

# THE WOLFSON FOUNDATION

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Annual Report 2011-2012



2011-2012

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## TRUSTEES

Hon Mrs Janet Wolfson de Botton CBE (Chairman)  
Hon Mrs Laura Wolfson Townsley  
Sir Eric Ash CBE FRS FREng  
Sir David Cannadine FBA FSA FRSL  
Professor Hermione Lee CBE FRSL FBA  
Lord McColl CBE MS FRCS  
Sir Michael Pepper FRS FREng  
Lord Turnberg MD FRCP  
Sir David Weatherall MD FRCP FRS  
Hon Mrs Deborah Wolfson Davis MA  
Lady Wolfson of Marylebone (until 31 March 2012)

## DIRECTORATE

Paul Ramsbottom MA MSt – Chief Executive  
Simon Fourmy MA – Director of Grants

8 Queen Anne Street, London W1G 9LD  
Registered Charity No 206495

## PROFESSIONAL SERVICES

### Bankers

Barclays Bank plc, Charities Team, 1 Churchill Place, London E14 5HP

### Solicitors

Berwin Leighton Paisner LLP, Adelaide House, London Bridge, London EC4R 9HA

### Auditors

UHY Hacker Young LLP, Quadrant House, 4 Thomas More Square,  
London E1W 1YW

### Investment advisers

Cazenove Capital Management Limited, 12 Moorgate, London EC2R 6DA

## WEBSITE

[www.wolfson.org.uk](http://www.wolfson.org.uk)

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The Wolfson Foundation is a charitable foundation set up in 1955 whose aims were stated by the Founder Trustees to be the advancement of science and medicine, health, education, the arts and humanities.

The Foundation was established by a Trust Deed dated 1 July 1955.

At the start of the year, the Board of Trustees comprised four family trustees and seven academic trustees drawn from the fields of the arts, medicine and science, as noted on page 2. Appointments to the Board are made by the Trustees, advised by the Nominations Committee. The Nominations Committee also advises on the remit and composition of expert panels/committees and any related governance matters.

The Board of Trustees meets twice each year. The Board decides matters of strategy and overall policy, determines the priorities and allocations for grant programmes, sets budgets and authorises grant awards. It is served by a number of panels and committees, which make recommendations on grant-making, risk management and investment policies. Panels are comprised of specialists in particular fields, as well as Trustees.

The induction process for newly-appointed Trustees and panel members comprises meetings with the Chief Executive and Board members, and covers governance, investment and grant-making policies. Documentation provided for new Trustees includes copies of the Trust Deed, relevant minutes, a history of the Foundation, and recent annual reports and accounts.

### **Risk assessment**

The Trustees have reviewed the major strategic, operational and financial risks which impact on the work of the Foundation and, on professional advice, noted that systems have been established to mitigate the exposure to them. The Trustees review this matter each year and take action required arising from the assessment of the Risk Committee.

### **Conflicts of interests**

Where a Trustee holds an active post (whether honorary or otherwise) at an applicant organisation, then that Trustee does not vote on the decision on whether to make an award.

## OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objective of the Foundation is the support and promotion of excellence in the fields of science and technology, healthcare, education, the arts and humanities. The Trustees have complied with section 4 of the 2006 Charities Act, having due regard for the Charity Commission's guidance on public benefit when reviewing the Foundation's aims and objectives, when setting the grant making policy and in making awards. The best measure of public benefit generated by the Foundation is contained in the list of projects supported (see note 9).

The Foundation pursues its objective through investment in outstanding projects across a wide range of activities, usually by the provision of infrastructure. Four particular factors influence Trustees in their decision-making. First, Trustees aim to back excellence (both existing and potential). Secondly, attempts are made to identify and support important areas that are under-funded. Thirdly, applicants are encouraged to use Wolfson funds as a catalyst, so that the Foundation's funding can lever additional support. Fourthly, collaboration is actively sought with other expert bodies, with benefits accruing to both organisations. The Wellcome Trust and the British Academy are two examples of organisations with whom the Foundation collaborates on joint funding programmes.

## OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

It is anticipated that the range of activities will remain broadly similar during 2012-13, including a number of new initiatives in targeted areas (see Plans for the Future). The impact of the Foundation's funding is monitored through biannual reports on projects provided by recipients during the lifetime of a grant, and also by visits undertaken by Trustees and staff.

### Grant-making process and policy

Trustees make awards twice each year and are advised by Panels comprising Trustees and specialists which meet before the main Board meetings. As well as assessing the merits of the applicants' proposals and their congruence with the Foundation's aims and priorities, appraisal criteria include: the anticipated outcome of the project (including public benefit); financial viability; value for money; adequate provision for ongoing costs and maintenance and the aesthetics of any building project.

Priorities, which are described in this report, are grouped around four funding areas: Science and Technology, Education, Arts and Humanities and Health and Welfare. Funding is made through a number of programmes, including preventive medicine, people with special needs, historic buildings, libraries, the visual arts and education. Grants are made to universities for research equipment, new buildings and renovations. Awards for university research are normally made under the umbrella of designated programmes in which vice-chancellors are invited to participate.

All applications are assessed by expert external reviewers, and applicants are given an opportunity to respond to queries raised during the review process.

## ACHIEVEMENT AND PERFORMANCE

As stated above grants are, as a general policy, given to act as a catalyst, to back excellence and talent and to provide support for promising capital projects which may currently be underfunded. In fulfilment of this policy, grants were made totalling £49.9 million. This has been an exceptional year, with more funds allocated over a 12 month period than at any other time in the Foundation's previous 57 years. This represented a strategic decision to increase funding in an economic climate that continues to be challenging for many grant recipients. The year's grant-giving was successful in that, on the advice of external experts, first-rate projects in the Foundation's priority areas were funded. Given the nature of the investment (particularly funding infrastructure underpinning high-quality research) it is too early to assess the long-term benefits of projects funded.

A summary of the grants awarded by programme area is shown in the following table:

### Summary of grants

£ MILLION	1955-2011	2012	TOTAL	%
<b>Science &amp; Technology</b> (including the Wolfson Neurology Initiative and medical research)	<b>388.2</b>	<b>33.5</b>	<b>421.7</b>	<b>60</b>
<b>Arts &amp; Humanities</b>	<b>118.9</b>	<b>6.9</b>	<b>125.8</b>	<b>18</b>
<b>Education</b> (including higher education buildings, schools and science/medical education)	<b>113.9</b>	<b>5.8</b>	<b>119.7</b>	<b>17</b>
<b>Health and Welfare</b> (for hospices and special needs)	<b>35.6</b>	<b>3.7</b>	<b>39.3</b>	<b>5</b>
<b>TOTAL</b>	<b>656.6</b>	<b>49.9</b>	<b>706.5</b>	<b>100</b>

### **Medical research and health care**

This area of the Foundation's work generally receives the highest share of funds, and this year was no exception. The total amount allocated under this heading was however, unprecedented, with £28.9 million awarded to outstanding projects. The main share of this was allocated in a single award of £20 million to University College London to establish the Leonard Wolfson Experimental Neurology Centre. In a departure from the Foundation's normal focus, the funds include programme costs over five years, as well as capital infrastructure.

The award was the result of the Wolfson Neurology Initiative, a year long competitive process to identify the highest quality research in the area of neurological diseases. The key motivation behind the initiative was a recognition of the increasing challenge posed by these diseases, particularly in Western, ageing societies. In the UK funding of research into neurological diseases is at significantly lower levels than many other areas like cancer or cardiovascular conditions (12 times lower in the case of cancer). The initiative was also designed as a legacy for Lord Wolfson of Marylebone, the Foundation's former Chairman who passed away in 2010.

Applications underwent rigorous review by a Committee of international experts in the field to whom our thanks are extended. The Panel was chaired by the former Dean of the Harvard Medical School, Professor Joseph Martin. From an extremely competitive field, the application from UCL was recommended for funding. At the core of the proposal lay the concept of a clinical research facility, ranging across a number of different diseases. This new Centre will be based at the heart of the National Hospital for Neurology and Neurosurgery (NHNN), the partner hospital of the UCL Institute of Neurology, reflecting the importance of bringing together clinical and scientific excellence in the search for effective treatments for devastating neurodegenerative diseases. The aim of the Centre is to accelerate the development of treatments and identify future therapeutic targets for such diseases, leading to earlier interventions for patients. It will be known as the Leonard Wolfson Experimental Neurology Centre.

