

The Lister Institute of Preventive Medicine

Accounts

for the year ended
31st December

1981

Elstree, Hertfordshire WD6 3AT
5 July 1982

The Lister Institute of Preventive Medicine

The Governing Body

Professor A. Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

R. A. McNeile, MBE, *Hon. Treasurer*

Professor Sir Cyril Astley Clarke, KBE, MD, FRCP, FRS

C. E. Guinness

Professor J. H. Humphrey, CBE, MD, FRS

The Rt Hon the Earl of Iveagh

Professor Sir Ashley Miles, CBE, MD, FRCPath, FRCP, FRS

Professor W. T. J. Morgan, CBE, PhD, DSc, FRS

Clerk to the Governors G.J. Roderick, BCom

The Lister Institute of Preventive Medicine

Financial Report of the Governing Body

The Governing Body presents the accounts of the Institute for the year ended 31st December 1981.

Results

The results of the Institute for the year ended 31st December 1981 are set out on page 4. The surplus for the year is £553,675 compared with a surplus of £2,867,835 in 1980 after taking into account profit on sales of fixed assets of £2,175,579 in that year.

Exports

Scorpion anti-toxin, to the value of £202,070 (1980 £247,693) was exported from the United Kingdom during the year. These sales are continuing during 1982.

Principal activities

The income of the Institute is utilised to support medical research.

Future operations

It is expected that from October 1982 onwards about five Lister Research Fellowships will be awarded, each for a period of five years.

Governing Body

The members of the Governing Body as shown on page 1 were in office for the whole of the year ended 31st December 1981.

Auditors

A resolution to re-appoint the Auditors, Coopers and Lybrand, will be proposed at the General Meeting.

A. NEUBERGER
Chairman
5th July 1982

The Lister Institute of Preventive Medicine

Auditors' Report

to the Members of The Lister Institute of Preventive Medicine

We have audited the accounts on pages 4 to 10 in accordance with approved Auditing Standards. The accounts have been prepared under the historical cost convention.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31st December 1981 and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

COOPERS & LYBRAND

Chartered Accountants

London

5th July 1982

The Lister Institute of Preventive Medicine

Income and Expenditure Account for the year ended 31st December 1981

Income	Notes	1981 £	1980 £
Investment income:			
General fund	3	427,608	367,561
Bank interest		130,036	217,162
		<u>557,644</u>	<u>584,723</u>
Other income	4	201,909	281,647
		<u>£759,553</u>	<u>£866,370</u>
Expenditure			
Salaries, wages and pensions		83,744	72,004
Rent and insurances		4,828	3,472
Gas, water, fuel and electricity		-	4,479
Office expenses, stationery and printing		4,067	3,004
Audit fee		2,000	2,822
Professional fees		1,207	2,376
Investment management fee (1981 - two years)		14,686	-
Testing and packaging of sera		54,136	77,335
Travel expenses		6,151	5,574
General expenses		2,377	2,568
Depreciation	7	240	480
		<u>£173,436</u>	<u>£174,114</u>
Excess of income		586,117	692,256
Profit on sale of fixed assets		-	17,859
(Loss) on sale of investments		(32,442)	-
Excess of income over expenditure and before extraordinary items		553,675	710,115
Extraordinary item	5	-	2,157,720
Surplus for the year		553,675	2,867,835
Grants	6	(135,519)	(17,449)
		<u>418,156</u>	<u>2,850,386</u>
Accumulated balance at 1st January 1981			
As previously reported		4,938,493	2,059,982
Prior year adjustment	14	(28,125)	-
As restated		<u>4,910,368</u>	<u>2,059,982</u>
Accumulated balance at 31st December 1981		<u>£5,328,524</u>	<u>£4,910,368</u>

The notes on pages 7 to 10 form part of these accounts. Audit report on page 3.

The Lister Institute of Preventive Medicine

Balance Sheet at 31st December 1981

	Notes	1981 £	1981 £	1980 £
Employment of capital				
Fixed assets	7		240	480
Investments and uninvested cash	8		<u>5,470,089</u>	<u>4,040,486</u>
			<u>5,470,329</u>	<u>4,040,966</u>
Current assets				
Stocks		52,468		31,062
Debtors		161,163		246,904
Cash and bank balances		<u>497,299</u>		<u>1,454,996</u>
		<u>710,930</u>		<u>1,732,962</u>
<i>less:</i>				
Current liabilities				
Creditors		85,564		101,759
		<u>85,564</u>		<u>101,759</u>
Net current assets			<u>625,366</u>	<u>1,631,203</u>
			<u>£6,095,695</u>	<u>£5,672,169</u>
Capital employed				
Capital fund	9		6,019,551	5,601,313
Pension fund	10		10,073	9,940
Bequest funds	11		<u>66,071</u>	<u>60,916</u>
			<u>£6,095,695</u>	<u>£5,672,169</u>
A. Neuberger Members of the R. A. McNeile Governing Body				

The notes on pages 7 to 10 form part of these accounts.
Audit report on page 3.

The Lister Institute of Preventive Medicine

Statement of Source and Application of Funds for the year ended 31st December 1981

Source of funds	1981 £	1980 £
Surplus	553,675	710,115
Extraordinary items	—	2,157,720
	<u>553,675</u>	<u>2,867,835</u>
Adjustment for items not involving movements of funds:—		
Depreciation	240	480
Loss on sales of investments	32,442	—
(Profit) on sales of fixed assets	—	(2,175,579)
Total generated from operations	<u>586,357</u>	<u>692,736</u>
Funds from other sources		
Net surplus for the year on the Pension Fund	133	220
Income from Bequest Fund investments	5,155	5,409
Sale of fixed assets	—	2,639,043
Proceeds of sale of investments	532,989	—
Donations	82	5
Profit on sale of Pension Fund investments	—	708
	<u>1,124,716</u>	<u>3,338,121</u>
Application of funds		
Purchase of investments	(1,995,034)	(3,167,336)
Grants	(135,519)	(17,449)
	<u>£(1,005,837)</u>	<u>£153,336</u>
(Decrease)/increase in working capital		
Increase in stocks	21,406	12,562
(Decrease)/increase in debtors	(85,741)	182,655
Decrease in creditors	16,195	20,206
Movement in net liquid funds:—		
(Decrease) in cash balance	<u>(957,697)</u>	<u>(62,087)</u>
	<u>£(1,005,837)</u>	<u>£153,336</u>

The notes on pages 7 to 10 form part of these accounts.
Audit report on page 3.

The Lister Institute of Preventive Medicine

Notes on the Accounts

1 Accounting policies

The main accounting policies are as follows:—

a Stocks

Sera and vaccines are valued at the lower of cost and net realisable value. Bulk stocks are included at a nil valuation, as their realisable value is uncertain. Final product stocks are stated at the lower of packaging and handling costs and net realisable value.

b Investments

Investments are stated at cost. Provision is made for any permanent diminution in value.

c Investment income

Credit is taken for income from investments on a cash received basis, except for gilt-edged securities which is accrued.

d Donations

Donations received are credited direct to the Capital Fund.

2 Future operations

The Governing Body is actively engaged in consolidating its plans for the use of the net surpluses arising in this and previous years in furthering medical research and development, and plan to award the first of a series of post-doctoral fellowships towards the end of 1982.

3 General fund investment income

	1981 £	1980 £
General fund investment income arises from:		
Listed investments	409,885	364,081
Unlisted investments	17,723	3,480
	<u>£427,608</u>	<u>£367,561</u>

4 Other income

Sales of sera and bacterial and virus vaccines	180,504	269,085
Stock movement	21,405	12,562
	<u>£201,909</u>	<u>£281,647</u>

Sales are stated after deducting commission due to agents from the invoice value of sales of sera and vaccines.

5 Extraordinary Item

The extraordinary item in 1980 comprised the profit on the sale of the freehold property at Chelsea.

6 Grants

The Governing Body, whilst considering its policy for the giving of grants in support of medical research, decided as an interim measure, to invite certain senior ex-members of staff to apply for grants to aid their research. As a result several grants for a maximum period of three years are being made.

7 Fixed Assets

Motor Car	Cost £	Depreciation £	Net £
At 1st January 1981	1,200	720	480
Charge for year	-	240	(240)
At 31st December 1981	<u>£1,200</u>	<u>£960</u>	<u>£240</u>

8 Investments and uninvested cash

	Listed at cost in UK £	Unlisted at cost £	Uninvested cash £	Total £
General	4,966,699	427,246	-	5,393,945
Pension Fund	2,108	-	7,965	10,073
Bequests				
Jenner Memorial Studentship Fund	22,543	-	17,850	40,393
Morna Macleod Scholarship Fund	13,708	-	11,970	25,678
	<u>£5,005,058</u>	<u>£427,246</u>	<u>£37,785</u>	<u>£5,470,089</u>
Market value (unlisted investments are valued by Institute's investment advisers)	£4,792,010	£457,177	£37,785	£5,286,972
Deficit of market value over 1981 cost				<u>£(183,117)</u>
1980 cost	£3,781,086	£226,903	£32,497	£4,040,486
Market value	£3,846,862	£234,213	£32,497	£4,113,572
Excess of market value over 1980 cost				<u>£73,086</u>

9 Capital Fund

	1981 £	1980 £
Donations and endowments have been received to date from:		
Dr Ludwig Mond (1893)	2,000	2,000
Berridge Trustees (1893-1898)	46,380	46,380
Worshipful Company of Grocers (1894 and 1969-1973)	15,000	15,000
Lord Iveagh (1900)	250,000	250,000
Lord Lister's Bequest (1913-1923)	18,904	18,904
William Henry Clarke Bequest (1923-1926)	7,114	7,114
Rockefeller Foundation (1935-1936)	3,400	3,400
Wolfson Foundation (1969-1973)	300,000	300,000
Other donations and legacies (1891-1981)	48,229	48,147
	<u>691,027</u>	<u>690,945</u>
Accumulated balance on Income and Expenditure Account at 31st December 1981	5,328,524	4,910,368
Accumulated balance on Capital Fund at 31st December 1981	<u>£6,019,551</u>	<u>£5,601,313</u>

10 Pension Fund

As at 1st January 1981	9,940	9,012
Interest on investments	1,129	1,395
Profit on sale of investments	—	708
	<u>11,069</u>	<u>11,115</u>
	996	1,175
less Pensions	<u>£10,073</u>	<u>£9,940</u>
As at 31st December 1981		

11 Bequest Funds

Jenner Memorial Studentship Fund	37,221	33,810
As at 1st January 1981	3,172	3,411
Interest on investments	<u>40,393</u>	<u>37,221</u>
As at 31st December 1981		
Morna Macleod Scholarship Fund	23,695	21,697
As at 1st January 1981	1,983	1,998
Interest on investments	<u>25,678</u>	<u>23,695</u>
As at 31st December 1981	<u>£66,071</u>	<u>£60,916</u>
Total		

12 Emoluments of members of the Governing Body and officers of the Institute

Particulars of emoluments of members of the Governing Body and officers of the Institute disclosed in accordance with Sections 6, 7 and 8 of the Companies Act 1967 are as follows:—

No member of the Governing Body received any emoluments during 1981 and 1980. One officer received emoluments in the range £20,000 to £25,000 in 1981 (1980 - nil).

13 Contingent liabilities

At 31st December 1981 and 31st December 1980 there were contingent liabilities as follows:-

The Institute is still a defendant together with the Department of Health and Social Security, in two cases brought by parents of children stated to have suffered brain damage following whooping cough vaccination. If the plaintiffs were to win their cases, or if they lost and were unable to meet the Institute's costs, the Institute's financial liability could be considerable.

However in view of the Government's announcement relating to compensation for these children, it is probable that the liability does not in fact now exist.

14 Prior year adjustment

The prior year adjustment relates to the correction of an accounting error made on income from listed investments in the 1980 accounts. The 1980 comparative figures have been adjusted accordingly.

15 Companies Act

These accounts have been prepared in compliance with Section 149A of, and Schedule 8A to, the Companies Act 1948.

Audit report on page 3.

**The Lister Institute of
Preventive Medicine**

Report of the Governing Body 1981

Elstree, Hertfordshire WD6 3AX

The Governing Body

Professor A. Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

R. A. McNeile, MBE, *Hon. Treasurer*

Professor Sir Cyril Clarke, KBE, MD, FRCP, FRS

C. E. Guinness

Professor J. H. Humphrey, CBE, MD, FRS

The Rt Hon the Earl of Iveagh

Professor Sir Ashley Miles, CBE, MD, FRCPath, FRCP, FRS

Professor W. T. J. Morgan, CBE, PhD, DSc, FRS

Secretary, and Clerk to the Governors G. J. Roderick, BCom

Solicitors:

Macfarlanes,
Dowgate Hill House,
London EC4R 2SY.

Auditors:

Coopers & Lybrand,
Abacus House, Gutter Lane,
London EC2V 8AH.

The Council

Dr G. S. Andrews, MD, FRCPath *Representing the British Medical Association*

Professor Sir Douglas Black, MSc, MD, FRCP *Representing the Members of the Institute*

Professor Sir Cyril Clarke, KBE, MD, FRCP, FRS *Representing the Members of the Institute*

Professor P. J. Collard, MD, MRCP *Representing the University of Manchester*

C. E. Guinness *Representing the Members of the Institute*

Professor Henry Harris, MB, DPhil, FRS *Representing the University of Oxford*

Professor J. H. Humphrey, CBE, MD, FRS *Representing the Royal Society*

The Rt Hon the Earl of Iveagh *Representing the Members of the Institute*

R. A. McNeile, MBE *Representing the Members of the Institute*

Professor N. H. Martin, MA, BM, BCh *Representing the Members of the Institute*

Professor Sir Ashley Miles, CBE, MD, FRCPath, FRCP, FRS *Representing the Members of the Institute*

Professor W. T. J. Morgan, CBE, PhD, DSc, FRS *Representing the Members of the Institute*

Dr. Thomas Murphy, MD, FRCPI, MRIA *Representing the Royal Irish Academy*

Professor A. Neuberger, CBE, MD, FRCP, FRCPath, FRS *Representing the Members of the Institute*

The President of the Royal College of Physicians *Representing the Royal College of Physicians, London*

The President of the Royal College of Surgeons *Representing the Royal College of Surgeons of England*

Professor A. Steele-Bodger, CBE, MA, BSc, FRCVS *Representing the Royal Agricultural Society*

Professor F. S. Stewart, MD *Representing the University of Dublin*

William J. Thompson *Representing the Worshipful Company of Grocers*

Dr Olga Uvarov, CBE, DSc, FRCVS *Representing the Royal College of Veterinary Surgeons*

Professor Peter Wildy, MB, MRCS, FRCPath *Representing the University of Cambridge*

Professor A. W. Wilkinson, CHM, FRCS(Ed), FRCS, FAAP(Hon) *Representing the University of Edinburgh*

Sir Graham Wilson, MD, FRCP, FRCPath *Representing the University of London*

The Lister Institute of Preventive Medicine

Annual General Meeting

24th August 1981

Report of the Governing Body

Governing Body

There has been no change in the membership of the Governing Body during the year.

Council

At last year's Annual General Meeting it was reported that the University of London had appointed Sir Graham Wilson and the University of Manchester had appointed Professor P. J. Collard to continue to serve as their representatives on the Council.

The three members of the Council due to retire this year in accordance with the Articles of Association, but who are eligible for reappointment, are Mr W. J. Thompson, the representative of the Worshipful Company of Grocers, Professor F. S. Stewart, the representative of the University of Dublin, and the President of the Royal College of Physicians.

Professor Albert Neuberger

The Governing Body takes much pleasure in recording that the degree of Doctor of Science *honoris causa* was conferred by the University of Hull upon Professor Albert Neuberger on 10th July, 1981, and wishes to convey its congratulations to Professor Neuberger.

Chairman's Statement

The Institute, although a registered Charity, operates under the provisions of the Companies Acts, and accordingly we have an obligation to convene an Ordinary General Meeting within 15 months of our last Annual General Meeting, and thus what I am submitting is of necessity an interim report.

First of all, I wish to record with great regret the death on 2nd August, 1980 of Sir Alan Drury, who was Director of the Lister Institute from 1943 to 1952, and who presided over the Institute during one of its most critical periods. He was largely responsible for the contribution which the Lister Institute made to research during World War II, and he piloted the Institute through the era of transition from war to peace. His involvement with the Blood Transfusion Service and his continuing interest in blood and blood products greatly influenced the researches carried out at the Lister Institute, and had considerable influence on national policy. Sir Alan continued to take an interest in science and was a member of the Council of the Institute until his death at the age of 90 years.

In my statement to the last Annual General Meeting, which took place in July 1980, I reported the disposal of our real estate, and indicated that we were in a fairly strong financial position. I mentioned the problems encountered arising from our desire both to maintain the real value of our investments and to get a good annual income from our assets. I also mentioned that the Governing Body was engaged in making organizational changes which would allow us to act as a grant-giving body. We are still involved in carrying out the necessary re-organisation, and we hope to convene an Extraordinary General Meeting at the end of this year to give approval to the policy we are proposing and the organizational changes which we have in mind.

As I mentioned in my last statement, we are currently giving grants, limited in duration to three years, to those of our senior scientists who were in our employment in the last few years before the Institute closed. In addition, we have given two large grants amounting to about £200,000, most of which is payable over five years, to Professor Alan Davison and Professor T. A. Sears of the Institute of Neurology for research into motoneurone disease. The applications for these grants had been submitted originally to the Wolfson Foundation, but they were passed on to us, and we decided to support them financially on accepting the scientific value of the projects and their clinical importance and value.

We are at present engaged in setting up a Scientific Advisory Committee, which is to be separate from the Governing Body, and which will consider applications for support for research in various branches of biomedical science. The new function of the Institute also requires in our view certain changes in organization and, as I have already mentioned, these will be put forward later in the year.

We are still selling scorpion antitoxin and gas gangrene antitoxin, and thus adding to our income. Our financial position remains reasonably strong, and we hope before long to function fully as a grant-giving body.

I wish to thank my fellow Governors, especially our Honorary Treasurer, for their most fruitful co-operation, and I wish again to record our gratitude to our Secretary, Mr Roderick, who has been a tower of strength over many years.

Albert Neuberger.

**The Lister Institute of
Preventive Medicine**

**Report of the
Governing Body
1982**

Elstree, Hertfordshire WD6 3AT

The Governing Body

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- Professor Sir Douglas Black, MSc, MD, FRCP *Representing the Members of the Institute*
- Professor Sir Cyril Clarke, KBE, MD, FRCP, FRS *Representing the Members of the Institute*
- Professor H. J. Evans, PhD, FRSE *Representing the University of Edinburgh*
- C. E. Guinness *Representing the Members of the Institute*
- Professor Henry Harris, MB, DPhil, FRS *Representing the University of Oxford*
- Professor J. H. Humphrey, CBE, MD, FRS *Representing the Royal Society*
- The Rt Hon the Earl of Iveagh *Representing the Members of the Institute*
- Professor C. T. Keane, MA, MB, FRCPath *Representing the University of Dublin*
- Professor I. M. Leck, MB, ChB, PhD, FRCM *Representing the University of Manchester*
- R. A. McNeile, MBE *Representing the Members of the Institute*
- Professor Sir Ashley Miles, CBE, MD, FRCPath, FRCP, FRS *Representing the Members of the Institute*
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- Dr G. W. Pennington, MD, FRCPath *Representing the British Medical Association*
- The President of the Royal College of Physicians *Representing the Royal College of Physicians, London*
- The President of the Royal College of Surgeons *Representing the Royal College of Surgeons of England*
- Dr. J. G. D. Simpson, MA, MB *Representing the Worshipful Company of Grocers*
- Professor A. Steele-Bodger, CBE, MA, BSc, FRCVS *Representing the Royal Agricultural Society*
- Dr Olga Uvarov, CBE, DSc, FRCVS *Representing the Royal College of Veterinary Surgeons*
- Professor Peter Wildy, MB, MRCS, FRCPath *Representing the University of Cambridge*
- Sir Graham Wilson, MD, FRCP, FRCPath *Representing the University of London*

The Lister Institute of Preventive Medicine

Annual General Meeting

25th October 1982

Report of the Governing Body

Governing Body

There has been no change in the membership of the Governing Body during the year.

Council

At last year's Annual General Meeting it was reported that the Worshipful Company of Grocers had re-appointed Mr. W.J. Thompson, and that the Royal College of Physicians had re-appointed the President, to continue to serve as their representatives respectively on the Council.

Since that date a few Councillors have resigned as the result of retirement from the institutions which they have represented. The Governors wish to record their gratitude to Dr. G.S. Andrews, Professor P. J. Collard, Mr. W.J. Thompson and Professor A.W. Wilkinson for the help and advice that they have given to the Institute over many years, and wish them a long and happy retirement.

(a) Dr. G.S. Andrews has been succeeded as the representative of the British Medical Association by Dr. G.W. Pennington.

(b) Professor P.J. Collard has been succeeded as the representative of the University of Manchester by Professor I.M. Leck.

(c) Mr. William J. Thompson has been succeeded as the representative of the Worshipful Company of Grocers by Dr. J.G.D. Simpson.

(d) Professor H.J. Evans has been nominated to succeed Professor A.W. Wilkinson as the representative of the University of Edinburgh. This nomination has still to be confirmed by the University.

It is reported that Professor C.T. Keane has been appointed as the representative of the University of Dublin to succeed Professor F.S. Stewart (deceased).

The Governing Body record with great regret the death, after a long illness, of Professor N.H. Martin, a representative of the Members of the Institute. Professor Martin was for many years Head of the chemical pathology department of St. George's Hospital Medical School, but in addition he was an honorary research associate of the Institute working closely with Professor R.A. Kekwick FRS on changes in the protein composition of plasma in a variety of pathological conditions. Nicholas Martin was devoted to medical science particularly its clinical aspects, and his warm and generous personality was widely appreciated. He was a

member of the Council of the Institute for five years.

It is expected that at the Extraordinary General Meeting of the Members of the Institute on 25th October the Council will be disbanded. The Governors wish to thank all members of the Council for their support, and are very pleased to announce that, without exception, they (or, in the case of the representatives of some institutions, their successors) will continue to serve as Members of the Institute.

Chairman's Statement

During the last year the transformation of the Institute from an organization supporting research in its own laboratories to a grant-giving body has been completed. We have set up a Scientific Advisory Committee, whose task it is to consider applications for support of research in various bio-medical sciences. I am pleased to report that Professor G.S. Dawes, CBE, FRS, Professor in the University of Oxford and Director of the Nuffield Institute for Medical Research, has accepted our invitation to chair this committee. The members of the committee, who represent various branches of medical science, are as follows:

Dr. Brigitte Askonas, FRS
Sir Arnold Burgen, FRS
Professor H.J. Evans, FRSE
Professor A.A. Glynn,
Dr. Anne McLaren, FRS
Professor William Shaw

The Fellowships were advertised and approximately fifty applications, most of them of high scientific merit, were received. The Scientific Advisory Committee short-listed and interviewed eight candidates, and finally recommended to the Governing Body that the following should be offered 5-year Fellowships:

Dr. Judith P. Armitage	Dept. of Microbiology, University College London.	The Mechanism & Control of Taxi in Bacteria.
Dr. G. Marius Clore	Division of Molecular Pharmacology, National Institute for Medical Research, Mill Hill.	Structural & Dynamic Studies of DNA-protein Interactions by Nuclear Magnetic Resonance Spectroscopy.
Dr. Alec. J. Jeffreys	Department of Genetics, University of Leicester.	Molecular Analysis of the Structure, Function & Evolution of Developmentally Regulated Animal Genes.
Dr. Sai-Kit A. Law	Department of Biochemistry, University of Oxford.	Chemical & Biological Significance of Intramolecular Thioester Bonds in Proteins.
Dr. Stephen J. Perkins	Kennedy Institute of Rheumatology, London.	Biological Organization of Proteins by Neutron Scattering & NMR.

The recommendations were accepted by the Governing Body. I am pleased to report that these successful candidates appear to be of a very high standard,

and the Lister Institute is thus making a significant contribution towards the maintenance of high quality in bio-medical research. I might also mention that the Fellows, in addition to their salary, will be allowed up to £5,000 per annum for consumable materials, animals and minor equipment. We are hoping to continue to award post-doctoral fellowships annually for the foreseeable future, similar in number to those given in the current year.

The grants which we have been giving to those senior scientists who were in our employment will be phased out during the next year or so, as will be the grant which was awarded to Professor T.A. Sears for work on motoneurone disease.

At this year's Extraordinary General Meeting it is hoped that the revision of the Memorandum and Articles of Association will be approved, and the Governors are grateful to Lord Iveagh for so readily cooperating in making several important amendments to the Constitution.

We are still selling scorpion antitoxin and gas gangrene antitoxin, but this will come to an end in about June 1984. Our financial position remains fairly strong, and I am grateful to our Treasurer for his continuing financial advice and guidance.

