





# TABLE OF CONTENTS

Legal and administrative information .....	5
<b>Our aims and how we arose</b> .....	<b>7</b>
<b>Welcome</b> .....	<b>8</b>
<b>Report of the trustees</b> .....	<b>10</b>
<b>Our structure, governance and management</b> .....	<b>27</b>
<b>Statement of the trustees' responsibilities</b> .....	<b>31</b>
<b>Report of the independent auditor</b> .....	<b>32</b>
<b>Financial Statements</b> .....	<b>35</b>
<b>Our supporters</b> .....	<b>51</b>
<b>Who we are</b> .....	<b>52</b>



# LEGAL AND ADMINISTRATIVE INFORMATION

## Board of trustees

Mr Charles Perrin CBE (Chair of the Board of trustees; until 31 March 2015)

Professor Nicholas Lemoine (Chair of the Board of trustees; from 1 April 2015)

Professor Daniel Altmann

Ms Louise Ansari

Professor Calliope Farsides (from 1 April 2015)

Professor Sir Andrew Haines

Professor Genevra Richardson CBE (until 31 December 2014)

Mr Stephen Visscher CBE

Mr David Zahn (from 1 January 2015)

## Director

Dr Angela Hind

## Africa Research Excellence Fund (AREF) Board

Professor Charles Mgone (Chair of the AREF Board)

Professor Daniel Altmann

Dr Wendy Ewart MBE

Mr George Fowles

Dr Yvonne Greenstreet

Professor Sir Andrew Haines

Professor Francine Ntoumi

Mr Mark Radford

## Africa Research Excellence Fund (AREF) Director

Professor Tumani Corrah CBE MRG

## Accountants

PKF Littlejohn LLP

1 Westferry Circus

Canary Wharf

London E14 4HD

## Auditors

Crowe Clark Whitehill LLP

St Bride's House

10 Salisbury Square

London EC4Y 8EH

## Bankers

Lloyds Bank PLC

25 Gresham Street

London EC2V 7HN

Scottish Widows Bank plc

PO Box 12757

67 Morrison Street

Edinburgh EH3 8YJ

Virgin Money

Jubdee House

Gosforth

Newcastle-upon-Tyne NE3 4PL

Schroder and Co Ltd

12 Moorgate

London EC2R 6DA

## **Investment Manager**

Newton Investment Management Ltd  
BNY Mellon Centre  
160 Queen Victoria Street  
London EC4V 4LA

## **Investment Custodian**

The Bank of New York Mellon SA/NV  
BNY Mellon Centre  
160 Queen Victoria Street  
London EC4V 4LA

## **Legacy Consultants**

Legacy Link  
The Coach House  
175 Ramsden Road  
London SW12 8RF

## **Solicitors**

Withers LLP  
16 Old Bailey  
London EC4M 7EG

## **Company Secretary**

Withers LLP  
16 Old Bailey  
London EC4M 7EG

## **Principal Office**

Medical Research Foundation  
c/o Medical Research Council  
One Kemble Street  
London WC2B 4AN

## **Registered Office**

Medical Research Foundation  
MRC Head Office  
David Phillips Building  
North Star Avenue  
Swindon SN2 1FL

# OUR AIMS AND HOW WE AROSE

---

## THE MEDICAL RESEARCH FOUNDATION IS THE REGISTERED CHARITY OF THE MEDICAL RESEARCH COUNCIL.

The Medical Research Council (MRC) is the UK's main Government-funded body charged with improving human health through medical research. In addition to its government funding, the MRC has long been eligible to accept charitable bequests and donations from the giving public and separately registered these charitable funds with the Charity Commission in 1968. In 2010, the funds of these predecessor charities were transferred to a new, modern charitable company, the Medical Research Foundation. A Declaration of Trust and a subsequent Deed of Assignment, allows for charity funds gifted by the public to benefit the MRC to be assigned to the Medical Research Foundation.

The aims of the Medical Research Foundation are to promote medical research anywhere in the world, and in particular to support research, training, public engagement with research and the dissemination of research results for the improvement of human health. These charitable funds are used to complement and extend the important medical research that is supported by the MRC.

**Funding *more* research for human health.**

---

## A NOTE FROM THE MRC'S CHIEF EXECUTIVE

The Medical Research Foundation (MRF) is a very welcome new presence in the UK research funding landscape. The MRF's predecessor charities have been funding research for over 80 years but under the leadership of Charles Perrin, the MRF is now making a significant and increasing contribution to the national investment in medical research for human health. The giving-public support the aims and research of the MRC by donating to the MRF, and the MRF and the MRC have a close working relationship. The MRC will continue to support the MRF by providing high quality peer review of applications for research support – the same review by leading experts that the MRC applies to its own research proposals – and other free services such as office space. This should provide assurance to donors that their generous support will be used to support only the very best research and the very best people who have the greatest chance of improving human health.



Professor Sir John Savill  
Chief Executive, Medical Research Council

# WELCOME

## WELCOME FROM THE CHAIR OF THE BOARD OF TRUSTEES

It is an honour to have been involved in the establishment of the Medical Research Foundation. As I take on the position of Chair of the Board of Trustees, I am pleased to be able to report that since its registration in 2010, the Medical Research Foundation has become a significant funder of UK medical research, and is funding some truly innovative approaches to research and research capacity building. It is a unique charity that is going from strength to strength.

The Medical Research Foundation's aim is simple: to improve human health by funding world-class medical research and the next generation of research leaders. Achieving this aim is more complex and there are, of course, many other excellent charities in the UK and worldwide working towards this goal. What makes the Medical Research Foundation unique in this multi-funder environment is that we are funded by the public and, unlike the disease-specific charities, we cover the whole spectrum of medical research. Our focus is not on a single disease or condition, a particular hospital or research institution; we respond to scientific opportunities or health needs as they arise and fund research that can change lives. And that is all that we do. We do not use our funds to provide support services or advice, we do not lobby or undertake advocacy. Others already do that very well on behalf of their patient members. All we do is fund medical research to improve human health.

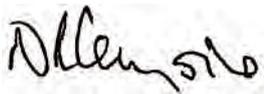
We strive to fund the very best research and we are committed to providing opportunities for the next generation of scientists to develop their research ideas and skills. We invest in the new talent whose creativity, intelligence and dedication will help address the health challenges of today and tomorrow. The research that we support from our restricted funds is led by our donors and, in accordance with their specific wishes, this year we have supported the research and careers of young scientists working on motor neurone diseases, Parkinson's disease and heart diseases. We made a major £1.8m investment in the new Francis Crick Institute to provide state-of-the-art equipment to support its multidisciplinary research on understanding why disease develops, and research to find new ways to diagnose, treat and prevent illnesses such as cancer, heart disease, stroke, infections and neurodegenerative diseases. We describe some of our research in greater detail elsewhere in the report and I hope that you will enjoy reading about the difference that we anticipate we will make through the research and scientists that we support.

This year we took our long-standing commitment to building research capacity in Africa to a new level and have established a fund to provide opportunities for talented Sub-Saharan Africans to develop and consolidate their research skills to ensure that they can lead research programmes in the region. Professor Tumani Corrah is directing this new Africa Research Excellence Fund (AREF) and has built a strong team of African and UK research leaders and policy makers around him. It has been an honour to have had the opportunity to work with Tumani on such an important programme. AREF has the potential to accelerate African health research for the benefit of all world citizens. In the coming year, it will be seeking to raise new funds to support this unique new development.

It is a privilege to be involved with the Medical Research Foundation, and its predecessor charities, to ensure that our generous donors' wishes to increase understanding of the biology underlying health and contribute to the international fight against disease and disability are fulfilled. I should like to thank my fellow trustees whose vision and commitment

have ensured that we could honour our donors' wishes. In particular, I should like to thank Charles Perrin, our outgoing Chair, who steps down after nine years of dedicated service. Charles expertly led the charity through a period of significant change and expansion and was instrumental in creating the Medical Research Foundation from its predecessor charities. Professor Genevra Richardson, who also dedicated nine years to modernising the charities, stepped down during the year. Genevra's considered and thoughtful approach played a critical role in challenging and shaping the revitalised charity and I should like to thank her for her invaluable contribution. I would also like warmly to welcome David Zahn and Professor Bobbie Farsides who have recently been appointed as new trustees; they bring with them a wealth and breadth of experience in investment management and bioethics respectively, that will be invaluable to the Board as the charity moves into its next phase of its development.

Finally, I should like to thank our small and dedicated business team, led by Angela Hind, who we ask to achieve so much with so little overhead costs. They safeguard our donors' wishes and ensure that we are **funding more research for human health**.



Professor Nicholas Lemoine  
Chair of the Board of Trustees

# REPORT OF THE TRUSTEES

## OUR PERFORMANCE AND ACHIEVEMENTS

**The Medical Research Foundation's goal is to improve human health and we are unique in the way that we achieve this.** We are a broad-based medical research charity, and we provide support for research across the whole spectrum of biomedical research disciplines, addressing any of the major research questions that are central to improving human health. We are not restricted to providing support for a particular disease area or a particular research institution. We are able to respond to the emerging health needs of the nation and the world, and the research priorities and opportunities identified by scientific experts. Unlike other donor-funded medical research charities, we do not provide advice, support nor undertake campaigning. All of our activities are focused on research - just more research for human health.

We aim to fulfil our goal by:

- Providing support for **basic research** that increases the understanding of biological processes underpinning human health and disease, and for research on **conditions and diseases that devastate lives**;
- Funding the training and career development opportunities for the **next generation of researchers** to address the biomedical research questions of the future;
- Providing opportunities for facilitating **collaborative research** and the **transfer of research skills and knowledge**; and,
- Providing support to **disseminate research results** beyond the scientific press to change healthcare policy and practice or personal life choices.

We have the freedom to support research across the whole of the biomedical sciences because the majority of our supporters prefer to make unrestricted donations. We supplement the expertise of our Board with advice from the MRC's experts in identifying the human health issues with the most pressing need for research and determining the form of support that we can provide that will make the biggest difference. Some of the research that we fund is determined by individual supporters who restrict their legacies and donations to particular diseases or specific research team whose research interests them. In these cases, we rely on scientific experts to advise us on the key questions that need to be addressed through research and the most effective way to do so.

We establish our research funding priorities on a five-yearly cycle, giving appropriate weight to the wishes of our donors and the research needs identified by the experts. During 2014/15, we continued to fund the research priorities identified by both groups. Our donors' priorities were motor neurone diseases, Parkinson's disease, heart diseases, and basic research that underpins the understanding of human health and disease. The scientific experts prioritised the investment in career development of the very best mid-career medical researchers in the UK, and the development of health research capacity in Africa.

Here we report on progress against our goals for 2014/15. We funded 40 new research grant, fellowship and studentship awards during the year. While this represents fewer awards than in the previous year (47 in 2013/14), our financial commitment to research remained at £3.5m. You can find details of all awards that were made on pages 16-19. Here we highlight some of the important new research that we have funded during the year, major outcomes from our ongoing research programmes and other progress that we have made:

## Basic research underpinning health and disease

Funding basic research into the biological processes underpinning health and disease is fundamental for improving human health and is a priority for us. It is also a priority for the newly established Francis Crick Institute (the Crick) in London, which will be the largest biomedical research institute in Europe. The Crick has been made possible by a unique collaboration between its main funders: the MRC and Cancer Research UK; and their partners, the Wellcome Trust, King's College London, University College London and Imperial College. We are hopeful of the Crick's potential to draw the world's most brilliant young researchers to the UK to tackle the major health research questions of our time and so, with funds donated for this purposes, we provided £1.8m for state-of-the-art equipment in the Crick's Biomedical Imaging Facility. Biological imaging of organs, cells or molecules, at all levels of resolution, is an enormously powerful way to investigate biological processes. We provided support to install equipment for single-photon emission computed tomography into the facility which allows the reconstruction of true 3D images of organs and cells. The new equipment will allow researchers to answer biomedical questions in areas of stem cell biology, cancer biology, the nervous system, metabolism, immunology, infection and inflammation, with unprecedented speed and resolution, and in many cases will facilitate research that could not have been done before. In addition, we provided funding for new equipment in macromolecular crystallography which will set up novel capabilities for the Crick's researchers, especially in the area of infectious disease including influenza, malaria, and tuberculosis. Finally, we provided support to expand computing capacity to support the integration and sharing of data from genomics, imaging, pharmaco-informatics and healthcare records. This major charitable investment in research infrastructure was possible thanks to a very generous donation from GlaxoSmithKline.

