

Jenner Vaccine Foundation

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2015

Company number: 3079818
Charity number: 1051079

Jenner Vaccine Foundation

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Jenner Vaccine Foundation

TRUSTEES' REPORT

TRUSTEES

Prof David Salisbury (Chairman)

Dr Norman Begg
Prof J Fazakerley
Prof Paul Fine
Prof Andrew McMichael
Prof Andrew Pollard
Dr Bryan Charleston
Dr Ian Tarpey

REGISTERED OFFICE

Old Road Campus Research Building
Old Road Campus
Roosevelt Drive
Headington
Oxford
OX3 7DQ

BANKERS

Barclays Bank plc
1 Churchill Road
London
E14 5HP

SOLICITORS

Hempsons Solicitors
40 Villiers Street
London
WC2N 6NJ

INVESTMENT MANAGERS

Quilter Cheviot
One Kingsway
London
WC2B 6AN

AUDITOR

KPMG LLP
Arlington Business Park
Theale
Reading
RG7 4SD

Jenner Vaccine Foundation

TRUSTEES' REPORT (Continued)

THE BOARD OF DIRECTORS AND THEIR INTERESTS

Members of the Board of Directors during the year have been and to the date of signing this report:

DIRECTOR:

Professor David Salisbury

Prof J Fazakerley

Dr Bryan Charleston

Dr Ian Tarpey

Dr Norman Begg

Prof Paul Fine

Professor Andrew McMichael

Professor Andrew Pollard

NOMINATED BY:

Joint appointment by Pirbright Institute and University of Oxford

Appointed by Pirbright Institute

Appointed by Pirbright Institute

Appointed by Pirbright Institute

Appointed by University of Oxford (Research Nominee)

Appointed by University of Oxford

Appointed by University of Oxford

Appointed by University of Oxford

Chief Executive Officer and Secretary

Chief Executive Officer
Secretary

Professor Adrian Hill
Mr Gary Strickland

DIRECTORS AND TRUSTEES

The directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

ANNUAL REPORT OF THE TRUSTEES AND DIRECTORS

The Trustees have pleasure in submitting their annual report together with the accounts for the year ended 31 March 2015.

The financial statements have been prepared in accordance with the accounting policies set out on pages 18 and 19 of the accounts and comply with the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Jenner Vaccine Foundation is a company limited by guarantee (registered number 3079818) and a registered charity (number 1051079). The Foundation is governed by its Memorandum and Articles of Association and is registered with the Charities Commission.

Membership

- The Foundation has two members, the University of Oxford and the Pirbright Institute (formerly Institute of Animal Health).
- The Board of directors serve as the Trustees of the Foundation.
- The liability of the two members of the company is limited by guarantee to a maximum of £10 each.

Jenner Vaccine Foundation

TRUSTEES' REPORT (Continued)

APPOINTMENT OF TRUSTEES

As set out in the Articles of Association, the chair of the Trustees is appointed jointly by the Pirbright Institute and the University of Oxford. The Pirbright Institute and the University of Oxford each appoint three Trustees and a further research nominee is appointed by whichever of the two members has the highest level of research activity in vaccinology. Each of the chairman and the research nominee hold office for a period of three years from the date of appointment and will be eligible for reappointment for one or more further terms of three years. Each of the remaining Trustees shall hold office for a term of three years from the date of his or her appointment at the end of which he or she shall retire but shall be eligible for reappointment for one or more further terms of three years.

RECRUITMENT AND INDUCTION OF NEW TRUSTEES

Trustees are nominated by the members and are selected on the basis of their knowledge and eminence relevant to the Foundation. The Board formally approves all trustee nominations. All Trustees are provided with an induction pack containing Trustee contact details, a copy of the memorandum and articles of association, the last published accounts and the most up to date strategic plan.

ORGANISATION

The Board of Trustees, which can have up to eight members, administers the charity. The Board meets quarterly and is advised on scientific matters by a Scientific Advisory Board. A Chief Executive is appointed by the Trustees to manage the day to day operation of the Foundation.

PUBLIC BENEFIT

Jenner Vaccine Foundation exists for public benefit, for the development of new vaccines against diseases of humans and livestock. The Foundation aims to achieve this through supporting research, advocacy and training in vaccinology. The majority of research is conducted through the Jenner Institute which is one of the largest not for profit sector research and development activities in vaccinology. Jenner Institute Investigators, through the support of many funders, are developing new vaccine candidates against major global infectious diseases. New vaccines against malaria, tuberculosis and HIV are currently in field trials in the developing world. Research is also underway on livestock vaccines against foot and mouth disease, avian influenza, bovine tuberculosis and other major causes of economic loss. Jenner Investigators have made some key contributions to the clinical development of urgently needed Ebola vaccines over the last year as part of a major international humanitarian effort. The Trustees have had regard to the Charity Commission guidance on public benefit.

