

THE NEEDHAM RESEARCH INSTITUTE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NEEDHAM RESEARCH INSTITUTE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

CHARITY INFORMATION

Charity Registration Number	311459
Trustees:	Professor Martin Jones (Chairman) Lord Broers ScD, FRS, FREng (resigned 1 March 2024) Dr Christopher Hughes Mr Stephen Perry (resigned 8 November 2024) Professor Roel Sterckx (resigned 5 June 2024) Mr Michael Womack Ms Elizabeth Wright Dr Mary Augusta Brazelton Dr Imre Galambos Dr Charles Harpum Ms Katie Lee Professor Ying Jin (appointed 8 November 2024)
Members of the Finance Committee:	Professor Martin Jones (Chairman) Dr Christopher Hughes Mr Michael Womack Ms Elizabeth Wright Professor Roel Sterckx (resigned 5 June 2024) Director and Bursar in attendance
Members of the Management Committee:	Professor Jianjun Mei (Chairman) Ms Susan Bennett Mr John Moffett Dr Christopher Jagger
Members of the Publications Board:	Professor Jianjun Mei (Chairman) Ms Susan Bennett Mr John Moffett Dr Christopher Jagger
Principal Officers:	
Director:	Professor Jianjun Mei
Bursar:	Dr Christopher Jagger
Librarian:	Mr John Moffett
Administrative Manager	Ms Susan Bennett
Principal Office Address:	8 Sylvester Road Cambridge CB3 9AF
Auditors:	Prentis & Co LLP Chartered Accountants & Statutory Auditors 115C Milton Road Cambridge CB4 1XE
Bankers and Deposit Holders:	National Westminster Bank plc 23 Market Street Cambridge CB2 3PA Quilter Cheviot Limited Senator House 85 Queen Victoria Street London EC4V 4AB
Solicitors:	King & Co St. Andrews House St. Andrews Street Cambridge CB2 3DD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

TRUSTEES REPORT

The Trustees present their report and financial statements for the year ended 30 September 2024.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE DETAILS

The Needham Research Institute, formerly titled “The East Asian History of Science Trust” is situated at 8, Sylvester Road, Cambridge CB3 9AF. Charity Registration No. 311459.

The names of the Trustees serving during the financial year 1 October 2023 to 30 September 2024 and serving on the date which this report was approved are given on the contents page.

Professor Jianjun Mei is the Director of the Institute and responsible for its day-to-day management. The names of the Institute’s staff are given on the contents page.

OBJECTIVES AND ACTIVITIES

PURPOSES OF THE TRUST AS SET OUT IN THE GOVERNING DOCUMENT

Building on the foundation laid by the work of the late Dr Joseph Needham, the Institute seeks to facilitate, promote and develop academic research, publication and teaching of the highest possible standard in the fields of the history of science, technology and medicine in East Asia.

Beyond the purely academic sphere, it also seeks to raise public awareness of those aspects of its work that are of wider significance for human progress. Through the pursuit of those goals it aims to exploit and further develop its role as the world’s leading international centre for research in its field. It seeks closer and mutually beneficial cooperation with Cambridge University whilst maintaining its present autonomy as an independent charitable Foundation.

MAIN ACTIVITIES UNDERTAKEN IN RELATION TO THOSE PURPOSES

The Institute aims to ensure the successful completion of the “Science and Civilisation in China” project. Twenty-five volumes have been published and work is proceeding on a further three volumes in the series; in addition, eighteen volumes have been published in the Monograph Series and work is continuing on a number of others. The Institute also publishes a less formal ‘Working Papers’ Series.

The Institute has an active programme of Research Fellowships and Studentships which is largely funded by grants from several outside Foundations and which enables scholars from East Asia and elsewhere to study at the Institute. It also organises workshops and conferences with major academic organisations in and outside the UK. It runs regular academic seminars during the University term.

The Institute also hosts scholars and academics during the year, allowing them access to its diverse library, archives and catalogue of works and publications in the fields of the history of science, technology and medicine in East Asia.

TRUSTEES REGARD TO THE CHARITY COMMISSION’S GUIDANCE ON PUBLIC BENEFIT

The Institute and its Library offers scholars facilities for research and writing unrivalled by any other academic institution in its field. In addition to its collection of monographs, the Library subscribes to a wide selection of journals, many of which are Chinese publications rarely available elsewhere in Europe. The Library also houses the archives of the late Dr Needham relating to his research in the field he established. A 2-year project (2023 – 2024) funded partly by the Joseph Needham Foundation for Science and Civilisation (Hong Kong) is currently being carried out on these archives to make them more accessible to researchers. Digitised research materials are freely available on the Cambridge University Digital Library.

All this material is described and catalogued electronically, and may be searched online for no fee. Any person with a serious interest in the subjects covered by the Institute is welcome to use its facilities without charge. In cases where scholars are sufficiently well funded, the Institute will accept a contribution to its overheads, but this is not an absolute condition for use of its facilities.

In addition to maintaining the Institute’s facilities and facilitating access to them, the Trustees encourage the Director to play an active role in making a wider public aware of the area with which it deals. The Director has delivered public lectures in Cambridge and overseas. The Director has been appointed ‘Director of Research’ by The McDonald Institute for Archaeological Research in University of Cambridge.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

TRUSTEES REPORT

ACHIEVEMENTS AND PERFORMANCE

SUMMARY OF THE MAIN ACHIEVEMENTS OF THE TRUST

During the period of October 2023-September 2024, the fellowship programmes, such as Independent School Foundation (ISF) Fellowship, Lloyd-Dan David (LDD) Fellowship, Li Foundation Fellowship, Ho Peng Yoke (HPY) Fellowships, Jing Brand Fellowships, Soon-Young Kim (SYK) awards, and the Sino-British Fellowship Trust (SBFT) award were all in operation.

The ISF Fellowship programme established in October 2013 resumed its operation in Cambridge for three weeks in June-July 2024 under the supervision of Dr. Jenny Jingyi Zhao, who took this fellowship position on a three-year contract in February 2021, and has been working as a Research Fellow at the Institute since then. She was promoted to a Senior Research Fellow position in October 2022 and her contract was extended on 22nd January 2024 for a further three years until 31st January 2027. She also holds a Joseph Needham Visiting Fellowship at Clare Hall College.

Dr. Arthur Harris took his LDD fellowship position on a three-year contract in October 2021, and has been working as a Postdoctoral Fellow at the Institute since then. His fellowship tenure was extended in August 2024 for a further year until September 2025.