## Tackling diseases and conditions that devastate lives

**Liver disease** is the only major cause of death still increasing year-on-year. It is the fifth biggest killer in England and Wales, and kills more people than diabetes and road deaths combined. At least 250,000 people in the UK and 130-200 million people worldwide are thought to be infected with the blood-borne **Hepatitis C virus (HCV)**, which can cause severe liver damage in up to 20 per cent of patients. HCV is a smouldering international public health crisis – it is ten times easier to contract than HIV and number of infected cases is increasing. Much about HCV remains to be fully understood and since 2010, we have been trying to enhance the understanding that is needed to tackle this infection. We have provided over £2m support for the establishment of a clinical database and repository of biological samples from 10,000 patients infected with HCV to enable a UK-wide network of researchers to find new ways to tackle the impact of this deadly infection. The project is led by Professor John McLauchlan at the Medical Research Council-University of Glasgow Centre for Virus Research and Professor Will Irving of the University of Nottingham, and this year, they celebrated the successful recruitment of the 10,000th patient from over 60 adult and paediatric clinical centres across the UK. This important repository (HCV Research UK resource) has been a huge success and has provided data and samples to support over 40 research studies by academic researchers and industry. It has generated almost £1m income which will be used to support the long-term viability of the resource and ensure

that the important data and samples are available for future HCV researchers. Notably, the resource is acting as a database and biorepository for a Phase III trial funded by a pharmaceutical company to investigate the cure rate achieved by a specific drug in 600 patients infected with HCV types 2 and 3. NHS England has funded the early availability of new drug (given in combination with other existing drugs) for treatment of 500 infected patients who are at high risk of either liver failure or death in the coming 12 months, at a cost of £19m. One of the National Health Service (NHS) England's requirements is that all treatment sites involved in the early access programme must provide samples to the HCV Research UK resource. This guarantees the collection of data on outcomes for patients using the new drugs and ensures the availability of data from the patients for future HCV research. This has been a fantastic success story for the MRF and for the donors who made this possible – the late Miss Effie Millar Munro and Mr Alfred Tartellin who left legacies to the MRC to support research into liver diseases. But more importantly, it has been a huge step forward for the health of the individuals in the UK and around the world who are infected with HCV and who will benefit from the research results that are being generated. This has been an amazing collaboration between charity supporters of the MRF, HCV scientists and clinicians and the patients who generously donated biological samples and clinical data that have, and will continue to have, a lasting impact on human health.

**Motor neurone disease** is devastating for individuals and their families. It is a family of neurological disorders that affect motor neurones, the nerve cells that control voluntary muscle activity such as walking, speaking and swallowing. As the condition progresses, the motor neurone cells become damaged and eventually die. This leads to the muscles, which rely on those nerve messages, gradually weakening and wasting away. It is a rare condition that affects around two in every 100,000 people in the UK each year but there is currently no cure and life expectancy for about half those with the condition is only three years from the start of symptoms. One of our generous donors, the late Irene Griffiths, wanted to help UK scientists to tackle these dreadful diseases and left a generous legacy in her will in memory of her parents, Harold and Ena Griffiths. We used these funds to support the research and careers of some of the UK's brightest young motor neurone disease researchers who, our experts believe, will be the research leaders of the future:

- Dr Tatyana Shelkovich from Cardiff University was awarded a fellowship to determine the protective function of a protein-bound structure to prevent pathological aggregation in ALS (the most common motor neurone disease). Dr Shelkovich said that: *“There is mounting evidence that protein and RNA components of the paraspeckle are important players in pathogenesis of motor neurone disease, however, underlying mechanisms are still enigmatic. The MRF fellowship will allow me to fill this gap in our knowledge. This award is a unique chance and crucial step in my career: it gives me the opportunity to fully concentrate on this problem while helping build up my track record and ultimately, establish as an independent researcher.”*
- Professor Samar Hasnain and colleagues from the University of Liverpool were awarded a research grant to investigate the changes in the structure of a protein known as superoxide dismutase-1 (SOD1) that renders it faulty in ALS. Professor Hasnain says *“the grant will allow us to illuminate several areas of SOD1 biology that we believe are critical in the pathogenesis of motor neurone disease”*.
- Dr Bradley Smith from King's College London was awarded a fellowship to investigate the role and biological mechanisms of two potentially pathological mutant genetic variants using zebrafish. Zebrafish are evolutionarily close to humans and are important model systems for studying neurological disorders. Dr Smith said that *“The MRF fellowship is immensely valuable to my research as it will provide two key opportunities, firstly to address a fundamental issue in ALS genetics which is the critical evaluation of new gene candidates in an animal model to*

*assess if mutations are detrimental to motor neurone function. Secondly, it will add highly specialized new skills to my professional tool kit and will provide a stepping stone to being an independent researcher in the ALS field.”*

Thanks to Irene Griffiths we were able to provide over £800,000 in research funding to increase understanding of motor neurone diseases and to develop the careers of the researchers to become future research leaders in this field.

**Parkinson’s disease** is another progressive, neurological condition that our supporters wish to tackle. It is more common than motor neurone disease affecting one in every 500 people and it is estimated that 127,000 people are living with Parkinson’s disease in the UK. The disease occurs when nerve cells that produce an important messaging molecule in the brain die. Our donors want to help scientists to tackle this disease and thanks to them we were able to make a grant of £130,000 to Professor Peter Magill at the University of Oxford to investigate the behaviour-related signalling of the nerve cells that are damaged in Parkinson’s disease and how this activity can be restored. The award was possible thanks to generous legacies from the late William Morgan, Caroline Pike, Gordon Abernethy, Edith Harris, Eliza Monk, Florence Preedy as well as donations made in the memory of Fred Hyett and Alice Coultard.

**Cardiovascular disease (CVD)** is the leading cause of morbidity and mortality in the Western world, causing over 65,000 deaths every year in England alone. Improving the treatment and outcome of CVD is one of the main priorities of the National Health Service. Current magnetic resonance imaging (MRI) techniques can be lengthy and difficult for patients, and the image quality is not always as good as desired for CVD. A number of our donors would like to see improvements for patients with heart diseases and so we provided Dr Claudia Prieto of King’s College London with over £90,000 to develop and test the clinical feasibility of a novel imaging technique able to reconstruct high-resolution images from smaller amounts of data, that take less time to collect, while simultaneously improving diagnostic accuracy and comfort to the patient.

## Training the next generation of researchers to improve lives

Africa shoulders a crippling share of the world’s disease burden and this is holding back the continent’s economic development. Economic progress is possible but that progress demands better health. Better health requires better African-led health research and better translation of that research into healthcare policy and practice. The African population is projected to continue its rapid growth in the coming decades - from 15% to 20% of the global population by 2030. The future priorities for health research in Africa, and globally, are broad. There is a need to strengthen local and national health systems; roll out known methods of effective disease control; contain or eliminate neglected tropical diseases; and develop new vaccines and tools for disease control. There is a continued need to focus on infectious diseases, which remain one of the continent’s biggest challenges, however, of growing concern is the projected surge in non-communicable diseases such as cardiovascular disease, cancers, diabetes and pulmonary disease. The World Health Organisation forecasts that non-communicable diseases will increase massively in Africa over the coming decade. There are also many challenges within African health and education systems; for example the process of science training and qualification in Africa is currently slow compared to the North and some countries struggle to provide the highest quality degrees relevant to health. The MRF has provided 10-year support for a scholarship programme at the MRC’s research unit in the Gambia to train bright young Gambians to degree level in the UK, or elsewhere, with tied research training opportunities in the MRC’s research unit. Elsewhere in Africa, there are examples of excellent research capacity building initiatives which are ensuring that a cadre of excellent new African health researchers is emerging. However the brightest stars, particularly at the postdoctoral stage, are often tempted away from African research – either abroad or into other sectors. This is partly because Africa still lacks an adequate supply of incentives and training

opportunities that give researchers the drive, skills and networks to carry out international-standard research and unlock research funding. We believe that progress can be accelerated and we have established a new fund, the Africa Research Excellence Fund, under the Directorship of Professor Tumani Corrah to raise new funds and provide training opportunities for the brightest Sub-Sahara African researchers to acquire the skills and experience that they need to lead their own health research in Africa for Africans. We are delighted to be working with Professor Corrah who, within a very competitive funding climate, has already secured almost £400,000 in donations and services-in-kind and launched a new training scheme linking African research with mentors and training opportunities in the North.

## Dissemination of research findings

Medical research results are typically published in peer reviewed papers in the scientific press. They are read by other experts and influence the approach taken by research scientists to subsequent research investigations on human health issues. However, sometimes a research result has the potential to have a more immediate impact on human health. Through our Alexander Fleming Dissemination Scheme, we provide funding to ensure that MRC and MRF-funded research results are disseminated to those who can use the results to make a difference and are disseminated in a way that encourages them to factor the research implications into their work (health care practitioners and policy makers) or lives (patients and the healthy population at large).

During the year, we funded a new dissemination programme aimed at ensuring that new research results on HIV treatment for children in Africa reaches African health policy makers. At the end of 2012, more than 1.5m children in the 22 most affected countries were in need of an HIV treatment called anti-retroviral therapy (ART) to prolong their lives. Of these, only 34% were receiving it – which is much lower than the proportion of adults who are in need of treatment and actually receiving it. To address this, a large MRC-funded randomised clinical trial known as ARROW has investigated the ART treatment approaches which are best for HIV-infected children and ways of increasing access to treatment that are most effective for children in low-income settings. The trial, which was led by Professor Diana Gibb of the MRC Clinical Trials Unit, took place in Uganda and Zimbabwe and involved 1,200 children who were followed over a five-year period. The ARROW trial was able to demonstrate: i) that routine laboratory tests for children on ART are not necessary; ii) the effectiveness of a simplified treatment regime for children with HIV and TB; and iii) that the continued use of antimicrobial drugs acts as a prophylactic measure to reduce hospitalization and illness among children who are stable on ART. These research results were very significant with the potential to have a major impact on the health and treatment of young Africans with HIV. They were published in world-leading scientific journals and one of the papers was awarded BMJ UK Research Paper of the Year in May 2014. We agreed with Professor Gibb that the results needed to be disseminated more widely than just the scientific press and we provided her with funding to meet with trial participants and carers in Uganda to provide them with the opportunity to learn about and discuss the results from the trial in an accessible way; to present the results at meetings of African policymakers and organisations implementing paediatric HIV treatment in Africa so that the research findings inform their decisions on how to treat children with HIV; and to communicate the results to health workers in Uganda and Zimbabwe by producing a set of case study videos to ensure treatment at patient level is based on the ARROW findings.

During the year, another dissemination programme that we have supported came to fruition. Each year in the UK 500,000 people die and although some have excellent care at the end of life, many do not die as they would wish. Palliative care is complex with multiple interacting dimensions and layers; it is provided at home, in care homes and hospitals, and involves an array of health and social care practitioners. Improved end-of-life care services are needed to help benefit patients and

families but research in this field is held back by a lack of consistency and common research standards. This has led to poor conclusions on which end-of-life care practice is informed. The MRC funded a project aimed at developing evidence-based guidance for practitioners and researchers on the best methods of designing and conducting research to evaluate end-of-life care services and treatments. The outcomes of this research were published in the scientific press and we provided support for the lead researcher, Professor Irene Higginson from King's College London, to disseminate more widely her findings to ensure that they reach those who design and research end-of-life care interventions. Our support allowed Professor Higginson and her team to develop a MORECare eLearning course that has led to important changes in the curriculum of four international postgraduate courses in palliative care offered through King's College London and the course organisers expect the new research to influence the practice and knowledge of at least 30 students per year attending these courses. Course attendees are expected to include clinicians, nurses and policy makers. This small investment in targeted dissemination activities will have an impact on the practice of a large number of palliative care practitioners, and will improve the experience for patients and the quality of future research that is conducted on end-of-life care.

## Encouraging collaborations & skill-sharing

Medical research is a dynamic, intellectual process that requires constant input of new ideas and development of technical skills in order to advance and produce benefits for health. To facilitate collaborations and skill-sharing that are essential to this process, we continued to provide short-term subsidised accommodation for visiting researchers from overseas to collaborate with researchers in the MRC's research units in London. We provided accommodation in our own residential property to a value of £195,000. In the year, we concluded a strategic review of this property that we have owned and used to support research for over 40 years, and we concluded that it is an important and unique tool available to us to help fulfil our charitable aims of improving human health. In the coming year we will fund an urgently needed refurbishment that will safeguard the property's future and will allow us to enter into a lease agreement with the Francis Crick Institute (the Crick). The Crick aspires to be one of the world's leading medical research institutes. It will take a multidisciplinary approach to research, focusing on young and emerging talent with plans to export the best people to other institutions around the UK after a period with the Crick. The Crick is an ideal partner for the MRF as we have a mutual commitment to nurturing talent and securing the future of UK medical research and its ability to impact on the people's health. The Crick will use our property to provide short-term accommodation for relocating new research leaders who will have been appointed to bring important techniques and research expertise to enhance the institute's and UK's research base. Medical research is an expensive endeavour and significant long-term investment is required to support and develop research careers. Through our residential property, we are contributing in a unique way to the national effort to develop a cadre of leading researchers to improve human health.