RELATED PARTIES

The Foundation has close working relationships with the Pirbright Institute and the University of Oxford. The Foundation occupies premises at the University of Oxford Old Road Campus site and any operational costs incurred by the University of Oxford are recharged to the Foundation.

RISK MANAGEMENT

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan; and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Key elements in the management of financial risk are:

Jenner Vaccine Foundation

TRUSTEES' REPORT (Continued)

- Depletion of trust funds after 2020 due to no new income being received. The Foundation has carried out a thorough review of operational costs which has significantly reduced the running costs of the charity. The Board of Trustees are also looking into applying for grants to support strategic goals in advocacy and training.

Both the reserves policy and the investment portfolio parameters are reviewed annually.

OBJECTIVES AND ACTIVITIES

The aim of the Foundation is to support the development of new vaccines against diseases of humans and of livestock. The Foundation aims to achieve this through supporting research, advocacy and training in vaccinology. The Foundation's research goals are pursued primarily through the support of a research institute, the Jenner Institute, an institute spanning the University of Oxford and the Pirbright Institute (formerly Institute of Animal Health). The Foundation strongly supports current efforts aimed at better integration of human and veterinary medicine, supporting the so-called One Medicine-One Health agenda. The Jenner Institute has a particular focus on the design and development of new vaccines for the developing world where the greatest needs exist for such vaccines. This ambitious aim recognises that non-industrial researchers have a major role to play in the design and development of new vaccines, particularly in translating new innovative vaccine designs from bench to early-stage clinical testing.

This Institute has activities in both basic and translational research with a particular emphasis on the latter. This focus reflects and recognises both the scientific state of vaccinology and the need for the non-commercial sector to make a greater contribution to vaccine development, particularly for diseases that are unattractive commercial targets for large vaccine companies.

The Foundation's objectives over the year are to enhance further the strategic aim of developing a research facilitating charity with an international reputation. In 2014/15 the Jenner Institute made further progress in developing its programmes aimed at new or improved vaccines against some of the major global infectious disease of human and livestock, with the addition of a major new activity on Ebola vaccine development.

Major activities during the year have been as follows:

Substantial progress has been achieved in several of the Institute's research programmes.

In early August 2014 the World Health Organisation contacted the Institute and asked for help in rapid assessment of new Ebola vaccine candidates, aiming to use these to help end the escalating outbreak of Ebola virus disease in West Africa. By the end of the month a grant application (to the Wellcome trust and partners) had been written and awarded and regulatory and ethical committee applications were drafted. By mid-September the vaccine had been imported and the first immunisations were starting. By early October a collaborative trial of the same vaccine had started in Mali, West Africa with over 150 subjects in the UK and Mali immunised by the end of the year. By November the Jenner team had started assessing a further boosted vaccine that substantially enhanced the potency of the first vaccine candidate. This work had been in partnership the GSK Vaccines and the National Institutes of Health.

Before Christmas trials of another vaccine approach had been started by Jenner Investigators from the Oxford Vaccine Group in the Department of Paediatrics. They worked closely with Johnson and Johnson to assess other vectored Ebola vaccines, also producing very encouraging data in a very rapid time frame. Meanwhile, a further vectored vaccine had been commissioned for manufacture by the University, this time at large scale, providing tens of thousands of doses of a new MVA vector matched to the outbreak species of Ebola virus. By the beginning of February the first of these vaccines was being tested in a large phase 3 trial in Liberia and testing continues in Senegal and, may start very soon in Guinea. Overall the Institute tested four of the first five Ebola vaccines to reach clinical trials.

Jenner Vaccine Foundation

TRUSTEES' REPORT (Continued)

This high profile rapid response attracted considerable media coverage and highlighted several strengths of the Institute: its capacity to initiate and complete trials of new vaccines very rapidly; its experience in the development of viral vectored vaccines; its strong links to and experience of conducting clinical trials in many African settings.

The Institute has also adopted a leading position in advocating for the development of new vaccines against a large number of other outbreak pathogens so that the risk of recurrence of outbreaks with no vaccine available is reduced.

