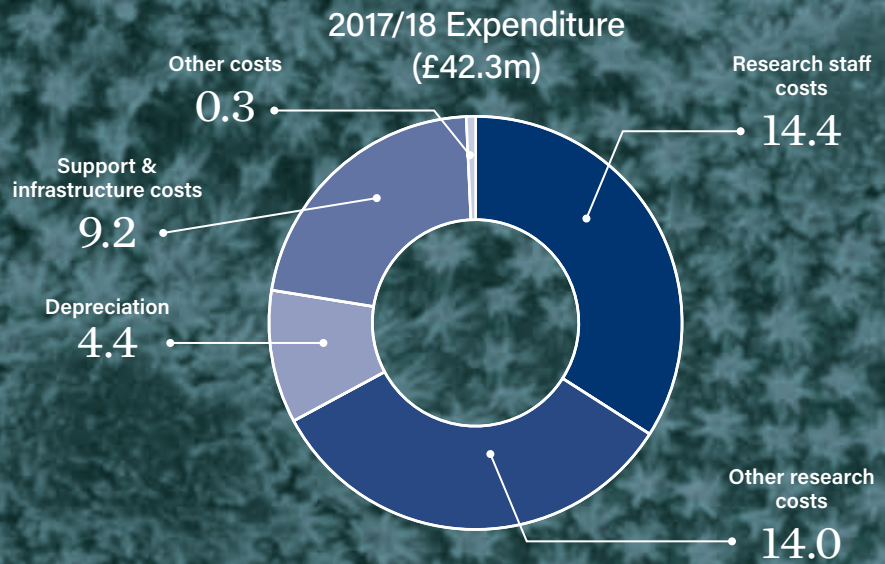
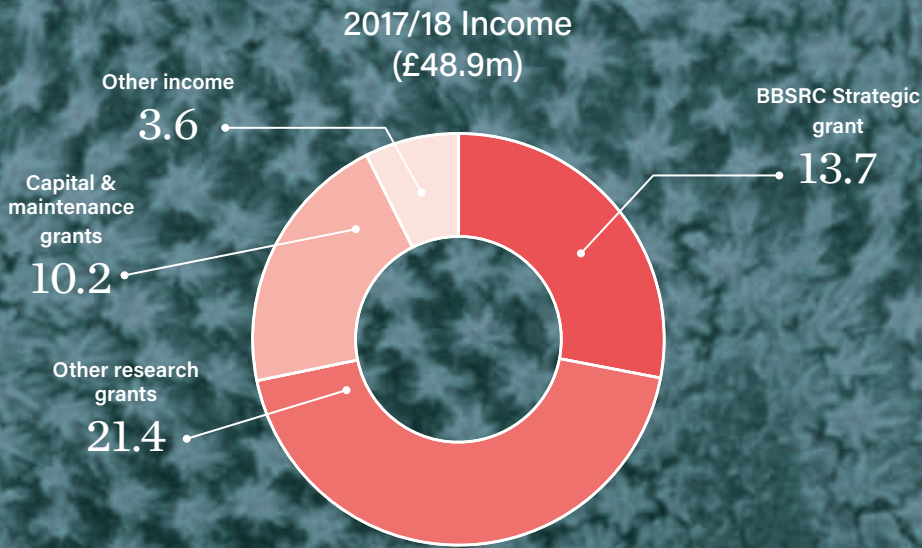
Unrestricted reserves that have been designated by the Governing Council for specific purposes are shown in separate designated reserves. At March 2018, £8.7m of unrestricted reserves were designated for planned capital investments (2017: £8.0m).

General unrestricted reserves at March 2018 were £6.4m, above the minimum general reserves target of £6.0m set by the Governing Council.

Grant proposals and awards

During the year, JIC researchers submitted grant proposals with a sponsor value of £71.1m (2017: £48.7m) and were awarded grants with a value of £13.6m (2017: £19.7m).

The success rate for grant notifications in the year was 31% by value (2017: 34%).



All figures in £m

Risk Assessment and Management

Governing Council is responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed.

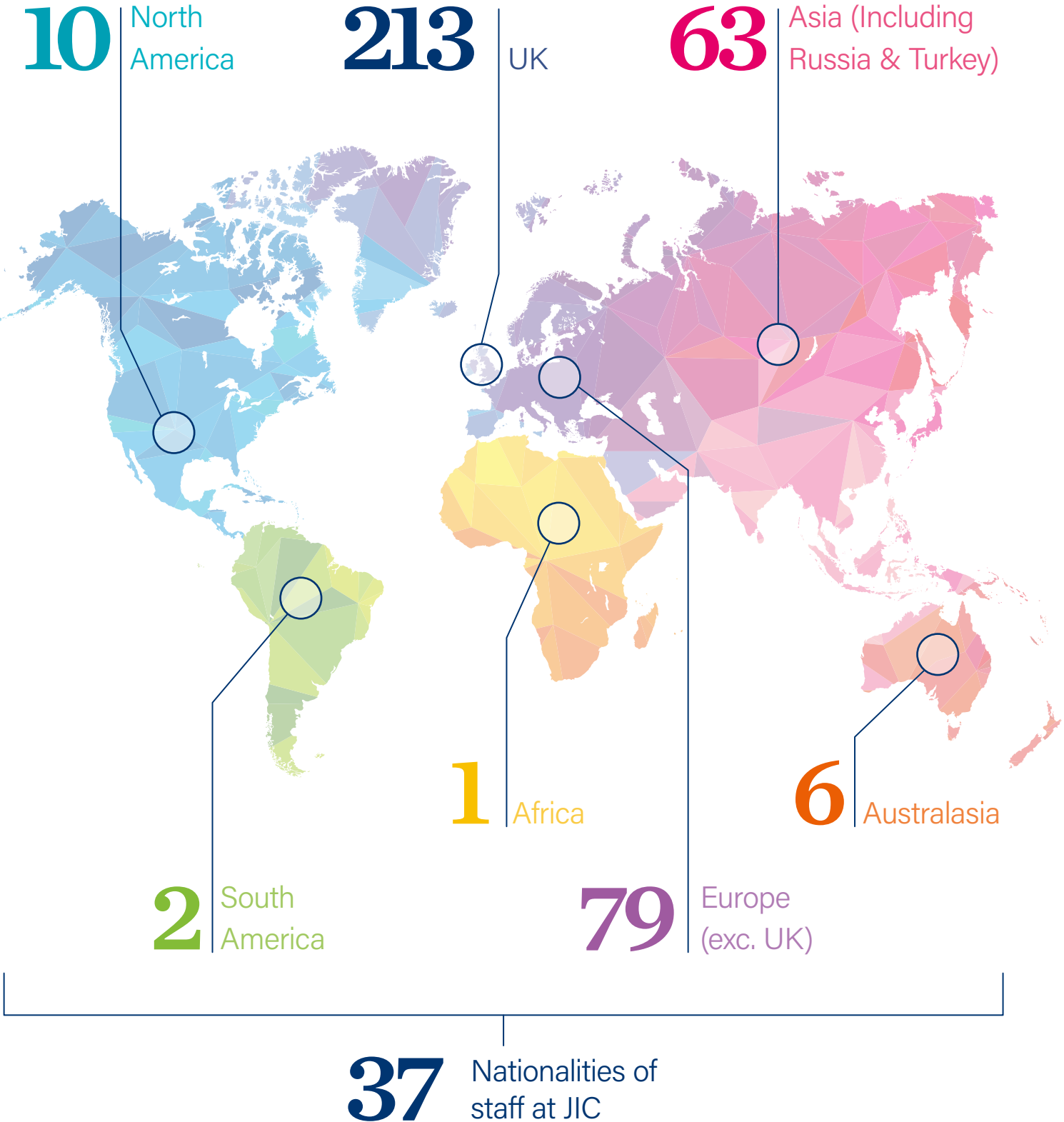
The Audit Committee agrees an annual risk-based internal audit plan which covers major risks identified by management and the Governors. It receives reports from internal auditors on the effectiveness of internal controls, progress against the internal audit plan and progress on recommendations made in reports. Governing Council reviews a full risk report annually, including a 'heat map' tracking major risks. The Science and Impact Advisory Board (SIAB) assess the science quality and vision section of the risk register.

