



Annual Report & Accounts 2003

The Nuffield Foundation

**THE NUFFIELD FOUNDATION
REPORT AND
FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2003**

www.nuffieldfoundation.org

The Nuffield Foundation
Annual Report and Accounts for the year ending 31st December 2003

LEGAL AND FINANCIAL INFORMATION

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Managing Trustees

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Sir Tony Atkinson MA FBA
Dr Peter Doyle CBE FRSE
Professor Lord May AC OM PRS
Professor Genevra Richardson LLB, LLM, HonFRCPsych
Professor Sir Michael Rutter CBE MD FRCP FRCPsych FRS
Mrs Anne Sofer MA Dip Ed

Ordinary Trustees

The Rt Hon Lord Butterworth CBE JP DL MA Hon D CL (died 19th June 2003)
The Rt Hon Lord Flowers MA DSc Hon ScD Hon LLD FinstP FRS (resigned 14th November 2003)
The Baroness O'Neill CBE FBA (resigned 14th November 2003)

Bankers

Barclays Bank plc
54 Lombard Street
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Investment Consultants

Cambridge Associates
105 Wigmore Street
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Custodian Trustee

Capita Trustee Services
Guildhall House
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Auditors

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25 New Street Square
London EC4A 3LN

Solicitors

Bates Wells & Braithwaite
Cheapside House
138 Cheapside
London EC2V 6BB

Principal Investment Managers

Barclays Global Investors Ltd
Murray House
1 Royal Mint Court
London EC3N 4HH

OLIM Ltd
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10/12 Cork Street
London W1S 3NP

Marathon Asset Management Ltd
Orion House
5 Upper St Martin's Lane
London WC2H 9EA

Payden & Rygel Global Ltd
10 King William Street
London EC4N 7TW

Global Custodian

The Northern Trust Company
50 Bank Street
London E14 5NT

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Constitution and objects

The Nuffield Foundation is an unincorporated charity registered with the Charity Commission (206601) and was established by a trust deed on 9th June 1943 by Lord Nuffield, the celebrated philanthropist and founder of Morris Motors. Lord Nuffield wanted the Foundation to 'advance social well being', particularly by research and practical experiment. The trustees aim to achieve this by supporting work which will bring about improvements in society, and which is founded on careful reflection and informed by objective and reliable evidence. The 1943 trust deed has been amended on several subsequent occasions.

The Common Investment Fund was established by a Charity Commission scheme which took effect on 1st January 1980. It allowed the investments of different charities (but for which the Foundation trustees were also responsible) to be invested as one unit. Subsequently these funds (the Oliver Bird Fund, Elizabeth Nuffield Educational Fund and the Commonwealth Relations Trust) have been classified as 'subsidiary charities' of the Foundation and are only identified separately in the notes to these accounts.

The trust deed and organisation

At the beginning of the year the Foundation had two types of trustee: up to three Ordinary Trustees and up to seven Managing Trustees. The Ordinary Trustees originally had responsibility for safeguarding the founding endowment of £10m in Morris Motor shares (held in 'the Fund'). In 1978 the Ordinary Trustees transferred the investments of 'the Fund' to the 'Auxiliary Fund' which was the responsibility of the Managing Trustees. As a result Ordinary Trustees held only vestigial responsibilities, and the Managing Trustees became almost entirely responsible for the operation and expenditure of the charity.

On 4th February 2003 the Charity Commission made an Order which, subject to certain restrictions, gave the Trustees power to amend the Foundation's Trust Deed. This power was first exercised on 14th November 2003 to modernise the governance arrangements of the charity. The main changes to the Trust Deed were to remove provisions relating to the original "Fund" and to the Ordinary Trustees; to make new arrangements for the appointment and remuneration of the Managing Trustees; and to rename the Managing Trustees as 'Trustees'.

Trustees are appointed by the other Trustees, and serve for such terms as is seen fit. Following a review in 2003, it is the Foundation's policy to appoint trustees for an initial term of 5 years, with the option of renewal for a further 4 years, followed by a possible further and final term of 3 years. The trustees are advised by a number of individuals, committees and panels which have requisite experience in the relevant fields.

The trustees are advised by an Investment Committee (which includes three trustees and two independent investment professionals), an Audit Committee (which includes two trustees and an independent accountant), and a remuneration committee (comprising three trustees) to agree arrangements for the remuneration of staff. A number of grant decisions are delegated to eight sub-committees and panels. The Trustees appoint a Chairman of a 'Panel for Trustee Remuneration' which meets periodically to review the remuneration of trustees. Trustees set terms of reference for all committees and panels.

Review of activities

The total expenditure of the Foundation during the year was £12.5m, compared with £9.7m the previous year. The difference was mainly due to a large one-off commitment to the Oliver Bird Rheumatism Programme (see below).

Within its overall aim of advancing social well being by research and practical experiment the Foundation funds a range of different activities and programmes including research, practical activities and grant schemes to support young scientists and social scientists. The Foundation is of course concerned with the outcomes of these activities, and monitors them closely. Foundations, like all charitable organisations, are increasingly being asked to report not just on their actions, but on the impact of those actions. This is a reasonable demand, and can be a helpful discipline when thinking about grants and programmes. But it is a task that has to be approached carefully. There are no simple formulae for judging impact and there are dangers in thinking that such formulae exist or can

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Review of activities (continued)

be invented. The Foundation's objective is to fund work that will contribute to beneficial social change. Measuring that change is not straightforward and ascribing it to the influence of individual projects or programmes is rarely possible (though sometimes tempting). It is frequently possible to identify simple numerical indicators (grants made, papers published, copies sold, numbers attending courses and so on), but these are often no more than the links in a causal chain. The risk is that they can be confused with real effects, and thus themselves become targets. Objective indicators are of course important, but all they can do is inform human judgment, not substitute for it.

With this firmly in mind, the Foundation reviews all its programmes regularly, usually every five years. There is no single methodology for these reviews, although there are inevitably three sorts of questions to be considered. The first has to do with the operation and effects of the programme; Are we getting the right kinds of applications? Are the grants succeeding in their own terms? The second has to do with the external environment: Is the programme still needed? Are we still filling a distinctive role or are others offering the same kinds of support? The third concerns the Foundation itself; Does the programme still fit the Foundation's overall objectives?

If the answers are positive then the programme will usually continue. The Trustees do not look for change for its own sake. But if there are doubts, or if the evaluation throws up issues that need to be addressed then we do not hesitate to introduce changes, or where necessary to close programmes. The consequence is that the Foundation's portfolio of programmes is constantly evolving. The past year was no exception and there were major changes to several of the Foundation's programmes during the year.

In **Education** the Trustees have agreed to concentrate support on four areas which build on strengths the Foundation has developed over recent years and where support is especially timely. The areas are curriculum, assessment, speech and language difficulties, and 14 – 19 education and training. A further change is the introduction of a new way of working to stimulate activity and ensure effective impact on policy and/or practice in these four areas, moving away from the reliance of previous years on responsive mode grant programmes and towards a more developmental approach to nurse fewer, but considerably larger, projects. So, for example, the Foundation announced its interest in 14-19 education and training with a substantial grant to a consortium, led by Professor Richard Pring, to support a long term Review of the area. Now well under way, the Review is drawing together people and evidence to produce a series of authoritative reports explicitly aiming to provide the basis for policy influence. Also during the year, the Foundation's interest in assessment was consolidated by a large grant to the Assessment Reform Group to undertake a review of assessment systems for the future, an exercise which grows directly out of a series of smaller grants given in the past to this group, including support for the highly influential work of Professors Paul Black and Dylan Wiliam.