The Li Foundation Fellow (2023-2024, East Asia), Dr. John Alekna of Peking University completed his research visit to the Institute during October-December 2023. Dr. Dong Junqing, Associate Professor of the Shanghai Institute of Optics and Fine Mechanics, Chinese Academy of Science, completed his research visit in Cambridge during November 2023- April 2024. Guo Jianbo, a junior researcher at the Sichuan Provincial Institute for Cultural Relics and Archaeology, completed his research stay at our Institute during October 2023- March 2024. Dr. Liu Nian of the Institute of Archaeology, Chinese Academy of Social Sciences, completed her 6-month fellowship tenure and returned to China in October 2024.

Four scholars were awarded Li Foundation fellowships (USA) for the year 2023-2024. He Yahui, a PhD candidate of Stanford University and a 6-month fellowship holder, completed her tenure in Cambridge in January-June 2024. Liang Yue, a PhD candidate of Binghamton University and a 3-month fellowship holder, carried out her study visit in Cambridge in January-March 2024. Dr. Liu Xinyi, Associate Professor of Archaeology, Washington University in St. Louis and a 3-month fellowship holder, completed his fellowship tenure in May-August 2024. Niall Chithelen, a PhD student at University of California, San Diego and a 6-month fellowship holder, has been permitted to postpone his fellowship tenure for a year and so will begin his research visit in October 2024.

Two six-month HPY fellows, Dr. Yang Shujia (a postdoctoral researcher at the Palace Museum in Beijing) and Dr. Wang Shengyu (a visiting fellow at Heidelberg University) completed their research visits in Cambridge in January-July 2024.

Dr. Huang Yijie, a 12-month Jing Brand scholarship holder for 2022-23, stayed at the Institute for 6 months during May-November 2023 before taking up a new position in Germany. Dr. Li Xinsheng of Southeast University, our Jing Brand Fellow for 2022-23, completed his research visit in Cambridge in July-December 2023. Professor Liu Dun of Tsinghua University, a 6-month Jing Brand scholarship holder for the year of 2023-24, completed his visit and returned to China by the end of August 2024. Dr. Jiang Xiaochengyang of Peking University, who was awarded a 6-month Jing Brand scholarship for 2020-21, arrived in Cambridge in May 2024 and left in late August 2024. Professor Zhao Feng of Zhejiang University, a Jing Brand Fellow for 2020-21, completed his scholarship tenure in May- October 2024.

Dr. Yu Jia was awarded a 12-month SYK fellowship for 2023-24 and completed her fellowship tenure during September 2023-August 2024.

After unavoidable postponement for three years, Dr. Shi Zhilin, Associate Professor at Lanzhou University and a six-month Silk Road fellowship holder for 2020-2021, arrived in Cambridge in February 2024 and completed his research visit in August 2024.

Dr. Liu Peifeng, Assistant Professor of the School of Archaeology and Museology, Jingdezhen Ceramic University, a SBFT fellow for 2023-2024, completed his six-month fellowship tenure during March-September 2024.

The Institute also hosted visits for a few months or a year from the following scholars:

Dr. Zhou Chang, visiting scholar, Xi'an University of Post and Telecommunications, 2023.09-2024.08;

Dr. Liu Jie, visiting scholar, Shanxi University, 2023.10-2024.09;

Dr. Hu Haohua, visiting scholar, China Academy of Art, 2023.10-2024.05;

Professor Oh Chaekun, Daejon University, 2024.01-2025.01.

On 3rd November 2023, the 6th Needham Memorial Lecture, sponsored by the Jing Brand Co. Ltd., China, took place at the Riley Auditorium, Clare College. Professor Jessica Rawson of Oxford University delivered the lecture entitled '*Finding China's Present in Its Past*'.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

TRUSTEES REPORT

The Director delivered a lecture entitled '*Sanxingdui Bronzes and Metallurgical Network in the Shang Dynasty*' at the two different venues: (1) The Institute of Archaeology, UCL, on 17th January 2024; (2) The Institute of Archaeology, University of Oxford, 2nd February 2024. He also offered a lecture on '*Joseph Needham and Science and Civilisation in China*' to a group of students and teachers from the Xinya College, Tsinghua University on 23rd January 2024. He delivered a lecture on '*The Development of Archaeology in China: Early Bronze Technology*' to undergraduate students at the Department of Archaeology, University of Cambridge on 20th February 2024.

To celebrate Professor Sir Geoffrey Lloyd's 91st birthday, the Institute organised a tea reception with a specially commissioned cake on 25th January 2024. The Chairman thanked Sir Geoffrey for his immense contribution to the intellectual life of the Institute.

On 18th March 2024, the workshop on '*Material Culture in the History of Sciences and Arts: Mobility, Exchange, and Innovation*', organized by Dr. Yu Jia (SYK Fellow) and Dr. Hu Haohua (NRI visiting scholar), took place at the Whipple Museum Learning Gallery, University of Cambridge.

From 25th March to 17th May 2024, the Director travelled to China and accomplished a number of institutional and academic tasks as follows: 1) visiting the Southwest University to arrange the 2024-2025 SBFT fellowship program (1-3 April); 2) delivering a lecture to the public at the Palace Museum in Beijing (9 April); 3) visiting the Sanxingdui Museum in Guanghan, Chengdu (14 April); 4) attending a book launch event in Beijing (19 April); 5) visiting the Zhejiang University and Liangzhu Museum to strengthen cooperation links (25-26 April); 6) meeting Professors Zhang Daqing and Chen Qi at the School of Health Humanities, Peking University (8 May); 7) delivering a lecture at the University of Science and Technology Beijing (9 May); 8) visiting the Inner Mongolia Normal University and meeting Professors Guo Shirong (1997 Li Foundation Fellow) and Jiang Hongjun (2020 SBFT Fellow) (13-14 May); 9) attending the celebration event for the 7th Anniversary of the Founding of the Department of History of Science, Tsinghua University (16 May).

On 20th May 2024, the Director offered a lecture entitled '*Sanxingdui Bronzes and Metallurgical Network in the Shang Dynasty*' to a group of students and researchers of the University of Cambridge at the Department of Archaeology.

During 6th-8th June 2024, the 4th conference on "*Science in the Forest, Science in the Past*" organised by Professor Sir Geoffrey Lloyd was held at the Institute, co-ordinated by the Administrative Manager, and with the financial supports from the Needham Research Institute and other institutions in the UK.

On 23rd July 2024, Dr. Shi Zhilin (Needham-Silk Road Fellow) organized the workshop entitled "*Cultural Exchange along the Silk Road*" in the K. P. Tin Hall at the NRI. About 20 scholars from China and the UK participated in the workshop.

On 23rd July 2024, the Director participated in a workshop on the Sanxingdui culture and delivered an online paper entitled '*The cultural and technological features of the Sanxingdui bronzes as seen from the Hanzhong bronzes*'.

On 11th August 2024, at the invitation of Director Pang Yali of the Shaanxi Historical Museum, the Director delivered an online public lecture entitled '*The development of early metallurgical technology in China and its links with neighbouring regions*'.