Other significant awards made in the area of medical research and healthcare continued the Foundation's policy of investing in infrastructure, including new and refurbished buildings and high value equipment. Significant awards included £2 million to the University of Manchester for a new cancer research building, £1.5 million to the University of Oxford for an imaging facility within the Weatherall Institute of Molecular Medicine, and £1 million to the Epilepsy Society for a new research centre in Buckinghamshire.

The number of projects funded and the value of awards at smaller charities working in the fields of special needs and hospices continued at the relatively high level of recent years. A total of £3.69 million was invested in new buildings, refurbishment work and equipment.

### **Science education and research**

The largest award under this heading was £1.25 million to the University of York for an integrated global atmospheric chemistry laboratory. The Open University was awarded £1 million to establish the OpenScience Laboratory, a 'virtual' laboratory to assist in the teaching of STEM subjects in higher education.

The Foundation has a long-standing interest in supporting public engagement with science. This continued with an award of £1 million to the Royal Botanic Gardens, Kew for the restoration of the Temperate House, providing space for educational outreach work. Similarly, a grant was made to the Eden Project in Cornwall (£306,000) toward their Canopy Walkway Project which aims to educate about rainforests and climate change.

## ACHIEVEMENT AND PERFORMANCE

Further afield, equipment for research in functional genomics was funded at six Israeli universities (awards were made jointly with a sister trust, the Wolfson Family Charitable Trust).

### Arts and humanities

The Foundation continued the strong investment in the arts and humanities of recent years, reflecting a view of the importance of this sector and acknowledgement that it faces significant pressure on funding sources. It also reflected the high quality of applications received. A little under £7 million was invested in this area. The largest award of £1 million was made to the National Theatre for their major redevelopment. Other significant awards were made to English Heritage (£810,000) for the new visitor centre at Stonehenge, and to Rambert Dance Company (£250,000) for their new central London home on the Southbank.

The largest area of investment continued to be museums and galleries. The Imperial War Museum was awarded £750,000 for the redeveloped First World War galleries, while £500,00 went to each of the Design Museum (for their new home in the former Commonwealth Institute Building in Kensington), the Serpentine Gallery (for the refurbishment and extension of the gallery), and the Victoria and Albert Museum (for the 1600-1800 galleries).

### Education

During the year a major new initiative was launched in this area, with over £2 million allocated to the Wolfson Postgraduate Scholarships in the Humanities. The pilot programme reflects the Foundation's concerns about funding for the humanities and the potential impact of increased undergraduate student debt on postgraduate studies. Three scholarships at each of nine universities will fund exceptional students to undertake doctoral study in the areas of literature, history and languages. The universities were carefully selected, primarily on the basis of existing research records. The aim of supporting the humanities has already had success, with two of the universities in the programme agreeing to match the Foundation's investment.

Pilot programmes were also announced in the general area of improving access to high quality education. A programme focussing on bursaries at the City of London School was funded (£200,000) and a partnership programme with the Sutton Trust (£135,000) was also agreed. The programme with the Sutton Trust will provide summer schools at two universities (University College London and the University of Durham) to encourage bright students, from backgrounds that might not encourage higher education, to attend university.

Large capital awards were made for higher education buildings at the University of Dundee for a lecture theatre in the School of Medicine (£888,000) and the Royal College of Art for the Printmaking Machine Hall in their new campus development in Battersea (£400,000).

The programme to fund equipment and building projects for the teaching of science and technology at secondary schools continued, with awards over the year totalling just over £1.3 million.

The Trustees have prepared accounts in accordance with current statutory requirements, the Trust Deed and the 2005 Statement of Recommended Practice – Accounting and Reporting by Charities. The Foundation's total return on the fund's assets in 2011/12 was £24.9 million (2010/11: £37.4 million) of which income was £24.1 million and gains were £0.8 million. The portfolio of listed investments and cash held on deposit had a total value of £728 million at 5 April 2012 (2011: £739 million) and are included in the balance sheet as:

## FINANCIAL REVIEW

## FINANCIAL REVIEW

	2012 £m	2011 £m
Fixed asset investments	683	607
Current asset investments (short dated gilts and term deposits)	44	131
Cash held on deposit	1	1
	<hr/>	<hr/>
	728	739
	=====	=====

Income is applied to the charitable aims of the Foundation as described elsewhere in this report. Grants awarded (net of relinquished grants) during the year were £49.7 million (2010/11: £30.1 million). The Trustees hold deposits, gilts and other bonds to cover the Foundation's current commitments.

All of the Foundation's net assets are held in unrestricted funds as the Trustees have power to distribute both income and capital. The Foundation has shared objectives and joint administration with the Wolfson Family Charitable Trust, registered charity number 228382, at 8 Queen Anne Street, London, W1G 9LD.

### Investment policy and performance

The Foundation is managed on the basis of existing in perpetuity and hence the Foundation has the objective of maintaining the portfolio's real purchasing power after inflation over time. Trustees allocate funding on a total return (rather than income) basis.

The long-term investment objective is an average annual total return of UK RPI + 4%. The Trustees aim to distribute 4% of the fund on an annual basis. The value used to calculate the distribution is the average of the last five years' value. Trustees have maintained their long-standing policy of not investing directly in tobacco companies.

The Investment Committee is responsible to Trustees for investment policy and monitoring the portfolio. Committee members are available to report to Trustees at Board meetings.

Cazenove Capital Management manage the Foundation's assets based upon the investment objective outlined above. In addition to managing a portfolio of UK equities, they invest in funds managed by third party managers. They provide regular investment reports and are responsible for the custody of the Foundation's assets.

From May 2011, Cazenove Capital Management started the restructuring of the Foundation's portfolio in line with the Trustees' investment objective and within the framework of asset allocations agreed by Trustees and the Investment Committee:

### Asset allocation ranges

UK equities	25-45%	Absolute return	10-20%
Overseas equities	15-35%	Real assets	0-15%
Fixed income	5-15%	Cash & gilts	8-15%

The performance of the portfolio is monitored by the Trustees and the Investment Committee.

### Reserves policy

The Trustees consider it prudent to have liquid assets to cover a significant proportion of planned allocations to designated projects and programmes. This also allows assessment panels to recommend to Trustees future grant programmes within a framework of known available resources. Trustees agreed during the year that a



## FINANCIAL REVIEW

minimum of 8% of the value of the portfolio should be retained in a combination of cash and short-dated gilts. Accordingly the Trustees consider that reserves are required at a level which enables them to plan with confidence for the forthcoming years. As at 5 April 2012 unrestricted reserves were £633 million (down from £659 million in 2011).

## PLANS FOR THE FUTURE

During the year Trustees renewed a number of partnership funding programmes, including for university laboratory refurbishment (with the Royal Society). In each case, the renewed programmes will continue into 2012-13, and more details of awards under these programmes will appear in future reports.

The Foundation also intends to launch a number of funding initiatives during 2012-13, including extending some pilot programmes.

## TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

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

The Trustees are responsible for keeping proper records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the charity's assets and hence taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.

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

### Statement of Disclosure to Auditors

So far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the Trustees believe they have taken all the necessary steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Trustees on 8 June 2012 and signed on their behalf by:

Hon Mrs Janet Wolfson de Botton CBE, Chairman

We have audited the financial statements of the Wolfson Foundation on pages 10 to 32 for the year ended 5 April 2012, which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and the related notes. 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 section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **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 5 April 2012, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

**UHY Hacker Young**, Chartered Accountants, Statutory Auditor  
8 June 2012

UHY Hacker Young is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**STATEMENT OF  
FINANCIAL  
ACTIVITIES  
FOR THE YEAR  
ENDED 5 APRIL  
2012**

	Notes	2012 £'000	2011 £'000
<b>Incoming resources</b>			
Incoming resources from generated funds			
Investment income (see notes)	2&3	24,113	27,636
		<hr/>	<hr/>
<b>Total incoming resources</b>		24,113	27,636
<b>Resources expended</b>			
Costs of generating funds:			
Investment management fees (applicable from 17 May 2011)	2	735	-
Charitable activities			
Grant making activities	4		
Wolfson Neurology Initiative		20,000	-
Science, technology and medical research		13,603	6,925
Arts and humanities		6,901	13,870
Education		5,968	6,101
Health and welfare		3,806	3,765
		<hr/>	<hr/>
		50,278	30,661
Governance costs	5	108	121
		<hr/>	<hr/>
<b>Total resources expended</b>		51,121	30,782
		<hr/>	<hr/>
<b>Net incoming resources before other recognised gains and losses</b>		(27,008)	(3,146)
<b>Other recognised gains and losses</b>			
Realised or unrealised gains on revaluation and disposal of investment assets			
	10	692	9,761
		<hr/>	<hr/>
<b>Net movement in funds</b>		(26,316)	6,615
<b>Reconciliation of funds</b>			
Total funds brought forward			
		659,450	652,835
		<hr/>	<hr/>
<b>Total funds carried forward</b>		633,134	659,450
		<hr/> <hr/>	<hr/> <hr/>

The realised and unrealised gains of £692,190 (2011: £9,760,880) reflect a general increase in market values. The realised gains on disposals, by reference to the original costs of the investments, were £6,214,619 (2011: losses £35,970,195).