As a result of these changes, the **Nuffield Curriculum Centre** now plays a greater role in guiding the Foundation's wider curriculum work, in addition to undertaking its own curriculum projects. The major focus of activity has been the three new GCSE science courses in the 21st Century Science programme. Developed in partnership with the University of York Science Education Group, these ambitious new courses break new ground in providing both the first stages of training for future scientists and a grounding in "scientific literacy" for all future citizens. The programme is being piloted in eighty schools around the country. The Centre also continued the development of its extensive website, adding new resources for students and teachers in Practical Physics, Mathematics for all post 16, Design and Technology and Primary History, among others.

The Centre helps with the preparatory work which can lead to new projects and also plays a part with dissemination and aftercare. An example of this is the project directed by Geoff Wake from the University of Manchester which, in 2003, published a new AS course "Use of Mathematics". This course is aimed at the many students who need to continue their study of mathematics after GCSE, but for whom A level would not be an appropriate course.

A second area where there has been a major change is in the **Oliver Bird Rheumatism Programme**, which supports research into Rheumatism and Arthritis. The Oliver Bird Fund, the bequest of the late Captain Oliver Bird, produces an income of around £0.5m pa and in 2002 the Trustees took the decision to concentrate all the income of the Fund for the next five years on a single programme, to support PhD training in the field. A grant competition was run in 2003 and grants, each of around £0.5m, were made to five UK universities and colleges. Each grant will provide support for five four

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Review of activities (continued)

year PhD studentships, at a generous level. As well as high scientific standards the Trustees were looking for evidence that the young scientists would receive a broad scientific training, and a good overview of the role that their research might play in the treatment of rheumatic disease. The applications were of a very high standard and we are optimistic that the Programme will have a significant impact in helping to create a cohort of 25 future researchers in this important field of research. The grants will be carefully evaluated and the Foundation will repeat the exercise in a few years time if all goes well.

The **Languages Programme** came to a planned end in December. The Programme was established following the publication of the Report of the Nuffield Languages Inquiry. The Report made various recommendations and the purpose of the programme was to support the implementation of those recommendations. In the event it must be judged only a partial success. During the period of the Programme the government announced and began the implementation of the National Languages Strategy. The Report had argued strongly for the existence of a national strategy, but the substance fell well short of what was required. The follow up programme was able to contribute in significant ways to the development of some aspects of the strategy, for example to the development of a new assessment system ("the language ladder"). But it was powerless to prevent some bad decisions that may have very serious long term consequences for languages in the UK. Throughout the entire period the Inquiry and the Programme were key points of reference in the debate and there is no doubt that overall it had a significant influence.

Other grant schemes were also reviewed during the year. The **Social Science Small Grants Scheme** is the longest running of all the Foundation's grant programmes. At the heart of the review was a survey which included both grant holders and unsuccessful applicants. The results were unequivocal. The Scheme continues to attract high quality applications, and offers support of a kind not otherwise available. Moreover it contributes directly to the Foundation's overall objectives, both by giving priority to younger researchers (and hence helping to build capacity) and also by supporting projects that address the Foundation's wider objects. The Scheme will continue for another five years with only minor changes.

Also reviewed were the **Science Bursaries for Schools and Colleges**. The scheme provides short placements for sixth form students during the vacation at the end of their first year of study. The students carry out a research project, typically in a University, a research institute, a hospital, a museum or similar. The scheme started on a pilot basis in 1994 with 40 students and grew over a few years to the present level of 600 bursaries per year. The evaluation was carried out by Professor Alan Smithers and Dr Pamela Robinson. Here again the conclusions were clear. The scheme is highly valued, well run and distinctive. It will continue for a further five years.

The third programme to be reviewed was the **Elizabeth Nuffield Educational Fund**. The Fund provides grants for women students in higher and (up until 2002) further education. Set up by Lord Nuffield's wife, the Fund has historically been unique among the Foundation's grant programmes in that its intention is simply to help individuals in need, not to contribute to wider social change. However the Fund has in recent years begun to play a wider role. For the past few years its focus has been on contributing to the childcare costs of women in higher and further education. When it began to follow this route it was one of the few sources of support for such costs and the experience of running the scheme has been written up and fed into policy discussions. In 2001 the government began to provide childcare support on a large scale, since when ENEF has largely funded trainee nurses who were not then eligible for support. That omission will soon be rectified and the Fund will move on to other areas where its funds can be fruitfully used. What will not change is its fundamental mission of helping women in difficult circumstances to achieve the education that will bring them independence and self sufficiency.

The **Commonwealth Programme** makes grants of up to £250,000 over five years to support education, health and social welfare in Southern and Eastern Africa. Awards are made for projects that involve collaboration between the UK and those countries and that develop the expertise and experience of professionals and policy makers. The scheme was first run in 2000 and as these are long term grants the Trustees agreed that they should be reviewed at the half way stage. Those reviews were carried out in 2003 by an independent consultant, Kate Graham. While none of the projects had worked out exactly as planned, all had made good progress and the second phase of

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Review of activities (continued)

funding was confirmed for all the projects. The review also gave grounds for confidence that the programme as a whole was working well, and a third round of grants will be awarded in 2004.

Project Grants

The Foundation has four project grant programmes. These support research and practical projects that are intended to influence policy and practice.

The **Access to Justice** programme had an especially active year. Eighteen new and supplementary grants, ranging between £2,000 and £165,000, were made to a range of universities and voluntary sector organisations. This has been an important area for the Foundation for many years, and one where the Foundation is one of the leading funders nationally. One key dimension of our work has been the support of socio-legal research; that is research that looks at the impact of law on individuals, on groups and on society at large. This is a demanding area in which to practise research, requiring as it does both knowledge of the law and expertise in social research methods. There has been concern for some time that the numbers of good researchers working in the field is declining and the Foundation was pleased therefore to support an Inquiry, led by Professor Hazel Genn, into the future of empirical research in Law. The report, which will be keenly awaited by government as well as by academics, is expected towards the end of 2004. Many of the grants made in 2003 were for practical projects to improve advice and information: these included grants made to Mind to establish local specialist legal advice surgeries, and a grant to the Federation of Information and Advice Centres to help them advise voluntary organisations on how to achieve the Legal Services Commission 'Quality Mark'. One grant that spanned research and practice was a grant to the Civil Liberties Trust to allow Liberty to convene an enquiry into various aspects of any privacy legislation.

The **Child Protection and Family Law** Committee spent somewhat less in 2003 than it had done in the preceding years, largely because the number of research applications in this area was lower than normal. The largest grant made was for the evaluation of an intervention study to examine whether changing practice in GP surgeries might be an effective way of tackling domestic violence. Practical projects included grants to produce special briefings on child protection issues for local councillors who superintend budgets in this area, the provision of specialist advice to lawyers on relevant European human rights jurisprudence in family law, and the production of good practice guidance for immigration lawyers working on children's cases.