Principal risks and uncertainties

Risk area	Description of Risk	Management of Risk
Future BBSRC research funding	BBSRC strategic funding is reduced as a result of poor performance or public sector spending pressures.	Regular monitoring of scientific performance, including consideration from the Science and Impact Advisory Board. Regular communication with BBSRC to report performance and ensure strategic alignment of research programmes. Monitoring of performance of competitive grant submissions. Discussion at annual SIAB meetings.
Staff retention and recruitment	JIC is unable to retain or attract suitably skilled staff to enable it to sustain its scientific performance. In addition to scientific impact, this risk area could also have an impact on the level of funding the institute is able to attract.	Strategy and action plans in place, monitored by Strategic Human Resources Group. Career development programmes in place to support high potential staff. Performance Management processes in place. Recruitment strategy and processes in place, including attractive support arrangements. SIAB oversight.
Estates	JIC's ageing estate facilities do not adequately support the delivery of its scientific objectives. Funding is inadequate to sustain and improve facilities necessary to support scientific objectives. Estates maintenance and infrastructure costs are too high, threatening long-term financial sustainability and the competitiveness of JIC's science.	Plans for Next Generation Infrastructure are being developed to replace ageing buildings with flexible research infrastructure capable of integrating multidisciplinary teams and harnessing developments in technology. Regular communication with BBSRC on Estates Strategy and potential funding requirements. Facilities management systems enhanced. Continued investment in energy efficiency.
Technology investment	JIC is unable to keep pace with developments in technology underpinning its science. Funding is inadequate to sustain and improve technology facilities necessary to support scientific objectives.	Five-year investment plan developed. Funding opportunities identified and pursued for technology investments. NRP technology facilities group established to enhance sharing and utilisation of capabilities.
Compliance with sponsor funding requirements	JIC fails to comply with sponsor grant requirements resulting in a material financial impact.	JIC undertakes regular reviews of its grant compliance processes for sponsors and the Research Councils UK internal auditors.
Major site incident	A major incident disrupts scientific research programmes or administrative systems.	Business Continuity and Disaster recovery plans in place and tested periodically. Review of compliance with health & safety and relevant regulations from government agencies and internal auditors. Appropriate insurance arrangements in place.
Impact of leaving EU	JIC is not able to access EU programme funding or participate in EU research collaborations. JIC is not able to recruit or retain researchers from EU member countries.	Regular dialogue with BBSRC and other key stakeholders on risks and emerging issues with respect to potential changes in arrangements.

International Origins of JIC staff

Snapshot figures reflecting those 374 staff who declared their country of origin, excludes visiting workers.



Structure, Governance and Management

Members

The Members of JIC are:

- Biotechnology and Biological Sciences Research Council (“BBSRC”);
- John Innes Foundation (“JIF”); and
- University of East Anglia (“UEA”).

The Members each have the right to nominate one governing council member and appoint one “observer” to attend Governing Council meetings. Details of member appointments are provided in the table below. The Members are all guarantors of JIC, a company limited by guarantee and a registered charity, of an amount not exceeding £1, and for a year after resignation.

Organisation and governance

JIC is incorporated in England and Wales and is a company limited by guarantee (registered number 00511709) and a registered charity (number 223852). JIC is governed by its Memorandum and Articles of Association, adopted 27 September 2011, and its Institute Grant Agreement with BBSRC by whom it is strategically funded.

Governing Council (Board of Trustees)

The Governing Council comprises of at least the Chair, three science and three non-science Governors. The Governors who served during the year and up to the date of signing these financial statements were as follows:

Governors	Appointment status	Role	Changes during period
<i>At date of Annual Report:</i>			
Dr W H L West	Independent	Chair	Appointed on 1 April 2018
Prof J C Murrell	UEA appointment	Science	Appointed on 12 December 2017
Ms J K Midura	Independent	Non-science	Appointed on 12 December 2017
Mr K R Norman	JIF appointment	Non-science	-
Dr D J Keith	Independent	Science	-
Mr R J Maskell	Independent	Non-science	-
Prof O Leyser	BBSRC appointment	Science	-
Mr J H Innes	Independent	Non-science	Appointed on 15 May 2018
<i>Served during the year:</i>			
Prof P M Gilmartin	UEA appointment	Science	Resigned on 31 October 2017
Prof I A Graham	Independent	Science	Resigned on 12 December 2017
Mr S L Holmes	Independent	Chair	Resigned on 31 March 2018

The Governing Council has the ultimate responsibility for the strategy of JIC. Strategy is developed under advice from SIAB and the JIC Strategy Committee.

The Governing Council is supported by an Audit Committee to oversee financial management and risk and a Remuneration Committee to consider senior staff remuneration. The full Governing Council meets five times a year, the Audit Committee twice a year and the Remuneration Committee at least once a year and otherwise as required.

The Governing Council is also supported by a Science and Impact Advisory Board which comprises international experts in science and application of science, chaired by Professor Ottoline Leyser.

The Science and Impact Advisory Board is responsible for providing strategic and scientific advice to the Director of JIC and the Governing Council on issues relevant to the JIC’s Mission and Science Programme. This includes ensuring that the JIC Science Programme maximises JIC’s potential for knowledge transfer, outreach and engagement with research users, stakeholders and the general public in addition to helping in the identification and development of new scientific funding opportunities to support the development of the JIC Science Programmes.

Recruitment, induction and training of Governors

Governing Council vacancies are advertised as necessary. The Institute will also approach individuals thought to have the right skills.

New Governing Council members are invited to spend time with members of the Executive Team. This is a chance to learn about the Institute and identify opportunities to get more involved with JIC’s work.

In addition to the five formal meetings, all Governors receive regular presentations from JIC’s scientists and briefings on key issues facing the organisation.

Governor remuneration

None of the Governors received any remuneration in the year in respect of their role as trustee directors.

During the year, Professor Ian Graham resigned as chair of JIC’s Science and Impact Advisory Board and Professor Ottoline Leyser was appointed as replacement chair. Both Governors received £nil (2017: £5,000 each) in the role of chair of JIC’s Science and Impact Advisory Board.

Key Management Personnel

The Governors delegate management of the day to day activities of the charitable company to the Director of the Institute, Professor Dale Sanders, and the executive Strategy Committee.

Strategy Committee

JIC's executive Strategy Committee advises the Director at strategic and operational levels on major issues that affect the Institute with respect to research, appointments, new initiatives, business plan and infrastructure, particularly where such issues involve more than one of these areas.

Its membership is as follows:

- Director (Chair);
- Institute Strategic Programme Leaders;
- Heads of Departments Representative;
- Finance Director;
- Head of HR;
- Head of Contracts;
- Head of Policy and International;
- Capital Projects Manager;
- Head of Directorate;
- Faculty Representative Project Leader.

Strategy Committee is supported by a number of other executive committees and groups including: Research Committee; Finance Committee; KEC Strategy Committee; Strategic HR Committee; Inclusivity and Diversity Committee; and Health & Safety Committee.

Employees

JIC is a dynamic, multinational community of about 400 scientists and post graduate students. JIC's reputation for scientific excellence is international and it attracts some of the best scientists and brightest students internationally. JIC is committed to the training of the next generation of scientists. Activities include an undergraduate summer school (jointly with The Sainsbury Laboratory and Earlham Institute) that gives students the unique opportunity to spend the summer on site. There are two different routes to a PhD: the prestigious rotation studentships and the NRP Doctoral Training Programme. We host Post- Doctoral scientists and independent Fellows from around the world.

