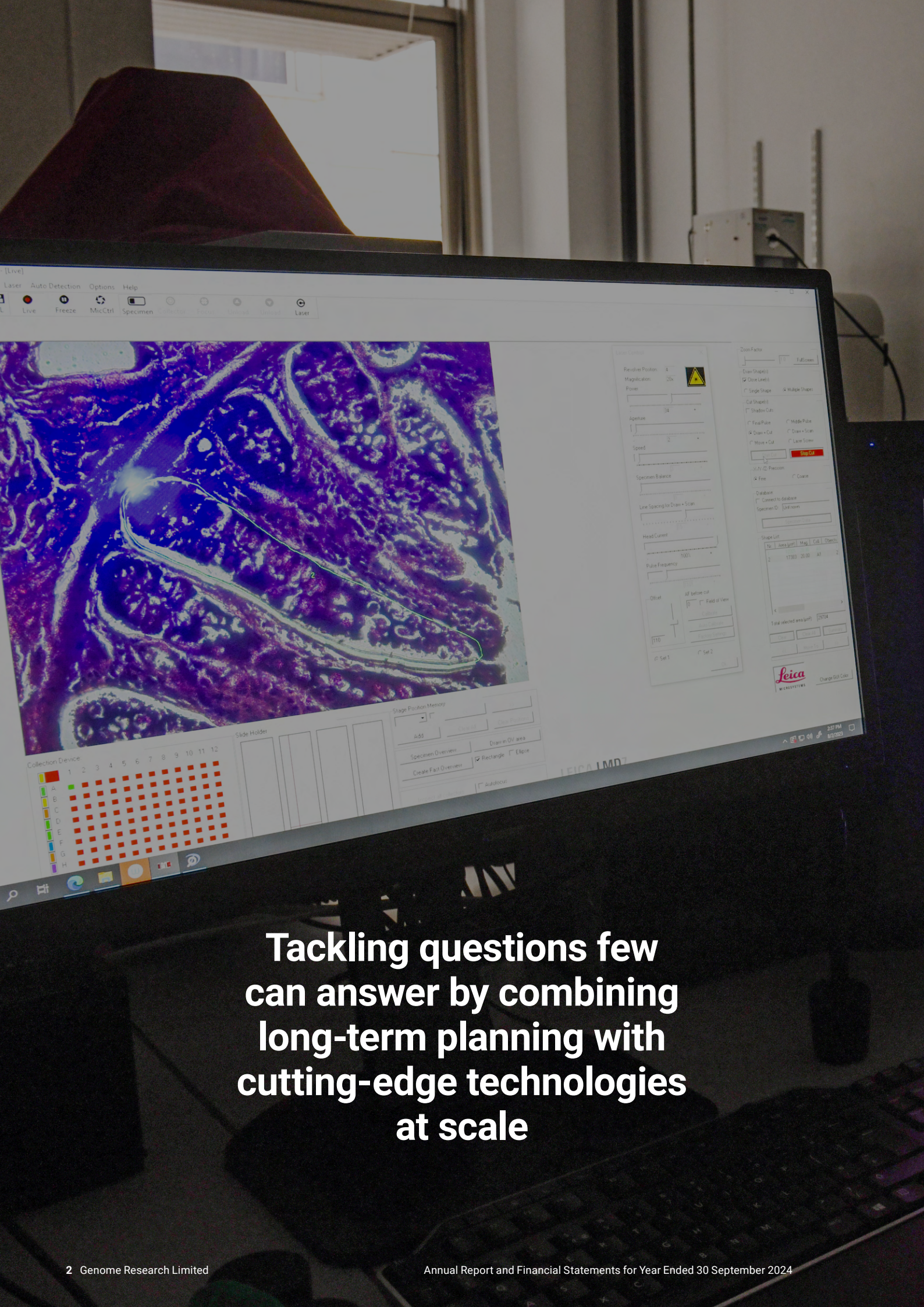


Genome Research Limited

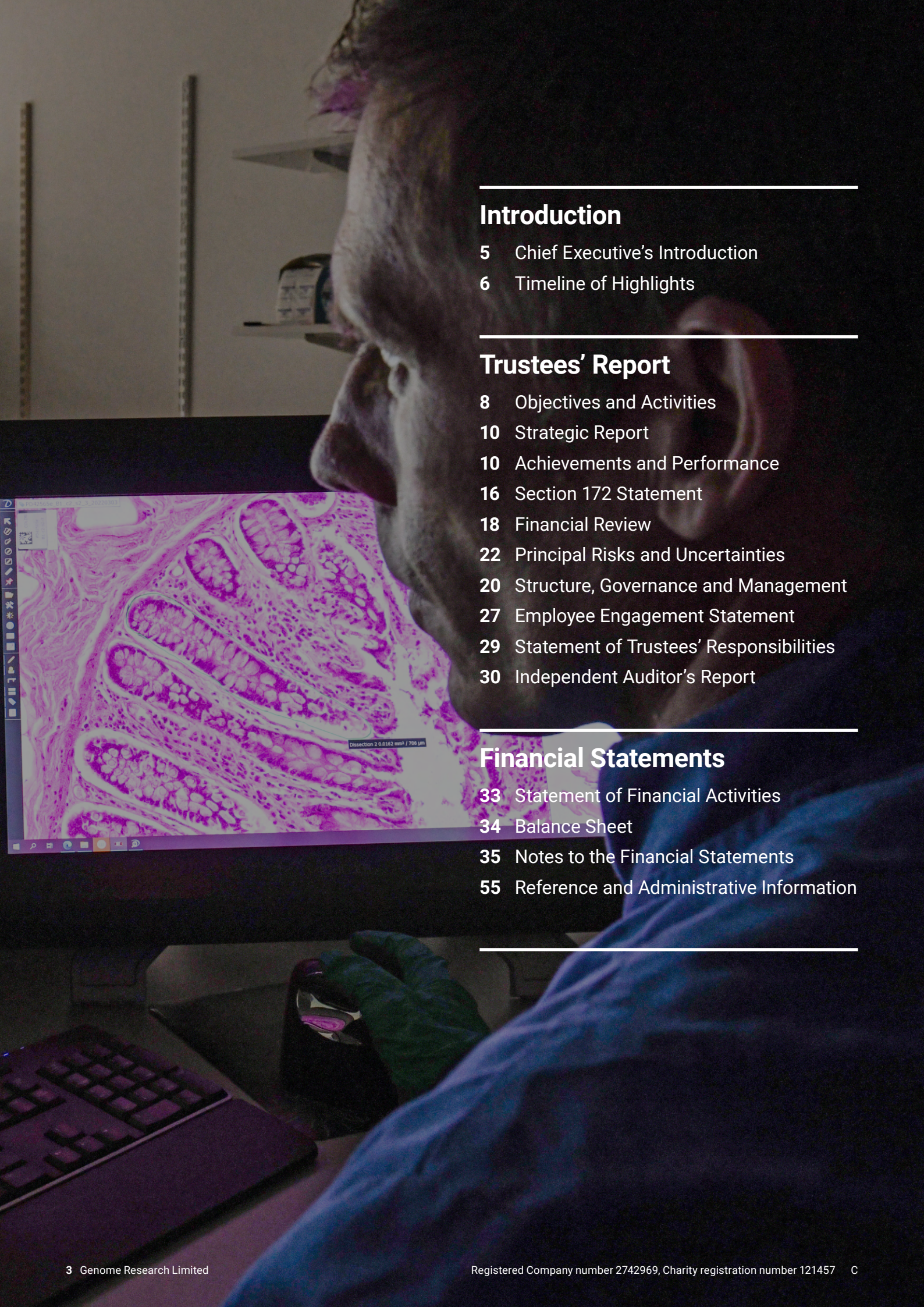
Annual Report and Financial Statements

For year ended 30 September 2024

Employing bold,
creative ambition
to push the
boundaries of
the possible



**Tackling questions few
can answer by combining
long-term planning with
cutting-edge technologies
at scale**



Introduction

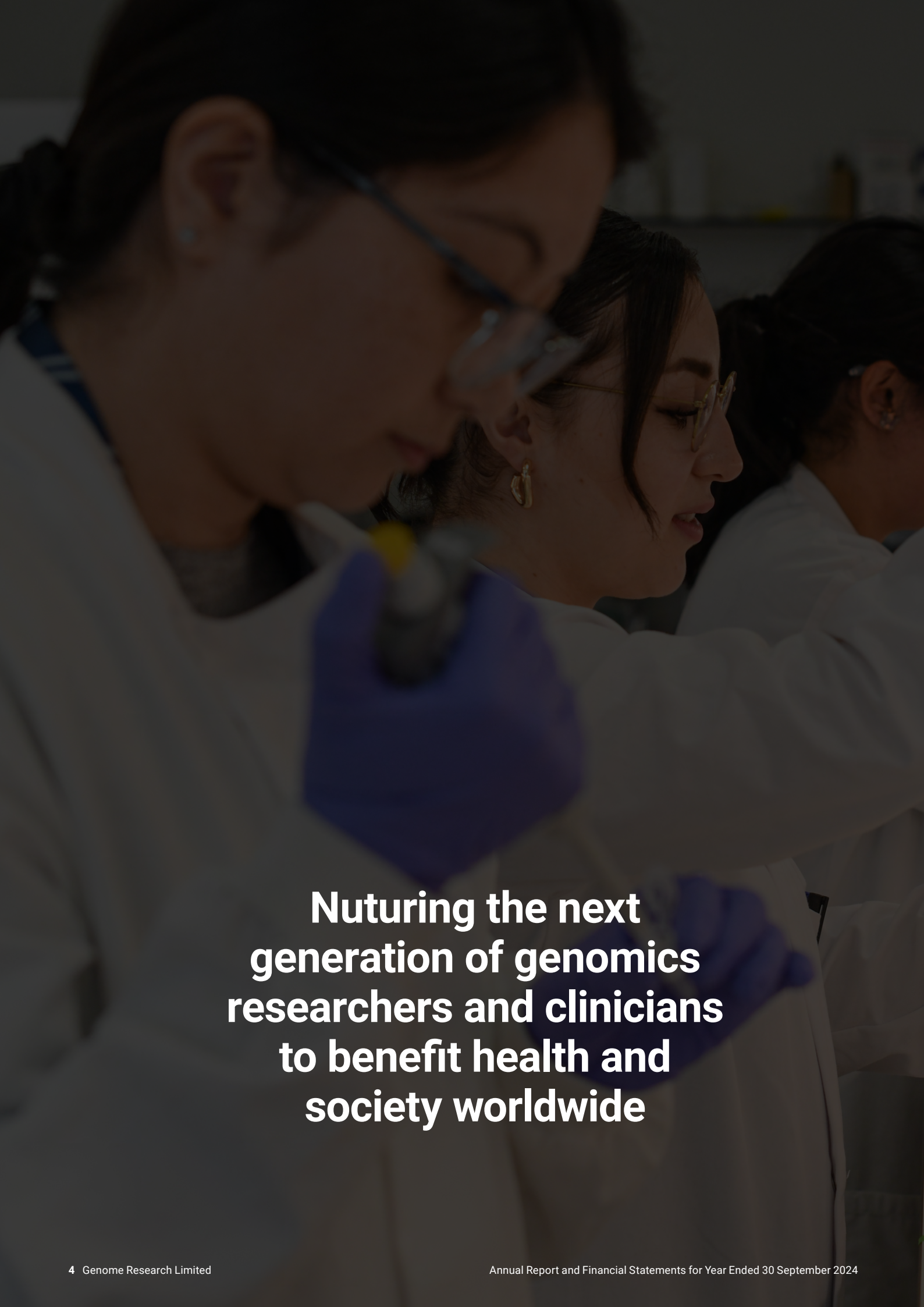
- 5 Chief Executive's Introduction
- 6 Timeline of Highlights

Trustees' Report

- 8 Objectives and Activities
- 10 Strategic Report
- 10 Achievements and Performance
- 16 Section 172 Statement
- 18 Financial Review
- 22 Principal Risks and Uncertainties
- 20 Structure, Governance and Management
- 27 Employee Engagement Statement
- 29 Statement of Trustees' Responsibilities
- 30 Independent Auditor's Report

Financial Statements

- 33 Statement of Financial Activities
 - 34 Balance Sheet
 - 35 Notes to the Financial Statements
 - 55 Reference and Administrative Information
-



**Nuturing the next
generation of genomics
researchers and clinicians
to benefit health and
society worldwide**

Chief Executive's introduction

The year has been one of transition as we shape Genome Research Limited, to maximise our impact in genomic research over the next 10 years. I see this decade as the middle of a genomics revolution, as by the end of the 21st century genomics will have permeated all areas of society transcending medicine and becoming utilised beyond healthcare. The nature of genomic science is shifting from being descriptive to being more predictive, and scientists are moving from making fundamental discoveries to creating predictive models. The Wellcome Sanger Institute is central to this revolution through which we will realise increased societal benefit through our work.

The predictive abilities of genomics are in their infancy, collective understanding of the function and the consequences of each genetic variation is poor, but new programmable modalities are emerging, pointing to new ways to generate and apply this knowledge. Through our newly established Generative and Synthetic Genomics programme, we will modulate and engineer biology to build prognostic, mechanistic and generative models of biology to generate reference atlases for clinical genetics.

Genomics holds the key to the comprehensive molecular characterisation of life across all living species, with the current generation of scientists poised to decode the species on Earth that have taken 4 billion years to evolve. The Sanger Institute is privileged to be at the forefront of this endeavour through our Tree of Life programme.

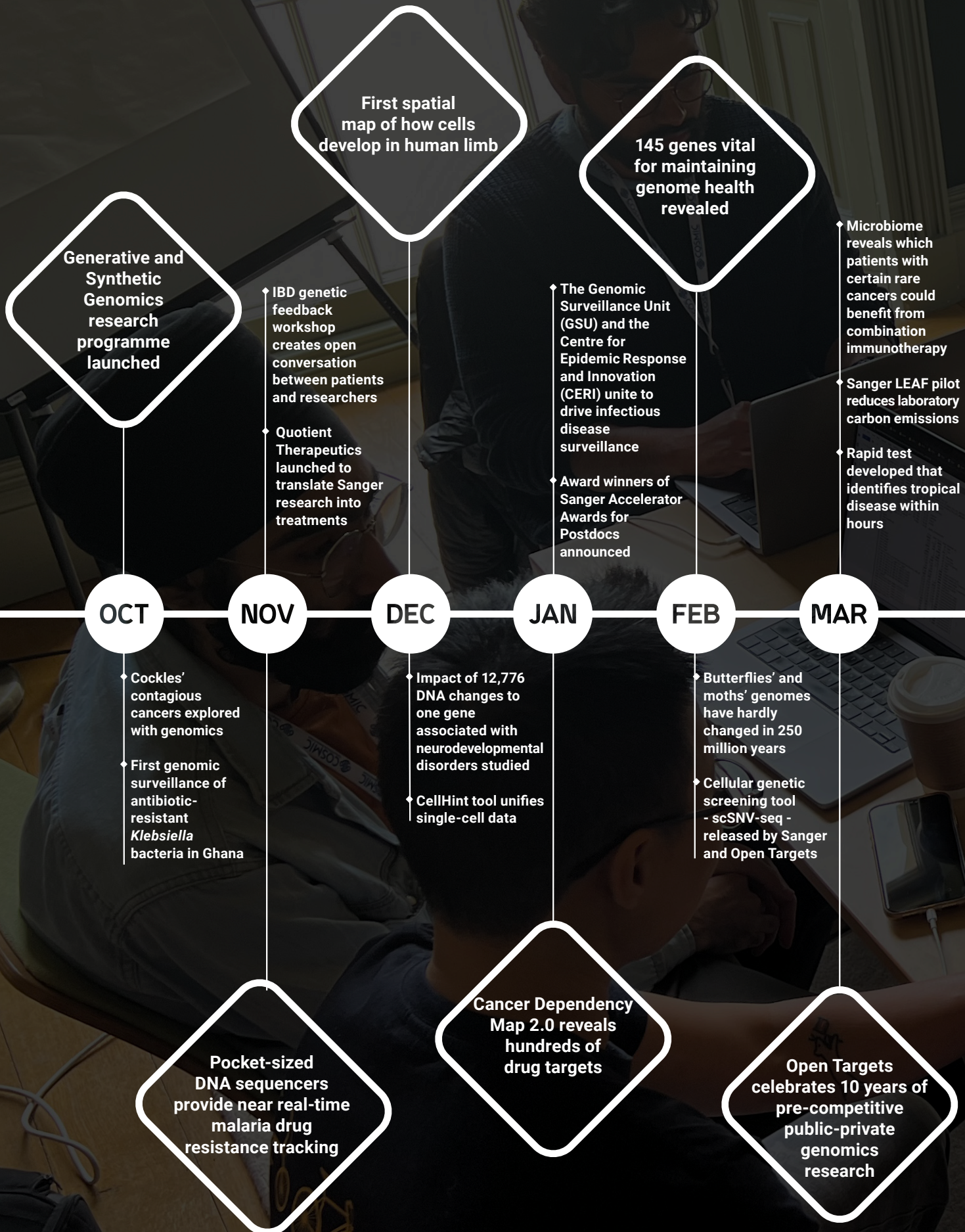
A new strategic vision for the Institute's next 10 years has been developed and shaped by leaders across the Institute. It takes into account both the challenges we face and the opportunities that are available and that we are well placed to take. To drive scientific advancements in genomics, we have evaluated our data generation capabilities and begun to redefine our organisational culture. This includes articulating the Institute's core values supporting our scientific foundations and fostering a strong feedback culture across the Institute. We are focusing on improving internal collaboration, strengthening our partnerships in the UK and globally, and deepening our relationship with Wellcome.