On 17th August 2024, the Director presented an online paper entitled '*New progress in the studies of early copper and bronze artefacts found in China*' to the workshop "*Fire—Art and Civilisation*" held at the Tsinghua Art Museum.

The Institute organised twenty-five in-person seminars during the University Michaelmas, Lent and Easter terms from October 2023 to June 2024.

REVIEW OF THE FINANCIAL POSITION AT THE END OF THE YEAR

Funds are invested to provide income to meet the day-to-day running of the Institute. They are split between the Endowment Funds, Restricted Funds (related to grants to expend for the purpose specified, these are shown in note 15 on page 20) and Unrestricted Funds. As at 30 September 2024 funds invested amounted to £16,352,304 (2023: £14,758,859).

The Principal funding sources of the Institute are its income from the Investment Portfolio, donations and grants from outside Foundations, royalties, interest on deposit accounts and rent of No. 2 Sylvester Road. No. 2 Sylvester Road has been leased to Robinson College for fifteen years from 3rd May 2018.

A review of investment performance and the Institute's investment policy are detailed on page 4.

The Institute has a potential liability relating to the employees who are in the 'Universities Superannuation Scheme'. Note 14 and 20 to the accounts set out the basis of a provision that has been made of £28,101 (2023: £31,717).

RESERVES POLICY

The Trustees have considered that the most appropriate policy is to maintain all surplus funds split between investments held with Quilter Cheviot and also a level of balances held as cash at bank sufficient to maintain the day to day costs of running and servicing the Institute.

This policy is kept under review, having regard to the level of funds available.

The Trustees' investment powers are governed by the Trust Deed which permits The Needham Research Institute to invest the monies of the Institute not immediately required for its purposes in such ways as the Institute shall in its absolute discretion think fit.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

TRUSTEES REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

NATURE OF THE GOVERNING DOCUMENT

The Institute is an educational charity registered in England and subject to the provisions of the 1968 Trust Deed, as amended by Schemes of the Charity Commissioners dated 29 March 1988, 17 March 1992 and 27 November 2000.

THE BOARD OF TRUSTEES

The Trustees provide an appropriate mix of skills, diversity and experience; each is appointed for a term of five years by a resolution of the Trustees passed at a meeting and may be re-appointed for further terms in the same way.

The Trustees meet three times a year to receive reports from the Director, the Bursar through the Finance Committee and the Librarian. The Chairman and the Director are in close touch. All major decisions are referred to the Trustees.

The Trustees have given consideration to the major risks to which the Charity is exposed and have satisfied themselves that systems or procedures have been established in order to manage those risks.

The Institute has been moving towards a turnover of Trustees more consistent with Charity Commission guidelines.

RECRUITMENT OF NEW TRUSTEES

New Trustees are given an induction by the Chairman and a tour of the Institute. Following formal election to the Board, they are sent an information pack containing the Charity Commission Investment Guide for Trustees, the Institute's newsletter, and two forms for completion: a Declaration of Interest and a Declaration of Eligibility. Communications from the Charity Commission regarding training etc. are circulated by email.

MANAGEMENT PERSONNEL REMUNERATION

The ultimate responsibility for the management of the Institute rests with the Trustees of the Needham Research Institute, and the day-to-day running of the Institute is overseen by a full-time salaried Director. He is supported by a full-time Librarian, a full-time Administrative Manager and a part-time Bursar, who together with the Director comprise the Management Committee of the Institute.

All Trustees give their time freely and no Trustee received any remuneration in the year. Details of Trustees' expenses are disclosed in note 8 to the financial statements.

The key officers of the Institute detailed above receive remuneration in line with those in similar positions within the University of Cambridge, and are accordingly remunerated in line with the University of Cambridge's pay scale. Officers receive the small "cost of living" salary increases awarded by the University of Cambridge.

PRINCIPAL RISKS AND UNCERTAINTIES

Internal controls over all forms of income, assets, commitment and expenditure continue to be refined to improve efficiency and effectiveness. Performance is monitored and appropriate management information is prepared and reviewed regularly by the management team and Trustees.

The Institute currently produces an annual budget and reports at Trustees meetings against that budget. The Trustees have delegated authority from the Board to ensure that an active risk management process is in place and forms part of The Needham Research Institute's ongoing organisation activity.

INVESTMENT POLICY AND PERFORMANCE

The Investment Portfolio continues to be managed by Quilter Cheviot Limited (now part of Old Mutual).

In the year to 30 September 2024, a total return of 14.3% was achieved. [-5.8% in 2023]

PLANS FOR FUTURE PERIODS

The Institute will seek to maximise its contribution to research, teaching and international relations, in its field, focusing principally on China but in the broader context of East Asia, and will take every opportunity to develop fruitful cooperation with the University of Cambridge in those areas, as well as with other institutions of research and higher learning world-wide.

Work will continue on the *Science and Civilisation in China* series and other publications including a planned *Science and Civilisation in Korea* series. Fundraising efforts will continue to increase the Institute's endowment, and to support fellowship programmes.

The annual "Needham Memorial Lecture", in collaboration with other institutions in Cambridge, has been established and will continue.

The NRI Friendship Association was established in Beijing on 9th June 2018. It has raised funds to be added to the Ho Peng Yoke Fellowship and will continue to do so.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

TRUSTEES REPORT

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing a Trustees' Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL

This report was approved by the Board of Trustees and signed on its behalf, on



MS ELIZABETH WRIGHT
TRUSTEE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE NEEDHAM RESEARCH INSTITUTE

OPINION

We have audited the financial statements of The Needham Research Institute for the year ended 30th September 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30th September 2024, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS OF 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 9 to the financial statements, 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 charity'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 Trustees' Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE NEEDHAM RESEARCH INSTITUTE

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 5, the Trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

THE EXTENT TO WHICH OUR PROCEDURES ARE CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The primary responsibility for the prevention and detection of irregularities including fraud rests with both the management and those charged with governance of the charity. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We have considered the nature of the industry and sector, control environment, laws and regulations and business performance of the charity. Laws and regulations considered included, but were not limited to the Charities Act 2011, FRS102, Charity SORP and UK taxation legislation.

We have enquired with the management in regards to their own assessment of the risks of irregularities, including fraud. We also enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

We obtained relevant documentation and representations in order to form an opinion on potential irregularities, including fraud.

We considered the opportunities and incentives that may exist within the organisation for fraud.

Based on this understanding, we designed specific audit procedures to identify instances of non-compliance with laws and regulations, including obtaining additional corroborative evidence as required. Examples of procedures included reviewing large and unusual transactions, reviewing large and unexpected variances, reviewing journal entries and reviewing relevant legal correspondence.