BBSRC Deployed Employees

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

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

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with JIC becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme

funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and JIC is unable to identify its share of the underlying assets and liabilities. JIC therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements. JIC staff who joined after 1 October 2011 are eligible to join a defined contribution scheme.

Institute Employees

JIC has recruited all new staff from October 2011 on its own terms and conditions, covering basic pay and allowances, contractual payments, tax, NI, and liabilities for pension contributions and redundancy.

Equality and Diversity

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

JIC is aware of its statutory duty to support the employment of disabled persons where possible, both in recruitment and by retention of employees who become disabled whilst in the employment of the charitable company, as well as generally through training and career development.

In 2017, JIC became the first research institute to be awarded an institutional 'Gold' Athena SWAN award. The Athena SWAN charter recognises and celebrates good practice in recruiting, retaining and promoting women in science, technology, engineering, maths and medicine (STEMM) in higher education.

This award recognises JIC's culture that embraces the principles of flexibility that provide for family-friendly working practices, while at the same time demonstrating a commitment to career advancement for all employees.

JIC's ability to attract the best researchers and students internationally creates a vibrant, dynamic and intellectually nurturing environment for both training and scientific discovery and is a primary driver of our scientific effectiveness. JIC recognises the value of a diverse workforce and, although Athena SWAN is focused on gender equality, we believe that a fair and equitable working environment is key to both a productive workforce and delivery of JIC strategy, and that initiatives put in place to address gender inequality ultimately benefit all staff.

During the year, regular communications to employees have been provided on matters affecting them, including factors affecting the Charity's progress, and they have been consulted on decisions affecting them.

Related Parties

Subsidiaries

JIC's subsidiaries in the year were as follows:

- John Innes Enterprises Limited (contract research);
- Norwich Biosciences Limited (intellectual property management);
- Norwich Research Limited (dormant);
- JIC NRP Capital Limited (dormant).

Associates

JIC's associates in the year were as follows:

- NBI Partnership Limited;
- Plant Bioscience Limited;
- Leaf Systems International Limited.

NBI Partnership Limited

JIC has a 25% interest in NBI Partnership Limited ("NBIP"). NBIP supplies support and administrative services to JIC and the three other research organisations based on the Norwich Research Park (Quadram Bioscience Institute, Earlham Institute and The Sainsbury Laboratory). NBIP fully recharges its costs to the four research organisations and accordingly it generates no profit or loss.

Plant Bioscience Limited

JIC owns one third of the share capital of Plant Bioscience Limited ("PBL"). PBL manages the intellectual property rights of the charitable company and other organisations.

Leaf Systems International Limited

JIC owns 45% of the voting share capital and at 31 March 2018 had invested £630,000 in non-voting share capital of Leaf Systems International Limited ("LSI"). LSI is a commercial research & development company specialising in the expression and production of proteins, metabolites and complex natural products. During the year, JIC invested £150,000 in the non-voting share capital of LSI.

BBSRC

BBSRC is a member of the charitable company.

JIC is strategically funded, along with seven other institutes, by BBSRC. BBSRC supports JIC via strategic 5-year funding programmes, competitively won project grants and capital funding for infrastructure and technology investments. The principal terms and conditions under

which BBSRC provides its funding are set out in the Institute Grant Agreement. Key conditions include:

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

In April 2018, BBSRC became part of UK Research and Innovation (UKRI), a new organisation that brings together the UK's seven research councils

John Innes Foundation

The John Innes Foundation ("JIF") is a member of the charitable company. JIC occupies land and buildings which are owned by JIF, with the principal research buildings leased at a peppercorn rent. In addition, JIF also sponsors the training of a number of students. Studentship grants in the year were £332,000 (2017: £320,000). Further details are provided in note 23 to the financial statements.

Anglia Innovation Partnership LLP (formerly Norwich Research Partners LLP)

JIC is a member of Anglia Innovation Partnership LLP through its 100% subsidiary, JIC NRP Capital Limited. Anglia Innovation Partnership LLP is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision.

JIC is entitled to receive a share of certain profits generated by Anglia Innovation Partnership LLP, however it has no liability for losses or in the event of insolvency. Anglia Innovation Partnership LLP has not yet generated any profits.

University of East Anglia

University of East Anglia ("UEA") is a member of the charitable company. The majority of PhD students at JIC are registered with UEA.

Statement of governors' responsibilities in respect of the annual report and financial statements

For the year ended 31 March 2018

The Governors (who are trustees of JIC for the purposes of charity law and also directors of JIC for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under that law the Governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102 (the Financial Reporting Standard applicable in the UK and Republic of Ireland). Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

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

The Governors confirm that:

- so far as each governor is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors have taken all steps that they ought to have taken as governors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

Insurance disclosure

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

Public benefit

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

Independent auditor

Grant Thornton UK LLP have expressed their willingness to continue as auditor.

Approval of the Trustees' report

The Trustees' Report and Strategic Report were approved by Governing Council on 23 October 2018.

Will West, Chairman

Independent Auditor's report

To the Members of John Innes Centre

Opinion

We have audited the financial statements of John Innes Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Consolidated statement of financial activities, the Note of consolidated operating surplus/(deficit) on a historical cost basis, the Consolidated and parent charitable company balance sheets, the Consolidated statement of cash flows and the 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2018 and of the group's incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 3 to 28 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Independent Auditor's report (continued)

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Annual Report.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 28, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.



Christopher Frostwick MA ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Norwich

6th December 2018

Consolidated statement of financial activities

For the year ended 31 March 2018

Incorporating an income and expenditure account

	Note	Unrestricted funds £000	Restricted general funds £000	Restricted capital funds £000	Total 2018 £000	Total 2017 £000
Income						
<i>Income from charitable activities</i>						
Grant income		726	34,411	-	35,137	34,072
Capital and maintenance grants		-	677	9,571	10,248	3,247
Other charitable income		531	-	-	531	472
<i>Income from other trading activities</i>						
Trading income		219	-	-	219	141
Rental income		312	-	-	312	307
<i>Investment income</i>						
		266	-	-	266	293
<i>Other income</i>						
		2,159	-	-	2,159	1,975
Total income	2	4,213	35,088	9,571	48,872	40,507
Expenditure						
Charitable activities	3	(2,860)	(34,277)	(4,382)	(41,519)	(40,767)
Raising funds	3	(425)	-	-	(425)	(447)
Trading expenditure	3	(109)	-	-	(109)	(65)
Other resources expended	3	(235)	-	-	(235)	(293)
Total expenditure		(3,629)	(34,277)	(4,382)	(42,288)	(41,572)
Total income and expenditure for the year		584	811	5,189	6,584	(1,065)
<i>Associates and Minority interest</i>						
Share of operating result of associates	12	96	-	-	96	(48)
<i>Transfers and revaluation</i>						
Capital transfers		(567)	-	567	-	-
Other transfers		529	(229)	(300)	-	-
Revaluation of tangible fixed assets	10	-	-	2,072	2,072	2,479
Net income and net movement in funds for the year		642	582	7,528	8,752	1,366
Funds brought forward		23,370	-	69,013	92,383	91,017
Funds carried forward	20	24,012	582	76,541	101,135	92,383

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

The notes on pages 35 to 50 form part of these financial statements.

Note of consolidated operating surplus/ (deficit) on a historical cost basis

For the year ended 31 March 2018

	Note	Total 2018	Total 2017
		£000	£000
Operating surplus (deficit)		6,584	(1,065)
Share of operating result of associates	12	96	(48)
Operating surplus/(deficit) after share of operating results of associates		6,680	(1,113)
Difference between historical cost depreciation and actual depreciation charge for the year calculated on the revalued amount		580	455
Operating surplus/(deficit) after share of operating results of associates, on a historical cost basis		7,260	(658)
Minority interest	12	-	-
Operating surplus/(deficit) after share of operating results of associates, and minority interest, on a historical cost basis		7,260	(658)

The notes on pages 35 to 50 form part of these financial statements.