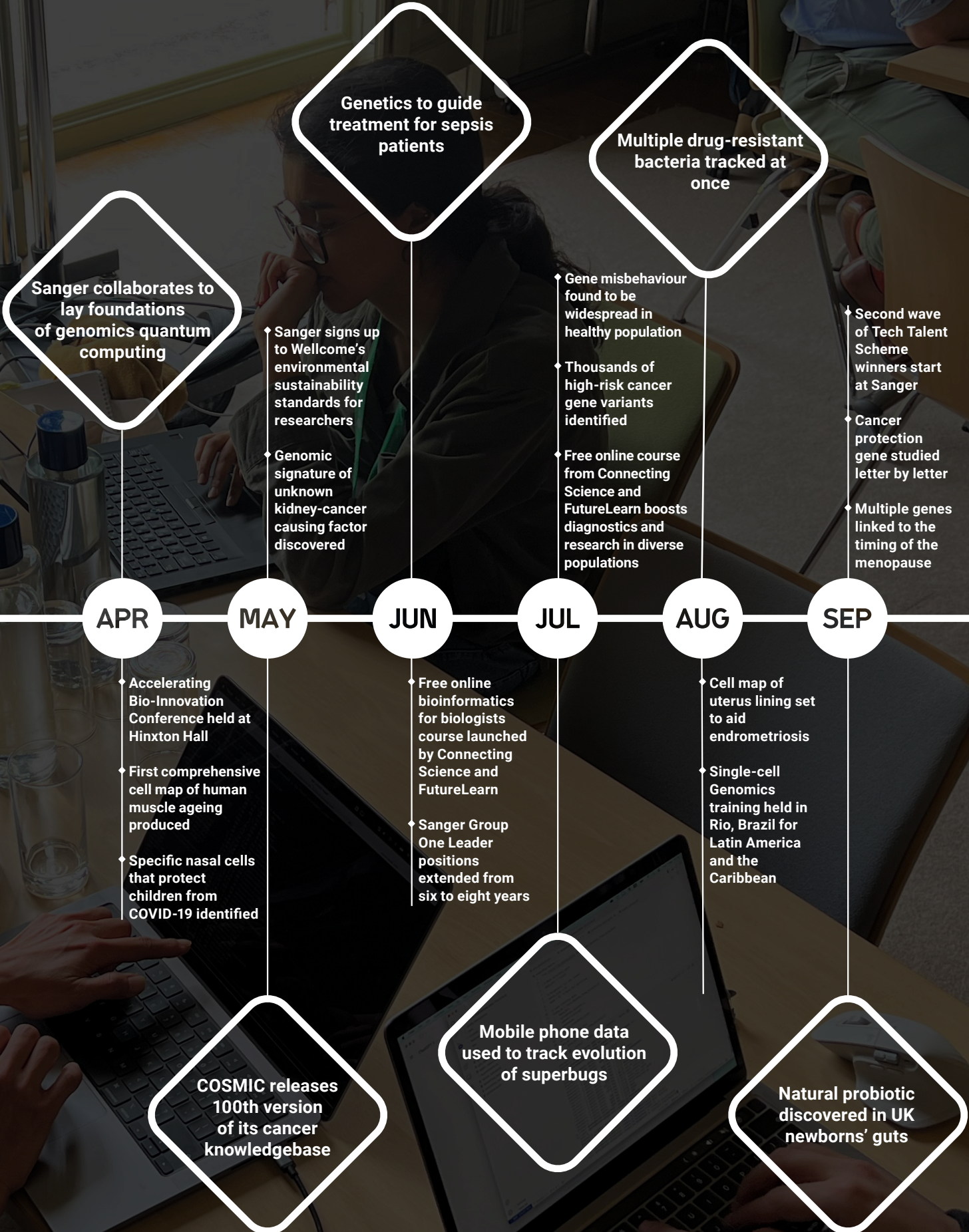
We will continue to allocate most of our resources to disease genomics, with the aim of gaining fundamental insights into human biology and disease across the lifespan, this in turn will translate into improved prediction, prevention, diagnosis and treatment of a broad range of diseases. Within our three scientific objectives, we will only invest significant resources in areas where Sanger can have unique impact and where we know that removing Sanger's contribution would have a major negative effect on the entire ecosystem. We will continue to democratise access to the new fields that we open up. Consequently, over time as Sanger's ability to have unique impact in a given area lessens, and as new opportunities arise, we change where we focus our investment.

Work is underway to expand the Wellcome Genome Campus, with a new Genome Campus management company delivering this project. This transition signifies the Institute's shift away from managing the campus infrastructure and provides an opportunity to unify all staff under the same scientific ambitions and strengthen our identity. The Institute intends to change its name in the coming year from Genome Research Limited to Wellcome Sanger Institute Limited. Our focus remains on our core strengths: concentrating on a small number of scientific areas, allocating a significant portion of our budget to data generation, committing to long-term projects and careers, and undertaking large-scale initiatives.

**Professor Matthew Hurles,
Director and Chief Executive Officer,
Wellcome Sanger Institute**

2024 timeline





Trustees' Report

The Directors of Genome Research Limited (“the Charitable Company”) who are also the Trustees of Genome Research Limited for the purposes of the Charities Act 2011, present their Annual Report (including the Directors’ Report and Strategic Report) and audited Financial Statements for the year ended 30 September 2024.

The following report sets out how we achieve our charitable objects for public benefit. Our charitable objects are:

- To advance research into investigation of the human genome and to publish the useful results of such research
- To advance scientific and medical research

Objectives and activities

The Wellcome Sanger Institute’s purpose is focused on three scientific objectives, where large-scale genomic data is essential for advancing fundamental knowledge, each of which will deliver opportunities for societal benefit:

- **Disease genomics:** deciphering the molecular underpinnings of health and disease.
- **Planetary genomics:** understanding planetary biology through genome sequences of diverse species.
- **Engineering genomics:** elucidating how DNA sequences encode biological functions

Vision

Over the past 30 years, the Wellcome Sanger Institute has led the way in comprehensively characterising genomes, establishing an innovative and catalytic organisation that continues to transform global understanding of health and disease. Sanger’s core funding, ability to generate and analyse large-scale genomic data, scientific adaptability and unique organisational model represent major competitive advantages.

Our vision for the next 10 years is to be a trusted global leader in deciphering life and empowering society.

Mission

The Sanger Institute’s mission is: **to apply and explore genomic technologies to advance understanding of biology and improve health.**

We believe that:

- characterising biology exhaustively at the molecular level will be transformative in terms of our understanding of how life works.
- this understanding will, in turn, be transformative in delivering diverse societal benefits, from improved healthcare and economic growth to better stewardship of our planet’s biome, and beyond.
- open, democratised science is necessary to deliver societal impact and sustain trust in genomic science.

To achieve our scientific objectives, we pursue research through scientific Programmes; their high level aspirations within the current core funding cycle are described below:

- The **Cancer, Ageing and Somatic Mutation** Programme uses genome sequencing and experimental models to study the causes and consequences of somatic mutations through the course of life, across organ systems, in health and in disease.
- The **Cellular Genetics** Programme uses transcriptome sequencing and microscopic spatial tissue imaging to redefine the repertoire of human cell types, and to understand their functional states and relationships in health and disease, during development and adulthood.
- The **Human Genetics** Programme uses genome sequencing and experimental cell models to understand the genetic causes and biological

mechanisms of disease susceptibility and progression, focusing on developmental disorders and diseases of the blood and immune system, transforming the clinical utility of human genetic variation.

- The **Parasites and Microbes** Programme uses genome sequencing to generate large longitudinal datasets over time, transforming understanding of the evolutionary dynamics of disease-causing bacteria, protozoa, helminths, mosquitoes and the human microbiome with application in pathogen surveillance for disease control.
- The **Tree of Life** Programme uses new sequencing technologies to produce high quality reference genomes across the diversity of eukaryotic life, analysing the data to understand life's origins, conserve biodiversity and provide the underpinnings of a new biotechnology.
- The **Generative and Synthetic Genomics**, our newest Programme, predicts and programmes molecular biology by synthesising and engineering genomes.
- **Partnership Programmes** (currently comprised of Health Data Research UK, Open Targets, COSMIC, the Genomic Surveillance Unit and our Associate Faculty) continues to diversify, enrich and strengthen the organisational science portfolio through strategically designed partnership programmes and Associate Faculty.

Within disease genomics, a unifying theme is the focus on understanding the impact of genetic variation across diverse individuals. By integrating multiple longitudinal data sources with multiple technologies and genome editing of cellular models, we will discover causal disease biology and develop a predictive understanding of disease susceptibility and progression.

We take pride in leading global collaborative efforts to sequence all life on the planet. In so doing, we will gain insights into fundamental evolution processes, reveal unparalleled diversity and identify the molecular drivers of biological differences, generating critical reference data to monitor the accelerating environmental change that is threatening ecosystems around the world.

Our Generative and Synthetic Genomics Programme represents a new and exciting strategic shift for Sanger. We will develop a predictive understanding of how genetic sequence determines the properties and regulation of proteins and RNAs. We aim to achieve a level of predictive performance such that the effects of any individual genetic changes can be accurately predicted and, moreover, designed de novo. Solving the core encoding problems of molecular biology by harnessing the twin revolutions of DNA synthesis, editing and sequencing and of artificial intelligence will lay the foundations for rapid and cheap biological engineering.

The Sanger Institute sits at the centre of a global scientific community, continuing work across the areas highlighted in

last year's Trustees Report, with the new organisational strategy providing a more nuanced trajectory for the next 10 years. A significant part of our research projects address health issues in low and middle-income countries (LMIC), and we remain committed to early and open data release, ensuring that our research resources are accessible to others through public databases. Internally, we offer world-class training for scientists and specialists in genomic research, supporting them throughout their careers, and offering opportunities from externalising their research to engaging with publics. Through our Associate Faculty we actively engage with external researchers to empower their scientific endeavours and enrich our own research with their biological insights and questions. Policy and Advocacy efforts at the Sanger Institute aim to foster equitable collaboration and include active participation in global scientific discussions and partnerships, helping to position the UK as a leader in scientific research and making it an attractive destination for researchers seeking a dynamic and supportive environment for their work.



Strategic Report



Achievements and Performance

The Wellcome Sanger Institute's strategy has been launched in the year and is being rolled out to staff. The strategy articulates the vision; the unique strengths of the Institute and sets the priorities that will shape our next decade of work. These in turn will inform the high level priorities for the various teams and functions so enabling the creation of detailed plans to be devised to support the delivery of our science.

We have already initiated work on several areas of the strategy. A cross-organisational project is in progress to articulate the values of the Sanger Institute. This project is part of our broader challenge to align all elements contributing to a healthy organisational culture, essential for supporting team endeavours in high-risk scientific research where collaboration and teamwork are of utmost importance. Efforts are underway to integrate these values into our existing behavioural competency framework, to inform the communication of the strategy, and to foster a shared identity among our diverse staff that blends creativity with operational excellence. We see these efforts are crucial to achieving our mission and to ensuring a healthy, inclusive

workplace culture.

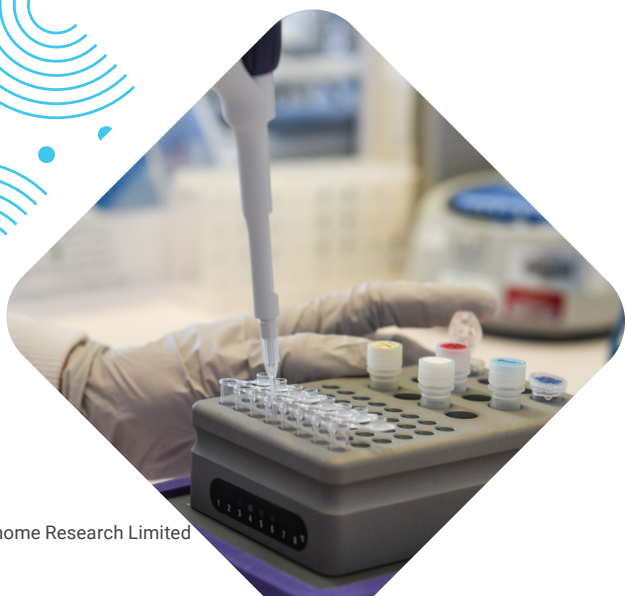
The past year has been a period of significant change for several of our scientific Programmes, marked by multiple leadership transitions that will continue to impact us in the coming year. Four of our six Programmes have experienced leadership changes. The Interim Head of the Parasites and Microbes Programme has now taken up the permanent position. In the Cellular Genetics and Human Genetics Programmes, existing senior Group Leaders have stepped into interim leadership roles following the departure of the previous Heads of Programmes. Additionally, the Sanger Institute's operational Leadership is undergoing a transition, with recruitment underway for the Chief Operating Officer and Chief Financial Officer positions.

Key Performance Indicators

The current 2021-2026 quinquennium outlined four key metrics representing the major challenge areas for the Institute:

Remain a global research leader - Over the past year we continue monitoring our research outputs, sharing our knowledge through producing new widely accessible data resources and through training, and seeking opportunities for collaboration and translation. The analysis of the Institute's strengths that informed the organisational strategy identified two specific areas for Institute-wide research initiatives in the next 5 years: 1) nucleotide-resolution genomic medicine and 2) predictive multi-omic medicine. These will be explored in the coming years.

Recruit and retain our thought leaders - We will recruit long-term leaders of Science Programmes in human and cellular genetics and genomics. Rather than seeking two new leaders to adopt and deliver the current programme strategies as they are, we are seeking visionary leaders in the broader scientific area encompassed by both Programmes, recognising that there are likely to be compelling scientific visions that draw both on human genetics and cellular genetics in different ways. We want to



encourage bold applications that put forward candidates' authentic visions unadulterated by a sense of needing to fit within existing structures, taking the unusual opportunity afforded by the leadership of two closely related Programmes being refreshed simultaneously.

As part of our continuing support to our Faculty and staff, in June this year we launched a Career Development Framework for staff and have extended our junior faculty appointments from 6 to 8 years. This change is aimed particularly at supporting women during a crucial stage of their careers.

We have developed and implemented a strategy in the year to expand our International Fellows programme to allow us to bring in a greater diversity of skills and expertise, enrich our intellectual environment and extend access to our capabilities to scientists and institutions in LMICs.

Maintain the level and scale of funding - A key theme over the past year has been the strengthening of the relationship between the Sanger Institute and Wellcome following organisational and leadership changes in both organisations. We are refining our annual reporting to Wellcome, first established last year. Besides annual reporting pathways we have also solidified our commitment to develop more strategic partnerships and enabling the wider life sciences ecosystem, leveraging the core funding from Wellcome. These will supplement the vast portfolio of Programme-led partnerships through scientific collaborations, building on the success of the public-private partnerships such as Open Targets and in the coming years focusing on developing new institute-wide partnerships, starting with our strategic plan for AI in science.

Maintain our position at the leading edge of technology - Data generation underpins everything we do. In August we celebrated reaching 50 Petabases (50,000,000,000,000,000 bases) of sequencing data. We have diversified our fleet of DNA sequencing machines to accommodate the scientific directions of our Science Programmes and enable faster sequencing of samples. We have implemented new platforms, accelerating our high-throughput spatial genomics capability. Tight alignment of our core capabilities in data generation and data analysis with our scientific priorities will remain our focus in the coming years.

These four metrics continue to be important for the Institute and are represented in the way we assess ourselves, but have been incorporated into a broader organisational strategy. The development of the review cycle and mechanisms for reviewing the strategy has started and will be refined through a process of engagement across the Institute, which will undoubtedly bring about refinements of the measures and indicators we use to evaluate the progress against organisational strategy priorities.

The priority areas defined in the organisational strategy are:

- Focusing our science strategy on opportunity areas where our competitive advantages enable us to have unique impact

- Developing our culture by embedding a consistent set of values and empowering a diverse workforce
- Configuring our organisation - focusing on core capabilities needed to deliver on these scientific opportunity areas
- Ensuring sustained funding to amplify our impact that is commensurate with our scientific ambitions

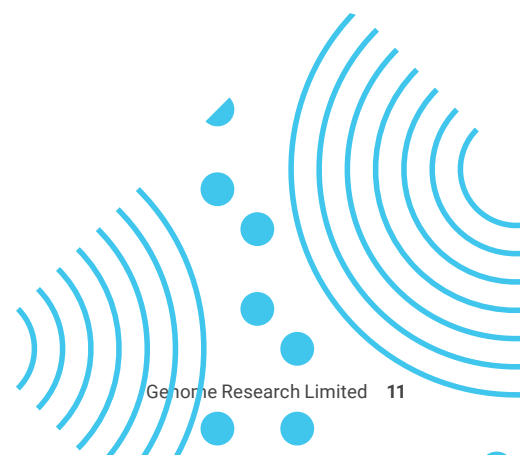
The Institute Scientific Programmes have been reviewing their scientific strategies in alignment with the new organisational strategy, alongside this we will refresh the Translation strategic plan and Partnerships strategic plan and the International Faculty plan. Operational teams have commenced the development of their plans, with particular emphasis on data generation, and overall operational delivery. Planning and monitoring will continue over the next few years to ensure effective implementation. Centralised evaluation will comprehensively assess the success of these endeavours.

Scientific Impact

The impact framework is being updated to align with the organisational strategy, to align our broader efforts with our strategic goals and provide a clearer picture of our overall impact. The organisational revision of its strategic priorities provides an opportunity to meaningfully explore the Sanger Institute's role in the wider ecosystem, and use this to develop an appropriate and agile approach to inform decision making.

Research outputs continue to be an important indicator of our activity. In addition, we have been investigating ways to monitor the impact of our data resources. This is complex, and we have been collaborating with Wellcome to trial various methods and analytical tools. We are refining the scope of Sanger's data resources, both historical and current, to identify potential mechanisms for monitoring their use and impact within the scientific community and their role in democratising access globally.

We amplify our scientific impact through Policy and Advocacy, Partnerships, Scientific consortia, and Translation and Entrepreneurship activities. We reach a global audience through partnerships, scientific consortia, International Faculty and through the Institute Connecting Science training and engagement capabilities



Bibliometric Analysis

Metric	9 months to 30 Sep 2024	Year Ended 31 Dec 2023	Year Ended 31 Dec 2022**	5 year average
Field-Weighted Citation Impact*	2.97	3.31	4.25	4.16
Scholarly Output	357	457	570	573
Citations per Publication (mean average #)	1.9	12.6	32.8	64.2
Output in Top 5% Citation Percentiles (field-weighted)	18.8%	17.5%	23%	22.6%
Output in Top 1% Citation Percentiles (field-weighted)	7.0%	7.2%	10.5%	9.6%

Source: SciVal data as at 2 October 2024 *Ratio of citations compared to global average in field of genomics. 1= global average.

**Publication data is based on publication date, citations continue to accrue over time, the 2022 comparative has been updated for current citations

Research Outputs

New findings and data are shared through a variety of mechanisms, commonly in a form of publications in peer-reviewed academic journals. Our practice of monitoring publications focuses specifically on research articles and reviews as these best reflect primary research carried out by Wellcome Sanger Institute authors. Using a set of five publication and citation metrics (also called bibliometric indicators) to help evaluate published research, we benchmark ourselves against other organisations with similar scientific profile or structure, and monitor long-term trends in order to understand what constitutes a 'good' performance for the Institute. The publication data follows a calendar year reporting period. The table above shows the data for the 5-year average (2019-2023), the data for the two most recent complete data collection periods (the years ended 31 December 2023 and 2022), and the data for 2024 so far.