All recognised gains and losses have been included in the Statement of Financial Activities and the amounts included are derived entirely from the continuing activities of the Foundation.

**BALANCE SHEET  
AS AT 5 APRIL 2012**

	Notes	2012		2011	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Investments	10		683,418		606,561
<b>Current assets</b>					
Debtors	11	1,282		2,341	
Investments	10	44,334		130,814	
Short term deposits and cash		1,026		1,430	
			46,642		134,585
<b>Creditors falling due within one year</b>	12	(40,739)		(36,079)	
<b>Net current assets</b>			5,903		98,506
<b>Total assets less current liabilities</b>			689,321		705,067
<b>Creditors falling due after one year</b>	13		(56,187)		(45,617)
<b>Total net assets</b>			633,134		659,450
			=====		=====
<b>Funds</b>					
Expendable endowment fund			633,134		659,450
			633,134		659,450
			=====		=====

The financial statements on pages 10 to 32 were approved by the Trustees on 8 June 2012 and were signed on their behalf by:

Hon Mrs Janet Wolfson de Botton CBE – Chairman  
 Paul Ramsbottom – Chief Executive  
 Lord McColl CBE MS FRCS – Trustee  
 Lord Turnberg MD FRCP – Trustee

**CASH FLOW  
STATEMENT  
FOR THE YEAR  
ENDED 5 APRIL  
2012**

	Notes	2012		2011	
		£'000	£'000	£'000	£'000
<b>Operating activities</b>					
Receipts of interest and other income		12,688		14,765	
Receipts of dividends		12,364		13,767	
Payments to staff		(295)		(274)	
Payments for other expenses		(373)		(399)	
Payments for investment management fees		(525)		-	
			23,859		27,859
Payments of grants	8		(34,578)		(33,416)
<b>Net cash outflow from operating activities</b>	14		(10,719)		(5,557)
<b>Financial investment</b>					
Purchase of investments		(357,259)		(43,782)	
Proceeds from disposal of investments		328,697		57,709	
<b>Net cash (outflow)/inflow from financial investment</b>			(28,564)		13,927
<b>(Decrease)/increase in cash in the year</b>			(39,283)		8,370
Net cash resources at 6 April 2011			84,643		76,273
<b>Net cash resources at 5 April 2012</b>	15		45,360		84,643

## **1. Accounting policies**

The financial statements have been prepared under the historic cost convention, with the exception that investments are included at market value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and applicable UK Accounting Standards and the Charities Act 2011.

The particular accounting policies adopted by the Trustees are described below:

### **(a) Investment income**

Investment income is accounted for in the period in which the charity is entitled to receipt.

### **(b) Resources expended**

Expenditure is included on an accruals basis.

Grants awarded are charged in the year when formally awarded by the Trustees and communicated to the recipient, irrespective of the period covered by the donation, as they are regarded by the Trustees as financial obligations.

### **(c) Allocation of management and administration expenses**

Management and administration expenses are allocated first between charitable activity and governance. Management and administration expenses relating to grant making activities are apportioned evenly amongst the four grant making categories.

The allocation of management and administration expenses is analysed in note 5.

### **(d) Governance costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs primarily include costs related to statutory audit and legal fees.

### **(e) Investment assets**

Investments are included at closing mid-market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Short dated gilts are included as current assets because they form part of the liquid reserves available for payment of the grants commitments and are not held for the longer term.

### **(f) Gains and losses on investments**

Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market value (purchase date if later). Unrealised gains and losses on investments are calculated as the difference between the closing mid-market value at the year end and opening mid-market value (or purchase date if later).

Realised and unrealised gains and losses on investments are not separated in the statement of financial activities and are taken to the statement of financial activities as they arise.

## **2. Funds**

As explained in the Trustees' Report and detailed more fully below, the Trustees have decided that the adoption of a total return approach, in terms of both the instructions given to their investment manager and the way in which their accounts are presented is appropriate. These accounts are the first to reflect this approach and the

**2. Funds (continued)**

consequent effect on investment income and realised and unrealised gains and losses on investments.

The Trustees also entered into a new arrangement with their investment managers with effect from 17 May 2011 under which they have agreed to pay a quarterly management fee (calculated as a percentage of portfolio value). As required by Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005), this new discretionary management fee (£735,000 for the period to 5 April 2012) is disclosed on the face of the Statement of Financial Activities. Dealing commissions and other charges, for both the current and prior year, have been treated as adjustments to the cost of acquisition or proceeds on disposal of the investment in question.

The Trustees are responsible for making arrangements for the investment of the expendable endowment fund so that the return on investment assets and the growth of the fund will adequately protect the interests of current and future beneficiaries of the Foundation.

In fulfilling these responsibilities, including setting the objectives against which the performance of the investment managers is measured, the Trustees are primarily concerned with the total return on investments, namely the sum of investment income (note 1(a) pg13) and gains and losses on investments (note 1(f) pg13). Although these constituent elements are required to be shown separately in the statement of financial activities, no importance attaches to how much of the total return is represented by investment income and how much is represented by gains or losses on investments, and the investment managers are not set separate targets for these amounts.

In order to clarify these responsibilities and priorities, the Trustees have combined the former unrestricted income fund and the former capital expendable endowment fund into a single, expendable endowment fund with effect from 17 May 2011 and will set medium term targets for the total return on investments. This approach is termed a total return approach.

Fund balances have been restated for comparison purposes as follows:

	<b>5 April 2011</b>	<b>5 April 2010</b>
	<b>£'000</b>	<b>£'000</b>
As previously reported:		
Unrestricted income fund	69,478	70,620
Capital expendable endowment fund	589,972	582,215
	=====	=====
As currently reported:		
Expendable endowment fund	<b>659,450</b>	<b>652,835</b>
	=====	=====

In order to achieve a proper balance between the interests of current and future beneficiaries, the Trustees have determined that they are aiming to preserve the value of the expendable endowment fund in real terms, and that investment returns in excess of the amount required to preserve the real value of the fund may be expended in furtherance of the Foundation's objectives.

The long-term investment objective is an average annual total return of UK RPI + 4%. The Trustees aim to distribute 4% of the fund on an annual basis. The value used to calculate the distribution is the average of the last five years' value.

**NOTES TO THE  
FINANCIAL  
STATEMENTS  
FOR THE YEAR  
ENDED 5 APRIL  
2012**

**2. Funds (continued)**

The target and actual total investment return, growth of the fund and charitable expenditure for the year ended 5 April 2012 are as follows:

	Note	Actual £'000	Target £'000	Variance £'000
Year ended 5 April 2012				
Total investment return:				
Investment income		24,113		
Gains on investments		692		
Investment management fees		(735)		
	(a)	24,070	56,040	(31,970)
Charitable expenditure:				
Wolfson Neurology Initiative		(20,000)	(20,000)	-
Other	(b)	(30,386)	(28,782)	(1,604)
Total resources expended		(50,386)	(48,782)	(1,604)
Funds retained, added to capital	(c)	(26,316)	7,258	(33,574)
Expendable endowment fund as at 6 April 2011		659,450	659,450	-
Expendable endowment fund as at 5 April 2012		<b>633,134</b>	<b>666,708</b>	<b>(33,574)</b>
		=====	=====	=====

(a) The target total investment return is £737,375,000 x (RPI%+4%) = £56,040,500

(b) The target charitable expenditure is £28,782,000 being 4% of the 5 year average of the investment portfolio valuation of £719,550,000

(c) The target retained funds is a) – total resources expended

The Trustees consider the Wolfson Neurology Initiative grant to be an exceptional item that should be adjusted for in calculating the charitable expenditure target.