A report of the promising efficacy of the Institute's liver-stage malaria vaccine in a trial in Kenya was published in *Science Translational Medicine*. Very promising clinical data were obtained in a trial of the new vaccine candidate (vectored PvRII) against *P. vivax* malaria, based on a blood-stage antigen. Another blood-stage vaccine, targeting to conserved *P. falciparum* antigen PfRH5 entered clinical trials. The GMP manufacture of a new sporozoite vaccine candidate against *P. falciparum* sporozoites, R21, was completed at the Clinical Biomanufacturing Facility. The Institute's first vaccine candidate to target the transmission stages of malaria has also completed GMP manufacture and should start clinical testing in quarter 3 2015.

Phase 2 development of an influenza vaccine targeting conserved internal antigens of the virus continues with encouraging results, and funding support from the UK MRC.

Clinical development of both adenoviral and MVA vectors against *M. tuberculosis* continues. Assessments of the delivery of an aerosolised version of the MVA appear particularly promising.

The Institute was part of a consortium awarded a large European Commission Horizon 2020 grant for 2015 for the development of HIV vaccines.

The Institute's first clinical trial of a vaccine against cancer, to be evaluated in low to intermediate risk prostate cancer patients, has been approved by regulatory and ethical committees and has started.

Strong progress continues in the development of vaccines against African swine fever at Pirbright with both attenuated whole virus and vectored subunit vaccines being assessed. The Pirbright Institute celebrated its Centenary in September 2014 and, at about the same time, formally opened its new Plowright Building. This contains a state-of-the-art high-containment facility for the handling of exotic viruses such as that causing foot and mouth disease.

In a collaborative programme between Oxford and Pirbright excellent progress has been made in the development of a vaccine against Rift Valley fever with high efficacy observed in cattle, sheep and goats.

The Institute has recruited a senior scientist in the area of Salmonella vaccine development and continues challenge studies of paratyphoid and typhoid infections as a means to evaluate vaccines.

The Jenner Institute's distinguished Scientific Advisory Board met to review and assess the Institute's work in May 2014 and was impressed by the depth and quality of the research programmes. As special review panel from the Wellcome Trust visited the Institute in mid-2014 and recommended that the Institute be invited to apply for further strategic core funding in 2015.

The achievement of these objectives has supported overall progress towards agreed goals for the Foundation and its supported Institute.

GRANT MAKING POLICY

During 2014-15 the Foundation continued to support vaccinology research at the Jenner Institute through a variety of mechanisms. The allowances of Jenner Investigators were funded directly to the individuals. A proportion of the costs of research seminars in vaccinology at the various Institute sites have been supported

Jenner Vaccine Foundation

TRUSTEES' REPORT (Continued)

directly. The Jenner Institute's Scientific Advisory Board (SAB) has been supported by the Foundation: this SAB meets approximately every 12-18 months, oversees the overall research strategy of the Institute and reports back to the Foundation Board and the Institute Director. Funds were also allocated to support a new "Vaccinology In Africa" course held in Nairobi, Kenya in October 2014. This was the second running of an African five day course on vaccinology. This was again very successful and attracted a large number of excellent students. It is planned to hold the course again in late 2015, probably in Bamako, Mali.

REVIEW OF THE DEVELOPMENT AND ACTIVITIES OF THE FOUNDATION DURING THE YEAR

The Jenner Institute Laboratories at the Old Road Campus site of the University in Headington, Oxford, are occupied by research groups working on malaria, tuberculosis, HIV, influenza and other vaccines. Space for further work by Institute scientists was provided by the department of medicine in the Molecular Physiology Building on the same Old Road Campus site in late 2013. The Laboratories have strong links to the neighbouring clinical facility at the Centre for Clinical Vaccinology and Tropical Medicine (CCVTM). The restructuring of clinical vaccine activities at the CCVTM to form the Oxford Vaccine Centre, embracing all the clinical vaccinology activities within the CCVTM, has been successful and there is now better integration of vaccine trial activities in the centre

Research activity, supported by the Foundation and the Wellcome Trust Strategic Award in Human and Veterinary Vaccinology has enhanced collaborative work between the University and Pirbright Institute scientists. In addition to this the University and Pirbright Institute have supported financially Jenner Fellows undertaking work on linked veterinary and human vaccine programmes.

The Pirbright Institute will continue to carry out its world leading surveillance and research into virus diseases of livestock and viruses that spread from animals to humans. It will have the facilities and expertise to meet the known and emerging virus threats of the 21st century. Many staff have now transferred from the Compton Laboratory in Berkshire, UK where a move and decommissioning programme is nearing completion and all scientific staff will have relocated to Pirbright by late 2015. At Pirbright, the first of several new buildings, a high containment laboratory for 150 staff, has been completed and a further new building is under construction.