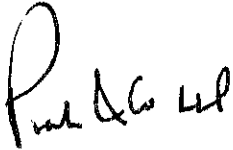
There are inherent limitations in the audit procedures described above, not least as sampling is used under International Auditing Standards, therefore not all transactions are reviewed. Therefore, there is a risk we will not detect all irregularities including those leading to a material misstatement in the financial statements or non-compliance with regulations. The risk of not detecting a material misstatement due to fraud is also higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery, collusion, omission or intentional misrepresentation.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE NEEDHAM RESEARCH INSTITUTE

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

This report is made solely to the Trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



PRENTIS & CO LLP
CHARTERED ACCOUNTANTS
& STATUTORY AUDITORS
115c Milton Road
Cambridge
CB4 1XE

13th March 2025

Prentis & Co LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	2024				2023			
		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
		£	£	£	£	£	£	£	£
INCOME FROM:									
Donations and legacies	2	2,484	102,766	-	105,250	365	61,520	-	61,885
Charitable activities	3	12,500	59,141	-	71,641	5,500	170,386	-	175,886
Investments	4	106,738	63,342	277,500	447,580	87,040	266,118	266,118	409,413
Other income	5	8,802	-	-	8,802	18,818	-	-	18,818
TOTAL INCOME		130,524	225,249	277,500	633,273	111,723	288,161	266,118	666,002
EXPENDITURE ON:									
Costs of raising funds:									
Investment Management costs		59,582	10,953	-	70,535	55,600	9,892	-	65,492
Charitable activities	6	403,617	238,793	16,770	659,180	371,083	259,131	16,770	646,984
TOTAL EXPENDITURE		463,199	249,746	16,770	729,715	426,683	269,023	16,770	712,476
Net income/(expenditure) before gains on investments		(332,675)	(24,497)	260,730	(96,442)	(314,960)	19,138	249,348	(46,474)
Net gains/(losses) on investments	11	532,451	257,599	868,736	1,658,786	126,174	64,140	234,323	424,637
NET INCOME/(EXPENDITURE)		199,776	233,102	1,129,466	1,562,344	(188,786)	83,278	483,671	378,163
Transfers between funds		287,148	(9,648)	(277,500)	-	277,363	(11,245)	(266,118)	-
NET MOVEMENT IN FUNDS		486,924	223,454	851,966	1,562,344	88,577	72,033	217,553	378,163
RECONCILIATION OF FUNDS									
Total funds brought forward		3,756,321	2,361,320	9,972,171	16,089,812	3,667,744	2,289,287	9,754,618	15,711,649
Total funds carried forward		4,243,245	2,584,774	10,824,137	17,652,156	3,756,321	2,361,320	9,972,171	16,089,812

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

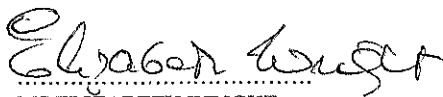
The notes on pages 12 to 25 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

BALANCE SHEET

	Notes	2024		2023	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10		1,064,464		1,085,036
Investments	11		16,352,304		14,758,859
TOTAL FIXED ASSETS			<u>17,416,768</u>		<u>15,843,895</u>
CURRENT ASSETS					
Debtors	12	53,626		87,729	
Cash at bank and in hand		245,693		220,923	
TOTAL CURRENT ASSETS		<u>299,319</u>		<u>308,652</u>	
LIABILITIES:					
Creditors: Amounts falling due within one year	13		(35,830)		(31,018)
NET CURRENT ASSETS			<u>263,489</u>		<u>277,634</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>17,680,257</u>		<u>16,121,529</u>
Provisions for liabilities and charges	14		(28,101)		(31,717)
TOTAL NET ASSETS	18		<u>17,652,156</u>		<u>16,089,812</u>
THE FUNDS OF THE CHARITY:					
Restricted funds	15		2,584,774		2,361,320
Endowment funds	16		10,824,137		9,972,171
Unrestricted funds:					
Designated funds	17	69,299		76,025	
Other charitable funds	17	4,173,946	4,243,245	3,680,296	3,756,321
TOTAL CHARITY FUNDS	18		<u>17,652,156</u>		<u>16,089,812</u>

The financial statements were approved by the Trustees at its meeting on and signed on its behalf by


 MS ELIZABETH WRIGHT
 TRUSTEE

The notes on pages 12 to 25 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

STATEMENT OF CASH FLOWS

	Notes	2024 Total Funds £	2023 Total Funds £
Cash flows from operating activities:			
<i>Net cash provided by/(used in) operating activities</i>	19	(488,151)	(473,343)
Cash flows from investing activities:			
Investment income	4	447,580	409,413
Purchase of tangible fixed assets	10	-	(5,266)
Purchase of investments	11	(2,073,138)	(2,607,087)
Proceeds from investments	11	2,176,869	2,145,987
<i>Net cash provided by (used in) investing activities</i>		551,311	(56,953)
<i>Change in cash and cash equivalents in the year</i>		63,160	(530,296)
Cash and cash equivalents brought forward		342,734	873,030
Cash and cash equivalents carried forward	19	405,894	342,734

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Needham Research Institute meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy notes.

(b) ASSESSMENT OF GOING CONCERN

The trustees consider that there are no material uncertainties about the Institute's ability to continue as a going concern.

(c) INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the money and the amounts can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacies:

Donations, are recognised when the Institute has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Grant income:

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the trust has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment income:

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the trust; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

(d) EXPENDITURE AND IRRECOVERABLE VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the following expenditure headings as follows:

Raising funds:

Costs of raising funds comprise the costs of seeking and applying for grants and costs associated with the seeking and arranging of licence fee agreements.

Charitable activities:

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the institute and their associated support costs. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Governance costs include all expenditure not directly related to the charitable activity or fundraising ventures. This includes an appropriate proportion of costs of staff salaries for administration staff and audit fees.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

(e) TANGIBLE FIXED ASSETS

The charity has a policy of capitalising fixed assets with a cost in excess of £100. Depreciation is provided on all tangible fixed assets at rates calculated to write-off the costs less estimated residual value of each asset over its expected useful life as follows:

8 Sylvester Road (Long leasehold)	- over the period of the lease (97 years)
Fixtures and fittings	- 10 years straight line
Equipment	- 4 years straight line

(f) INVESTMENTS FIXED ASSETS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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

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

(g) REALISED GAINS AND LOSSES

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

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

(h) DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(i) CREDITORS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(j) PENSIONS

The Institute participates in the Universities Superannuation Scheme (the scheme). Throughout the current and preceding periods, the scheme was a defined benefit only pension scheme until 31 March 2016 which was contracted out of the Second State Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set.

The Institute is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme.

As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme in respect of the accounting period. Since the institution has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the institution recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the Statement of Financial Activities.