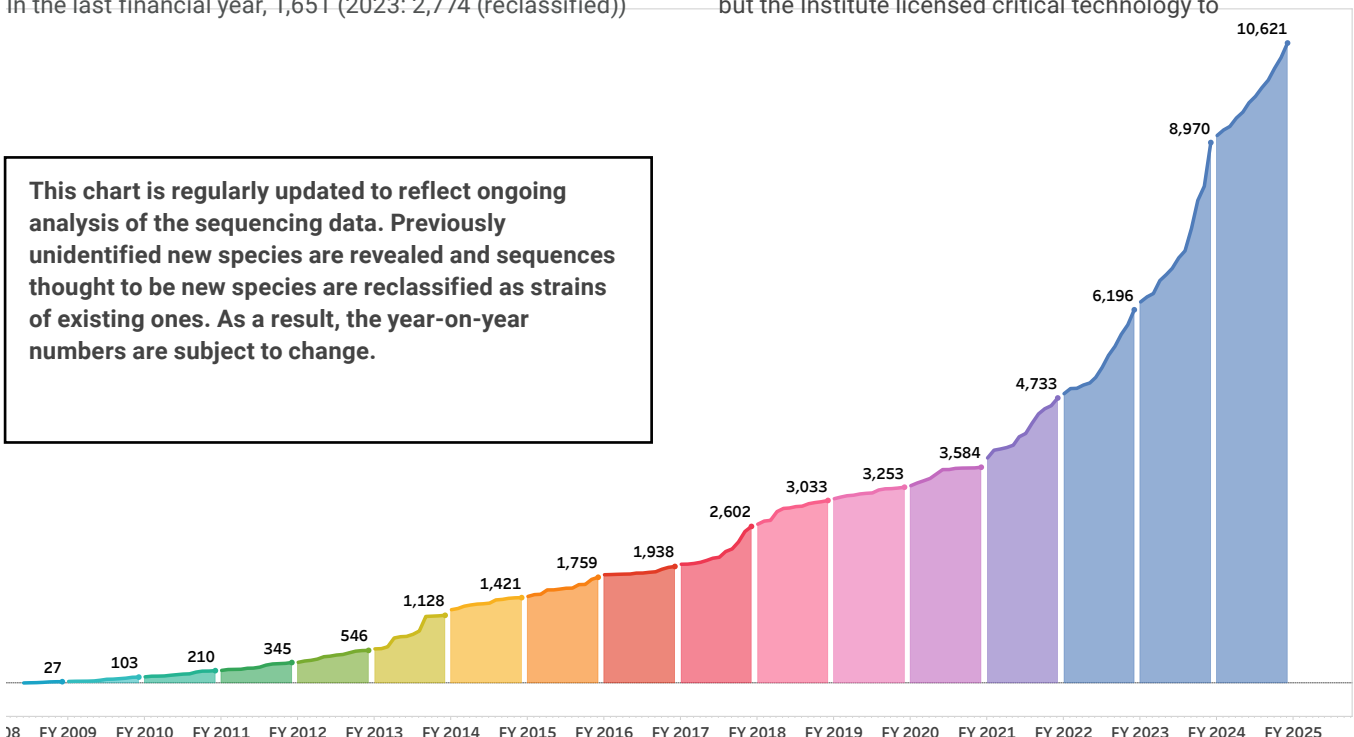
Genome sequencing at the Wellcome Sanger Institute has generated 3.3 Petabases of sequencing data in the last financial year (2023: 3.02 Petabases), reaching a total of 50.9 Petabases by the end of the 2023-24 financial year.

In the last financial year, 1,651 (2023: 2,774 (reclassified))

different species were sequenced for the first time (see graph below), reflecting the diversity of the work undertaken at the Sanger Institute, and bringing the cumulative total of different species sequenced to 10,621 by the end of year.

The diversity of genomic data continues to grow, and through the Tree of Life Programme we are rapidly increasing the number of high quality reference genomes of eukaryotic species available to researchers across the world. Each species sequenced is deposited in the Genomes on a Tree database to enable quick and open sharing, accompanied by a Genome Note, a brief scientific article that describes the genome sequence, to announce the availability of the genome and credit those involved in its generation. The Programme has continued to grow in terms of delivery and over the reporting period has published 482 genome notes, a 61% year on year growth over the previous reporting period. The Tree of Life Programme is leading the global efforts, having contributed more than 60% of all global submissions of high quality, "chromosomally complete" genomes in 2023-24; an increase on previous year.

GRL holds shares in five spin-out companies from the Institute. No additional companies were created this year but the Institute licensed critical technology to



Cumulative total of species sequenced, by financial year

Key Bibliometric findings - research outputs, data sharing and collaboration

The Wellcome Sanger Institute's publication volume and citation rates are consistently among the highest in comparable fields, despite our comparatively small faculty size. The metrics reflect the Wellcome Sanger Institute's global influence: research articles are highly cited and frequently referred to in the outputs of research conducted in countries worldwide.

Scholarly output:

Sanger Institute authors have published 457 (year ended 31 December 2022: 570) research articles and reviews in the year ended 31 December 2023 (the last full reference period), including 176 (2022: 185) articles where Wellcome Sanger Institute authors are leading the work (as recognised by sole or joint first or last authorship). During the five-year period between 2019 and 2023, 2,864 articles and reviews were published by Sanger Institute authors, including 906 where Sanger authors had a lead role.

Field-Weighted Citation Impact (FWCI):

- Articles and reviews published by the Wellcome Sanger Institute authors are consistently nearly four times more cited than the world average.
- Research articles and reviews published in the past five calendar years (2019-2023) in which Sanger authors are leading the work are 4.6 times more cited than the world average.

Average citations per paper:

- The 2,864 Wellcome Sanger Institute articles and reviews published in 2019-2023 have accumulated 183,792 citations overall, with a mean of 64.2 citations per paper published during this period.
- First and/or last author Sanger papers have received an average of 68.9 citations per paper for papers published between 2019-2023.

Outputs in the top 5 per cent of citation percentiles (field-weighted):

- On average, 22.6 per cent of all Wellcome Sanger Institute articles and reviews published between 2019-2023 are among the top 5 per cent of the world's most cited publications. Despite expected fluctuations owing to citations accruing over time, consistently between one in every four or five Sanger publications are among the world's top 5 per cent most cited publications.
- On average, 26.3 per cent of publications published between 2019-2023 in which Sanger authors are leading the research as first and/or last authors, are among the top 5 per cent of the world's most cited publications.

Outputs in the top 1 per cent of citation percentiles (field-weighted):

- 9.6 per cent of Wellcome Sanger Institute articles and reviews published between 2019 and 2023 – nearly one in every ten publications – are among the top 1 per cent of the world's most cited publications.
- The proportion of articles in the top 1 per cent most cited articles increases where the work is led by Sanger researchers, at 12.5 per cent between 2019 and 2023.

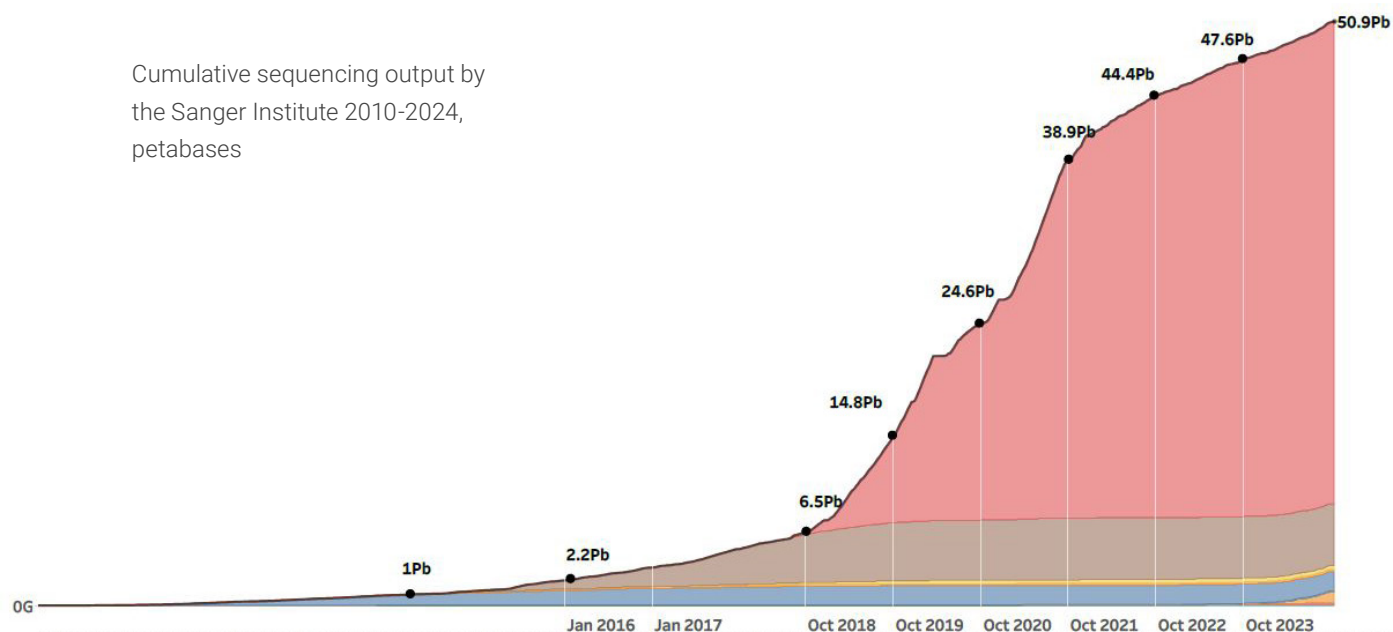
Collaboration:

International collaboration is one of the core strengths of the Wellcome Sanger Institute. With a long tradition of producing research findings as partners in internationally collaborative networks, the proportion of research articles published as a result of international collaboration is consistently high; above 82.5 per cent of the Wellcome Sanger Institute's publications between 2019-2023. The proportion of publications authored with industry partners between 2019 and 2023 is also high at 10.5 per cent.

Citations in policy documents:

Wellcome Sanger Institute research has been cited in a wide range of policy documents, including policy bodies representing governments of multiple countries, think tanks, multiple intergovernmental organisation including United Nations programmes, and medical policy bodies. Between 2019-2023, over 300 articles and reviews - 10.5 per cent of Institute publications - have been cited by policy documents.

Cumulative sequencing output by the Sanger Institute 2010-2024, petabytes



been accessed by researchers from 127 countries, through >200,000 visits to the website since it was launched in 2019 (2023: >150,000). In addition, 48 of these organoid models are commercially available as a biological resource to the scientific community. The Genomics of Drug Sensitivity in Cancer, a resource for therapeutic biomarker discovery in cancer cells, has screened over 500 compounds for genomic markers predicting drug response.

To deliver truly seamless sharing of genomic and clinical data, we actively support the work of the Global Alliance for Genomics and Health (GA4GH) to create the protocols and frameworks needed to open up the world's genomic databases to the global scientific community. Current priorities include harmonising data access standards globally, promoting equity and diversity in research, and ensuring the translation of genomic research into clinical practice. Ongoing key projects include creating a model data-sharing policy, developing tools to mitigate genetic discrimination, and understanding how best ethical standards can be set for integrating into clinical consent and newborn screening.

Funding

In order to remain a global research leader we aim to, as a minimum, maintain the same level of funding year-on-year, after accounting for inflation. In order to achieve this we aim for at least 20% of our grant funding to be generated from third party or non-core Wellcome awards.

Our grants team work closely with our scientists to identify funding opportunities through charitable foundations, collaborative research institutes and commercial organisations which align with our scientific objectives. We do not undertake any fundraising activities in the form of approaching individuals for donations.

	Year ended 30 September 2024 (£'000)	Year ended 30 September 2023 (£'000)
Wellcome Core Grants	124,713 (79%)	118,850 (76%)
Wellcome Other Grants	2,771 (2%)	3,150 (2%)
Third Party Grants	30,697 (19%)	34,722 (22%)
TOTAL GRANTS	158,181	156,722
Major Contracts	5,492	20,667
Other income	13,674	11,642
TOTAL INCOME	177,347	189,031

Major contracts, such as COVID-19 sequencing, allow us to expand our technological capacity and conduct large scale research, however GRL's mission is to remain a global research leader, and as such there is no formal target in place in respect of commercial arrangements.

At the start of each financial year, we set budgets based on our scientific objectives for the following period. While spend in the year does not provide a good indication of the impact of our science, it does provide some insight into how successful we have been in conducting our planned research. In the year ended 30 September 2024 we spent 100.0% (2023: 97.2 %) of our core budget for the year. Increased spend on staff costs and consumables due to inflation has been offset by proactive measures to achieve savings and a decrease in utilities costs.

Research Training

The Wellcome Sanger Institute provides an exceptional intellectual environment and infrastructure for training and inspiring the next generation of leaders in genomics research. This includes PhD and MPhil students and over 100 postdoctoral fellows embedded within the scientific programmes and who make significant contributions to the Institute's scientific output.

In addition to scientific training, supervision and mentoring,

a broad range of training opportunities are offered at the Wellcome Sanger Institute. These include a mix of mandatory and on-demand training including Good Research Practice training to ensure that the highest standards of scientific integrity and rigour are upheld. A broad range of leadership courses and technical skills courses, some of which have been developed as part of Technician Commitment to aid professional development of technical staff, are also offered.

This year we have completed our fourth annual Start-up School programme where staff gain entrepreneurship experience through exploring the potential for commercialisation of their scientific ideas. This has enabled over 100 scientists to develop entrepreneurial skills. Over 60% of the first cohort in 2021 are now in roles in industry or start-up ventures. Interest in the programme continues to grow, as indicated by 50 applications (2023: 47) for 30 places in the next cohort which has been confirmed and will complete their training in 2024-25.

Connecting Science (our learning, training and engagement arm) developed and delivered 14 fully hybrid research conferences; 14 training courses (in-person); and 13 in-region and in-person global training events for participants in Asia, Africa, and Latin America.

Graduate Programme

The Wellcome Sanger Institute is a University of Cambridge Partner Institute, and all successful Sanger Institute MPhil and PhD students graduate with a degree from the University of Cambridge.

The Graduate Programme funds 12 PhD students per year on our 4-year PhD programme. It also funds two fellowships per year from the University of Cambridge Wellcome PhD Programme for Clinicians, which provides medically qualified individuals with genomics training. There are also a small number of externally-funded students from several other University of Cambridge-based PhD programmes. The one-year MPhil programme funds three MPhil students per year from low- and middle-income countries to enable the students to move on to competitive PhD programmes including those funded by third parties, 81 (2023: 88) postgraduates representing 29 different nationalities were studying at the Wellcome Sanger Institute during the financial year 2023-24 in MPhil, PhD, Clinical PhD and MB PhD programmes.

The data from the Wellcome Sanger Institute's PhD and MPhil programmes on the career outcomes indicates that it consistently meets its goal of nurturing the next generation of leaders in genome research. The Graduate Programme has consistently remained highly attractive to prospective students from all over the world, even those who have sought their funding elsewhere, which suggests a continuously high level of interest in Sanger science.

Statement by the Trustees in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The Board of Trustees of Genome Research Limited consider, in good faith, that they have acted in a way that would most likely promote the success of the Charitable Company, to achieve its charitable purpose, and in doing so have regard (amongst other matters) to –

- (a) the likely consequences of any decision in the long term,
- (b) the interests of the Charitable Company's employees,
- (c) the need to foster the Charitable Company's business relationships with suppliers, customers and others,
- (d) the impact of the Charitable Company's operations on the community and the environment,
- (e) the desirability of the Charitable Company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly as between members of the Charitable Company.

As part of their induction, Trustees are briefed on their duties, either through the Charitable Company, or if they judge it necessary, through an independent advisor. Further details on how the Board fulfils its duties can be found in the governance, structure and management section on page 20. The Board receive regular updates on each of the areas below, and request presentations from management as required.

The Charitable Company has many stakeholders, however the Board consider the most significant to be its employees, its collaborators, the community and the Wellcome Trust.

Consideration of the consequences of decisions for the long term

GRL's vision is underpinned by a long term strategy for the Wellcome Genome Campus to become an international centre for scientific, business, cultural and educational activities emanating from Genomes and Biodata. The Board are required to approve the 5 year funding envelope, the annual budgets, any large or strategic projects, or significant diversions from the budget. In doing so they consider this in the context of Wellcome and GRL's long term strategy.

During the year, Board members have participated in many of the Charitable Company's decision making sub-committees, including the Independent Committee, responsible for managing conflicts arising between GRL and Wellcome, ensuring that GRL's best interests are considered in any decisions relating to transferring Campus management activities to the new management company, and the Audit and Risk Committee (page 21).

Engaging with our employees

The Sanger Institute's success is founded on the expertise and knowledge of its people. Our employee engagement strategy is based on four principles – that employees have a voice, receive recognition, have a sense of purpose and are supported to grow and feel successful.

The Board continues to receive bi-monthly updates on people matters and are actively engaged to provide input, comment or feedback. A member of the Board, Dame Cilla Snowball, acts as EDI and 'Speak Up' (our whistleblowing tool) Champion. Cilla will be leaving the board this year and Karen Chadwick has agreed to continue to perform the sponsor role developed and built by Cilla.

GRL's Employee Partnership (EP), comprised of elected representatives, the 'Your Suggestions and Ideas' portal and the Great Place to Work survey are some of the ways in which employees can raise concerns and make suggestions for improvement. As a result of ideas raised in these forums, over the last year GRL has set up Doggy Daycare, on-site physio and mortgage advisors and a Caring for Adults Group, to name just a few. In a year when Campus Development has led to the launch of a new company to manage the programme of change, the EP has supported staff that have transitioned from Sanger to this new company.

Refer to Employment and Diversity (page 27) for further details of how we have engaged with our employees during the year, and Health and Safety (page 25) for more about actions taken to support employees both based at home or on Campus.

Engaging with our suppliers and scientific partners

Collaborating with genomic scientists and researchers worldwide is fundamental to the scientific strategy of the Charitable Company. We work closely with our suppliers to share new discoveries and techniques, which ensures the latest technology is available to support and enable our scientific mission.

Procurement and supply chain have continued to work closely with suppliers during the year, hosting a number of leadership meetings which focus on building strategic partnerships and technology innovation. We agree payment terms with suppliers in advance that protect the needs of the supplier and the Charitable Company.

Our procurement policy is governed by our Purchasing Code of Ethics and we aim to ensure that our suppliers are treated fairly and impartially.

Engaging with the Wellcome Trust

GRL's sole member is the Wellcome Trust Limited, as corporate trustee of the Wellcome Trust and has the right to appoint directors to the GRL Board. Wellcome Trust is represented on the Board, which is chaired by its interim Director, Paul Schreier. GRL receives funding from the Wellcome Trust via a five year funding envelope which is aligned to Wellcome's long term scientific strategy. GRL

provide regular reporting, both financial and non-financial, to Wellcome directly, and through updating their representatives on the GRL Board. GRL work collaboratively with the Wellcome Trust, sharing both scientific and operational expertise.