The Foundation continues its membership of the European Economic Interest Group known as the European Vaccine Initiative – EEIG, which is based in Heidelberg, Germany. The European Vaccine Initiative seeks to coordinate and raise funds for research and development work on vaccines for developing countries and held another successful Rendezvous meeting in Paris in late 2014.

The Foundation continues to support a high quality seminar programme in vaccinology organised by the Jenner Institute. These seminars have attracted high profile external speakers in vaccinology and have been well attended. Details of past and planned seminars are available on the Institute's website: www.jenner.ac.uk.

The Foundation identifies and appoints Jenner Institute Investigators from those active in vaccinology from amongst the staff of the University and the Pirbright Institute and the Animal and Plant Health Agency (APHA, until recently the Animal Health and Veterinary Laboratories Agency). This status confers entitlement to an allowance for travel to conferences and other such expenses whilst raising the profile of the Institute.

The Foundation's website and that of the Institute have been well maintained and updated during the year (<http://www.jenner.ac.uk/jvf>)

The educational objectives of the Foundation and Institute were progressed by the successful continuation of a course called the Oxford Vaccinology Programme in 2014 (<http://cpd.conted.ox.ac.uk/vaccinology/default.asp>). This partnership between the Jenner Institute and the Oxford University Department for Continuing Education received seed funding from a BBSRC award. Courses on Human and Veterinary Vaccinology, Clinical Vaccine Development and Vaccine Biomanufacturing were again offered in 2014 and were successful and well attended. It is planned to continue these courses for at least a further year.

Jenner Vaccine Foundation

TRUSTEES' REPORT (Continued)

The National Institutes for Health Research supported Oxford Biomedical Research Centre (BRC) has continued to play a major role in supporting the clinical trials programme of the Institute with support for trials on vaccines against meningitis, influenza, pneumonia, tuberculosis, malaria, HCV and HIV. The Institute's Investigators contribute to the vaccines and immunology themes of the BRC, and the vaccines theme has been particularly well regarded as a leading example of excellent translational and clinical research. In 2012 a successful application was made for renewal of the BRC for a further five years from 2012-2017. The Vaccines theme of the Centre is led by Jenner Investigators who are active in clinical research.

PLANS FOR FUTURE PERIODS

The need for greater investment in vaccinology in the UK and globally is increasingly recognised and this is driven by several factors:

- Increasing recognition that the horrendous burden of mortality from potentially vaccine-preventable diseases in poor countries is indefensible in an increasingly wealthy world;
- Appreciation that a huge investment in basic sciences such as immunology and genomics has provided great opportunities for new vaccine development but relatively few products;
- Increasing public concern about the safety of widely used childhood vaccines in the UK and other developed countries;
- Realisation that new pathogens such as SARS and new influenza strains will continue to emerge, that eradicated diseases such as smallpox may be re-introduced by bioterrorists, and that vaccination offers a major defence strategy;
- Concern that adequate vaccines and vaccination policies have not been available or in place to safeguard livestock from epidemics such as foot and mouth disease;
- Realisation that the commercial sector is unlikely to be able to undertake more than late stage development of vaccines that are needed for mainly developing country markets; and
- Excitement that therapeutic vaccination against chronic infections, cancer and auto-immune diseases may soon become feasible.

Against this background Oxford University and the Pirbright Institute are committed to supporting actively their vaccinology programmes that are enhanced by the work of the Jenner Institute supported in part by the Jenner Vaccine Foundation.

Objectives for the coming year include the following:

- The Institute will continue to seek funding support and commercial partnering opportunities that will allow further development and larger scale trials of current and new vaccine candidates against major diseases such as tuberculosis, meningitis, *P. falciparum* malaria, HIV, foot and mouth disease and influenza. Partnerships established over the last year with GSK vaccines, Janssen (part of Johnson and Johnson) and Merck support the feasibility of this endeavour.
- The Institute will support the further development of other programmes of research including those on vaccines against *Staphylococcus aureus*, dengue, respiratory syncytial virus, HCV, peste des petit ruminants, African Swine Fever and Rift Valley Fever;
- The Institute will seek to find funding support for increased activity in the areas of vaccine design and development against outbreak pathogens such as Ebola, Marburg and MERS viruses and will continue its promising work on a vaccine against another outbreak pathogen, Rift Valley fever virus.
- The Institute, with Foundation support and oversight, will seek to develop further its core activities based on the successful model of Wellcome Trust Strategic Award support. In particular, further funding for the new transcriptomics core facility funded by the Wellcome Trust will be sought;
- The Institute will seek further space to continue to grow on its Old Road Campus site so as to accommodate an increasing number of scientists and students. This has been in part achieved through new space in the last year but further space is required.
- The Institute will utilise the new high quality research space at Pirbright to enhance further its activities in veterinary vaccine design and development.