Only five new grants were made under the **Older People and their Families** programme. The largest, to the Pensions Policy Institute, was on the issue of long term policy reform options in the UK pension system. This is likely to be a significant area of interest for the Foundation in the coming years. Another grant was to support similar research to model and evaluate options for financing long-term care. An important practical grant was made to the Third Age Employment Network to convene a series of meetings so that voluntary sector bodies could consider the implications of a single equality and human rights body.

Finally the **Open Door** is the means by which the Trustees support projects (whether research or practical innovation) that lie outside the Foundation's special areas of interest, or that span areas of interest. In 2003 the Trustees made seventeen new grants under the Open Door programme. Important research grants included work on employee rights under new legislation; funding for a longitudinal study of the effects of early deprivation on Romanian adoptees; an examination of women's economic welfare, and a grant for a cross-European look at the effects of tax and benefit systems on child poverty.

The **Nuffield Council on Bioethics** is an independent body whose role is to consider ethical issues arising from developments in medicine and biology. The Council is funded jointly by the Nuffield Foundation, The Wellcome Trust and the Medical Research Council. The Council published two substantial reports in 2003; one on Pharmacogenetics and one on the use of genetically modified crops in developing countries. A Working Party considering the ethics of research involving animals is in progress and is expected to report towards the end of 2004. Following a workshop held in June 2003 the Council has also agreed to establish a working Party on the ethics of prolonging life in fetuses and neonates. This will get under way in 2004.

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Trustees

Lord (Jack) Butterworth died on 19th June 2003, at the age of 85. Jack Butterworth became a Managing Trustee of the Foundation in 1964. He had just been appointed as the first Vice Chancellor of Warwick University, a role he filled with enormous distinction, building the University from literally nothing to a position as one of the country's leading universities. He applied the qualities that lay behind that success; energy, clear sightedness and a refusal to support the second rate, in full measure to the business of the Foundation and for twenty one years he was a major figure in the Foundation's affairs. After he stepped down as a managing Trustee, in 1985, he continued his association with Nuffield, becoming an Ordinary Trustee, a position he held until his death.

Financial review

Investment Policy and Powers

The trustees have wide investment powers allowing them to invest globally. The investment objective is to hold a diversified portfolio which will provide the best return for an agreed measure of risk and liquidity.

Investment Performance

The most significant change during the year was the Foundation's implementation of its review of financial and investment policy. Details of these policies are summarised on page 29. The Foundation's investment portfolio returned 15.2% for the year against its full year bespoke benchmark of 16.5%.

At the end of the first quarter the Foundation moved from one manager (Schroders) to eleven; performance for the first quarter was poor at -4.5% against a benchmark of -3.8%, although the transition itself was in line with the benchmark (after allowing for the costs of the reorganisation). This period coincided with the build up to - and start of - the war in Iraq.

Investment performance of 20.4% since transition in April was better than the bespoke benchmark excluding Private Equity (19.4%), although slightly worse than the bespoke benchmark itself (21.1%). This was due to complications of investing in Private Equity. Although commitments worth £9m have been made to this asset class during the year, only modest sums have been invested in underlying businesses by the managers. This feature will distort investment returns for many years while appropriate opportunities are sought.

The Foundation's prime benchmark is a bespoke one, but the Investment Committee also monitors the WM Total Charities benchmark. This returned 17.4% and the WM 2000 returned 16.9%. Three and five year total return figures for the Foundation are -4.4% and 0.7% against benchmark return of -3.3% and 1.6% (the benchmark being WM 2000 to 31st March 2003 and Nuffield Bespoke thereafter).

As a result of the change in investment arrangements investment management fees have increased sharply to £805k (2002: £440k). This equates to 0.4% of the market value of the portfolio (or 13% of investment income). The Investment Committee is conscious of this cost. All Foundation performance figures are calculated net of fees and the costs of trades whereas the benchmark returns are calculated without allowance for fees or costs.

Charitable Expenditure

During the year the Trustees reviewed their long term expenditure commitments in the light of more realistic market values and a lower amount available for distribution. It is the Foundation's aspiration to maintain its current expenditure budgets in real terms.

Charitable expenditure increased to £11.6m (2002: £9.2m). Apart from modest variations in individual programmes the increase in expenditure was due to the new Rheumatism programme which made five substantial five year commitments. This will be repeated every five years (see page 4 above). These grants were worth £2.8m and the cost of the programme for the year £2.9m (2002: £81k). No awards are expected to be made in 2004 - 2007. These costs have been funded from the Oliver Bird income reserves which will return to surplus over the five year term.

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Financial review (continued)

Costs of Management and administration for the Foundation have reduced in nominal terms, but due to a change in the method of apportionment the amount allocated to operational departments has reduced.

Reserves policy

The Foundation's policy is to distribute 4% of an average of the trailing twelve-quarter rolling market value of its investments. Its intention is to maintain (at least) the purchasing power of its endowment over the long term. In order to monitor this, an agreed value of the Foundation's endowment is to be increased by our experience of inflation during the year. This agreed value will be determined on 30th June 2004.

The Foundation will re-visit its distribution rate when the market value of its assets exceeds or falls short of this indexed level (subject to expected market volatility). Therefore the reserves policy of the Foundation is driven by total return calculations and not based on surplus investment income.

During 2003 grant commitments of £2.8m for rheumatism research (as described above) were funded by the Oliver Bird permanent endowment. This has caused the income reserve of this fund to be negative (-£1.3m). As this is a commitment, rather than payment, and no material spending is anticipated over the next four years, this income fund will be restored to a positive figure by the end of 2007.

The Trustees are mindful of their need to protect the capital of permanent endowments; and have not yet considered seeking formal approval from the Charity Commission for adoption of a Total Return Order.

Grant making policy

The charity currently operates 16 different grant programmes. Each programme publishes a comprehensive guide on its aims, policies and process for application, together with expectations for evaluation. All applications are reviewed by independent referees. Details of all programmes, together with application forms which can be downloaded, can be found on the Foundation web site at www.nuffieldfoundation.org. All principal grants are shown in the Grants List forming part of this document.

Custodian Trustees

The Foundation uses two custodian trustees: from 3rd February 2003 the Northern Trust Company had responsibility during the year for providing custody services for all investment assets (£191m). Capita IRG hold leasehold assets and programme related investments on behalf of the trustees (£3.3m).

Risk statement

The Trustees are responsible for the management of the risks faced by the charity. Detailed considerations of risk are delegated to the Audit Committee, who are assisted by senior charity staff. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis. The key controls used by the charity include:

- Established organisational and governance structure and lines of reporting
- Detailed terms of reference for all sub-committees
- Comprehensive financial planning, budgeting and management accounting
- Formal written policies and hierarchical authorisation and approval levels
- Regular review of current risks to the Foundation.

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Risk statement (continued)

Through the risk management processes established for the charity, the trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Statement of Trustees' Responsibilities

Law applicable to charities in England and Wales requires the Trustees of The Nuffield Foundation to prepare financial statements for each financial year that give a true and fair view of the Trust's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- 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 Trust charity will continue in operation.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy, the financial position of the Trust and which enable them to ensure that the financial statements comply with the Trust Deed. They are also responsible for safeguarding the assets of the Trust, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 10th May 2004 and signed on their behalf by



The Baroness O'Neill
Chairman

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NUFFIELD FOUNDATION

We have audited the financial statements of the Nuffield Foundation for the year ended 31st December 2003 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the charity trustees, as a body, in accordance with Regulation 6(2) of the Charities (Accounts and Reports) Regulations 1995 (SI 1995/2724) as amended by Regulation 4(a) of the Charities (Accounts and Reports) Regulations 2000 (SI 2000/2868). Our audit work has been undertaken so that we might state to the charity 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 trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the other information contained in Trustees' Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Unqualified opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charity and the group as at 31st December 2003 and of their its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Charities Act 1993.