The impact of the Charitable Company's operations on the community and the environment

We engage closely with our neighbouring communities on environmental issues including:

- Permissive path for local residents to enjoy the Wetlands Nature Reserve on site
- Local residents sit on the Wetlands Community Conservation Group that meets at least twice a year
- Liaising with local residents on parking and transport issues

Refer to the Environmental Statement on page 25 for further details.

The largest impact the Sanger Institute has is on the global scientific community. Through our ethos of Open Science with data and resource sharing, we provide the foundations for biomedical and life-sciences research. Through convening and supporting global scientific consortia and networks we provide access to Sanger science, genomic and data capabilities and scientific leadership.

The Institute engages with professional and public audiences through an extensive programme of genomics-based learning, training, and engagement activities, based on our discovery science (see 'Research Training' page 15). A large part of our engagement is aimed at young audiences. In the last year, we had around 2 million unique website visits to our newly refreshed and relaunched digital resource YourGenome.org, which provides a trusted source of information about genomic science, showcasing the diverse career paths in STEM. Over 1,000 students took part our award-winning virtual work experience course to explore careers at the Sanger Institute. Through our Institute visit and schools outreach programmes we have engaged with around 5,000 young people so far, supported by over 100 Sanger staff each year.

Maintaining a reputation for high standards of business conduct

The Wellcome Sanger Institute's Research Policies are designed to provide guidance to help researchers navigate the legislation relating to their research and to ensure that research is ethical and legal. Our research should embody the core values of the Institute and Wellcome, reflecting our commitment to a research culture founded on honesty, integrity and respect in order to create an open environment of creative exchange of ideas and views. Researchers at the Sanger Institute have the responsibility to be aware of which Research Policies apply to their research and to ensure they and their teams are compliant with them. In October 2020, mandatory training was introduced for all employees,

including Good Research Practice for all scientific staff. Further information regarding our research policies can be found on our website.

Financial review

Results

This is the third year of the 2021-2026 quinquennium award from Wellcome which GRL can draw down as required to meet its objectives as set out in the 2021-2026 scientific plan.

The net deficit for the year, after other recognised gains of £5.4 million (2023: £68.3 million gains) was £1.3 million (2023: £75.1 million surplus). Other recognised gains have arisen due to the accounting requirements of the defined benefit pension scheme.

Income for the year totalled £177.3 million (2023: £189.0 million) of which 72% (2023: 65%) was provided by Wellcome. The Charitable Company has seen a small increase in grant funded expenditure, in part due to inflationary pressures, particularly on salaries and consumables, offset by actions to reduce our cost base and deliver our science more efficiently. As a result, income from charitable activities has increased from £156.8 million to £158.2 million. Other trading income has fallen to £16.0 million (2023: £32.2 million), primarily due to a decrease in income associated with COVID sequencing on behalf of the UK government, in line with the decline in the virus and associated testing. There was £0.8 million investment income in the year, arising from the completion of a research milestone (2023: £nil), following the sale of shares of a programme related investment.

Expenditure in furtherance of charitable activities totalled £184.0 million (2023: £184.0 million). Net expenditure for the year was £6.7 million (2023: £6.8 million net income), comprised of £4.0 million net expenditure (2023: £5.0 million net income) from unrestricted funds (including endowment funds), arising as a result of funding the activities of the Genomic Surveillance Unit from their accumulated surpluses and £2.7 million net expenditure (2023: £1.8 million net

income) on restricted funds arising as a result of depreciation on assets for which the grant income was recognised in previous years.

As at 30 September 2024 the Charitable Company had a pension surplus of £91.7 million (2023 £82.2 million) representing the funding position of the scheme, recognised in the financial statements as a 'pension asset' on an FRS 102 basis. This position represents the difference between an assessment of the liabilities of the pension funds and the current value of their underlying assets. The fair value of scheme assets is in excess of the scheme liabilities. The amount of the surplus or deficit is subject to considerable variability because it depends on a valuation of assets at the year-end date and a range of actuarial assumptions impacting the liabilities.

In 2024 there has been a 0.45% decrease in the discount rate assumption reflecting the increase in long-dated corporate bond yields. FRS102 requires discount rates to be based on corporate bond rates of an appropriate duration, regardless of actual investment strategy and actual investment returns expected. The major assumptions used by the actuary are shown in note 8.

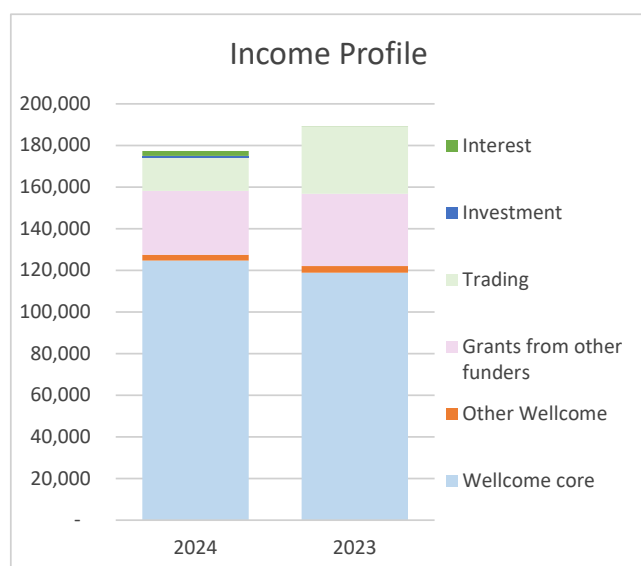
A full triennial actuarial valuation of the Genome Research Limited Pension Plan was carried out as at 31 December 2021. This valuation showed that the plan had a surplus of £42.9 million.

The scheme was closed to further accrual as of October 2021. Wellcome and GRL previously agreed with the GRL Pension Plan Trustee to put in place a Deed of Guarantee. The obligations of the Deed, guaranteed by Wellcome, are that GRL pays the necessary contribution as agreed with the Trustee and the Plan Actuary and that any deficit in the funding identified by a full actuarial valuation will be repaid over a period of five years or less. The Deed provides security to the pension scheme and allows the Pension Trustees to take a longer-term view when deciding their investment strategy.

As at 30 September 2024 there were £2.5 million capital commitments contracted but not accrued, including £0.6 million relating to improvement projects in the laboratories and data centre, and £1.9 million relating to the construction of a new building on Campus (2023: £16.2 million, including £0.1 million relating to improvement projects in the laboratories and data centre, and £16.1 million in relating to the construction of a new building on Campus). The Charitable Company has entered into an agreement with the tenant to cover the full cost of construction. The building was completed in October 2024. The commitment represents the proportion of the development work that was yet to be carried out as of 30 September 2024.

Post Balance Sheet Events

There were no post balance sheet events requiring disclosure in or adjustment to the financial statements at the date of signing.



Reserves Policy

Total net assets at the end of the year were £270.2 million (2023: £271.6 million), after accounting for the pension surplus of £91.7 million (2023: £82.2 million). Total funds (excluding the pension asset) at the end of the year were £178.5 million (2023: £189.4 million).

The restricted income funds of £145.2 million (2023: £152.0 million) consist of capital funds for buildings and capital equipment, and a research fund. The year-end fund balances on the capital funds represent the net book value of the tangible fixed assets purchased from restricted funds. The fund decreased in the year due to the surrender of leasehold properties in relation to the transfer of Campus management activities, as described above. The balance on the year-end research fund represents restricted income funds available to spend in furtherance of its charitable purposes. The balance on the endowment fund of £0.7 million (2023: £0.7 million) represents funds for activities specified by the donor. The movement on reserves is shown in note 22 to the financial statements.

Unrestricted investment funds of £7.4 million (2023: £7.5 million) relate to gains on unquoted investments less amounts owing to staff in relation to these gains (see note 16). Investments are measured at fair value, where possible, and as such are subject to variability.

The unrestricted income funds of £25.2 million (2023: £29.2 million) represent funds generated from external sources that can be allocated at the discretion of the directors, including sequencing as a service, licence fees, royalties, tenant services and exchange gains and losses.

The Charitable Company receives Core funding from Wellcome which is sufficient to finance its general activities and meet its obligations as they fall due during a five year period. The funding structure is reviewed every five years. The Charitable Company has discretion to manage its activities and associated finances to respond to an unforeseen shortfall of funding, such as extraordinary inflation or other factors. The Charitable Company aims to maintain sufficient additional unrestricted reserves, equivalent to 20% of the risk in a single year. The anticipated risk is calculated as part of the annual budget setting process and approved by the Board. Surpluses in excess of this level may be used for organisational objectives. The process for approval of spend is governed by the annual budget setting process, including approval by the Board.

Expenditure policy

For planning purposes an annual budget is agreed with Wellcome. The GRL Board monitors the expenditure of GRL and provides oversight of the internal budgetary and financial control mechanisms in place.

Programme Related Investment Policy

GRL invests in spin-out companies, held as programme related unquoted investments, the objective of which is to maximise opportunities for scientific growth, over and above maximising

financial gain on investment.

Pensions Policy

GRL operates a funded defined contribution scheme into which both employee and employer contributions are paid. GRL's defined benefit scheme was closed to further accrual as of October 2021. There is further disclosure in note 8 to the Financial Statements and in the results above.

Grant Making Policy

GRL works collaboratively with scientific organisations all over the world. As a result, we may sub-award funds to partner organisations who have the scientific expertise to help us deliver our research (see note 5). These awards are only made with the explicit consent of the funding body.

Sub-awards are only granted under collaboration arrangements and as such approval of these awards is subject to GRL's policy for the Financial Governance of Subgrants. Approval requirements vary dependent on the size and nature of the award. Payment schedules are in line with due diligence outcomes and the terms of the agreement with the ultimate funder.

Going Concern

GRL's total net assets at the end of the year were £270.2 million (2023: £271.6 million). The Charitable Company has a pension surplus of £91.7 million (2023: £82.2 million). The latest full funding valuation of the pension scheme indicated that the contributions GRL have made to date are sufficient to meet the requirements of the scheme. The Charitable Company had net current assets at the end of the year of £36.7 million (2023: £40.7 million).

The year ended 30 September 2024 was the third year of the 2021-26 quinquennium award from the Wellcome Trust, and an amount of £560.0 million has been awarded for the five year period, representing the budgeted cost of the scientific plan. Further funding has been provided for power inflation, specific projects and underspends from the previous quinquennium, primarily due to COVID, bringing the total available core funds to £607.5 million.

The extraordinary inflationary pressures arising primarily from the war in Ukraine, and other external factors such as Brexit and the COVID-19 pandemic, since the date the award value was approved, have created a challenging environment in which to deliver the scientific plan within the awarded level of funding. Management have sufficient discretion over the spend to ensure expenditure remains within budget over the five year period without further support, and have identified cost saving opportunities to achieve this, including delaying construction projects; however it is still possible that budget savings would need to be achieved through the reduction of scientific activities, if insufficient savings are made elsewhere.

GRL do not commit to set levels of activity on third party awards. In the event that we wished to support a study beyond the terms of the grant, we would only do this if there were sufficient budget in the core award. Trading contracts

are agreed on commercial terms, in such a way that, as a minimum, all costs are recovered and GRL is not exposed to significant working capital deficits.

In assessing whether the going concern assumption is appropriate, the Trustees take into account all available information which is at least, but is not limited to, twelve months from the date when the financial statements are authorised for issue. After considering the 2024-25 budget and strategic plan for 2021-2026, income under trading contracts and the 5 year award from Wellcome for 2021-2026, the Trustees are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements of GRL.

Plans for Future Periods

The organisational strategy outlines four strategic priorities for the next 10 years:

1. Focusing our science strategy on opportunity areas where our competitive advantages enable us to have unique impact.
2. Developing our culture, by embedding a consistent set of values and empowering a diverse workforce.
3. Configuring our organisation, focusing on the capabilities needed to deliver on these scientific opportunity areas.
4. Ensuring sustained funding that is commensurate with our scientific ambitions.

The primary challenge for all of biomedicine is to achieve a complete molecular understanding of the progression of every disease and how it varies among patients. This knowledge will be critical for predicting, preventing and treating disease and essential for treating individual patients. The Sanger Institute will make steps towards building a comprehensive understanding and the predictive capabilities by deepening its focus on two particular areas over the next 10 years:

1. Nucleotide-resolution genomic medicine to elucidate whether the ~5000 known genes that cause disease – requiring genomic analysis base-by-base;
2. Predictive multi-omic medicine, building models that integrate multiple datasets.

This will bring about transformation in our data generation capabilities and more cross-programme collaboration.

In 2024/25 we will prioritise strategic planning, senior leadership recruitment, embedding our organisational values, development of our core capabilities (data generation and AI), introducing new ways of working and developing the structures and plans necessary to support the institute-wide initiatives. Greater attention will be paid to continuing to evolve our culture and support our staff through this phase of change. We will also revise our impact framework while trialling and embedding approaches to evaluate the progress and success of the strategy. To expand our entrepreneurial skills development programme, we will pilot a pre-accelerator

training course to support Institute's aspiring entrepreneurs.

Partnerships will be key to the delivering on our strategic goals, and we will continue to anticipate future shifts in genomics. For wider exploration and horizon scanning of ideas of what genomics holds for the future, we will deliver a shared set of Genomics Futures workshops in collaboration with Wellcome during 2024/25.

Principal Risks and Uncertainties

The Directors have implemented a formal risk management process to assess financial and business risk and implement risk management strategies. They have identified the main risks GRL faces, prioritised them in terms of potential impact and likelihood of occurrence, and have identified means of managing and mitigating the risks. The Directors have reviewed the adequacy of GRL's current internal controls, including the ongoing improvement programme.

The Audit and Risk Committee reviews the risk management policy, risk processes and the Institute Risk Register throughout the year. It monitors progress against actions arising to address the risks identified. It reviews internal audit's own assessment of risk as part of the review and approval process of the annual risk-based internal audit plan. It also monitors the reports from internal audit and progress against the audit plan and the closure of management actions arising from its reports.

The Internal Audit opinion on the GRL governance, risk management and control environment for 2023/24 is limited. Overall Internal Audit has been able to observe improvements in some areas, particularly with respect to management controls. Key challenges remain including establishing and maturing a comprehensive and fit-for-purpose risk management and controls framework and maturing the Institute's risk culture.

The major strategic risks currently facing GRL are detailed in the table on pages 22 and 23, including the impact of inflation on our objectives.

Credit risk is minimised by careful management of amounts due from external third parties. GRL are able to draw down funds from The Wellcome Trust against the core award as required and therefore liquidity is not considered a significant risk. Wellcome has demonstrated its commitment to the support the Charitable Company financially through the award of a five year grant through to September 2026.

Structure, Governance and Management

GRL is registered as a company, a charity and is governed by its memorandum and articles of association (refer to page 55 for reference and administrative details, including charity registration number and company corporation information). GRL is a wholly-owned subsidiary of the Wellcome Trust and is considered to be so for accounting purposes. Its sole member is the Wellcome Trust Limited, as corporate trustee of the Wellcome Trust .

As at 30 September 2024, Genome Research Trading Limited, and GRL Construction Limited were 100% subsidiaries of GRL. Hinxton Hall Limited is a charitable company, and has only two members: the Wellcome Trust Limited as Trustee of Wellcome Trust and GRL.

Directors are appointed by the GRL Board, however, in accordance with GRL's Articles, the Wellcome Trust Limited also has rights of appointment. All Directors receive an induction and ongoing training comprised of a mix of written information and meetings with key GRL people. The performance of the GRL Board is monitored through regular effectiveness reviews and will be benchmarked against relevant governance codes.

GRL Board of Directors

The GRL Board has overall legal responsibility and accountability for all activities of the Sanger Institute and for all other GRL activity at the Wellcome Genome Campus. It approves the management structure and operating budgets of the Sanger Institute and Wellcome Genome Campus and approves major policies such as on intellectual property. In the year ended 30 September 2024, the GRL Board met on four occasions.

In 2024, following an effectiveness review, a thorough and strategic recruitment initiative was undertaken to address the vacancies on the Board resulting from the expiration of several members' tenures. This recruitment process was conducted under the guidance of an external agency to ensure a rigorous selection of candidates. As a result, five new Board members were successfully appointed, including three independent members and two members designated by Wellcome. Additionally, the Board welcomed a new Chair, John-Arne Rottingen, following his appointment to the role of Wellcome CEO. The list of Directors, including appointments and resignations, is shown on page 55.

The GRL Board receives regular and emergent reports from its own committees and from GRL's Sanger leadership Team and management committees, including:

- the Quinquennial strategy, award and review process;
- strategic proposals and projects, both science and campus related;
- plans and actions supporting equality, diversity and inclusion and the GRL culture;
- all matters reserved to the GRL Board for approval including, amongst others, changes to corporate structure, conflicts of interest and policies relating to conduct, certain appointments, major changes to pension schemes, the annual budget and the annual report and accounts.

GRL Executive Decision Making

In the prior year, as part of the internal Governance Structure Review led by the Head of Corporate Governance, the GRL Executive Board was merged with the Board of Management to form a new executive committee called the

Sanger Leadership Team, bringing together the management leadership and scientific leadership of the organisation for holistic decision making. The Sanger Leadership Team has consistently strengthened its collaborative efforts, effectively supporting the executive office (Sanger Director) in executive decision-making processes critical to the Institute's success. The Sanger Leadership Team, chaired by the Sanger Director, operates as a committee with delegated authority from the GRL Board, ensuring the effective oversight and implementation of GRL's strategic objectives. The Sanger Leadership Team includes representatives from each of the main areas of GRL's strategy and through this cohesive partnership, the Sanger Leadership Team plays a pivotal role in advancing the Institute's mission and aligning its initiatives with the broader organisational strategy

Below the level on which the Sanger Leadership Team operates, the management of each part of the strategy is delegated as follows:

- Scientific Operational and Platforms Committee, chaired by the Scientific Operations Director of the Institute, is responsible for the delivery of our scientific operations.
- Operations Board, chaired by the Chief Operating Officer is responsible for the delivery of operational strategy.
- The Campus Operations Board (chaired by the Chief Operating Officer) is responsible for the development and management of the buildings and infrastructure of the Wellcome Genome Campus.