Jenner Vaccine Foundation

TRUSTEES' REPORT (Continued)

- The Institute will seek to expand its activities in the area of cancer immunotherapy building on its preclinical and recently initiated clinical programme in prostate cancer vaccine development.
- The Foundation will seek to enhance capacity for vaccinology at locations in sub-Saharan Africa, in particular by supporting short course teaching. The Foundation will also seek to support development of a laboratory that will allow vaccine design and early stage development in East Africa with suitable partners.

FINANCIAL RESULTS FOR THE YEAR

The net movement in funds for the year to 31 March 2015 was a deficit of £14,492 (2014: £26,209, deficit). The total value of fund balances at 31 March 2015 was £845,438 (2014: £859,930).

INVESTMENT POLICY

Under the Memorandum and Articles of Association the Charity may invest monies not immediately required for its purposes in any way the Trustees wish.

The Investment Policy is that sufficient funds will be retained on short-term deposit to cover the designated funds and also any timing differences between receipts and expenditure for the following year. The remaining funds will be invested in such a way as to balance the need to maximise growth whilst retaining sufficient liquidity to manage the ongoing cash requirements of the Foundation. The Foundation has engaged the services of an Independent Adviser to provide advice on suitable investments.

After allowing for the withdrawal of £70,000 of capital during the year for investments and short term deposits, the portfolio returned 11.6% against a benchmark return of 11.3%. This is based on a revised asset allocation reflecting the trustees' decision during the year to maximise the return subject to adopting a medium risk strategy. The investment managers are mindful that additional funds will be required in the coming year and have retained a significant exposure to cash and other short term instruments.

On an overall basis the year produced a satisfactory outcome. The asset mix is reviewed regularly to align investment objectives with the needs of the fund.

The Foundation's investment policy and the performance of its investments against that policy are reviewed annually.

RESERVES POLICY

It is the policy of the Board that the balance on unrestricted funds is maintained at such a level as is deemed sufficient to enable the Foundation to accommodate fluctuations in the timing of receipts and payments without exposing the Foundation to undue financial risk.

From 1 November 2005 no further funding was received from the Foundation's original sponsors, the previous funding arrangement having ended. One of the key tasks of the Trustees is to manage the remaining reserves whilst new sources of funding are identified. During the current financial year the Trustees appointed an organisation to conduct a fundraising feasibility study with a view to increasing the Foundation's reserves substantially.

At the 31 March 2015, the actual reserves were £845,438 all in unrestricted general reserves.

The degree of adherence to and appropriateness of this policy is reviewed annually.

Jenner Vaccine Foundation

TRUSTEES' REPORT (Continued)

GOING CONCERN

The Trustees consider that the Foundation has adequate financial resources and is well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on our sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the charity's ability to continue. Accordingly the accounts have been prepared on the basis that the charity is a going concern.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:


- So far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The director has taken all the steps that he/she ought to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Prof David Salisbury
Trustee


.....
Date 21/08/15

Mr Gary Strickland
Company Secretary


.....
Date 21/8/15

TRUSTEES' RESPONSIBILITIES STATEMENT

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

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of expenditure over income for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JENNER VACCINE FOUNDATION

Independent auditor's report to the members of Jenner Vaccine Foundation

We have audited the financial statements of Jenner Vaccine Foundation for the year ended 31 March 2015 set out on pages 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

Respective responsibilities of the trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 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 UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

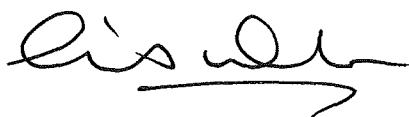
In our opinion the information in the Trustees' Annual Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JENNER VACCINE FOUNDATION

Matters on which we are required to report by exception

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

- the charitable company has not kept adequate accounting records 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



*Chris Wilson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Arlington Business Park,
Theale,
Reading,
RG7 4SD*