Throughout the year, we continued our practice of using our smaller restricted funds to provide conference travel awards to mid-career researchers working in areas consistent with donors' wishes and we were able to support researchers working on human herpes viruses and vegetative state research. Where we had slightly larger sums available for restricted purposes, we provided Skills Development and Training awards to meet the costs of younger researchers, who are training in the UK's leading research teams, to visit other laboratories to acquire new skills and learn new techniques and to attend specialist conferences to hear about the work of other experts and present their own research findings. This year we were able to support the skill development of two researchers working on epilepsy. Our targeted development schemes ensure that, even with small donations, we can make a distinct and complementary difference to research and careers of individuals with talent.

## NEW RESEARCH THAT WE SUPPORTED

We have highlighted some of the 40 new grants, fellowships, studentships and dissemination awards that we made during 2014/15 in the earlier section; here we provide summary information on all of the new research that we supported during the year. These new awards amounted to an additional investment in medical research and training of £3.5m.

### Basic research underpinning understanding

We provided support for research that underpins our understanding of the biological processes that determine human health and disease:

Funded from a donation from GlaxoSmithKline

Major capital award to fund equipment and related infrastructure for a new biomedical imaging core facility at the Francis Crick Institute.

**£1,820,914**

Funded from the Ernst Jung (Jones) Prize Fund

Award to support the preparation of a research funding proposal for the world's first total body positron emission tomography (PET) scanner.

**£9,000**

Funded from the Jeantet (Henderson) Prize Fund

Award to support the travel and consumable costs of Dr Richard Henderson's research on unravelling atomic structure of membrane proteins and membrane protein complexes at the MRC Laboratory of Molecular Biology.

**£4,118**

Funded from the Jeantet (Unwin) Prize Fund

Award to support travel and consumable costs of Dr Nigel Unwin's research on nicotinic acetylcholine receptor at the MRC Laboratory of Molecular Biology.

**£12,000**

### Tackling diseases and conditions that devastate lives

#### Crohn's disease

Funded from the Crohn's Disease Research Fund

Award to support research expenses for the project led by Professor David Wilson (University of Edinburgh) to study biomarkers of Crohn's disease prediction, diagnosis course and potential therapeutic targets.

**£7,424**

## Epilepsy

Funded from the General Purpose Research Fund

Two awards to support the skills training and development of epilepsy researchers, Dr Amy McTague (University College London) and Dr Shan Tang (King's College London).

**£4,926**

## Heart diseases

Funded from the Heart Diseases Research Fund

Award to Dr Claudia Prieto (King's College London) to develop and test the clinical feasibility of a novel imaging technique whilst improving diagnostic accuracy and comfort to the patient.

**£92,146**

Funded from Balzan (Meade) Prize Fund

Award to support the running costs of Professor Tom Meade's research on infection and coronary heart disease at the London School of Hygiene & Tropical Medicine.

**£37,899**

## Hearing, tinnitus and balance

Funded from MRC Institute for Hearing Research General Purpose Fund

Award to the MRC Institute for Hearing Research to support co-funding of research grants in topics relating to hearing, tinnitus and balance with the British Society of Audiology.

**£10,000**

## Human herpes virus

Funded from Ann Hart for Shingles and Chicken Pox Research Fund

Three awards to fund the conference travel for MRF-funded researchers: Dr Mandy Glass (MRC-University of Glasgow Centre for Virus Research) who is researching human herpes virus and its reactivation; Dr Daniel Depledge (University College London) who is researching varicella zoster virus and post-herpetic neuralgia; and Dr Vanessa Sancho-Shimizu (Imperial College London) who is researching encephalitis associated with human herpes virus infection.

**£3,159**

## Motor neurone disease

Funded from the Irene Griffiths bequest

Awards to support:

Professor Samar Hasnain (University of Liverpool) to investigate the changes in the structure of a protein known as superoxide dismutase-1 (SOD1) that renders it faulty in amyotrophic lateral sclerosis (ALS) – the most common form of motor neurone disease.

**£251,321**

Dr Tatyana Shelkownikova (Cardiff University) to determine the protective function of a protein-bound structure to prevent pathological aggregation in ALS.

**£280,291**

Dr Bradley Smith (King's College London) to investigate the role and biological mechanisms of two potentially pathological mutant genetic variants using zebrafish.

**£289,847**

### Parkinson's disease

Funded from Parkinson's Disease Research Fund

Award to Professor Peter Magill (University of Oxford) to investigate the behaviour-related signalling of the nerve cells that are damaged in Parkinson's disease and how this activity can be restored.

**£133,400**

### Vegetative state

Funded from a donation for vegetative state research

Award to Wolfson Brain Imaging Centre for conference travel relating to vegetative state/lock-in patient research.

**£850**

## Training the next generation of researchers to improve lives

### African researchers

Funded from the General Purpose Research Fund

Supplementary award for the MRC Gambia Unit to fund a BSc and Masters training programme for talented young Africans to embark on research careers.

**£315,611**

### Molecular biologists

Funded from the Jeantet (Unwin) Prize Fund

Award to support the training and travel of young scientists to understand, at a molecular level, how nerve cells communicate rapidly across synapses: a process fundamental to the working brain.

**£50,000**

Funded from the Strauss Bequest

Bursaries awarded to nine postgraduate students at the MRC Laboratory for Molecular Biology to support their PhD training in molecular biology: Brenda Valeiras, Suyang Zhang, Alina-Ioana Guna, Agata Zielinska, Natalia Wroblewska, Julian Willis, Christina Schweitzer, Marina Romanello and John Chen

**£20,098**

Funded from the MRC LMB Celltech Research Fellowship Fund

Fellowship awards to support five researchers at the MRC Laboratory for Molecular Biology: Dr Andrew Franklin (salary support), Dr Michael Wandle (salary support), Lydia Neuberger (salary support), Brenda Valeiras (fees) and Daniela Peris (fees)

**£61,315**

## Disseminating research results

Funded from the Fleming Memorial Fund for Medical Research

Award to support Professor Diana Gibb (MRC Clinical Trials Unit, University College London) to disseminate the results of the MRC-funded Anti-Retroviral Research for Watoto (ARROW) trial on treatment approaches for HIV-infected children in Zimbabwe and Uganda.

**£28,473**

Funded from donations in memory of Mr Ronald Farr

Award to support public engagement activities at the MRC Hertfordshire Cohort Study. The study, which has been running since mid-1980s, aim to discover how a person's in-built genetic makeup and the environment they experienced during early life affect their health and ageing in later life.

**£220**

Funded from MRC LMB Merck Visiting Fellowship Fund

Award to the MRC Laboratory of Molecular Biology to support a lecture visit by Professor Stanley Prusiner, a Nobel Laureate neurologist and biochemist who discovered prions – infectious proteins that cause fatal neurodegenerative diseases in humans and animals.

**£10,000**

## OUR AIMS FOR 2015/16

We are committed to extending our support for high quality medical research that addresses the concerns of donors, and supports current research and health priorities. During 2015/16, we aim to make £4.8m available for new research, as well as refurbishing our residential property which is used to support research through collaborations and skill-sharing with scientists at the Francis Crick Institute.

### Basic research underpinning health and disease

We will continue to support high quality researcher-led basic research aimed at improving our understanding of the biological processes underpinning human health and disease. We will fund research and equipment to increase the understanding of interactions between the various systems of a cell, including DNA, RNA and protein biosynthesis, and how these interactions are regulated.

### Tackling diseases and conditions that devastate lives

We will continue to focus our investment on research on diseases and conditions that devastate lives and families:

#### Antimicrobial resistance

Antimicrobial resistance is the resistance of a microorganism to an antimicrobial drug that was originally effective for treatment of infections caused by it. Resistant microorganisms, including bacteria, fungi, viruses and parasites, are able to withstand attack by antimicrobial drugs such that standard treatments become ineffective and infections persist, increasing the risk of spread to others. The evolution of resistant strains is a natural biological phenomenon that occurs when microorganisms replicate themselves erroneously or when resistant traits are exchanged between them. The emergence of drug-resistant strains is accelerated by the use and misuse of microbial drugs. Poor infection control practices, inadequate sanitary conditions and inappropriate food-handling encourage the further spread of antimicrobial resistance.

Antimicrobial resistance is a significant and growing global public health problem that threatens the effective prevention and treatment of an ever increasing range of infections caused by bacteria, fungi, viruses and parasites. There are too few treatments in development and more diagnostics are needed to help match treatments with infections.

The UK's Chief Medical Officer has raised the alarm about antimicrobial resistance, and the Department of Health has released a Five Year Antimicrobial Resistance Strategy (2013-2018); the World Economic Forum has suggested adding antimicrobial resistance to the global risk register; and the World Health Organisation has highlighted the serious implications for global health in its Antimicrobial Resistance Global Report on Surveillance. A recent report<sup>1</sup> suggests that unless action is taken, antimicrobial resistance will cost the world an additional 10 million lives a year by 2050, more than the number of people currently dying from cancer annually. They estimate that it will also have a cumulative cost of US\$1tn, more than one and a half times the annual world GDP today, or roughly the equivalent to losing the UK economy from global output every year.

1. Antimicrobial resistance: Tackling a crisis for the health and wealth of nations (December 2014).

The UK Research Councils, along with other UK funders, have mounted a multidisciplinary, research-led assault on this global problem. To support this important and co-ordinated effort to address this global and potentially devastating health problem, we will make around £2.26m available to fund a UK multidisciplinary PhD studentship programme to increase the understanding of resistant bacteria; to accelerate therapeutic and diagnostics development; and to understand the environmental factors surrounding the evolution, acquisition and spread of antibiotic resistance. During 2015/16, we will define our requirements for a national training programme and seek applications with a view to provide funding for the programme in 2016/17.

## Respiratory diseases

A number of donors have provided us with funds to support research aimed at alleviating the burden of respiratory diseases. Major respiratory diseases, such as tuberculosis, pneumonia, chronic obstructive pulmonary disease and occupational and scarring lung diseases, are thought to cause one in four of all deaths in the UK, killing more people than ischaemic heart disease and costing the NHS over £6bn. The only countries in Europe with worse mortality rates from respiratory diseases than the UK are Ireland, Malta, Kyrgyzstan, Tajikistan, Kazakhstan, Uzbekistan and the Republic of Moldova. We will make a vital contribution of up to £1.8m to tackle these devastating conditions. Our support will focus on funding the next generation of research leaders who will increase the understanding of disease mechanisms underlying inflammatory, interstitial and fibrotic lung diseases, including mesothelioma, and with the aim of improving diagnosis or modification of the progression and outcomes of these diseases.

## Intellectual disabilities

In 2010, there were nearly 1.2 million people with intellectual disabilities (ID) in England, of whom 298,000 were children under 18 years of age. Although the cause of intellectual disability can be events such as extreme prematurity, birth injury or brain infections, it is thought that genetic factors could account for 85%. Some genetic risk is inherited, but not all, and we would like to contribute to the understanding of the genetic events that can lead to ID. ID is also commonly associated with severe behavioural and emotional problems. We do not know how these relate to the patients' genetics nor why some individuals with ID go on to have more serious mental illness such as schizophrenia. In partnership with the MRC, we aim to provide almost £1m (and the MRC will provide £3m) to support researchers develop a genetic knowledge base that will support future research into personalised, preventative treatments for people with IDs.

## Asthma

This year we will see our aim to support asthma research come to fruition. We will make up to £1m available to support this country's outstanding, mid-career asthma researchers to develop the research landscape in partnership with Asthma UK. The number of people affected by asthma in the UK is amongst the highest in the world, with up to 5.4 million people currently receiving treatment. Every day, three people die because of it. There is no cure and the causes are still unknown. By funding the very best young researchers at a critical stage in their career, we will be ensuring a pipeline of talented research leaders to advance research aimed at improving outcomes for sufferers.