Finally, I wish to thank my fellow Governors for their helpful co-operation, and I would like to record our special gratitude to Mr. Roderick, whose devotion and wisdom have been of special importance to the Institute.

Albert Neuberger

The Lister Institute of Preventive Medicine

Accounts

for the year ended
31st December

1982

Elstree, Hertfordshire WD6 3AT
27th June 1983

The Lister Institute of Preventive Medicine

The Governing Body

Professor A. Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

R. A. McNeile, MBE, *Hon. Treasurer*

Professor Sir Cyril Astley Clarke, KBE, MD, FRCP, FRS

C. E. Guinness

Professor J. H. Humphrey, CBE, MD, FRS

The Rt.Hon.the Earl of Iveagh

Professor Sir Ashley Miles, CBE, MD, FRCPath, FRCP, FRS (*retired 25 October 1982*)

Professor W. T. J. Morgan, CBE, PhD, DSc, FRS (*retired 25 October 1982*)

Professor D. K. Peters, MB, BCh, FRCP (*appointed 16 November 1982*)

Clerk to the Governors G. J. Roderick, BCom

The Lister Institute of Preventive Medicine

Financial Report of the Governing Body

The Governing Body presents the accounts of the Institute for the year ended 31st December 1982.

Results

The results of the Institute for the year ended 31st December 1982 are set out on page 4. The surplus for the year is £598,955 compared with a surplus of £553,675 in 1981.

Exports

Scorpion anti-toxin to the value of £197,083 (1981 £202,070) was exported from the United Kingdom during the year. These sales are continuing during 1983.

Principal activities

The income of the Institute is utilised to support medical research.

Future operations

It is expected that from October 1983 a further five Lister Institute Research Fellowships will be awarded, making a total of ten, each for a period of five years.

Governing Body

The members of the Governing Body who served at any time during 1982 are shown on page 1.

Auditors

A resolution to re-appoint the Auditors, Coopers & Lybrand, will be proposed at the General Meeting.

A. NEUBERGER
Chairman
27th June 1983

The Lister Institute of Preventive Medicine

Auditors' Report

**to the Members of The Lister Institute of
Preventive Medicine**

We have audited the accounts on pages 4 to 9 in accordance with approved Auditing Standards. The accounts have been prepared under the historical cost convention.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31st December 1982 and of its results and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

COOPERS & LYBRAND

Chartered Accountants

London

27th June 1983

The Lister Institute of Preventive Medicine

Income and Expenditure Account for the year ended 31st December 1982

Income	Notes	1982 £	1981 £
Investment income			
General fund	3	526,308	427,608
Bank interest		59,118	130,036
		<u>585,426</u>	<u>557,644</u>
Other income	4	169,131	201,909
		<u>£754,557</u>	<u>£759,553</u>
Expenditure			
Salaries, wages and pensions		91,849	83,744
Rent, rates and insurance		4,668	4,828
Electricity and telephone		2,218	—
Office expenses, stationery and printing		2,186	4,067
Audit fee		2,000	2,000
Professional fees		3,575	1,207
Investment management fee (1981 - two years)		10,843	14,686
Testing and packaging of sera		24,428	54,136
Travel expenses		7,441	6,151
General expenses		4,106	2,377
Depreciation	6	240	240
		<u>£153,554</u>	<u>£173,436</u>
Excess of income		601,003	586,117
(Loss) on sale of investments		(2,048)	(32,442)
Surplus for the year		598,955	553,675
Grants	5	(108,439)	(135,519)
		<u>490,516</u>	<u>418,156</u>
Accumulated balance at 1st January 1982			
As previously reported		5,328,524	4,938,493
Prior year adjustment	13	—	(28,125)
As restated		<u>5,328,524</u>	<u>4,910,368</u>
Accumulated balance at 31st December 1982		<u>£5,819,040</u>	<u>£5,328,524</u>

The notes on pages 7 to 9 form part of these accounts. Audit report on page 3.

The Lister Institute of Preventive Medicine

Balance Sheet at 31st December 1982

	Notes	1982 £	1982 £	1981 £
Employment of capital				
Fixed assets	6		—	240
Investments and uninvested cash	7		<u>5,780,079</u>	<u>5,470,089</u>
			5,780,079	5,470,329
Current assets				
Stocks		46,053		52,468
Debtors		258,214		161,163
Cash and bank balances		<u>611,252</u>		<u>497,299</u>
		915,519		710,930
<i>less:</i>				
Current liabilities				
Creditors		<u>103,494</u>		<u>85,564</u>
Net current assets			812,025	625,366
			£6,592,104	£6,095,695
Capital employed				
Capital fund	8		6,510,072	6,019,551
Pension fund	9		10,494	10,073
Bequest funds	10		<u>71,538</u>	<u>66,071</u>
			£6,592,104	£6,095,695

A. Neuberger | Members of the
R. A. McNeile | Governing Body

The notes on pages 7 to 9 form part of these accounts. Audit report on page 3.

The Lister Institute of Preventive Medicine

Statement of Source and Application of Funds for the year ended 31st December 1982

Source of funds	1982	1981
	£	£
Surplus	598,955	553,675
Adjustment for items not involving movements of funds:—		
Depreciation	240	240
Loss on sales of investments	2,048	32,442
Total generated from operations	601,243	586,357
Funds from other sources		
Net surplus for the year on the Pension Fund	421	133
Income from Bequest Fund Investments	5,467	5,155
Proceeds of sale of investments	258,658	532,989
Donations	5	82
	865,794	1,124,716
Application of funds		
Purchase of investments	(564,811)	(1,995,034)
Grants	(108,439)	(135,519)
	£192,544	£(1,005,837)
(Decrease)/increase in working capital		
(Decrease)/increase in stocks	(6,415)	21,406
Increase/(decrease) in debtors	97,051	(85,741)
(Decrease)/increase in creditors	(17,930)	16,195
Movement in net liquid funds:—		
Increase/(decrease) in cash balance	119,838	(957,697)
	£192,544	£(1,005,837)

The notes on pages 7 to 9 form part of these accounts. Audit report on page 3.

The Lister Institute of Preventive Medicine

Notes on the Accounts

1 Accounting policies

a Basis of preparation of accounts

These accounts have been prepared in compliance with Section 149A of, and Schedule 8A to, the Companies Act 1948.

The main accounting policies are as follows:—

b Stocks

Sera and vaccines are valued at the lower of cost and net realisable value. Bulk stocks are included at a nil valuation, as their realisable value is uncertain. Final product stocks are stated at the lower of packaging and handling costs and net realisable value.

c Investments

Investments are stated at cost. Provision is made for any permanent diminution in value.

d Investment income

Credit is taken for income from investments on a cash received basis, except that for gilt-edged securities which is accrued

e Donations

Donations received are credited direct to the Capital Fund.

2 Future operations

The Governing Body is actively engaged in consolidating its plans for the use of the net surpluses arising in this and previous years in furthering medical research and development, and awarded the first five of a series of post-doctoral fellowships during 1982.

3 General fund investment income

	1982 £	1981 £
General fund investment income arises from:		
Listed investments	490,003	409,885
Unlisted investments	36,305	17,723
	<u>£526,308</u>	<u>£427,608</u>

4 Other income

Sales of sera and bacterial and virus vaccines	175,546	180,504
Stock movement	(6,415)	21,405
	<u>£169,131</u>	<u>£201,909</u>

Sales are stated after deducting commission due to agents from the invoice value of sales of sera and vaccines.

5 Grants

The Governing Body whilst considering its policy for the giving of grants in support of medical research, decided as an interim measure, to invite certain senior ex-members of staff to apply for grants to aid their research. As a result several grants for a maximum period of three years are being made.

6 Fixed Assets

	Cost £	Depreciation £	Net £
Motor Car			
As at 1st January 1982	1,200	960	240
Charge for year	—	240	(240)
As at 31st December 1982	<u>£1,200</u>	<u>£1,200</u>	<u>£ —</u>

7 Investments and uninvested cash

	Listed at cost in UK £	Unlisted at cost £	Uninvested cash £	Total £
General	4,655,087	1,042,960	—	5,698,047
Pension Fund	2,108	—	8,386	10,494
Bequests				
Jenner Memorial Studentship Fund	22,543	—	21,226	43,769
Morna Macleod Scholarship Fund	13,708	—	14,061	27,769
	<u>£4,693,446</u>	<u>£1,042,960</u>	<u>£43,673</u>	<u>£5,780,079</u>

Market value (unlisted investments are valued by Institute's investment advisers)	£5,750,340	£1,245,298	£43,673	£7,039,311
Surplus of market value over 1982 cost				<u>£1,259,232</u>

1981 cost	£4,484,898	£947,406	£37,785	£5,470,089
Market value	£4,311,068	£938,119	£37,785	<u>£5,286,972</u>
Deficit of market value under 1981 cost				<u>£(183,117)</u>

8 Capital Fund

	1982 £	1981 £
Donations and endowments have been received to date from:		
Dr Ludwig Mond (1893)	2,000	2,000
Berridge Trustees (1893-1898)	46,380	46,380
Worshipful Company of Grocers (1894 and 1969-1973)	15,000	15,000
Lord Iveagh (1900)	250,000	250,000
Lord Lister's Bequest (1913-1923)	18,904	18,904
William Henry Clarke Bequest (1923-1926)	7,114	7,114
Rockefeller Foundation (1935-1936)	3,400	3,400
Wolfson Foundation (1969-1973)	300,000	300,000
Other donations and legacies (1891-1982)	48,234	48,229
	<u>691,032</u>	<u>691,027</u>
Accumulated balance on Income and Expenditure Account at 31st December 1982	<u>5,819,040</u>	<u>5,328,524</u>
Accumulated balance on Capital Fund at 31st December 1982	<u>£6,510,072</u>	<u>£6,019,551</u>

9 Pension Fund

	1982 £	1981 £
As at 1st January 1982	10,073	9,940
Interest on investments	1,161	1,129
	<u>11,234</u>	<u>11,069</u>
<i>less:</i>		
Pensions	740	996
As at 31st December 1982	<u>£10,494</u>	<u>£10,073</u>

10 Bequest Funds

Jenner Memorial Studentship Fund		
As at 1st January 1982	40,393	37,221
Interest on investments	3,376	3,172
As at 31st December 1982	<u>43,769</u>	<u>40,393</u>
Morna Macleod Scholarship Fund		
As at 1st January 1982	25,678	23,695
Interest on investments	2,091	1,983
As at 31st December 1982	<u>27,769</u>	<u>25,678</u>
Total	<u>£71,538</u>	<u>£66,071</u>

11 Emoluments of members of the Governing Body and officers of the Institute

Particulars of emoluments of members of the Governing Body and officers of the Institute disclosed in accordance with Sections 6, 7 and 8 of the Companies Act 1967 are as follows:—

No member of the Governing Body received any emoluments during 1982 and 1981. No officer received emoluments in excess of £30,000 in 1982 (1981 - Nil).

12 Contingent liabilities

At 31st December 1982 and 31st December 1981 there were contingent liabilities as follows:—

The Institute is still a defendant, together with the Department of Health and Social Security, in two cases brought by parents of children stated to have suffered brain damage following whooping cough vaccination. If the plaintiffs were to win their cases, or if they lost and were unable to meet the Institute's costs, the Institute's financial liability could be considerable.

However, in view of the Government's announcement relating to compensation for these children, it is probable that the liability does not in fact now exist.

13 Prior year adjustment

The prior year adjustment relates to the correction of an accounting error made on income from listed investments in the 1980 accounts.

Audit report on page 3.

**The Lister Institute of
Preventive Medicine**

**Report of the
Governing Body
1983**

The Governing Body

Professor A. Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

R. A. McNeile, MBE, *Hon. Treasurer*

Professor Sir Cyril Clarke, KBE, MD, FRCP, FRS

C. E. Guinness

Professor J. H. Humphrey, CBE, MD, FRS

The Rt Hon the Earl of Iveagh

Professor D. K. Peters, MB, BCh, MRCP

Secretary, and Clerk to the Governors G. J. Roderick, BCom

Solicitors:

Macfarlanes,
10 Norwich Street,
London EC4A 1BD.

Auditors:

Coopers & Lybrand,
Abacus House, Gutter Lane,
London EC2V 8AH.

Scientific Advisory Committee

Professor Geoffrey S. Dawes, CBE, DM, FRCP, FRS *Chairman*

Dr. Brigitte A. Askonas, PhD, FRS

Sir Arnold Burgen, MD, FRCP, FRS

Professor H. J. Evans, PhD, FRSE

Professor A. A. Glynn, MD, FRCP, FRCPath

Dr. Anne L. McLaren, DPhil, FRS

Professor W. V. Shaw, MD

The Lister Institute of Preventive Medicine

Annual General Meeting

20th October 1983

Report of the Governing Body

Governing Body

The Institute's Memorandum and Articles of Association were amended at an Extraordinary General Meeting of the Members of the Institute held on 25th October, 1982. The revised Memorandum made provision for the retirement of members of the Governing Body on attaining the age of seventy-five years, a reduction in the number of members to six and an increase in the number of co-opted members to two. As the result of the change in the Constitution Professor Sir Ashley Miles and Professor W.T.J. Morgan, the latter a co-opted member, retired from membership on 25th October 1982, and Professor D.K. Peters was co-opted on 16th November, 1982.

Scientific Advisory Committee

There has been no change in the membership of the Scientific Advisory Committee during the year.

Council

At the Extraordinary General Meeting of the Members of the Institute held on 25th October, 1982, revised Memorandum and Articles of Association were approved, resulting, *inter alia*, in the disbandment of the Council. The members of the Council were thanked by the Governors and by the Members for their support. At the meeting the Chairman announced with pleasure that, without exception, the members of the Council (or, in the case of the representatives of some institutions, their successors) had decided to continue to serve as Members of the Institute.

Chairman's Statement

In my report presented to you last year I mentioned that we had set up a Scientific Advisory Committee to consider applications for support of research in various biomedical sciences. This Committee, the composition of which has not changed, has operated for a second year and received more than fifty applications (a 20% increase on last year), most of them of a very high standard. Twelve candidates were selected for the short-list, and the Committee, which interviewed ten of these, had a difficult task in making the final selection as the standard of the candidates was remarkably high. The Committee finally recommended to the Governing Body that the following should be offered five-year Fellowships:—

<i>Name</i>	<i>Place where research will be carried out</i>	<i>Title of Research Proposal</i>
Dr. Rosa BEDDINGTON	Sir William Dunn School of Pathology, Oxford.	Analysis of the lineage and differentiation of normal and neoplastic cells during early mammalian development.
Dr. Leszek K. BORYSIEWICZ	Department of Medicine, Royal Postgraduate Medical School, London.	An analysis of the immunological control of human cytomegalovirus infection.
Dr. Jonathan P. FRY	Department of Physiology, University College, London.	Molecular genetics of drug receptors.
Dr. Barry HALLIWELL	Department of Biochemistry, King's College, London.	Role of oxygen radicals in biological systems of medical significance.
Dr. Christopher F. HIGGINS	Department of Biochemistry, University of Dundee.	(a) Molecular genetics of membrane transport processes and membrane organisation in bacteria. (b) Mechanisms of regulation of gene expression in prokaryotes.

The recommendations were accepted by the Governing Body.

We are most grateful to the members of the Scientific Advisory Committee, particularly its chairman Professor Geoffrey Dawes, FRS, for the important work which they are performing on behalf of the Institute.

The total cost of these Fellowships per year will be approximately £88,000. From October 1983 the Institute will be supporting ten Fellows (total annual cost about £175,000) and it is our aim, which might be achieved by 1986, to have at any one time around twenty-five Fellowships. This will depend of course on our financial position.

A problem which has occupied the attention of both the Scientific Advisory Committee and the Governing Body has been the difficulty experienced by medical graduates who wish to combine research in what might be called the basic scientific aspects of medicine with clinical work. The rather rigorous training schedules set up for clinical work for prospective consultants create special problems. In addition, the length of the medical course, including obligatory pre-registration appointments, contrives that the medical graduate will find he is somewhat older than the science graduate in achieving a standard of research experience similar to that of a non-medical candidate. It is our wish, however, that the clinical aspects of biomedical research should be adequately represented in our general policy of research support. At the same time, it is important that the high standard which we hope to maintain should in no way be reduced for applicants involved in clinical work.

The grants which were given to those senior scientific staff previously in our employment are being phased out during the current year, as is the grant awarded to Professor T.A. Sears on motor neuron disease. However, the grant which was given to Professor A.N. Davison and Dr. F.S. Walsh will continue for a few more years.

We are still selling stocks of scorpion antitoxin and gas gangrene antitoxin, and in the current year our income from this source was in excess of £175,000. These sales will continue for a few more years.

We are still responsible for the supplementation of the pensions of a number of our former staff and, although it is not mandatory on the Institute to do so, we contrive to increase these supplementary pensions in line with the public sector awards.

The Institute owes a special debt of gratitude to the Treasurer, Mr. Robert McNeile, who keeps a watchful eye on our investments. As you will see from the annual accounts, our financial position is quite satisfactory and we are still increasing our capital resources. This is expected to continue for the next two or three years until the full complement of Research Fellows is achieved. We shall then have the problem of trying to achieve maximum income without diminishing the real value of our investments owing to inflation.

The new Memorandum and Articles of Association were approved at the Extraordinary General Meeting which took place last year, and this has resulted in a simplification of our organizational structure and notably the abolition of the Council. I wish to reiterate the thanks which I expressed last year to members of the Council, many of whom served the Institute for many years, and in this connection I should like to express the congratulations and pleasure of the Governing Body on the award of the D.B.E. to Dr. Olga Uvarov. You will see that Sir Ashley Miles CBE, FRS and Professor W.T.J. Morgan CBE, FRS have retired from the Governing Body. Both have given distinguished service to the Institute and to medical science over many years, and in different ways. The Institute is most grateful for the contribution they have made to the work of the Institute. Sir Ashley was Director of the Institute from 1952 until 1971, and for part of that time he combined this office with that of Biological Secretary of The Royal Society. Professor Morgan has done distinguished research for a period of well over fifty years, and is still active at the bench. He has been one of the outstanding figures internationally in the field of blood groups and human genetics. We are sorry to lose their services on the Governing Body and wish them well.

We are pleased to welcome Professor D.K. Peters on to the Governing Body. He is Professor of Medicine at the Royal Postgraduate Medical School, and we feel certain that he will make an important contribution to our deliberations. Finally, I wish to thank Mr. Roderick, whose wise judgment and devotion are an example to us all.

Albert Neuberger

The Lister Institute of Preventive Medicine

Accounts

for the year ended
31st December

1983

The Lister Institute of Preventive Medicine
Royal National Orthopaedic Hospital
Brockley Hill
Stanmore
Middlesex HA7 4LP

25th June 1984

The Lister Institute of Preventive Medicine

The Governing Body

Professor A. Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

R. A. McNeile, MBE, *Hon. Treasurer*

Professor Sir Cyril Astley Clarke, KBE, MD, FRCP, FRS

Professor G. S. Dawes, CBE, DM, FRCP, FRS (appointed 20th October 1983)

C. E. Guinness

Professor J. H. Humphrey, CBE, MD, FRS

The Rt.Hon.the Earl of Iveagh

Professor D. K. Peters, MB, BCh, FRCP

Clerk to the Governors G. J. Roderick, BCom

The Lister Institute of Preventive Medicine

Financial Report of the Governing Body

The Governing Body presents the accounts of the Institute for the year ended 31st December 1983.

Results

The results of the Institute for the year ended 31st December 1983 are set out on page 4. The surplus for the year is £747,693 compared with a surplus of £598,955 in 1982.

Exports

Scorpion anti toxin to the value of £192,175 (1982 £197,083) was exported from the United Kingdom during the year. These sales are continuing during 1984.

Principal activities

The income of the Institute is utilised to support medical research.

Future operations

It is expected that from October 1984 a further five Lister Institute Research Fellowships will be awarded, making a total of fifteen, each for a period of five years.

Governing Body

The members of the Governing Body who served at any time during 1983 are shown on page 1.

Auditors

A resolution to re-appoint the Auditors, Coopers & Lybrand, will be proposed at the General Meeting.

A. NEUBERGER
Chairman
25th June 1984

The Lister Institute of Preventive Medicine

Auditors' Report to the Members of The Lister Institute of Preventive Medicine

We have audited the accounts on pages 4 to 10 in accordance with approved Auditing Standards. The accounts have been prepared under the historical cost convention.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31st December 1983 and of its results and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

COOPERS & LYBRAND
Chartered Accountants

London
25th June 1984

The Lister Institute of Preventive Medicine

Income and Expenditure Account for the year ended 31st December 1983

	Notes	1983 £	1982 £
Administrative expenses:			
Salaries, wages and pensions		103,139	91,849
Rent, rates and insurance		5,416	4,668
Electricity and telephone		3,005	2,218
Office expenses, stationery and printing		2,654	2,186
Audit fee		2,100	2,000
Professional fees		1,727	3,575
Investment management fees		12,299	10,843
Travel expenses		8,037	7,441
Relocation expenses		9,237	—
General expenses		4,719	4,106
Depreciation		—	240
		(152,333)	(129,126)
Operating income	5	141,837	144,703
Income from fixed asset investments	6	538,260	526,308
Profit/(loss) on sale of fixed asset investments		168,608	(2,048)
Interest receivable		51,321	59,118
Surplus on ordinary activities		747,693	598,955
Grants	7	(184,584)	(108,439)
Surplus for the financial year		563,109	490,516
Income and expenditure account at 1st January 1983		5,819,040	5,328,524
Income and expenditure account at 31st December 1983		£6,382,149	£5,819,040

The notes on pages 7 to 10 form part of these accounts. Audit report on page 3.

The Lister Institute of Preventive Medicine

Balance Sheet at 31st December 1983

	Notes	1983 £	£	1982 £	£
Fixed assets					
Tangible assets	8	7,644		—	
Investments	9	<u>6,481,143</u>		<u>5,780,079</u>	
			6,488,787		5,780,079
Current assets					
Stocks		37,726		46,053	
Debtors	10	<u>233,526</u>		<u>258,214</u>	
Cash at bank and in hand		<u>550,396</u>		<u>611,252</u>	
			821,648		915,519
Creditors: amounts falling due within one year	11		<u>(149,364)</u>		<u>(103,494)</u>
			<u>£7,161,071</u>		<u>£6,592,104</u>
Capital and Funds					
Capital fund	12		7,073,181		6,510,072
Pension fund	13		10,744		10,494
Bequest funds	14		<u>77,146</u>		<u>71,538</u>
			<u>£7,161,071</u>		<u>£6,592,104</u>

These accounts were approved by the Governing Body on 25th June, 1984.

A. Neuberger
R. A. McNaile

Members of the
Governing Body

The notes on pages 7 to 10 form part of these accounts. Audit report on page 3.

The Lister Institute of Preventive Medicine

Statement of Source and Application of Funds for the year ended 31st December 1983

	1983 £	£	1982 £	£
Source of funds				
Surplus for the financial year		747,693		598,955
Adjustments for items not involving the movement of funds:—				
Depreciation	—		240	
(Profit)/loss on sale of fixed asset investments	(168,608)		2,048	
		(168,608)		2,288
Total from operations		579,085		601,243
Funds from other sources				
Net surplus for the year on the pension fund	250		421	
Income from Bequest Fund investments	5,608		5,467	
Sale proceeds of fixed asset investments	1,237,552		258,658	
Donations	—		5	
		1,243,410		264,551
Total sources of funds		1,822,495		865,794
Application of funds				
Purchase of tangible fixed assets	7,644		—	
Purchase of fixed asset investments	1,770,008		564,811	
Grants	184,584		108,439	
		(1,962,236)		(673,250)
Total application of funds		£(139,741)		£192,544
(Decrease)/Increase in working capital				
(Decrease) in stocks	(8,327)		(6,415)	
(Decrease)/Increase in debtors	(24,688)		97,051	
(Increase) in creditors	(45,870)		(17,930)	
		(78,885)		72,706
Movement in net liquid funds:—				
Cash at bank and in hand		(60,856)		119,838
		£(139,741)		£192,544

The notes on pages 7 to 10 form part of these accounts. Audit report on page 3.

The Lister Institute of Preventive Medicine

Notes on the Accounts for the year ended 31st December 1983

1 Principal accounting policies

a Tangible fixed assets

Tangible fixed assets are stated at their purchase price, together with any incidental expenses of acquisition. Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful life of the fixed assets concerned.

The principal annual rates used for this purpose are:—

	%
Temporary buildings	6 2/3
Motor vehicles	20

b Stocks

Sera and vaccines are valued at the lower of cost and net realisable value. Bulk stocks are included at a nil valuation, as their realisable value is uncertain. Final product stocks are stated at the lower of packaging and handling costs and net realisable value.

c Investments

Investments are stated at cost. Provision is made for any permanent diminution in value.

d Investment income

Credit is taken for income from investments on a cash received basis, except that for gilt-edged securities which is accrued.

e Donations

Donations received are credited direct to the Capital Fund.