24 August 2015

Jenner Vaccine Foundation

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF RECOGNISED GAINS AND LOSSES)

for the year ended 31 March 2015

	<i>Notes</i>	<i>Unrestricted funds 2015 £</i>	<i>Total funds 2014 £</i>
INCOMING RESOURCES			
Investment income	<i>1</i>	18,220	19,205
Incoming resources from charitable activities:			
Other incoming resources		10,398	2,252
		<hr/>	<hr/>
Total incoming resources		28,618	21,457
		<hr/>	<hr/>
RESOURCES EXPENDED			
Costs of generating funds:			
Investment management costs		6,136	7,495
Charitable activities:			
Scientific research	<i>2</i>	92,732	75,810
Governance costs	<i>2</i>	14,982	16,123
		<hr/>	<hr/>
Total resources expended		113,850	99,428
		<hr/>	<hr/>
Net outgoing resources before transfers		(85,232)	(77,971)
		<hr/>	<hr/>
Net outgoing resources for the year being net expenditure for the year		(85,232)	(77,971)
		<hr/>	<hr/>
OTHER RECOGNISED GAINS AND LOSSES			
Unrealised gains/(loss) on investment assets		70,740	51,762
		<hr/>	<hr/>
NET MOVEMENTS IN FUNDS			
		(14,492)	(26,209)
FUND BALANCES AT 1 APRIL			
		859,930	886,139
		<hr/>	<hr/>
FUND BALANCES AT 31 MARCH			
	<i>4</i>	845,438	859,930
		<hr/> <hr/>	<hr/> <hr/>

All of the charity's activities are continuing. The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18-26 form an integral part of these financial statements.

Jenner Vaccine Foundation

BALANCE SHEET

31 March 2015

	<i>Note</i>	<i>2015</i> £	<i>2014</i> £
FIXED ASSETS			
Tangible Assets	7	11,750	11,750
Investments	8	817,889	794,551
		<u>829,639</u>	<u>806,301</u>
CURRENT ASSETS			
Debtors	9	2,598	5,713
Short term deposits		15,275	26,271
Cash at bank and in hand		10,183	38,183
		<u>28,056</u>	<u>70,167</u>
CREDITORS: Amounts falling due within one year	10	<u>(12,257)</u>	<u>(16,538)</u>
NET CURRENT ASSETS		<u>15,799</u>	<u>53,629</u>
NET ASSETS		<u>845,438</u>	<u>859,930</u>
FUNDS			
Unrestricted - General	4, 5	<u>845,438</u>	<u>859,930</u>
		<u>845,438</u>	<u>859,930</u>

The notes on pages 18-26 form an integral part of these financial statements.

The financial statements of Jenner Vaccine Foundation, company registered number 3079818 and registered charity number 1051079, were approved by the Board of Trustees and authorised for issue on 21 August 2015 and signed on their behalf by:

Prof David Salisbury
Trustee

Mr Gary Strickland
Company Secretary

Jenner Vaccine Foundation

CASH FLOW STATEMENT

for the year ended 31 March 2015

	<i>Note</i>	<i>2015</i> £	<i>2014</i> £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	<i>11</i>	(98,482)	(90,006)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Income received from investments		18,220	19,205
		<hr/>	<hr/>
NET CASH INFLOW FROM INVESTMENTS AND SERVICING OF FINANCE		18,220	19,205
CAPITAL EXPENDITURE			
Payments to acquire investments		-	-
Proceeds from sale of investments		47,402	51,794
Investment management costs		(6,136)	(7,495)
		<hr/>	<hr/>
NET CASH INFLOW FROM CAPITAL EXPENDITURE		41,266	44,299
NET CASH INFLOW/(OUTFLOW)		(38,996)	(26,502)
MANAGEMENT OF LIQUID RESOURCES			
Net (increase) decrease in short term deposits		10,996	46,565
		<hr/>	<hr/>
INCREASE (DECREASE) IN CASH		(28,000)	20,063
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 18-26 form an integral part of these financial statements.

Jenner Vaccine Foundation

ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention modified to include the revaluation of investments which are valued at market value. The accounts meet with the requirements of the Companies Act 2006 and have been prepared in accordance with applicable United Kingdom accounting standards and the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005). The particular accounting policies adopted, which have been applied consistently throughout the current and prior financial year, are described below.

TANGIBLE FIXED ASSETS

Fixed assets costing over £10,000 are depreciated to their estimated residual values by equal annual instalments over their expected useful lives as below. Items costing less than £10,000 are expensed in the year of purchase.

No depreciation is provided on works of art except in the event of permanent diminution in value.

INVESTMENTS

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

INCOME

Income comprises grants received from sponsors and other funding agencies, investment income and miscellaneous income from other sources. Grants and other income received on account of activities to be undertaken or services to be provided in future periods are deferred. Investment income is recognised at the date of receipt.

UNRESTRICTED AND DESIGNATED FUNDS

Income received which is not designated by the sponsors or other funding agencies as needing to be applied for specific purposes is accounted for within unrestricted funds. Funds committed by the Trustees for a specific purpose which have not been expended at the end of an accounting period are accounted for within designated funds.