Horwath Clark Whitehill
Chartered Accountants and Registered Auditors
Date: May 2004

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STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £000s	Restricted Funds £000s	Endowed Funds £000s	Total 2003 £000s	Total 2002 £000s
INCOMING RESOURCES						
Grants and donations	2	-	348	-	348	439
Legacies receivable		-	-	-	-	16
Activities in furtherance of the charity's objects						
Sales, royalties and fee income		117	-	-	117	72
Investment income						
Investment portfolio	6	5,666	659	-	6,325	6,111
Other interest		146	16	-	162	144
Other income		27	-	-	27	22
Total incoming resources		<u>5,956</u>	<u>1,023</u>	<u>-</u>	<u>6,979</u>	<u>6,804</u>
RESOURCES EXPENDED						
Costs of generating funds:						
Investment management costs		-	-	805	805	440
Net incoming resources available for charitable application		<u>5,956</u>	<u>1,023</u>	<u>(805)</u>	<u>6,174</u>	<u>6,364</u>
Charitable expenditure:						
Costs of activities in furtherance of the charity's objects:						
Social research & innovation		2,688	-	-	2,688	3,020
Science		936	2,696	357	3,989	1,188
Education		2,429	62	-	2,491	2,156
Open Door		841	-	-	841	948
Other Activities		540	820	-	1,360	1,750
Management and administration		271	-	-	271	152
Total charitable expenditure		<u>7,705</u>	<u>3,578</u>	<u>357</u>	<u>11,640</u>	<u>9,214</u>
Total resources expended	3	<u>7,705</u>	<u>3,578</u>	<u>1,162</u>	<u>12,445</u>	<u>9,654</u>
NET OUTGOING RESOURCES		<u>(1,749)</u>	<u>(2,555)</u>	<u>(1,162)</u>	<u>(5,466)</u>	<u>(2,850)</u>
Revaluation of Fixed Assets						
Net gain/(loss) on investment assets	6	<u>-</u>	<u>-</u>	<u>20,130</u>	<u>20,130</u>	<u>(38,284)</u>
NET MOVEMENT IN FUNDS		<u>(1,749)</u>	<u>(2,555)</u>	<u>18,968</u>	<u>14,664</u>	<u>(41,134)</u>
Fund balances brought forward at 1 January		<u>2,004</u>	<u>1,337</u>	<u>169,343</u>	<u>172,684</u>	<u>213,818</u>
Fund balances carried forward at 31 December	9	<u>255</u>	<u>(1,218)</u>	<u>188,311</u>	<u>187,348</u>	<u>172,684</u>

Notes 1 – 9 form part of these Financial Statements

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BALANCE SHEET

		2003 £000s	2002 £000s
FIXED ASSETS			
Tangible fixed assets	5	3,556	3,654
Investments	6	191,443	169,343
Programme related investments	6	100	100
		195,099	173,097
CURRENT ASSETS			
Debtors	7	770	1,057
Bank and cash		2,491	6,799
		3,261	7,856
CREDITORS: amounts falling due within one year			
Grants payable	8	(10,369)	(7,874)
Creditors	8	(643)	(395)
		(11,012)	(8,269)
NET CURRENT (LIABILITIES)/ ASSETS		(7,751)	(413)
NET ASSETS		187,348	172,684
FUNDS			
Unrestricted funds		255	2,004
Restricted funds		(1,218)	1,337
Endowed funds		188,311	169,343
TOTAL FUNDS	9	187,348	172,684

Notes 1 – 9 form part of these Financial Statements

These financial statements were approved by the trustees on 10th May 2004 and were duly signed on their behalf by:

The Baroness O'Neill
Chairman

The Nuffield Foundation
Annual Report and Accounts for the year ending 31st December 2003

CASH FLOW STATEMENT

	2003 £000s	<i>2002</i> <i>£000s</i>
Net outgoing resources for the year	(5,466)	(2,850)
Depreciation	136	119
Investment Income (including interest received)	(6,487)	(6,255)
Investment Management Fees	805	440
Movement in current assets/liabilities :		
Increase in grant commitments	2,495	220
Increase in creditors	248	23
Decrease in secured loans	2	53
Decrease in debtors	285	695
Net cash outflow from operating activities	<u>(7,982)</u>	<u>(7,555)</u>

RECONCILIATION TO CASH FLOW STATEMENT

Net cash outflow from operating activities	(7,982)	(7,555)
Returns on investment and servicing of finance		
Investment Income	6,325	6,111
Interest received	162	144
	<u>6,487</u>	<u>6,255</u>
Capital Expenditure and financial investment		
Payments to acquire tangible fixed assets	(38)	(86)
Receipts from sale of fixed assets	-	30
Payment to acquire programme related investments	-	(100)
Additional investment in portfolio	(2,775)	(470)
Reduction in investment in portfolio	-	-
	<u>(2,813)</u>	<u>(626)</u>
Decrease in cash during year	<u>(4,308)</u>	<u>(1,926)</u>
Analysis of changes in net cash during the year		
Cash at bank and in hand		
At 1 January	6,799	8,725
At 31 December	2,491	6,799
Decrease in cash during year	<u>(4,308)</u>	<u>(1,926)</u>

Notes 1 – 9 form part of these Financial Statements

The Nuffield Foundation
Annual Report and Accounts for the year ending 31st December 2003

NOTES TO THE FINANCIAL STATEMENTS

1. Principal accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with applicable Accounting Standards. The Trustees have adopted the recommendations contained within the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) issued by the Charity Commission in October 2000.

Separate accounts for the Commonwealth Relations Trust are not prepared as the trust is recognised as a subsidiary charity by the Charity Commission. Steps are being taken to remove the separate registration for the Trust.

(b) Income

Investment income represents dividends and interest on fixed investments and deposits, with any associated tax credits or recoverable taxation, which are included on an accruals basis.

Grants and donations are credited to incoming resources when they are due. They are deferred where the donor has imposed restrictions upon when the money can be spent.

(c) Expenditure

Costs of generating funds represent amounts paid to the Foundation's external investment advisors.

Charitable expenditure comprises grants and other payments made by the Trustees in accordance with criteria set out in the trust deed. Grants are charged to the statement of financial activities when allocations are approved by the trustees and promised to the recipient, less any awards cancelled or refunded.

'Other costs' include staffing, hosting seminars and conferences, commissioned research or evaluations together with any direct costs immediately attributable to a specific activity. 'Support costs' reflect the apportionment of costs shared by all activities. The basis of this apportionment is headcount. 'Management and administration' comprises costs incurred in trust administration and compliance with regulatory requirements, together with apportionment of costs shared by all activities.

(d) Basis of allocation of costs

Investment management costs and charity administration costs are allocated to the funds in proportion to their holding in the Common Investment Fund at the beginning of the year. Other identifiable costs are attributed to appropriate activities and funds, either in full or by apportionment on the basis of staff time.

(e) Investments

Investments are included in the accounts at mid market value at the balance sheet date.