## Children's health

We will offer opportunities to outstanding mid-career researchers working on children's health research to extend and complement existing MRC-funded research. By incorporating additional research questions into established and well-funded studies, we can maximise the impact of our small restricted funds. We will make just over £50,000 available for children's health research.

## Hearing

In line with the wishes of a donor, we aim to make up to £250,000 to fund novel training research opportunities in hearing research through the MRC Institute of Hearing Research.

## Training the next generation of researchers to improve lives

Where we can provide transformational opportunities, we will target our research funds to investing in the next generation of research leaders, supporting innovative research and accelerating the careers of the UK's best and brightest scientists and clinicians.

We will continue to focus efforts, through our new Africa Research Excellence Fund, on raising new income and providing new opportunities for high impact research capacity building in Africa, contributing in a unique way towards the international efforts to ensure that there are sufficient skilled African researchers working in Africa to undertake research on the African and world health problems of today and tomorrow.

## Dissemination of research findings

We will continue to support the dissemination of MRF and MRC-funded research results beyond the scientific press to patients, study participants, healthcare practitioners and policy makers with a view to ensure that healthcare policy and practice, and the ways that individuals conduct their lives, are based on up-to-date research evidence. We will provide support from our Fleming Memorial Fund for Medical Research.

## Encouraging collaborations & skill-sharing

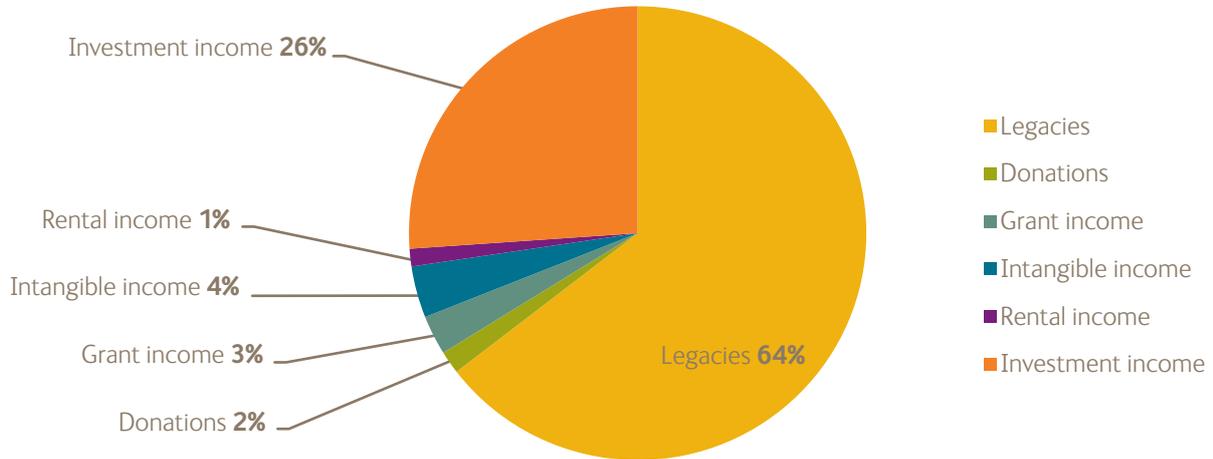
We aim to support collaboration and skill-sharing as a means of developing research capability in the UK and around the world, and in the coming year, we will achieve this by leasing our existing residential accommodation to the newly established Francis Crick Institute. The Crick will use our property to provide short-term accommodation for relocating new research leaders, bringing important techniques and expertise to enhance the institute's and UK's research base. We will refurbish our property to a modern standard to increase its value and to ensure that it is fit for its new purpose.

## Supporting more research

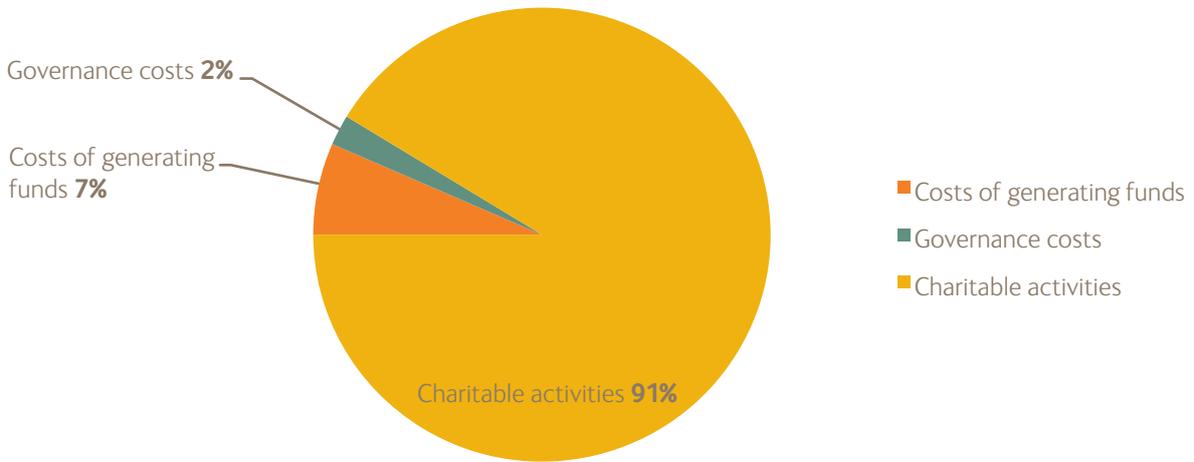
We will continue our ongoing efforts to improve our communications to reach wider audiences and we will develop a new fundraising strategy with a view to increasing funds available to support more research for human health.

## OUR FINANCES FOR 2014/15

### Our income at a glance



### Our expenditure at a glance



For every  
**£1** spent on advertising during  
 the year, we received  
**£286** in legacies  
 and donations.



## Incoming resources

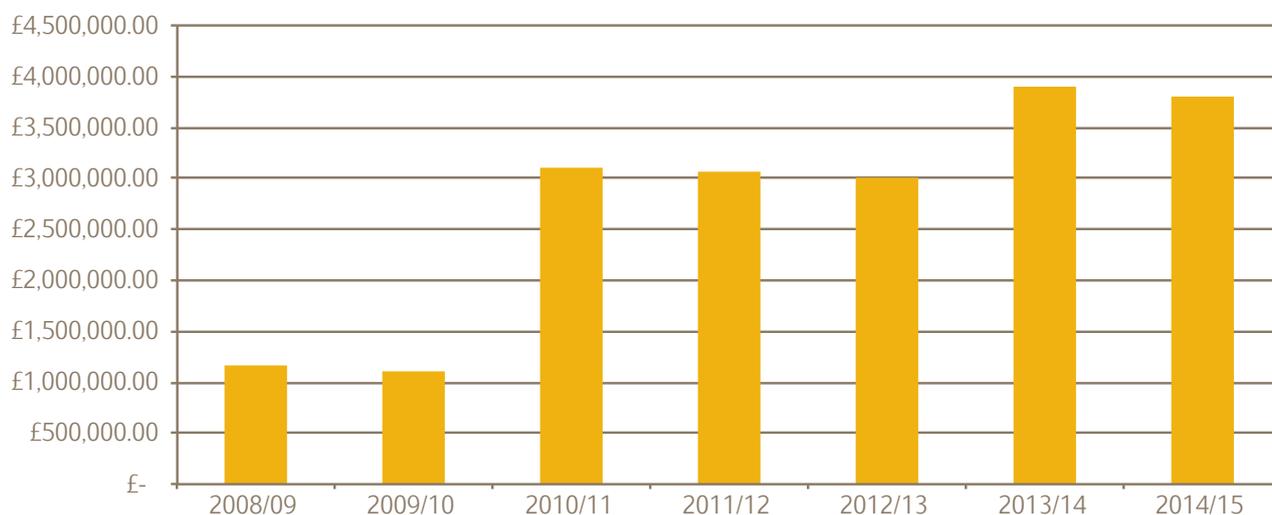
We have had another good year for voluntary income. Despite the economic downturn and the difficulties seen by many charities in raising funds in this environment, our voluntary income was very healthy and at £3.8m, was significantly higher than the previous year (2013/14: £1.98m). This was principally derived from legacies which amounted to £3.38m and was double the legacy income from the previous year, thanks to a very significant bequest from an individual donor. Notwithstanding, this year's total income of £5.23m was slightly lower than in the previous year (2013/14: £5.66m). This was due to a large out-of-court settlement in 2013/14 which amounted to 31% of income that year.

Our investments continued to provide our other main source of incoming resources and we received £1.36m (compared with £1.46m in 2013/14). The financial markets continued to be volatile the year and the value of investments fluctuated throughout. At year-end, we had recognised gains on our investments of £4.67m and gains on investment property of £1.7m. In addition to our voluntary and investment income, we were in receipt of free services with a value of £192,000 from the Medical Research Council (£101k in 2013/14). This was greater than the previous year as a result of support for the refurbishment for our property and activities relating to the establishment of our new Africa Research Excellence Fund. We generated a small level of rental income from our residential property (£66,000). This was lower than the previous year (2013/14: £90,000) as a result of lower occupancy in preparation for its refurbishment.

## Resources expended

Total expenditure during the year was £4.16m (2013/14: £4.12m) as we continued with our long-term goal of spending more on research. Total expenditure on charitable activities decreased slightly to £3.8m (2013/14: £3.9m), but this small reduction was due to the timing of research funding competitions. Despite this, during the year, we incurred almost three and a half times the expenditure on research than in 2009/10 (£1.06m). This is the fifth year running that we have invested more in research than we received in income and reflects our on-going commitment to make more funds available for research that our donors want and that will fulfil research priorities aimed at improving human health.

## Our increasing commitment to research



## The costs of raising funds

We continued to spend very little on generating voluntary income (£74,000 in 2014/15; less than 2% of our total expenditure and a return on our investment in fundraising of 1:49). Our expenditure on fundraising has increased since last year (£14,000 in 2013/14; return on investment in fundraising of 1:134) as we begin to actively raise funds to support research capacity building in Africa through our new fund.

Fundraising for our non-African activities is focused solely on advertising and for every

**£1 spent on advertising during the year, we received £286 in legacies and donations.**

Investment management fees of £198,000 were higher than the previous year (2013/14: £153,000) as a result of accounting for five quarters of fees up to 31 March 2015. We saw a slight increase in our governance costs from £47,000 in 2013/14 to £90,000 in 2014/15 brought about by an increase in legal fees incurred as a result of establishing the new fund.

## Reserves policy

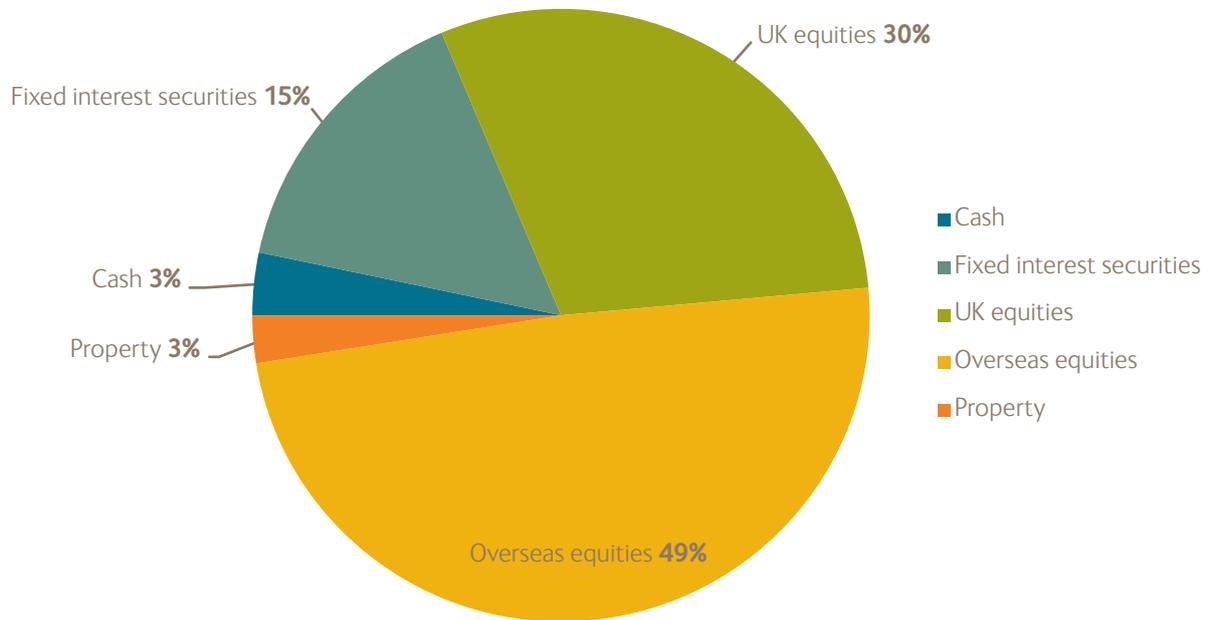
The trustees are committed to making more funding available to support research over the medium term and as a grant-giving charity, our commitments span many years. In addition, we do not actively fundraise for the majority of our activities but rely on the Medical Research Foundation's and the MRC's reputation to raise voluntary income, and on our investments to generate the income that we need to fulfil our commitments to existing research and our aims of increasing funds available for more research in the future. The charity's reserve policy has been designed to ensure that these commitments and aims can be fulfilled and reflects the fact that majority of the charity's voluntary income is relatively insecure and unpredictable, being dependent upon individual legacies and investment returns rather than regular programmed fundraising activities or major grants. The trustees consider it prudent to hold between £10 - £12m unrestricted funds in reserve. This reserve will provide funding for 2.5 years of identified research priorities, and associated operational costs, and is the timeframe that the trustees consider most realistic for generating new income streams should the existing streams fail. At 31 March 2015, the MRF held £12.3m (£14.8m at 31 March 2014). Trustees consider that this is within the acceptable range.