The Institute also participates in the Cambridge University Assistants' Contributory Pension Scheme (CPS). The scheme is a defined benefit scheme which is externally funded and is also contracted out of the State Second Pension (S2P). The fund is valued every three years by a professionally qualified independent actuary, with the actuary reviewing the progress of the scheme in the intervening years.

The Cambridge University Assistants' Contributory Pension Scheme, provides benefits based on final pensionable salary and contributions are made into a defined contribution scheme under the stakeholder rules.

The Institute's contributions to this scheme are charged to the Statement of Financial Activities as they are incurred.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

2.	INCOME FROM DONATIONS AND LEGACIES FOR THE YEAR ENDED 30TH SEPTEMBER 2024	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total £
	Donations	2,484	102,766	-	105,250
	INCOME FROM DONATIONS AND LEGACIES FOR THE YEAR ENDED 30TH SEPTEMBER 2023	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total £
	Donations	365	60,270	-	60,635
	Gift Aid	-	1,250	-	1,250
		365	61,520	-	61,885
3.	INCOME FROM CHARITABLE ACTIVITIES YEAR ENDED 30TH SEPTEMBER 2024	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total £
	Grants	12,500	59,141	-	71,641
	INCOME FROM CHARITABLE ACTIVITIES YEAR ENDED 30TH SEPTEMBER 2023	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total £
	Grants	5,500	170,386	-	175,886
4.	INCOME FROM INVESTMENTS YEAR ENDED 30TH SEPTEMBER 2024	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total £
	Bank interest receivable	2,173	399	-	2,572
	Dividends and gilts receivable	64,874	62,943	277,500	405,317
	Rents receivable (No 2 Sylvester Road)	39,691	-	-	39,691
		106,738	63,342	277,500	447,580
	INCOME FROM INVESTMENTS YEAR ENDED 30TH SEPTEMBER 2023	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total £
	Bank interest receivable	485	86	-	571
	Dividends and gilts receivable	49,581	56,169	266,118	371,868
	Rents receivable (No 2 Sylvester Road)	36,974	-	-	36,974
		87,040	56,255	266,118	409,413
5.	INCOME FROM OTHER YEAR ENDED 30TH SEPTEMBER 2024	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total £
	Royalties	1,625	-	-	1,625
	Sundry	7,177	-	-	7,177
		8,802	-	-	8,802
	INCOME FROM OTHER YEAR ENDED 30TH SEPTEMBER 2023	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total £
	Royalties	16,257	-	-	16,257
	Sundry	2,561	-	-	2,561
		18,818	-	-	18,818

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

6.	EXPENDITURE ON: CHARITABLE ACTIVITIES YEAR ENDED 30TH SEPTEMBER 2024	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total £
	Academic and related costs	214,560	234,237	-	448,797
	Establishment costs	91,353	-	16,770	108,123
	Office and support costs	89,363	4,549	-	93,912
	Governance costs	8,341	7	-	8,348
		<u>403,617</u>	<u>238,793</u>	<u>16,770</u>	<u>659,180</u>
	ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES YEAR ENDED 30TH SEPTEMBER 2024	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total £
	Academic and related costs				
	Salaries (academic)	105,293	87,730	-	193,023
	Salaries (librarian)	77,573	7,095	-	84,668
	Research grants	-	120,415	-	120,415
	Books and publications	11,232	1,081	-	12,313
	Travel and accommodation	3,388	16,572	-	19,960
	Computer costs	11,528	449	-	11,977
	Telephone, postage and photocopying	3,277	-	-	3,277
	Other (incl. lecture and exhibition expenses)	2,269	895	-	3,164
		<u>214,560</u>	<u>234,237</u>	<u>-</u>	<u>448,797</u>
	Establishment costs				
	Rates	16,759	-	-	16,759
	Insurance	10,603	-	-	10,603
	Repairs and maintenance	25,643	-	-	25,643
	Water, light and heat	20,031	-	-	20,031
	Cleaning	9,863	-	-	9,863
	Gardening and grounds	8,454	-	-	8,454
	Depreciation	-	-	16,770	16,770
		<u>91,353</u>	<u>-</u>	<u>16,770</u>	<u>108,123</u>
	Office and support costs				
	Other salaries	74,919	-	-	74,919
	Depreciation	3,802	-	-	3,802
	Printing and stationery	4,618	-	-	4,618
	Events	6,024	4,549	-	10,573
		<u>89,363</u>	<u>4,549</u>	<u>-</u>	<u>93,912</u>
	Governance costs				
	Audit and accountancy	8,340	-	-	8,340
	Other legal and professional fees	1	7	-	8
		<u>8,341</u>	<u>7</u>	<u>-</u>	<u>8,348</u>
		<u>403,617</u>	<u>238,793</u>	<u>16,770</u>	<u>659,180</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

6.	EXPENDITURE ON: CHARITABLE ACTIVITIES YEAR ENDED 30TH SEPTEMBER 2023	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total £
	Academic and related costs	208,700	251,437	-	460,137
	Establishment costs	70,572	-	16,770	87,342
	Office and support costs	83,940	7,690	-	91,630
	Governance costs	7,871	4	-	7,875
		<u>371,083</u>	<u>259,131</u>	<u>16,770</u>	<u>646,984</u>
	ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES YEAR ENDED 30TH SEPTEMBER 2023	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total £
	Academic and related costs				
	Salaries (academic)	105,451	90,025	-	195,476
	Salaries (librarian)	70,561	23,020	-	93,581
	Research grants	-	121,800	-	121,800
	Books and publications	13,761	4,317	-	18,078
	Travel and accommodation	4,626	10,790	-	15,416
	Computer costs	5,113	885	-	5,998
	Telephone, postage and photocopying	3,472	-	-	3,472
	Other (incl. lecture and exhibition expenses)	5,716	600	-	6,316
		<u>208,700</u>	<u>251,437</u>	<u>-</u>	<u>460,137</u>
	Establishment costs				
	Rates	14,388	-	-	14,388
	Insurance	9,532	-	-	9,532
	Repairs and maintenance	14,303	-	-	14,303
	Water, light and heat	13,689	-	-	13,689
	Cleaning	10,113	-	-	10,113
	Gardening and grounds	8,547	-	-	8,547
	Depreciation	-	-	16,770	16,770
		<u>70,572</u>	<u>-</u>	<u>16,770</u>	<u>87,342</u>
	Office and support costs				
	Other salaries	74,111	-	-	74,111
	Depreciation	4,400	-	-	4,400
	Printing and stationery	5,256	1,534	-	6,790
	Events	173	6,156	-	6,329
		<u>83,940</u>	<u>7,690</u>	<u>-</u>	<u>91,630</u>
	Governance costs				
	Audit and accountancy	7,833	-	-	7,833
	Other legal and professional fees	38	4	-	42
		<u>7,871</u>	<u>4</u>	<u>-</u>	<u>7,875</u>
		<u>371,083</u>	<u>259,131</u>	<u>16,770</u>	<u>646,984</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