Audit and Risk Committee

The Audit and Risk Committee reports to the Board on how it has discharged its responsibilities with regard to reviewing:

- risk management (see page 20);
- the systems of internal control;
- the external and internal auditors' qualifications, independence and performance;
- the integrity and transparency of the financial statements;
- compliance with legal and regulatory requirements;
- policies and procedures relating to fraud or misappropriation;
- any serious issue affecting the staff of GRL, including health and safety, HR policies and employment disputes;
- the effectiveness of financial systems, processes and finance function, and;
- financial budgeting and reporting

The members of the Committee were appointed by the Board and are independent of GRL staff. During the year, membership of the Committee has been as follows:

- Daniel Abrams (Chair)
- Karen Chadwick (Wellcome Trust)

Strategic Risks

Risk	Nature of risk	Management of risk
Cyber and Data Security		
	<p>The threat landscape around Cyber security, including Artificial Intelligence, is continually increasing and GRL is not exempt from the risk that a major cyber security breach, either to us or our supply chain, could cause a major disruption to services, disrupt our users, our systems and/or our data.</p> <p>Cutting edge science requires cutting edge scientific computing capabilities. We are mindful of the design of our data storage capabilities and the risk that would be posed if we were unable to adopt new capabilities.</p>	<p>To manage this risk we utilise the skills and experience of our substantial in-house IT department supported by external experts in the field who provide tools and testing capabilities to constantly evolve our defences.</p> <p>Staff awareness and training is a prime focus and we have improved resilience through clarifying responsibilities, increasing controls and running exercises at all levels to test our responses to an event.</p> <p>A long term strategy is now being implemented to provide a more flexible IT environment for the future and as part of this we make continual improvements to the Data Centre resilience.</p>
Economic Pressures		
	<p>GRL has a fixed cost core funding award therefore the impact of global inflationary pressures has been to decrease its real purchasing power. Similarly our third party grant award purchasing power has been eroded. There is a risk that these pressures affect our scientific activities potentially delaying capital expenditure, operational and/or scientific projects and lead to changes in priorities.</p>	<p>We have used a combination of measures to mitigate the effects of financial pressures, including deferred non-critical recruitment to slow down/defer avoidable new cost, fixed pricing on power contracts, long term supply arrangements supply chain resilience and contracts and inventory holdings.</p> <p>We continue to forecast our financial position regularly and make adjustments to our plans to accommodate changes. We continue to work with all of our funders including Wellcome as our core funder to manage this situation but also are taking steps to improve our financial resilience by investing in efficiency and standardisation.</p>
People and Culture including recruitment, retention and flexible work environment		
	<p>Cutting edge science requires GRL to attract, retain and develop a diverse range of talented people, including the finest scientific brains with interests in new areas of science within the genomics field. The recruitment environment has become more challenging across all functional areas as a result of Brexit, commercial market demand for certain skill sets and the inflationary economic environment.</p> <p>The absence of the necessary supportive, inclusive and collaborative culture; inappropriate organisational structures including our faculty model or PhD programme; poor communication; or a deficiency in reward structure could all negatively impact recruitment, retention and development and the achievement of our objectives.</p>	<p>There is a strong emphasis on Culture within the organisation and work is ongoing to maintain and enhance the appropriate norms. This is achieved through a broad continually evolving range of communication and feedback mechanisms; reinforced through integration with employee processes, such as recruitment, promotion and performance review; and reviewed as part of our normal internal audit procedures. We have continued to evolve our working practices to create the flexibility often expected by staff with the collaborative needs of science and campus.</p> <p>We offer extensive staff support, through a comprehensive wellbeing programme, dedicated networks and ongoing monitoring of data in order to be inclusive to all and to promote a diverse staff population. We have increased our staff VISA and residency application support and continue to monitor emerging requirements as regulations change.</p>
Implementation of Innovative Technologies		
	<p>Since both science and the technologies used within GRL are constantly evolving, we need to ensure that we proactively seek out and implement innovative technological solutions to maintain the novelty of our research. Failure to do so could degrade our reputation as a world leading Research Institute, and subsequently have a negative impact on our appeal to key scientists, funders and collaborators of all types.</p>	<p>Continue to scan the markets for new technologies serving our technology requirements, adopt them when they become available, and build on close links with suppliers who may be able to develop technologies with us that will meet our future requirements.</p> <p>Take advice from our International Scientific Advisory Board and collaborate with other Institutes and bodies to ensure we remain at the forefront of science. With support from our scientists, perform a research and development review to define future strategy and develop new ideas, areas of research and governance structure.</p>

Risk	Nature of risk	Management of risk
Campus Development		
	<p>GRL is a world leading Research Institute in genomics and aspires to build a close infrastructure of connected organisations to create a world leading hub of knowledge exchange and support. Wellcome are creating an expanded Campus, building on land adjacent to the existing Campus. Campus development and management oversight will transition to new governance arrangements.</p> <p>There is a risk that the transition of the Campus from one managed by GRL to one managed by a separate company comes at a cost to GRL of reduced services or increased costs, which could result in a material impact on the quality of volume of science undertaken.</p>	<p>Under cost neutrality principles GRL should not suffer additional financial cost from the transition to Wellcome Genome Campus Limited (WGCL). Financially, the impact of WGCL is largely expected to be marginal. A mechanism has been agreed with the Wellcome Trust to ensure the change does not impact our scientific funding.</p>
Sequencing for Large Scale Datasets		
	<p>GRL has built a large amount of know-how, skill and experience in the field of genomics using its large-scale infrastructure. This learning has been employed on several large scale projects which have mutual benefits for both the projects in question and Sanger's core scientific activity.</p> <p>The scale of our data generation and surveillance work for other parties has decreased post pandemic and there is a risk that GRL may not be involved in sequencing large scale datasets on future major projects of a similar or increased scale. This could have a negative impact on our position as a global leader in genomic data. This could also result in a loss of economic benefits and ability to process at scale.</p>	<p>GRL promotes it's capability, capacity and appetite to be involved with and deliver large scale sequencing and other data generation projects. The organisation has both formal and informal contact with multiple external stakeholders from pharma and biotech to funders including Wellcome and government departments, and maintains and monitors a pipeline of potential opportunities for the Sanger Institute, particularly the Genomic Surveillance Unit. We are reviewing and refining our Data Generation Strategy to better support our ability to capitalise on such opportunities.</p> <p>GRL continues to develop technologies and capabilities in this area and by initiating, leading and participating in major research projects cements its strong reputation.</p>
Integration of new systems		
	<p>A combination of market pressures, system complexities and internal processes could result in GRL struggling to adapt to significant changes in functionality of new systems (ERP, LIMS etc). Delivery of those changes could significantly impact upon our ability to deliver the Sanger Strategy.</p>	<p>We are aligning our governance for system selection and implementation to identify issues as early as possible, and working with carefully selected third parties who have experience of these kinds of system implementations, to transition to new ways of working.</p>
Reputational and Regulatory		
	<p>The Institute's reputation is central to its ability to attract and retain talent; collaborate extensively with other researchers, funders and suppliers; receive funding for, and achieve, our research aims. The COVID-19 pandemic has significantly increased public and scrutiny of genomic research; failure to take notice of this may undermine GRL's mission. Failure to adhere to the highest levels of ethical behaviour or good research practice; failure to comply with legislation; or a poor working culture would all pose risks to GRL's reputation.</p>	<p>GRL is transparent and open in its approach to reporting to regulators. All staff receive training in appropriate behaviour, including conflicts of interest and good research practice. GRL continues to proactively engage with government, umbrella organisations and health professionals. GRL influences the positive perception of genomics through publicising scientific breakthroughs in multiple forums including those accessible to the general public such as the press. Public audiences are also engaged through the Connecting Science division.</p> <p>GRL continues to invest and implement best in class data management systems that protect personal and individual data.</p>

- Daniel Mahony
- Matthew Newcombe-Ellis.

Remuneration Committee

The Board of Directors, via its Remuneration Committee, ensures that remuneration arrangements support the strategic aims of GRL, including approving senior staff salaries. The Remuneration Committee sits at least once annually.

Responsibilities of the Board in respect of remuneration are:

- Approving the reward strategy and policies for the remuneration of staff, including the Executive Board;
- Determining individual remuneration packages and terms and conditions of employment above an agreed salary level;
- Exercising any powers of, and approving any decisions required by, the Trust in respect of the Genome Research Limited Pension Plan; and
- Ensuring remuneration practices and policies facilitate the employment and retention of talented people.

Nominations Committee

The Nominations Committee has delegated responsibility from the GRL Board to review the structure, size and composition of the GRL Board, taking account of relevant skills, experience and diversity and to make recommendations to the GRL Board regarding the appointment of its members, and members of the Audit and Risk Committee. The Nominations Committee sits as and when required.

Independent Committee

To manage potential conflicts of interest arising from transactions between GRL and Wellcome, a new Committee was formed in June 2024, composed of GRL Board members unaffiliated with Wellcome.

This Committee, chaired by the GRL Audit and Risk Committee Chair, has delegated authority to approve matters related to the Campus, as outlined in its Terms of Reference and meets as required

Conflicts of Interest

GRL has a policy on conflicts of interest, which applies to directors and employees. The policy requires disclosure of relevant commercial and academic interests. The policy defines the interests that should be disclosed. Outside activities need prior approval and the policy acts out the process for establishing measures to mitigate the impact of potential conflicts.

Key Management Personnel

The Key Management Personnel of GRL have been defined as members of the Executive Board to whom the Board of

Directors have delegated responsibilities for the day-to-day running of the organisation. These are: the Chief Executive, the Chief Operating Officer and the Director of Connecting Science.

The total consideration given to Key Management Personnel is summarised in note 7 to the accounts.

The remuneration of the Board of Directors is governed by the Articles of Association. The remuneration of members of the Executive Board who are considered Key Management Personnel is determined by the Board of Directors as described above, by benchmarking against equivalent positions within the sector.

Auditor

The auditor, Deloitte LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment was approved at the December Board meeting.

Public Benefit

GRL reviews its aims each year to ensure that those aims remain focused on its charitable objects. GRL has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning its future activities.

The Directors are satisfied that due regard has been given to the public benefit guidance published by the Charity Commission as required by section 17 of the Charities Act 2011.

In the opinion of the directors all of GRL's charitable activities are focused on the objects and aims set out above and are undertaken to further GRL's charitable objects for the public benefit.

Health and Safety

The Wellcome Genome Campus management recognise that proactive, well-managed health and safety is directly linked to its growth and success.

Stress, depression or anxiety and musculoskeletal disorders accounted for the majority of days lost due to work-related ill health nationally and also feature in our work-related sickness absence. Our resilience review programme was introduced to enable individuals and teams to build resilience by understanding work-related stressors and encouraging actions to reduce these. The team resilience review programme has continued to gain support and engagement from across the Institute. The individual resilience review programme will become embedded when incorporated into our computer workstation risk assessment later this year. Furthermore, our network of ergonomic champions has continued to grow, enabling enhanced proactive approaches to musculoskeletal risks.

Our internal assurance programmes of laboratories, plant and communal spaces has highlighted where there have been positive health and safety changes and also areas for improvement. To promote good working practices and improve safety culture in our laboratories we have introduced an

inter-laboratory peer inspection programme. Teams continue to consolidate risk assessments into the health and safety management tool enabling greater oversight. Data from the health and safety management tool is key to providing insightful progress reviews with managers and heads of science faculty highlighting positive safety culture and focal points for improvements.

New in 2024, has been the development of an audit framework to measure the effectiveness of our health and safety management systems and implement actions for improvement. A chemical audit was completed in one of our scientific departments and was well received. There are plans to complete more audits in the future.

Our Head of Health and Safety retired at the end of March and one of the Senior Health and Safety Advisers stepped up to the role of Interim Head. We have recruited a new Head for the team who started at the end of August and has previous experience as a Health and Safety Executive inspector and has more recently worked for UK Health Security Agency.

Environmental Statement

The Campus Environmental Sustainability Strategy continues to make progress and we are committed to embedding sustainability into everything we do to ensure our science is delivered with minimal impact.

Operations

We continue to work with our service and supply chain partners to improve our operations on Campus and reduce the associated impact.

Our Integrated Management System (IMS) continues to demonstrate improvement and was successfully recertified against the ISO 14001 & 50001 standards.

Behaviour/Culture

Changing our behaviours and culture to include sustainability within decision-making at every level of the organisation is a priority as we aim to achieve our long-term goals.

- We have introduced a Sustainability E-Learning module to increase the knowledge and awareness of staff on Campus.
- Working groups continue to provide a channel for staff engagement with members creating a great network of Sustainability Champions across our Campus. We recognised the efforts of those champions through our annual Sustainability Stars Awards. Our annual Sustainability Week remained a success too; a week of engagement events showcasing the strategy and targets, our achievements so far, and our plans for the future.
- Wellcome Concordat - In April this year, the Sanger Institute signed Wellcome's Concordat to reduce the environmental impact of carrying out research.

Key Achievements

- Following a successful pilot of the Laboratory Efficiency Assessment Framework (LEAF) within a small group of labs, the framework has been rolled out across Sanger with the ambition for all labs to achieve Bronze by 2025.
- The Data Centre team have made significant strides in reducing energy consumption - since 2019, consumption has reduced by 20%.

Carbon Footprint Table

To calculate our Carbon Footprint, as shown in the table on page 26, we follow the Greenhouse Gas (GHG) Protocol and cover the categories applicable to our operations. To improve the transparency in our emissions reporting, we have provided additional information over and above the Streamlined Energy and Carbon Reporting (SECR) requirements previously reported, an explanation of the differences is included in the table and is the commentary below.

Scope 1 & 2

- We have been measuring our Scope 1 & 2 emissions for many years, however following the pandemic, we made the decision to re-baseline following a change in operations and now use FY2021-22 Oct-Sept as our baseline reporting year.
- Emissions associated with CCHP electrical generation have been included within Scope 1 gas consumption from FY23. Previously these were reported under Scope 2 electrical consumption.
- Energy reduction initiatives include ultra-low temperature freezer review and consolidation, successful trials of refrigeration/air conditioning plant energy reduction technology, and encouraging the use, re-use and purchase of energy-efficient equipment.
- Secured new energy supply contracts from April 2024 and imported power is now procured as 100% REGO backed green energy under Scope 2

Scope 3

- We collate and measure our impact in all Scope 3 categories that apply to our operations, apart from Purchased Goods & Services. The complexity and availability of data within our supply chain is a big challenge, however, we are in the process of formulating our approach to start to measure the impact within this area.
- As the reporting for each of these Scope 3 categories improves and we include more data sources, we expect to see our footprint increase over time before reducing to the minimal emissions generated required to operate.
- Business Travel - we report our emissions associated

with air travel and rail travel

- Resource use and waste are key areas of concern due to the nature of our operations and the consumables used. We take Waste management seriously, with great segregation across our buildings, and a recycling rate of 70%. Certain waste types are consolidated and sorted in a dedicated waste compound, before being baled for re-processing. This includes cardboard, polystyrene, and tip boxes. All raw plant-based food waste from our catering operations are composted by our Grounds teams and used across Campus. The introduction of a 'single-use container charge' saw the uptake of reusable containers improve by 50%.
- Employee Commuting (incl. Homeworking Emissions) - There are several schemes in place to encourage staff to travel to Campus more sustainably. These include a Campus Coach and Shuttlebus service with numerous routes across Cambridge and links with train stations, a dedicated Liftshare platform, electric vehicle charging infrastructure, and various cycling events. Emissions

associated with staff homeworking are included within the emissions reported.

- Procurement & Supply Chain (Purchased Services) - All procurement tenders include sustainability within their assessment criteria and suppliers are chosen with a weighting on their sustainability credentials. We work closely with suppliers to trial new scientific equipment and consumables to reduce the impact of our science.
- Biodiversity - The Campus grounds are managed in favour of biodiversity and improving the number of species and habitats available. The Wildlife Trust carried out a preliminary ecological appraisal of the Campus and a number of recommendations have been provided to improve the habitats in favour of our Biodiversity Net Gain target. We recently installed a tern raft in the centre of our main lake to provide a safe nesting place for terns.

UK Greenhouse gas emissions and energy use data for the period 1 October to 30 September

Scope	Category	2024 Tonnes of CO ₂ e	2023 * Tonnes of CO ₂ e	Explanation	
Scope 1	Total Scope 1	2,903	2,896	F-gas relates to atmospheric leaks from air conditioning or refrigeration units and had not been reported previously	
	Gas consumption	2,704	2,493		
	Owned transport	9	4		
	Generation	118	5		
Scope 2	Total Scope 2	4,559	4,246	All purchased energy is REGO backed, and therefore no market based emissions. Location based emissions reported due to electricity from the national grid	
	Electricity (market based)	-	-		
	Electricity (location based)	4,559	4,246		
Scope 3	Total Scope 3	4,743	6,029	Methodology for purchased/capital goods and upstream distribution still being developed Business travel includes conference attendees in 2024, but only employees in 2023 Employee commuting based on travel survey data Upstream leased assets relate to an offsite data facility, not in use in 2023	
	Upstream	Purchased goods and services	excluded		excluded
		Capital goods	excluded		excluded
		Fuel and Energy related activities	403		367
		Upstream transportation and distribution	excluded		excluded
		Water	15		22
		Waste generated in operations	7		7
		Business travel	2,076		648
		Employee commuting/homeworking	725		1,333
Upstream leased assets	46	-			
Down-stream	Downstream leased assets	1,471	3,652	Consumption from tenants, not previously reported, outside scope of SECR	
	Total recorded	12,205	13,171		
	Intensity ratio [tCO₂e/floor area m²]	0.104	0.120		

*In the prior year the Charitable Company's energy consumption was reported in line with SECR requirements. To improve the transparency in our emissions reporting we have moved to the Greenhouse Gas protocol. An explanation of differences to the previously reported numbers is provided above.

Employee Engagement Statement

Refer to the Section 172 Statement on page 16 for details of how Directors have regard for employee interests and engage with employees.

Employment and diversity

GRL is committed to employment practices, systems and policies that go beyond legislative compliance and follow best practice, while promoting an inclusive working environment that supports the Institute's scientific purpose.

Supporting our staff

We have a broad range of support available to staff, both through established routes such as Human Resources or Employee Partners (our elected Employee Representative community), but also through groups like our Mental Health First Aiders, Parents, Carers and Lesbian, Gay, Bisexual, Transgender, Queer/Questioning (LGBTQ+) networks.

We continue to develop wide ranging routes to support staff during their time at the Institute. We have launched Vault, an independently run advice line for any employee issues and are developing workplace mediators and facilitators to help employees address any issues or concerns at the earliest possible stage.

We offer a portfolio of health and wellbeing support, which we see as a key component to our people proposition and to retaining 'Great Place to Work' status, that is measured annually by an all-staff survey.

Developing greater staff development opportunities

Our people strategy is well established, following the introduction of a new system in 2022. Past employee surveys have highlighted that we can do more to support staff with their career, and we have moved our recruitment services to a 'Talent Acquisition' approach, with associated changes with how we resource talent. Talent Acquisition places far greater emphasis on developing and using established and often internal networks to fill our resource

needs and in the last year, 9.5% of our workforce were promoted, re-graded or moved roles within the Institute.

Creating more career opportunities is a key focus for us, to help retain our talent. We have launched a Career Framework that seeks to create more insightful conversations between staff and their line manager, as to career progression options and what might be required to enable this.

We have always invested in growing our own talent, through schemes such as Apprentice and Management Trainee. These initiatives have already provided many successful hires that are progressing their careers at the Institute. After pausing such schemes in 2023, during economic turbulence, we have relaunched this year and are recruiting a scaled intake in technical and non-technical roles.