## Investment policy and performance

We have an investment policy which aims to provide an annual income sufficient to allow us to achieve our goals of investing more in medical research whilst preserving the real value of the portfolio over the long term.

We attach high importance to social, environmental and ethical considerations in relation to our investments; smoking causes a third of all cancer deaths in the UK and we do not invest directly or indirectly in tobacco production. We require our investment managers to pay appropriate regard to relevant extra factors, including corporate governance, social, ethical and environmental considerations in the management of portfolios.

We have set restrictions on our investments and have agreed a range of asset allocation limits within which our investment managers must operate. At 31 March 2015 our investments were allocated:



We have a benchmark against which our investment managers are monitored and they outperformed the benchmark by 2.86% for our main fund and 2.38% for our permanent endowment fund over the 12 months prior to 31 March 2015, and 1.47% for the main fund since inception. Throughout the year, and with our investment managers, we have closely reviewed the suitability of our investment policy in the changing economic climate, and we concluded that it remains appropriate and achievable and will allow us to reach our research funding targets. The trustees' powers of investment are derived from the charity's governing documents and in exercising these powers the trustees have acted in accordance with their duty as set out in the Trustee Act 2007.

# OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

## Legal entity

The Medical Research Foundation is a company limited by guarantee registered as a company in England and Wales on 6th September 2010 and as a registered charity on 30th September 2010. The governing documents of the charity are its Memorandum and Articles of Association.

## Organisational structure

The Medical Research Foundation is governed by a Board of trustees, who for the purposes of the Companies Act 2006, act as Directors of the charitable company. The trustees' responsibilities include setting the strategic direction of the charity and providing effective governance. The Board meets at least four times each year. A director assists and advises the Board in all activities and has delegated authority for the implementation of the charity's policies and responsibility for the day-to-day management of the charity. The part-time director is assisted by an operations manager, a grants and finance manager and a part-time administrator. The Medical Research Council provides the Medical Research Foundation with a range of services on a *pro bono* basis. Trustees give their time freely and there is no remuneration. Reasonable travel expenses are reimbursed.

The new Africa Research Excellence Fund (AREF), established by a Declaration of Trust, is governed by the Medical Research Foundation as corporate trustee. Fund regulations have been established and the Medical Research Foundation has delegated authority to a committee, the AREF Board, to oversee the fund in accordance with the fund regulations.

The Medical Research Foundation holds over 100 funds for different purposes, all of which have been donated to the charity to support medical research. The funds were either donated to be used as the trustees see fit (unrestricted funds), were restricted by the donor for particular research purposes (restricted funds) or are permanent endowment funds which were established with a Trust Deed by the donor. Where the trustees have made in principle commitments to support new activities but further development is required before funds can be released, the trustees have designated funds for these purposes.

## Appointment, induction and training of trustees

New trustees are appointed by the Board of the charitable company. Initial appointments are normally for a three year period and trustees can be reappointed for a further three years. Our constitution allows for no less than three and no more than seven trustees. The Board of trustees is committed to recruiting individuals with the necessary skills and

expertise to progress the aims and objectives of the charity and recruitment processes are specific to the trustee vacancy. The MRC makes recommendations to the Board for two trustee positions and such appointments are then made by the Board of trustees. The Chair of the Board is elected annually by the trustees.

New trustees undertake a comprehensive induction programme focused on the strategic aims and objectives of the Medical Research Foundation, the relationship between the charity and the MRC, and any on-going policy reviews. Trustees are provided with opportunities for training in the duties and responsibilities associated with their role. Briefings are provided for all trustees, where relevant, by either the Medical Research Foundation's legal advisors, investment managers, accountants or other issue-specific experts. The MRC provides briefings on scientific matters.

The Board of trustees reviews its own effectiveness at eighteen-month intervals. Individual trustees meet with the Chair of the Board to discuss and assess personal and whole Board effectiveness in the areas of general governance, strategic vision, expenditure on research, compliance and monitoring, and fundraising. Trustees also review the performance of the director annually and professional advisors on a triennial basis.

### Declared interests

Trustees, board and review panel members, and senior staff are required to disclose all private, professional or commercial interests that might, or might be perceived to, conflict with the Medical Research Foundation's interests, and, in accordance with the charity's policy, withdraw from decisions where a conflict of interest arises. A register of these declared interests is maintained and is open to public inspection.

### Research strategy and grant-making policy

The Medical Research Foundation has an established research strategy and grant-making policies to achieve its aim of improving human health for the public benefit. We develop research funding strategies with expert advice from the MRC's scientific specialists. These experts advise the trustees on national and international research priorities and opportunities and, on basis of this advice, the trustees decide on behalf of the donors and potential beneficiaries of the charitable funds – the public – which research to support. Where our voluntary income can be used for purposes restricted by our donors, the trustees are led by the donors' wishes in determining which area of research to prioritise, and by scientific experts on which questions need to be addressed in this area and how most effectively to do so. This ensures that our funding strategy reflects the current health and research needs of the public and our donors, and is of a standard to advance public benefit.

We use leading national and international experts to assess the quality of the research proposals that we receive. The Medical Research Foundation adopts the MRC's gold-standard peer review process which provides a high quality review of applications. By peer reviewing applications for support, we can provide the giving public with assurances that the research that we support is of the highest standard and will provide research results that are valid, add to the knowledge base, and are most likely to benefit the public and human health. We act independently of MRC in policy and decision-making, while using the expert opinion of the MRC and wider scientific community to inform our policies and decisions.

Our grants can be awarded to established research organisations such as universities, hospitals, general practices and other research institutions in the UK and overseas. Claims for expenditure are paid on receipt of supporting evidence. All awards are subject to the Medical Research Foundation's terms and conditions, which are based on UK Research Council's terms and conditions, and reflect agreed principles of good research practice and sound financial governance. We expect the results of the research that we fund to be disseminated widely through high quality scientific journals with a view to ensuring that, where relevant, the findings that we have supported with charitable funds inform further research, healthcare practice or health interventions.

The beneficiaries of our grant-making programme are current and future generations of this country and worldwide. Any immediate benefit received by the researchers and research institutions that we fund is incidental to our aims of supporting important medical research to improve human health. Under our grant terms and conditions, intellectual property rights belong to the research institutions to which we award our research grants though we retain an interest in this property.

Depending on the nature of our funds, we invite applications from institutions and individuals by either advertising in the specialist press or by direct invitation.

## Risk management

The Medical Research Foundation pays due regard to the management of risk. We have in place systems of internal control designed to manage the risk of failure to achieve policies, aims and objectives; these systems provide reasonable assurance of effectiveness. Major risks are considered to be those that have a high likelihood of occurring and would, if they occurred, have a severe impact on operational performance, achievement of aims and objectives or could damage the reputation of the Medical Research Foundation or the MRC. The risks associated with new activities are considered, assessed and reduced as part of the business case for the new activity. New risks to the existing business are managed as they arise. We review all major live risks at six-monthly intervals and risks that we have agreed to tolerate on an annual basis. Improvements to the risk management and control framework are continuously sought. None of the risks currently facing the charity are considered to have a high likelihood of occurring or would have a high impact. Recognised medium level risks include:

- risks associated with the investment portfolio - stock markets instability etc.
- risks associated with property ownership – a refurbishment project, a property overseen by the Trust Fund manager on behalf of the charity, risks associated with the landlord role.
- risks associated with specific research projects – likelihood of success, impact etc.

Each of the risks is controlled and monitored and none is considered to pose a significant threat to the charity.

## External audit

Crowe Clark Whitehill LLP, who is reappointed as auditor during the year, having expressed willingness to continue in office, will be deemed to be appointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the company receives notice under Section 488(1) of the Companies Act 2006.

## Public benefit

The Charities Act 2011 requires that all charities meet the legal requirements that its aims are for the public benefit. The trustees confirm that they have had regard to the guidance on public benefit issued by the Charity Commission when considering the objectives and activities of the Medical Research Foundation.

# STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

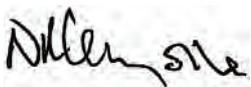
The trustees, who are also directors of the Medical Research Foundation for the purposes of company law, are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any one time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Insofar as each of the trustees of the charity at the date of approval of this report is aware, there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditors is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors is aware of that information.

By Order of the Trustees



Professor Nicholas Lemoine  
Chair of the Board of Trustees

Date: 25/11/2015

# REPORT OF THE INDEPENDENT AUDITOR

We have audited the Financial Statements of the Medical Research Foundation for the year ended 31 March 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes numbered 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's Trustees, 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 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.

## Respective Responsibilities of Trustees and Auditor

As explained more fully in the Statement of Trustees' Responsibilities, 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.

We have been appointed as auditor under the Companies Act 2006 and report in accordance with that Act.

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

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the Financial Statements.

In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge assigned by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity'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 United Kingdom Generally Accepted Accounting Practice; and,
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

## Matters on which we are required to report by exception

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

- adequate accounting records have not been kept and returns adequate for our audit have not been received from branches not visited by us;
- 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 of the information and explanations we require for our audit;
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees Annual Report.



7.12.15

Michael Hicks

**Crowe Clark Whitehall LLP**

Statutory Auditor

London

St Bride's House  
10 Salisbury Square  
London EC4Y 8EH



# Financial Statements

## STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2015

	Note	Unrestricted Funds £000	Restricted Funds £000	Endowed Funds £000	Total 2015 £000	Total 2014 £000
<b>Incoming Resources</b>						
Voluntary income	2	3,570	230	-	3,800	1,977
Income from charitable activities	3	66	-	-	66	90
Investment income	4	754	610	-	1,364	1,462
Other income	5	-	-	-	-	2,135
<b>Total Incoming Resources</b>		<b>4,390</b>	<b>840</b>	<b>-</b>	<b>5,230</b>	<b>5,664</b>
<b>Outgoing Resources</b>						
Costs of generating funds	6	(128)	(144)	-	(272)	(167)
Charitable activities	7	(3,739)	(95)	-	(3,834)	(3,901)
Governance costs	8	(53)	(8)	-	(61)	(47)
<b>Total Outgoing Resources</b>		<b>(3,920)</b>	<b>(247)</b>	<b>-</b>	<b>(4,167)</b>	<b>(4,115)</b>
<b>Net Incoming/ (Outgoing) Resources before Transfers</b>		<b>470</b>	<b>593</b>	<b>-</b>	<b>1,063</b>	<b>1,549</b>
Transfers between funds	17,18	(1)	1	-	-	-
<b>Net Incoming Resources before Other Recognised Gains or Losses</b>		<b>469</b>	<b>594</b>	<b>-</b>	<b>1,063</b>	<b>1,549</b>
<b>Other Recognised Gains and Losses</b>						
Realised loss on property sale	15	-	-	-	-	(18)
Gains on investment property	10	1,700	-	-	1,700	-
Gains on investment assets	11	2,446	1,729	496	4,671	1,651
<b>Net Movement in Funds</b>		<b>4,615</b>	<b>2,323</b>	<b>496</b>	<b>7,434</b>	<b>3,182</b>
Fund balances at 1 April		25,068	17,209	4,504	46,781	43,599
<b>Fund Balances at 31 March</b>		<b>29,683</b>	<b>19,532</b>	<b>5,000</b>	<b>54,215</b>	<b>46,781</b>

The Accounting Policies and Notes on pages 38 to 50 form part of these Financial Statements.