7.	NET INCOME FOR THE YEAR	2024	2023
	This is stated after charging:	£	£
	Auditors remuneration - external audit	8,340	7,833
	Depreciation of tangible fixed assets	20,572	21,170
		<u>28,912</u>	<u>28,993</u>

MANAGEMENT THREAT IN RELATION TO NON-AUDIT SERVICES

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

8.	ANALYSIS OF STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL	2024	2023
		£	£
	Salaries and wages	274,399	266,305
	Social security costs	29,131	28,581
	Pension contributions	57,037	75,744
		<u>360,567</u>	<u>370,630</u>

The pension contributions shown above include amounts relevant to the inclusion of the pension provision shown in note 14 to the financial statements as required following the introduction of FRS 102.

The total number of employees whose total salaries exceeded £60,000 is as follows:	2024	2023
£70,000 - £80,000	0	1
£80,000 - £90,000	1	0

The average number of staff employed, analysed by function, employed during the year were:

	2024	2023
	Number	Number
Academic	5	5
Administration	3	3
Establishment	1	1
	<u>9</u>	<u>9</u>

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties.

Related party transactions in the year were £Nil (2023: £Nil)

No expenses were reimbursed to the Trustees, but a total of £16 was paid by the Institute for Trustees to attend meetings (2023: £35).

9. TAXATION
- As a charity, The Needham Research Institute is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the year.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

10.	TANGIBLE FIXED ASSETS YEAR ENDED 30TH SEPTEMBER 2024	Long Leasehold £	Fixtures & Fittings £	Equipment & Software £	Total £
	COST				
	Balance at 1st October 2023	1,626,664	70,813	28,691	1,726,168
	Disposals	-	(13,625)	(1,077)	(14,702)
	Balance at 30th September 2024	<u>1,626,664</u>	<u>57,188</u>	<u>27,614</u>	<u>1,711,466</u>
	DEPRECIATION				
	Balance at 1st October 2023	553,328	64,647	23,157	641,132
	Charge for the year	16,770	1,318	2,484	20,572
	Eliminated	-	(13,625)	(1,077)	(14,702)
	Balance at 30th September 2024	<u>570,098</u>	<u>52,340</u>	<u>24,564</u>	<u>647,002</u>
	NET BOOK VALUE as at 30th September 2024	<u>1,056,566</u>	<u>4,848</u>	<u>3,050</u>	<u>1,064,464</u>

	TANGIBLE FIXED ASSETS YEAR ENDED 30TH SEPTEMBER 2023	Long Leasehold £	Fixtures & Fittings £	Equipment & Software £	Total £
	COST				
	Balance at 1st October 2022	1,626,664	70,813	23,425	1,720,902
	Additions	-	-	5,266	5,266
	Balance at 30th September 2023	<u>1,626,664</u>	<u>70,813</u>	<u>28,691</u>	<u>1,726,168</u>
	DEPRECIATION				
	Balance at 1st October 2022	536,558	63,110	20,294	619,962
	Charge for the year	16,770	1,537	2,863	21,170
	Balance at 30th September 2023	<u>553,328</u>	<u>64,647</u>	<u>23,157</u>	<u>641,132</u>
	NET BOOK VALUE as at 30th September 2023	<u>1,073,336</u>	<u>6,166</u>	<u>5,534</u>	<u>1,085,036</u>

11.	INVESTMENT FIXED ASSETS	2024		2023	
		Cost	Market Value	Cost	Market Value
		£	£	£	£
	Investment properties - long leasehold	111,548	1,200,000	111,548	1,200,000
	Listed investments	11,280,256	14,992,103	10,755,379	13,437,048
	Capital account	160,201	160,201	121,811	121,811
		<u>11,552,005</u>	<u>16,352,304</u>	<u>10,988,738</u>	<u>14,758,859</u>
	Market value at 1st October		14,637,048		13,751,311
	Listed investments acquired		2,073,138		2,607,087
	Listed investments disposed		(2,176,869)		(2,145,987)
	Realised (losses)/gains		204,024		(28,894)
	Gains/(losses) on revaluations at 30th September		1,454,762		453,531
	Market value at 30th September		<u>16,192,103</u>		<u>14,637,048</u>

The long leasehold of 2 Sylvester Road was valued by the Westley & Huff on the basis of its market value being £1,200,000. Westley & Huff are an established firm of Chartered Surveyors and Valuers.

Listed investments have been valued at the prices as shown on recognised exchanges.

No listed investment, excluding cash balances, made up more than 5% of the portfolio.

12.	DEBTORS	2024	2023
	Due within one year:	£	£
	Prepayments and accrued income	2,916	1,790
	Other debtors	50,710	85,939
		<u>53,626</u>	<u>87,729</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

13.	CREDITORS	2024	2023
	Due within one year:	£	£
	Accruals and deferred income	33,805	28,993
	Deposit held	2,025	2,025
		<u>35,830</u>	<u>31,018</u>
14.	PROVISIONS FOR LIABILITIES		2024
			£
	Balance at 1st October 2023		31,717
	Provision identified in the year		-
	Movement in provision		(3,616)
	Balance at 30th September 2024		<u>28,101</u>
	PROVISIONS FOR LIABILITIES		2023
			£
	Balance at 1st October 2022		35,162
	Provision identified in the year		-
	Movement in provision		(3,445)
	Balance at 30th September 2023		<u>31,717</u>

The introduction of FRS 102 necessitates the inclusion of a provision to account for the full liability of any pension deficit catch up plan. The liability is based on the additional expected payments required over the life of the catch up plan, allowing for discounting rates and changes in future contributions.