GRANTS PAYABLE

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

RESOURCES EXPENDED

Costs of generating funds comprise direct costs on fundraising and investment management costs for the Independent Advisers management of the investment portfolio.

Charitable activities expenditure comprises costs incurred directly or in support of scientific research whether undertaken at the Foundation's own facilities or in other laboratories.

GOING CONCERN

The financial statements have been prepared on the going concern basis which assumes the charity will continue for the foreseeable future. We believe that there are no material uncertainties that call into doubt the charity's ability to continue.

Jenner Vaccine Foundation

ACCOUNTING POLICIES

MANAGEMENT AND SUPPORT COSTS AND GOVERNANCE COSTS

Expenditure incurred on central management and administration of the Foundation is reported as Support Costs in the Notes. Governance costs are costs incurred in the governance of the Foundation and its assets and are primarily the associated statutory audit and legal fees.

VALUE ADDED TAX

Expenditure includes any related irrecoverable Value Added Tax under each heading.

RESERVES

The balance on unrestricted funds is maintained at such a level as to enable the Foundation to accommodate fluctuations in the timing of receipts and payments without exposing the Foundation to undue financial risk.

INVESTMENT POLICY

The Foundation's policy is to invest sufficient funds in such a way as to guarantee preservation of their capital value to cover any potential liabilities. Additional funds will be retained on short-term deposit to cover timing differences between receipts and expenditure. Remaining funds will be invested in such a way as to maximise growth.

Jenner Vaccine Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2015

4 UNRESTRICTED FUNDS

Unrestricted Funds funds comprise funds available for the general use of the Foundation. The unexpended balance of unrestricted funds is invested in short term deposits and investments. Transfers between funds are made up as follows:

	<i>As at 1 April</i> 2014	<i>Incoming</i> <i>Resources in</i> <i>the year</i>	<i>Resources</i> <i>Expended</i> <i>in the</i> <i>year</i>	<i>Other</i> <i>recognised gains</i> <i>and losses</i> <i>in the</i> <i>year</i>	<i>As at</i> <i>31 March</i> 2015
	£	£	£	£	£
Unrestricted Fund	859,930	28,618	(113,850)	70,740	845,438

5 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<i>Unrestricted</i> <i>funds</i>	<i>Total funds</i>
	£	£
Tangible fixed assets	11,750	11,750
Investments	817,889	794,551
Current assets	28,056	70,167
Current liabilities	(12,257)	(16,538)
	845,438	859,930

6 RESOURCES EXPENDED

	2015	2014
	£	£
General resources expended include the following:		
Auditor's remuneration		
- statutory audit	8,000	8,000

Jenner Vaccine Foundation
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2015

7 TANGIBLE ASSETS

	<i>Works of art</i> £	<i>Total</i> £
Cost:		
At 1 April 2014	11,750	11,750
	<u> </u>	<u> </u>
At 31 March 2015	11,750	11,750
	<u> </u>	<u> </u>
Depreciation:		
At 1 April 2014	-	-
	<u> </u>	<u> </u>
At 31 March 2015	-	-
	<u> </u>	<u> </u>
Net book value		
At 31 March 2015	11,750	11,750
	<u> </u>	<u> </u>
At 31 March 2014	11,750	11,750
	<u> </u>	<u> </u>

8 INVESTMENTS

These investments are held primarily to provide investment returns for the charity. Foundation policy is to invest sufficient funds in such a way as to guarantee preservation of their capital value to cover any potential liabilities. Additional funds will be retained on short-term deposit to cover timing differences between receipts and expenditure. Remaining funds will be invested in such a way as to maximise growth.

	2015 £	2014 £
Quoted fixed interest - UK	93,208	92,153
Pooled Investment Vehicles		
UK	484,201	486,438
Other	240,480	215,960
	<u> </u>	<u> </u>
	817,889	794,551
	<u> </u>	<u> </u>

All investments are listed on a recognised stock exchange or ones valued by reference to such investments.