2 Future operations

The Governing Body is actively engaged in consolidating its plans for the use of the net surpluses arising in this and previous years in furthering medical research and development, and awarded a further five post-doctoral fellowships during 1983, making the total ten. It is expected that a further five fellowships will be awarded during 1984.

3 Emoluments of members of the Governing Body

No member of the Governing Body received any emoluments in respect of his services to the Institute during the year (1982 — Nil).

4 Employee information

The average number of persons employed by the Institute during the year was four (1982 — four), all of whom were employed in an administrative capacity.

Employment costs of all employees included above, comprised:—

	1983 £	1982 £
Gross wages and salaries	49,213	46,178
Employer's national insurance and state pension contributions	3,413	3,148
	<u>£52,626</u>	<u>£49,326</u>

5 Operating income	1983 £	1982 £
Sales of sera and bacterial and virus vaccines	170,989	175,546
Testing and packaging of sera	(20,825)	(24,428)
Stock movements	(8,327)	(6,415)
	<u>£141,837</u>	<u>£144,703</u>

6 Income from fixed asset investments	1983 £	1982 £
General fund investment income arises from:		
Listed investments	495,121	490,003
Unlisted investments	43,139	36,305
	<u>£538,260</u>	<u>£526,308</u>

7 Grants

Grants represent amounts approved for disbursement in respect of the year ended 31st December 1983.

8 Tangible fixed assets

Cost	Temporary buildings £	Motor vehicles £	Total £
At 1st January 1983	—	1,200	1,200
Expenditure	7,644	—	7,644
At 31st December 1983	<u>7,644</u>	<u>1,200</u>	<u>8,844</u>
Depreciation			
At 1st January 1983 and 31st December 1983	—	1,200	1,200
Net book value At 31st December 1983	<u>£7,644</u>	<u>—</u>	<u>£7,644</u>
Net book value At 31st December 1982	<u>£ —</u>	<u>£ —</u>	<u>£ —</u>

9 Fixed asset investments

	Listed at cost £	Unlisted at cost £	Uninvested cash £	Total £
General	4,918,861	1,474,388	—	6,393,249
Pension fund	2,108	—	8,636	10,744
Bequests				
Jenner Memorial Studentship Fund	22,543	—	24,635	47,178
Morna Macleod Scholarship Fund	13,708	—	16,264	29,972
	<u>£4,957,220</u>	<u>£1,474,388</u>	<u>£49,535</u>	<u>£6,481,143</u>
Market value (unlisted investments are valued by Institute's investment advisers)	£6,525,668	£2,139,983	£49,535	£8,715,186
Surplus of market value over 1983 costs				<u>£2,234,043</u>
1982 cost	£4,693,446	£1,042,960	£43,673	£5,780,079
Market value	£5,750,340	£1,245,298	£43,673	<u>£7,039,311</u>
Surplus of market value over 1982 cost				<u>£1,259,232</u>

10 Debtors

	1983 £	1982 £
Trade debtors	111,800	64,500
Prepayments and accrued income	121,726	193,714
	<u>£233,526</u>	<u>£258,214</u>

11 Creditors: amounts falling due within one year

	1983 £	1982 £
Accruals and deferred income	106,299	63,389
Other creditors including taxation and social security	43,065	40,105
	<u>£149,364</u>	<u>£103,494</u>

12 Capital fund

	1983 £	1982 £
Donations and endowments have been received to date from:		
Dr Ludwig Mond (1893)	2,000	2,000
Berridge Trustees (1893-1898)	46,380	46,380
Worshipful Company of Grocers (1894 and 1969-1973)	15,000	15,000
Lord Iveagh (1900)	250,000	250,000
Lord Lister's Bequest (1913-1923)	18,904	18,904
William Henry Clarke Bequest (1923-1926)	7,114	7,114
Rockefeller Foundation (1935-1936)	3,400	3,400
Wolfson Foundation (1969-1973)	300,000	300,000
Other donations and legacies (1891-1983)	48,234	48,234
	<u>691,032</u>	<u>691,032</u>
Accumulated balance on Income and Expenditure Account at 31st December 1983	<u>6,382,149</u>	<u>5,819,040</u>
Accumulated balance on Capital Fund at 31st December 1983	<u>£7,073,181</u>	<u>£6,510,072</u>

13 Pension fund

	1983 £	1982 £
As at 1st January 1983	10,494	10,073
Interest on investments	960	1,161
	<u>11,454</u>	<u>11,234</u>
less:		
Pensions	710	740
As at 31st December 1983	<u>£10,744</u>	<u>£10,494</u>

14 Bequest funds

	1983 £	1982 £
Jenner Memorial Studentship Fund		
As at 1st January 1983	43,769	40,393
Interest on investments	3,408	3,376
As at 31st December 1983	<u>47,177</u>	<u>43,769</u>
Morna Macleod Scholarship Fund		
As at 1st January 1983	27,769	25,678
Interest on investments	2,200	2,091
As at 31st December 1983	<u>29,969</u>	<u>27,769</u>
Total	<u>£77,146</u>	<u>£71,538</u>

15 Contingent liabilities

At 31st December 1983 and 31st December 1982 there were contingent liabilities as follows:—

The Institute is still a defendant, together with the Department of Health and Social Security, in two cases brought by parents of children stated to have suffered brain damage following whooping cough vaccination. If the plaintiffs were to win their cases, or if they lost and were unable to meet the Institute's costs, the Institute's financial liability could be considerable.

However, in view of the Government's announcement relating to compensation for these children, it is probable that the liability does not in fact now exist.

Audit report on page 3.

**The Lister Institute of
Preventive Medicine**

**Report of the
Governing Body
1984**

**RNOH, Brockley Hill,
Stanmore, Middlesex HA7 4LP**

The Governing Body

Professor A. Neuberger, CBE, MD, FRCP, FRCPATH, FRS, *Chairman*

R. A. McNeile, MBE, *Hon. Treasurer*

Professor Sir Cyril Astley Clarke, KBE, MD, FRCP, FRS

Professor G.S. Dawes, CBE, DM, FRCP, FRS

C. E. Guinness

Professor J. H. Humphrey, CBE, MD, FRS

The Rt Hon the Earl of Iveagh

Professor D. K. Peters, MB, BCh, MRCP

Secretary, and Clerk to the Governors G. J. Roderick, BCom

Solicitors:

Macfarlanes,
10 Norwich Street,
London EC4A 1BD.

Auditors:

Coopers & Lybrand,
Abacus House, Gutter Lane,
London EC2V 8AH.

Scientific Advisory Committee

Professor Geoffrey S. Dawes, CBE, DM, FRCP, FRS *Chairman*

Dr. Brigitte A. Askonas, PhD, FRS

Sir Arnold Burgen, MD, FRCP, FRS

Professor H. J. Evans, PhD, FRSE

Professor A. A. Glynn, MD, FRCP, FRCPath

Dr. Anne L. McLaren, DPhil, FRS

Professor W. V. Shaw, MD

The Lister Institute of Preventive Medicine

Annual General Meeting

12th November 1984

Report of the Governing Body

Governing Body

Professor Geoffrey S. Dawes, CBE, FRS, was co-opted a member of the Governing Body on 20th October, 1983. As a result, the Governing Body is at its full strength of eight members, including two co-opted members.

Scientific Advisory Committee

Sir Arnold Burgen and Professor A.A. Glynn retire by rotation this year, and it is expected that they will be replaced by the date of the Annual General Meeting.

Members of the Institute

It is reported with regret that Professor Sir Douglas Black resigned from membership of the Institute on 29th June, 1984. Sir Douglas served on the Governing Body from June, 1970 to June, 1977, and on the Council and as a Member of the Institute from 1970. The Governing Body wish him a long, happy and healthy retirement.

Chairman's Statement

The most important activity of the Lister Institute at present is the award of Fellowships. At the beginning of 1984 there were ten Lister Institute Research Fellows and they have all lived up to expectations. This year we received more than forty applications, most of them again of a high standard. Ten candidates were short-listed and the scientific advisory committee interviewed eight; one of the two applicants not interviewed was seen by the committee last year. The final selection was again not easy and the standard of those selected for final consideration was exceptionally high. The committee recommended to the Governing Body that the following should be offered five-year Fellowships:

<i>Name</i>	<i>Place where research will be carried out</i>	<i>Title of Research Proposal</i>
Dr. Jeffrey W. ALMOND	Department of Microbiology, University of Leicester.	Structural and genetic studies on medically important enteroviruses.
Dr. Malcolm A. McCRAE	Department of Biological Sciences, University of Warwick.	The application of recombinant DNA technology to the study of viral pathogenesis and the development of new virus vaccine strategies.
Dr. Brian J. NUNN	Physiological Laboratory, University of Cambridge.	The physiochemical basis of light reception in vertebrates.
Dr. Claude M. WISCHIK	Laboratory of Molecular Biology, University of Cambridge & St. John's College, Cambridge.	Structure and biochemistry of paired helical filaments in Alzheimer's disease.
Dr. Stephen J. YEAMAN	Department of Biochemistry, University of Newcastle-Upon-Tyne.	Regulation of mitochondrial protein kinases and phosphatases by hormonal and other factors.

The recommendations were accepted by the Governing Body. It appears that the Lister Institute Research Fellowships make quite a significant impact on biomedical research in this country. This is particularly important at a time when financial constraints greatly affect university departments and other institutions involved in medical research. The five-year tenure of the Fellowships appears to be an important factor in attracting first-class candidates.

It is again my pleasant duty to express our thanks to the members of the Scientific Advisory Committee, and particularly to its chairman, Professor Geoffrey Dawes, FRS, for their most important work.

The Institute are still supporting Professor A.N. Davison and Dr. F.S. Walsh in their research on motor neuron disease, which is a difficult area in which progress is bound to be slow.

By October 1984 our total annual expenditure on Fellowships will be approximately £265,000. We are thus still accumulating capital but on a decreasing scale. In another year or two our income and expenditure are likely to be nearly in balance. We are still selling scorpion antitoxin, but this source of income is likely to disappear in eighteen months or so.

I have to report that the Jenner Memorial Studentship Fund has been amalgamated with the General Fund of the Institute, and that the Jenner name will be perpetuated by granting the title "Lister Institute-Jenner Research Fellow" to the candidate placed first each year in the selection of fellows. The Institute has, in addition, transferred the Morna Macleod Scholarship Fund to the University of Edinburgh, in accordance with the terms of the bequest.

A significant part of our expenditure consists of the supplementation of the

pensions of a considerable number of former members of staff and, as I mentioned in my last report, we normally increase these supplementary pensions in line with the public sector awards. In the natural course of events, this item of expenditure will decrease in real terms.

The administration of the Institute has for several years been done from premises leased from the Central Blood Laboratories Authority at Elstree. As the space requirements of that department increased and the lease expired, we had to look for alternative premises and we were fortunate in being offered a site of our own at the Royal National Orthopaedic Hospital, Stanmore.

Last year I paid a special tribute to Mr. Gordon Roderick, which I have great pleasure in repeating. However, I should also like to record my thanks, and the thanks of the Governing Body, to the other members of our staff, Mrs. Diana Benn, Mrs. Mary Moreby, and Mrs. Freda Richards, whose competence and devotion to the Institute deserve our special thanks.

I want to pay a tribute to Dr. R.R. Race, CBE, FRS, who was director of the MRC Blood Group Unit from 1946-1973 and who died on the 15th April 1984. Rob Race, as he was known to all of us, was closely identified with all our activities over many years and was made an honorary member of the Institute staff. He was also the recipient of several distinguished international awards. As was stated in a recent obituary of Race, "his contribution to the study of blood groups and human genetics cannot be overstated". He combined great scientific ability with modesty and charm, and his book, "Blood Groups in Man", which was written jointly with his wife Ruth, has become the standard work in this field. His influence in the Institute on many people was very marked, and we look back with pleasure at the many years he was at Chelsea.

Professor Sir David Evans, CBE, FRS, died on 13th June, 1984 at the age of 74. He was director of the Institute between October 1971 and October 1972 at a time when the Lister was facing severe financial problems. David Evans was particularly concerned with the production activities at Elstree, to which he gave a great deal of attention in the hope of retrieving the financial situation. However, in the end our problems could not be solved in this way and we had to terminate both our research activities at Chelsea and our production at Elstree. I wish to record our gratitude for his efforts.

Albert Neuberger

The Lister Institute of Preventive Medicine

Accounts

for the year ended
31st December

1984

The Lister Institute of Preventive Medicine
Royal National Orthopaedic Hospital
Brockley Hill
Stanmore
Middlesex HA7 4LP
17th June 1985

The Lister Institute of Preventive Medicine

The Governing Body

Professor A. Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

R. A. McNeile, MBE, *Hon. Treasurer*

Professor G. S. Dawes, CBE, DM, FRCP, FRS

C. E. Guinness

Professor J. H. Humphrey, CBE, MD, FRS

The Rt.Hon. the Earl of Iveagh

Professor D. K. Peters, MB, BCh, FRCP

Professor D. J. Weatherall, MD, FRCP, FRCPath, FRS (appointed 12th November 1984)

Professor Sir Cyril Astley Clarke, KBE, MD, FRCP, FRS, who was a member of the Governing Body as at 1st January 1984, retired on 12th November 1984.

Clerk to the Governors G. J. Roderick, BCom

The Lister Institute of Preventive Medicine

Financial Report of the Governing Body

The Governing Body presents the accounts of the Institute for the year ended 31st December 1984.

Results

The results of the Institute for the year ended 31st December 1984 are set out on page 4. The surplus for the year is £750,005 compared with a surplus of £747,693 in 1983.

Exports

Scorpion anti-toxin, to the value of £102,500 (1983 £192,175) was exported from the United Kingdom during the year.

Principal activities

The income of the Institute is utilised to support medical research.

Future operations

It is expected that from October 1985 a further six Lister Institute Research Fellowships will be awarded, making a total (after taking resignations into account) of eighteen, each for a period of five years.

Bequest funds

As shown in note 15 to the accounts, during the year the Jenner Memorial Studentship Fund was amalgamated with the General Fund, and the Morna Macleod Scholarship Fund was transferred to the University of Edinburgh.

Governing Body

The members of the Governing Body who served at any time during 1984 are shown on page 1.

Auditors

A resolution to re-appoint the Auditors, Coopers & Lybrand, will be proposed at the General Meeting.

A. NEUBERGER
Chairman
17th June 1985

The Lister Institute of Preventive Medicine

Auditors' Report

to the Members of The Lister Institute of Preventive Medicine

We have audited the accounts set out on pages 4 to 11 in accordance with approved Auditing Standards. The accounts have been prepared under the historical cost convention.

In our opinion the accounts give a true and fair view of the state of affairs of the Institute at 31st December 1984 and of its results and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

COOPERS & LYBRAND
Chartered Accountants

London
17th June 1985

The Lister Institute of Preventive Medicine

Income and Expenditure Account for the year ended 31st December 1984

	Notes	1984 £	1983 £
Administrative expenses:			
Salaries, wages and pensions		106,042	103,139
Rent, rates and insurance		5,186	5,416
Electricity and telephone		3,006	3,005
Office expenses, stationery and printing		2,229	2,654
Audit fee		2,300	2,100
Professional fees		1,625	1,727
Investment management fees		17,240	12,299
Travel expenses		13,464	8,037
Relocation expenses		450	9,237
General expenses		4,221	4,719
Depreciation		510	—
		(156,273)	(152,333)
Operating income	5	75,773	141,837
Income from fixed asset investments	6	588,263	538,260
Profit on sale of fixed asset investments		253,976	168,608
Provision for diminution in value of fixed asset investments		(40,000)	—
Interest receivable		32,055	51,321
Surplus on ordinary activities before taxation		753,794	747,693
Tax on surplus on ordinary activities	7	(3,789)	—
Surplus on ordinary activities after taxation		750,005	747,693
Grants	8	(260,878)	(184,584)
Surplus for the financial year		489,127	563,109
Income and expenditure account at 1st January 1984		6,382,149	5,819,040
Income and expenditure account at 31st December 1984		£6,871,276	£6,382,149

The notes set out on pages 7 to 11 form part of these accounts.
Auditors' report page 3.

The Lister Institute of Preventive Medicine

Balance Sheet

at 31st December 1984

	Notes	1984 £	£	1983 £	£
Fixed assets					
Tangible assets	9	7,134		7,644	
Investments	10	<u>7,242,565</u>		<u>6,481,143</u>	
			7,249,699		6,488,787
Current assets					
Stocks		27,992		37,726	
Debtors	11	<u>131,985</u>		<u>233,526</u>	
Cash at bank and in hand		<u>363,705</u>		<u>550,396</u>	
			523,682		821,648
Creditors: amounts falling due within one year	12		<u>(151,217)</u>		<u>(149,364)</u>
			<u>£7,622,164</u>		<u>£7,161,071</u>
Capital and Funds					
Capital fund	13		7,610,071		7,073,181
Pension fund	14		12,093		10,744
Bequest funds	15		<u>—</u>		<u>77,146</u>
			<u>£7,622,164</u>		<u>£7,161,071</u>

These accounts were approved by the Governing Body on 17th June 1985

A. Neuberger | Members of the
R. A. McNeile | Governing Body

The notes on pages 7 to 11 form part of these accounts. Auditors' report page 3.

The Lister Institute of Preventive Medicine

Statement of Source and Application of Funds for the year ended 31st December 1984

Source of funds	1984 £	£	1983 £	£
Surplus for the financial year		753,794		747,693
Adjustments for items not involving the movement of funds:				
Depreciation	510		—	
Profit on sale of fixed asset investments	(253,976)		(168,608)	
Provision for diminution in value of fixed asset investments	40,000		—	
		(213,466)		(168,608)
Total from operations		540,328		579,085
Funds from other sources				
Net surplus for the year on the pension fund	1,349		250	
Income from Bequest Fund investments	1,422		5,608	
Sale proceeds of fixed asset investments	2,610,799		1,237,552	
		2,613,570		1,243,410
Total sources of funds		3,153,898		1,822,495
Application of funds				
Purchase of tangible fixed assets	—		7,644	
Purchase of fixed asset investments	3,189,050		1,770,008	
Grants	260,878		184,584	
Tax paid	3,789		—	
Total application of funds		(3,453,717)		(1,962,236)
		£(299,819)		£(139,741)
(Decrease)/Increase in working capital				
(Decrease) in stocks	(9,734)		(8,327)	
(Decrease) in debtors	(101,541)		(24,688)	
(Increase) in creditors	(1,953)		(45,870)	
		(113,228)		(78,885)
Movement in net liquid funds:				
Cash at bank and in hand		(186,591)		(60,856)
		£(299,819)		£(139,741)

The notes set out on pages 7 to 11 form part of these accounts. Auditors' report page 3.

The Lister Institute of Preventive Medicine

Notes on the Accounts for the year ended 31st December 1984

1 Principal accounting policies

a Tangible fixed assets

Tangible fixed assets are stated at their purchase price, together with any incidental expenses of acquisition. Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful life of the fixed assets concerned.

The principal annual rates used for this purpose are :—

	%
Temporary buildings	6 2/3
Motor vehicles	20

b Stocks

Sera and vaccines are valued at the lower of cost and net realisable value. Bulk stocks are included at a nil valuation, as their realisable value is uncertain. Final product stocks are stated at the lower of packaging and handling costs and net realisable value.

c Investments

Investments are stated at cost. Provision is made for any permanent diminution in value.

d Investment income

Credit is taken for income from investments on a cash received basis, except that for gilt-edged securities which is accrued.

e Donations

Donations received are credited direct to the Capital Fund.

2 Future operations

The Governing Body is actively engaged in consolidating its plans for the use of the net surpluses arising in this and previous years in furthering medical research and development.

3 Emoluments of members of the Governing Body

No member of the Governing Body received any emoluments in respect of his services to the Institute during the year (1983 — Nil).

4 Employee information

The average number of persons employed by the Institute during the year was four (1983 — four), all of whom were employed in an administrative capacity.

Employment costs of all employees included above, comprised:—

	1984 £	1983 £
Gross wages and salaries	49,062	49,213
Employer's national insurance and state pension contributions	3,558	3,413
	<u>£52,620</u>	<u>£52,626</u>

5 Operating income

	1984 £	1983 £
Sales of sera	96,881	170,989
Testing and packaging of sera	(11,374)	(20,825)
Stock movements	(9,734)	(8,327)
	<u>£75,773</u>	<u>£141,837</u>

6 Income from fixed asset investments

	1984 £	1983 £
General fund investment income arises from:		
Listed investments	536,089	495,121
Unlisted investments	52,174	43,139
	<u>£588,263</u>	<u>£538,260</u>

7 Tax on surplus on ordinary activities

	1984 £	1983 £
Irrecoverable foreign tax	3,789	—

The charge for the year represents irrecoverable foreign tax on investment income.

8 Grants

These represent amounts approved for disbursement to the Institute's Research Fellows and other grantees in respect of the year ended 31st December 1984.

9 Tangible fixed assets

	Temporary buildings £	Motor vehicles £	Total £
Cost			
At 1st January 1984 and 31st December 1984	<u>7,644</u>	<u>1,200</u>	<u>8,844</u>
Depreciation			
At 1st January 1984	—	1,200	1,200
Charge for year	<u>510</u>	<u>—</u>	<u>510</u>
At 31st December 1984	<u>510</u>	<u>1,200</u>	<u>1,710</u>
Net book value			
At 31st December 1984	<u>£7,134</u>	<u>£ —</u>	<u>£7,134</u>
Net book value			
At 31st December 1983	<u>£7,644</u>	<u>£ —</u>	<u>£7,644</u>

10 Fixed asset investments

	Listed £	Unlisted £	Uninvested Cash £	Total £
General, at cost	5,891,447	1,379,024	—	7,270,471
Provision for diminution in value	(40,000)	—	—	(40,000)
	<u>5,851,447</u>	<u>1,379,024</u>	<u>—</u>	<u>7,230,471</u>
Pension fund	—	—	12,094	12,094
	<u>£5,851,447</u>	<u>£1,379,024</u>	<u>£12,094</u>	<u>£7,242,565</u>
Market value (unlisted investments are valued by Institute's investment advisers)	£8,068,253	£2,192,803	£12,094	£10,273,150
Surplus of market value over 1984 costs				<u>£3,030,585</u>
1983 cost	£4,957,220	£1,474,388	£49,535	£6,481,143
Market value	£6,525,668	£2,139,983	£49,535	<u>£8,715,186</u>
Surplus of market value over 1983 cost				<u>£2,234,043</u>

11 Debtors

	1984 £	1983 £
Trade debtors	1,360	111,800
Prepayments and accrued income	<u>130,625</u>	<u>121,726</u>
	<u>£131,985</u>	<u>£233,526</u>

12 Creditors: amounts falling due within one year

	1984 £	1983 £
Accruals and deferred income	111,112	106,299
Other creditors including taxation and social security	<u>40,105</u>	<u>43,065</u>
	<u>£151,217</u>	<u>£149,364</u>

13 Capital fund

	1984 £	1983 £
Donations and endowments have been received to date from:		
Dr Ludwig Mond (1893)	2,000	2,000
Berridge Trustees (1893-1898)	46,380	46,380
Worshipful Company of Grocers (1894 and 1969-1973)	15,000	15,000
Lord Iveagh (1900)	250,000	250,000
Lord Lister's Bequest (1913-1923)	18,904	18,904
William Henry Clarke Bequest (1923-1926)	7,114	7,114
Rockefeller Foundation (1935-1936)	3,400	3,400
Wolfson Foundation (1969-1973)	300,000	300,000
Other donations and legacies (1891-1982)	48,234	48,234
	691,032	691,032
Transfer of Jenner Memorial Studentship Fund (See note 15)	47,763	—
	738,795	691,032
Accumulated balance on Income and Expenditure Account at 31st December 1984	6,871,276	6,382,149
Accumulated balance on Capital Fund at 31st December 1984	£7,610,071	£7,073,181

14 Pension fund

	1984 £	1983 £
As at 1st January 1984	10,744	10,494
Interest on investments	1,147	960
Profit on sale of investments	866	—
	12,757	11,454
<i>less</i>		
Pensions	664	710
As at 31st December 1984	£12,093	£10,744

15 Bequest funds

	1984 £	1983 £
Jenner Memorial Studentship Fund		
As at 1st January 1984	47,177	43,769
Interest on investments	586	3,408
	<u>47,763</u>	<u>47,177</u>
Transfer to General Fund (note 13)	<u>(47,763)</u>	<u>—</u>
As at 31st December 1984	<u>—</u>	<u>£47,177</u>
Morna Macleod Scholarship Fund		
As at 1st January 1984	29,969	27,769
Interest on investments	836	2,200
	<u>30,805</u>	<u>29,969</u>
Transfer to University of Edinburgh	<u>(30,805)</u>	<u>—</u>
As at 31st December 1984	<u>—</u>	<u>£29,969</u>
Total	<u>—</u>	<u>£77,146</u>

The Jenner Memorial Studentship Fund was transferred to the General Fund on 9th April 1984, the income from the fund being too low to support a studentship.