## BALANCE SHEET AT 31 MARCH 2015

	Note	2015 £000	2014 £000
<b>Fixed Assets</b>			
Functional property	9	5,358	5,580
Investment properties	10	3,016	1,316
Investment securities	11	45,275	40,727
<b>Total Fixed Assets</b>		<b>53,649</b>	<b>47,623</b>
<b>Current Assets</b>			
Debtors	12	163	6
Short term deposits		6,500	5,064
Cash at bank and in hand		2,699	2,616
<b>Total Current Assets</b>		<b>9,362</b>	<b>7,686</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	13	(5,633)	(5,437)
<b>Net Current Assets</b>		<b>3,729</b>	<b>2,249</b>
Creditors: amounts falling due after more than one year	14	(3,163)	(3,091)
<b>Total Assets less Liabilities</b>		<b>54,215</b>	<b>46,781</b>
<b>The Funds of the Charity</b>			
Permanent Endowment funds	16	5,000	4,504
Restricted funds	17	19,532	17,209
Unrestricted funds	18	29,683	25,068
		<b>54,215</b>	<b>46,781</b>

The Financial Statements were approved and authorised for issue by the trustees on 25th November 2015 and were signed on their behalf by:



Professor Nicholas Lemoine  
Chair of the Board of Trustees

The Accounting Policies and Notes on pages 38 to 50 form part of these Financial Statements.

---

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting Policies

#### 1.1. Basis of Preparation

These accounts have been prepared under the historical cost convention except that investments held as fixed assets are carried at market value and investment properties are included on the basis of periodic valuation. The accounts comply with the provisions of the Companies Act 2006, the accounting and reporting standards issued and adopted by the Accounting Standards Board, in so far as these requirements are appropriate, and the Statement of Recommended Practice, Accounting and Reporting by Charities (2005) issued by the Charity Commission for England and Wales.

The Medical Research Foundation has taken advantage of the exemption under Financial Reporting Standard 1 not to prepare a cash flow statement.

#### 1.2. Structure of Funds

The funds are structured into three types:

- i. Unrestricted general purpose funds are available for any purpose within the charity's objects. Trustees have designated a number of unrestricted funds for particular research purposes.
- ii. Restricted funds are for specified areas of medical research imposed by the donors under the terms of the legacy or donation. Income generated from the assets held in these funds is legally subject to the same restrictions as the original funds. Details of each fund can be found in the notes to the financial statements.
- iii. Permanent endowment funds represent capital gifts to the charity for specified areas of medical research. The terms imposed by the donors under the legacy or donation determine how the income generated by the capital may be used. The capital element of the permanent endowment funds is ring-fenced and remains within the endowment fund. Details of each fund can be found in the notes to the financial statements.

#### 1.3. Incoming Resources

Incoming resources, both income and capital, are recorded in the Statement of Financial Activities (SOFA) when conditions for receipt have been met and there is reasonable certainty of receipt.

Investment income, and the surplus or deficit arising from the sale or revaluation of assets, is allocated to the funds in proportion to the value of each fund, as at the balance sheet date and appropriate intermediate dates.

Legacy income is accounted for as income when it is virtually certain that the legacy will be received and the monetary value of the legacy can be measured with sufficient reliability.

## 1.4. Resources Expended

Commitment accounting is employed. Expenditure is accounted for on an accruals basis and has been included under the expense categories to which it relates. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation to incur the expenditure.

- i. **Costs of generating income** include the direct costs of advertising, fundraising consultants and investment manager's fees.
- ii. **Costs of charitable activities** are determined by the aims of the charity - to fund biomedical research and related activities. Research, equipment, dissemination and travel grants, fellowships, studentships, and scholarships and the costs associated with reviewing, awarding and managing them, are charged when the obligation to pay arises i.e. the full amount of the grant is accrued when a commitment is made. This category also includes the costs of maintaining the functional property used to facilitate medical research, which are charged as they arise. These costs include donated services and facilities (intangible expenditure), which are allocated on a pro-rata basis from an estimate of staff time and are apportioned at the end of the year.
- iii. **Governance costs** are those incurred in compliance with constitutional and statutory requirements, including related professional fees. They include direct and related support costs. Direct costs relate to transactions occurring with external bodies, such as audit fees and the provision of legal advice. Support costs relate to time spent on governance issues, largely comprising salaries, the appropriate portion of which is calculated on the basis of an estimate of staff time.

## 1.5. Fixed Assets - Functional Property

Property fixed assets are stated at valuation less depreciation. Depreciation is provided at rates calculated to write off the values of the properties, less their estimated residual value, over their expected useful lives at the following effective rates:

Freehold buildings - 5% per annum on the straight line basis

## 1.6. Fixed Assets – Investment Properties

Certain properties are held as investment properties for the purpose of producing income for the Medical Research Foundation. These properties are not used for the direct charitable purposes of the Medical Research Foundation and are disclosed in the Financial Statements on the basis of periodic valuations.

## 1.7. Fixed Assets - Investment Securities

Securities are stated at market value at the Balance Sheet date. Impairments in value, as well as realised and unrealised gains and losses, are reflected in the SOFA.

## 1.8. Taxation

The Medical Research Foundation is exempt from tax on investment income and gains as it is a registered charity. The Charity is not registered for VAT and irrecoverable VAT is included with the cost of those items to which it relates.

## 2. Analysis of Voluntary Income

	2015 £'000	2014 £'000
<b>Analysis of Voluntary Income</b>		
Bequests and Legacies	3,376	1,784
Donations	85	92
Grant income	147	-
Intangible income	192	101
	<b>3,800</b>	<b>1,977</b>

The estimated value of legacies of which the MRF has been informed, but which have not been included in the Statement of Financial Activities because the conditions for recognition have not been met, is £508,000.

Intangible income represents the total costs borne by other organisations on behalf of the charity, as follows:

Charitable activities	163	5
Governance costs	29	96
	<b>192</b>	<b>101</b>

The MRC provided all of the free services (intangible income) received by the Medical Research Foundation in the year. These services detailed in an agreement between the MRC and the trustees include HR and IT services, accommodation and meeting space and the time of research, estates, project and communication managers spent on MRF's business, peer review, property management and lettings and the refurbishment project. The MRC also provided the services of the AREF executive team free of charge. These free facilities and services (intangible income) are recorded as voluntary income in the SOFA and are also recorded as expenditure. They are apportioned to Governance Costs or Charitable Activities on the basis of estimated time spent.

## 3. Income from Charitable Activities

	2015 £'000	2014 £'000
<b>Income from Charitable Activities</b>		
Rental income from functional assets	66	90

The total commercial market rent that could be achieved on the functional property is estimated to be £195,000 (2014: £190,000). The amount of rental income receivable is as shown.

## 4. Investment Income

	2015 £'000	2014 £'000
<b>Investment Income</b>		
Dividends received	1,308	1,416
Interest on deposits	28	35
Rental from investment properties	28	11
	<b>1,364</b>	<b>1,462</b>

Interests in two properties were bequeathed to the charity in the previous year (see note 9).

## 5. Other income - Legal Compensation

The Medical Research Foundation received £2,250,000 in June 2013 to settle a claim for professional negligence with previous professional advisors. £114,071 of this income was received by the MRF on behalf of Asthma Research UK, British Red Cross and the British Heart Foundation. The MRF has not recognised the income in relation to this transaction as they have no legal entitlement to the income. The net income recognised by the MRF was £2,135,929 for the year ended 31 March 2014.

## 6. Costs of Generating Funds

	2015 £'000	2014 £'000
<b>Costs of Generating Funds</b>		
Investment manager's fees	198	153
Costs of generating voluntary income	74	14
	<b>272</b>	<b>167</b>

Costs of generating voluntary income include the costs of advertising for legacies for the Medical Research Foundation and fundraising consultants recruited to raise income for the Africa Research Excellence Fund.

## 7. Costs of Charitable Activities

	2015 £'000	2014 £'000
<b>Costs of Charitable Activities</b>		
Grant expenditure/commitments	3,420	3,431
Cancelled commitments	(267)	(144)
Functional property expenses	10	33
Depreciation	310	310
Other support costs	361	271
	<b>3,834</b>	<b>3,901</b>

## Schedule of Grants awarded in the Year

New grant commitments made to specific research organisations during the year are set out below:

	2015 £'000	No of grants	2014 £'000	No of grants
Birkbeck, University of London	-	-	49	1
Cardiff University	280	1	-	-
Imperial College London	1	1	396	4
Kings College London	384	3	29	1
London School of Hygiene and Tropical Medicine	38	1	72	2
MRC Institute of Hearing Research	10	1	-	-
MRC Laboratory of Molecular Biology	155	20	104	15
MRC National Institute of Medical Research	-	-	31	1
MRC The Gambia Unit	340	2	1,079	1
MRC Lifecourse Epidemiology Unit, Southampton	1	1	-	-
The Francis Crick Institute, London	1,821	1	-	-
University of Birmingham	-	-	67	3
University College London	32	3	419	4
Queen Mary University of London	-	-	83	2
University of Cambridge	1	1	22	1
University of Cardiff	-	-	14	2
University of Edinburgh	7	1	333	3
University of Exeter	-	-	30	1
University of Glasgow	1	1	266	1
University of Liverpool	251	1	74	1
University of Newcastle	-	-	100	1
University of Oxford	133	1	-	-
University of Sheffield	-	-	126	1
Queens University Belfast	-	-	2	1
Heriot-Watt University, Edinburgh	-	-	65	1
Professor Terry Jones (personal award)	9	1	-	-
Other Commitments	-	-	70	-
Less Commitments recovered*	(44)	-	-	-
	<b>3,420</b>	<b>40</b>	<b>3,431</b>	<b>47</b>

\* this relates to grants that have terminated, and residual unclaimed funds have been recovered.

## 8. Governance Costs

	2015 £'000	2014 £'000
<b>Governance Costs</b>		
Audit fees	15	19
Legal fees	33	19
Other direct governance costs	34	6
Trustees meeting costs (travel and subsistence)	-	2
Overheads and support costs	8	1
	<b>90</b>	<b>47</b>

## 9. Fixed Assets – Property

	Freehold land & buildings £'000	Assets in the course of construction £'000	Total £'000
<b>Cost or Valuation</b>			
At 1 April 2014	6,200	-	6,200
Additions	-	88	88
<b>At 31 March 2015</b>	<b>6,200</b>	<b>88</b>	<b>6,288</b>
<b>Depreciation</b>			
At 1 April 2014	(620)	-	(620)
Charge for the year	(310)	-	(310)
<b>At 31 March 2015</b>	<b>(930)</b>	<b>-</b>	<b>(930)</b>
<b>Net Book Value</b>			
At 31 March 2015	5,270	88	5,358
<b>At 31 March 2014</b>	<b>5,580</b>	<b>-</b>	<b>5,580</b>

The Medical Research Foundation holds the following property:

### Medresco House, Hampstead, London

Medresco House is a freehold property built in the late 1960's using charitable funds. It consists of 14 self-contained flats used to house visiting researchers to the MRC's London research establishments with the aim of facilitating collaborative research and skill sharing between UK-based MRC researchers and those from overseas. It was valued during 2011/12 by Colliers International, Chartered Surveyors at £6,200,000.

## 10. Investment Properties

	2015 £'000	2014 £'000
<b>Investment Properties</b>		
Market value at 1 April 2014	1,316	-
Additions at valuation	-	1,316
Gain on revaluation	1,700	-
<b>Market value at 31 March 2015</b>	<b>3,016</b>	<b>1,316</b>

The Medical Research Foundation's interests in the investment properties were originally valued at the date of transfer (18 July 2013). One of the investment properties was sold after the year end, and accordingly the property has been revalued to reflect the increased valuation apparent from the sale price. The second investment property is a similar, adjoining property; similarly, it has been revalued to reflect the increased valuation based on the sold property.