Consolidated and charitable company balance sheets

As at 31 March 2018

	Note	Group 2018 £000	Group 2017 £000	Company 2018 £000	Company 2017 £000
Tangible assets	10	75,912	68,610	76,052	68,615
Intangible assets	11	110	124	110	124
Investments	12	-	-	631	481
<i>Investments in associates</i>					
Share of total assets		3,299	2,629	-	-
Share of total liabilities		(1,858)	(1,434)	-	-
	12	1,441	1,195	-	-
Total fixed assets		77,463	69,929	76,793	69,220
<i>Current assets</i>					
Stocks	13	229	216	229	216
Debtors	14	16,768	11,518	16,587	11,496
Cash at bank and in hand	15	37,008	31,394	36,860	31,146
		54,005	43,128	53,676	42,858
<i>Current liabilities</i>					
Creditors: amounts falling due within one year	16	(30,049)	(20,376)	(30,083)	(20,352)
Net current assets		23,956	22,752	23,593	22,506
Total assets less current liabilities		101,419	92,681	100,386	91,726
Provisions for liabilities and charges	18	(284)	(298)	(284)	(298)
Net assets	19	101,135	92,383	100,102	91,428
Funds					
<i>Unrestricted funds</i>					
Fixed assets reserve	20	8,960	9,254	8,494	8,681
Designated capital reserve	20	8,700	8,039	8,700	8,039
General reserve	20	6,352	6,077	5,989	5,831
		24,012	23,370	23,183	22,551
<i>Restricted funds</i>					
General reserve	20	582	-	582	-
Fixed assets reserve	20	48,529	42,193	48,325	42,057
Designated capital reserve	20	8,038	8,338	8,038	8,338
Revaluation reserve	20	19,974	18,482	19,974	18,482
		77,123	69,013	76,919	68,877
Total funds		101,135	92,383	100,102	91,428
Capital employed	20	101,135	92,383	100,102	91,428

JIC includes in its financial statements leasehold land and buildings owned by third parties, that it occupies and enjoys through extended peppercorn leases, at their full value. The Governors consider that in substance, the risks and rewards of ownership of the assets have passed to the Institute, and as such a policy of recognising the assets on the balance sheet reflects its continuing occupancy of these assets for the foreseeable future. The financial statements on pages 31 to 50 were approved by the Governing Council on 23 October 2018 and were signed on its behalf by:



Will West, Chairman
Company registration number: 00511709

Consolidated statement of cash flows

As at 31 March 2018

	Total 2018	Total 2017
	£000	£000
Cash flows from operating activities		
Net income and net movement in funds for the year	8,752	1,366
Share of operating result of associates	(96)	48
Revaluation of tangible fixed assets	(2,072)	(2,479)
Total income and expenditure for the year	6,584	(1,065)
Interest receivable	(266)	(293)
Depreciation	4,382	4,275
Capital grants receivable	(9,571)	(3,143)
Loss on disposal of tangible assets	7	10
(Increase)/Decrease in stocks	(13)	20
(Increase)/Decrease in debtors	(5,250)	244
Increase in creditors	9,673	255
Decrease in provisions	(14)	(14)
Net cash provided by operating activities	5,532	289
Cash flows from investing activities:		
Interest received	266	293
Purchase of tangible assets	(9,734)	(3,174)
Purchase of intangible assets	(23)	(61)
Investment in associate	(150)	(350)
Capital grants received	9,571	3,143
Proceeds from sale of tangible assets	152	4
Net cash used in investing activities	82	(145)
Change in cash and cash equivalents in the reporting period	5,614	144
Cash and cash equivalents at the beginning of the period	31,394	31,250
Total cash and cash equivalents at the end of the year	37,008	31,394

The notes on pages 35 to 50 form part of these financial statements.

Notes to the accounts

1. Accounting Policies

a. Basis of preparation

The group financial statements have been prepared under the historical cost convention subject to the revaluation of land and buildings and applicable accounting standards. They have also been prepared in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2018) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

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

b. Basis of consolidation

The consolidated financial statements incorporate the financial statements of JIC and all its subsidiary undertakings in accordance with Financial Reporting Standard ("FRS") 102 "Accounting for Subsidiary Undertakings", and associated entities which are accounted for using the equity method.

Associates are entities over which JIC has significant influence but not control. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise JIC's share of the profit or loss of the associate after the date of acquisition. JIC's share of post-acquisition operating result is recognised in the statement of financial activities. Determination is made at each balance sheet date whether there is any evidence that the investment in the associate is impaired. If this is the case, the amount of impairment is calculated as the difference between the recoverable amount of the associate and its carrying value, and this amount is recognised adjacent to share of operating result of associates in the statement of financial activities.

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

The financial statements of all group undertakings and associates are made up to 31 March 2018.

A separate income and expenditure account has not been presented for JIC as this is exempted by Section 408 of the Companies Act 2006. The surplus of JIC was £8,674,000 (2017: £1,400,000).

c. Going concern

In light of the continued pressure on public sector funding, the Governors have reviewed whether it was still appropriate for the financial statements to be prepared on a going concern basis. Having considered financial

forecasts for the period to March 2022, and the level of unrestricted reserves, the Governors have concluded that it remains appropriate to prepare the financial statements on a going concern basis.

d. Income

Charitable grant income represents grants received and receivable in the year from outside granting bodies.

Grants that provide core funding are recognised in the year in which entitlement passes. Grant funding received to train students and undertake research is recognised in the year in which the obligation is fulfilled. Grant funding is released to match expenditure incurred during the year together with any related contributions towards overhead costs.

Other charitable income represents non-grant revenue from providing scientific research services to other academic institutions and other services. Revenue is recognised in the year in which the obligation is fulfilled.

Trading income, which includes rent, other letting income and other income, relates to the non-charitable services undertaken by Norwich Biosciences Limited, JIC NRP Capital Limited (formerly Norwich Innovation Centre Limited) and John Innes Enterprises Limited, subsidiary companies of JIC, and is recognised in accordance with the terms of the contracts entered into, reflecting the point at which the obligations of the companies have been satisfied.

Capital grants are recognised in the consolidated statement of financial activities ("SoFA") when entitlement passes.

e. Expenditure

Charitable activity expenditure represents the full cost of the research performed. It includes the cost of direct staff, consumable stocks and indirect costs apportioned on the basis of use.

Raising funds represents the cost of obtaining funds for research. The cost of obtaining funds includes an estimate of the time/salary cost of project leaders preparing and reviewing grant application forms.

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

Support costs have been allocated to charitable activity expenditure, costs of generating funds and governance costs based upon activity or headcount as indicated in note 4 to the financial statements.

Other expenditure relates to expenditure maintaining capital assets that does not meet the capitalisation policy.

1. Accounting Policies (continued)

Trading expenditure relates to the costs of undertaking the non-charitable services performed by subsidiary companies of JIC, and is recognised in the period in which it is incurred.

f. Restricted funds

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

From April 2017 the strategic programme grants from the Biotechnology and Biological Sciences Research Council ("BBSRC") are shown as restricted.

A restricted fixed assets reserve has been established representing the net book value of fixed assets purchased from capital grants.

Restricted reserves include a designated capital reserve of £8,038,000 (2017: £8,338,000) in connection with funding received from BBSRC, which is to be used on future capital projects to be agreed with BBSRC.

g. Unrestricted funds

Research grants that do not contain conditions for the final receipt of funds have been treated as unrestricted. Funds received for non-specified purposes have also been included as unrestricted.