The Morna Macleod Scholarship Fund was transferred to the University of Edinburgh on 15th August 1984, in accordance with the terms of the bequest.

16 Contingent liabilities

Proceedings have been commenced against the Institute and other Defendants in respect of two cases where it is claimed the Plaintiff suffered brain damage following vaccination for Whooping Cough or Smallpox in infancy.

Of these cases only one has been active. The Institute has recently been notified that that Plaintiff has been advised to abandon his claim.

Auditors' report page 3.

**The Lister Institute of
Preventive Medicine**

Report of the Governing Body 1985

**RNOH, Brockley Hill,
Stanmore, Middlesex HA7 4LP**

The Governing Body

Professor A Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

~~R A McNeill, MBE, Hon Treasurer~~

Professor G S Dawes, CBE, DM, FRCP, FRS

C E Guinness

Professor J H Humphrey, CBE, MD, FRS

The Rt Hon the Earl of Iveagh

Professor D K Peters, MB, BCH, MRCP

Professor D J Weatherall, MD, FRS (from 12th November 1984)

Secretary, and Clerk to the Governors G J Roderick, BCom

Solicitors:

Macfarlanes

10 Norwich Street

London EC4A 1BD

Auditors:

Coopers & Lybrand

Plumtree Court

London EC4A 4HT

Scientific Advisory Committee

Professor Geoffrey S Dawes, CBE, DM, FRCP, FRS *Chairman*

Dr Brigitte A Askonas, PhD, FRS

Professor M A Epstein, CBE, DSc, MD, FRS

Professor H J Evans, PhD, FRSE

Dr Anne L McLaren, DPhil, FRS

Professor W V Shaw, MD

Professor A D Smith, MA, DPhil

The Lister Institute of Preventive Medicine

Annual General Meeting

11th November 1985

Report of the Governing Body

Governing Body

Professor Geoffrey S Dawes, CBE, FRS, formerly a co-opted member was elected a member of the Governing Body on 12th November 1984 in place of Sir Cyril Clarke who retired. Professor D J Weatherall, MD, FRS, was co-opted a member of the Governing Body on the same date. The Chairman refers, later in this Report, to the sudden death of Mr R A McNeile, MBE the Institute's Honorary Treasurer.

Scientific Advisory Committee

Professors M A Epstein and A D Smith were elected members of the Committee on 12th November 1984 in place of Sir Arnold Burgen and Professor A A Glynn who retired. Professor W V Shaw will retire this year because of pressure of work, and it is expected that he will be replaced by the date of the Annual General Meeting.

The Governing Body has much pleasure in recording that the honour of Commander of the Order of the British Empire was conferred upon Professor M A Epstein in the Queen's Birthday Honours of 1985, and wishes to convey its congratulations to Professor Epstein.

Chairman's Statement

In last year's Annual Report I pointed out that the most important activity of the Lister Institute now is the award of the Research Fellowships. The quality of the applicants remains very high, and the task of the Scientific Advisory Committee in selecting the best candidates is by no means easy. I wish to pay a special tribute to this committee, which has managed to choose an excellent group of scientists for these Fellowships. The high quality of our Fellows was clearly shown at the August weekend meeting at St John's College, Cambridge, at which eight Fellows presented excellent papers resulting in lively and informative discussions. The arrangements for this meeting had been organized in a first-class manner by Mr Roderick. Apart from the fifteen Research Fellows, almost all members of the Governing Body were able to be present, as well as some members of the Scientific Advisory Committee and several Members of the Institute. In addition to the formal proceedings, there was plenty of informal discussion, and the meeting was in every way an outstanding success.

I now want to report briefly on the selection of the Fellows who are starting work this Autumn. This year we received thirty-five applications, of which eight were short-listed and interviewed. The Scientific Advisory Committee recommended that six Fellowships should be awarded but three of the successful applicants decided to accept the offer of Royal Society Fellowships as these run for ten years. The Governing Body accordingly appointed the following to five-year Fellowships:

<i>Name</i>	<i>Place where research will be carried out</i>	<i>Title of Research Proposal</i>
Dr Dennis R BURTON*	Department of Biochemistry, University of Sheffield	Molecular characterisation of the cell surface molecules of the human monocyte.
Dr Shamshad COCKCROFT	Department of Exp. Pathology, University College, London	The role of inositol lipids in transmembrane signalling in mast cells and neutrophils.
Dr Andrew J KING	University Laboratory of Physiology, Oxford	Development and plasticity of the auditory system.

*Dr Burton was placed first in order of merit by the Committee and was therefore elected Lister Institute-Jenner Research Fellow.

The five-year grant awarded to Professor Alan Davison and Dr Walsh of the Institute of Neurology, National Hospital for Nervous Diseases, Queen Square, London WC1 for their work into motor neuron disease expires in February 1986, and Professor Davison applied for an extension of five years. The Governing Body felt unable to accept this additional substantial financial commitment, but decided to pay the salaries of the scientist and technician directly involved for a further ten months to December 1986, to give Professor Davison more time in which to obtain support from another source.

A special grant has been awarded to Professor Leslie Collier in support of his work on mixed infections with herpes simplex virus and *chlamydia*.

To an increasing extent, discoveries made by the academic scientist impinge on commercial activities. In many cases universities and research institutions have not benefited materially from such fundamental research. This matter was considered by the Governing Body when setting up the Research Fellowships, and it was then agreed that any discovery made by a Fellow in the course of work financed by the Lister Institute which is potentially of commercial interest should be patented and the patent assigned to the Lister Institute. It is of course understood that the inventor will be treated in a fair manner as well as the academic institution in which the Lister Institute Research Fellow is carrying out his work. This general policy is most relevant to a matter which has recently occupied the attention of the Governing Body. One of our Research Fellows, Dr Alec Jeffreys, who is a Reader in Genetics at the University of Leicester, has invented a particular gene probe which picks out regions of human chromosomes which vary considerably from one person to another. In fact, it appears that no two people have the same DNA "fingerprint". This invention makes it possible to test paternity from

blood samples obtained from the individual concerned, the putative father and the mother. The method can be applied to other close family relationships, and could also be applied to various animals such as horses. The range of application is very wide. These tests can only be carried out with any reliance in a laboratory familiar with the methods of modern molecular genetics. The Governing Body is at the moment trying to establish the best way in which this new advance can be commercially exploited, and I hope when I next report to give more detailed information on what has been achieved in this connection. I should like to record the Governing Body's gratitude to Mr James Buckley and Mr Jonathan Wall of Macfarlanes, the Institute's solicitors, and to Mr John Warden, Patent Agent, of R G C Jenkins for their invaluable help in our discussions.

Another matter which I wish to bring to the attention of the Members of the Institute is the production of vaccines which ceased some seven years ago. These vaccines were prepared by the best and most reliable methods available at the time; and fully conformed with the regulations and standards laid down by the British Government for other scientific bodies. However, in some cases people, and particularly children, developed neurological or other symptoms which may or may not have been caused by the particular vaccine used. This has led to lawsuits in which the Department of Health and Social Security, the relevant Health Authority, the doctor who administered the vaccine, and the manufacturer are the defendants. One case concerned with smallpox vaccination in 1958, and being viewed as a test case, collapsed on submission of the Affidavit on the Institute's behalf. Another case alleging brain damage caused by smallpox vaccination is pending but, in view of the Institute's success in the first case, it is not likely to succeed. There are, however, other cases pending alleging brain damage caused by whooping cough vaccination and these may have some financial implications for the Institute. I should like to take this opportunity on behalf of the Governing Body to thank Professors Collier and Kaplan and Dr Standfast for their help and advice in these matters.

We were extremely sorry to have to accept the retirement from the Governing Body of Professor Sir Cyril Clarke who, Members will remember, was obliged to retire at the time of the last Annual General Meeting under Clause 4(5)(G) of the Articles of Association. Sir Cyril served on the Governing Body from January 1977. His close concern with the Institute's affairs and his wise counsel were greatly appreciated. We shall miss him.

When this report was ready to go to press I had the shattering news that our Honorary Treasurer, Robert A McNeile, had died suddenly on 14th September. Robert McNeile joined the Governing Body as Honorary Treasurer on 17th December 1970. At that time the old rules were still in force which empowered the Earl of Iveagh to nominate three members of the Governing Body, and Robert McNeile was one of them. The fifteen years during which he held office were probably the most dramatic in the Institute's history. In 1970 the Institute's research activities, which were mainly based at the Chelsea site, still flourished, and our production of vaccines and sera at Elstree produced a moderate income for the Institute. However, in the following years it became clear that additional funds or income had to be obtained as the costs of research were increasing faster than the rate of inflation, with the result that our capital resources were being depleted. During this period the Treasurer was much involved in trying to obtain

additional funding both from public and private funds in this country and from grant-giving bodies abroad. When it appeared that these efforts were unsuccessful Robert McNeile was closely involved in the difficult decision to disband first of all in 1975 our research at Chelsea and later in 1978 to discontinue our production at Elstree. I owe a great personal debt to Robert McNeile who supported me in these most difficult decisions which nonetheless had to be faced. Later the Institute received capital payments arising from the sale of its property, and the Treasurer was much involved in, and indeed he was mainly responsible for, the prudent investment of the funds thus obtained. Our relatively favourable financial position and the successful inauguration of our research fellowship scheme can, to a large extent, be credited to the wisdom of Robert McNeile. His sudden and unexpected death is a great shock to us, and the Institute has lost a competent and dedicated honorary officer. All those who have been in close contact with Robert McNeile are mourning the passing of a much valued personal friend.

I am also sorry to have to report the death of Dr Emmy Klieneberger-Nobel on 11th September at the age of 93. She came to the Lister Institute in 1933 following dismissal by the German government from a post at the University of Frankfurt because of her Jewish origin. Dr Klieneberger-Nobel was mainly responsible for discovering a new type of micro-organism called mycoplasmas which differed from ordinary bacteria in several respects, particularly by the absence of a rigid cell wall. This new class of organisms was shown to be widespread in nature and of considerable importance as the cause of animal and plant diseases of agricultural interest. Amongst several honours, she was awarded the Robert Koch Medal in 1980, one of the highest honours that can be bestowed on microbiologists.

Albert Neuberger

The Lister Institute of Preventive Medicine

Accounts

for the year ended
31st December

1985

Brockley Hill
Stanmore
Middlesex HA7 4JD

10th June 1986

The Lister Institute of Preventive Medicine

The Governing Body

Professor A Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

D C Hobson, MA, FCA, *Hon Treasurer* (appointed 2nd December 1985)

Professor G S Dawes, CBE, DM, FRCP, FRS

C E Guinness

Professor J H Humphrey, CBE, MD, FRS

The Rt Hon the Earl of Iveagh

Dr A Robertson, CBE, PhD (appointed 14th October 1985)

Professor D J Weatherall, MD, FRCP, FRCPath, FRS

R A McNeile, MBE, who was a member of the Governing Body and the honorary treasurer as at 1st January 1985, died on 14th September 1985.

Professor D K Peters, MB, BCh, FRCP, who was a member of the Governing Body as at 1st January 1985, retired on 14th October 1985.

Professor A Neuberger, CBE, MD, FRCP, FRCPath, FRS, who was required to retire from the Governing Body under Clause 4(5)(G) of the Memorandum of Association, was re-elected a member on 11th November 1985.

Clerk to the Governors G J Roderick, BCom

The Lister Institute of Preventive Medicine

Financial Report of the Governing Body

The Governing Body presents the accounts of the Institute for the year ended 31st December 1985.

Results

The results of the Institute for the year ended 31st December 1985 are set out on page 4. The surplus for the financial year is £738,730 compared with a surplus of £489,127 in 1984.

Exports

Scorpion anti-toxin, to the value of £245,040 (1984 £102,500), was exported from the United Kingdom during the year.

Principal activities

The income of the Institute is utilised to support medical research.

Future operations

It is expected that from October 1986 a further five Lister Institute Research Fellowships will be awarded, making a total (after taking resignations into account) of twenty, each normally for a period of five years.

Governing Body

The members of the Governing Body who served at any time during 1985 are shown on page 1.

Auditors

A resolution to re-appoint the Auditors, Coopers & Lybrand, will be proposed at the General Meeting.

A NEUBERGER
Chairman
10th June 1986

The Lister Institute of Preventive Medicine

Auditors' Report

**to the Members of The Lister Institute of
Preventive Medicine**

We have audited the accounts set out on pages 4 to 10 in accordance with approved Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the Institute at 31st December 1985 and of its results and source and application of funds for the year then ended and comply with the Companies Act 1985.

COOPERS & LYBRAND
Chartered Accountants

London
10th June 1986

The Lister Institute of Preventive Medicine

Income and Expenditure Account

for the year ended 31st December 1985

	Notes	1985 £	1984 £
Income from fixed asset investments	4	664,716	584,474
Interest receivable		26,734	32,055
Other operating income	5	163,263	75,773
		<u>854,713</u>	<u>692,302</u>
Administrative expenses:			
Salaries and pensions		113,048	106,042
Rent, rates and insurance		4,401	5,186
Electricity and telephone		3,380	3,006
Office expenses, stationery and printing		3,629	2,229
Audit fee		2,940	2,300
Professional fees		8,305	1,625
Investment management fees		32,790	17,240
Travel expenses		18,713	13,464
Relocation expenses		—	450
General expenses		5,401	4,221
Depreciation		510	510
		<u>(193,117)</u>	<u>(156,273)</u>
Grants	6	661,596 (333,123)	536,029 (260,878)
Surplus on ordinary activities		328,473	275,151
Profit on sale of fixed asset investments		410,257	253,976
Provision for diminution in value of fixed asset investments		—	(40,000)
Surplus for the financial year		738,730	489,127
Income and expenditure account at beginning of year		6,871,276	6,382,149
Income and expenditure account at end of year		<u>£7,610,006</u>	<u>£6,871,276</u>

The notes set out on pages 7 to 10 form part of these accounts.
Auditors' report on page 3.

The Lister Institute of Preventive Medicine

Balance Sheet

at 31st December 1985

	Notes	1985 £	£	1984 £	£
Fixed assets					
Tangible assets	7	6,624		7,134	
Investments	8	<u>7,972,384</u>		<u>7,242,565</u>	
			7,979,008		7,249,699
Current assets					
Stocks		274		27,992	
Debtors	9	<u>273,847</u>		<u>131,985</u>	
Cash at bank and in hand		<u>385,526</u>		<u>363,705</u>	
		659,647		523,682	
Creditors: amounts falling due within one year	10	<u>(276,611)</u>		<u>(151,217)</u>	
Net current assets			383,036		372,465
Total assets less current liabilities			<u>£8,362,044</u>		<u>£7,622,164</u>
Capital and Funds					
Capital fund	11		8,348,801		7,610,071
Pension fund	12		<u>13,243</u>		<u>12,093</u>
			<u>£8,362,044</u>		<u>£7,622,164</u>

These accounts were approved by the Governing Body on 10th June 1986.

A Neuberger | Members of the
D C Hobson | Governing Body

The notes set out on pages 7 to 10 form part of these accounts.
Auditors' report on page 3.

The Lister Institute of Preventive Medicine

Statement of Source and Application of Funds

for the year ended 31st December 1985

Source of funds	1985 £	£	1984 £	£
Surplus for the financial year		738,730		489,127
Adjustments for items not involving the movement of funds:				
Depreciation	510		510	
Profit on sale of fixed asset investments	(410,257)		(253,976)	
Provision for diminution in value of fixed asset investments	—		40,000	
		(409,747)		(213,466)
Total from operations		328,983		275,661
Funds from other sources				
Net surplus for the year on the pension fund	1,150		1,349	
Income from Bequest Fund investments	—		1,422	
Sale proceeds of fixed asset investments	1,580,771		2,610,799	
		1,581,921		2,613,570
Total source of funds		1,910,904		2,889,231
Application of funds				
Purchase of fixed asset investments	1,899,183		3,187,701	
Increase in pension fund	1,150		1,349	
		(1,900,333)		(3,189,050)
Total application of funds		£10,571		(£299,819)
Increase/(Decrease) in working capital				
(Decrease) in stocks	(27,718)		(9,734)	
Increase/(Decrease) in debtors	141,862		(101,541)	
Increase in creditors	(125,394)		(1,953)	
		(11,250)		(113,228)
Movement in net liquid funds:				
Cash at bank and in hand		21,821		(186,591)
		£10,571		(£299,819)

The notes set out on pages 7 to 10 form part of these accounts.
Auditors' report on page 3.

The Lister Institute of Preventive Medicine

Notes on the Accounts for the year ended 31st December 1985

1 Principal accounting policies

The accounts are prepared in accordance with the historical cost convention. A summary of the more important accounting policies is set out below.

a Tangible fixed assets

Tangible fixed assets are stated at their purchase price, together with any incidental expenses of acquisition. Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful life of the fixed assets concerned.

The principal annual rates used for this purpose are:—

	%
Temporary buildings	6 ½
Motor vehicles	20

b Stocks

Sera and vaccines are valued at the lower of cost and net realisable value. Bulk stocks are included at a nil valuation, as their realisable value is uncertain. Final product stocks are stated at the lower of packaging and handling costs and net realisable value.

c Investments

Investments are stated at cost. Provision is made for any permanent diminution in value.

d Investment income

Credit is taken for income from investments on a cash received basis, except that for gilt-edged securities which is accrued. Investment income is shown net of irrecoverable foreign withholding tax.

e Donations

Donations received are credited direct to the Capital Fund.

2 Emoluments of members of the Governing Body

No member of the Governing Body received any emoluments in respect of his services to the Institute during the year (1984 — Nil).

3 Employee information

The average number of persons employed by the Institute during the year was 4 (1984 — 4), all of whom were employed in an administrative capacity.

Employment costs of all employees included above comprised:—

	1985 £	1984 £
Gross salaries	54,689	49,062
Employer's national insurance and state pension contributions	4,294	3,558
	<u>£58,983</u>	<u>£52,620</u>

4 Income from fixed asset investments

	1985 £	1984 £
General fund investment income arises from:		
Listed investments	605,415	535,281
Unlisted investments	<u>59,301</u>	<u>49,193</u>
	<u>£664,716</u>	<u>£584,474</u>

5 Other operating income

	1985 £	1984 £
Sales of sera	246,040	114,500
Cost of sales	(66,069)	(28,993)
Stock movements	<u>(27,718)</u>	<u>(9,734)</u>
	<u>£163,263</u>	<u>£75,773</u>

6 Grants

These represent amounts approved for disbursement to the Institute's Research Fellows and other grantees in respect of the year ended 31st December 1985.

7 Tangible fixed assets

	Temporary buildings £	Motor vehicles £	Total £
Cost			
At 1st January 1985 and 31st December 1985	<u>7,644</u>	<u>1,200</u>	<u>8,844</u>
Depreciation			
At 1st January 1985	510	1,200	1,710
Charge for year	<u>510</u>	<u>—</u>	<u>510</u>
At 31st December 1985	<u>1,020</u>	<u>1,200</u>	<u>2,220</u>
Net book value			
At 31st December 1985	<u>£6,624</u>	<u>£ —</u>	<u>£6,624</u>
Net book value			
At 31st December 1984	<u>£7,134</u>	<u>£ —</u>	<u>£7,134</u>

8 Fixed asset investments

	Listed £	Unlisted £	Uninvested cash £	Total £
General, at cost	6,619,713	1,379,428	—	7,999,141
Provision for diminution in value	(40,000)	—	—	(40,000)
	<u>6,579,713</u>	<u>1,379,428</u>	<u>—</u>	<u>7,959,141</u>
Pension fund	—	—	13,243	13,243
Book value at 31 December 1985	<u>£6,579,713</u>	<u>£1,379,428</u>	<u>£13,243</u>	<u>£7,972,384</u>
Market value at 31 December 1985 (unlisted investments are valued by Institute's investment advisers)	£9,421,491	£2,357,770	£13,243	£11,792,504
Book value at 31 December 1984	£5,851,447	£1,379,024	£12,094	£7,242,565
Market value at 31 December 1984	£8,068,253	£2,192,803	£12,094	£10,273,150

Movements in General Fund investments are as follows: —

	£
Shares at cost	
At 1 January 1985	7,270,471
Additions	1,899,183
Disposals	(1,170,513)
At 31 December 1985	<u>£7,999,141</u>
Provision for diminution in value	
At 1 January and 31 December 1985	<u>£40,000</u>

9 Debtors

	1985 £	1984 £
Trade debtors	585	1,360
Other debtors	43,104	30,974
Prepayments and accrued income	<u>230,158</u>	<u>99,651</u>
	<u>£273,847</u>	<u>£131,985</u>

Prepayments and accrued income includes £130,945 in respect of expenditure incurred on the "DNA probe" invention which is expected to be recovered from a licensee.

10 Creditors: amounts falling due within one year

	1985 £	1984 £
Accruals and deferred income	236,506	111,112
Other creditors including taxation and social security	<u>40,105</u>	<u>40,105</u>
	<u>£276,611</u>	<u>£151,217</u>

11 Capital fund

	1985 £	1984 £
Donations and endowments have been received to date from:		
Dr Ludwig Mond (1893)	2,000	2,000
Berridge Trustees (1893-1898)	46,380	46,380
Worshipful Company of Grocers (1894 and 1969-1973)	15,000	15,000
Lord Iveagh (1900)	250,000	250,000
Lord Lister's Bequest (1913-1923)	18,904	18,904
William Henry Clarke Bequest (1923-1926)	7,114	7,114
Rockefeller Foundation (1935-1936)	3,400	3,400
Wolfson Foundation (1969-1973)	300,000	300,000
Other donations and legacies (1891-1982)	48,234	48,234
	<u>891,032</u>	<u>691,032</u>
Jenner Memorial Studentship Fund	47,763	47,763
	<u>738,795</u>	<u>738,795</u>
Accumulated balance on Income and Expenditure Account at 31 December	7,610,008	6,871,276
Accumulated balance on Capital Fund at 31 December	<u>£8,348,801</u>	<u>£7,610,071</u>

12 Pension fund

	1985 £	1984 £
As at beginning of year	12,093	10,744
Interest on investments	1,649	1,147
Profit on sale of investments	—	866
	<u>13,742</u>	<u>12,757</u>
Less		
Pensions	499	664
As at end of year	<u>£13,243</u>	<u>£12,093</u>

13 Contingent liabilities

The possibility has been intimated of proceedings against the Institute and other parties as a result of brain damage, which it is alleged occurred as a result of whooping cough or smallpox vaccinations. No proceedings are currently being pursued against the Institute, and in the one case where legal proceedings were actively pursued, the plaintiff was advised to abandon his claim and those proceedings were subsequently discontinued on the grounds that no claim could lie against the Institute.

**The Lister Institute of
Preventive Medicine**

Report of the Governing Body 1986

Brockley Hill
Stanmore
Middlesex HA7 4JD

The Governing Body

Professor A Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

D C Hobson, MA, FCA, *Hon Treasurer* (appointed 2nd December 1985)

Professor G S Dawes, CBE, DM, FRCP, FRS

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Secretary, and Clerk to the Governors G J Roderick, BCom

Solicitors:

Macfarlanes

10 Norwich Street

London EC4A 1BD

Auditors:

Coopers & Lybrand

Plumtree Court

London EC4A 4HT

Scientific Advisory Committee

Professor G S Dawes, CBE, MD, FRCP, FRS *Chairman*

Dr Brigitte A Askonas, PhD, FRS

Dr M J Crumpton, PhD, FRS

Professor M A Epstein, CBE, DSc, MD, FRS

Professor H J Evans, PhD, FRSE

Dr Anne L McLaren, DPhil, FRS

Professor A D Smith, MA, DPhil

The Lister Institute of Preventive Medicine

Annual General Meeting

10th June 1986

Report of the Governing Body

Governing Body

There have been two changes during the year.

Mr David C Hobson was elected a member of the Governing Body on 2nd December 1985, and Honorary Treasurer of the Institute on 1st January, 1986, in place of Mr Robert A McNeile, deceased. Mr Hobson, a retired Senior Partner of Coopers and Lybrand, is an Adviser in the Prime Minister's Policy Unit and a member of the National Biological Standards Board.

Dr Alan Robertson was co-opted a member of the Governing Body on 14th October, 1985 in place of Professor D K Peters. Professor Peters' term of office was completed during the year, but his association with the Institute will be maintained through his continuing membership of the Institute. His contribution to the affairs of the Institute is very much appreciated. Dr Robertson obtained a PhD in Chemistry, and later had a distinguished record culminating in his selection as a member of the main Board of Imperial Chemical Industries.

Scientific Advisory Committee

Dr Michael J Crumpton, Deputy Director of the Imperial Cancer Research Fund, was elected a member of the committee on 11th November, 1985 in place of Professor William V Shaw, who had retired because of pressure of work. The Governors wish to thank Professor Shaw for the excellent work he did as a member of this committee, and are pleased that his association with the Institute will be maintained through his continuing membership of the Institute.