## 11. Fixed Assets - Investment Securities

	2015	2014
	£'000	£'000
<b>Fixed Assets - Investment Securities</b>		
Market value at 1 April 2014	40,727	39,270
Acquisitions at cost	10,878	11,657
Sale proceeds from disposals and withdrawals	(11,001)	(11,851)
Net gains in year	4,671	1,651
<b>Market value at 31 March 2015</b>	<b>45,275</b>	<b>40,727</b>

### Analysis of Investments

Cash balances	1,476	759
Fixed interest securities	11,264	9,791
UK equities	11,625	14,924
Overseas equities	19,772	14,216
Property	1,138	1,037
<b>Total investments</b>	<b>45,275</b>	<b>40,727</b>

The following investment is considered material:

Newton Financial Management Ltd Global Growth and Income Fund for Charities	4,981	4,484
---	-------	-------

## 12. Debtors

	2015	2014
	£'000	£'000
<b>Debtors</b>		
Accrued income	163	5
Pre-payments	-	1
	<b>163</b>	<b>6</b>

## 13. Creditors: Amounts falling due within One Year

	2015	2014
<b>Creditors: Amounts falling due within One Year</b>		
Trade creditors	36	1
Accruals	179	87
Grant Commitments	5,404	5,335
Audit fees	14	14
	<b>5,633</b>	<b>5,437</b>

## 14. Creditors: Amounts falling due after One Year

	2015	2014
<b>Creditors: Amounts falling due after One Year</b>		
Grant Commitments	3,163	3,091

## 15. Realised loss on property sale

A flat was purchased in 1998 using funds from the Jeantet (Unwin) Fund which is restricted to support the research of Dr Nigel Unwin from the MRC's Laboratory of Molecular Biology, Cambridge. The residential accommodation was used to house Dr Unwin and co-workers on their frequent visits to their collaborator Professor Yoshi Fujiyoshi in Kyoto University, to investigate the structure and mechanism of ion channels involved in communication between nerves and muscles. The flat was valued by Office Raku Co. Ltd, real estate agents in Kyoto, Japan, in February 2010 at 16,900,000 yen (£122,000) and depreciation was first charged on this property in the year ended 31 March 2011. The property was held for sale at 31 March 2013 and was sold in June 2013 for £92,898, resulting in a loss of £18,000.

## 16. Permanent Endowment Funds

	Balance at 1 April 2014 £'000	Transfers £'000	Expenditure £'000	Investment gains £'000	Balance at 31 March 2015 £'000
<b>Permanent Endowment Funds</b>					
Alice Cory Bequest Fund	320	-	-	35	355
Dorothy Temple-Cross Fellowship Fund	41	-	-	5	46
Gertrude Nicholl Bequest Fund	131	-	-	14	145
Sir Leonard Rogers Tropical Medicine Research Fund	2,924	-	-	322	3,246
Susan Catherine, Cecily May and Dr Thomas Beardwood Gornall Fund for Medical Research	207	-	-	23	230
Susan Catherine, Cecily May and Dr Thomas Beardwood Gornall Fund for Asthma Research	227	-	-	25	252
Williams Barker Bequest Fund	654	-	-	72	726
	<b>4,504</b>	<b>-</b>	<b>-</b>	<b>496</b>	<b>5,000</b>

These permanent endowment capital funds are invested and the investment gains/(losses) on the capital element are reported in this note. The income generated by the investment of these permanent endowment capital funds is held in a fund, as specified by the donor. The income is used to support research in line with the wishes of the donors.

Income from the: Alice Cory Bequest Fund and Dorothy Temple-Cross Fellowship Fund is available to support research fellowships; Williams Barker Bequest Fund is available to support or cancer research in a Yorkshire university; Sir Leonard Rogers Tropical Medicine Research Fund is available to support research on tropical diseases and medicine; Susan Catherine, Cecily May and Dr Thomas Beardwood Gornall Fund for Asthma research is available to support research on asthma; and Gertrude Nicholl Bequest Fund and Susan Catherine, Cecily May and Dr Thomas Beardwood Gornall Fund for Medical Research is available to support general research purposes.

## 17. Restricted Funds

Name of Fund	Balance at 1 April 2014 £'000	Transfers between funds £'000	Incoming resources £'000	Expenditure £'000	Investment gains/(losses) £'000	Balance at 31 March 2015 £'000
Africa Research Excellence Fund	-	-	225	(72)	-	153
Alice Cory Fellowship Income Fund	508	-	25	(2)	52	583
Cancer Research Fund	3,181	-	91	(15)	318	3,575
Crohn's Disease Research Fund	7	-	-	(7)	-	-
Dorothy Temple-Cross Bequest Income Fund	195	-	7	(1)	20	221
Dr Gornall Bequest Medical Research Income Fund	4	-	1	-	1	6
Fleming Memorial Fund for Medical Research	2,948	-	82	(43)	294	3,281
Hepatitis Research Tartellin Fund	1,202	-	34	15	120	1,371
Jeantet Prize Fund (Pelham)	1,471	-	41	(7)	147	1,652
Liver Disease Research Fund	56	1	1	-	5	63
Mental Health Research Fund	818	-	23	(4)	82	919
MRC LMB Celltech Research Fellowship Fund	891	-	25	(65)	87	938
MRC LMB Merck Visiting Research Fellowship Fund	705	-	20	(11)	70	784
MRC LMB Strauss Fund	765	-	21	(23)	76	839
Pain Research Fund	755	-	21	(4)	76	848
Polymyelitis Research Fund	963	-	27	(5)	97	1,082
Sir Leonard Rogers Tropical Medicine Research Fund	1,174	-	128	(4)	124	1,422
Rheumatic Diseases Research Fund	1,336	-	37	(6)	134	1,501
Sir Cusrow Wadia Research Fund	168	-	5	(1)	17	189
Whittaker Bequest for Alzheimer's & Parkinson's	-	-	-	8	1	9
Williams Barker Bequest Income Fund	62	-	26	-	8	96
	<b>17,209</b>	<b>1</b>	<b>840</b>	<b>(247)</b>	<b>1,729</b>	<b>19,532</b>

## 18. Unrestricted Funds

Name of Fund	Balance at 1 April 2014 £'000	Transfers between funds £'000	Incoming resources £'000	Expenditure £'000	Investment gains/(losses) £'000	Balance at 31 March 2015 £'000
General Purposes Research Fund	11,480	76	4,043	(1,455)	1,323	15,467
<b>Designated Funds</b>						
Asthma Research Fund	821	-	30	(4)	83	930
Balzan (Meade) Prize Fund	20	-	1	55	6	82
Descartes Prize Fund (Holt)	134	-	4	(1)	13	150
Diagnostic Techniques Research Fund	470	-	13	(2)	47	528
Ernst Jung Prize (Jones)	52	-	1	(9)	4	48
Eye Diseases Research Fund	648	-	18	(3)	65	728
General Purposes (Scotland) Research Fund	121	-	3	(1)	12	135
Genetics of Mitochondrial Diseases Research Fund	83	-	2	-	8	93
Human Movement and Balance Research Fund	135	-	4	(1)	14	152
Heart Diseases Research Fund	90	(1)	1	(92)	2	-
Intellectual Disabilities Research Fund	962	-	27	(5)	96	1,080
Jeantet Prize Fund (Unwin)	285	-	9	(20)	29	303
Jeantet Prize Fund (Skehel)	50	-	2	100	5	157
John Chadwick Barlow Bequest	154	-	4	(1)	15	172
Kathleen Goff Training Fund	1,784	-	14	(2)	1,749	3,545
Leukaemia Research Fund	239	-	7	(1)	24	269
Lupus Erythematosus Research Fund	640	-	18	(3)	64	719
Motor Neurone Disease Research Fund	448	-	13	(505)	45	1
MRC CSC Cardiovascular Imaging Research Fund	147	-	4	(1)	15	165
MRC Clinical Sciences Centre Research Fund (Bydder)	128	-	4	(1)	13	144
MRC Clinical Sciences Centre General Research Fund	185	-	5	(1)	19	208
<b>Carried forward</b>	<b>19,076</b>	<b>75</b>	<b>4,227</b>	<b>(1,953)</b>	<b>3,651</b>	<b>25,076</b>

## 18. Unrestricted Funds (continued)

Name of Fund	Balance at 1 April 2014 £'000	Transfers between funds £'000	Incoming resources £'000	Expenditure £'000	Investment gains/(losses) £'000	Balance at 31 March 2015 £'000
<b>Brought forward</b>	<b>19,076</b>	<b>75</b>	<b>4,227</b>	<b>(1,953)</b>	<b>3,651</b>	<b>25,076</b>
MRC Clinical Trials Unit Research Fund	102	-	3	4	10	119
MRC CSC Cyclotron Unit Greenleaf Bequest	58	-	2	-	6	66
MRC Cyclotron Unit Horlock Bequest	45	-	1	-	5	51
MRC Institute of Hearing Research General Research Fund	246	-	7	(11)	24	266
MRC Institute of Hearing Research Gray Bequest Fund	330	-	9	(2)	33	370
MRC LMB BIORAD Visiting Fellows Research Fund	320	-	9	(2)	32	359
MRC LMB Fersht Research Fund	165	-	5	(1)	17	186
MRC LMB Techn Research Fund	291	-	8	(1)	29	327
MRC LMB Yamanouchi Research Fund	53	-	1	-	5	59
MRC NIMR General Purposes Research Fund	124	-	8	(1)	12	143
MRC NIMR Relocation Fund	1,712	-	37	(1,826)	76	(1)
MRC NIMR Robinson Research Fund	247	-	7	(1)	25	278
MRC NIMR Rosa Beddington Fund	426	-	12	(2)	43	479
MRC Toxicology Unit Research Fund	121	-	3	(2)	12	134
Neurochemical Pathology Research Fund	60	-	2	-	6	68
Nutrition Research Fund	130	-	4	(1)	13	146
Parkinson's Disease Research Fund	126	-	3	(134)	5	-
Respiratory Medicine Research Fund	1,101	-	31	(5)	110	1,237
Stroke/Arterial Illness Research Fund	89	-	2	-	9	100
Other research funds	246	(76)	9	18	23	220
	<b>25,068</b>	<b>(1)</b>	<b>4,390</b>	<b>(3,920)</b>	<b>4,146</b>	<b>29,683</b>

## 18. Unrestricted Funds (continued)

Unrestricted funds with a fund value of less than £50,000, at either the start or the end of the year, have been grouped under the 'Other Research Funds' category for the purposes of this note. In practice, all funds are managed separately. Designated funds have been assigned to reflect donors' wishes where the legacy was not formally restricted by the donor or to set-aside funds for agreed research priorities. During the year there were transfers between the general purposes fund and a small number of unrestricted funds for the purposes of accounting corrections in the assignment of voluntary income and research commitment and income apportionment.

## 19. Analysis of Net Assets between Funds

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total £'000
<b>Analysis of Net Assets between Funds</b>				
Tangible assets	8,374	-	-	8,374
Investment securities	15,273	25,022	4,980	45,275
Net current assets/(liabilities)	9,101	(5,392)	20	3,729
Long-term liabilities	(3,065)	(98)	-	(3,163)
	<b>29,683</b>	<b>19,532</b>	<b>5,000</b>	<b>54,215</b>

## 20. Related Party Transactions

### Trustees' Expenses

During the year, no Trustees were reimbursed for travel and subsistence expenses to attend Trustees' meetings in London or other business meetings, amounting to £nil (2013/14 - £2,038).

Gifts totalling £100 were presented to two Trustees upon retirement in recognition of their long service to the Medical Research Foundation. There were no other related party transactions during the year (2013/14 - none).

## 21. Capital Commitments

The Medical Research Foundation has capital commitments of £117,380 at 31 March 2015 for the refurbishment of the Medresco House functional property. In total, the Medical Research Foundation expects to invest £2m towards this project in order to ensure that it is fit for its charitable purpose.

# OUR SUPPORTERS

## Acknowledgements and thanks

We would like to say thank you to all our supporters without whom the important medical research that we fund would not take place. However large or small the donation or legacy, each is important to us and each ensures more ground-breaking science aimed at improving human health can be undertaken.

## Supporters

During the year, we received support from the late Mrs Patricia Mary Beadle, Miss Catherine Mary Evans, Mrs Freda Helen Collier, Ms Mabel Woods Douglass, Dr Henry Emmanuel Kane, Mary Ypres Lovell, Mrs Doetje Louise Sloman and Mrs Nora Sophia Todd. The friends and family of Dinah Boerma, Mr Ronald Farr, Kenneth Harpin, Christopher John Mills, Rayner Missing, Zoe Williamson and Mr Charles Robert Brian Williamson also provided support. Our new Africa Research Excellence Fund received donations from Professor Peter Piot, Professor Sir Brian and Lady Alice Greenwood, Farrar Foundation and the Wellcome Trust.

The MRC made a significant contribution to the Medical Research Foundation during the year by providing almost £200,000 in free services and accommodation, along with expert scientific advice on emerging health needs, research priorities and peer review services. We are indebted to the MRC for its continued support.