The variance of £33,574,000 will be carried forward and added to the target fund growth rate for future financial years.

**3. Investment income**

	Total 2012 £'000	Total 2011 £'000
Dividends – UK equities and unit trusts	10,549	11,156
Interest – UK gilts, corporate bonds and unit trusts	9,338	12,523
Interest – overseas bonds and unit trusts	3,006	1,605
Interest – cash deposits	344	667
Dividends – overseas equities and unit trusts	876	1,685
	<b>24,113</b>	<b>27,636</b>
	=====	=====



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**4. Grant making activities**

	Grants awarded (net) £'000	Allocated expenses (Note 5) £'000	Total 2012 £'000	Total 2011 £'000
Wolfson Neurology Initiative	20,000	-	20,000	-
Science, technology and medical research	13,449	154	13,603	6,925
Arts and humanities	6,747	154	6,901	13,870
Education	5,815	153	5,968	6,101
Health and welfare	3,653	153	3,806	3,765
	<u>49,664</u>	<u>614</u>	<u>50,278</u>	<u>30,661</u>
	=====	=====	=====	=====

The total management and administration expenses attributable to grant funded activity are apportioned evenly amongst the four grant making activities.

Significant aspects of the grant activity during the year are described on pages 4 to 6 of the Trustees' report.

**5. Management and administration expenses**

	Governance Costs £'000	Grant making activities (Note 4) £'000	Total 2012 £'000	Total 2011 £'000
Consultancy costs	-	75	75	60
Auditors' remuneration – audit services	11	-	11	10
– other services	42	-	42	38
Legal fees	47	-	47	66
Staff costs	-	295	295	274
Rent and service charges	-	153	153	158
Other expenses	8	91	99	62
	<u>108</u>	<u>614</u>	<u>722</u>	<u>668</u>
	=====	=====	=====	=====

The governance costs comprise costs of running the Foundation and planning for future developments, including audit and legal advice for the Trustees and costs of complying with constitutional and statutory requirements, such as Trustees' meetings and the preparation of accounts and satisfying public accountability.

The costs relating to grant making activity represent costs incurred in assessing applications, administration of the grants awarded and post-grant monitoring. No staff costs are allocated to governance costs as the amount of related activity is immaterial compared to the grant making activity.

**6. Trustees' remuneration**

No fees are paid to Trustees for their services as Board Members. As allowed by the Trust Deed, consultancy fees of £28,000 (2011: £26,000) were paid to Academic Trustees in connection with the work they undertook in advising on applications to the Foundation – capped at £4,000 each to Sir Eric Ash, Lord McColl, Sir David Cannadine, Sir Michael Pepper, Lord Turnberg, Sir David Weatherall and Professor Hermione Lee. The Family Trustees did not receive any remuneration.

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**6. Trustees' remuneration (continued)**

Expenses amounting in total to £7,936 (2011: £8,032) were paid in respect of all 11 (2011: 15) Trustees for travel, subsistence, trustee indemnity insurance and sundry costs.

**7. Staff costs**

The Foundation employs full time and part time staff. The average number of full time equivalents in the year approximates to 6 (2011: 6)

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
Salaries	261	242
Social security costs	28	26
Pension costs	6	6
	<u>295</u>	<u>274</u>
	=====	=====

One employee received emoluments between £60,000 and £70,000.

**8. Grants awarded for future payment**

Grants awarded by the Trustees for future payment at 5 April 2012 total £96,703,147 (2011: £81,617,000) as follows:

	<b>At</b>	<b>Grants</b>	<b>Grants</b>	<b>Grants</b>	<b>At</b>
	<b>5 April</b>	<b>awarded</b>	<b>relinquished</b>	<b>paid</b>	<b>5 April</b>
	<b>2011</b>	<b>during</b>	<b>&amp; adjusted</b>	<b>during</b>	<b>2012</b>
	<b>£'000</b>	<b>the year</b>	<b>£'000</b>	<b>the year</b>	<b>£'000</b>
Wolfson Neurology Initiative	-	20,000	-	-	20,000
Science, technology and medical research	48,094	13,496	(47)	(21,633)	39,910
Arts and humanities	18,343	6,893	(146)	(5,923)	19,167
Education	12,848	5,825	(10)	(3,320)	15,343
Health and welfare	2,332	3,693	(40)	(3,702)	2,283
	<u>81,617</u>	<u>49,907</u>	<u>(243)</u>	<u>(34,578)</u>	<u>96,703</u>
	=====	=====	=====	=====	=====
	<b>2011</b>				<b>2012</b>
	<b>£'000</b>				<b>£'000</b>
Due within one year (note 12)	36,000				40,516
Due after more than one year (note 13)	45,617				56,187
	<u>81,617</u>				<u>96,703</u>
	=====				=====

A summary of grants awarded during the year is set out in note 9.

	£	£
<b>9. Grants awarded during the year</b>		
<b><u>Wolfson Neurology Initiative</u></b>		
University College London, WC1	20,000,000	
– Leonard Wolfson Experimental Neurology Centre at the National Hospital for Neurology and Neurosurgery, awarded as a result of the Wolfson Neurology Initiative (to be paid over five years)		
<b>Total for Wolfson Neurology Initiative (Total number of grants: 1)</b>		<b>20,000,000</b>
<b><u>Science and Medicine</u></b>		
<b>Preventative Medicine and Clinical Research</b>		
University of Manchester	2,000,000	
– Cancer research building		
University of Oxford	1,500,000	
– Imaging facility within the Weatherall Institute for Molecular Medicine		
Epilepsy Society, Buckinghamshire	1,000,000	
– Epilepsy research centre		
University of Leicester	400,000	
– Cardiovascular research laboratories		
Barts and the London, E1	250,000	
– Upgrade of computing facilities at the Wolfson Institute of Preventive Medicine		
University of East Anglia	50,000	
– Refurbishment of Stroke and Rehabilitation Laboratory		
		<b>5,200,000</b>
<b>Science Education and Research</b>		
University of York	1,250,000	
– Integrated Global Atmospheric Chemistry Laboratory		
Open University, Milton Keynes	1,000,000	
– OpenScience Laboratory		
Royal Botanic Gardens, Kew	1,000,000	
– Restoration of two octagons in the Temperate House		
University of Cambridge	1,000,000	
– First floor of new Centre for Experimental Astrophysics		
University of London (Millport, Isle of Cumbrae)	350,000	
– Classroom in new teaching facility for University Marine Biological Station, Millport		
Eden Project, Cornwall	306,000	
– Walkway platform within Canopy Walkway Project		
Technion – Israel Institute of Technology, Haifa, Israel	285,000	
– Equipment for functional genomics (joint award with the Wolfson Family Charitable Trust, totalling £456,000)		
Weizmann Institute of Science, Rehovot, Israel	285,000	
– Equipment for functional genomics (joint award with the Wolfson Family Charitable Trust, totalling £456,000)		
Tel Aviv University, Israel	270,000	
– Equipment for functional genomics (joint award with the Wolfson Family Charitable Trust, totalling £432,000)		
Bar-Ilan University, Ramat Gan, Israel	225,000	
– Equipment for functional genomics (joint award with the Wolfson Family Charitable Trust, totalling £360,000)		
Ben-Gurion University, Beer Sheva, Israel	225,000	
– Equipment for functional genomics (joint award with the Wolfson Family Charitable Trust, totalling £360,000)		

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<b>9. Grants awarded during the year (continued)</b>	<b>£</b>	<b>£</b>
The Hebrew University of Jerusalem, Israel	210,000	
– Equipment for functional genomics (joint award with the Wolfson Family Charitable Trust, totalling £336,000)		
Brunel University, Middlesex	150,000	
– Extension of Wolfson Centre for Materials Processing		
Keele University, Staffordshire	140,000	
– Lecture theatre in Sustainability Hub		
Newcastle University	100,000	
– Scientific equipment for marine research		
	<hr/>	
	<b>6,796,000</b>	

**Joint Programmes**

During the year, the following partnership programme was renewed for a further year:

The Royal Society, SW1	1,500,000
– Royal Society-Wolfson Foundation laboratory refurbishment programme	
	<hr/>
	<b>1,500,000</b>

<b>Total for science, technology and medical research (Total number of grants: 22)</b>	<b>13,496,000</b>
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**Education**

**Medical Education**

University of Dundee	888,000
– Lecture theatre in new education facility for the School of Medicine	
	<hr/>
	<b>888,000</b>