(f) Taxation

The Foundation carries on activities which are exempt from corporation tax and income tax. Irrecoverable VAT is included with the expenditure to which it relates.

(g) Exchange gains and losses

All realised and unrealised exchange gains and losses on investments are accounted for in the Statement of Financial Activities.

The Nuffield Foundation
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(h) Fixed assets

The property at 28 Bedford Square together with certain furnishings is stated at market value. Art and Antiques are based on a frozen valuation (in accordance with the transitional provisions of FRS 15 'Accounting for fixed assets') made by Phillips in March 1999. Other fixed assets are stated at cost less depreciation.

Assets over a value of £1,000 are capitalised. Depreciation has been calculated at the following annual rates, in order to write off each asset over its estimated useful life.

Leasehold property	- Length of the lease
Art and Antiques	- 20 years
Fixtures and fittings	- 10 years
Other equipment	- 5 years
Computer equipment	- 3 years

(i) Fund Accounting

Unrestricted funds are donations or other income received or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds have arisen from restrictions applied by donors. Expenditure that meets these criteria is identified to the fund, together with a fair allocation of support and charity administration costs.

The endowed funds of the Foundation are capital funds where normally only the income arising may be applied, in some case on restricted purposes. These are either permanent or expendable, depending on whether the Trustees have power to spend the capital.

(j) Pension costs

Pension costs in respect of defined contribution schemes are written off as they are incurred.

2 Grants and donations

	2003	<i>2002</i>
	£000s	<i>£000s</i>
Biotechnology & Biological Sciences Research Council	1	1
Engineering & Physical Sciences Research Council	7	7
The Royal Society	9	9
Wellcome Trust	177	229
NESTA	25	-
Rokerfeller Foundation	23	-
Engineering Council	-	28
Medical Research Council	106	165
	<u>348</u>	<u>439</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 Resources expended

	Direct costs		Support Costs £000s	Total 2003 £000s	Total 2002 £000s
	Grants £000s	Other £000s			
Cost of Generating Funds					
Investment management	-	805	-	805	440
Charitable expenditure					
Social Research & Innovation					
Child Protection & Family Law	539	65	22	626	1,061
Social Science Small Grants	437	46	28	511	481
New Career Development Fellowships	478	10	6	494	476
Older People & Their Families	257	28	11	296	423
Access to Justice	708	32	11	751	319
Phoenix	-	10	-	10	260
	<u>2,419</u>	<u>191</u>	<u>78</u>	<u>2,688</u>	<u>3,020</u>
Science					
Newly Appointed Lecturers	318	30	11	359	466
Undergraduate Research Bursaries	372	28	11	411	362
School Science Bursaries	210	109	-	319	279
Rheumatism	2,782	96	22	2,900	81
	<u>3,682</u>	<u>263</u>	<u>44</u>	<u>3,989</u>	<u>1,188</u>
Education					
Nuffield Curriculum Centre	-	644	220	864	795
Education Grants	909	106	39	1,054	785
Grants for women	479	61	33	573	576
	<u>1,388</u>	<u>811</u>	<u>292</u>	<u>2,491</u>	<u>2,156</u>
Open Door*	773	35	33	841	948
Other Activities					
Nuffield Council on Bioethics	-	395	177	572	779
Commonwealth Programme	566	42	22	630	583
Nuffield Languages Programme	37	88	33	158	237
Mental Health	-	-	-	-	151
	<u>603</u>	<u>525</u>	<u>232</u>	<u>1,360</u>	<u>1,750</u>
Management & Administration					
Audit fee	-	15	-	15	15
General Costs	-	204	-	204	94
Trustees' remuneration	-	41	-	41	33
Trustees' expenses	-	1	-	1	1
Legal fees	-	10	-	10	9
	<u>-</u>	<u>271</u>	<u>-</u>	<u>271</u>	<u>152</u>
Total Charitable Expenditure	<u>8,865</u>	<u>2,096</u>	<u>679</u>	<u>11,640</u>	<u>9,214</u>
Total Resources Expended	<u>8,865</u>	<u>2,901</u>	<u>679</u>	<u>12,445</u>	<u>9,654</u>

* The 'Open Door' funds projects of exceptional merit lying outside the areas of special interest.

Each trustee is entitled to an annual allowance by virtue of the provisions of the Trust Deed. This is currently £5,600 per annum. One Trustee waived £600 of this entitlement and two trustees directed that payment in lieu of an allowance (in full or in part) be made to other charitable institutions. During the year three trustees claimed reimbursement of travel and subsistence expenses (2002: two).

During the year a grant of £232,904 was awarded to Professor Sir Michael Rutter (and one other) at the Institute of Psychiatry. Professor Rutter is a Trustee and the grant is therefore a related party transaction. Professor took no part in the consideration of this application by the other Trustees, nor in the selection of the international panel of referees asked to provide independent peer reviews of the application.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Personnel costs

	2003	<i>2002</i>
	£000s	<i>£000s</i>
Wages and Salaries	1,026	985
Social security costs	108	97
Other pension contributions	93	90
	1,227	1,172
Average full time equivalent number of staff employed in year:	No.	<i>No.</i>
Grant making	9	9
Nuffield Languages Programme	1	1
Nuffield Curriculum Centre	4	7
Nuffield Council on Bioethics	7	8
Support services	10	10
	31	35
Remuneration of Higher Paid Staff	No.	<i>No.</i>
Between £50,000 and £59,999	2	2
Between £60,000 and £69,999	1	1
Between £70,000 and £79,999	1	1

Employer's pension contributions for higher paid staff were in total £23k.

5 Tangible Fixed Assets

	Leasehold Property	Other assets	Total
	£000s	£000s	£000s
Cost or valuation			
At 1 January	3,300	549	3,849
Additions	-	38	38
Disposal	-	(36)	(36)
At 31 December	3,300	551	3,851
Depreciation and amortisation			
At 1 January	66	129	195
Charge for year	48	88	136
Disposal	-	(36)	(36)
At 31 December	114	181	295
Net book value			
At 31 December	3,186	370	3,556
<i>At 1 January</i>	3,234	420	3,654

All tangible fixed assets are held for continuing use in the Foundation's activities. The depreciated historic cost of the leasehold property is £1,308k. It was revalued in 2001 by Cotton Thompson Cole, Chartered Surveyors. The trustees have reviewed this and are of the opinion that no impairment has occurred to this valuation.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. Investments

a) Investments at Market Value	2003	2002
	£000s	£000s
Market Value at 1 st January	169,343	207,597
Net additional investment/(disinvestment) in portfolio	2,775	470
Fees payable	(805)	(440)
Realised and unrealised gains/(losses)	20,130	(38,284)
	<hr/>	<hr/>
Market Value at 31 st December	191,443	169,343
	<hr/>	<hr/>
Historic cost of listed investments at 31 st December	166,877	159,486
	<hr/>	<hr/>

b) Disposition of Investments	2003	2002
	£000s	£000s
UK Equities	87,117	72,365
Overseas Equities	41,496	39,858
UK Property Unit Trusts	17,707	12,313
Private Equity (unlisted)	1,351	841
UK Fixed Interest and Index Linked Stocks	-	23,487
Overseas Fixed Interest and Index Linked Stocks	26,973	6,403
Cash	16,799	14,076
Total	<hr/>	<hr/>
	191,443	169,343
	<hr/>	<hr/>