Chairman's Statement

The most important activity of the Institute in the last few years has been the award of the Lister Institute Research Fellowships. We continue to attract strong candidates and the Scientific Advisory Committee has been remarkably successful in choosing promising young scientists. The first weekend meeting of Fellows and Members held at St John's College, Cambridge, in August 1985 was so successful that we have arranged a second meeting for the weekend 25th/26th July, 1986. I am sure that this meeting will be equally successful and that we shall again have excellent papers resulting in lively and informative discussions.

I should now like to refer to the Fellows who have been appointed from the autumn of this year. We received thirty-two applications, of which ten were short-listed and seven interviewed (two had been interviewed in previous years, and one candidate withdrew at the last moment). The Scientific Advisory Committee recommended that fellowships should be awarded to the following four candidates, and the Governing Body agreed:—

<i>Name</i>	<i>Place where research will be carried out</i>	<i>Title of Research Proposal</i>
*Dr Graham J BOULNOIS	Department of Microbiology, University of Leicester	Molecular basis of bacterial virulence.
Dr James P BURNIE	Department of Medical Microbiology, London Hospital Medical College	Fine antigenic analysis of pathogenic aspergillus with a view to developing specific serum therapy.
Dr Ian JACKSON	MRC Clinical & Population Cytogenetics Unit, Western General Hospital, Edinburgh	Isolation, characterisation and manipulation of genes regulating mouse development.
Dr John S KROLL	Department of Paediatrics, John Radcliffe Hospital, Oxford	Studies of the molecular genetics of virulence of Haemophilus influenzae

*Dr Boulnois was placed first in order of merit by the Committee and was therefore elected Lister Institute-Jenner Research Fellow.

The Governing Body has been considering the question of the duration of the Research Fellowships. It appears, especially in the present period of financial stringency affecting both university departments and the research councils, that there is a definite need to extend Fellowships in suitable and possibly exceptional cases beyond the five-year period. The Governing Body has decided that in appropriate cases the tenure of the Fellowships can be extended.

Another problem concerning the Fellowships which has been considered by the Governing Body at various times has been the special difficulties encountered by candidates who have a medical qualification and intend to continue research in their clinical field. The requirements of comprehensive clinical training is often in conflict with the demands of continuing laboratory research, especially in highly competitive fields. The Governing Body feels that, while the high standards for selection must in no way be jeopardized, special consideration should be given to those candidates who want to remain in the clinical field.

In my last report I referred to the interplay between academic science and the commercial application of scientific discoveries, and I referred particularly to the work of Dr Alec Jeffreys. I should mention that at the recent election at The Royal Society we were delighted to learn that Dr Jeffreys, who is at present Reader in Genetics at the University of Leicester, had been elected a Fellow of The Royal Society. He is the first Lister Institute Research Fellow to have been honoured in this way, and he is also one of the youngest people to be elected to

the Fellowship of The Royal Society. We wish to congratulate Dr Jeffreys most warmly on this recognition of his work by his peers.

In order to evaluate the marketing potential of Dr Jeffreys' invention, we asked Coopers & Lybrand for a detailed investigation. They provided us with comprehensive reports and, after full consideration of the various possibilities, the Governing Body decided to enter into negotiations with a British company who have in recent years become closely involved in the application of molecular biology to industrial production. We wish to express our appreciation to Mr Michael Taylor, Mr Richard Griffith and Miss Rena Baronowska of Coopers & Lybrand particularly for their full and exceedingly helpful market surveys of the UK and USA.

The Governing Body set up a special sub-committee to be responsible for the negotiations concerned with the industrial exploitation of Dr Jeffreys' invention. The members of the sub-committee were Professor J H Humphrey, Mr David Hobson, Dr Alan Robertson and myself. But the main task of negotiating was the responsibility of a Negotiating Team consisting of the Hon Treasurer, Mr David Hobson, and Dr Alan Robertson, who were assisted by Mr James Buckley and Mr Jonathan Wall of Macfarlanes, the Institute's solicitors, Mr Peter Siddons of Coopers & Lybrand, and Mr John Warden representing our patent agents. Throughout this period, Mr Roderick has been of invaluable help to the Negotiating Team, which was headed by Mr David Hobson. Negotiations are proceeding satisfactorily for the exploitation of the DNA fingerprint test worldwide, and I believe that when the negotiations are completed the arrangements will be beneficial to the Institute, to the University of Leicester and to Dr Jeffreys over the years.

I referred at length in the Annual Report last year to law suits which are pending against manufacturers of vaccines. No proceedings are currently being pursued against the Institute, and in the one case where legal proceedings were actively pursued the Plaintiff was advised to abandon his claim and the proceedings were subsequently discontinued on the grounds that no claim could lie against the Institute.

Both universities and research councils have been affected by the policy of the Government during the last few years, which imposes series financial constraints on the activities of these bodies. It is therefore particularly important that non-government agencies, such as the Lister Institute, are able to provide financial support on a medium-term basis to promising young research workers. It is most gratifying that the Lister Institute is able to supply to a significant extent assistance in the field of biomedical science, where the greatest promise for important advances exists.

Albert Neuberger

The Lister Institute of Preventive Medicine

Accounts

for the year ended
31st December

1986

Brockley Hill
Stanmore
Middlesex HA7 4JD

9th June 1987

The Lister Institute of Preventive Medicine

The Governing Body

Professor A Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

D C Hobson, MA, FCA, *Hon Treasurer*

Professor G S Dawes, CBE, DM, FRCP, FRS

C E Guinness, CVO

Professor J H Humphrey, CBE, MD, FRS

The Rt Hon the Earl of Iveagh

Professor D K Peters, MB, BCh, FRCP (appointed 18th November 1986)

Professor Sir Mark Richmond, PhD, ScD, FRCPath, FRS (appointed
18th November 1986)

Dr A Robertson, CBE, PhD

Professor D J Weatherall, MD, FRCP, FRCPath, FRS who was a member of the
Governing Body as at 1st January 1986, retired on 18th November 1986.

Clerk to the Governors G J Roderick, BCom

The Lister Institute of Preventive Medicine

Financial Report of the Governing Body

The Governing Body presents the accounts of the Institute for the year ended 31st December 1986.

Results

The results of the Institute for the year ended 31st December 1986 are set out on page 4. The surplus for the financial year is £112,480 compared with a surplus of £328,473 in 1985.

Principal activities

The income of the Institute is utilised to support medical research.

Future operations

It is expected that from October 1987 a further five or more Lister Institute Research Fellowships will be awarded, making a total (after taking resignations into account) of over twenty, each normally for a period of five years.

Governing Body

The members of the Governing Body who served at any time during 1986 are shown on page 1.

Auditors

A resolution to reappoint the Auditors, Coopers & Lybrand, will be proposed at the General Meeting.

A NEUBERGER

Chairman

9th June 1987

The Lister Institute of Preventive Medicine

Auditors' Report

**to the Members of The Lister Institute of
Preventive Medicine**

We have audited the accounts set out on pages 4 to 11 in accordance with approved Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the Institute at 31st December 1986 and of its results and source and application of funds for the year then ended and comply with the Companies Act 1985.

COOPERS & LYBRAND
Chartered Accountants

London
9th June 1987

The Lister Institute of Preventive Medicine

Income and Expenditure Account

for the year ended 31st December 1986

	Notes	1986 £	1985 £
Income from fixed asset investments	2	685,715	664,716
Interest receivable		17,796	26,734
Other operating income	3	4,939	163,263
		<u>708,450</u>	<u>854,713</u>
Administrative expenses:			
Salaries and pensions	4	136,713	113,048
Investment management fees		35,367	32,790
Other (recurring)	5	61,029	47,279
		<u>233,109</u>	<u>193,117</u>
Other (non recurring)			
DNA probe expenses	6	44,294	—
		<u>(277,403)</u>	<u>(193,117)</u>
		<u>431,047</u>	<u>661,596</u>
Grants	7	(318,567)	(333,123)
Surplus for the year		<u>£112,480</u>	<u>£328,473</u>
Balance of general fund at beginning of year			
· as previously stated		7,610,006	6,871,276
· prior year adjustments	8	3,833,363	3,043,828
· as restated		<u>11,443,369</u>	<u>9,915,104</u>
Movement in value of fixed asset investments	14	1,863,539	1,199,792
Surplus for the year		<u>112,480</u>	<u>328,473</u>
Balance of general fund at end of year		<u>£13,419,388</u>	<u>£11,443,369</u>

The notes set out on pages 7 to 11 form part of these accounts.
Auditors' report page 3.

The Lister Institute of Preventive Medicine

Balance Sheet

at 31st December 1986

	Notes	£	1986 £	£	1985 £
Fixed assets					
Tangible assets	9	6,114		6,624	
Investments	10	<u>13,919,600</u>		<u>11,779,261</u>	
			13,925,714		11,785,885
Current assets					
Stocks		—		274	
Debtors	11	<u>235,502</u>		<u>273,847</u>	
Cash at bank and in hand		<u>203,653</u>		<u>398,769</u>	
		439,155		672,890	
Creditors: amounts falling due within one year	12	<u>(200,352)</u>		<u>(276,611)</u>	
Net current assets			238,803		396,279
Total assets less current liabilities			£14,164,517		£12,182,164
Capital and Funds					
Capital fund	13	745,129		738,795	
General fund	14	<u>13,419,388</u>		<u>11,443,369</u>	
			£14,164,517		£12,182,164

These accounts were approved by the Governing Body on 9th June 1987.

A Neuberger | Members of the
D C Hobson | Governing Body

The notes set out on pages 7 to 11 form part of these accounts.
Auditors' report page 3.

The Lister Institute of Preventive Medicine

Statement of Source and Application of Funds

for the year ended 31st December 1986

	£	1986 £	£	1985 £
Source of funds				
Surplus for the financial year		112,480		328,473
Adjustment for item not involving the movement of funds:				
Depreciation		510		510
Total from operations		112,990		328,983
Funds from other sources				
Sale proceeds of fixed asset investments	2,737,069		1,580,771	
Donations	6,334			
		2,743,403		1,580,771
Total source of funds		2,856,393		1,909,754
Application of funds				
Purchase of fixed asset investments		(3,013,869)		(1,885,940)
		£(157,476)		£23,814
(Decrease)/Increase in working capital				
Decrease in stocks	(274)		(27,718)	
(Decrease)/Increase in debtors	(38,345)		141,862	
Decrease/(Increase) in creditors	76,259		(125,394)	
		37,640		(11,250)
Movement in net liquid funds:				
Cash at bank and in hand		(195,116)		35,064
		£(157,476)		£23,814

The Lister Institute of Preventive Medicine

Notes to the Accounts

for the year ended 31st December 1986

1 Principal accounting policies

The accounts have been prepared in accordance with the historical cost convention as modified by the revaluation of investments. A summary of the more important accounting policies is set out below.

a Tangible fixed assets

Tangible fixed assets are stated at their purchase price, together with any incidental expenses of acquisition. Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful life of the fixed assets concerned.

The principal annual rate used for this purpose is:—

	%
Temporary buildings	6 3/4

b Stocks

Sera and vaccines are valued at the lower of cost and net realisable value.

c Investments

The accounting policy on investments has been changed during the year to show them at market value in the balance sheet. They were previously stated at cost (see note 8). Changes in the market value are included in the general fund in the year in which they arise.

d Investment income

Credit is taken for income from investments on a cash received basis, except that for gilt-edged securities which is accrued. Investment income is shown net of irrecoverable foreign withholding tax.

e Foreign currency transactions

Transactions are translated into sterling at the exchange rate ruling on the date of the transaction. Investments held at the year end are valued at year end rates of exchange.

f Donations

Donations received are credited direct to the Capital Fund.

2 Income from fixed asset investments

	1986 £	1985 £
Listed investments	629,014	605,415
Unlisted investments	56,701	59,301
	<u>£685,715</u>	<u>£664,716</u>

3 Other operating income

	1986 £	1985 £
Sales of sera	5,563	246,040
Cost of sales	(350)	(55,059)
Stock movements	(274)	(27,718)
	<u>£4,939</u>	<u>£163,263</u>

4 (a) Emoluments of members of the Governing Body

No member of the Governing Body received any emoluments in respect of his services to the Institute during the year (1985 nil).

(b) Employee information

The average number of persons employed by the Institute during the year was 4 (1985 - 4), all of whom were employed in an administrative capacity.

(c) Salaries and pensions

	1986 £	1985 £
Gross salaries	72,034	54,689
Employer's national insurance and state pension contributions	6,685	4,294
	<u>78,719</u>	<u>58,983</u>
Pensions	57,994	54,065
	<u>£136,713</u>	<u>£113,048</u>

The number of employees having emoluments in the following range was:

	1986 Number	1985 Number
£35,001 - £40,000	1	1

5 Other administrative expenses

	1986 £	1985 £
Rent, rates and insurance	1,562	4,401
Electricity and telephone	2,700	3,380
Office expenses, stationery and printing	4,772	3,629
Audit fee	3,000	2,940
Professional fees	24,984	8,305
Travel expenses	17,045	18,713
General expenses	6,456	5,401
Depreciation	510	510
	<u>£61,029</u>	<u>£47,279</u>

6 DNA probe expenses

Expenses incurred in relation to the DNA probe in excess of specific amounts receivable from a licensee (see note 11) have been written off to the Income and Expenditure Account.

7 Grants

These represent amounts approved for disbursement to the Institute's Research Fellows and other grantees in respect of the year ended 31st December 1986.

8 Prior year adjustments

The prior year adjustments represent the effect of:—

	1986 £	1985 £
(a) a change in the accounting policy for investments (see note 1(c))	3,820,120	3,030,585
(b) the transfer of the pension fund to the general fund	13,243	13,243
	<u>£3,833,363</u>	<u>£3,043,828</u>

9 Tangible fixed assets

	Temporary buildings £
Cost	
At 1st January 1986 and 31st December 1986	7,644
Depreciation	
At 1st January 1986	1,020
Charge for year	510
At 31st December 1986	1,530
Net book value	
At 31st December 1986	<u>£6,114</u>
Net book value	
At 31st December 1985	<u>£6,624</u>

10 Investments

(a) Basis of valuation

The accounting policy on investments has been changed as explained in note 1 (c).

Listed investments are valued at middle market quotations ruling at the year end.

Unlisted investments are valued by the Institute's investment advisers.

(b) Movement during the year

	Market value at 1 January 1986 £	Purchases during the year at cost £	Proceeds of sales during the year £	Changes in market valuation £	Market value at 31 December 1986 £
Listed	9,421,491	2,567,618	(2,071,215)	1,269,688	11,187,582
Unlisted	2,357,770	446,251	(665,854)	593,851	2,732,018
	<u>£11,779,261</u>	<u>£3,013,869</u>	<u>£(2,737,069)</u>	<u>£1,863,539</u>	<u>£13,919,600</u>

(c) Historical cost information

	Listed	Unlisted	Total
Historical cost:			
At 31 December 1986	£7,781,272	£1,567,934	£9,349,206
At 31 December 1985	£6,579,713	£1,379,428	£7,959,141

11 Debtors

	1986 £	1985 £
Trade debtors	—	585
Other debtors	33,603	43,104
Prepayments and accrued income	201,899	230,158
	<u>£235,502</u>	<u>£273,847</u>

Prepayments and accrued income includes £100,000 (1985 £130,945) in respect of expenditure incurred on the DNA probe invention. This amount is receivable from a licensee.

12 Creditors: amounts falling due within one year

	1986 £	1985 £
Accruals and deferred income	153,112	236,506
Other creditors including taxation and social security	47,240	40,105
	<u>£200,352</u>	<u>£276,611</u>

13 Capital fund

	1986 £	1985 £
Donations and endowments have been received to date from:		
Dr Ludwig Mond (1893)	2,000	2,000
Berridge Trustees (1893-1898)	46,380	46,380
Worshipful Company of Grocers (1894 and 1969-1973)	15,000	15,000
Lord Iveagh (1900)	250,000	250,000
Lord Lister's Bequest (1913-1923)	18,904	18,904
William Henry Clarke Bequest (1923-1926)	7,114	7,114
Rockefeller Foundation (1935-1936)	3,400	3,400
Wolfson Foundation (1969-1973)	300,000	300,000
Jenner Memorial Studentship Fund	47,763	47,763
Other donations and legacies (1891-1986)	54,568	48,234
	<u>£745,129</u>	<u>£738,795</u>

14 General fund

	Realised £	Unrealised £	Total £
Balance at beginning of year	7,623,249	3,820,120	11,443,369
Movement in value of fixed asset investments	1,113,265	750,274	1,863,539
Surplus for the year	112,480	—	112,480
Balance at end of year	<u>£8,848,994</u>	<u>£4,570,394</u>	<u>£13,419,388</u>

15 Contingent liabilities

The possibility has been intimated of proceedings against the Institute and other parties as a result of brain damage, which it is alleged occurred as a result of whooping cough or smallpox vaccinations. No proceedings are currently being pursued against the Institute, and in the one case where legal proceedings were actively pursued, the plaintiff was advised to abandon his claim and those proceedings were subsequently discontinued on the grounds that no claim could lie against the Institute.

Auditors' report page 3.



**The Lister Institute of
Preventive Medicine**

Report of the Governing Body 1987

Brockley Hill
Stanmore
Middlesex HA7 4JD

The Governing Body

Professor A Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

D C Hobson, MA, FCA, *Hon Treasurer*

Professor G S Dawes, CBE, DM, FRCP, FRS

C E Guinness, CVO

Professor J H Humphrey, CBE, MD, FRS

The Rt Hon the Earl of Iveagh

Professor D K Peters, MB, BCh, FRCP (appointed 18th November 1986)

Professor Sir Mark Richmond, PhD, ScD, FRCPath, FRS
(appointed 18th November 1986)

Dr A Robertson, CBE, PhD

Secretary, and Clerk to the Governors G J Roderick, BCom

Solicitors:

Macfarlanes

10 Norwich Street

London EC4A 1BD

Auditors:

Coopers & Lybrand

Plumtree Court

London EC4A 4HT

Scientific Advisory Committee

Professor G S Dawes, CBE, DM, FRCP, FRS, *Chairman*

Dr M J Crumpton, PhD, FRS

Professor H J Evans, PhD, FRSE

Dr S Gordon, MB, ChB

Professor P J Lachmann, ScD, FRCP, FRS

Dr Anne L McLaren, DPhil, FRS

Professor A D Smith, MA, DPhil

The Lister Institute of Preventive Medicine

Annual General Meeting

9th June 1987

Report of the Governing Body

Present and past members of the Governing Body have been honoured during the year and we wish to offer our congratulations, first of all to Mr Edward Guinness who was appointed a Commander of the Royal Victorian Order in the Queen's Birthday Honours in June 1986. Professor David Weatherall was made Knight Bachelor in the New Year's Honours. In addition, we wish to offer our congratulations to Professor D K Peters on his appointment as Regius Professor of Physic in the University of Cambridge, and to Professor John Humphrey on his election as Foreign Associate of the US National Academy of Sciences.

It is with considerable regret that we have to record that Professor David Weatherall, due to his many other commitments, felt he had to resign from the Governing Body. However, he remains a Member of the Institute, and we were happy to receive his assurance that his advice would always be available whenever it was needed.

As a result of the revised constitution we are now in a position to increase the number of members of the Governing Body, which is enabling us to cover all aspects of our changed activities. Thus, we are pleased to report that Professor Keith Peters, a Member of the Institute, was able to rejoin us as an active Governor, and that Sir Mark Richmond, FRS, Vice Chancellor of the University of Manchester, who is also a molecular biologist of distinction, was able to accept our invitation to join the Governing Body. Two further nominees are being recommended at the Annual General Meeting for election to membership of the Governing Body.

There have been two changes in the composition of the Scientific Advisory Committee. Professor P J Lachmann, FRS of the MRC Mechanisms in Tumour Immunity Unit, Cambridge, and Dr S Gordon MB, ChB of The Sir William Dunn School of Pathology, Oxford, have been elected members of the Committee in place of Professor M A Epstein and Dr B A Askonas who have retired. The Governors wish to thank Professor Epstein and Dr Askonas for the excellent work they did as members of this committee, and are pleased that their association with the Institute will be maintained through their continuing membership of the Institute.

The University of London, in common with some other UK universities, has had a representative serving on the Institute's Council and Membership since the Institute's foundation in 1891, and Sir Graham Wilson, FRS had represented the University of London since 1943. We are very sorry to have to record the death of Sir Graham who will be remembered for his distinguished work in building up the Public Health Laboratory Service. He was its Director from 1941 to 1963 and laid

the foundations of its excellent work. He was also the author of the authoritative textbook known as 'Topley and Wilson' which was edited by him and our former Director, Sir Ashley Miles. His original contributions, which were made in the earlier part of his career, were mainly in the field of tuberculosis and brucellosis. Sir Graham was unfailing in his attendance at our Annual General Meetings and took a close interest in all our activities. Sir Graham was 91 years of age. The University of London has appointed Professor D J Bradley, MA, DM, FRCP, FRCPath as the University's representative to serve on the Institute's Membership for two years from 25th October 1986 in place of Sir Graham Wilson. Professor Bradley is Professor of Tropical Hygiene at The London School of Hygiene and Tropical Medicine.

It is with great regret that we have to record the death of Professor Peter Wildy, who served on the Institute's Council and Membership as the representative of the University of Cambridge from 1979 to the date of his death. The University of Cambridge will shortly announce the name of his successor to serve on the Institute's membership.

It is with great regret also that we wish to record the death, at the age of 76 years, of Sir William Maycock, who was Superintendent of the Elstree Laboratories from 1949 to 1973 and Director of the Blood Products Laboratory from 1973 to the date of his retirement in September 1978. He was a Member of the Institute for many years. Sir William was a loyal servant of the Institute, and he carried a heavy burden in running an important part of our production activities. His integrity and his kindness to all members of the staff will long be remembered.

Research Fellowship Scheme This year's election of Research Fellows will mark the sixth year since the scheme was introduced, and it seems appropriate to assess the contribution which the Lister Institute has made to biomedical research in this country during the period. On earlier occasions I have paid tribute to the chairman and members of the Scientific Advisory Committee for the remarkable success we have achieved in choosing promising young scientists. I do not think I have to apologise for repeating our thanks and appreciation to them. It is, I believe, fair to say that the selection has been remarkably successful, and that the performance of our Research Fellows has exceeded reasonable expectations. This is shown by the fact that many of our Research Fellows have been honoured by the award of medals and prizes, or have achieved promotion to Chairs and other senior academic appointments. Thus, Dr J W Almond was appointed to the Chair of Microbiology at the University of Reading; Dr B Halliwell was appointed Reader in the Department of Biochemistry, Kings College, and awarded the Degree of DSc of the University of London; Dr G M Clore was elected joint head of the Biological NMR Group at the Max-Planck Institute for Biochemistry, Munich; and of course a fact I mentioned last year, Dr A J Jeffreys was elected a Fellow of The Royal Society. In addition he recently received the Bicentenary Medal of the Linnean Society. This list could be further extended, but I might just mention that we are pleased to see that Dr C F Higgins was awarded the 1987 Fleming Medal by the Society for General Microbiology.

The 50 applications received this year were all of a particularly high standard and the Scientific Advisory Committee found it necessary to interview

12 candidates. I feel certain that the high standard of our Research Fellows is being maintained, and even possibly raised. The successful candidates are as follows:

<i>Name</i>	<i>Place where research will be carried out</i>	<i>Title of Research Proposal</i>
* Dr Nicholas B LA THANGUE	National Institute for Medical Research, Mill Hill, London	Transcriptional control of embryonic stem cells.
Dr Albert E BIANCO	Department of Pure & Applied Biology, Imperial College of Science and Technology, London	Studies on the role of developmentally regulated antigens in host protective responses to filarial parasites.
Dr Paul EGGLESTON	Department of Genetics, University of Liverpool, & Liverpool School of Tropical Medicine	The control of insect disease vectors through recombinant DNA technology.
Dr Robin H LOVELL-BADGE	The Medical Molecular Biology Unit, University College and Middlesex School of Medicine, London	Gene function in mammalian embryogenesis.
Dr David B G OLIVEIRA	Department of Medicine, Addenbrook's Hospital, Cambridge	T suppressor cells in mouse and man.
Dr Barry V L POTTER	Department of Chemistry, and Department of Biochemistry, University of Leicester	(a) Novel non-hydrolysable analogues of inositol phosphate second messengers; (b) Mechanisms of biological catalysis by RNA.
Dr Wolf REIK	Institute of Animal Physiology and Genetics Research, Babraham	Gene transfer in mice : studies on the chromosomal position effect and gene targeting in adult animals.

* Dr La Thangue was placed first in order of merit by the Committee and was therefore elected Lister Institute-Jenner Research Fellow.