**Wolfson Intercalated Awards Programme**

These awards are administered by the Royal College of Physicians and support selected medical students to take a year out of their medical training for an additional science-based degree. Grants were made to students at the following institutions:

King's College London, SE1	20,000
University College London, WC1	20,000
University of Birmingham	20,000
Barts and the London (Queen Mary, University of London), E1	15,000
Cardiff University	15,000
Newcastle University	15,000
St George's, University of London, SW17	15,000
University of Glasgow	15,000
University of Leicester	15,000
University of Manchester	15,000
University of Edinburgh	14,800
Queen's University Belfast	10,000
University of Bristol	10,000
University of Dundee	10,000
University of Sheffield	10,000

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<b>9. Grants awarded during the year (continued)</b>	<b>£</b>	<b>£</b>
University of St Andrews	10,000	
University of Aberdeen	8,820	
Keele University	5,000	
University of Leeds	5,000	
University of Liverpool	5,000	
University of Southampton	5,000	
		<b>258,620</b>

**Wolfson Postgraduate Scholarships in the Humanities**

Trustees funded a pilot programme, the Wolfson Postgraduate Scholarships in the Humanities, focusing on Literature, History and Language. Three awards (each of £25,000 every year for three years of doctoral study) have been made to each of the following institutions:

University College London, WC1	225,000
University of Cambridge	225,000
University of Edinburgh	225,000
University of Oxford	225,000
School of Oriental and African Studies, WC1	225,000
University of Sheffield	225,000
University of Southampton	225,000
University of Warwick	225,000
University of York	225,000
	<b>2,025,000</b>

**Education\Higher Education Buildings**

Royal College of Art, SW7	400,000
– Printmaking Machine Hall in new campus development	
Goodenough College, WC1	100,000
– Four apartments in refurbished residential building	
Kellogg College, Oxford	100,000
– Student accommodation	
London School of Economics, WC2	100,000
– Student Centre	
St Antony's College, Oxford	100,000
– Student accommodation	
Wolfson College, Cambridge	100,000
– Student accommodation	
	<b>900,000</b>

**Schools**

Trustees funded building work, IT and other equipment (mainly for the teaching of science and technology) at the following secondary schools and sixth form colleges:

Wyggeston & Queen Elizabeth I College, Leicester	70,000
Wycombe High School, Buckinghamshire	57,000
Bolton School	45,000

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<b>9. Grants awarded during the year (continued)</b>	<b>£</b>	<b>£</b>
High Wycombe Royal Grammar School, Buckinghamshire	45,000	
John Spendluffe Technology College, Lincolnshire	45,000	
Long Eaton School, Nottingham	45,000	
Lymm High School, Cheshire	45,000	
Bay House School, Hampshire	42,000	
Adams' Grammar School, Shropshire	40,000	
Chesham Grammar School, Buckinghamshire	40,000	
George Spencer Academy, Nottingham	40,000	
King Edward VI School	40,000	
Leys School, Cambridge	40,000	
Oakham School, Rutland	40,000	
Ripley St Thomas Church of England School, Lancaster	40,000	
William Hulme's Grammar School, Manchester	40,000	
Yarm School, Stockton-on-Tees	40,000	
Thornden School, Hampshire	39,000	
Loreto Grammar School, Cheshire	38,000	
Skinner's School, Kent	38,000	
Norbury Manor Business and Enterprise College for Girls, Surrey	35,000	
Slough Grammar School	34,000	
Coventry Blue Coat Church of England School	30,000	
Eastbourne College	30,000	
Ipswich School	30,000	
Stowe School, Buckingham	30,000	
Thomas Alleyne's High School, Staffordshire	30,000	
Worth School, West Sussex	30,000	
De Aston School, Lincolnshire	27,000	
Carre's Grammar School, Lincolnshire	26,000	
Lady Eleanor Holles School, Hampton	26,000	
Edgbarrow School, Berkshire	25,000	
Sir Roger Manwood's School, Kent	25,000	
Ousedale School, Buckinghamshire	23,000	
Dover Grammar School for Boys	20,000	
Hayesbrook School, Kent	20,000	
Chew Valley School, Bristol	17,000	
	<hr/>	
	<b>1,327,000</b>	
 <b>Pilot programmes for schools</b>		
City of London School for Boys	200,000	
– Bursary programme		
Sutton Trust, SW15	135,000	
– Partnership programme for summer schools at two universities over three years, (at University College London and University of Durham)		
	<hr/>	
	<b>335,000</b>	
 <b>Other Educational Projects</b>		
China Oxford Scholarship Fund	50,000	
– Scholarships for students from China to study at the University of Oxford (over two years)		

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	£	£
<b>9. Grants awarded during the year (continued)</b>		
Arvon Foundation, EC1	28,000	
– New residential writers’ training centre in Shropshire		
Blisworth Scout Group	13,000	
– Community Hall		
	<u>91,000</u>	
<b>Total for education</b>		<b>5,824,620</b>
<b>(Total number of grants: 79 grants)</b>		
<b><u>Arts and Humanities</u></b>		
<b>Libraries</b>		
Library of Birmingham Trust	500,000	
– Library of Birmingham building		
	<u>500,000</u>	
<b>Historic buildings, landscapes and monuments</b>		
English Heritage	810,000	
– Treasure Chamber in new visitor centre for Stonehenge		
Strawberry Hill, Twickenham	75,000	
– Restoration of wall painting in hall and staircase		
Greenwich Foundation for the Old Royal Naval College, SE10	70,000	
– Conservation of Painted Hall murals		
Hexham Abbey, Northumberland	50,000	
– Restoration and refurbishment of monastic buildings		
Borlase Smart John Wells Trust, Cornwall	35,000	
– Studio within renovated artists’ studios in St Ives		
Abbotsford, Roxburghshire	30,000	
– AV/IT installations in education and research suite		
Govan Workspace, Glasgow	24,000	
– Heritage room in former Fairfield Shipyard Offices		
Old Castle Lachlan, Argyll	20,000	
– Conservation of castle ruin		
Inveravon Kirk, Tomintoul	20,000	
– Conservation of Pictish stones		
Sir William Turner’s Almshouses, North Yorkshire	20,000	
– Conservation of entrance of Almshouses, Kirkleatham		
Carmarthen Heritage Regeneration Trust	10,000	
– Restoration and conservation of Llanelly House		
Mausolea & Monuments Trust, EC1	10,000	
– Restoration of Hope Mausoleum, Dorking		
	<u>1,174,000</u>	
<b>Museums and Galleries</b>		
Imperial War Museum, SE1	750,000	
– First World War galleries in redeveloped museum		
Design Museum, SE1	500,000	
– Redeveloped museum in former Commonwealth Institute building		

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<b>9. Grants awarded during the year (continued)</b>	<b>£</b>	<b>£</b>
Serpentine Gallery, W2	500,000	
– Refurbishment and extension of gallery building		
Victoria and Albert Museum, SW7	500,000	
– Madame de Sévilly's Boudoir in refurbished 1600-1800 galleries		
Bath Preservation Trust	150,000	
– Education room in refurbished museum		
Bletchley Park Trust, Buckinghamshire	100,000	
– Conservation of Hut 11 at Bletchley Park		
The Public Catalogue Foundation, WC2	100,000	
– Digitisation of oil paintings		
Manchester Historic Buildings Trust	65,000	
– Study in restored Gaskells' House		
Ditchling Museum, Sussex	50,000	
– Hilary Bourne Gallery in refurbished museum		
Thinktank, Birmingham	50,000	
– Refurbishment and fit out of museum		
Highlanders' Museum, near Inverness	25,000	
– New Archive and Study Centre		
		<b>2,790,000</b>

**Cathedrals**

Newport Cathedral	5,000	
– Repair and restoration of cathedral roof		
		<b>5,000</b>

**Churches**

Grants were made to Anglican churches through a programme administered by the Church Buildings Council. Awards were made for repair work to the historic fabric of listed buildings (awards to other denominations are listed under 'historic buildings'):