All assets are held directly other than £61m held in pooled funds

c) Income from Investments	2003	2002
	£000s	£000s
UK Equities	2,970	2,571
Overseas Equities	764	611
UK Property Unit Trusts	767	421
UK Fixed Interest and Index Linked Stocks	187	1,441
Overseas Fixed Interest and Index Linked Stocks	1,296	184
Cash	341	883
	<hr/>	<hr/>
	6,325	6,111
	<hr/>	<hr/>

d) Transitional Relief	2003	2002
	£000s	£000s
Transitional relief on reclaims of tax credits (included above)	<hr/>	<hr/>
	73	202
	<hr/>	<hr/>

e) Five Largest Holdings	2003
	£000s
Schroder Exempt Property Unit Trust	10,335
GlaxoSmithKline PLC (Ordinary 25p)	5,379
BP PLC Ordinary (USD 0.25)	4,643
Merrill Lynch FD Managers Property	4,374
HSB Holding PLC (Ordinary USD 0.50 – London)	4,005

All investments are held in the Nuffield Foundation Charities Common Investment Fund.

f) Programme Related Investments

The Foundation holds 100,000 £1 fully paid Non cumulative Preference Shares in the Charity Bank Ltd.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Debtors and prepayments

	2003	<i>2002</i>
	£000s	<i>£000s</i>
Secured Loans	46	48
Accrued Interest	339	798
Income Tax recoverable	197	89
Other debtors	188	122
	770	1,057
 Contingent assets (potentially recoverable grants)	 33	 44

8 Creditors: amounts falling due within one year

a) Grants Payable

	2003	<i>2002</i>
	£000s	<i>£000s</i>
Grants awarded but not paid at 1 January	7,874	7,654
Grants awarded in the year	9,266	6,633
Grants paid in the year	(6,370)	(6,158)
Grants cancelled in the year	(401)	(255)
Grants awarded but not paid at 31 December	10,369	7,874

b) Creditors

	2003	<i>2002</i>
	£000s	<i>£000s</i>
Income Tax and National Insurance	36	35
Accruals	373	236
Other creditors	234	124
	643	395

9 Funds

a) Description of funds

- The Elizabeth Nuffield Fund was a gift from the wife of Lord Nuffield for the advancement of education and in particular the award of scholarships, grants or loans to women and girls who require financial assistance. It is used to fund the 'Education for Women' grant programme. Unspent income is restricted to this purpose.
- The Commonwealth Relations Trust was created for the purposes of promoting a common understanding between the unity of ideals in the United Kingdom and the other members of the British Commonwealth of Nations. Unspent income is restricted to this purpose.
- The Oliver Bird Fund was given by Captain Bird for the relief of incurable cases of rheumatism or the advancement of health and the prevention and relief of sickness other than rheumatism. It is used to fund the Rheumatism grant programme. Unspent income is restricted to this purpose. Although the Income Fund is in deficit no grants are expected to be awarded for the next four years. This will restore the income fund to surplus.
- The Ada Newit Fund gives rise to unrestricted income, although the trustees usually apply it in support of the Education for Women grant programme. This fund was fully expended during the year.
- The Albert Leslie Stewart Bequest also provides unrestricted income for the Foundation's activities; as Mr Stewart expressed an interest in rheumatism income is usually applied to that grant activity. This fund was also fully expended during the year.
- The Auxiliary Fund includes Lord Nuffield's original endowment which was transferred into it from the original fund in 1978, together with a number of subsequent gifts.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9 FUNDS (continued)

b) Fund Movements

	Balance at 1 st January 2003	Movement in Resources Incoming Resource	Outgoing Resources	Transfers & Unrealised Gain/(Loss)	Balance at 31 st December 2003
Capital Funds					
Endowments					
Permanent Endowment					
Elizabeth Nuffield Fund	1,460	-	(7)	173	1,626
Commonwealth Relations Trust	5,345	-	(25)	635	5,955
	<u>6,805</u>	<u>-</u>	<u>(32)</u>	<u>808</u>	<u>7,581</u>
Expendable Endowments					
Ada Newitt Fund	57	-	(64)	7	-
Albert Leslie Stewart Bequest	264	-	(295)	31	-
Oliver Bird Fund	10,836	-	(51)	1,288	12,073
Auxiliary Fund	151,381	-	(720)	17,996	168,657
	<u>162,538</u>	<u>-</u>	<u>(1,130)</u>	<u>19,322</u>	<u>180,730</u>
Total Endowed Funds	<u>169,343</u>	<u>-</u>	<u>(1,162)</u>	<u>20,130</u>	<u>188,311</u>
Income Funds					
Restricted Funds					
Commonwealth Relations Trust	436	204	(555)	-	85
Oliver Bird Fund	860	415	(2,596)	-	(1,321)
Elizabeth Nuffield Fund	-	56	(56)	-	-
Other Restricted Funds	41	348	(371)	-	18
	<u>1,337</u>	<u>1,023</u>	<u>(3,578)</u>	<u>-</u>	<u>(1,218)</u>
Unrestricted Funds					
General Fund	2,004	5,956	(7,705)	-	255
	<u>2,004</u>	<u>5,956</u>	<u>(7,705)</u>	<u>-</u>	<u>255</u>
Total Income Funds	<u>3,341</u>	<u>6,979</u>	<u>(11,283)</u>	<u>-</u>	<u>(963)</u>
Total Funds	<u>172,684</u>	<u>6,979</u>	<u>(12,445)</u>	<u>20,130</u>	<u>187,348</u>

During 2003 grant commitments of £2.8m for rheumatism research (as described in the Trustees Report) were funded by the Oliver Bird permanent endowment. This has caused the income reserve of this fund to be negative (-£1.3m). As this is a commitment, rather than payment, and no material spending is anticipated over the next four years, this income fund will be restored to a positive figure by the end of 2007.

c) Analysis of Funds

	Unrestricted Funds £000s	Restricted Funds £000s	Expendable Endowment £000s	Permanent Endowment £000s	Total £000s
Investments	3,132	-	180,730	7,581	191,443
Other Fixed Assets	3,656	-	-	-	3,656
Net Current Assets/Liabilities	(6,533)	(1,218)	-	-	(7,751)
Total Funds	<u>255</u>	<u>(1,218)</u>	<u>180,730</u>	<u>7,581</u>	<u>187,348</u>

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GRANTS AWARDED DURING THE YEAR