It might also be appropriate to mention briefly the reasons for the apparent success of the scheme. The fact that we are not supported by public funds, i.e. we are not financed from general taxation, gives us greater elasticity in our dealings with Fellows than is possible for organisations dependent directly or indirectly on government funding. We also try to foster close contact both scientifically and socially between Lister Fellows, the Governing Body, the Scientific Advisory Committee, and Members of the Institute. This is largely achieved by the Fellowship weekends at Cambridge and the Fellows giving talks and attending the

receptions following the Annual General Meetings. This close contact between Fellows and the Institute, which is also fostered by Mr Roderick and his staff, greatly helps to establish an *esprit de corps* which is most pleasing.

There is another matter to which I have already referred in last year's Report concerning our special interest in furthering the training of scientists who will occupy posts in medical schools or possibly in the NHS. Such individuals are expected to have a sound and comprehensive training in one of the branches of clinical medicine in addition to education in one of the basic sciences relevant to medicine. Maintenance of high standards in clinical medicine must ultimately depend to a very large extent on having at least some people who combine excellence both in basic science and in its clinical applications. They are likely to be older than the science graduate and so support in general will be more expensive than that of the average Lister Institute Research Fellow. However, we must not lower our standards for this group of potential Fellows and this attitude is accepted both by the Governing Body and the Scientific Advisory Committee. We are very fortunate that both our existing and newly elected Fellows coming into this category appear fully to meet our requirements.

The duration of the Fellowships are originally restricted to five years but, as mentioned in last year's Report, the Governing Body decided that in appropriate cases the period may be extended for varying periods possibly even up to ten years.

Relationship with Industry It has often been claimed with some justification that academic scientists are not sufficiently interested in the commercial application of scientific advances. The Institute has in the past had a history of involvement with industry in applying progress in microbiology and immunology to medical practice. This tradition, which when properly applied is in the national interest, has been followed by the decision made some years ago that we should take out patents in suitable cases, handing over to industry the exploitation of such endeavours, and incidentally receiving some additional income from royalties. As mentioned in my Report last year, the important discoveries of Dr Jeffreys were considered to be in this category and we arrived at an agreement with Imperial Chemical Industries, who took over the commercial exploitation of Dr Jeffreys' findings. It is still too early to judge the financial results of this work, but I would like to emphasize certain points which are important. While it is felt that the application of scientific work by industry should be encouraged and the financial benefits arising to an academic institution should be supported, there are certain dangers in this policy. It is clear that the main purpose of a body such as the Lister Institute is to increase knowledge, which should be generally available; and it is also important that the traditional free communication between scientists should be encouraged. Therefore, commercial or financial considerations though quite important are definitely secondary to the main function of the Institute, which must remain the advancement of biomedical science. Any conflict or problems which arise from this co-operation with industry must always be resolved with these important principles in mind.

* * *

Finally, I wish to record my thanks to my colleagues on the Governing Body, who have given a lot of their time to the affairs of the Institute. I wish to pay a special

tribute to our Hon Treasurer who has guided us in the successful management of our finances. I am also conscious that we are blessed with a particularly devoted and competent staff without whose effective daily work we could not have operated so successfully. Again I wish to pay a particular tribute to Mr Roderick, whose wise counsel has been of tremendous help to me personally. We are all involved in a very exciting activity which is intellectually stimulating and we hope will be ultimately of benefit to mankind. I feel particularly privileged to have been associated with the Institute over a period of many years.

Albert Neuberger
Chairman

The Lister Institute of Preventive Medicine

Accounts

for the year ended
31st December

1987

Brockley Hill
Stanmore
Middlesex HA7 4JD

13th June 1988

The Lister Institute of Preventive Medicine

The Governing Body

Professor A Neuberger, CBE, MD, FRCP, FRCPath, FRS, *Chairman*

D C Hobson, MA, FCA, *Hon Treasurer*

Professor G S Dawes, CBE, DM, FRCP, FRS

Professor H J Evans, FRSE (appointed 9th June 1987)

Sir James Gowans, CBE, FRCP, FRS (co-opted 16th November 1987)

C E Guinness, CVO

The Rt Hon the Earl of Iveagh

Professor D K Peters, MB, BCh, FRCP

Professor Sir Mark Richmond, PhD, ScD, FRCPath, FRS

Dr A Robertson, CBE, PhD

G T Sammons (appointed 9th June 1987)

Professor J H Humphrey, CBE, MD, FRS, who was a member of the Governing Body as at 1st January 1987, died on 25th December 1987.

Clerk to the Governors G J Roderick, BCom

The Lister Institute of Preventive Medicine

Financial Report of the Governing Body

The Governing Body presents the accounts of the Institute for the year ended 31st December 1987.

Results

The results of the Institute for the year ended 31st December 1987 are set out on page 4. The surplus for the financial year is £130,789 compared with a surplus of £112,480 in 1986.

Principal activities

The income of the Institute is utilised to support medical research.

Future operations

It is expected that from October 1988 a further five Lister Institute Research Fellowships will be awarded, making a total (after taking resignations into account) of twenty-one, each normally for a period of five years.

Governing Body

The members of the Governing Body who served at any time during 1987 are shown on page 1.

Auditors

A resolution to re-appoint the Auditors, Coopers & Lybrand, will be proposed at the General Meeting.

A NEUBERGER

Chairman

13th June 1988

The Lister Institute of Preventive Medicine

Auditors' Report

to the Members of The Lister Institute of Preventive Medicine

We have audited the accounts set out on pages 4 to 10 in accordance with approved Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the Institute at 31st December 1987 and of its results and source and application of funds for the year then ended and comply with the Companies Act 1985.

COOPERS & LYBRAND
Chartered Accountants

London
13th June 1988

The Lister Institute of Preventive Medicine

Income and Expenditure Account

for the year ended 31st December 1987

	Notes	1987 £	1986 £
Income from fixed asset investments	2	806,590	685,715
Interest receivable		20,575	17,796
Other income	3	4,775	4,939
		<u>831,940</u>	<u>708,450</u>
Administrative expenses:			
Salaries and pensions	4	146,802	136,713
Investment management fees		40,032	35,367
Other (recurring)	5	58,406	61,029
		<u>245,240</u>	<u>233,109</u>
Other (non recurring):			
DNA probe expenses	6	20,373	44,294
		<u>(265,613)</u>	<u>(277,403)</u>
		<u>566,327</u>	<u>431,047</u>
Grants	7	(435,538)	(318,567)
Surplus for the year		<u>£130,789</u>	<u>£112,480</u>
Balance of general fund at beginning of year		13,419,388	11,443,369
Movement in value of fixed asset investments	13	(696,325)	1,863,539
Surplus for the year		<u>130,789</u>	<u>112,480</u>
Balance of general fund at end of year		<u>£12,853,852</u>	<u>£13,419,388</u>

The Lister Institute of Preventive Medicine

Balance Sheet

at 31st December 1987

	Notes	£	1987 £	£	1986 £
Fixed assets:					
Tangible assets	8	5,604		6,114	
Investments	9	13,186,930		13,919,600	
			13,192,534		13,925,714
Current assets:					
Debtors	10	243,514		235,502	
Cash at bank and in hand		396,103		203,653	
		639,617		439,155	
Creditors: amounts falling due within one year	11	(216,417)		(200,352)	
Net current assets			423,200		238,803
Total assets less current liabilities			<u>£13,615,734</u>		<u>£14,164,517</u>
Capital and Funds:					
Capital fund	12		761,882		745,129
General fund	13		12,853,852		13,419,388
			<u>£13,615,734</u>		<u>£14,164,517</u>

These accounts were approved by the Governing Body on 13th June 1988.

A Neuberger	Members of the Governing Body
D C Hobson	

The notes set out on pages 7 to 10 form part of these accounts.
Auditors' report page 3.

The Lister Institute of Preventive Medicine

Statement of Source and Application of Funds

for the year ended 31st December 1987

	£	1987 £	£	1986 £
Source of funds				
Surplus for the financial year		130,789		112,480
Adjustment for item not involving the movement of funds:				
Depreciation		510		510
Total from operations		131,299		112,990
Funds from other sources:				
Sale proceeds of fixed asset investments	4,368,995		2,737,069	
Donations	16,753		6,334	
		4,385,748		2,743,403
Total sources of funds		4,517,047		2,856,393
Application of funds				
Purchase of fixed asset investments		(4,332,650)		(3,013,869)
		£184,397		£(157,476)
Increase/(Decrease) in working capital				
Decrease in stocks	—		(274)	
Increase/(Decrease) in debtors	8,012		(38,345)	
(Increase)/Decrease in creditors	(16,065)		76,259	
		(8,053)		37,640
Movement in net liquid funds:				
Cash at bank and in hand		192,450		(195,116)
		£184,397		£(157,476)

The Lister Institute of Preventive Medicine

Notes to the Accounts for the year ended 31st December 1987

1 Principal accounting policies

The accounts have been prepared in accordance with the historical cost convention as modified by the revaluation of investments. A summary of the more important accounting policies is set out below.

(a) *Tangible fixed assets*

Tangible fixed assets are stated at their purchase price, together with any incidental expenses of acquisition. Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful life of the fixed assets concerned.

The principal annual rate used for this purpose is:—

Temporary buildings 6 2/3%

(b) *Investments*

Investments are shown at market value in the balance sheet. Changes in the market value are included in the general fund in the year in which they arise.

(c) *Investment income*

Credit is taken for income from investments on a cash received basis, except that for gilt-edged securities which is accrued. Investment income is shown net of irrecoverable foreign withholding tax.

(d) *Royalty income*

Royalty income is accounted for on an accruals basis.

(e) *Foreign currency transactions*

Transactions are translated into sterling at the exchange rate ruling on the date of the transaction. Investments held at the year end are valued at year end rates of exchange.

(f) *Donations*

Donations received are credited direct to the Capital Fund.

2 Income from fixed asset investments

	1987	1986
	£	£
Listed investments	762,921	629,014
Unlisted investments	43,669	56,701
	<u>£806,590</u>	<u>£685,715</u>

3 Other income

	1987	1986
	£	£
Profit on sales of sera	2,902	4,939
Royalty income	1,873	—
	<u>£4,775</u>	<u>£4,939</u>

The royalty income relates to the DNA probe which is being marketed by a licensee.

4 (a) Emoluments of members of the Governing Body

No member of the Governing Body received any emoluments in respect of his services to the Institute during the year (1986 nil).

(b) Employee information

The average number of persons employed by the Institute during the year was 4 (1986 — 4), all of whom were employed in an administrative capacity.

(c) Salaries and pensions	1987 £	1986 £
Gross salaries	74,038	72,034
Employer's national insurance and state pension contributions	12,292	6,685
	<u>86,330</u>	<u>78,719</u>
Pensions	60,472	57,994
	<u>£146,802</u>	<u>£136,713</u>

The number of employees having emoluments in the following range was:

	1987 Number	1986 Number
£35,001 — £40,000	1	1

5 Other administrative expenses

	1987 £	1986 £
Rent, rates and insurance	1,849	1,562
Electricity and telephone	2,385	2,700
Office expenses, stationery and printing	5,981	4,772
Audit fee	4,000	3,000
Professional fees	18,519	24,984
Travel expenses	18,575	17,045
General expenses	6,587	6,456
Depreciation	510	510
	<u>£58,406</u>	<u>£61,029</u>

6 DNA probe expenses

Expenses incurred in relation to the DNA probe have been written off to the Income and Expenditure Account.

7 Grants

These represent amounts approved for disbursement to the Institute's Research Fellows and other grantees in respect of the year ended 31st December 1987.

8 Tangible fixed assets

Temporary
buildings
£

Cost	7,644
At 1st January 1987 and 31st December 1987	
Depreciation	1,530
At 1st January 1987	510
Charge for year	2,040
At 31st December 1987	
Net book value	£5,604
At 31st December 1987	
Net book value	£6,114
At 31st December 1986	

9 Investments

(a) Basis of valuation

Listed investments are valued at middle market quotations ruling at the year end.

Unlisted investments are valued by the Institute's investment advisers.

(b) Movement during the year

	Market value at 1 Jan 1987 £	Purchases during the year at cost £	Proceeds of sales during the year £	Changes in market valuation £	Market value at 31 Dec 1987 £
Listed	11,187,582	3,413,615	(2,059,540)	(293,157)	12,248,500
Unlisted	2,732,018	919,035	(2,309,455)	(403,168)	938,430
	<u>£13,919,600</u>	<u>£4,332,650</u>	<u>£(4,368,995)</u>	<u>£(696,325)</u>	<u>£13,186,930</u>

(c) Historical cost information

	Listed £	Unlisted £	Total £
Historical cost:			
At 31st December 1987	9,561,845	912,967	10,474,812
At 31st December 1986	7,781,272	1,567,934	9,349,206

10 Debtors

	1987 £	1986 £
Trade debtors	518	33,603
Other debtors	26,728	201,899
Prepayments and accrued income	216,268	
	<u>£243,514</u>	<u>£235,502</u>

Prepayments and accrued income include £50,000 (1986 £100,000) in respect of expenditure incurred in previous years on the DNA probe invention. This amount is receivable from a licensee.

11 Creditors: amounts falling due within one year	1987	1986
	£	£
Accruals and deferred income	212,838	153,112
Other creditors including taxation and social security	3,579	47,240
	<u>£216,417</u>	<u>£200,352</u>

12 Capital fund	1987	1986
	£	£
Donations and endowments have been received to date from:		
Dr Ludwig Mond (1893)	2,000	2,000
Berridge Trustees (1893-1898)	46,380	46,380
Worshipful Company of Grocers (1894 and 1969-1973)	15,000	15,000
Lord Iveagh (1900)	250,000	250,000
Lord Lister's Bequest (1913-1923)	18,904	18,904
William Henry Clarke Bequest (1923-1926)	7,114	7,114
Rockefeller Foundation (1935-1936)	3,400	3,400
Wolfson Foundation (1969-1973)	300,000	300,000
Jenner Memorial Studentship Fund (1984)	47,763	47,763
Other donations and legacies (1891-1987)	71,321	54,568
	<u>£761,882</u>	<u>£745,129</u>

13 General fund	Realised	Unrealised	Total
	£	£	£
Balance at beginning of year	8,848,994	4,570,394	13,419,388
Movement in value of fixed asset investments	1,161,951	(1,858,276)	(696,325)
Surplus for the year	130,789	—	130,789
Balance at end of year	<u>£10,141,734</u>	<u>£2,712,118</u>	<u>£12,853,852</u>

14 Contingent liabilities

The possibility has been intimated of proceedings against the Institute and other parties as a result of brain damage, which it is alleged occurred as a result of whooping cough or smallpox vaccinations. No proceedings are currently being pursued against the Institute, and in the one case where legal proceedings were actively pursued, the plaintiff was advised to abandon his claim and those proceedings were subsequently discontinued on the grounds that no claim could lie against the Institute.

**The Lister Institute of
Preventive Medicine**

Report of the Governing Body 1988

Brockley Hill
Stanmore
Middlesex HA7 4JD

The Governing Body

Professor A Neuberger, CBE, MD, FRCPath, FRS, *Chairman*

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Professor Sir Mark Richmond, PhD, ScD, FRCPath, FRS

Dr A Robertson, CBE, PhD

G T Sammons (appointed on 9th June 1987)

Secretary, and Clerk to the Governors G J Roderick, BCom

Solicitors:

Macfarlanes

10 Norwich Street

London EC4A 1BD

Auditors:

Coopers & Lybrand

Plumtree Court

London EC4A 4HT

Scientific Advisory Committee

Professor G S Dawes, CBE, DM, FRCP, FRS, *Chairman*

Dr M J Crumpton, PhD, FRS

Professor H J Evans, PhD, FRSE

Dr S Gordon, MB, ChB

Professor P J Lachmann, ScD, FRCP, FRS

Professor A D Smith, MA, DPhil

Professor Anne E Warner, PhD, FRS

The Lister Institute of Preventive Medicine

Annual General Meeting

13th June 1988

Report of the Governing Body

Constitution of the Governing Body

As a result of the revised constitution, we have been able to increase the number of members of the Governing Body during the year. Thus, we are very pleased to report that Professor H J Evans, FRSE, of the MRC Clinical and Population Cytogenetics Unit, Western General Hospital, Edinburgh, and Mr Geoffrey Sammons, a retired solicitor, who were elected by the members at the Annual General Meeting in June last year, have joined us and have already contributed greatly to the work of the Governing Body. We are particularly pleased to report that Sir James Gowans, CBE, FRS, was co-opted as a member of the Governing Body on 16th November 1987, and is being recommended to Members at the Annual General Meeting as an elected member.

Professor John H Humphrey, deceased

I am extremely sad to report the death on 25th December 1987 of Professor John H Humphrey, CBE, FRS.

John Humphrey was an undergraduate at Trinity College, Cambridge and, after completing his clinical studies at University College Hospital Medical School, he graduated in medicine. From 1940 to 1942 he was a Jenner student at the Lister Institute at Elstree. He then joined the staff of the Medical Research Council and later occupied the position of Deputy Director of the National Institute for Medical Research at Mill Hill. In 1976 he became professor of immunology at the Royal Postgraduate Medical School, a post from which he retired in 1981. John Humphrey made important contributions to many topics in immunology, and his distinction was recognized by his election to the Fellowship of The Royal Society and by being elected a Foreign Associate of the National Academy of Sciences of the United States. John Humphrey was a close friend of the Institute and remained in contact with it throughout the whole of his career. In 1976 he was appointed to the Governing Body as the representative of The Royal Society.

Professor Sir Ashley Miles, deceased

It is with great regret that I also have to report the death on 11th February 1988 of Sir Ashley Miles, who was Director of the Institute from 1952 to 1971. Sir

Ashley proceeded from his school in York to King's College, Cambridge, where he won an exhibition. In 1925 he entered St. Bartholomew's Hospital Medical College to complete his medical studies. He qualified in 1928 and a year later, while still a house physician, he was successful in obtaining membership of the Royal College of Physicians. His later career included a demonstratorship in pathology at Cambridge, a readership in bacteriology at the Postgraduate Medical School, and appointment at the age of 33 years to the chair of bacteriology at UCH Medical School. The War affected his career in several respects: he became involved with the MRC wound infection unit at Birmingham, and took an increasing interest in other medical problems presented by the war. In 1946 he took over the directorship of the Department of Biological Standards at Hampstead, and later he became Deputy-Director of the National Institute where he remained until 1952. In that year, on the retirement of Sir Alan Drury, Ashley Miles was appointed Director of the Lister Institute. He gave inspiring scientific leadership to many of his staff and was particularly good in helping them to present their work in a logical and clear manner, and his influence can be seen in the high quality of papers published by the staff of the Institute during his period of office.

Apart from the Lister Institute in Chelsea, Ashley Miles also directed the activities at Elstree which were mainly concerned with the production of vaccines and blood products. In the last years of his directorship, he had to deal with difficult financial problems.

In addition to his directorship of the Lister Institute, Ashley Miles accepted the demanding position of Biological Secretary of the Royal Society. He was chosen by Council only two years after being elected to the Fellowship. Miles discharged his important duties associated with the office with great competence. He was also greatly involved with the editorship of Topley & Wilson's "Principles of Bacteriology and Immunity", and he must be considered a major architect, together with G S Wilson and more recently Parker, of this monumental work, the popularity of which is indicated by the many successive editions which were brought up to date mainly by the efforts of Miles.

It is impossible here to give an adequate account of Miles' scientific work which covered many topics in bacteriology and closely related fields. His early work with N W Pirie on *Brucella melitensis* was important as was his work on wound infection and other anaerobic organisms and their pathology. More recently he became interested in and made valuable contributions to our understanding of inflammation and related problems. His influence on the scientific development of microbiology was very great, and many people both inside and outside the Institute owe much to his advice and constructive criticism.

Ashley Miles was an excellent teacher, and throughout his life managed to build a bridge between the clinical and laboratory sides of medicine. He had many interests outside science: he had an expert knowledge of music; he was interested in literature and philosophy; and was a charming and stimulating friend and host. He suffered from ill health during the last years of his life, but this did not prevent him from being actively involved in teaching and research at the London Hospital Medical College. It must also have been a great shock when his wife Ellen, also a microbiologist, died only four weeks before he did.

Scientific Advisory Committee

There has been one change in the composition of the Scientific Advisory Committee. We have lost Dr Anne L McLaren, who has retired by rotation. Dr McLaren, founder member of the Scientific Advisory Committee, was a most valuable member of the committee, and the Governors wish to thank her most warmly for all her help and advice throughout her period of office. To succeed her on the Scientific Advisory Committee we have appointed Professor Anne E Warner, PhD, FRS, of the Department of Anatomy and Embryology, University College London, whom we welcome to the committee. Professor Warner's introduction to the Institute came immediately after her appointment when she attended the Fellowship Weekend at Cambridge in July/August last year.

Institute Membership

The membership of the Institute has changed a little during the year. We were pleased to welcome Sir John Butterfield, who was a member by virtue of his office as Regius Professor of Physic at Cambridge and who is now a member in his own right. We are pleased also to welcome into membership Professor M A Ferguson-Smith, FRS, Professor of Pathology in the University of Cambridge, who replaces Professor Peter Wildy, deceased, as the representative of the University of Cambridge. We were saddened to learn of the death of Professor A C Chibnall in January. Professor Chibnall, whose last academic appointment was that of professor of biochemistry in the University of Cambridge, had been a Member of the Institute since 1945. He took a close interest in the Institute's affairs and when I saw him about six months before his death he questioned me closely on recent developments, particularly about the Fellowship scheme.

Research Fellowship Scheme

Several of our Fellows have been promoted during the year:

Dr G J Boulnois to a Readership in the Department of Microbiology at the University of Leicester in October 1987.

Dr C F Higgins to a Readership in the Department of Biochemistry at the University of Dundee in October 1987.

Dr A J Jeffreys to Professor in the Department of Genetics, University of Leicester in October 1987.

Dr M A McCrae to a Readership in the Department of Biological Sciences at the University of Warwick, in October 1987.

Dr S J Yeaman to Senior Lecturer at the University of Newcastle upon Tyne in August 1987.

I am particularly pleased to report that Professor Jeffreys was awarded the Davy medal of the Royal Society in 1987.

We have extended Professor Jeffreys' fellowship by five years to September 1992 and Dr Higgins' fellowship by three years to September 1991.

The number of applications for Fellowships to start from October 1988 has been the highest ever. We received 67 applications (52 last year). The Scientific

Advisory Committee decided to interview nine candidates. I feel certain that the highest standard of our Research Fellows is being maintained, the successful candidates being as follows:—

<i>Name</i>	<i>Place where research will be carried out</i>	<i>Title of research proposal</i>
Dr Geoffrey L SMITH **	Division of Virology, Department of Pathology, University of Cambridge.	An analysis of genes affecting vaccinia virus virulence.
Dr Phillip T HAWKINS	MRC Molecular Neurobiology Unit, University of Cambridge Medical School, Cambridge.	An investigation of the cellular and molecular neurobiology of inositol pentakisphosphate and inositol hexakisphosphate.
Dr James G McCORMACK	Department of Biochemistry, University of Leeds.	The role of intramitochondrial Ca^{2+} and mitochondrial Ca^{2+} transport in mammalian tissues, and their regulation by hormones and other agents.
Dr David W RICE	Department of Biochemistry, University of Sheffield.	Targeting medically important biomolecules for structural analysis.
Dr Stephen P WATSON	Department of Pharmacology, University of Oxford.	The role of the phosphoinositide pathway in smooth muscle.

**Dr Smith was placed first in order of merit by the Committee and was therefore elected Lister Institute-Jenner Research Fellow.

DNA 'Fingerprinting' Technology

I wrote at length about the relationship with industry in my report last year. I am pleased to report that ICI have set up a new company essentially to deal with the exploitation of Alec Jeffreys' invention. Its name is Cellmark Diagnostics and a completely new laboratory was opened at Abingdon, Berkshire, in July 1987 and tests are being carried out there on a commercial basis. In addition, a Cellmark Diagnostics laboratory has been set up by ICI at Germantown, Washington DC, a laboratory which I visited and with which I was most impressed, in February of this year.

It is quite clear that there is great potential for the new company in paternity testing, forensic work and, so far as the UK is concerned, immigration. The United Kingdom patent was granted in November 1987, and since that date patents have been granted in East Germany, South Africa and Spain. Other grants of patents are expected shortly. ICI, in consultation with the Institute, has also applied for patent protection in 22 additional countries over and above those applied for by the Institute in 1985.

Eradication of Smallpox

Members will be interested to know that on 26th October 1987 a plaque was unveiled at the London School of Hygiene and Tropical Medicine to commemorate the 10th anniversary of the eradication of smallpox throughout the world. It is appropriate that the plaque, which was unveiled by Dr D A Henderson who was head of the WHO smallpox eradication programme, was presented by the Institute because of the enormous contribution to the eradication programme made by Professor Leslie Collier's development of a freeze-dried smallpox vaccine.