All Saints, Broseley, Salop	5,000
All Saints, Eyeworth, Bedfordshire	5,000
All Saints, Haslingfield, Cambridgeshire	5,000
All Saints, High Wycombe, Buckinghamshire	5,000
All Saints, Rampton, Cambridgeshire	5,000
All Saints, Theydon Garnon, Essex	5,000
Creggan Church, Creggan, Co. Armagh	5,000
St Alkmund, Blyborough, Lincolnshire	5,000
St Andrew, Cransley, Northamptonshire	5,000
St Andrew, Haughton Le Skerne, County Durham	5,000
St Andrew, Holme Hale, Norfolk	5,000
St Andrew, Newcastle upon Tyne, Northumberland	5,000
St Bartholomew, Corsham, Wiltshire	5,000
St Bartholomew, Moreton Corbett, Salop	5,000
St Botolph, Chevening, Kent	5,000
St Britius, Brize Norton, Oxfordshire	5,000
St Buryan, St Buryan, Cornwall	5,000
St Cosmus and St Damian, Blean, Kent	5,000
St Cuthbert, Norham, Northumberland	5,000
St Denys, Little Compton, Gloucestershire	5,000
St Edburg, Bicester, Oxfordshire	5,000



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<b>9. Grants awarded during the year (continued)</b>	<b>£</b>	<b>£</b>
St Edith, Monks Kirby, Warwickshire	5,000	
St Helen, Garstang, Lancashire	5,000	
St James the Greater, Little Dalby, Leicestershire	5,000	
St James, Jacobstowe, Cornwall	5,000	
St James, Toxteth, Merseyside	5,000	
St James, Westerleigh, Gloucestershire	5,000	
St John the Baptist, Thaxted, Essex	5,000	
St Leonard, Thrybergh, South Yorkshire	5,000	
St Madoc, Llanbadoc, Gwent	5,000	
St Martin, North Stoke, Somerset	5,000	
St Mary Magdalene, Pulham Market, Norfolk	5,000	
St Mary the Virgin, Abbots Ann, Hampshire	5,000	
St Mary the Virgin, Bottesford, Leicestershire	5,000	
St Mary the Virgin, Castle Eaton, Wiltshire	5,000	
St Mary the Virgin, Hampstead Norreys, Berkshire	5,000	
St Mary the Virgin, Nettlestead, Kent	5,000	
St Mary, Aldworth, Berkshire	5,000	
St Mary, Billingsley, Salop	5,000	
St Mary, Bolton-on-Swale, North Yorkshire	5,000	
St Mary, East Barkwith, Lincolnshire	5,000	
St Mary, Everdon, Northants	5,000	
St Mary, Fawley, Buckinghamshire	5,000	
St Mary, Great Chart, Kent	5,000	
St Mary, Haverfordwest, Dyfed	5,000	
St Mary, Melbury Bubb, Dorset	5,000	
St Mary, Sprotborough, South Yorkshire	5,000	
St Mary, Thixendale, East Riding	5,000	
St Mary, Tuddenham, Suffolk	5,000	
St Mary, Woodbridge, Suffolk	5,000	
St Mellon, St Mellons, Cardiff	5,000	
St Michael and All Angels Church, Meeth, Devon	5,000	
St Michael, Appleby Magna, Leicestershire	5,000	
St Michael, Brent Knoll, Somerset	5,000	
St Nicholas, Arundel, West Sussex	5,000	
St Nicholas, Cholderton, Wiltshire	5,000	
St Nicholas, Potter Heigham, Norfolk	5,000	
St Nicholas, Warwick, Warwickshire	5,000	
St Peter and Holy Cross, Wherwell, Hampshire	5,000	
St Peter and St Paul, Appledore, Kent	5,000	
St Peter and St Paul, Buckingham, Buckinghamshire	5,000	
St Peter and St Paul, Todwick, South Yorkshire	5,000	
St Peter, Birstall, West Yorkshire	5,000	
St Peter, Brighton, East Sussex	5,000	
St Peter, Cowfold, Surrey	5,000	
St Peter, Little Wittenham, Oxfordshire	5,000	
St Peter, Stanton Lacy, Salop	5,000	
St Peter, Wilburton, Cambridgeshire	5,000	
St Petrock, Timberscombe, Somerset	5,000	
St Stithian, Stithians, Truro	5,000	
St Thomas, Kentisbury, Devon	5,000	
All Saints, Burstwick, East Yorkshire	4,000	
St Andrew, Cranwell, Lincolnshire	4,000	
St Mary and St Barlok, Norbury, Derbyshire	4,000	
St Nicholas, Peopleton, Worcestershire	4,000	
St Mary the Virgin, North Aston, Oxfordshire	2,000	
St Peter, Huish Campflower, Somerset	2,000	

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<b>9. Grants awarded during the year (continued)</b>	<b>£</b>	<b>£</b>
St Andrew, Naunton, Gloucestershire	1,000	
	<u>376,000</u>	

**Music**

Hallé Concerts Society, Manchester	130,000	
– Steinway piano and stools for rehearsal centre in refurbished church		
National Youth Choirs	120,000	
– Bursaries for residential choral courses (over three years)		
	<u>250,000</u>	

**Performing Arts**

National Theatre, SE1	1,000,000	
– Exhibition space in redeveloped National Theatre buildings		
Rambert Dance Company, W4	250,000	
– Green Room in new building in SE1		
Birkbeck College, WC1	100,000	
– Lighting and sound equipment in new Performing Arts Rehearsal Studio in Stratford, East London		
Birmingham Hippodrome	100,000	
– New main stage		
LAMDA, W1	100,000	
– New theatre and studios		
Royal Exchange Theatre, Manchester	46,000	
– Lighting in Great Hall		
New Theatre Royal Portsmouth	43,000	
– New stage		
Sadler's Wells Theatre, N1	40,000	
– Sound and stage equipment		
Trinity Laban Conservatoire of Music and Dance, SE10	35,000	
– Studio in refurbished dance spaces		
Royal Opera House, WC2	25,000	
– New technical equipment		
Polka Theatre, SW19	18,500	
– New van		
	<u>1,757,500</u>	

**Wolfson History Prizes (awarded June 2011)**

The Wolfson History Prizes, which were established in 1972, are awarded annually to promote and encourage standards of excellence in the writing of history for the general public.

The 2010 winners were:

<b>Dr Ruth Harris</b> for <i>The Man on Devil's Island: The Affair that Divided France</i> (Allen Lane: Penguin Press)	20,000
<b>Professor Nicholas Thomas FBA</b> for <i>Islanders: The Pacific in the Age of Empire</i> (Yale University Press)	20,000
	<u>40,000</u>

<b>9. Grants awarded during the year (continued)</b>	<b>£</b>	<b>£</b>
<b>Total for arts and humanities</b>		<b>6,892,500</b>
<b>(Total number of grants: 118 grants)</b>		

**Health and welfare**

**People with special needs**

Trustees funded building/refurbishment work or equipment at the following organisations:

Stroke Association, Birmingham	150,000
Mildmay UK, E2	100,000
Friends of the Elderly, Malvern	90,000
St John's Hospital, Bath	90,000
Northern Ireland Cancer Fund for Children, County Down	85,000
Chailey Heritage School, East Sussex	76,000
London Youth (Woodrow High House, Buckinghamshire)	75,000
Vale House, Oxford	70,000
Tagsa Uibhist, Western Isles	68,500
Fiveways School, Somerset	62,000
Age UK Herne Bay, Kent	52,000
Force Cancer Charity, Exeter	52,000
Camphill Blair Drummond, Stirling	50,000
Henshaws Society for Blind People, Harrogate	50,000
Royal National Lifeboat Institution (Queensferry, Scotland)	50,000
Shine, Great Yarmouth	50,000
St Elizabeth's Centre, Hertfordshire	50,000
Treloar Trust, Hampshire	50,000
Prior's Court Foundation, Berkshire	49,000
Calvert Trust Exmoor	45,000
Oily Cart, SW17	43,000
Ruskin Mill Educational Trust, Sheffield	43,000
Bendrigg Trust, Cumbria	40,000
Elizabeth FitzRoy Support, Hampshire	40,000
Hamlet Centre Trust, Norwich	40,000
Kingwood Trust, Reading	40,000
Marjorie McClure School, Kent	40,000
St Vincent's and St George's Association, Cheltenham	40,000
Mercy Ships UK	38,000
Samaritans of Colchester, Tendring and Suffolk Borders	37,000
West of England MS Therapy Centre, Bristol	37,000
British Red Cross, Essex	35,000
Victoria School, Birmingham	35,000
Grappenhall Hall School, Warrington	32,000
Mainstay Downe Residential Project, County Down	32,000
CEDA (Community Equality Disability Action), Exeter	30,000
Home Farm Trust, Surrey	30,000
Jumbulance Trust, Hertfordshire	30,000
Reigate and Redhill YMCA, Surrey	30,000
St John Cymru Wales, Cardiff	25,000
Disability Action Yorkshire, Harrogate	20,000
Peter Pan Nursery for Children with Special Needs, Staffordshire	20,000
Tiny Tim's Children's Centre, Coventry	20,000
White Lodge Centre, Surrey	20,000