Name	Purpose	Value	Term
Social research and Innovation			
Child Protection & Family Law			
Professor Gene Feder, Department of General Practice and Primary Care, Barts and The London	Prevention of domestic violence: a pilot study in primary care	£99,413	18 months
Dr Dorit Braun, on behalf of Parentline Plus, Family Rights Group and Family Welfare Association	Family Policy Officer, shared between Parentline Plus, Family Rights Group and Family Welfare Association, for a joint policy development project	£70,000	13 months
Ms Celia Atherton, Research in Practice	Research briefings for local councillors	£67,685	37 months
Dr Deborah Ghate, Policy Research Bureau	Developing principal research and management capacity at the Policy Research Bureau	£63,588	18 months
Dr Jane Barlow, Professor Sarah Stewart Brown, Dr Denice Kendrick, Professor Leon Polnay, Health Services Research Unit, Institute of Health Sciences, University of Oxford	Systematic review of the effectiveness of parenting programmes in reducing child maltreatment	£39,366	13 months
Ms Nuala Mole, The AIRE Centre	Family law and human rights	£35,000	16 months
Ms Susan Rowlands, Immigration Law Practitioners' Association	Working with children subject to immigration controls: guidelines for best practice	£33,000	7 months
Ms Penny Mansfield, One Plus One	Seminar on the methodology of linking qualitative methods with longitudinal quantitative data	£10,000	4 months
Ms Penny Mansfield, One Plus One	Web-based information about the legal differences between married and cohabiting relationships	£10,000	8 months
Dr Ann Hagell, Policy Research Bureau	Young people and custody	£9,935	4 months
Ms Joanna Phoenix, Department of Social and Policy Sciences, University of Bath	National conference on young people and prostitution	£8,597	9 months
Professor Carolyn Hamilton, Children's Legal Centre	A voluntary organisation forum on the development of the Mental Health Bill	£6,940	10 months
Ms Felicity Collier, British Association for Adoption & Fostering	To promote the importance of improving adoption services for Scottish children and reviewing adoption legislation	£5,000	21 months
	Supplementary grants	£80,277	
	Cancelled grants	(£2)	
	Total: Child Protection & Family Law	£538,799	
New Career Development Fellowships			
Dr Amrita Narlikar, School of Historical, Political and Sociological Studies, University of Exeter	Emerging powers and international regimes: A comparative study of Brazil, China and India	£119,892	36 months
Dr Manuela Ciotti, Centre for South Asian Studies School of Social and Political Studies, University of Edinburgh	Popular democracy in northern India: An ethnographic study of political participation amongst historically marginalised women	£119,329	36 months

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Name	Purpose	Value	Term
New Career Development Fellowships (continued)			
Dr Jude Browne, Centre for Research in the Arts, Social Sciences and Humanities, University of Cambridge	Enforcing egalitarianism? The practical fit between normative theory and law	£118,441	36 months
Dr Katharine Skinner, Centre of West African Studies, University of Birmingham	Adult education and citizenship in Ghana: Educating for wealth or well-being?	£118,186	36 months
	Supplementary grants	£2,000	
	Total: New Career Development Fellowships	£477,848	
Social Science Small Grants			
	89 awards	475,283	
	Grants cancelled	(38,272)	
		£437,011	
Older People & their Families			
Ms Alison O'Connell, Pensions Policy Institute	Evaluating long-term policy reform options in the UK pension system	£95,700	36 months
Ms Adelina Comas-Herrera, Ms Linda Pickard, Mr Raphael Wittenberg, Personal Social Services Research Unit, London School of Economics; Ms Ruth Hancock, Nuffield Community Care Research Unit, University of Leicester	Paying for long-term care for older people in the UK: moving forward by modelling the costs and incidence of a comprehensive set of options	£74,273	24 months
Mr Dai Powell, Community Transport Association	Personal mobility and inclusive transport	£29,934	24 months
Mr Patrick Grattan, Third Age Employment Network	To enable the Equality and Diversity Forum to build on its dual role and to employ a part-time researcher/manager for 12 months	£35,340	12 months
Professor Jane Gilliard, Dementia Voice	Investigating enabling domestic environments for people with dementia	£28,047	36 months
	Supplementary grants	£3,999	
	Grants cancelled	(£10,277)	
	Total: Older People & their Families	£257,016	
Access to Justice			
Ms Kathleen Miles, Mind	Establishing local legal advice surgeries for mental health service users	£163,746	37 months
Mr Steven Montgomery, Mr John Wadham, The Civil Liberties Trust	Towards a Privacy Act	£77,651	12 months
Mr Roger Smith, Ms Marisa Leaf, Justice	Access to justice and accelerating judicial co-operation within the European Union	£75,392	16 months
Mr Steve Johnson, Federation of Information and Advice Centres	The cost to voluntary advice organisations of achieving the Legal Services Commission Quality Mark	£72,100	12 months
Dr Richard Young, Ms Martina Feilzer, Centre for Criminological Research, University of Oxford	A study exploring how cultural perceptions of crime and the criminal evolve over time, taking into account various sources of influence in modern society	£68,690	24 months

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Name	Purpose	Value	Term
Access to Justice (continued)			
Mr David Bergman, Centre for Corporate Accountability	Handbooks on investigation and prosecution issues arising from work-related death and injury	£64,728	22 months
Ms Nathalie Griffin, Prisoners' Advice Service	Racial discrimination development project	£60,000	48 months
Professor Hazel Genn, Faculty of Laws, University College London; Professor Sally Wheeler, School of Law, Birkbeck College	Nuffield Inquiry on Empirical Research in Law	£44,500	13 months
Mr Martyn Evans, Ms Sarah O'Neill, Scottish Consumer Council	Modernising the civil justice system in Scotland: a series of seminars to explore policy issues and the way forward	£40,000	16 months
Dr Mads Andenas, British Institute of International and Comparative Law	A comparative study into the application of the death penalty in Commonwealth African states	£25,000	13 months
Professor R D Mackay, School of Law, De Montfort University	Unfitness to plead, insanity and diminished responsibility - an empirical study of three categories of mentally disordered offender	£24,345	4 months
Dr Penny Darbyshire, Kingston Law School, Kingston University	Shadowing Judges: observational research of a sample of forty contemporary judges in their working lives	£24,000	6 months
Mr Les Allamby, Law Centre NI	Legal advice needs for people with mental health problems	£10,000	7 months
Dr Fiona Spencer, Scottish Council Foundation	Creation of practical proposals for criminal and youth justice in the future in Scotland	£10,000	13 months
Mr Mark Henderson, Immigration Law Practitioners' Association	Publication and distribution of the 'Best Practice Guide to Asylum and Human Rights Appeals'	£6,820	3 months
Dr Katherine Rake, Fawcett Society	The link between women's offending and victimisation	£6,100	8 months
Mr Richard Jenner, Advice Services Alliance	Development of a national website for Alternative Dispute Resolution	£5,000	9 months
Ms Alison Hannah, Legal Action Group	Conference on the Community Legal Service	£2,000	5 months
	Supplementary grants	£23,556	
	Grants cancelled	(£95,671)	
	Total: Access to Justice	£707,957	
	Total: Social Research & Innovation	£2,418,629	

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Name	Purpose	Value	Term
Science			
Rheumatism Programme			
Professor Costantino Pitzalis, Academic Department of Rheumatology, Guy's, King's & St Thomas' School of Medicine, London	Translational research in rheumatoid arthritis: an integrated laboratory and clinical approach	£581,025	60 months
Professor David Isenberg, Centre for Rheumatology, University College London	From bones to B cell biology	£581,025	60 months
Professor David Reid, Department of Medicine & Therapeutics, University of Aberdeen	Integrated programme for research into the pathogenesis of bone and musculo-skeletal disease	£549,025	60 months
Professor Iain McInnes, Division of Immunology, Infection & Inflammation, University of Glasgow	Elucidating immune mechanisms in inflammatory arthritis	£549,025	60 months
Professor Tim Cawston, Department of Rheumatology, University of Newcastle	Prevention and treatment of joint inflammation and damage	£549,025	60 months
	Supplementary grants	£1,552	
	Cancelled grants	(£28,927)	
	Total: Rheumatism	£2,781,750	
Undergraduate Research Bursaries	269 Awards	£387,961	
Newly Appointed Lecturers	64 Awards	£329,805	
School Science Bursaries	674 Awards	£209,536	
	Cancelled grants	(£27,740)	
	Total: Science	£3,681,312	