The provision relates to the USS pension deficit recovery plan as mentioned in note 1 (j) to the financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

15. RESTRICTED FUNDS
YEAR ENDED 30TH SEPTEMBER 2024

	Balance B/Fwd £	Income £	Expenditure £	Revaluation Gains £	Transfers £	Balance C/Fwd £
a) SCC Fund (NSF)	14,037	-	-	-	-	14,037
b) Li Foundation Fund	134,838	-	(49,915)	-	(3,994)	80,929
c) Sino-British Fellowship Trust	12,703	16,000	(7,295)	-	-	21,408
d) SYK Fellowship Fund	641,271	19,310	(21,339)	78,530	488	718,260
e) Kim Foundation	27,883	-	-	-	-	27,883
f) CNRS Sphere Project	5,415	-	(285)	-	-	5,130
g) Independent Schools Fund	-	56,542	(56,542)	-	-	-
h) Lloyd Dan David Fund	680,576	25,495	(38,839)	83,349	(868)	749,713
i) Jing Brand Fund (including Tianyoude grant)	155,214	76,674	(40,496)	19,009	(3,390)	207,011
j) Beijing Xingzhi	5,425	-	(5,425)	-	-	-
k) Kan Wen Ma Fund (in memory of Prof Ma)	7,407	-	(1,168)	-	(689)	5,550
l) Ho Peng Yoke Fellowship	626,422	28,629	(20,669)	76,711	669	711,762
m) Suiyuan Grant	50,129	-	(678)	-	(5,461)	43,990
n) HK Trust	-	-	(4,496)	-	3,597	(899)
o) CCKF Lu-Gwei-Djen	-	2,599	(2,599)	-	-	-
	<u>2,361,320</u>	<u>225,249</u>	<u>(249,746)</u>	<u>257,599</u>	<u>(9,648)</u>	<u>2,584,774</u>

Purpose of funds:

- Fund is for research resulting in publications, mainly in the Science and Civilisation in China projects.
- Fund is to support research fellows.
- Fund is to support research fellows.
- Fund is to fund PhD students and Scholars.
- Fund is to support research in the history of science in modern East Asia.
- Fund is to support the CNRS Sphere Project.
- Fund is to support Independent Schools in research.
- Fund is established under a grant given by Lloyd Dan David for support for future fellows research.
- Fund is established under a grant given by The Jing Brand for support for future fellowships.
- Fund is established under a grant given by the Beijing Xingzhi Exploring Culture Communication Company for support for future scholarships.
- Fund is for the establishment of an annual lecture in memory of Professor K W Ma.
- Fund is for the establishment of a visiting Fellowship in memory of Professor Ho Peng Yoke.
- Fund to support short term academic visits of Chinese scholars and small seminars related to research on the history of science and technology in China.
- Fund was established for supporting our archival project.
- The Chiang Ching-Kuo Foundation for Scholarly Exchange funded the Institute archivist on a 2-year Lu Gwei-Djen project.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

15. RESTRICTED FUNDS
YEAR ENDED 30TH SEPTEMBER 2023

	Balance B/Fwd £	Income £	Expenditure £	Revaluation Gains £	Transfers £	Balance C/Fwd £
a) SCC Fund (NSF)	14,037	-	-	-	-	14,037
b) Li Foundation Fund	69,537	96,891	(29,250)	-	(2,340)	134,838
c) Sino-British Fellowship Trust	24,788	1,349	(13,434)	-	-	12,703
d) SYK Fellowship Fund	628,784	17,025	(21,872)	19,411	(2,077)	641,271
e) Kim Foundation	27,883	-	-	-	-	27,883
f) CNRS Sphere Project	5,415	-	-	-	-	5,415
g) Independent Schools Fund	-	56,910	(56,910)	-	-	-
h) Lloyd Dan David Fund	679,041	24,636	(40,352)	20,963	(3,712)	680,576
i) Jing Brand Fund (including Tianyoude grant)	155,832	54,219	(55,648)	4,811	(4,000)	155,214
j) Beijing Xingzhi	5,425	-	-	-	-	5,425
k) Kan Wen Ma Fund (in memory of Prof Ma)	7,407	-	-	-	-	7,407
l) Ho Peng Yoke Fellowship	614,009	21,895	(26,118)	18,955	(2,319)	626,422
m) Wellcome Grant	-	15,236	(15,236)	-	-	-
n) Suiyuan Grant	50,129	-	-	-	-	50,129
o) HK Trust	7,000	-	(10,203)	-	3,203	-
	<u>2,289,287</u>	<u>288,161</u>	<u>(269,023)</u>	<u>64,140</u>	<u>(11,245)</u>	<u>2,361,320</u>

Purpose of funds:

- a) Fund is for research resulting in publications, mainly in the Science and Civilisation in China projects.
- b) Fund is to support research fellows.
- c) Fund is to support research fellows.
- d) Fund is to fund PhD students and Scholars.
- e) Fund is to support research in the history of science in modern East Asia.
- f) Fund is to support the CNRS Sphere Project.
- g) Fund is to support Independent Schools in research.
- h) Fund is established under a grant given by Lloyd Dan David for support for future fellows research.
- i) Fund is established under a grant given by The Jing Brand for support for future fellowships.
- j) Fund is established under a grant given by the Beijing Xingzhi Exploring Culture Communication Company for support for future scholarships.
- k) Fund is for the establishment of an annual lecture in memory of Professor K W Ma.
- l) Fund is for the establishment of a visiting Fellowship in memory of Professor Ho Peng Yoke.
- m) Fund to digitise and organise the extensive archives of Joseph and Dorothy Needham.
- n) Fund to support short term academic visits of Chinese scholars and small seminars related to research on the history of science and technology in China.
- o) Fund was established for supporting our archival project.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

16.	ENDOWMENT FUNDS	Balance			Revaluation		Balance
	YEAR ENDED 30TH	B/Fwd.	Income	Expenditure	Gains	Transfers	C/Fwd.
	SEPTEMBER 2024	£	£	£	£	£	£
	Building Fund	683,957	-	(10,650)	-	-	673,307
	Building Fund (South Wing)	441,716	-	(6,120)	-	-	435,596
	Endowment Fund	8,338,759	277,500	-	868,736	(277,500)	9,207,495
	Endowment Fund Library	21,850	-	-	-	-	21,850
	Joseph Needham Estate	485,889	-	-	-	-	485,889
		<u>9,972,171</u>	<u>277,500</u>	<u>(16,770)</u>	<u>868,736</u>	<u>(277,500)</u>	<u>10,824,137</u>

The building funds were provided for and expended on the erection of permanent premises for the Needham Research Institute and to house the East Asian History of Science Library.

The Endowment Fund exists to provide capital for investment which in turn will produce income sufficient in time to secure the continuing operation of the Institute.