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

Unrestricted reserves that have been designated by the Governing Council for specific purposes are shown in separate designated reserves.

h. Capital transfers

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

i. Other Transfers

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

j. Revalue depreciation transfer

A transfer from the restricted fixed asset reserve to the revaluation reserve is made in relation to the differences in the historic cost and revalued depreciated costs.

k. Designated capital transfers

A transfer from the unrestricted general reserve to the unrestricted designated reserve is made in relation to the expenditure which had been designated by Governing Council for use in the financial projections to March 2022.

l. Centre funded capital

Capital expenditure funded from unrestricted reserves is shown as a transfer from the unrestricted designated capital reserve or general reserve to the unrestricted fixed asset reserve.

m. Tangible assets and depreciation

Tangible assets are shown at cost or valuation less accumulated depreciation. The cost of tangible assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated using the straight line method to write off the cost or valuation of assets, less any estimated residual value, over their estimated useful lives at the following rates:

Leasehold land and buildings – over lease term or useful life, if shorter;

Freehold buildings – 50 years straight line;

Plant, machinery and equipment – estimated economic life;

Scientific equipment – 5 to 15 years straight line;

Computer equipment – 3 years straight line;

Motor vehicles – 4 years straight line;

Combined heat and power scheme – 20 years straight line.

The leasehold buildings have been depreciated over their estimated economic life. The Governors have determined that land is not subject to depreciation. Assets in the course of construction are not depreciated until the asset is in full use.

JIC includes in its financial statements leasehold land and buildings owned by third parties, which it occupies and enjoys through extended peppercorn leases, at their full value. The Governors consider that in substance, the risks and rewards of ownership of the assets have passed to the Institute, and as such follow a policy of recognising the assets on the balance sheet reflects its continuing occupancy of these assets for the foreseeable future.

n. Revaluation of tangible fixed assets

Leasehold land and buildings are revalued by an external surveyor on a depreciated replacement cost basis every five years. The valuation is updated in the interim period using indexation tables. Gains on revaluation are credited to the revaluation reserve. Losses, except in cases of a clear consumption of economic benefit, are charged to the operating result for the period, to the extent they are not offset by previous gains. In cases of a clear consumption of economic benefit, losses are charged to unrestricted or restricted reserves as applicable, irrespective of whether they are offset by previous gains.

o. Fixed asset investments

The consolidated balance sheet includes the group's share of each associate's gross assets and liabilities. The share of each associate's net income is reported in JIC's consolidated statement of financial activities.

1. Accounting Policies (continued)

p. Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made, where necessary, for slow moving or obsolete stock.

q. Debtors

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

r. Cash balances held as grant co-ordinator

Cash balances held on behalf of the European Union in the charitable company's capacity as grant co-ordinator are included within cash on the charitable company's balance sheet, and are disclosed in note 24 to the financial statements.

s. Trade creditors

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

t. Loans

Loans are stated on the balance sheet at amortised cost.

u. Provisions

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

v. Staff and Pensions

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

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

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with JIC becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and JIC is unable to identify its share of the underlying assets and liabilities. JIC therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account

represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements.

JIC staff who joined after 1 October 2011 are eligible to join a defined contribution scheme.

w. Termination benefits

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

x. Operating leases

Rental costs are charged to the statement of financial activities on a straight line basis over the life of the lease.

y. Foreign currency transactions

The functional and reporting currency is pounds sterling. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at year end exchange rates. All gains and losses are taken to the statement of financial activities in the year to which they relate.

z. Financial instruments

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

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

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

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

- Depreciation, which has been charged in line with the accounting policy above. The amount of depreciation charged and net book value of the assets is included in Note 10.

- Leasehold land and buildings are held at a revalued amount. The valuation is performed by an external surveyor on a depreciated replacement cost basis every five years. The valuation is updated in the interim period using indexation tables.

2. Analysis of Incoming Resources

	Research activities	Student activities	Other activities	Total 2018	Total 2017
	£000	£000	£000	£000	£000
Grant income					
BBSRC	24,435	2,961	-	27,396	26,668
Other government departments	1,107	15	-	1,122	1,024
European Union	3,261	-	-	3,261	2,725
Industrial partners	161	129	-	290	124
John Innes Foundation	40	320	-	360	347
Other charities	1,285	116	-	1,401	1,861
Universities	10	25	-	35	41
Other grants	1,145	127	-	1,272	1,282
Total grant income	31,444	3,693	-	35,137	34,072
Capital and maintenance grants					
BBSRC					
Repairs & maintenance	150	-	-	150	104
Capital expenditure	10,098	-	-	10,098	3,143
Total capital grants	10,248	-	-	10,248	3,247
Other charitable income					
Scientific services	-	-	409	409	409
Miscellaneous income	-	-	122	122	63
Total other charitable income	-	-	531	531	472
Trading income					
John Innes Enterprises Limited	-	-	167	167	96
Norwich Biosciences Limited	-	-	52	52	45
Total trading income	-	-	219	219	141
Rental income					
Conferencing Facilities	-	-	226	226	229
Hill House	-	-	86	86	78
Total rental income	-	-	312	312	307
Investment income					
Interest receivable on cash deposits	-	-	260	260	287
Interest receivable on loan to related party	-	-	6	6	6
Total investment income	-	-	266	266	293
Other generated income					
Site infrastructure recharges	-	-	801	801	954
Other	-	-	1,358	1,358	1,021
Total other generated income	-	-	2,159	2,159	1,975
Total income	41,692	3,693	3,487	48,872	40,507

Included within income is income for restricted general funds of £35,088k (2017: £20,855k), and income for restricted capital funds of £9,571k (2017: £3,101k). All other income is unrestricted.

3. Analysis of Resources Expended

	Note	Research activities £000	Student activities £000	Other activities £000	Total 2018 £000	Total 2017 £000
Direct charitable expenditure:						
Staff costs		14,371	-	-	14,371	14,391
Direct costs		9,987	4,027	-	14,014	13,847
Depreciation		4,382	-	-	4,382	4,275
Governance costs	4	-	-	147	147	115
Support costs	4	6,896	1,709	-	8,605	8,139
Expenditure on charitable activities		35,636	5,736	147	41,519	40,767
Raising funds	4	-	-	425	425	447
Trading expenditure		-	-	109	109	65
Other resources expended		-	-	235	235	293
Total expenditure		35,636	5,736	916	42,288	41,572

Included within expenditure is restricted general expenditure of £34,277k (2017: £21,051k), and restricted capital resources expended (depreciation) of £4,382k (2017: £4,275k). All other expenditure is unrestricted.

Analysis of governance costs	Total 2018 £000	Total 2017 £000
Staff costs	41	55
Travel costs	16	19
Other costs	90	41
Total governance costs	147	115

4. Allocation of Support Costs, Governance and Raising Funds

	Research activities £000	Student activities £000	Raising funds £000	Governance costs £000	Total 2018 £000	Total 2017 £000	Basis of Allocation
Governing Council and SIAB	-	-	-	59	59	77	Headcount
Lab management	423	104	-	-	527	488	Headcount
Institute management	466	115	-	-	581	510	Headcount
Scientific services	116	29	-	-	145	339	Headcount
Facilities management and utilities*	4,183	1,037	-	-	5,220	4,736	Headcount
Finance and Purchasing*	508	126	-	-	634	611	Headcount
Computing and Library*	552	137	-	-	689	680	Headcount
Human Resources*	262	65	-	-	327	311	Headcount
Contracts services*	-	-	297	-	297	283	Activity
Other support services	386	96	128	88	698	666	Activity
Total support costs	6,896	1,709	425	147	9,177	8,701	

* includes services supplied by NBI Partnership Limited (see note 23).

Scientific services costs are shown net of recharges to science projects.

5. Taxation

John Innes Centre ("JIC") is an exempt charity within the meaning of the Charities Act 2011 and as such is a charity within the meaning of section 506(1) of the Income and Corporation Taxes Act 1988 and is not subject to corporation tax in respect of its charitable activities.

The trading activities of the subsidiary companies are subject to corporation tax; however profits in the year are gifted to the charitable company resulting in a £nil (2017: £nil) tax charge payable.

Unutilised losses of £79,000 (2017: £87,000) have been carried forward within the subsidiary companies for offset against future taxable profits. A deferred tax asset has not been recognised due to uncertainty over utilisation of these losses.