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<b>9. Grants awarded during the year (continued)</b>	<b>£</b>	<b>£</b>
Horticap, Harrogate	22,000	
Readibus, Reading	16,000	
Beds Garden Carers, Bedfordshire	15,000	
Milestone School, Kent	15,000	
Goldhill Play Association, Leicester	14,000	
Avon Riding Centre for the Disabled, Bristol	10,000	
Bradbourne Group Riding for the Disabled Association, Kent	10,000	
HemiHelp, N1	10,000	
Lodge Hill Centre, West Sussex	10,000	
National Benevolent Fund for the Aged, SW1	10,000	
Other (CAF donations)	10,000	
Vista, Leicester	10,000	
Multiple Sclerosis Therapy Centre South West Ltd, Exeter	9,000	
Mapledown School, NW2	5,000	
On Course Foundation, Richmond	5,000	
	<hr/>	
	<b>2,332,500</b>	

**Hospices/Palliative Care**

Bursaries for the training of hospice/palliative care medical staff, administered by Help the Hospices (over three years) 750,000

Trustees funded building/refurbishment work or equipment at the following organisations:

St Christopher's Hospice, SE26	120,000
St Columba's Hospice, Edinburgh	108,000
Marie Curie Cancer Care, near Solihull	100,000
St Cuthbert's Hospice, Durham	61,000
Bury Hospice	50,000
Harlington Hospice, Middlesex	50,000
St Margaret of Scotland Hospice, Dunbartonshire	44,000
St Margaret's Somerset Hospice	30,000
Queenscourt Hospice, Southport	25,000
Butterfly Hospice, Lincolnshire	15,000
Katharine House Hospice, Stafford	8,000
	<hr/>
	<b>1,361,000</b>

**Total for health and welfare (Total number of grants: 71) 3,693,500**

**Total grants awarded (Total number of grants: 291) 49,906,620**

**Grants relinquished during the year 242,727**

**49,663,893**

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**Continuing programmes**

In addition to the 291 awards above, a further 113 awards (totalling £5,772,214) were made in a number of programme areas where overall funds had been allocated in previous financial years (and hence the individual awards below did not involve an additional allocation of funds).

## **9. Grants awarded during the year (continued)**

### **Royal Society Wolfson Research Merit Awards (50 awards)**

This programme is jointly funded with the Department for Business, Innovation and Skills, in partnership with the Royal Society, and provides awards for high performing academics. The programme aims to attract to, and retain, the UK scientists of outstanding achievement and potential. The Wolfson contribution of £2 million was allocated in a previous financial year. Awards were made to the following academics:

Oreste Acuto, Dunn School of Pathology, University of Oxford  
Andrei Andreyev, School of Engineering and Science, University of the West of Scotland  
Jurg Bahler, Department of Genetics, Evolution and Environment, University College London  
Andrew Baker, Institute of Cardiovascular and Medical Sciences, University of Glasgow  
Heiko Balzter, Department of Geography, University of Leicester  
Ian Bateman, School of Environmental Sciences, University of East Anglia  
Jonathan Blundy, Department of Earth Sciences, University of Bristol  
Rene de Borst, School of Engineering, University of Glasgow  
Michael Bruford, School of Biosciences, Cardiff University  
Austin Bunt, Department of Life Sciences, Imperial College London  
Muffy Calder, Department of Computing Science, University of Glasgow  
Daniel Calegari, Department of Pure Mathematics and Mathematical Statistics, University of Cambridge  
Mark Cannell, School of Physiology and Pharmacology, University of Bristol  
Ken Carslaw, School of Earth and Environment, University of Leeds  
Neil Champness, School of Chemistry, University of Nottingham  
Kwangwook Cho, School of Clinical Sciences, University of Bristol  
Jonathan Clayden, School of Chemistry, University of Manchester  
David Cumming, School of Engineering, University of Glasgow  
Alexander Davies, Faculty of Biological Sciences, University of Leeds  
Christine Davies, School of Physics and Astronomy, University of Glasgow  
Paddy Farrington, Mathematics and Statistics Department, Open University  
Jianfeng Feng, Department of Computer Science, University of Warwick  
Piers Forster, School of Earth and Environment, University of Leeds  
Ruth Gregory, Department of Physics, Durham University  
David Haddleton, Department of Chemistry, University of Warwick  
Ian Hamley, School of Chemistry, University of Reading  
Martin Hetzer, London Research Institute, Cancer Research UK  
Malcolm Levitt, School of Chemistry, University of Southampton  
Andrew Liddle, School of Mathematical and Physical Sciences, University of Sussex  
Andrew Mackenzie, School of Physics and Astronomy, University of St Andrews  
Stefan Maier, Department of Physics, Imperial College London  
Denis Mareschal, Department of Physiological Science, Birkbeck College  
Mark Masin, Department of Geography, University College London  
Paul Milewski, Department of Mathematical Sciences, University of Bath  
Carole Mundell, Astrophysics Research Institute, Liverpool John Moores University  
Tracy Palmer, College of Life Sciences, University of Dundee  
Richard Pancost, School of Chemistry, University of Bristol  
V Hugh Perry, Centre for Biological Sciences, University of Southampton  
Raphael Rouquier, Mathematical Institute, University of Oxford  
Guy Rutter, Department of Medicine, Imperial College London  
Debra Skene, School of Biochemical Sciences, University of Surrey  
Maximilian Telford, Department of Genetics, Evolution and Environment, University College London

## **9. Grants awarded during the year (continued)**

Jonathan Tennyson, Department of Physics and Astronomy, University College London  
 Nicholas Turner, School of Chemistry, University of Manchester  
 David Van Dyk, Department of Statistics, Imperial College London  
 Nina Wedell, Department of Biosciences, University of Exeter  
 Jonathan Williams, Department of Chemistry, University of Bath  
 Howard Wilson, Department of Physics, University of York  
 Xiaodong Zhang, Department of Life Sciences, Imperial College London  
 Andrew Zisserman, Department of Engineering Sciences, University of Oxford

### **DCMS/Wolfson Museums and Galleries Improvement Fund (36 awards)**

Grants were made for the ninth round of the Museums and Galleries Improvement Fund, administered and jointly funded by the Department for Culture, Media and Sport. The Wolfson Foundation contribution of £2 million (matched by DCMS) was allocated in a previous financial year. The following awards were made:

Ashmolean Museum, Oxford (Restoring the Randolph Sculpture Gallery and the Arundel Collection, **£107,500**)  
 Birmingham Museum (The Matthew Boulton Gallery at Soho House, **£32,500**)  
 Brighton Museum and Art Gallery ('21st Century Exhibitions for 21st Century Ambition', **£50,000**)  
 The British Museum, WC1 (Refurbishment of the Late Antique and Early Medieval Gallery, **£100,000**)  
 Chatham Historic Dockyard Trust, Kent (Re-telling the 'Wooden Walls Story': renewing the Mast House and Mould Loft Galleries, **£150,000**)  
 Compton Verney, Warwickshire (Re-display of the Marx-Lambert Collection, **£8,700**)  
 Discovery Museum, Newcastle ('Influx - the Making of Modern Newcastle', **£125,000**)  
 Dulwich Picture Gallery, SE21 (Phase 2 of Bicentenary Refurbishment, **£37,500**)  
 Historic Royal Palaces, Surrey ('Revealing the Baroque' at Hampton Court Palace, **£75,000**)  
 Historic Royal Palaces, EC3 ('The Line of Kings at the Royal Armouries', Tower of London, **£50,000**)  
 Ironbridge Gorge Museum Development Trust, Telford (Museum of Iron Redevelopment Project at the Coalbrookdale Museum of Iron, **£75,000**)  
 London Transport Museum, WC2 (East Mezzanine Extended Collections Access Project, **£50,000**)  
 Manchester Museum ('Nature's Library': unlocking access to the University of Manchester's Museum's natural sciences collections, **£70,388**)  
 Museum of Archaeology and Anthropology, University of Cambridge ('World Archaeology': a new exhibition, **£37,500**)  
 National Motor Museum, Hampshire ('Motorcycles and Motorsport' on the Mezzanine, **£30,000**)  
 National Museums Liverpool ('Freedom Live' at the International Slavery Museum, **£40,000**)  
 National Portrait Gallery, WC2 (Improvements to the top floor of the Gallery and the creation of a Tudor and Jacobean project space, **£43,000**)  
 National Museums of Science and Industry, York (Station Hall at National Railway Museum, **£50,000**)  
 Norwich Castle Museum ('Royal Norfolk Regiment: Soldiers' Stories' at the Norwich Castle Museum and Art Gallery, **£32,250**)  
 Nottingham Castle Museum (Environmental improvements to Fine Art galleries at Nottingham Castle Museum and Art Gallery, **£100,000**)  
 Oriental Museum, Durham University (Japan and Korea Galleries, **£43,800**)  
 Pitt Rivers Museum, Oxford ('Light Fantastic', **£45,850**)  
 Porthcurno Telegraph Museum, Cornwall ('Building on the Past', **£62,500**)  
 Roman Baths Museum, Bath (Temple Precinct access and display project, **£50,000**)  
 Salisbury and South Wiltshire Museum ('The Archaeology of Wessex', **£50,000**)  
 Sea City Museum, Southampton ('Gateway to the World', **£100,000**)  
 Sedgwick Museum of Earth Sciences, Cambridge ('Reconstructing the Past', **£8,750**)