Developing our Institute identity

Alongside the new 10 year strategy, the Institute is looking to build greater identity. We are undertaking a project to more formally establish Institute values that will align with the well-established Behavioural Competency Framework and more broadly, our mission and culture.

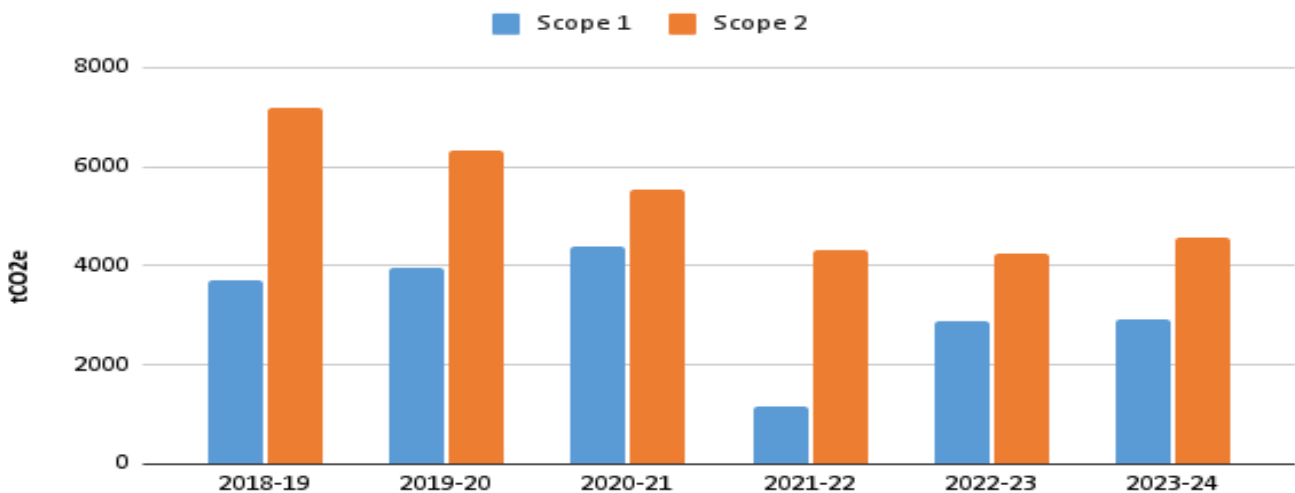
Maintaining and developing an inclusive Institute

Our approach to Equality, Diversity and Inclusion (EDI) remains robust, with a broadening lens focused to develop and maintain a fully inclusive environment at the Institute. We have a well established EDI Network that meets regularly to review initiatives and action intended to continually develop our position.

This year, we have developed our focus on supporting menopause, with seminars and webinars run throughout the year and an expansion of related services offered to staff through Occupational Health and Private Health care.

Our reverse mentoring programme is well established, with multiple cohorts having completed the scheme, with Black, Asian and Minority Ethnic staff and students from across the Institute working with leaders and managers, to share

Scope 1 & 2 Emissions Comparison



their different lived and professional experiences.

We continue to run annual intakes of Post-Doctoral Fellowship aimed at people from black heritage backgrounds - a cohort that is known to be significantly under-represented across academia. This is designed to support the training and career development of black talent to catalyse and effect change along the pipeline. This continued expansion has been achieved with support from external funders.

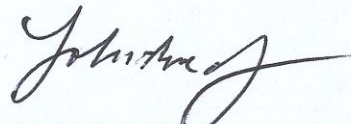
Our Janet Thornton Fellowship (aimed at people returning to science) continues year on year: <https://www.sanger.ac.uk/about/equality-in-science/janet-thornton-fellowship/>

We annually track and report our position on Gender pay. In 2023 (the most recent reporting reference date), GRL had a median gender pay gap of 6.71% (2022 - 7.15%) and mean gender pay gap of 9.61% (2022 -11.06%). The full gender pay report can be found on our website. Data for 2024 will be published in mid 2025.

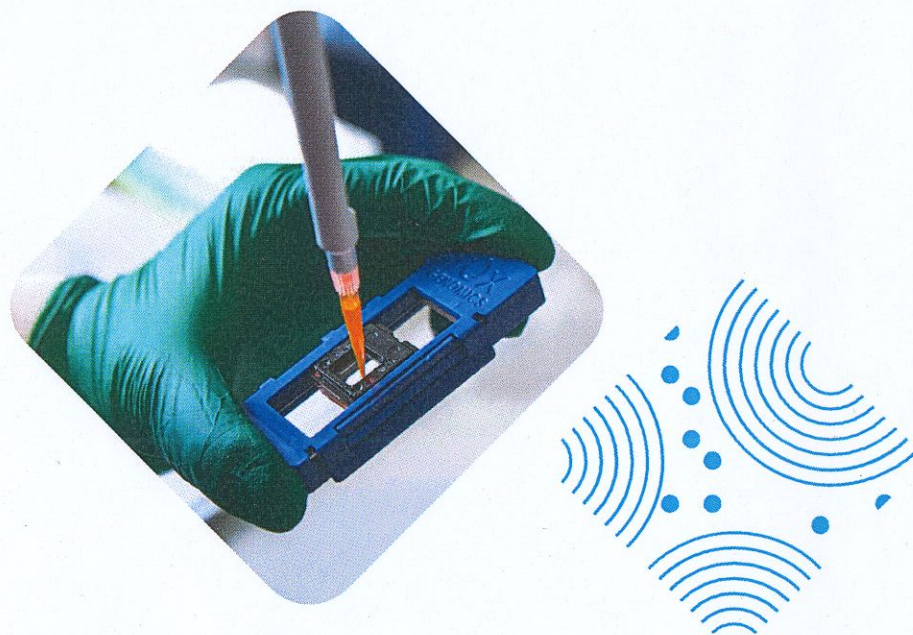
Our equal opportunities policy mandates that the Institute does not discriminate against any job applicant or employee on the grounds of age, disability (including individuals who become disabled while in the Charitable Company's employment), sex, gender reassignment, pregnancy, maternity, race, sexual orientation, marital status, religion or belief; and that decisions on employment, training, promotion and career progressions are made on the basis of their individual performance.

We are continually reviewing how we can further establish ourselves as a fully inclusive employer and in acknowledging our efforts and achievements made to date, we recognise that these efforts can expand further.

This Trustees' report, incorporating the Strategic report, is approved by order of the Board of Directors.



John-Arne Røttingen,
Chair of the Board of Directors,
12 December 2024



Statement of Trustees' responsibilities



The Trustees (who are also directors of Genome Research Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "the Financial Reporting Standard applicable in the UK and the Republic of Ireland".

Company law requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

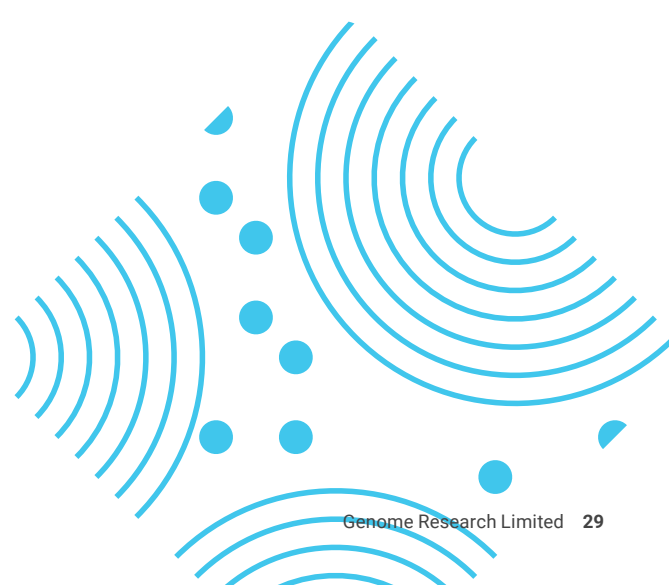
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the

prevention and detection of fraud and other irregularities.

In so as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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



Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Genome Research Limited (the 'Charitable Company'):

- give a true and fair view of the state of the Charitable Company's affairs as at 30 September 2024 and of its 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of financial activities (incorporating an income and expenditure account);
- the balance sheet; and
- the related notes 1 to 24

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in

doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the Charitable Company for the purpose 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 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 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the charitable company's industry and its control environment, and reviewed the Charitable Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the trustees about their own identification and assessment of the risks of irregularities, including those that are specific to the Charitable Company's business sector.

We obtained an understanding of the legal and regulatory framework that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Charities Act, UK Companies Act and pensions legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable Company's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations.

We discussed among the audit engagement team including relevant internal specialists such as pensions, and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

- Risk of fraud in income recognition: this is a presumed risk under International Auditing Standards. We have pinpointed our fraud risks on third party grant income.
- - For third party grant income, income entitlement is dependent on the grant agreement terms and conditions. Further, grant income is recognised based on the expenses incurred in relation to the grant project. We consider the risk to be related to the recognition of income under new grant agreements in line with those agreements and the Charity SORP requirements. To address this risk, we have gained an understanding of the controls in place governing the recognition of grant income under these contracts and obtained evidence of control implementation. We have then tested a sample of new grant agreements to contract documents, trace the expenses to invoices, and verify if the grant recognition is line with the expenses incurred and if expenses are appropriately approved, as well as reviewing board and committee minutes, to test whether income has been accurately recognised in the financial statements.

In common with all audits under ISAs (UK), we are also

required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports, and reviewing any correspondence with HMRC and the Charity Commission.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the strategic report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the trustees' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received

from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charitable company's sole member, 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 sole member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.



Garrath Marshall (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK
12 December 2024

Financial Statements

Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year end 30 September 2024

		2024	2024	2024	2024	2023
		£'000	£'000	£'000	£'000	£'000
		Unrestricted	Endowment	Restricted	Total funds	Total funds
INCOME						
Income from charitable activities		-	-	158,181	158,181	156,722
Income from other trading activities		11,480	-	4,512	15,992	32,183
Investment income		801	-	-	801	-
Interest		2,087	18	268	2,373	126
Total income	3	14,368	18	162,961	177,347	189,031
EXPENDITURE						
Charitable activities	4	(17,881)	-	(165,647)	(183,528)	(184,045)
Total expenditure		(17,881)	-	(165,647)	(183,528)	(184,045)
Unrealised (loss) gain on investments	10	(540)	-	-	(540)	1,780
Net (expenditure) income		(4,053)	18	(2,686)	(6,721)	6,766
Other recognised gains						
Actuarial gains on defined benefit pension scheme	8	-	-	5,400	5,400	68,300
Net movement in funds		(4,053)	18	2,714	(1,321)	75,066
Reconciliation of funds:						
Total funds brought forward at 1 October	22	36,636	704	234,219	271,559	196,493
Total funds carried forward at 30 September		32,583	722	236,933	270,238	271,559

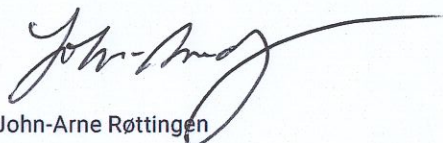
The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. 2023 comparatives are given in note 23. The notes on pages 35 to 54 form part of these financial statements.

Balance Sheet

As at 30 September 2024

	Note	Total funds 2024 £'000	Total funds 2023 £'000
Fixed assets			
Tangible assets	9	180,643	172,518
Investments	10	6,321	6,861
Total fixed assets		186,964	179,379
Current assets			
Stocks	12	4,928	4,963
Debtors	13	58,404	67,038
Cash at bank and in hand		15,359	13,809
Total current assets		78,691	85,810
Creditors: amounts falling due within one year	14	(41,974)	(45,100)
Net current assets		36,717	40,710
Total assets less current liabilities		223,681	220,089
Creditors: Amounts falling due after one year	15	(43,017)	(27,300)
Provisions	16	(2,126)	(3,430)
Net assets excluding pension asset		178,538	189,359
Defined benefit pension scheme asset	8	91,700	82,200
Total net assets		270,238	271,559
The Funds of the Charity			
Restricted income funds	22	145,233	152,019
Endowment fund	22	722	704
Pension funds	8	91,700	82,200
Total restricted funds		237,655	234,923
Unrestricted funds	22	32,583	36,636
Total Charity funds	22	270,238	271,559

The notes on pages 35 to 54 form part of these financial statements. The financial statements on pages 33 to 54 were approved and authorised for issue by the Board of Directors on 12 December 2024 and were signed on its behalf by:



John-Arne Røttingen

Chair

Registered company number: 2742969

1. ACCOUNTING POLICIES

Basis of preparation and statement of compliance

The financial statements of Genome Research Ltd (“GRL”) have been prepared on a going concern basis in accordance with Financial Reporting Standard 102 and with the Statement of Recommended Practice ‘Accounting and Reporting by Charities FRS 102 as published in 2019’ (“the SORP 2019”) together with the Companies Act 2006 and the Charities Act 2011.

GRL meets the definition of public benefit entity under FRS 102. The principal activity of the Charitable Company is genomic research.

The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of investments and on a basis consistent with prior years.

The Charitable Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The financial statements of GRL and its subsidiaries (Hinxtton Hall Limited, Genome Research Trading Limited and GRL Construction Limited) are consolidated within the financial statements of its parent entity, the Wellcome Trust. As such, GRL has applied the disclosure exemption from preparing consolidated financial statements. Exemptions have also been taken in relation to presentation of a Statement of Cash Flows, Financial Instruments and Related Party Transactions. The equivalent disclosures relating to the exemptions have been included in the Consolidated Financial Statements of the Wellcome Trust, its parent. Related party transactions with Trustees and key management personnel are included in note 7.

The preparation of financial statements in conformity with FRS 102 requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Charitable Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Fund accounting

The Charitable Company’s funds consist of restricted and endowment funds which are subject to specific conditions imposed by the donors, and unrestricted funds which may be spent at the discretion of the Directors in the furtherance of the objects of the Charitable Company. The endowment fund is an expendable endowment. Further analysis of funds is detailed in note 22.

Income

Income is recognised in line with the SORP requirements for entitlement, probability and measurement. The Charitable Company’s core funding from the Wellcome Trust is in the form of a multi-period grant which is subject to annual approval based on a review of science and the agreement of annual budgets. The income for core funding is recognised when the conditions for grant recognition have been satisfied. Entitlement is when the expenditure has been committed.

Income from charitable activities consists of income from research and capital grants. Other research grants fall largely into two categories: those which are performance related and specify a level of service, and those with no conditions attaching. Income for performance-related grants is recognised when the expenditure is incurred as this reflects the service levels. Income for non-performance-related grants is recognised when awarded as this represents entitlement.

Capital grants with no performance related conditions are recognised when the Charitable Company is entitled, the receipt is probable and the amount is measureable which is when the award letter is received.

Income from other trading activities is recognised under the same criteria of entitlement, probability and measurement. Judgement is required to determine the point at which these conditions are met. Income received in advance of meeting the recognition criteria is deferred and income earned but not received is accrued. Other income relates to tenant services, licensing, royalties and service contracts. Rental income received from operating leases is recognised in line with the period of tenancy.

Income in relation to service contracts, is recognised by reference to the stage of completion of the contract activity as at the balance sheet date. This is normally measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs once the final outcome can be assessed with reasonable certainty. All income is recognised net of Value Added Tax (“VAT”). Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year. Where income is recognised in advance of invoicing, the amounts are recorded as accrued income.

Investment income is recognised when a programme related investment is sold for more than its carrying value.

Interest income relates to income received on our bank deposits, endowment funds and our intercompany debtor balance with The Wellcome Trust. Interest is recognised using the effective interest rate method.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charitable Company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is recognised on an accruals basis.

Expenditure on charitable activities

All grants awarded are subject to performance conditions and as such the grant is recognised in line with the work performed by the sub-grantee. The notification of award of grants is a non-exchange transaction. The Charitable Company has three activities: Sanger Institute, Connecting Science and Enterprise and Innovation. Where possible, expenditure that relates to more than one activity is apportioned. Apportionment is in proportion to direct costs. Governance costs represent expenditure incurred in compliance with constitutional and statutory requirements including internal and external audit and are included within support costs.

The costs of pension related expenditure is allocated on the basis of the staff to which the costs relate.

Redundancy costs are recognised in the period in which the employees affected are notified of the decision.

Tangible fixed assets and depreciation

Tangible fixed assets are measured initially on the balance sheet at their historical cost. Tangible fixed assets costing more than £10,000 are capitalised together with any incidental costs of acquisition. Costs related to building projects are capitalised from the date the building project becomes viable. Prior to that date costs are written off as incurred. During the construction phase, buildings are classified as being in the course of construction until the date of practical completion when they are transferred to leasehold buildings.

Depreciation is calculated so as to write off the cost of the tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. Assets are reviewed annually for evidence of impairment. If, in the opinion of the directors, events or circumstances have arisen that indicate that the carrying value of an asset is impaired, impairment is recognised in the year in which it occurs. No depreciation is charged during the year on the assets in the course of construction. Where an asset has been purchased for use on a third-party funded activity, it is written off over the period of the funding.

The principal annual rates used for this purpose are:

Short leasehold buildings	Over the lease term
<u>Laboratory equipment fixtures and fittings</u>	
General laboratory equipment, fixtures and fittings	Over 5 years
Sequencing instruments	Over 3 years
Computing equipment	Over 3 years

All the Charitable Company's tangible fixed assets are used for direct charitable purposes. The short leasehold buildings are held under leases from the Wellcome Trust, at £nil cost p.a., which expire in February 2055.

Financial Instruments

The Charitable Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial assets and financial liabilities are recognised when the Charitable Company becomes a party to the contractual provisions of the instrument.

i) Financial assets

Basic financial assets including trade and other receivables, cash and bank balances, and intercompany loans are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (normally the transaction price excluding transaction costs).

Financial assets and liabilities are only offset in the Balance Sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Charitable Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Investments — see policy below

Cash at bank and in hand has maturity of less than 3 months.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated party without imposing additional restrictions.

Genome Research Limited

Notes to the Financial Statements for Year Ended 30 September 2024

ii) Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies are recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are normally recognised at settlement amount after allowing for any trade discounts due.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Stock

Stock is stated at the lower of cost and net realisable value less costs to complete and sell. Cost is determined on a first-in first-out basis. Stock takes are conducted on a cycle basis. Where necessary, obsolete, slow moving and defective stock is written off or provided for when identified.

Foreign currencies

The functional currency of the Charitable Company is considered to be pounds sterling because that is the currency of the primary economic environment in which it operates. The financial statements are also presented in sterling. Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. All differences are recognised in the Statement of Financial Activities.

The Charitable Company's parent has provided the Charitable Company with an open-ended facility to convert currency at a favourable rate. The Charitable Company considers this service to be a donation-in-kind to which no value is attributed. The Charitable Company recognises exchange gains arising on these transactions in the statement of financial activities.