* * *

This is the last annual report that I shall write as Chairman of the Governing Body and it seems appropriate to give a brief general account of the changes during the 17 years that I have been privileged to preside over the affairs of the Institute. It became clear to me very soon after accepting the office of chairman that the financial basis of the Institute was completely unsatisfactory and that additional financial support of considerable magnitude had to be obtained if the Institute was to continue with its traditional function. Considerable efforts were made to persuade the Government to participate in supporting the Institute either in its present or in a modified form; to persuade the MRC to assume some financial responsibility for the Institute; and to obtain financial help from private individuals or foundations both within and outside the United Kingdom. Such attempts to get additional financial support were already advanced before I assumed the chairmanship. The position indeed became quite critical: we were using up capital to an increasing extent, and income from our commercial activities could not be significantly increased. All our efforts to obtain such support were unsuccessful, and we were faced with the real prospect of bankruptcy. It became clear, and this was a most painful conclusion, that we had no option but to close the Institute, both at Chelsea and at Elstree. Having come to this decision, our first concern was the welfare of our existing staff. We were able to place a number of our senior scientific staff in various posts in universities and research council establishments, and this was helped by our willingness to finance them personally and their research efforts for a year or two. Other members of the scientific staff and all the technical and other staff were given generous redundancy payments far in excess of our legal requirements. Thus, the closure of the Institute was a sad but relatively painless operation.

Eventually we were able to dispose of the various freehold buildings on relatively favourable terms. Our finances were also greatly helped by the continued sales of vaccines which were still fully active. The monies we received from these sources were wisely invested with the help of our Treasurer and on the advice of our financial advisors. Now, even after Black Monday, we have capital resources in excess of £14 million and an annual income of around £900,000. Our main financial problem now is to find the right balance between our desire to have the maximum income and at the same time to maintain a protection against the erosion of our capital through inflation. We have of course continuing pension commitments to past members of staff.

Soon after the decision was reached to disband the Institute in its present form, a decision was taken to devote our financial resources to support medical

research at a high level. After considering various possibilities it was decided to set up a post-doctoral Fellowship scheme giving awards to very bright young men and women who had shown an ability to do high quality research. It was thought that the Governing Body itself should not be involved with the selection of candidates but that this should be done by a panel of distinguished medical scientists who are in close contact with the growing and important fields of medical research. The Scientific Advisory Committee was set up in 1981 under the chairmanship of Professor Geoffrey Dawes, who has presided over this committee for the last seven years. The selection of candidates has been very successful and we are deeply grateful not only to the Chairman but also to the members of this committee, who have been able to recruit some of the best younger scientists for the Lister Fellowships. The committee has also been very successful in maintaining close and personal contact with the Research Fellows largely through the Fellowship weekend seminars. These have so far all been held in Cambridge, when members of the Governing Body, members of the Scientific Advisory Committee, and Members of the Institute meet the Research Fellows, representatives of whom present papers dealing with their own research which are then discussed. I believe that our grants are reasonably generous and the fact that we give additional funds for consumables and minor equipment is greatly appreciated. Indeed, the Lister Fellows, together with members of the Governing Body, members of the Scientific Advisory Committee, and Members of the Institute, form a family which is united in its desire to support medical research at a high level and to combine this with emphasis on pleasant human relationships.

I am pleased that the Governing Body has elected Professor Geoffrey Dawes as my successor, and I am confident that the Institute will be in good hands.

Looking back on the events of these 17 years it seems to me that the Lister Institute is currently making a major contribution to high quality medical research, and its value to the community is probably not smaller than it had been in its previous form.

I want to complete this brief survey with some personal acknowledgements. The part played by Mr Gordon Roderick throughout the period of change was crucial. He has served the Institute in a most remarkable way by displaying excellent judgement, by a meticulous attention to detail, and not least by hard work. It was a great pleasure for me to work with him over this period. We were also served by the three members of staff. I was exceptionally assisted by having Mrs Diana Benn as my personal secretary, and tribute must also be paid to Mrs Mary Moreby and Mrs Freda Richards, who have given devoted service to the Institute and to Mr Roderick.

Finally, I would like to thank the Governing Body, which of course has changed in composition over the years. The atmosphere at Governing Body meetings was always very pleasant, and difficult decisions were faced by exercising great wisdom. I am particularly grateful to the present Treasurer, Mr David Hobson, but I would like to pay a special tribute to the late Mr Robert McNeile who was responsible for the financial policy of the Institute over a period of 16 years.

Albert Neuberger
Chairman

The Lister Institute of Preventive Medicine

Accounts

for the year ended
31st December

1988

Brockley Hill
Stanmore
Middlesex HA7 4JD

12th June 1989

The Lister Institute of Preventive Medicine

The Governing Body

Professor G S Dawes, CBE, DM, FRCP, FRS, *Chairman*

D C Hobson, MA, FCA, *Hon Treasurer*

Professor H J Evans, FRSE

Sir James Gowans, CBE, FRCP, FRS

C E Guinness, CVO

The Rt Hon the Earl of Iveagh

Dr Anne L McLaren, MA, DPhil, FRCOG, FRS (appointed as Royal Society representative — April 1988)

Professor D K Peters, MB, BCh, FRCP

Professor Sir Mark Richmond, PhD, ScD, FRCPath, FRS

Dr A Robertson, CBE, PhD

G T Sammons

Professor A Neuberger, CBE, MD, FRCP, FRCPath, FRS, who was Chairman of the Governing Body as at 1 January 1988, retired on 13 June 1988

Clerk to the Governors G J Roderick, BCom

The Lister Institute of Preventive Medicine

Financial Report of the Governing Body

The Institute is a company limited by guarantee and has charitable status.

The Governing Body presents the accounts of the Institute for the year ended 31 December 1988.

Results

The results of the Institute for the year ended 31 December 1988 are set out on page 4. The surplus for the financial year is £200,019 compared with a surplus of £130,789 in 1987.

Principal activities

The income of the Institute is utilised to support medical research.

Future operations

It is expected that from October 1989 a further five Lister Institute Research Fellowships will be awarded, making a total (after taking resignations into account) of twenty-one, each normally for a period of five years.

Governing Body

The members of the Governing Body who served at any time during 1988 are shown on page 1.

Auditors

A resolution to re-appoint the Auditors, Coopers & Lybrand, will be proposed at the General Meeting.

G S DAWES

Chairman

12 June 1989

The Lister Institute of Preventive Medicine

Auditors' Report

to the Members of The Lister Institute of Preventive Medicine

We have audited the accounts set out on pages 4 to 10 in accordance with approved Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the Institute at 31 December 1988 and of its results and source and application of funds for the year then ended and comply with the Companies Act 1985.

COOPERS & LYBRAND
Chartered Accountants

London
12 June 1989

The Lister Institute of Preventive Medicine

Income and Expenditure Account

for the year ended 31st December 1988

	Notes	1988 £	1987 £
Income from fixed asset investments	2	919,400	806,590
Interest receivable		46,793	20,575
Other income	3	16,977	4,775
		<u>983,170</u>	<u>831,940</u>
Administrative expenses:			
Salaries and pensions	4	163,206	146,802
Investment management fees		43,100	40,032
DNA probe expenses	5	9,607	20,373
Other	6	47,920	58,406
		<u>(263,833)</u>	<u>(265,613)</u>
Grants	7	719,337 (519,318)	566,327 (435,538)
Surplus for the year		<u>£200,019</u>	<u>£130,789</u>
Balance of general fund at beginning of year		12,853,852	13,419,388
Movement in value of fixed asset investments	13	534,628	(696,325)
Surplus for the year		<u>200,019</u>	<u>130,789</u>
Balance of general fund at end of year		<u>£13,588,499</u>	<u>£12,853,852</u>

The notes set out on pages 7 to 10 form part of these accounts.
Auditors' report page 3.

The Lister Institute of Preventive Medicine

Balance Sheet

at 31st December 1988

	Notes	1988 £	1987 £
Fixed assets:			
Tangible assets	8	5,096	5,604
Investments	9	9,648,905	13,186,930
		<u>9,654,001</u>	<u>13,192,534</u>
Current assets:			
Debtors	10	129,489	243,514
Cash at bank and in hand		4,836,479	396,103
		<u>4,965,968</u>	<u>639,617</u>
Creditors: amounts falling due within one year	11	(269,588)	(216,417)
Net current assets		<u>4,696,380</u>	<u>423,200</u>
Total assets less current liabilities		<u><u>£14,350,381</u></u>	<u><u>£13,615,734</u></u>
Capital and Funds:			
Capital fund	12	761,882	761,882
General fund	13	13,588,499	12,853,852
		<u><u>£14,350,381</u></u>	<u><u>£13,615,734</u></u>

These accounts were approved by the Governing Body on 12 June 1989.

G S Dawes	Members of the Governing Body
D C Hobson	

The notes set out on pages 7 to 10 form part of these accounts.
Auditors' report page 3.

The Lister Institute of Preventive Medicine

Statement of Source and Application of Funds for the year ended 31st December 1988

	1988 £	1987 £
Source of funds		
Surplus for the financial year	200,019	130,789
Adjustment for item not involving the movement of funds:		
Depreciation	508	510
Total	200,527	131,299
Funds from other sources:		
Sale proceeds of fixed asset investments	4,995,619	4,368,995
Donations	—	16,753
	4,995,619	4,385,748
Total source of funds	5,196,146	4,517,047
Application of funds		
Purchase of fixed asset investments	(922,966)	(4,332,650)
	£4,273,180	£184,397
Increase/(Decrease) in working capital		
Increase/(Decrease) in debtors	(114,025)	8,012
(Increase)/Decrease in creditors	(53,171)	(16,065)
	(167,196)	(8,053)
Movement in net liquid funds:		
Cash at bank and in hand	4,440,376	192,450
	£4,273,180	£184,397

The notes set out on pages 7 to 10 form part of these accounts.
Auditors' report page 3.

The Lister Institute of Preventive Medicine

Notes to the Accounts for the year ended 31st December 1988

1 Principal accounting policies

The accounts have been prepared in accordance with the historical cost convention as modified by the revaluation of investments. A summary of the more important accounting policies is set out below.

(a) *Tangible fixed assets*

Tangible fixed assets are stated at their purchase price, together with any incidental expenses of acquisition. Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful life of the fixed assets concerned.

The principal annual rate used for this purpose is :—

Temporary buildings 6 3/4%

(b) *Investments*

Investments are shown at market value in the balance sheet. Changes in the market value are included in the general fund in the year in which they arise.

(c) *Investment income*

Credit is taken for income from investments on a cash received basis, except that for gilt-edged securities which is accrued. Investment income is shown net of irrecoverable foreign withholding tax.

(d) *Royalty income*

Royalty income is accounted for on an accruals basis.

(e) *Foreign currency transactions*

Transactions are translated into sterling at the exchange rate ruling on the date of the transaction. Investments held at the year end are valued at year end rates of exchange.

(f) *Donations*

Donations received are credited direct to the Capital Fund.

2 Income from fixed asset investments

	1988	1987
	£	£
Listed investments	900,923	762,921
Unlisted investments	18,477	43,669
	<u>£919,400</u>	<u>£806,590</u>

3 Other income

	1988	1987
	£	£
Profit on sales of sera	100	2,902
Royalty income	16,877	1,873
	<u>£16,977</u>	<u>£4,775</u>

The royalty income relates to the DNA probe which is being marketed by a licensee.

4 (a) Emoluments of members of the Governing Body

No member of the Governing Body received any emoluments in respect of his/her services to the Institute during the year (1987 nil).

(b) Employee information

The average number of persons employed by the Institute during the year was 4 (1987 - 4), all of whom were employed in an administrative capacity.

(c) Salaries and pensions

	1988 £	1987 £
Gross salaries	82,452	74,038
Employer's national insurance and state pension contributions	7,865	12,292
	<u>90,317</u>	<u>86,330</u>
Pensions	72,889	60,472
	<u>£163,206</u>	<u>£146,802</u>

The number of employees having emoluments in the following range was:

	1988 Number	1987 Number
£35,001 - £40,000	1	1

5 DNA probe expenses

Expenses incurred in relation to the DNA probe have been written off to the Income and Expenditure Account.

6 Other administrative expenses

	1988 £	1987 £
Rent, rates and insurance	1,904	1,849
Electricity and telephone	2,384	2,385
Office expenses, stationery and printing	6,103	5,981
Audit fee	4,500	4,000
Professional fees	3,154	18,519
Travel expenses	20,824	18,575
General expenses	8,543	6,587
Depreciation	508	510
	<u>£47,920</u>	<u>£58,406</u>

7 Grants

These represent amounts approved for disbursement to the Institute's Research Fellows and other grantees in respect of the year ended 31 December 1988.

8 Tangible fixed assets

Temporary
buildings
£

Cost	
At 1 January 1988 and 31 December 1988	<u>7,644</u>
Depreciation	
At 1 January 1988	2,040
Charge for year	<u>508</u>
At 31 December 1988	<u>2,548</u>
Net book value	
At 31 December 1988	<u>£5,096</u>
Net book value	
At 31 December 1987	<u>£5,604</u>

9 Investments

(a) Basis of valuation

Listed investments are valued at middle market quotations ruling at the year end.

Unlisted investments are valued by the Institute's investment advisers.

(b) Movement during the year

	Market value at 1 January 1988 £	Purchases during the year at cost £	Proceeds of sales during the year £	Changes in market valuation £	Market value at 31 December 1988 £
Listed	12,248,500	922,966	(3,993,514)	382,953	9,560,905
Unlisted	938,430	—	(1,002,105)	151,675	88,000
	<u>£13,186,930</u>	<u>£922,966</u>	<u>£(4,995,619)</u>	<u>£534,628</u>	<u>£9,648,905</u>

(c) Historical cost information

	Listed	Unlisted	Total
Historical cost:			
At 31 December 1988	<u>£7,039,377</u>	<u>£31,473</u>	<u>£7,070,850</u>
At 31 December 1987	£9,561,845	£912,967	£10,474,812

10 Debtors

	1988 £	1987 £
Trade debtors	34,213	26,728
Other debtors	<u>95,276</u>	<u>216,268</u>
Prepayments and accrued income	<u>£129,489</u>	<u>£243,514</u>

Prepayments and accrued income includes £NIL (1987 £50,000) in respect of expenditure incurred in previous years on the DNA probe invention. The amount outstanding at 31 December 1987 has been recovered from a licensee.

11 Creditors: amounts falling due within one year

	1988	1987
	£	£
Accruals	265,638	212,838
Other creditors including taxation and social security	3,950	3,579
	<u>£269,588</u>	<u>£216,417</u>

12 Capital fund

	1988	1987
	£	£

Donations and endowments have been received to date from:

Dr Ludwig Mond (1893)	2,000	2,000
Berridge Trustees (1893-1898)	46,380	46,380
Worshipful Company of Grocers (1894 and 1969-1973)	15,000	15,000
Lord Iveagh (1900)	250,000	250,000
Lord Lister's Bequest (1913-1923)	18,904	18,904
William Henry Clarke Bequest (1923-1926)	7,114	7,114
Rockefeller Foundation (1935-1936)	3,400	3,400
Wolfson Foundation (1969-1973)	300,000	300,000
Jenner Memorial Studentship Fund (1984)	47,763	47,763
Other donations and legacies (1891-1988)	71,321	71,321
	<u>£761,882</u>	<u>£761,882</u>

13 General fund

	Realised	Unrealised	Total
	£	£	£
Balance at beginning of year	10,141,734	2,712,118	12,853,852
Movement in value of fixed asset investments	668,691	(134,063)	534,628
Surplus for the year	200,019	—	200,019
Balance at end of year	<u>£11,010,444</u>	<u>£2,578,055</u>	<u>£13,588,499</u>



**The Lister Institute of
Preventive Medicine**

Report of the Governing Body 1989

Brockley Hill
Stanmore
Middlesex HA7 4JD

The Governing Body

Professor G S Dawes, CBE, DM, FRCP, FRS, *Chairman*

D C Hobson, MA, FCA, *Hon Treasurer*

Professor H J Evans, PhD, FRSE

Sir James Gowans, CBE, FRCP, FRS

C E Guinness, CVO

The Rt Hon the Earl of Iveagh

Dr Anne L McLaren, MA, DPhil, FRCOG, FRS (appointed as Royal Society representative, April 1988)

Professor D K Peters, MB, BCh, FRCP

Professor Sir Mark Richmond, PhD, ScD, FRCPath, FRS

Dr A Robertson, CBE, PhD

G T Sammons

Professor A Neuberger, CBE, MD, FRCP, FRCPath, FRS, who was Chairman of the Governing Body as at 1st January 1988, retired on 13th June 1988.

Secretary, and Clerk to the Governors G J Roderick, BCom

Solicitors:

Macfarlanes

10 Norwich Street

London EC4A 1BD

Auditors:

Coopers & Lybrand

Plumtree Court

London EC4A 4HT

Scientific Advisory Committee

Sir James Gowans, CBE, FRS, *Chairman* (appointed June 1988)

Dr M J Crumpton, PhD, FRS

Professor H J Evans, PhD, FRSE

Dr S Gordon, MB, ChB

Professor P J Lachmann, ScD, FRCP, FRS

Professor A D Smith, MA, DPhil

Professor Anne E Warner, PhD, FRS

The Lister Institute of Preventive Medicine

Annual General Meeting 12th June 1989

Report of the Governing Body

Governing Body

There have been two major changes in the composition of the Governing Body during the past year.

Professor Albert Neuberger, who celebrated his 80th birthday in April 1988, retired from the Governing Body in June of that year, having been a member since October 1968 and Chairman since 1970.

Albert Neuberger was the tenth Chairman of the Governing Body during the first 97 years of the Institute's history. His predecessors included Sir Joseph (later Lord) Lister, Sir Henry Briscoe, Sir David Bruce, Sir Henry Dale and Professor Sir Charles Dodds. Albert Neuberger took the Chair at probably the most difficult period of the Institute's history. It was a period of crippling inflation. To add to the Institute's problems, the Medicines Act 1968 was to affect all vaccine manufacturers and would have resulted in intolerably heavy expenditure on the Institute's vaccine production laboratories at Elstree, which were the main source of the Institute's income. Moreover, competition in the sale of vaccines for human use was increasing rapidly, mainly by the manufacture of vaccines abroad.

As a result of all these factors the Governing Body was forced to take the decision to close its Chelsea and later its Elstree laboratories, the former in 1975 and the latter in 1978, but every effort was made by the Governors to assist scientific and other staff to obtain suitable employment in other universities and similar institutions.

Under Albert Neuberger's leadership the Institute decided to dispose of its assets, the most valuable being the Chelsea Road buildings, and to set up a scheme for the support of post-doctoral research in biomedicine in universities and other institutions throughout the United Kingdom. The Lister Institute Research Fellowship scheme resulted from this decision and is by general acclaim proving very successful. The Institute owes Professor Neuberger a very great debt for his tireless efforts in helping to solve so satisfactorily the Institute's problems and to set it on a new, exciting and satisfactory course.

The Governors are very grateful to Albert Neuberger and were sad when, under the terms of the Institute's Constitution, he was obliged to retire. They wish him a long, healthy and happy retirement and are happy to record that

Albert remains a Member of the Institute. In January, the Governors were pleased to invite Albert and his wife, Lilian, together with members of the Scientific Advisory Committee and one or two of Albert's close friends, to a retirement dinner at the Royal College of Physicians when he was presented with a farewell gift to which several Members of the Institute generously contributed.

The other important change in the composition of the Governing Body was the appointment in April 1988 of Dr Anne L McLaren, FRS, as the Royal Society representative on the Governing Body in place of the late Professor John Humphrey. Anne McLaren is the Director of the Medical Research Council's Mammalian Development Unit and is no stranger to the Institute, having served for six years on the Institute's Scientific Advisory Committee. Dr McLaren is a most welcome addition to the Governing Body.

On Albert Neuberger's retirement the Governors appointed Professor Geoffrey S Dawes as their Chairman. Professor Dawes was founder-Chairman of the Scientific Advisory Committee until his election to the Chairmanship of the Governing Body. He was for many years Director of the Nuffield Institute for Medical Research, Oxford, and has more recently (since 1984) been Director of the Charing Cross Sunley Medical Research Centre. Professor Dawes has been a member of the Governing Body since October 1983.

Scientific Advisory Committee

There has also been an important change in the composition of the Scientific Advisory Committee. In June 1988 the Governing Body was pleased to elect Sir James Gowans, CBE, FRCP, FRS, to replace Professor Dawes as Chairman of the Committee. Sir James was, until his retirement, Deputy Chairman and Secretary of the Medical Research Council.

In addition, the Governing Body extended for two years the membership of Professor John Evans who was due to retire by rotation in June 1988.

Institute Membership

The Governing Body has much pleasure in congratulating Sir John Butterfield, formerly Regius Professor of Physic, Cambridge, on the award of a Life Peerage in the Queen's Birthday Honours.

The Governing Body was pleased to accept the recommendations of

- (i) the University of London that Professor D J Bradley of the London School of Hygiene and Tropical Medicine should continue, for a further five years from October 1988, to represent the University on the Institute's Membership, and
- (ii) the University of Oxford that Professor Henry Harris, Regius Professor of Medicine, continue for a further period to 30th April 1992, to serve as its representative on the Institute's Membership.

The Governing Body has also accepted the recommendations of

- (i) the Grocers' Company that Dr Paul Massey, MD, MA, of Birmingham, Master

of the Company, be appointed as its representative on the Institute's Membership in place of Dr J G D Simpson,

- (ii) the British Medical Association that Dr Henry Fell, MB, BChir, Consultant Microbiologist of West Suffolk Hospital, be appointed as its representative on the Institute's Membership in place of Dr Lee-Potter, and
- (iii) the Royal College of Veterinary Surgeons that Professor A O Betts, MA, PhD, MRCVS, be appointed as its representative in place of Dame Olga Uvarov, and particularly wishes to thank Dame Olga for the interest she has taken in the Institute's affairs, and for her help and advice. The Governors wish Dame Olga a long and happy retirement.

Staff

Professor Neuberger's secretary, Mrs Diana E Benn, after assisting Professor Neuberger in the closing down of the Charing Cross office, retired on 31st December 1988. Mrs Benn, who was appointed in 1974, was a loyal and competent assistant to Professor Neuberger, and the Governing Body wishes her well for the future.

Research Fellowship Scheme

The Governing Body is pleased to report that Dr J Simon Kroll was elected during the year to a non-stipendiary Medical Research Fellowship by Corpus Christi College, Oxford, and that Professor Alec J Jeffreys, Department of Genetics of the University of Leicester, was awarded the Analytica Prize from the German Society for Clinical Chemistry in April 1988. Alec Jeffreys has also been elected "Midlander of the Year, 1988".

Dr Andrew J King of the University Laboratory of Physiology, Oxford, was a visiting worker at the Eye Research Institute, Boston, Massachusetts, from June to October 1988.

Dr Dennis R Burton, University of Sheffield, has been granted a year's sabbatical leave from June 1989 to enable him to work at the Scripps Research Institute in La Jolla, California, in a number of areas of research in which he has a particular interest.

Drs Rosa Beddington, Jonathan Fry and Barry Halliwell, whose fellowships ended on 30th September 1988, were the first to have served the full period of their fellowships, the others appointed in 1982 and 1983 (apart from Professor Alec Jeffreys whose fellowship has been extended to 1992) having been promoted to, or obtained tenured posts in, other universities. The Governors were pleased to learn of Dr Halliwell's promotion to a Personal Chair in the Department of Biochemistry, King's College, London, from 1st October 1988.

The Governors are also pleased to report that Dr Christopher F Higgins was appointed to a Personal Chair in Molecular Genetics in the Department of Biochemistry, University of Dundee, on 1st October 1988. Professor Higgins will

resign his fellowship on 30th September 1989, to become a Principal Scientist at the Imperial Cancer Research Fund laboratories and Fellow of Keble College, Oxford.

It is with great sadness that we have to report the death of a former Fellow, Dr Brian J Nunn. Dr Nunn had resigned his fellowship to take up an associate professorship in the Department of Physiology at Duke University, Durham, North Carolina, on 1st November 1986. He died on 18th September 1987. He left a widow and two young children, and the Governing Body is providing financial support to enable Mrs Nunn to prepare for a PhD.

Dr Geoffrey L Smith, University of Cambridge, who was elected a Fellow on 1st October 1988, has accepted a Readership in the Sir William Dunn School of Pathology, Oxford, from 1st July 1989, but he will continue as an honorary Lister Institute-Jenner Research Fellow.

The number of applications for fellowships to start from October 1989 was less than last year. We received 51 applications (67 in 1988 and 52 in 1987). The Scientific Advisory Committee short-listed twelve candidates and interviewed nine. I am sure that the highest standard of our research fellows continues to be maintained, the successful candidates being as follows:—

<i>Name</i>	<i>Place where research will be carried out</i>	<i>Title of research proposal</i>
Dr A Jennifer RIVETT**	Department of Biochemistry, University of Leicester.	Analysis of a multifunctional cylindrical particle.
Dr Bernard A CONNOLLY	Department of Biochemistry, University of Southampton.	Specific inactivation of DNA binding proteins and transcription and translation by synthetic oligonucleotides containing reactive bases.
Dr Sally FREEMAN	Pharmaceutical Sciences Institute, Aston University.	Projects in biomedical organophosphorus chemistry: AIDS nucleotide prodrugs, anti-cancer ether phospholipids and carbon-phosphorus bond biosynthesis.
Dr Ann BURCHELL	Department of Medicine, Ninewells Hospital, Dundee.	The biogenesis, regulation and genetic deficiencies of the proteins of the microsomal glucose-6-phosphatase system.
Dr Keith R FOX	Department of Physiology, University of Southampton	Structural properties and biological relevance of peculiar DNA sequences.