## **9. Grants awarded during the year (continued)**

Shakespeare Birthplace Trust, Stratford-upon-Avon ('Local Son, International Icon' at Shakespeare Birthplace and Shakespeare Centre, **£33,500**)

Tank Museum, Dorset 'Inside Track' at the Tank Museum, **£15,000**)

University College London, WC1 ('Kingdom in a Cabinet' at the Grant Museum of Zoology, UCL Museums, **£35,000**)

Victoria and Albert Museum, SW7 (Gallery 33a: transition space for the cast courts, **£75,000**)

Wallace Collection, W1 ('Rubens in a Domestic Setting', **£37,500**)

Weald and Downland Open Air Museum, Chichester (Tindalls Cottage, **£25,000**)

Whipple Museum of the History of Science, University of Cambridge (Whipple Globe Gallery Project, **£10,000**)

Whitworth Art Gallery, Manchester (Renovation and extension of the Exhibition Galleries, **£125,000**)

Wolverhampton Art Gallery and Museums ('Sensing Sculpture' at the Wolverhampton Art Gallery, **£18,750**)

### **The Art Fund (5 awards)**

Grants were made for the following acquisition of works of art through a partnership programme with the Art Fund. The allocation of £500,000 was made in a previous financial year. The following awards were made:

British Museum, WC1 (**£200,000**)

The Nimrud Ivories (900-700 BC)

National Museums Scotland, Edinburgh (**£100,000**)

Iron Age torcs (300-200 BC)

National Museum Wales, Cardiff (**£50,000**)

'The Rug Seller, Tréboul' (1930) by Christopher Wood

Tate Collection, SW1 (**£50,000**)

'Red' (1968-75) by Boris Mikhailov

Temple Newsam House, Leeds (**£100,000**)

Great Silver Wine Cistern of Thomas Wentworth

### **Cathedrals (12 awards)**

Grants were made for conservation work to cathedrals, through the Cathedral Repair Fund, a programme administered by the Cathedrals Fabric Commission for England. The Wolfson Foundation contributed £500,000 (allocated in a previous financial year) to a total of £718,000. Other funders were the Pilgrim Trust and the Cathedrals Fabric Commission for England. The following awards were made:

Bradford Cathedral (**£118,000**)

Canterbury Cathedral (**£35,000**)

Chichester Cathedral (**£10,000**)

Coventry Cathedral (**£54,000**)

Lincoln Cathedral (**£100,000**)

Norwich Cathedral (**£60,000**)

Peterborough Cathedral (**£21,000**)

Portsmouth Cathedral (**£100,000**)

Salisbury Cathedral (**£50,000**)

Southwark Cathedral (**£100,000**)

Wakefield Cathedral (**£50,000**)

Wells Cathedral (**£20,000**)

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**9. Grants awarded during the year (continued)**

**Historic Properties and Gardens (6 awards)**

Grants were made for conservation work at historic properties and gardens, through a programme jointly funded and administered by the National Trust. The allocation of £750,000 was made in a previous financial year. The following awards were made:

Beningborough Hall, North Yorkshire (£140,000)

Chirk Castle, Wales (£90,000)

Clandon Park, Surrey (£60,000)

Petworth House and Park, Sussex (£100,000)

Red House, Kent (£40,000)

Seaton Delaval Hall, Northumberland (£320,000)

**War Memorials (4 awards)**

Grants were made for the conservation of memorials, through a programme jointly funded by English Heritage and administered by the War Memorials Trust. Awards were made to memorials in the following locations out of an allocation of £150,000 (over three years) made in a previous financial year:

Kennington, Kent (£2,144)

Lincoln, Lincolnshire (£3,120)

Todmorden, West Yorkshire (£6,332)

Weymouth, Dorset (£10,630)

**10. Investments**

**Fixed asset investments**

	Market value 2011 £'000	Purchases £'000	Sale proceeds £'000	Gains (Losses) £'000	Transfers £'000	Market value 2012 £'000
UK equities	295,250	123,794	(118,952)	(5,603)	13,806	308,295
Overseas equities	19,548	89,013	(13,019)	1,286	(13,806)	83,022
Fixed interest:						
UK gilts and corporate bonds	215,779	57,338	(92,181)	6,245	–	187,182
Overseas bonds	75,984	87,114	(57,817)	(362)	–	104,919
	<u>606,561</u>	<u>357,259</u>	<u>(281,969)</u>	<u>1,566</u>	<u>–</u>	<u>683,418</u>
<b>Current asset investments</b>						
Fixed interest:						
UK gilts & corporate bonds	47,601	–	(46,727)	(874)	–	–
Cash held for future investments	83,213	–	(38,879)	–	–	44,334
	<u>130,814</u>	<u>–</u>	<u>(85,606)</u>	<u>(874)</u>	<u>–</u>	<u>44,334</u>
<b>Total investment assets</b>	<u><u>737,375</u></u>	<u><u>357,259</u></u>	<u><u>(367,575)</u></u>	<u><u>692</u></u>	<u><u>–</u></u>	<u><u>727,752</u></u>

The historical cost of these investments as at 5 April 2012 is £694,750,643 (2011 £698,850,273).

Investments representing over 5% of the value of the Foundation's total investments as at 5 April 2012:



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**10. Investments (continued)**

Treasury Stock 2.25% 07.03.2014 – market value £47,074,300  
M&G Securities Optimal Income Sterling fund – market value £39,026,268

**11. Debtors**

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
Accrued gross interest	1,136	2,074
Prepayments	–	45
Sundry debtors	146	222
	<u>1,282</u>	<u>2,341</u>
	=====	=====

**12. Creditors falling due within one year**

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
Grants payable (note 8)	40,516	36,000
Accrued expenses of administration	223	79
	<u>40,739</u>	<u>36,079</u>
	=====	=====

**13. Creditors falling due after one year**

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
Grants payable (note 8)	<u>56,187</u>	<u>45,617</u>
	=====	=====

**14. Reconciliation of net incoming resources to net cash outflow  
from operating activities**

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
Net incoming resources	(27,008)	(3,146)
Decrease/(increase) in debtors	1,059	891
Increase/(decrease) in creditors	15,230	(3,302)
Net cash outflow from operating activities	<u>(10,719)</u>	<u>(5,557)</u>
	=====	=====

**15. Analysis of changes in cash balances during the year**

	<b>2011</b>	<b>Cash flow</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash on deposit held for future investments (note 10)	83,213	(38,879)	44,334
Cash on deposit held for future grant payments	1,430	(404)	1,026
	<u>84,643</u>	<u>(39,283)</u>	<u>45,360</u>
	=====	=====	=====

**16. Joint administration**

The charity has shared objectives and joint administration with the Wolfson Family Charitable Trust, registered charity number 228382, at 8 Queen Anne Street, London W1G 9LD.



## THE WOLFSON FOUNDATION

8 Queen Anne Street London W1G 9LD – Tel: 020 7323 5730 Fax: 020 7323 3241  
[www.wolfson.org.uk](http://www.wolfson.org.uk)

Registered Charity No. 206495