Investments

Unquoted programme related investments are initially recognised at cost and subsequently measured at fair value at each reporting date. If fair value cannot be measured reliably, they are measured at cost less impairment. Given the investments made by the Charitable Company are at the early stage, it is considered that the only likely indicator of fair value is a recent funding round. The price of the recent funding round may provide a good indication of fair value unless there is objective evidence that the investment has since been impaired, such as observable data suggesting a deterioration of the financial, technical, or commercial performance of the underlying business.

In the instance where a reliable fair value had previously been available but can no longer be determined, the previous value is deemed to be the cost for the purpose of measuring the cost and then reviewed for impairment. Where there has been no funding round, the investments are held at the original cost of the share subscription. Changes in fair value are recognised in income and expenditure.

Investments in subsidiaries are measured at cost less impairment.

Defined benefit pension plan

The Charitable Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration.

The asset (liability) recognised in the balance sheet in respect of a defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date. The defined benefit obligation is calculated using the projected unit credit method. Annually the Charitable Company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high-quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Charitable Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to "Actuarial gains and losses on defined benefit pension plans" in the Statement of Financial Activities.

The net interest cost is calculated by applying the discount rate to the net balance of defined benefit obligation and the fair value of plan assets. This cost is recognised as part of resources expended.

Defined contribution pension plan

The Charitable Company operates a defined contribution plan for certain employees. A defined contribution plan is a pension plan under which the Charitable Company pays fixed contributions. Once the contributions have been paid the Charitable Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Charitable Company in independently administered funds.

Provisions and contingencies

Provisions are recognised when the Charitable Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are discounted to present value where the effect is material.

The Charitable Company recognises provisions in relation to amounts due to employees in relation to investment gains, to faculty members continuing their research at other institutions and amounts due to employees under redundancy agreements in relation to restructuring within the Genomic Surveillance Unit.

Contingent liabilities are potential future cash outflows, where the likelihood of payment is considered more than remote, but is not considered probable or cannot be measured reliably. These are not recognised but are disclosed in the financial statements.

Contingent assets are potential future inflows of economic benefits where the likelihood of receipt is considered more than remote, but is not considered probable or cannot be measured reliably. These are not recognised but are disclosed in the financial statements.

Taxation

The Charitable Company is exempt from taxation on its income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to their charitable purposes.

In common with many other charities, the charity is unable to recover the majority of VAT incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates.

Going Concern

In assessing whether the going concern assumption is appropriate, the Trustees take into account all available information which is at least, but is not limited to, twelve months from the date when the financial statements are authorised for issue. GRL do not commit to set levels of activity on third party awards. In the event that we wished to support a study beyond the terms of the grant, we would only do this if there were sufficient budget in the core award. Trading contracts are agreed on commercial terms, in such a way that, as a minimum, all costs are recovered and GRL is not exposed to significant working capital deficits. The year ended 30 September 2024 was the third year in a five year award from GRL's parent company, Wellcome. Management have sufficient discretion over spend to ensure expenditure remains within budget over the five year period. After considering the 2024-25 budget and strategic plan for 2021-2026, income under trading contracts and the 5 year award from Wellcome for 2021-2026, the Trustees are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements of GRL.

2. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Charitable Company's accounting policies which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from estimates.

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

2.1 Significant judgements in applying the entity's accounting policies

The following are the significant judgements, apart from those involving estimations (which are dealt with separately below), that management has made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Recognition of charitable income

Trading income earned under significant long term service contracts is recognised based on stage of completion. Judgement is required to determine the most appropriate method of calculating the stage of completion.

Investment valuation

The Charitable Company holds unquoted programme related investments. Judgement is required to determine whether the investments' fair values can be measured reliably. Where there is recent funding round, management assesses whether the price of the recent funding round provides a good indication of fair value. Management considers whether GRL or other investors have participated in that funding round, and then assesses whether there is any observable data as to whether the price is a fair value to provide a basis for valuation. Where the latest funding round is not recent, then management assesses whether the previous price can be used as a deemed cost and assesses whether there has been any deterioration in the financial, technical, or commercial performance of the underlying business. Management will also look at other indicative financial data, where available, such as net asset value or discounted cashflows to see whether that indicates impairment provision to the deemed cost.

2.2 Significant accounting estimates and assumptions

The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Assumptions used to determine the carrying amount of the Charitable Company's defined benefit pension obligation

The Charitable Company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate used. The scheme is most sensitive to changes in the discount rate and rate of inflation applied. Management estimates these factors in determining the net pension obligation in the balance sheet. The discount rate is set by reference to market yields at the end of the reporting period on high-quality corporate bonds. See note 8 for the disclosures relating to the defined benefit pension scheme including an analysis of the sensitivity to the principal assumptions of the value of the plan's liabilities. We discuss the critical assumptions relating to the defined benefit pension scheme in the Financial Review section on page 18.

Fair value measurement and valuation processes

Fair value of programme related investments is estimated by reference to the price of recent investment, where available. If there are indicators that this price is not a reliable estimate of fair value, the price may be adjusted. If it is determined there is no reliable basis for estimating fair value, the investment is held at cost less impairment.

3. TOTAL INCOME

The Charitable Company has three main activities: Sanger Institute, Connecting Science and Enterprise and Innovation.

Detailed analysis follows:

	2024	2023
	£'000	£'000
Sanger Institute	147,528	148,319
Connecting Science	4,855	5,044
Enterprise and Innovation (Campus)	5,798	3,359
Total income from charitable activities	158,181	156,722
Core grants from Wellcome	124,713	118,850
Other grants from Wellcome	2,771	3,150
Grants from other funders	30,697	34,722
Total grants from charitable activities	158,181	156,722
Income from other trading activities	15,992	32,183
Investment income	801	-
Interest	2,373	126
Total income	177,347	189,031

Income includes grant funding for both capital and operating expenditure. Grants from other funders includes £1.8 million government research grants (2023: £1.1 million). There are no unfulfilled conditions attached to these grants. Other trading income includes income from sequencing services, of which £5.5 million (2023: £20.7 million) in relation to COVID sequencing; as well as tenant services and utilities, salary recharges, rental income, licences, the release of deferred income from EBI, and other immaterial income streams. Other trading income of £11.5 million (2023: £27.6 million) relates to unrestricted funds. Interest income of £2.4 million (2023: £126,000) has been recognised in the year, of which £18,000 (2023: £17,000) relates to the endowment fund and £2.1 million (2023: £nil) relates to unrestricted interest on intercompany balances with The Wellcome Trust. Investment income of £0.8 million (2023: £nil) related to gains on the sale of Programme Related Investments and is unrestricted income (note 10).

Wellcome grants and trading income is derived from the UK, other than licensing income of £3.8 million (2023: £3.5 million) from our COSMIC platform which is sold via an agency in Germany. In the opinion of the Directors, other grant funding does not differ substantially between countries due to the collaborative nature of the research performed, and so is considered one market. Investment income from selling Kymab to US based Sonofi was derived from the USA, even though Kymab's operations remain in the UK. Therefore all income is derived from activities which take place in the UK.

4a. EXPENDITURE

The Charity has three activities. Expenditure relating to each activity comprises operating expenditure, including depreciation.

	2024			2023		
	Direct	Support	Total	Direct	Support	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Sanger Institute	154,509	16,659	171,168	158,229	15,948	174,177
Connecting Science	5,085	548	5,633	5,381	542	5,923
Enterprise and Innovation	6,072	655	6,727	3,584	361	3,945
	165,666	17,862	183,528	167,194	16,851	184,045

Support costs have been allocated in proportion to direct costs. Support costs include staff costs of £11.4 million (2023: £11.5 million), depreciation of £0.7 million (2023: £0.7 million), premises costs of £3.1 million (2023: £2.6 million) and other costs of £2.1 million (2023: £2.1 million). Support costs include governance costs.

4b. GOVERNANCE COSTS

	2024	2023
	£'000	£'000
External audit costs	271	178
Internal audit costs	113	139
Directors' remuneration and expenses (see note 7)	9	9
	393	326

Governance costs have been allocated in proportion to direct costs. Audit fees payable to the Charitable Company's statutory auditor for the external audit of these financial statements totalled £169,000, excluding irrecoverable VAT (2023: £160,000).

5. GRANTS AWARDED

Expenditure related to grants awarded is as follows:

	2024	2023
	£'000	£'000
Grants to Institutions		
University of Cambridge	665	2,959
University College London	564	191
London School of Hygiene & Tropical Medicine - MRC Unit, Gambia	411	209
University of Ghana	410	113
Josep Carreras Leukaemia Research Insititute	332	315
King's College London	254	270
Queen Mary University	225	168
University of Tartu	56	256
University of Southern California	172	320
EBI-EMBL	-	529
Ghent University	-	237
Lahore University of Management Sciences	13	292
Grants to other Institutions	1,790	2,336
	4,892	8,195

All grants awarded are for the field of genomic research, either through collaborative programmes or to build capacity in lower-middle income countries.

Grants are generally awarded to a particular individual, although the actual award is normally made to the host institution.

Included within Sanger Institute support costs (see note 4a) is an amount of £0.4 million (2023: £0.8 million) allocated to grant making activities.

All grants awarded are subject to performance conditions and as such the grant is recognised in line with the work performed by the sub-grantee. All outstanding liabilities for grants not paid are recognised as accruals for grants payable in note 14 (Creditors: amounts falling due within one year).

6. NET INCOME BEFORE OTHER GAINS AND LOSSES

Net income before other gains and losses is stated after (crediting) charging:

	2024	2023
	£'000	£'000
Foreign exchange gains	(2,242)	(2,524)
Depreciation	12,457	12,626
Gain on disposal of fixed assets	-	(460)
Internal audit costs	113	139
Fees payable to the company's auditor for the audit of:		
Statutory financial statements	259	167
Pension Fund	12	11

7. EMPLOYEE INFORMATION**Number of employees**

The monthly average headcount of employees analysed by activity and function area, was:

	2024	2023
	Number	Number
Sanger Institute	1,020	994
Connecting Science	55	56
Enterprise and Innovation	3	6
Administrative	218	215
	1,296	1,271
Analysed by		
Sanger Institute		
Cancer	144	132
Cellular Genetics	108	102
Generative Genomics	13	-
Human Genetics	61	70
Parasites and Microbes	80	73
Tree of Life	88	83
Genomics Surveillance Unit	103	85
Open Targets	56	60
Science Platforms	202	229
Science Strategy	26	22
Science Support	3	4
IT Platforms	129	126
Translation	7	8
Total	1,020	994
Connecting Science	55	56
Enterprise and Innovation	3	6
Administrative	218	215
Total Employees	1,296	1,271
PhD Students	65	62
Total Headcount	1,361	1,333

Genome Research Limited

Notes to the Financial Statements for Year Ended 30 September 2024

PhD students are not employed by the Charitable Company but provide a significant contribution to the scientific research. Only those students who receive a stipend directly from GRL are included within the headcount total. Included in the monthly average are 1,219 (2023: 1,206) full time employees and 142 (2023: 127) part time employees.

	2024	2023
	£'000	£'000
Employment costs		
Wages and salaries	70,026	66,813
Social security costs	7,482	7,198
Short term benefits	1,322	1,444
Pension costs	4,028	7,905
	82,858	83,360

The number of employees whose emoluments amounted to £60,000 or more (excluding employer's National Insurance Contributions, benefits in kind and employer's pension contributions) during the year was as follows:

	2024	2023
	Number	Number
£60,000 to £69,999	143	119
£70,000 to £79,999	67	41
£80,000 to £89,999	26	25
£90,000 to £99,999	16	19
£100,000 to £109,999	13	11
£110,000 to £119,999	10	4
£120,000 to £129,999	3	4
£130,000 to £139,999	5	3
£140,000 to £149,999	2	-
£150,000 to £159,999	1	2
£160,000 to £169,999	2	-
£170,000 to £179,999	2	6
£180,000 to £189,999	3	1
£190,000 to £199,000	2	-
£210,000 to £219,999	-	2
£240,000 to £249,999	-	1
£250,000 to £259,999	-	1
£260,000 to £269,999	1	-
£270,000 to £279,999	1	-
£290,000 to £299,999	1	-
£360,000 to £369,999	-	1

All employees earning more than £60,000 participated in one of the charitable company's pension schemes.

Redundancy and termination payments

	2024	2023
	£'000	£'000
Redundancy and termination costs	347	315

Genome Research Limited

Notes to the Financial Statements for Year Ended 30 September 2024

Redundancy payments have been made to individuals where an organisational restructure has resulted in their existing roles no longer being required.

Directors' remuneration

The Directors of GRL received no remuneration in relation to their duties as Directors, however they received remuneration totalling £7,686 (2023: £7,650) in respect of other positions held and travel and accommodation expenses of £20,949 (2023: £1,332). No other benefits or expenses were reimbursed to the directors of the Charitable Company. Four of the Directors are either salaried employees of Wellcome or Governors (Directors) of The Wellcome Trust Limited (the corporate trustee of the Wellcome Trust) and do not receive any additional emoluments for their role as Directors of the charitable company. None of these amounts are recharged to the Charitable Company.

Five directors work at, or are directors of, organisations that either received funding from the Wellcome Trust, GRL's parent, or directly from GRL. The Charitable Company has procedures in place to manage conflicts declared.

Directors' indemnity policy

The charitable company is party to a group-wide directors and officers insurance policy which includes all of its current directors. This is not a Qualifying Third Party Indemnity Provision for the purpose of the Companies Act 2006.

Key management personnel remuneration and benefits

Key management personnel includes members of senior management and directors as described on page 24 of the Trustees' report. The employee benefits paid or payable, including pension contributions, to key management for employee services is shown below:

	2024	2023
	£'000	£'000
Salaries and other short-term benefits	690	712

8. PENSION SCHEME

The Charitable Company operates a funded defined benefit scheme and a defined contribution scheme for its employees.

All contributions to the defined benefit scheme are held in trustee-administered funds (The Genome Research Limited Pension Plan) which is independent of the Charitable Company's finances. A full actuarial valuation of this scheme was carried out at 31 December 2021 and has been updated to 30 September 2024 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below:

	30 September 2024 per annum	30 September 2023 per annum
Inflation (RPI)	3.00%	3.20%
Inflation (CPI)	2.75%	2.90%
Salary Growth	n/a	n/a
Discount Rate	5.10%	5.55%
Allowance for revaluation of deferred pensions of RPI of 5% p.a. if less	3.00%	3.20%
Allowance for pension in payment increases of RPI or 5% p.a. if less	2.80%	2.90%
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.05%	2.05%
Commutation of pension to cash at retirement	90% of Post A Day	90% of Post A Day

Genome Research Limited
Notes to the Financial Statements for Year Ended 30 September 2024

Mortality assumptions adopted imply the following life expectancies at age 60:

	30 September 2024	30 September 2023
Male retiring in 2024 (2023)	25.9 years	26.0 years
Female retiring in 2024 (2023)	28.4 years	27.5 years
Male retiring in 2044 (2043)	27.5 years	28.3 years
Female retiring in 2044 (2043)	29.9 years	29.8 years

Announcements by HM Treasury and the UK Statistics Authority on 4 September 2019 propose changes to the calculation of the Retail Prices Index (RPI) to match the Consumer Price Index including Housing (CPIH) at some time from 2025 to 2030.

This could reduce RPI-linked pension benefits by as much as 1% p.a. if or when CPIH is used instead of RPI, which would lead to a reduction in RPI-linked pension liabilities, or Defined Benefit Obligation. The formal consultation on the proposed changes to RPI was launched on 11 March 2020 and the outcome of this was announced on 25 November 2020. This announcement confirmed that RPI will increase in line with CPIH from 2030. The assumptions adopted to calculate the defined benefit obligation as at 30 September 2024 and 30 September 2023 were derived based on the expectation that RPI will increase in line with CPIH from 2030 and therefore no adjustments have been made for this proposed change within the assumption for RPI used to calculate the Defined Benefit Obligation

The full triennial actuarial valuation of the Genome Research Limited Pension Plan, carried out as at 31 December 2021, showed that the plan had a surplus of £42.9 million.

In April 2021 the Charitable Company announced that it was starting a consultation on a proposal to close the defined benefit pension scheme to further accrual. The closure took effect as of 1st October 2021.

Wellcome and GRL previously agreed with the GRL Pension Plan Trustee to put in place a Deed of Guarantee. The obligations of the Deed, guaranteed by Wellcome, are that GRL pays the necessary contribution as agreed with the Trustee and the Plan Actuary and that any deficit in the funding identified by a full actuarial valuation will be repaid over a period of five years or less. The Deed provides security to the pension scheme and allows the Pension Trustees to take a longer-term view when deciding their investment strategy.

The Charitable Company is aware of the recent Court of Appeal ruling in Virgin Media Limited v NTL Pension Trustees II Limited, which may have implications for certain historical pension scheme amendments. The Charitable Company hasn't evaluated the potential impact of this ruling on its defined benefit pension scheme and will undertake a full assessment in the coming financial year.

(i) Charge to the Statement of Financial Activities and Other Comprehensive Income over the financial year:

	2024 £m	2023 £m
Operating charge		
Current service cost	-	-
Expenses**	0.5	0.5
Net interest income	(4.6)	(0.7)
Net gain to Statement of Financial Activities prior to actuarial gain	(4.1)	(0.2)
Actuarial gain	(5.4)	(68.3)
Total gain in Statement of Financial Activities	(9.5)	(68.5)

** These figures exclude insurance premiums for death in service benefits and PPF levies.

(ii) Defined benefit costs recognised in other comprehensive

i	2024	2023
	£m	£m
Return on plan assets* - gain	23.7	28.1
Effects of experience adjustments	(0.7)	(11.3)
Experience losses arising on the plan liabilities	(17.6)	51.5
Total amount recognised in other comprehensive income - gain	5.4	68.3

*Excluding interest income

(iii) Reconciliation of opening and closing balances of fair value of scheme assets

	2024	2023
	£m	£m
Fair value of scheme assets at start of year	334.8	295.7
Interest income	18.5	14.4
Return on plan assets (excluding interest)	23.7	28.1
Contributions by employer	-	-
Benefits paid & death in service insurance premiums	(3.3)	(3.4)
Fair value of scheme assets at end of year	373.7	334.8

Analysis of the sensitivity to the principal assumptions of the value of the plan's liabilities:

Assumption	Change in assumption	Impact on liabilities
Discount rate	Increase/decrease of 0.5% p.a	Decrease/increase by 10.5%
Rate of inflation	Increase/decrease of 0.5% p.a	Increase/decrease by 5.8%
Life expectancy	Increase/decrease of 1 year	Increase/decrease by 1.7%
Long-term rate of mortality improvement	Increase/decrease of 0.25% p.a	Increase/decrease by 0.6%

Contributions payable to the defined benefit scheme during the year amounted to £nil (2023: £nil). £0.3 million (2023: £0.4 million) was paid in respect of scheme administration expenses and insurance premiums for death in service benefits. The actual return on the plan assets over the period ended 30 September 2024 was £42.2m (2023: £42.5m).