**Dr Rivett was placed first in order of merit by the Committee and was therefore elected Lister Institute-Jenner Research Fellow.

Support for Research Fellowships

Apart from the salary of the fellow, the Institute pays for the running expenses of his or her research, now up to a maximum of £7,000 a year. The partial failure of the dual support system for the Universities over the past ten years has been a matter of concern. The Government has not provided the University Grants Committee with funds to match the cost of inflation and salary increases. On their side charitable organizations cannot make up the deficit. The Royal Society called a meeting last year of representatives of charities and research councils to discuss the level of support for post-doctoral fellowships. It was agreed that more support was needed, but the funds available were limited. If more support were offered by the Institute the number of fellowships would have to be reduced.

Geoffrey S Dawes
Chairman

The Lister Institute of Preventive Medicine

Accounts

for the year ended
31st December

1989

Brockley Hill
Stanmore
Middlesex HA7 4JD
5th June 1990



The Lister Institute of Preventive Medicine

The Governing Body

Professor G S Dawes, CBE, DM, FRCP, FRS, *Chairman*

D C Hobson, MA, FCA, *Hon Treasurer*

Professor H J Evans, PhD, FRSE

C E Guinness, CVO

The Rt Hon the Earl of Iveagh

Dr Anne L McLaren, MA, DPhil, FRCOG, FRS

Professor D K Peters, MB, BCh, FRCP

Professor Sir Mark Richmond, PhD, ScD, FRCPath, FRS

Dr A Robertson, CBE, PhD

G T Sammons, MA

Sir James Gowans, CBE, FRCP, FRS resigned on 24 November 1989

Clerk to the Governors G J Roderick, BCom

The Lister Institute of Preventive Medicine

Financial Report of the Governing Body

The Institute is a company limited by guarantee and has charitable status.

The Governing Body presents the accounts of the Institute for the year ended 31 December 1989.

Results

The results of the Institute for the year ended 31 December 1989 are set out on page 4. The surplus for the financial year is £519,816 compared with a surplus of £217,915 in 1988. The increase is primarily attributable to the higher than normal holding of cash in a period of high interest rates.

As described in note 12(c) on page 10, the Institute has changed its accounting policy for pensions to comply with SSAP 24 and consequently has restated the comparative figures for 1988.

Principal activities

The income of the Institute is utilised to support medical research.

Future operations

It is expected that from October 1990 a further five Lister Institute Research Fellowships will be awarded, making a total (after taking resignations into account) of twenty-seven, each normally for a period of five years.

Governing Body

The members of the Governing Body who served at any time during 1989 are shown on page 1.

Auditors

Our auditors Coopers & Lybrand have merged their practice with Deloitte Haskins & Sells and now practise in the name of Coopers & Lybrand Deloitte. They have signed the auditors' report in their new name. A resolution to reappoint Coopers & Lybrand Deloitte as auditors will be proposed at the General Meeting.

G S DAWES
Chairman
5 June 1990

The Lister Institute of Preventive Medicine

Auditors' Report

to the Members of The Lister Institute of Preventive Medicine

We have audited the accounts set out on pages 4 to 11 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the Institute at 31 December 1989 and of its results and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

COOPERS & LYBRAND DELOITTE
Chartered Accountants

London
5 June 1990

The Lister Institute of Preventive Medicine

Income and Expenditure Account

for the year ended 31st December 1989

	Notes	1989 £	1988 £
Income from fixed asset investments	2	564,392	919,400
Interest receivable		760,092	46,793
Other income	3	35,595	16,977
		<u>1,360,079</u>	<u>983,170</u>
Administrative expenses:			
Salaries	4	87,156	90,317
Pension costs	12	59,840	54,993
Investment management fees		45,933	43,100
DNA probe expenses	5	2,890	9,607
Other	6	45,811	47,920
		<u>(241,630)</u>	<u>(245,937)</u>
		<u>1,118,449</u>	<u>737,233</u>
Grants	7	(598,633)	(519,318)
Surplus for the year		<u>£519,816</u>	<u>£217,915</u>
Balance of general fund at beginning of year — as previously reported		13,588,499	12,853,852
— prior year adjustment	12(c)	(461,000)	(478,896)
— as restated		<u>13,127,499</u>	<u>12,374,956</u>
Movement in value of fixed asset investments	14	2,536,976	534,628
Surplus for the year		<u>519,816</u>	<u>217,915</u>
Balance of general fund at end of year		<u>£16,184,291</u>	<u>£13,127,499</u>

The 1988 comparative figures have been restated to account for a change in accounting policy. The notes set out on pages 7 to 11 form part of these accounts.
Auditors' report page 3.

The Lister Institute of Preventive Medicine

Balance Sheet

at 31st December 1989

	Notes	1989 £	1988 £
Fixed assets:			
Tangible assets	8	4,586	5,096
Investments	9	9,971,872	9,648,905
		<u>9,976,458</u>	<u>9,654,001</u>
Current assets:			
Debtors	10	69,835	129,489
Cash at bank and in hand		<u>7,657,967</u>	<u>4,836,479</u>
		<u>7,727,802</u>	<u>4,965,968</u>
Creditors: amounts falling due within one year	11	<u>(313,006)</u>	<u>(269,588)</u>
Net current assets		<u>7,414,796</u>	<u>4,696,380</u>
Total assets less current liabilities		<u>17,391,254</u>	<u>14,350,381</u>
Provision for liabilities and charges	12	<u>(445,081)</u>	<u>(461,000)</u>
		<u>£16,946,173</u>	<u>£13,889,381</u>
Capital and Funds:			
Capital fund	13	761,882	761,882
General fund	14	<u>16,184,291</u>	<u>13,127,499</u>
		<u>£16,946,173</u>	<u>£13,889,381</u>

These accounts were approved by the Governing Body on 5 June 1990.

G S Dawes	Members of the Governing Body
D C Hobson	

The 1988 comparative figures have been restated to account for a change in accounting policy.
The notes set out on pages 7 to 11 form part of these accounts.
Auditors' report page 3.

The Lister Institute of Preventive Medicine

Statement of Source and Application of Funds

for the year ended 31st December 1989

	1989 £	1988 £
Source of funds		
Surplus for the financial year	519,816	217,915
Adjustment for items not involving the movement of funds:		
Pension provision	(15,919)	(17,896)
Depreciation	510	508
Total	504,407	200,527
Funds from other sources:		
Sale proceeds of fixed asset investments	3,559,249	4,995,619
Total source of funds	4,063,656	5,196,146
Application of funds		
Purchase of fixed asset investments	(1,345,240)	(922,966)
	£2,718,416	£4,273,180
Increase/(Decrease) in working capital		
Decrease in debtors	(59,654)	(114,025)
Increase in creditors	(43,418)	(53,171)
	(103,072)	(167,196)
Movement in net liquid funds:		
Cash at bank and in hand	2,821,488	4,440,376
	£2,718,416	£4,273,180

The 1988 comparative figures have been restated to account for a change in accounting policy. The notes set out on pages 7 to 11 form part of these accounts.
Auditors' report page 3.

The Lister Institute of Preventive Medicine

Notes to the Accounts

for the year ended 31st December 1989

1 Principal accounting policies

The accounts have been prepared in accordance with the historical cost convention as modified by the revaluation of investments. A summary of the more important accounting policies is set out below.

(a) *Tangible fixed assets*

Tangible fixed assets are stated at their purchase price, together with any incidental expenses of acquisition. Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful life of the fixed assets concerned.

The principal annual rate used for this purpose is:—

Temporary buildings 6 $\frac{2}{3}$ %

(b) *Investments*

Investments are shown at market value in the balance sheet. Changes in the market value are included in the general fund in the year in which they arise.

(c) *Investment income*

Credit is taken for income from investments on a cash received basis, except that for gilt-edged securities which is accrued. Investment income is shown net of irrecoverable foreign withholding tax.

(d) *Royalties*

Royalties are accounted for on an accruals basis.

(e) *Foreign currency transactions*

Transactions are translated into sterling at the exchange rate ruling on the date of the transaction. Investments held at the year end are valued at year end rates of exchange.

(f) *Donations*

Donations received are credited direct to the Capital Fund.

(g) *Supplementary pensions*

Provision is made in the accounts for the total estimated future supplementary pension payments, discounted to reflect the timing of the payments. This represents the estimated amount that would have to be invested, were the supplementary pensions to be separately funded ("the notional investment").

The amount charged to the income and expenditure account reflects a return on the notional investment shown in the accounts.

The provision for future supplementary pension costs and the charge to the income and expenditure account are calculated every 3 years by an independent professionally qualified actuary. In the intervening years the actuary reviews the appropriateness of the provision and charge to income. Any surplus or deficiency in the provision will be recognised immediately.

The provision and charge to income were calculated on the basis of an actuarial valuation as at 1 January 1989, using the following main assumptions:

The number of persons to whom supplementary pensions are paid will not increase significantly.

The return on the notional investment will exceed the rate of increase in supplementary pensions by 3.5% per annum.

The capital cost of ex-gratia pensions granted is recognised in full in the income and expenditure account of the year in which the pensions are granted.

2 Income from fixed asset investments

	1989	1988
	£	£
Listed investments	561,571	900,923
Unlisted investments	2,821	18,477
	<u>£564,392</u>	<u>£919,400</u>

3 Other income

	1989	1988
	£	£
Profit on sales of sera	—	100
Royalty income	38,912	16,877
Share of royalties payable to third parties	(3,317)	—
	<u>£35,595</u>	<u>£16,977</u>

The royalties relate to the DNA probe which is being marketed by a licensee.

4 (a) Emoluments of members of the Governing Body

No member of the Governing Body received any emoluments in respect of his services to the Institute during the year (1988 nil).

(b) Employee information

The average number of persons employed by the Institute during the year was 3 (1988 — 4), all of whom were employed in an administrative capacity.

(c) Salaries

	1989	1988
	£	£
Gross salaries	79,588	82,452
Employer's national insurance and state pension contributions	7,568	7,865
	<u>£87,156</u>	<u>£90,317</u>

The number of employees having emoluments in the following range was:

	1989	1988
	Number	Number
£35,001 — £40,000	1	1

5 DNA probe expenses

Expenses incurred in relation to the DNA probe have been written off to the Income and Expenditure Account.

6 Other administrative expenses

	1989	1988
	£	£
Rent, rates and insurance	225	1,904
Electricity and telephone	1,888	2,384
Office expenses, stationery and printing	4,441	6,103
Audit fee	4,800	4,500
Professional fees	7,110	3,154
Travel expenses	17,257	20,824
General expenses	9,580	8,543
Depreciation	510	508
	<u>£45,811</u>	<u>£47,920</u>

7 Grants

These represent amounts approved for disbursement to the Institute's Research Fellows and other grantees in respect of the year ended 31 December 1989.

8 Tangible fixed assets

Cost

At 1 January 1989 and 31 December 1989

Temporary
buildings
£

7,644

Depreciation

At 1 January 1989

2,548

Charge for year

510

At 31 December 1989

3,058

Net book value

At 31 December 1989

£4,586

Net book value

At 31 December 1988

£5,096

9 Investments

(a) Basis of valuation

Listed investments are valued at middle market quotations ruling at the year end.

Unlisted investments are valued by the Institute's investment advisers.

(b) Movement during the year

	Market value at 1 January 1989 £	Purchases during the year at cost £	Proceeds of sales during the year £	Changes in market valuation £	Market value at 31 December 1989 £
Listed	9,560,905	1,345,240	(3,447,910)	2,513,637	9,971,872
Unlisted	88,000	—	(111,339)	23,339	—
	<u>£9,648,905</u>	<u>£1,345,240</u>	<u>£(3,559,249)</u>	<u>£2,536,976</u>	<u>£9,971,872</u>

(c) Historical cost information

Historical cost:

	Listed £	Unlisted £	Total £
At 31 December 1989	£5,611,353	—	£5,611,353
At 31 December 1988	£7,039,377	£31,473	£7,070,850

10 Debtors

Other debtors

Prepayments and accrued income

	1989 £	1988 £
Other debtors	24,619	34,213
Prepayments and accrued income	45,216	95,276
	<u>£69,835</u>	<u>£129,489</u>

11 Creditors: amounts falling due within one year	1989 £	1988 £
Accruals	309,341	265,638
Other creditors including taxation and social security	3,665	3,950
	<u>£313,006</u>	<u>£269,588</u>

12 Provision for liabilities and charges

(a) This represents a provision for future supplementary pension payments. Supplementary pensions were being paid to 40 ex-employees at 31 December 1989 (1988 — 41), based on their salary and length of service. The supplementary pensions are unfunded, with payments made out of the Institute's funds as they fall due. No commitments have been made to increase the future supplementary pension payments, this being entirely at the discretion of the members of the Governing Body.

(b) Movements in the provision during the year were as follows:

	1989 £	1988 £
Provision at beginning of year	461,000	478,896
Transfer from income and expenditure account	59,840	54,993
Pensions paid	(59,253)	(54,771)
Cost of ex-gratia pensions granted	(16,506)	(18,118)
Provision at end of year	<u>£445,081</u>	<u>£461,000</u>

(c) The prior year adjustment shown on page 4 represents the effect of a change in the accounting policy for supplementary pensions. These were previously charged to the income and expenditure account as the payments fell due. Now, as a result of the introduction of SSAP 24: Accounting for Pension Costs, provision is made for future supplementary pension payments as described in note 1(g). The change has the effect that the charge to the income and expenditure account in this and future years will be reduced compared with what it would have been had no provision been made.

13 Capital fund	1989 £	1988 £
Donations and endowments have been received to date from:		
Dr Ludwig Mond (1893)	2,000	2,000
Berridge Trustees (1893-1898)	46,380	46,380
Worshipful Company of Grocers (1894 and 1969-1973)	15,000	15,000
Lord Iveagh (1900)	250,000	250,000
Lord Lister's Bequest (1913-1923)	18,904	18,904
William Henry Clarke Bequest (1923-1926)	7,114	7,114
Rockefeller Foundation (1935-1936)	3,400	3,400
Wolfson Foundation (1969-1973)	300,000	300,000
Jenner Memorial Studentship Fund (1984)	47,763	47,763
Other donations and legacies (1891-1989)	71,321	71,321
	<u>£761,882</u>	<u>£761,882</u>

14 General fund

	Realised £	Unrealised £	Total £
Balance at beginning of year (restated)	10,549,444	2,578,055	13,127,499
Movement in value of fixed asset investments	754,512	1,782,464	2,536,976
Surplus for the year	519,816	—	519,816
Balance at end of year	<u>£11,823,772</u>	<u>£4,360,519</u>	<u>£16,184,291</u>

Auditors' report page 3

**The Lister Institute of
Preventive Medicine**

Report of the Governing Body 1990

Brockley Hill
Stanmore
Middlesex HA7 4JD



The Governing Body

Professor G S Dawes, CBE, DM, FRCP, FRS, *Chairman*

D C Hobson, MA, FCA, *Hon Treasurer*

Professor H J Evans, PhD, FRSE

C E Guinness, CVO

The Rt Hon the Earl of Iveagh

Dr Anne L McLaren, MA, DPhil, FRCOG, FRS

Professor D K Peters, MB, BCh, FRCP

Professor Sir Mark Richmond, PhD, ScD, FRCPath, FRS

Dr A Robertson, CBE, PhD

G T Sammons, MA

Sir James Gowans, CBE, FRCP, FRS, resigned on 24 November 1989.

Secretary, and Clerk to the Governors G J Roderick, BCom

Solicitors:

Macfarlanes
10 Norwich Street
London EC4A 1BD

Auditors:

Coopers & Lybrand Deloitte
Plumtree Court
London EC4A 4HT

Registered Charity No. 206271

Scientific Advisory Committee

Dr Anne L McLaren, MA, DPhil, FRCOG, FRS, *Chairman*
(appointed 1 January 1990)

Dr M J Crumpton, PhD, FRS

Professor H J Evans, PhD, FRSE

Professor S Gordon, MB, ChB

Professor P J Lachmann, ScD, FRCP, FRS

Professor K Murray, PhD, FRS (appointed 12 June 1989)

Professor Anne E Warner, PhD, FRS

Sir James Gowans, CBE, FRCP, FRS, who was Chairman of the Scientific Advisory Committee as at 1 January 1989, resigned on 24 November 1989.

Professor A D Smith, MA, DPhil, retired on 12 June 1989.

The Lister Institute of Preventive Medicine

Annual General Meeting
5th June 1990

Report of the Governing Body

Governing Body and Scientific Advisory Committee

There has been one change in the composition of the Governing Body during the past year. Towards the end of 1989 Sir James Gowans was appointed the first Secretary General of the Human Frontier Science Programme, centred in Strasbourg, and it was with regret that the Governors accepted his resignation from the Governing Body and from the Chairmanship of the Scientific Advisory Committee. We wish Sir James well in his new appointment.

It is with great pleasure that we announce the appointment of Dr Anne L McLaren, Director of the MRC Mammalian Development Unit, as Chairman of the Scientific Advisory Committee to succeed Sir James. Dr McLaren is a well-known and highly respected Member of the Institute. She served on the Scientific Advisory Committee from its inception in November 1981 until her retirement by rotation in 1987. Anne McLaren is the Royal Society's representative on the Institute's Governing Body.

In addition to Dr McLaren's election to the Chair of the Scientific Advisory Committee there has been one other change. Professor A D Smith has retired by rotation and he has been replaced by Professor Kenneth Murray, PhD, FRS, Professor of Molecular Biology, University of Edinburgh.

Institute Membership

The Governing Body was pleased to approve of the election of Dame Olga Uvarov, formerly a representative of the Royal College of Veterinary Surgeons, to Membership of the Institute in her own right, and they were also pleased to approve the Members' recommendation that Miss Barbara A Prideaux, formerly Assistant Secretary to the Institute, be elected a member.

The Governing Body also confirmed the election of Professor John P Arbuthnott, MRIA, PhD, ScD, FIBiol, Professor of Microbiology at the University Hospital, Nottingham, as the representative of the Royal Irish Academy in place of Dr Thomas Murphy, who has retired.

The Governors are pleased to announce that Professor W T J Morgan, CBE, FRS, will celebrate his 90th birthday on 5th October 1990. Walter Morgan joined the staff of the Institute as a Grocers' Company Research Student on 1st September 1925 and he has been a loyal and devoted member of the staff, a conscientious Member of the Institute and a popular friend for a total of 65 years. He was elected a Fellow of the Royal Society in 1949 and awarded the CBE in 1959. Whilst Deputy Director of the Institute, he was a Professor of Biochemistry of the University of London between 1951 and 1968, when he retired. He returned as Director for the period 1972 to 1975, which was a crucial period in the history of the Institute. Walter Morgan was Vice-President of The Royal Society from 1961 to 1964 and was awarded The Royal Society Royal Medal in 1968. He has won several other prizes and medals and has been awarded many other distinctions. Walter's connections with the Institute are as close as they ever were. He has attended every Fellowship Weekend, and he has not been known to miss an Annual General Meeting. The Governing Body offer their warmest congratulations to Professor Morgan on his forthcoming birthday.

It is with great pleasure too that we congratulate Dr Winifred Watkins, FRS, a Member of the Institute and former member of the staff. Winifred has received the degree of Doctor of Science *honoris causa* from the University of Utrecht, Holland, and has achieved the distinction of being elected an Honorary Fellow of the Royal College of Physicians, London. This is the highest award that the College can give to a non-medical scientist.

Institute's Centenary

The Institute's Centenary falls on 25th July 1991, and the Governing Body intends to mark the occasion by the publication of a 4-page Special Report in *The Times*. Several other proposals are being considered and will be announced as and when appropriate.

Research Fellowship Scheme

The Governors are pleased to report

- that they have extended the research fellowship of Dr Claude M Wischik, University of Cambridge, for three years from 1st October 1989, to enable him to continue with his research and at the same time to undertake clinical training on a part-time basis to prepare for membership of the Royal College of Psychiatrists,
- that Professor Alec Jeffreys of the University of Leicester has been awarded the Leicester Publicity Association Achievement of the Year, 1989, and has also been elected Fellow of the Forensic Science Society of India,

- that Dr Andrew J King of the University Laboratory of Physiology, Oxford, has been elected to the 1990 Wellcome Prize Lectureship,
- that Dr Simon Kroll of the University Department of Paediatrics, John Radcliffe Hospital, Oxford, has been appointed Lecturer in the Department of Paediatrics, with honorary consultant status and a full official fellowship of Corpus Christi College, Oxford. He remains a non-stipendiary Fellow of the Institute until 30th September 1991.

The Governors congratulate Dr Graham J Boulnois of the University of Leicester on his promotion to a personal Chair as from 1st October 1989, and Dr Ann Burchell of the Department of Medicine, Ninewells Hospital, Dundee, who was elected a Fellow of the Institute on 1st October 1989, on her promotion to Senior Lecturer.

Dr Dennis R Burton, University of Sheffield, had already been granted a year's sabbatical leave from June 1989 to enable him to work at the Scripps Research Institute in La Jolla, California, in a number of areas of research in which he has a particular interest. His fellowship was due to end on 30th September 1990, but the Governing Body has extended his sabbatical leave for a year and his fellowship for a total of two years up to 30th September 1992.

Dr Steve Yeaman of the University of Newcastle upon Tyne, completed his five year fellowship on 30th September 1989. There are now 23 Fellows and 12 former Fellows.

The Fellowship Weekend at Fitzwilliam College, Cambridge in September 1989 was probably one of the most successful weekend meetings held so far. The next meeting will be held on 7th and 8th September 1990 at Christ Church, Oxford, and we return to Fitzwilliam College in September 1991.

The Governing Body frequently considers the terms and conditions of the Institute's post-doctoral research fellowships with a view to effecting improvements and to ensuring that the fellowships remain at a high standard. During this year we have carried out an even more thorough examination of the rules and regulations and have decided that in exceptional circumstances, as for example where there have been career breaks on family or other grounds, the Institute would consider electing Fellows above the normal age of 34 years and up to 40 years. We would like to see an increase in the number of clinical fellows and we have therefore agreed that in future one of the five fellowships awarded each year should be earmarked for a clinician in medicine or dentistry and that it should be awarded to a suitable applicant if he or she were otherwise suitably qualified. If there were no suitable clinician the earmarked fellowship should then be allocated to a suitable non-medical candidate.

The number of applications for fellowships to start from October 1990 was 50, as against 51 in 1989. Included in the 50 applications were 10 applications from women and 11 from medically qualified candidates. The Scientific Advisory Committee short-listed 13 candidates and interviewed all of them. I am sure that

the highest standard of our research fellows continues to be maintained, the successful candidates being as follows:—

<i>Name</i>	<i>Place where research will be carried out</i>	<i>Title of research proposal</i>
Dr Anthony R BERENDT	Molecular Parasitology Group, Institute of Molecular Medicine, John Radcliffe Hospital, Oxford.	Molecular mechanisms and pathogenicity of sequestration in <i>Plasmodium falciparum</i> malaria.
Dr V K K CHATTERJEE	Department of Medicine, Addenbrooke's Hospital, Cambridge.	Regulation of gene expression by TRH and thyroid hormone.
Dr Robert N LIGHTOWLERS	School of Neurosciences, Faculty of Medicine, University of Newcastle-upon-Tyne	Yeast cytochrome <i>c</i> oxidase: a model system for determining the molecular basis of human mitochondrial myopathies.
Dr Anthony MAXWELL**	Department of Biochemistry, University of Leicester.	DNA gyrase: structure, mechanism and interaction with antibiotics.
Dr Penelope E STEIN	Department of Haematology, University of Cambridge.	Molecular structure of the hormone binding serpins.

** Dr Maxwell was placed first in order of merit by the Committee and was therefore elected Lister Institute-Jenner Research Fellow.

The Queen's Award for Technological Achievement

When this report was ready to go to press, we were delighted to learn that the Institute had been granted The Queen's Award for Technological Achievement, 1990. The Award is for the development of genetic fingerprinting and goes jointly to the Institute and ICI Cellmark Diagnostics in recognition of the work done to develop, patent and exploit the Alec Jeffreys invention. The technique is described in the award as being extensively used to examine family relationships, for example in paternity disputes where the results give a certainty of 99.99%, and also as being used regularly in forensic case work for identifying individuals from biological samples left at the scene of a crime. The Award is special this year in that 1990 is the Silver Jubilee of the Scheme which is being marked for the first time by the presentation to each winner of a commemorative wall plaque.

Geoffrey S Dawes
Chairman