6. Operating Surplus

Operating surplus is stated after charging:

	Total	Total
	2018	2017
	£000	£000
Audit services:		
Fees payable to the charitable company's auditors for the audit of charitable company and consolidated financial statements	23	23
Non-audit services:		
Fees payable for the audit of the charitable company's subsidiaries pursuant to legislation	1	5
Non audit fees payable to the charitable company's auditors	-	1
Depreciation	4,382	4,275
Loss on disposal of tangible assets	7	10
Hire of plant and equipment	49	51
Rent of land and buildings	44	22
Profit on foreign exchange translations	(46)	(27)

7. Net Income from Trading Activities of Subsidiaries

Profit and loss account	John Innes	Norwich	JIC NRP	Norwich	Total	Total
	Enterprises	Biosciences	Capital	Research		
	Limited	Limited	Limited	Limited	2018	2017
	£000	£000	£000	£000	£000	£000
Turnover	167	52	-	-	219	241
Cost of sales	(109)	-	-	-	(109)	(163)
Gross profit	58	52	-	-	110	78
Administrative expenses	-	-	-	-	-	(9)
Operating profit	58	52	-	-	110	69
Interest received	-	-	-	-	-	1
Operating profit for the year	58	52	-	-	110	70

In addition to the above, £45,103 (2017: £51,490) in Gift Aid was paid to the charitable company in the year.

To facilitate the wider strategy and objectives of the group, the charitable company has committed to provide financial support to John Innes Enterprises Limited ("JIE") and Norwich Biosciences Limited ("NBL"), and not demand repayment of amounts due to it, in order to enable JIE and NBL to meet their liabilities as they fall due. Support is to be provided only to the extent that money is not otherwise available to the company to meet such liabilities for a period of at least 12 months from the signing of the financial statements of JIE and NBL for the year ended 31 March 2018.

8. Remuneration of Members of the Governing Council

None of the members of the Governing Council received any remuneration from the group during the current or prior year for their duties as Governors. During the year, Professor I A Graham and Professor O Leyser, Governors of JIC, received £nil (2017: £5,000 each) as chair of JIC's Science Impact Advisory Board ("SIAB").

Attendance expenses incurred by 3 (2017: 5) Governors whilst carrying out their duties amounted to £1,064 during the year (2017: £2,421).

9. Employee Information

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

Group and charitable company	2018 Number	2017 Number
Scientific	361	363
Office management and services	49	43
Total	410	406

The aggregate payroll costs of these persons were:

Group and charitable company	Note	2018 £000	2017 £000
Wages and salaries		13,568	13,367
Redundancy costs		233	316
Social security costs		1,356	1,340
Other pension costs	22	2,135	2,185
Total		17,292	17,208

As required by SORP 2005, an analysis has been provided below of the number of staff who fall within staff cost bands (excluding pension cost) from £60,000 upwards.

Group and charitable company	2018 Number	2017 Number
£60,000 - £69,999	9	5
£70,000 - £79,999	12	12
£80,000 - £89,999	4	5
£90,000 - £99,999	7	4
£100,000 - £109,999	3	3
£110,000 - £119,999	2	2
£120,000 - £129,999	-	2
£130,000 - £139,999	1	1
£160,000 - £169,999	1	-
£170,000 - £179,999	1	1
Total	40	35

The number of staff with emoluments greater than £60,000 who were also members of the Research Councils' Pension Schemes was 26 (2017: 26). Twelve staff (2017: Eight) with emoluments greater than £60,000 are members of a defined contribution pension scheme.

Staff that joined prior to 1 October 2011 are subject to BBSRC terms and conditions of service. During the year, and up to 30 September 2018, JIC met all staff costs arising from normal activities, however the legal liability for employment rested with BBSRC. On 1 October 2017, these employees transferred employment to the Institute under TUPE. Transferring employees retain their membership of the Research Councils Pension Scheme, where applicable, with JIC becoming an admitted employer in the scheme.

Staff that joined after 1 October 2011 are employed under JIC terms & conditions.

The key management personnel of the parent charity, JIC, comprise of the Governors and the members of the strategy committee.

The key management personnel of the group comprise those of the charity and the key management personnel of the wholly owned subsidiaries, John Innes Enterprises Ltd, Norwich Biosciences Ltd, Norwich Research Ltd and JIC NRP Capital Ltd. All the subsidiaries key management personnel are the same as the parent company. No staff costs were recharged in respect of this. The employee costs (salaries, social security costs and pension costs) of the key management personnel for the group and charitable company were £1,453,836 (2017: £1,354,620).

10. Tangible Assets

Group	Freehold land and buildings	Long leasehold land and buildings	Plant, machinery and equipment	Assets under construction	Total
	£000	£000	£000	£000	£000
Cost/Valuation					
At 1 April 2017	3,771	58,699	26,152	641	89,263
Transfers	-	-	641	(641)	-
Additions	-	147	1,534	8,053	9,734
Revaluation	-	2,072	-	-	2,072
Disposals	-	-	(1,803)	(26)	(1,829)
At 31 March 2018	3,771	60,918	26,524	8,027	99,240
Accumulated Depreciation					
At 1 April 2017	-	2,125	18,528	-	20,653
Charge for the year	-	2,344	2,001	-	4,345
Disposals	-	-	(1,670)	-	(1,670)
At 31 March 2018	-	4,469	18,859	-	23,328
Net book value at 31 March 2018	3,771	56,449	7,665	8,027	75,912
Net book value at 31 March 2017	3,771	56,574	7,624	641	68,610
Charitable company					
	£000	£000	£000	£000	£000
Cost/Valuation					
At 1 April 2017	3,771	58,699	26,152	646	89,268
Transfers	-	-	641	(641)	-
Additions	-	147	1,534	8,188	9,869
Revaluation	-	2,072	-	-	2,072
Disposals	-	-	(1,803)	(26)	(1,829)
At 31 March 2018	3,771	60,918	26,524	8,167	99,380
Accumulated Depreciation					
At 1 April 2017	-	2,125	18,528	-	20,653
Charge for the year	-	2,344	2,001	-	4,345
Disposals	-	-	(1,670)	-	(1,670)
At 31 March 2018	-	4,469	18,859	-	23,328
Net book value at 31 March 2018	3,771	56,449	7,665	8,167	76,052
Net book value at 31 March 2017	3,771	56,574	7,624	646	68,615

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

JIC includes in its financial statements land and buildings owned by third parties, which it occupies and enjoys through extended peppercorn leases, at their full value. The Governors consider that in substance, the risks and rewards of ownership of the assets have passed to the Institute, and as such a policy of recognising the assets on the balance sheet reflects its continuing occupancy of these assets for the foreseeable future.

The group and charitable company's leasehold land and buildings were revalued by an external surveyor (Powis Hughes Chartered Surveyors, RICS) on a depreciated replacement cost basis at 31 March 2017. These values have been updated at 31 March 2018 using indexation tables.

Leasehold land and buildings on an historical cost basis would be recorded at a net book value of £36,694,000 (2017: £38,312,000).

All of the charitable company's assets at 31 March 2018 are used for direct charitable purposes.

11. Intangible Assets

Group and Charitable company	Software development	Total
	£000	£000
Cost		
At 1 April 2017	124	124
Additions	23	23
At 31 March 2018	147	147
Accumulated Depreciation		
At 1 April 2017	-	-
Charge for the year	37	37
At 31 March 2018	37	37
Net book value at 31 March 2018	110	110
Net book value at 31 March 2017	124	124

12. Investments

Subsidiaries

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

Subsidiary Undertaking	Country of registration	Principal activity	Class and percentage of shares held
John Innes Enterprises Limited	England	Contract research	100% ordinary shares
Norwich Biosciences Limited	England	Management of intellectual property	100% ordinary shares
Norwich Research Limited	England	Dormant	100% ordinary shares
JIC NRP Capital Limited	England	Member of Norwich Research Partners LLP	100% ordinary shares

The charitable company's investment in subsidiary undertakings at cost amounts to £1,248 (2017: £1,248) and accumulated impairment of £244 (2017: £243) has been recognised against cost.