## Staff

We operate the charity with minimum administrative support and the trustees would like to thank the business team for their unstinting efforts over the year: Angela Hind, our director; Joyce Jones, our operations manager; Vanessa Chauhan, our grants and finance manager; Iain Lee; our interim grants and finance manager; and Khadeja Ahmed, our administrator. In addition, we would like to welcome and thank the new staff working on the Africa Research Excellence Fund: Tumani Corrah, director; Peter Dukes, deputy director; Gyasiwaa Amofa, co-ordinator; and Sulayman Janneh, fellowships manager.

# WHO WE ARE

---

## BOARD OF TRUSTEES

### **Mr Charles Perrin CBE** (until 31 March 2015)

Charles Perrin was the Chief Executive of a major merchant bank until he retired in 1998; he has also been Vice Chairman of the Royal Brompton & Harefield NHS Trust from 1998 until 2007, a Trustee of the University of London until 2010 and of the Royal College of Physicians until 2011; he was Chairman of the MRC Pension Trust from 2004 until 2010. Charles is currently Honorary Treasurer of the Royal Veterinary College, a Governor of the Royal Central School of Speech & Drama and a Trustee of the Nuffield Trust. He was elected in 2009 as an Honorary Fellow of the Royal College of Physicians.

### **Professor Nicholas Lemoine**

Nick Lemoine is Director of Bart's Cancer Institute at Queen Mary University of London and Director of Research & Development for the Cancer Clinical Academic Unit at Bart's Health, the country's largest NHS Trust. His main research interests are in molecular genetics and biological therapies for cancer. He is also Head of Research Implementation for the Integrated Cancer System for North & East London and the Director of the National Institute for Health Research's Comprehensive Clinical Research Network for Central & East London. He has served as Chair of the Clinical Training & Career Development Panel as well as the Stratified Medicine Panel at the Medical Research Council, and has previously been a member of the MRC's Molecular & Cellular Medicine Board. He was elected as a Fellow of the Academy of Medical Sciences in 2006. Nick was nominated by the MRC for his position on the Board of trustees, until 6 September 2013 when he was re-elected in his personal capacity.

### **Professor Daniel Altmann**

Danny Altmann is a biomedical research scientist. He has run a laboratory at the Hammersmith Hospital Campus of Imperial College since moving to the site for the opening of the MRC's Clinical Sciences Centre in 1994. His main research interests are the study of adaptive immunity in human diseases including severe bacterial infection and autoimmune disease such as multiple sclerosis. Danny took two and a half years out of bench research from 2011 to work with the Wellcome Trust on strategy for biomedical research funding initiatives in infection, immunity and population health. He is Editor-in-Chief of 'Immunology' and Associate Editor of 'Vaccine' journals.

### **Ms Louise Ansari**

Louise Ansari has been Director of Communications at Diabetes UK since October 2011. Previous to this, she had worked on communications and campaigns for a range of UK and international organisations dealing with health, social policy and local services, including several years as Head of Communications at Lambeth Council, and as a media specialist at Which? Magazine, the Food Standards Agency, and the Health Education Authority. She is passionate about using communications to help improve people's lives.

### **Professor Calliope (Bobbie) Farsides** (from 1 April 2015)

Bobbie Farsides is Professor of Clinical and Biomedical Ethics at Brighton and Sussex Medical School. She has been researching and teaching in the field of bioethics for over twenty years, and her research focuses on the experience of health care professionals and scientists operating in ethically contested fields of biomedicine. Bobbie also has a strong

commitment to public policy work and serves on a number of committees including the UK Donation Ethics Committee. Research ethics has been a constant interest throughout her career including practically focused work in the developing world context. She recently chaired the Nuffield Council on Bioethics working party on Children's Participation in research and she chairs the Wellcome Trust's Ethics and Society Interview panel.

## **Professor Sir Andrew Haines**

Andy Haines was Director of the London School of Hygiene & Tropical Medicine from 2001 to 2010. He was previously Professor of Primary Health Care and Head of the Department of Primary Care and Population Sciences at University College London, and worked part-time as a general practitioner in North London for many years. Before that, Andy was a consultant in epidemiology at the MRC's Epidemiology and Medical Care Unit. He was also formerly Director of Research & Development at the National Health Service Executive, North Thames and a member of the MRC's Council and the Strategy Board. He is a trustee of UK Biobank and a number of other charitable bodies. Andy was nominated by the MRC for his position at the Board of trustees.

## **Professor Genevra Richardson CBE (until 31 December 2014)**

Genevra Richardson is Professor of Law at King's College London. Her main research interests include law and psychiatry. In 1998, she was appointed Chair of the Expert Committee established to advise Ministers on mental health law. She was elected to an Honorary Fellowship of the Royal Society of Psychiatrists in 2004 and became a fellow of the British Academy in 2007. She has been a member of the Animals Procedure Committee and was a member of the MRC's Council from 2001-2008. Genevra has been a trustee of the Nuffield Foundation since 2002.

## **Mr Stephen Visscher CBE**

Steve Visscher has been the Deputy Chief Executive and Chief Operating officer for the Biotechnology and Biological Sciences Research Council (BBSRC) since November 2008. He joined BBSRC on its formation in 1994 from the Agricultural and Food Research Council, initially serving as Director of Finance. Currently he is actively involved in Food Security research coordination and strategy, including developing international partnerships, multinational research initiatives and closer collaboration between funding bodies and research agencies. He is a member of the Food Research Partnership, chairs the Food Research Partnership international subgroup and the G20 Wheat Initiative Institutions' Committee. He is also director of research campus companies in Cambridge and Norwich and a member of the Technology Strategy Board 'Catapult' Committee overseeing the establishment of technology and innovation centres. Steve was nominated by the MRC for his position on the Board of trustees.

## **Mr David Zahn (from 1 January 2015)**

David Zahn is Head of European Fixed Income and a Senior Vice President at Franklin Templeton Investments. He leads the management of European fixed income strategies and is a member of the Fixed Income Policy Committee. David is also a portfolio manager for a number of Global Aggregate and Global Government fixed income portfolios. Prior to joining Franklin Templeton in 2006, he was a senior portfolio manager at Citigroup Asset Management. He has more than 20 years of experience in the investment profession, and is a Chartered Financial Analyst (CFA) Charterholder, Chartered Alternative Investment Analyst (CAIA) Charterholder and a Financial Risk Manager (FRM). David holds a MBA from the University of Connecticut and a MA in War in the Modern World from King's College, London. He is a member of the CFA Institute's Asset Manager Code Advisory Committee.

---

## AFRICA RESEARCH EXCELLENCE FUND BOARD

### Professor Charles Mgone

Charles Mgone has been the Executive Director of European & Developing Countries Clinical Trials Partnership (EDCTP) since January 2007. His role is to lead in the coordination of European Member States' national programmers on poverty-related and neglected disease and work in partnerships with sub-Saharan Africa and other parties to accelerate research and development of medical interventions against these diseases. Before joining EDCTP, Charles was the Network Director of the African Malaria Network Trust with responsibility for coordinating the African response to the malaria burden through accelerating the development of malaria vaccines and other interventions. Charles is a strong advocate for African national ownership and local investment in health research.

### Professor Daniel Altmann (see above; MRF Trustee)

### Dr Wendy Ewart MBE

Wendy Ewart served as Deputy Chief Executive and Chief of Strategy at the Medical Research Council from 2012 until 2014 where she was responsible for the development and communication of its research strategy and impact while directing international policy, including global health, and leading the overall approach to planning and evaluation across the MRC. In this capacity, she was a Director of UK Biobank and the Francis Crick Institute. Prior to this, Wendy was Director of Strategy for the MRC from 2008 with responsibility for the development of the MRC's Strategic Plan 'Research Changes Lives'. Before joining the MRC she worked at the Wellcome Trust (1991-2003) managing funding programmes, including those for the developing world and was Head of Research Strategy at the Faculty of Medicine, Imperial College from 2003 to 2008.

### Mr George Fowlis

George Fowlis is a Consultant Urological Surgeon in independent practice for the last 4 years, with 15 years consultant experience in all aspects of urology and with a subspecialty interest in oncology. George practices at various hospitals in Greater London, providing a patient-focused service in all aspects of urology, particularly oncology, endourology & paediatrics

### Dr Yvonne Greenstreet

Yvonne Greenstreet has over 20 years of experience in the global pharmaceutical industry, spanning research and development, strategy, and commercial development. Yvonne serves on the boards of directors of Pacira Pharmaceuticals Inc, Advanced Accelerator Applications and Indivior PLC. She is also on the Advisory Board of the Bill and Melinda Gates Foundation. Between 2011 and 2013, Yvonne was Senior Vice President and Head of Medicines Development at Pfizer and a member of the global executive team. Prior to Pfizer, she was at GlaxoSmithKline plc for 18 years where she was Senior Vice President and Chief of Strategy for worldwide Research and Development and served on the corporate investment committee. Yvonne trained as a physician and earned her medical degree from Leeds University in the UK and her MBA from INSEAD, France. She was recognized by Fast Company as one of the 100 most creative people in business in the US in 2013 and by Fierce Biotech as one of the top ten women in Biotechnology in 2012.

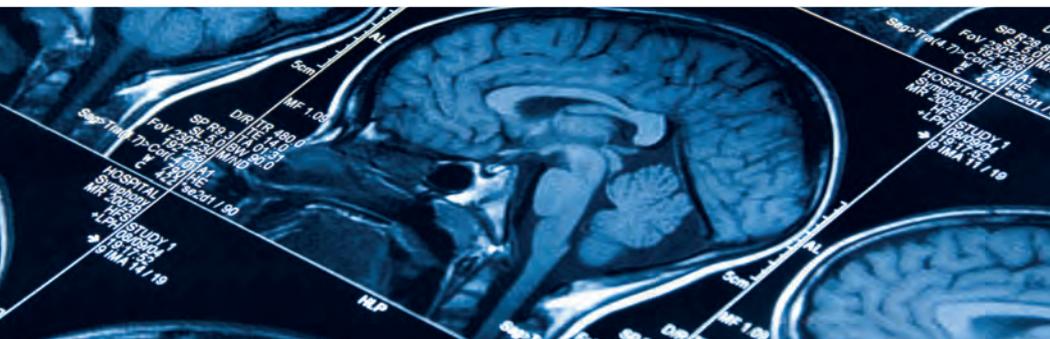
### Professor Sir Andrew Haines (see above; MRF Trustee)

## Professor Francine Ntoumi

Francine Ntoumi is currently Chair and Executive Director of the Congolese Foundation for Medical Research and Senior Lecturer on Immunology at the Faculty of Sciences and Techniques of University Marien NGouabi, Republic of Congo. She is also Associate Professor at the University of Tübingen in Germany. Francine's background is in molecular epidemiology and immunology of malaria and she has spent the past 20 years serving different institutions as the Multilateral Initiative on Malaria Coordinator. Prior to 2007, she was Senior Scientific Officer at the European and Developing Countries Clinical Trials Partnership (EDCTP). In 2010, Le Metropolis magazine made her one of Congo's top 50 women to make their mark on the country's history and in 2014 on the top list of the most influential women at the regional level. Francine is member of several scientific committees and international scientific networks in Africa and Europe. Since January 2009, she has been highly involved in developing health research capacity in Central Africa through the regional network of excellence, Central Africa Network on Tuberculosis, HIV/AIDS and Malaria. In 2012, Francine received the African Union Kwame Nkrumah Regional Scientific Award for women, and the Reseau International des Congolais de l'Etranger prize for her contribution in health research in Congo. In 2014, she was awarded the Georg Forster Prize for her career in malaria research.

## Mr Mark Radford

Mark Radford is the CEO of the Magdi Yacoub Research Network, a 'social profit' start-up committed to reducing the burden of cardio-vascular disease in high incidence countries of the Middle East and Africa, through an interconnected programme of research, treatment and training. Until April 2009 Mark was the Director of Operations for the MRC Unit, the Gambia and previously headed a specialist procurement company operating in the humanitarian, government and multilateral sectors. Mark has extensive experience in development and leadership, having previously worked with (OXFAM and Save the Children Fund), as well as a solid academic grounding in economics, business and public administration. He serves as Director of Heart Biotech Holdings Ltd., and the managing editor of the Global Cardiology Science & Practice.



## Medical Research Foundation

MRC Head Office  
14th Floor  
One Kemble Street  
London, WC2B 4AN  
Tel: 01793 416 200

[www.mrc.ac.uk](http://www.mrc.ac.uk)

Published December 2015