ENDOWMENT FUNDS	Balance			Revaluation		Balance
YEAR ENDED 30TH	B/Fwd.	Income	Expenditure	Gains	Transfers	C/Fwd.
SEPTEMBER 2023	£	£	£	£	£	£
Building Fund	694,607	-	(10,650)	-	-	683,957
Building Fund (South Wing)	447,836	-	(6,120)	-	-	441,716
Endowment Fund	8,104,436	266,118	-	234,323	(266,118)	8,338,759
Endowment Fund Library	21,850	-	-	-	-	21,850
Joseph Needham Estate	485,889	-	-	-	-	485,889
	<u>9,754,618</u>	<u>266,118</u>	<u>(16,770)</u>	<u>234,323</u>	<u>(266,118)</u>	<u>9,972,171</u>

17.	UNRESTRICTED FUNDS	Balance			Revaluation		Balance
	YEAR ENDED 30TH	B/Fwd.	Income	Expenditure	Gains	Transfers	C/Fwd.
	SEPTEMBER 2024	£	£	£	£	£	£
Designated funds:							
	Building repairs fund	27,622	-	-	-	4,000	31,622
	Computer and equipment fund	16,485	-	-	-	-	16,485
	Library Special Fund	31,918	-	(5,499)	-	(5,227)	21,192
		<u>76,025</u>	<u>-</u>	<u>(5,499)</u>	<u>-</u>	<u>(1,227)</u>	<u>69,299</u>
	Other charitable funds	<u>3,680,296</u>	<u>130,524</u>	<u>(457,700)</u>	<u>532,451</u>	<u>288,375</u>	<u>4,173,946</u>
		<u>3,756,321</u>	<u>130,524</u>	<u>(463,199)</u>	<u>532,451</u>	<u>287,148</u>	<u>4,243,245</u>

Purpose of designated funds:

The building repairs fund arises from amounts set aside towards major building maintenance.

The computer and equipment fund arises from amounts set aside towards the updating and replacement of computers and equipment.

The Library Special Fund arises from amounts set aside towards the purchase of books and publications for the Library.

UNRESTRICTED FUNDS	Balance			Revaluation		Balance	
YEAR ENDED 30TH	B/Fwd.	Income	Expenditure	Gains	Transfers	C/Fwd.	
SEPTEMBER 2023	£	£	£	£	£	£	
Designated funds:							
	Building repairs fund	23,622	-	-	-	4,000	27,622
	Computer and equipment fund	16,485	-	-	-	-	16,485
	Library Special Fund	35,025	-	(3,107)	-	-	31,918
		<u>75,132</u>	<u>-</u>	<u>(3,107)</u>	<u>-</u>	<u>4,000</u>	<u>76,025</u>
	Other charitable funds	<u>3,592,612</u>	<u>111,723</u>	<u>(423,576)</u>	<u>126,174</u>	<u>273,363</u>	<u>3,680,296</u>
		<u>3,667,744</u>	<u>111,723</u>	<u>(426,683)</u>	<u>126,174</u>	<u>277,363</u>	<u>3,756,321</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS YEAR ENDED 30TH SEPTEMBER 2024	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total Funds £
Fund balances at 30th September are represented by:.				
Tangible fixed assets	7,898	-	1,056,566	1,064,464
Investment fixed assets	4,076,781	2,539,418	9,736,105	16,352,304
Debtors	33,597	20,029	-	53,626
Cash at bank and in hand	186,068	28,159	31,466	245,693
Current liabilities	(32,998)	(2,832)	-	(35,830)
Provisions for liabilities	(28,101)	-	-	(28,101)
Net assets	<u>4,243,245</u>	<u>2,584,774</u>	<u>10,824,137</u>	<u>17,652,156</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS YEAR ENDED 30TH SEPTEMBER 2023	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total Funds £
Fund balances at 30th September are represented by:.				
Tangible fixed assets	11,700	-	1,073,336	1,085,036
Investment fixed assets	3,662,230	2,229,260	8,867,369	14,758,859
Debtors	42,264	45,465	-	87,729
Cash at bank and in hand	100,389	89,068	31,466	220,923
Current liabilities	(28,545)	(2,473)	-	(31,018)
Provisions for liabilities	(31,717)	-	-	(31,717)
Net assets	<u>3,756,321</u>	<u>2,361,320</u>	<u>9,972,171</u>	<u>16,089,812</u>

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net movement in funds	1,562,344	378,163
Add: Depreciation	20,572	21,170
Less: Investment income	(447,580)	(409,413)
Less: Gains on investments	(1,658,786)	(424,637)
Decrease/(increase) in debtors	34,103	(34,129)
Increase/(decrease) in creditors	4,812	(1,052)
Decrease in provisions	(3,616)	(3,445)
Net cash provided by (used in) operating activities	<u>(488,151)</u>	<u>(473,343)</u>

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash held under investments	160,201	121,811
Cash at bank	245,693	220,923
	<u>405,894</u>	<u>342,734</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

20. PENSIONS

(a) Universities Superannuation Scheme

The Institute participates in the Universities Superannuation Scheme (the scheme) with three active members. Throughout the current and preceding periods, the scheme was a defined benefit only pension scheme until 31 March 2017 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to the individual institutions and a scheme-wide contribution rate is set. The Institute is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme.

As a result, the amount charged to the Statement of Financial Activities represents the contributions payable to the scheme. Since the Institute has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Institute recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the Statement of Financial Activities.

The total cost charged to the Statement of Financial Activities for the Institute is £30,555 (2022/23: £38,481).

Since the Institute cannot identify its share of the scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

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

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

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Pension increase (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

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

	2023 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5 an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

PENSIONS(CONT.)

The current life expectancies on retirement at age of 65 are:	2024	2023
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

(b) Cambridge University Assistants' Contributory Pension Scheme

The Institute participates in the Cambridge University Assistants' Contributory Pension Scheme (CPS) which is a defined benefit scheme. The Institute's contributions are affected by a surplus or deficiency in the CPS but the Institute is unable to identify its share of the underlying assets and liabilities in the Scheme on a consistent and reasonable basis. The Institute therefore accounts for its contributions to the CPS as if it were a defined contribution scheme. It had six active members participating in the Scheme.

The CPS was established under the authority of the Universities of Oxford and Cambridge Act 1923. It is a registered pension scheme for the purposes of the Finance Act 2004. The active members of the scheme are employees of the University and its subsidiary undertakings. The scheme's benefit structure changed significantly from 1 January 2013, at which point employees covered by the schemes ceased to be contracted out of the State Second Pension.

Triennial valuation of the scheme

A full triennial valuation of the scheme was carried out by the actuary for the trustees of the scheme as at 31 July 2021. The results of valuation showed the actuarial value of the scheme's assets as £814m. These were sufficient to cover the scheme's past service liabilities of £738m; the scheme had a surplus of £76m and was 110% funded.

Since 1 August 2013 employer contributions have been set at 11.5% of pensionable pay for existing members at 31 December 2021 and 5.8% of pensionable pay (together with contributions at 5.0% to a separate defined contribution arrangement) for new entrants from 1 January 2013. On 1 August 2023, employer contributions will be adjusted to 14.1% of pensionable pay for existing members at 31 December 2022 and 7.6% of pensionable pay (together with contributions at 5% to a separate defined contribution arrangement) for new entrants from 1 January 2023. In addition, fixed employer contributions totalling £14.6m per annum are payable over the period from 1 August 2011 to 31 July 2023. These payments are subject to review at the next triennial valuation due as at 31 July 2024.