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

Associates

The charitable company has an investment in Plant Bioscience Limited ("PBL"), a company registered in England and Wales, representing 33% (2017: 33%) of the ordinary £1 issued share capital. Plant Bioscience Limited manages the intellectual property rights of the charitable company and other organisations. This company is deemed to be an associate of the group and has therefore been included in the consolidated financial statements on that basis.

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

During the year, JIC invested a further £150,000 in the non-voting share capital of Leaf Systems International Limited ("LSI"). At 31 March 2018 JIC had a total investment of 45% voting share capital and £630,000 non-voting share capital. LSI is a commercial research & development company specialising in the expression and production of proteins, metabolites and complex natural products.

12. Investments (continued)

Investments - Company

The movement in the value of investments during the year was as follows:

	Total 2018	Total 2017
	£000	£000
Valuation		
At beginning of year	481	131
Acquisition	150	350
At end of year	631	481
Historical cost		
As at 1 April 2017 and 31 March 2018	631	481

	Interest in subsidiaries	Total 2018	Total 2017
	£000	£000	£000
Minority Interest			
Valuation			
At beginning of year	-	-	-
Share of Loss	-	-	-
Disposal	-	-	-
At end of year	-	-	-

Investments - Group

The Group's share of the operating results of associates was as follows:

Group	Leaf Systems International	Plant Bioscience Limited	Total 2018	Total 2017
	£000	£000	£000	£000
<i>Associates, share of:</i>				
Turnover	3	917	920	473
Operating profit	(93)	181	88	(87)
Movement in opening balance	-	8	8	39
Share of result for the year	(93)	189	96	(48)

The Group's investment in associates is represented as follows:

Group	Leaf Systems International Limited A shares	Leaf Systems International Limited B shares	Plant Bioscience Limited	Total 2018	Total 2017
	£000	£000	£000	£000	£000
<i>Associates: Share of net assets</i>					
At beginning of year	(29)	480	744	1,195	893
Additions	-	150	-	150	350
Share of result for the year	(93)	-	189	96	(48)
At end of year	(122)	630	933	1,441	1,195
<i>Represented by:</i>					
Share of total assets	1,296	630	1,373	3,299	2,629
Share of total liabilities	(1,418)	-	(440)	(1,858)	(1,434)
Share of net assets	(122)	630	933	1,441	1,195

The Governors consider the value of investments included in the financial statements to be supported by their underlying assets.

13. Stocks

Group and charitable company	Total 2018	Total 2017
	£000	£000
Raw materials and consumables	229	216
Total	229	216

There is no material difference between the valuation of stock and its replacement cost

14. Debtors

	Note	Group 2018	Group 2017	Company 2018	Company 2017
		£000	£000	£000	£000
<i>Grants receivable:</i>					
from government bodies	23	6,472	5,929	6,472	5,929
from other sources		1,246	863	1,246	863
Trade debtors		353	765	353	763
Amounts owed by subsidiary undertakings		-	-	5	37
Amounts owed by other related parties	23	714	574	714	574
Other debtors		705	536	577	493
Prepayments and accrued income		7,278	2,851	7,220	2,837
Total amounts falling due within one year		16,768	11,518	16,587	11,496

Grants receivable from government bodies includes £4,320,892 in relation to capital funding receivable from BBSRC (2017: £1,306,000).

15. Cash at Bank and in Hand

	Group 2018	Group 2017	Company 2018	Company 2017
	£000	£000	£000	£000
Cash at bank	37,005	31,391	36,857	31,143
Cash in hand	3	3	3	3
Total	37,008	31,394	36,860	31,146

16. Creditors: Amounts Falling Due within One Year

	Note	Group 2018	Group 2017	Company 2018	Company 2017
		£000	£000	£000	£000
<i>Grants received in advance:</i>					
from government bodies	23	4,067	4,307	4,067	4,307
from other sources		5,115	3,837	5,115	3,823
Trade creditors		7,324	3,593	7,320	3,593
Amounts owed to subsidiary undertakings		-	-	681	-
Amounts owed to other related parties	23	720	872	720	872
Holiday accrual		582	256	582	256
Other creditors		1,957	1,685	1,957	1,685
Taxation and social security		378	453	378	453
Accruals and deferred income		9,906	5,373	9,263	5,363
Total amounts falling due within one year		30,049	20,376	30,083	20,352

17. Reconciliation of Movement in Grants Receivable

Group and charitable company		Total 2018	Total 2017
	Note	£000	£000
Grants receivable	14	7,718	6,792
Grants received in advance	16	(9,182)	(8,144)
Net grants received in advance		(1,464)	(1,352)
<hr/>			
Net grants received in advance at beginning of year		(1,352)	(2,077)
Grant monies received during the year		(45,497)	(36,594)
Grant money released to SOFA during the year		45,385	37,319
Net grants received in advance		(1,464)	(1,352)

18. Provisions for liabilities and charges

Group and charitable company		Total 2018	Total 2017
		£000	£000
Restructuring provision at beginning of year		298	312
Charge in the year		-	-
Utilised		(14)	(14)
Provision at end of year		284	298

The restructuring provision relates to future compensation payments due under the redundancy scheme in connection with the restructuring of science programmes and the administration and support functions. Although the restructuring provision has not been discounted, it is stated at the present value of future amounts payable since inflationary increases linked to the redundancy settlements have similarly been excluded from the provision.

19. Analysis of Net Assets Between Funds

	Fixed assets £000	Net current assets £000	Creditors over one year and provisions £000	Total 2018 £000
Group				
<i>Unrestricted:</i>				
Fixed assets reserve	8,960	-	-	8,960
Designated capital reserve	-	8,700	-	8,700
General	-	6,636	(284)	6,352
<i>Restricted:</i>				
General reserve	-	582	-	582
Fixed assets reserve	48,529	-	-	48,529
Designated capital reserve	-	8,038	-	8,038
Revaluation reserve	19,974	-	-	19,974
Net assets	77,463	23,956	(284)	101,135
Charitable company				
<i>Unrestricted:</i>				
Fixed assets reserve	8,494	-	-	8,494
Designated capital reserve	-	8,700	-	8,700
General	-	6,273	(284)	5,989
<i>Restricted:</i>				
General reserve	-	582	-	582
Fixed assets reserve	48,325	-	-	48,325
Designated capital reserve	-	8,038	-	8,038
Revaluation reserve	19,974	-	-	19,974
Net assets	76,793	23,593	(284)	100,102

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

The designated capital reserves are not endowment funds. The unrestricted designated capital reserve relates to funds designated by Governing Council for use in relation to planned capital investments in the financial projections to March 2022. The restricted capital reserve relates to funding received from BBSRC to be used in connection with future estates rebuild costs with the agreement of BBSRC.

The restricted general reserve relates to ring fenced strategic funding received from BBSRC. This funding has performance conditions attached and is transferred to the general reserve once the conditions have been met.

20. Analysis of Funds Movements

	Unrestricted fixed assets	Unrestricted designated capital	Unrestricted general	Restricted general	Restricted fixed assets	Restricted designated capital	Revaluation reserve	Total 2018
	£000	£000	£000	£000	£000	£000	£000	£000
Group								
At 1 April 2017	9,254	8,039	6,077	-	42,193	8,338	18,482	92,383
Total income and expenditure for the year	-	-	584	811	5,189	-	-	6,584
Associates	96	-	-	-	-	-	-	96
Revaluation of tangible assets	-	-	-	-	-	-	2,072	2,072
Revalue depreciation transfer	-	-	-	-	580	-	(580)	-
Capital transfers	(567)	-	-	-	567	-	-	-
Designated capital transfers	-	839	(539)	-	-	(300)	-	-
Centre funded capital	177	(178)	1	-	-	-	-	-
Other transfers	-	-	229	(229)	-	-	-	-
At 31 March 2018	8,960	8,700	6,352	582	48,529	8,038	19,974	101,135
Charitable company								
At 1 April 2017	8,681	8,039	5,831	-	42,057	8,338	18,482	91,428
Total income and expenditure for the year	-	-	602	811	5,189	-	-	6,602
Revaluation of tangible assets	-	-	-	-	-	-	2,072	2,072
Revalue depreciation transfer	-	-	-	-	580	-	(580)	-
Capital transfers	(499)	-	-	-	499	-	-	-
Designated capital transfers	-	974	(674)	-	-	(300)	-	-
Centre funded capital	312	(313)	1	-	-	-	-	-
Other transfers	-	-	229	(229)	-	-	-	-
At 31 March 2018	8,494	8,700	5,989	582	48,325	8,038	19,974	100,102

The revalue depreciation transfers have been made to reflect differences in the historical cost and revalued depreciation costs.