The best estimate of contributions to be paid by the employer to the scheme for the year beginning after 30 September 2024 is £nil (2023: £nil), as the scheme is closed to further accrual.

Scheme Assets

	30 September	30 September
	2024	2023
Equity	94.0	334.8
Debt	277.0	-
Other (Property, Cash, etc.)	2.7	-
Total Assets	373.7	334.8

(iv) Reconciliation of opening and closing balances of the fair value of the defined benefit obligation

	2024	2023
	£m	£m
Scheme liabilities at start of year	252.6	282.0
Current service cost	-	-
Expenses	0.7	0.5
Interest cost	13.9	13.7
Actuarial gains	18.3	(40.2)
Benefits paid & death in service insurance premiums	(3.5)	(3.4)
Gains on curtailments	-	-
Scheme liabilities at end of year	282.0	252.6

(v) Amounts for the current and previous four years:

	2024	2023
	£m	£m
Fair value of assets	373.7	334.8
Present value of scheme liabilities	(282.0)	(252.6)
Surplus (deficit) in scheme	91.7	82.2
Return on scheme assets	23.7	28.1
Experience (losses) gains on scheme liabilities	(0.7)	(11.3)
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities	(17.6)	51.5

Defined contribution scheme

The Charitable Company provides a defined contribution Group Personal Pension Plan.

The amount recognised as an expense for the defined contribution scheme was:

	2024	2023
	£'000	£'000
Current period contributions	8,128	7,890

Contributions paid to the defined contribution scheme during the year amounted to £8.1 million (2023: £7.9 million). Pension contributions are allocated between funds and activities based on the work each employee performs.

9. TANGIBLE FIXED ASSETS

	Assets in the course of construction £'000	Short leasehold buildings £'000	Laboratory equipment, fixtures and fittings £'000	Total £'000
Cost				
As at 1 October 2023	15,401	202,058	161,385	378,844
Additions	15,687	408	4,487	20,582
Transfers	(2,366)	1,132	1,234	-
Disposals	-	-	(2,617)	(2,617)
As at 30 September 2024	28,722	203,598	164,489	396,809
Accumulated depreciation				
As at 1 October 2023	-	65,307	141,019	206,326
Charge for the year	-	4,365	8,092	12,457
Disposals	-	-	(2,617)	(2,617)
As at 30 September 2024	-	69,672	146,494	216,166
Net book value at 30 September 2024	28,722	133,926	17,995	180,643
Net book value at 30 September 2023	15,401	136,751	20,366	172,518

10. PROGRAMME RELATED INVESTMENTS

	2024 £'000	2023 £'000
At 1 October	6,861	5,080
Additions	-	1
Unrealised (losses) gains	(540)	1,780
At 30 September	6,321	6,861

As at 30 September 2024, £2.9 million (2023: £3.4 million) of programme related investments were stated at fair value and £3.4 million (2023: £3.5 million) were stated at cost less impairment. Unrealised losses of £0.5 million (2023: £1.8 million gains) is comprised of £0.6 million gains (2023: £3.0 million), representing an increase in the estimated value, offset by £1.1 million losses (2023: £1.2 million). All gains and losses arose as a result of remeasurement of fair value.

Unquoted programme related investments represent the Institute's holding of ordinary share capital of Microbiotica Ltd (3%) and Congenica Ltd (3%), Mosaic Therapeutics Limited (6%) Quotient Inc (2 %) and Ensocell Limited (10%). Investments in subsidiaries as at 30 September 2024 and 2023 were held at £1 (see note 21).

11. TAXATION

The Company is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The estimated cost of irrecoverable VAT suffered by the charitable company was £5.3 million (2023: £3.9 million). This amount is charged in the accounts with its related expenditure.

12. STOCK

	2024	2023
	£'000	£'000
Raw materials and consumables	4,928	4,963

In the opinion of the Directors, replacement costs of stock would not differ materially from that stated above.

13. DEBTORS

	2024	2023
	£'000	£'000
Trade debtors	2,212	6,056
Amounts owed by parent undertaking	41,269	45,780
Amounts owed by subsidiary undertakings	-	144
Prepayments	9,743	9,331
Accrued income	3,661	4,203
Other debtors	1,519	1,524
	58,404	67,038

Prepayments relate to annual service and maintenance contracts paid in advance. Accrued income relates to work undertaken on third party grants in advance of funding being received. Amounts owed by parent and group undertakings are unsecured, have no fixed date of repayment and are repayable on demand. Interest is accrued on the net monthly debtor balance using Wellcome's average overnight deposit rate.

Amounts owed from subsidiary undertakings of £0.1 million in 2023 were due from Genome Research Trading Limited.

None of the amounts shown above are due after one year.

14. CREDITORS: Amounts falling due within one year

	2024	2023
	£'000	£'000
Trade creditors	5,977	6,271
Amounts owed to group undertakings	1,142	1,798
Taxation and social security	1,915	2,042
Other creditors	1,175	1,816
Payroll creditors	5	-
Accruals for grants payable	2,210	450
Other accruals	3,995	6,501
Deferred income	25,555	26,222
	41,974	45,100

Amounts owed to group undertakings are comprised of £1.1 million (2023: £1.8 million) payable to GRL Construction Limited and £15,000 (2023: £nil) payable to Genome Research Trading Limited. Amounts owed are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

15. CREDITORS: Amounts falling due after one year

	2024	2023
	£'000	£'000
Between one and five years - deferred lease premium	3,491	3,491
More than five years - deferred lease premium	39,526	23,809
	43,017	27,300

Deferred income	Lease premium	Grant income	Trading contracts	2024 £'000	2023 £'000
At 1 October	28,224	21,890	3,408	53,522	51,766
Received during the year	16,265	29,492	2,605	48,362	50,213
Released to income during for the year	(548)	(30,662)	(2,102)	(33,312)	(48,457)
At 30 September	43,941	20,720	3,911	68,572	53,522

The deferred lease premium of £43.9 million (2023: £28.2 million), including a short term element (see note 14: Creditors: Amounts falling due within one year) of £0.9 million (2023: £0.9 million), related to a lease premium received from the European Bioinformatics Institute ('EBI'). The deferred grant income of £20.7 million (2023: £21.9 million) relates to cash received in advance from third party grantors. Deferred income on trading contracts relates to amounts invoiced in advance of services performed.

16. PROVISIONS

	2024	2023
	£'000	£'000
Amounts owed in respect of employee share of investment gain	2,106	2,764
Amounts owed in respect of transferring faculty members	-	666
Amounts owed in respect of redundancy payments	20	-
	2,126	3,430

	Investments	Faculty	Redundancy	2024 £'000	2023 £'000
At 1 October	2,764	666	-	3,430	3,079
Charge during the year	746	-	20	766	1,562
Released during the year	(392)	(1)	-	(393)	(821)
Utilised during the year	(1,012)	(665)	-	(1,677)	(390)
At 30 September	2,106	-	20	2,126	3,430

Under the terms of the translation policies in place at the time of the investments incorporation, employees are entitled to a share of any crystallised gains made in relation to certain of the programme related investments listed in note 10.

Certain members of faculty are awarded a transition allowance to continue their existing research outside of the Institute. The provision for faculty member transfers represents amounts committed to furthering this research at another institution. The release during the year represents amounts spent at the Charitable Company in lieu of being paid to another Institution. The timing and amount payable are uncertain as these are yet to be finalised with the receiving institutions.

The redundancy provision relates to amounts payable with respect to redundancies arising from restructuring the Genomic Surveillance Unit.

17. COMMITMENTS

As at 30 September 2024 there were £2.5 million capital commitments contracted but not accrued, including £0.6 million relating to improvement projects in the laboratories and data centre, and £1.9 million in relating to the construction of a new building on Campus (2023: £16.2 million, including £0.1 million relating to improvement projects in the laboratories and data centre, and £16.1 million in relating to the construction of a new building on Campus). The Charitable Company has entered into an agreement with the tenant to cover the full cost of construction. The building was completed in October 2024. The commitment represents the proportion of the development work that had yet to be carried out as of 30 September 2024.

18. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The terms of the sale of a previously held programme related investment, Kymab Limited, sold in April 2021, included certain contingent consideration payable on achievement of certain milestones. The Charitable Company received income of £0.8 million (2023: £nil) in the year, and do not expect any further payments in relation to this sale. As the achievement of these milestones was outside of the control of the Charitable Company, no asset had been recognised in relation to these milestones as of 30 September 2024 or 30 September 2023. Under the terms of the employee share scheme in place at the time the Company was incorporated, employees are entitled to two thirds of any crystallised gain (see note 16: Provisions).

19. OPERATING LEASES

The Charitable Company receives rental income under operating leases from tenants of the Biodata Innovation Centre ('BIC') and Bridget Ogilvie Building ('Ogilvie'), and the sublease of land to a subsidiary, Hinxtion Hall Limited. As at 30 September 2024, the future minimum lease payments due to the Charitable Company under these arrangements is as follows:

	2024	2023
	£'000	£'000
Within one year	987	1,068
Between one and five years	849	1,554
More than five years	3,815	3,965
	5,651	6,587

Rental agreements for BIC and Ogilvie tenants range from two to six years in duration. BIC tenants are early stage companies in the field of genomics. The Ogilvie building is used for sequencing. The sublease of land to Hinxtion Hall Limited is coterminous with the Charitable Company's lease and expires in February 2055. In addition to the above, the Charitable Company leases property to the European Bioinformatics Insititute. The lease was paid in full on construction of the buildings and there are no further payments due. The amounts paid up front are held as a deferred lease premium (see note 15). There are no contingent rent agreements.

20. ULTIMATE PARENT UNDERTAKING & CONTROLLING PARTY

The directors regard the Wellcome Trust as the ultimate parent company and controlling party, which is the smallest and largest group to consolidate these Financial Statements. Copies of the Wellcome Trust Annual Report and Financial Statements can be viewed on its website – <https://wellcome.ac.uk/what-we-do/reports>. Alternatively, they may be obtained from the Company Secretary. The registered address for the Wellcome Trust is 215 Euston Road, London, NW1 2BE. The Wellcome Trust's principal activities are to protect, preserve and advance health and welfare and to advance and promote knowledge of biosciences. Further information can be found in the Constitution section on page 55.

21. RELATED PARTY TRANSACTIONS

The Charitable Company is wholly-owned by the Wellcome Trust and has applied the exemption in paragraph 33.1A of FRS 102 "Related Party Transactions". The exemption permits the non-disclosure of transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is a party to the transaction is wholly-owned by a member of that group.

Related party transactions with Trustees are disclosed in note 7. Details of the Company's subsidiaries as at 30 September 2024 are as follows:

Name of subsidiary and company number	Proportion of ownership interest	Proportion of voting power held	Principal Activity
Genome Research Trading Limited (10058101)	100%	100%	Facilities Management
Hinxton Hall Limited* (03062160)	50%	50%	Education / Facilities Management
Genome Research Pension Trustee Limited (09186099)	100%	100%	Dormant
GRL Construction Limited (09280062)	100%	100%	Construction

*The remaining 50% is held by the Wellcome Trust.

All shares held in subsidiaries are ordinary shares. All of the Company's subsidiaries are registered in England and Wales. Their registered address is 215 Euston Road, London, NW1 2BE.

The Wellcome Trust provide the Company with an open-ended facility to exchange dollars at a favourable rate. The Company recognised a gain in relation to this arrangement in the year ended 30 September 2024 of £2.8 million (2023: £2.9 million).

The Wellcome Trust pay interest against the net intercompany balance owed to GRL. GRL received £2.1 million in the year ended 30 September 2024 (2023: £nil) in relation to this arrangement.

There were no transactions with other related parties that require disclosure (2023: £nil).

22. MOVEMENT IN FUNDS

	1 October			30 September	
	2023	Incoming	Outgoing	Gains	2024
	£'000	£'000	£'000	£'000	£'000
Building development	117,723	415	(4,365)	-	113,773
Capital equipment	14,465	4,814	(8,092)	-	11,187
Research fund	19,831	157,732	(157,290)	-	20,273
Restricted income funds	152,019	162,961	(169,747)	-	145,233
Endowment fund	704	18	-	-	722
Pension asset	82,200	-	4,100	5,400	91,700
Total Restricted Funds	234,923	162,979	(165,647)	5,400	237,655
Investment fund	7,450	801	(355)	(540)	7,356
Unrestricted fund	29,186	13,567	(17,526)	-	25,227
Total Unrestricted funds	36,636	14,368	(17,881)	(540)	32,583
Total Charity Funds	271,559	177,347	(183,528)	4,860	270,238

Genome Research Limited
Notes to the Financial Statements for Year Ended 30 September 2024

	2022	Incoming	Outgoing	Gains	2023
	£'000	£'000	£'000	£'000	£'000
Building development	119,390	2,718	(4,385)	-	117,723
Capital equipment	13,882	8,362	(7,779)	-	14,465
Research fund	17,212	150,273	(147,654)	-	19,831
Restricted income funds	150,484	161,353	(159,818)	-	152,019
Endowment fund	687	17	-	-	704
Pension asset	13,700	-	200	68,300	82,200
Total Restricted Funds	164,871	161,370	(159,618)	68,300	234,923
Investment fund	6,277	-	(607)	1,780	7,450
Unrestricted fund	25,345	27,661	(23,820)	-	29,186
Total Unrestricted funds	31,622	27,661	(24,427)	1,780	36,636
Total Charity Funds	196,493	189,031	(184,045)	70,080	271,559

The building development fund relates to expenditure on leasehold buildings. The capital equipment fund relates to funding for other fixed assets. The research fund represents net income relating to non-asset expenditure incurred in running the Charitable Company during the year. Research, capital and building funds are subject to conditions set by grantors and are therefore restricted. The endowment fund is an expendable endowment. The pension fund asset is required to be held to fund future pension liabilities, however, in the event that those liabilities are fully met, GRL are entitled to any remaining surplus. The investment fund represents the increase in fair value of the Charitable Company's investments in unquoted securities, net of amounts owing to inventors and employees. The unrestricted reserves represent net income generated from non-grant funded activities that can be allocated at the discretion of the Directors.

	Restricted	Endowment	Pension	Unrestricted	Total
	£'000	£'000	£'000	£'000	£'000
Fixed assets	180,643	-	-	-	180,643
Investments	-	-	-	6,321	6,321
Current assets	46,095	722	-	31,874	78,691
Current liabilities	(38,468)	-	-	(3,506)	(41,974)
Long term creditors	(43,017)	-	-	-	(43,017)
Provisions	(20)	-	-	(2,106)	(2,126)
Pensions	-	-	91,700	-	91,700
	145,233	722	91,700	32,583	270,238

The assets and liabilities of each category of funds were as follows as of 30 September 2023:

	Restricted	Endowment	Pension	Unrestricted	Total
	£'000	£'000	£'000	£'000	£'000
Fixed assets	172,518	-	-	-	172,518
Investments	-	-	-	6,861	6,861
Current assets	49,160	704	-	35,946	85,810
Current liabilities	(41,693)	-	-	(3,407)	(45,100)
Long term creditors	(27,300)	-	-	-	(27,300)
Provisions	(666)	-	-	(2,764)	(3,430)
Pensions	-	-	82,200	-	82,200
	152,019	704	82,200	36,636	271,559

23. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

		2023	2023	2023	2023	2022
		£'000	£'000	£'000	£'000	£'000
	Note	Unrestricted	Endowment	Restricted	Total funds	Total funds
INCOME						
Income from charitable activities		-	-	156,722	156,722	126,878
Income from other trading activities		27,661	-	4,522	32,183	58,444
Investment income		-	-	-	-	594
Interest		-	17	109	126	24
Total income	3	27,661	17	161,353	189,031	185,940
EXPENDITURE						
Charitable activities	4	(24,427)	-	(159,618)	(184,045)	(183,161)
Total expenditure		(24,427)	-	(159,618)	(184,045)	(183,161)
Unrealised gain on investments	10	1,780	-	-	1,780	683
Net income		5,014	17	1,735	6,766	3,462
Other recognised gains						
Actuarial gains on defined benefit pension scheme	8	-	-	68,300	68,300	149,900
Net movement in funds		5,014	17	70,035	75,066	153,362
Total funds brought forward at 1 October	22	31,622	687	164,184	196,493	43,131
Total funds carried forward at 30 September		36,636	704	234,219	271,559	196,493

24. POST BALANCE SHEET EVENTS

There were no post balance sheet events requiring disclosure in or adjustment to the financial statements at the date of signing.

Reference and administrative information

Constitution

The Company is a charity registered in England with the Charity Commission under the Charities Act 1993, as amended by the Charities Act 2011 (Charity registration number 1021457) and is a company limited by guarantee and registered in England (Company number 2742969). The sole member of the charitable company is The Wellcome Trust Limited (Company number 2711000, incorporated in the UK), as trustee of the Wellcome Trust (Charity registration number 210183, registered in England and Wales). In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1.

Directors

The Directors of the Charitable Company who were in office during the year and up to the date of signing the financial statements were:

John-Arne Røttingen (Wellcome Trust) (Appointed 1 June 2024)	Daniel Mahony
Daniel Abrams	Nicole Mather
Karen Chadwick (Appointed 26 March 2024)	Mark McCarthy (Appointed 26 March 2024)
Matthew Newcombe-Ellis (Appointed 26 March 2024)	Caroline Relton (Appointed 26 March 2024)
Michael Dunn (Wellcome Trust) (Appointed 29 April 2024)	Paul Schreier (Wellcome Trust) (Resigned 1 June 2024)
Cheryl Moore (Wellcome Trust) (Resigned 26 April 2024)	Gilean McVean (Resigned 26 March 2024)
Cilla Snowball (Wellcome Trust—Governor) (Resigned 18 July 2024)	

Company Secretary

Nadia Meliti

Registered Office & Principal Place of Business

Wellcome Sanger Institute
Wellcome Genome Campus
Hinxton
Saffron Walden
CB10 1SA

Independent Auditors

Deloitte LLP
Statutory Auditor
1 New Street Square
London
EC4A 3HQ

Bankers

National Westminster Bank plc
King's Parade Branch
Bene't Street
Cambridge
CB2 3PU

Solicitors

CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London
EC1A 4DD

Cambridge Employment Law
Stratford House
Ousden, Newmarket
Suffolk
CB8 8TN

Actuary

Mercer Limited
1 Tower Place West
Tower Place
London
EC3R 5BU

Genome Research Limited
Wellcome Genome Campus
Hinxton, Cambridge
CB10 1SA
Charity Registration: 1021457
Company Number: 2742969