Education

Education

Professor Gina Conti-Ramsden, HCD School of Education, The University of Manchester	Young people with SLI: the transition from compulsory education to adult life	£204,007	32 months
Professor Terezinha Nunes, Department of Psychology, Oxford Brookes University	Literacy teaching for deaf pupils: morphological and visual inputs	£164,852	24 months
Professor Richard Pring and Dr Geoff Hayward, Department of Educational Studies, University of Oxford	Nuffield Review of 14-19 Education (first year of three year grant)	£162,000	12 months
Professor Wynne Harlen and Dr Mary James, University of Cambridge	Assessment systems for the future: the place of assessment by teachers	£100,000	28 months
Mr Stuart Naylor, Institute of Education, Manchester Metropolitan University	Puppets promoting engagement and talk in science (The PUPPETS Project)	£88,825	8 months

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Name	Purpose	Value	Term
Education (continued)			
Dr J W Anderson, Department of Educational Studies, Goldsmiths College, University of London	Developing language specific curriculum frameworks in community languages	£47,565	25 months
Ms Jane Peacock, The New Forest & Romsey Mobile Community Project	The Forest Bus inclusion project	£40,986	36 months
Dr Rupert Wegerif, Educational Dialogue Research Unit, The Open University	Thinking together around ICT in the primary mathematics curriculum: improving classroom practice	£38,106	12 months
Ms Lucy Beckett, Advisory Service for the Education of Travellers	Using ICT to enhance learning for mobile Traveller children	£26,833	12 months
Dr Ruth Sinclair, National Children's Bureau	Voices behind the statistics: young people's views of sectarianism in Northern Ireland	£9,400	2 months
Ms J Shackleton, National Commission on Education	Learning to succeed: the next decade (dissemination)	£2,000	1 month
	Grants subject to final confirmation	£50,000	
	Supplementary grants	£4,000	
	Cancelled grants	(£29,337)	
	Total: Education	£909,237	
Grants for Women's Education			
	180 awards	505,133	
	Cancelled grants	(£25,890)	
		£479,243	
	Total Education	£1,388,480	

Other activities

Open Door

Professor Sir Michael Rutter, Professor Edmund Sonuga-Barke, SGDP Centre, Institute of Psychiatry	Effects of early deprivation on long-term adjustment: Mid-adolescent follow-up of the English and Romanian Adoptee study	£232,904	48 months
Professor Tim Valentine, Department of Psychology, Goldsmiths College; Dr Amina Memon, Department of Psychology, University of Aberdeen	Enhancing the effectiveness of video identification evidence	£99,411	36 months
Dr Alex Bryson, Policy Studies Institute	The impact of labour market re-regulation on employees	£97,413	31 months
Dr Ian Preston, Dr Christian Dustmann, Department of Economics, University College London; Professor David Card, Department of Economics, University of California, Berkeley	Values, experiences and attitudes: A cross-national analysis of opinions on immigration in Europe	£78,862	24 months

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Name	Purpose	Value	Term
Open door (continued)			
Dr Katherine Rake, The Fawcett Society	Women's economic welfare: Bringing together research and policy development	£72,709	18 months
Dr Miles Corak, UNICEF Innocenti Research Centre, Florence; Ms Holly Sutherland, Department of Applied Economics, University of Cambridge	Tax/Transfer systems and strategies to reduce child poverty in the European Union	£42,918	13 months
Professor Mike Hough, Institute for Criminal Policy Research School of Law, King's College London	Public knowledge of, and attitudes toward, juvenile justice	£41,660	8 months
Dr Nick Acheson, Centre for Voluntary Action Studies, University of Ulster	Attitudes to Disability in Northern Ireland	£35,519	24 months
Dr John Kirkland, Association of Commonwealth Universities	Development of a retired academics matching service	£33,000	22 months
Mr Robert Chote, Institute for Fiscal Studies	Support for the 2004 IFS Green Budget	£10,000	12 months
Mr Ian Carson, School of Education, The University of Manchester	Evaluation of Down's Syndrome Association Video	£9,300	7 months
Ms Ceridwen Roberts, Social Research Association	Commissioning Social Research: a guide to good practice. A dissemination seminar	£6,895	4 months
Ms S Ashton, Daycare Trust	Facing family life briefing paper	£5,875	1 month
Ms S Ashton, Daycare Trust	Informal care briefing paper	£5,875	3 months
Dr Katrina Lloyd, ARK, Institute of Governance, Public Policy and Social Research, Queen's University, Belfast	An On-Line Research Bank for Northern Ireland	£5,750	12 months
Mr Peter Williams, Council for Education in the Commonwealth	Update of survey on international student mobility	£1,500	1 month
	Grants subject to final confirmation	£16,731	
	Supplementary grants	£48,484	
	Cancelled grants	(£71,307)	
	Total: Open Door	£773,499	
Commonwealth Programme			
Professor Derrick Pounder, Department of Forensic Medicine, University of Dundee	Medico-legal training and education gender and child project, South Africa (Part 2)	£118,700	30 months
Ms Felicity Binns, International Extension College	Improving teacher education through human resource development in Uganda (Part 2)	£97,376	36 months
Professor Eldryd Parry, Tropical Health and Education Trust	Establishing a sustainable training programme in trauma management in Malawi (Part 2)	£86,075	30 months
Professor Stephen Gillespie, University College London	Professional development programme for health professionals in Tanzania (Part 2)	£73,000	24 months

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Name	Purpose	Value	Term
Commonwealth Programme (continued)			
Ms Lesley Phipps, Hospice Africa UK	Palliative care in Africa (five projects);		
	Outreach and training programmes based in Uganda	£83,168	4 months
	Paediatric palliative care in Malawi	£61,500	19 months
	Lighthouse Project, Lilongwe	£51,628	26 months
	Mobile clinic and training of Ugandan health professionals, Mbarara	£30,000	10 months
	Cicetekelo Hospice Zambia	£30,000	16 months
	Cancelled grants	(£65,466)	
	Total: Commonwealth	£565,981	
Languages Programme			
Dr Gloria Gutiérrez Almarza, Department of Modern Languages, The Nottingham Trent University	Laying the foundations: Primary Spanish in Nottingham	£10,000	8 months
Ms Vicky Wright, Centre for Language Study, School of Modern Languages, University of Southampton	Promoting the use of the European Language Portfolio in Higher Education	£10,000	12 months
Dr Philip Hood, School of Education, University of Nottingham	Models, Methodologies and Materials: Portals for Foreign Languages in the Primary School	£9,900	12 months
Mr Graham Webb, Centre for Language Study, Leeds Metropolitan University	Business Language Champions	£7,700	12 months
Ms Maria Gavrilova, Russian Language Kids' Club	The language journey starts at....	£7,100	
	Supplementary grants	£500	
	Cancelled grants	(£8,375)	
	Total: Languages Programme	£36,825	
	Total: Other Activities	£1,376,305	
	Total: Grants Awarded	£9,265,990	
	Total: Grants Cancelled	£401,264	
	Total All Programmes	£8,864,726	



**The
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