Capital transfers relate to fund movements in connection with fixed assets and depreciation; ensuring assets are appropriately reflected in separate reserves.

The designated reserve transfer relates to costs incurred in the year that have been set against the designated strategic reserve.

Centre funded capital transfers relate to capital expenditure funded from the unrestricted designated capital reserve and general reserve.

Where research at JIC is funded by grants with performance conditions attached to them these are shown in the Restricted general fund. When the conditions have been met the remaining contribution to core funding is transferred to general reserves, shown in other transfers above.

21. Commitments

Group and charitable company	Total 2018	Total 2017
	£000	£000
Capital commitments at the end of the financial year for which no provision has been made:		
Contracted	6,375	1,568
Amounts due under other operating leases for plant and machinery:		
Expiring in less than one year	10	27
Expiring between two and five years	2	12
	12	39

22. Pension Schemes

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

Deployed Employees retain their membership of the Research Councils Pension Scheme (RCPS), where applicable, with JIC becoming an admitted employer in the scheme. The RCPS is a defined benefit scheme funded from annual grant-in-aid on a pay-as-you-go basis. The RCPS Pension Scheme is a multi-employer scheme and JIC is unable to identify its share of the underlying assets and liabilities. JIC therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Liabilities for the payment of future benefits are the responsibility of the RCPS and accordingly are not included in these Financial Statements. The employer contribution rate during the year was 26% (2017: 26%).

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

The total pension charge for the year was £2,134,678 (2017: £2,184,687), with outstanding contributions at the year-end of £82,389 (2017: £83,245).

23. Related Party Transactions

The charitable company has taken advantage of the exemption under FRS102, not to disclose transactions and balances with its wholly owned subsidiaries

BBSRC

JIC is strategically funded by BBSRC. Grants received from BBSRC are detailed in note 2. At 31 March 2018, BBSRC owed JIC £3,177,571 (2017: £5,761,747). During the year BBSRC paid JIC £14,477 (2017: £47,878) compensation for redundancy and salary costs incurred in restructuring and £51,700 (2017: £3,843) for other costs.

In April 2018, BBSRC became part of UK Research and Innovation (UKRI), a new organisation that brings together the UK's seven research councils, Innovate UK and Research England.

Plant Bioscience Limited

PBL is 33% directly owned by JIC. PBL has been accounted for as an associate within the consolidated financial statements. Services provided to JIC by PBL in the year to 31 March 2018 amounted to £48,667 (2017: £16,590). During the year, PBL paid JIC £35,153 (2017: £34,082) in rent and £487 (2017: £22,952) in student sponsorship and research grants. At 31 March 2018, PBL owed JIC £nil (2017: £11,567).

Leaf Systems International Limited

During the year, JIC invested £150,000 in the non-voting share capital of Leaf Systems International Limited. LSI has been accounted for as an associate within the consolidated financial statements. JIC paid LSI £46,752 (2017: £nil) for salary costs in the year ended 31 March 2018. During the year, LSI paid JIC £25,286 (2017: £56,182) for costs incurred by JIC on behalf of LSI. At 31 March 2018, LSI owed JIC £12,331 (2017: £4,451).

NBI Partnership Limited

JIC is one of the four guarantors of NBI Partnership Ltd ("NBIP"), a company limited by guarantee. JIC has provided short-term loans to NBIP to enable NBIP to manage its cash requirements. Interest is payable on the loan at 2% and during the year JIC charged £6,163 (2017: £6,091) in respect of interest due. At 31 March 2018, JIC had a loan balance with NBIP of £309,000 (2017: £306,000).

JIC was charged £4,273,586 (2017: £4,126,716) for services by NBIP under a cost sharing agreement. As at 31 March 2018, JIC owed NBIP £430,812 (2017: £522,296). NBIP paid JIC £75,443 (2017: £8,091) for services and, as at 31 March 2018, NBIP owed JIC £8,391 (2017: £nil).

Anglia Innovation Partnership LLP (formerly NRP LLP)

JIC is a member of Anglia Innovation Partnership LLP through its 100% subsidiary, JIC NRP Capital Limited. Anglia Innovation Partnership LLP is responsible for the management and development of the Norwich Research Park (NRP) estate and for the furtherance of the NRP Enterprise Vision. During the year, JIC received services totalling £1,511 (2017: £2,193), and was invoiced £62,961 (2017: £267,592) for estate costs. As at 31 March 2018, JIC owed NRP LLP £nil (2017: £29).

JIC invoiced Anglia Innovation Partnership LLP for services totalling £152,103 (2017: £90,836). As at 31 March 2018 Anglia Innovation Partnership LLP owed JIC £48,000 (2017: £7,873).

University of East Anglia

UEA is a member of the charitable company and it nominates one Governor to the Governing Council.

The majority of PhD students carrying out research at JIC are registered with UEA. During the year UEA provided student services of £789,882 (2017: £904,490) and other services amounting to £165,832 (2017: £209,164) to JIC. At 31 March 2018, JIC owed UEA £270,707 for student fees (2017: £329,851) and £18,667 for other services (2017: £nil).

During the year, JIC received £291,042 (2017: £339,549) in student fee payments from UEA and provided £381,347 (2017: £361,049) of other services. At 31 March 2018, UEA owed JIC £325,061 (2017: £237,320) for student fees and services.

John Innes Foundation

JIF is a member of the charitable company and it nominates one Governor to the Governing Council. The following transactions took place during the year:

23. Related Party Transactions (continued)

	Total 2018	Total 2017
	£000	£000
<i>Paid to JIC:</i>		
Grants for studentships	332	320
Grants for research project	5	-
Contribution to salary costs	12	27
Contribution to women of the future	2	-
Contribution to landscaping costs	9	-
	360	347

At 31 March 2018, JIF owed JIC £11,663 (2017: £2,899).

24. Cash Held as European Grant Co-ordinator

JIC holds cash of £1,821,254 (2017: £1,431,239) on behalf of the European Union in its capacity as project co-ordinator on a number of projects. JIC acts as an intermediary only and does not control the risks and rewards associated with the cash. An equal balance is held in other creditors.

25. Ultimate Parent Undertaking and Controlling Party

The Governors consider that there is no ultimate parent undertaking and controlling party. JIC is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements.

26. Contingent Liability

JIC receives grant income from funding bodies, such as the BBSRC and the European Union, that routinely undertake retrospective financial audits of costs claimed. Such audits may from time to time give rise to adjustments to grant income receivable. No general provision is made for such potential audit adjustments in the financial statements.

Charity information

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Prof J C Murrell	
Mr K R Norman	
Ms J K Midura	
Dr D J Keith	
Mr R J Maskell	
Prof O Leyser	Chair – Science Impact and Advisory Board
Mr J H Innes	Chair – Audit Committee

Director of the Institute

Prof D Sanders

Company Secretary

Mr D Foreman

Key Management Personnel

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 Prof R Morris
 Prof C Domoney
 Prof A Smith
 Dr C Thomas
 Mr C Darby
 Prof G Moore
 Prof L Ostergaard
 Mr D Foreman
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