Jenner Vaccine Foundation
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2015

8	INVESTMENTS (continued)	% value of portfolio 2015	% value of portfolio 2014
	Ishares FTSE 100	34.7	34.9
	Ishares FTSE 250 Fund	11.6	14.0
	JP Morgan Europe	3.9	4.1
	Charities Prop Property Fund	4.7	4.4
	Findlay Park Sm Co	24.6	20.0
	Liongate	-	3.4
	GLG Japan CoreAlpha	4.8	3.7
	Fidelity Europe Values IT	4.3	3.9
	AXA Investment Man US	5.1	5.4
	Pimco Gbl Invers	6.3	6.2

	Quoted Fixed Interest - UK £	Pooled Investment Vehicles		Total £
		UK £	Other £	
Value at 1 April 2014	92,153	486,438	215,960	794,551
Sale proceeds	-	(19,767)	(27,635)	(47,402)
Acquisitions	-	-	-	-
Change in market value	1,055	17,530	52,155	70,740
	<u>93,208</u>	<u>484,201</u>	<u>240,480</u>	<u>817,889</u>
Value at 31 March 2015	<u>93,208</u>	<u>484,201</u>	<u>240,480</u>	<u>817,889</u>
The original cost of the investments at 31 March 2015 was:				<u>519,688</u>

9	DEBTORS	2015 £	2014 £
	Debtors	587	-
	Accrued Income	1,754	1,456
	Prepayments	257	4,257
		<u>2,598</u>	<u>5,713</u>

Jenner Vaccine Foundation
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2015

10	CREDITORS: Amounts falling due within one year	2015 £	2014 £
	Trade creditors	1,396	5,284
	Amounts due to parent undertakings	1,200	-
	Accruals and deferred income	9,661	11,254
		<u>12,257</u>	<u>16,538</u>
		<u><u>12,257</u></u>	<u><u>16,538</u></u>
11	RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES	2015 £	2014 £
	Net outgoing resources before transfers	(85,232)	(77,971)
	Investment income receivable	(18,220)	(19,205)
	Investment management costs	6,136	7,495
	Increase in debtors	3,115	(3,268)
	Increase/(decrease) in creditors	(4,281)	2,943
		<u>(98,482)</u>	<u>(90,006)</u>
		<u><u>(98,482)</u></u>	<u><u>(90,006)</u></u>
12	RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS AND ANALYSIS OF CHANGES IN NET FUNDS	2015 £	2014 £
	Increase/(decrease) in cash	(28,000)	20,063
	Cash (decrease)/increase as a result of changes in short term deposits	(10,996)	(46,565)
		<u>(38,996)</u>	<u>(26,502)</u>
	(Decrease)/increase in net funds	(38,996)	(26,502)
	Net funds at 1 April	64,454	90,956
		<u>64,454</u>	<u>90,956</u>
	Net funds at 31 March (see note 13)	<u>25,458</u>	<u>64,454</u>
		<u><u>25,458</u></u>	<u><u>64,454</u></u>

Jenner Vaccine Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2015

13 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS AND ANALYSIS OF CHANGES IN NET FUNDS (continued)

	<i>At 1 April</i> 2014 £	<i>Cash flows</i> £	<i>At 31 March</i> 2015 £
Cash at bank and in hand	38,183	(28,000)	10,183
Short term deposits	26,271	(10,996)	15,275
	<u>64,454</u>	<u>(38,996)</u>	<u>25,458</u>

14 RELATED PARTY TRANSACTIONS

The Foundation has close working relationships with the Pirbright Institute and the University of Oxford. Since the change in membership of the Foundation on 1 November 2005 these bodies nominate the trustees. The Foundation occupies premises at the Pirbright Institute site. The following is a summary of purchases and recharges from these entities. As at 31 March 2015, there was also a balance due to the University of Oxford of £3,684 (2014: £3,684).

	2015 £	2014 £
University of Oxford:		
Accountancy & secretarial support	7,200	6,000
Miscellaneous/ fundraising costs	25,776	15,734
Training	15,800	12,617
	<u>48,776</u>	<u>34,351</u>

15 INFORMATION REGARDING TRUSTEES AND EMPLOYEES

Work is performed on behalf of the charitable company by employees of the University of Oxford. The cost of their services is charged to the charitable company by the University.

None of the Trustees in office during the year received remuneration from the charitable company for their services (2014: nil). No trustees received expenses in relation to their attendance at Board meetings during the year, (2014: nil).

16 TAXATION

The Foundation is a registered Charity and as such is exempt from taxation of its income to the extent that they are applied to its charitable activities.

Jenner Vaccine Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2015

17. CONTROLLING PARTIES

The Jenner Vaccine Foundation is a joint venture of the University of Oxford and the Pirbright Institute. Copies of the Financial Statements of the University of Oxford can be obtained from:

University Offices
Wellington Square,
Oxford,
OX1 2JD

Copies of the Financial Statements of the Pirbright Institute can be obtained from:

Pirbright Institute,
Ash Road,
Pirbright,
Woking,
GU24 0NF