

Registered number: 2877400
Charity number: 1030623

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

BRITISH PHARMACOLOGICAL SOCIETY

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BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES

Trustees

H P Rang

C R Hiley

C Williams

A K Daly

D O Douglas

S Price

D M Wood

M P Seed

A Galione (from 1 January 2014)

A R Green (from 1 January 2014)

A H Morice (from 1 January 2014)

D J Webb (from 1 January 2014)

P A Routledge (until 31 December 2013)

I Kitchen (until 31 December 2013)

D R J Singer (until 31 December 2013)

H M Cox (until 31 December 2013)

BRITISH PHARMACOLOGICAL SOCIETY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY AND ADVISERS

Company registered number

2877400

Charity registered number

1030623

Registered office

16 Angel Gate
City Road
London
EC1V 2PT

Chief Executive

J Brüün

Company Secretary

M Poole

Independent auditors

French Duncan LLP
Chartered Accountants & Statutory Auditor
56 Palmerston Place
Edinburgh
EH12 5AY

Bankers

Cooperative Bank plc
1 Islington High Street
London
N1 9TR

Solicitors

Taylor Vinters LLP
Merlin Place
Merlin Road
Cambridge
CB4 0DP

Investment managers

Brewin Dolphin
12 Smithfield Street
London
EC1A 9BD

BRITISH PHARMACOLOGICAL SOCIETY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY AND ADVISERS

Advisers (continued)

VAT Consultants

Haslers
Chartered Accountants
Old Station Road
Loughton
IG10 4PL

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

OBJECTIVES AND ACTIVITIES

Our Mission Statement

The aim of the Society is to promote and advance pharmacology, including clinical pharmacology. The direct beneficiaries are the members of the pharmacology community worldwide; indirectly, society in general benefits from the enhanced education and training of scientists and clinicians and the dissemination of research, which lead to improvements in health.

Strategies for Achieving Objectives

BPS Council ratified in March 2012 a five-year strategy. 5 key priorities were agreed and are listed below, forming the basis of the Society's strategy to 2017, subject to review in 2014.

This strategy has determined the basis for the work of the Executive and constituent committees over this period.

Key principles

There are two overarching principles to be taken into account, when considering all future BPS activities, namely achieving financial resilience and further development and modernisation of the Society's equality and diversity policy.

Our Key Priorities

- Greater matching of the Society's activities to the needs of the Membership.
- Development of an integrated publications strategy.
- Explaining the importance of pharmacology in the modern world by extending BPS teaching and outreach activities.
- To reflect the increasingly multi-disciplinary nature of modern biomedical science by further developing BPS's collaborative activities with other Societies.
- BPS should maintain its central position in the promotion of clinical pharmacology, the promotion of safe and effective prescribing, and in the discovery and development of medicines in the UK.

The Society's activities were focused on achieving these objectives throughout the year, as set out in pages 6 to 10.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

OBJECTIVES AND ACTIVITIES (continued)

Grant Making Policies

The Society's policy is to make grants that advance its objectives, i.e. to promote and advance pharmacology, and to comply with the terms of any restricted or designated funds from which grants are provided. Applications are invited from individuals or institutions suitably qualified or active in the discipline. Appropriate committees decide who will receive grants. In the case of a few minor grants, authority to make decisions on applications is delegated to individual officers or senior staff.

Public Benefit Statement

Pharmacology is responsible for the discovery of hundreds of chemicals used in the treatment of disease and the relief of human and animal suffering, as well as contributing substantially to the success of the pharmaceutical and healthcare industries.

The British Pharmacological Society's mission is to promote and advance pharmacology, including clinical pharmacology. As a primary UK learned society concerned with research into drugs and the way they work, the Society's strategic objectives deliver both this mission and the following public benefits:

- Fostering excellence in scientific discovery by providing new opportunities for pharmacologists to present and publish their research, and supporting their development of new skills.
- Improving clinical practice for the benefit of patients through the assessment and training of healthcare professionals and medical students
- Educating the general public and schools students with engaging outreach activities

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regards to the Charity Commission's general guidance on public benefit "Charities and Public Benefit"

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

ACHIEVEMENTS AND PERFORMANCE

1. Greater matching of the Society's activities to the needs of the Membership.

Membership numbers as at 31 December 2013:

	31 Dec 2013	31 Dec 2012 (Restated)
Honorary Fellows	88	89
Fellows	198	186
Retired Members	427	431
Members	1,240	1,277
Associates and Affiliates	234	214
Associate Postgraduate Students	392	329
Associate Undergraduate Students	881	684
Total	<u>3,460</u>	<u>3,210</u>

- 531 new members joined in 2013 and the Society has been particularly successful at attracting Undergraduate and Postgraduate Associates; the Society is developing a strategy to increase retention of existing members and converting Associates to full membership.

Conducting a member engagement campaign with a view to ensuring that targeted services and rewards are provided for specific member cohorts, increasing BPS membership, particularly at Full Member level, and promoting 'career membership' of the Society.

- An in-depth survey was conducted to better understand the opinions of BPS members on the society's mission and addressing members' needs. A 36% response rate, and a mix of qualitative and quantitative research ensured the survey's findings will be an important resource for planning future activities.
- Results and proposals based on member feedback have been agreed by Council and published as a booklet entitled 'Your BPS: Member Engagement Survey 2013', which is available online.

Ensuring that a sufficient number of volunteers are recruited to the roles essential for the running of the Society, in support of a comprehensive succession plan for the Society's activities.

- BPS Committees are an important resource for directing and implementing the Society's activities. The member engagement survey invited members to indicate their interest in joining BPS Committees and the resulting list of 211 names has already been used to recruit new committee members.
- In order to encourage greater participation by members, job descriptions, adverts and committee terms of reference have been updated to make the application process for BPS posts clearer and simpler.

Commissioning a new, integrated BPS member database to provide a better service for our members and committees.

- Following a comprehensive tender process, a new database was commissioned in 2013. The database will be supported by upgraded financial systems.
- The new database has been designed specifically with our strategic objectives in mind and will therefore capture more information on the Society's relationships with external organisations and individuals, as well as members' needs, their activities and interests. This should inform external facing activities and enable the Society to provide a more tailored service to specific members and groups of members.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

1. Greater matching of the Society's activities to the needs of the Membership (continued).

Continued provision of high quality scientific meetings targeted to areas of need and interest.

- Scientific meetings disseminate the latest pharmacological research and help members stay up-to-date by providing opportunities for professional networking. BPS delivered six scientific meetings in 2013, and offered financial support for a further nine external meetings.
- Over £50,000 of bursary funding was distributed to enable BPS members to travel to scientific meetings in 2013.
- Improving participation and feedback from participants and partners suggest that the quality of BPS meetings remains high. In a recent survey of BPS meeting provision among our members 92% of respondents rated the scientific content of BPS meetings as high quality, while 90% agreed that they would recommend BPS meetings to their colleagues.

2. Development of an integrated publications strategy

Ensuring the Society's delivers a coherent, strategic vision for our journals; to include coordination of a Journals Strategy Retreat and the development of a plan to improve and maintain quality of publication given online opportunities.

- BPS held its first publications strategy retreat in October 2013, with representation from the Society's three journals and contributions from the broader membership.
- A Publications Committee, supported by a new Vice President – Publications, was established to better integrate a broad range of Society publishing activities and manage the relationship with our publishers.
- Digital activities have been introduced to reflect the needs of journal readers: *BJP* & *BJCP* hired a joint Senior Online Editor to drive online engagement, and new iPhone and iPad apps were released in December 2013.
- The Impact Factors increased for both *BJP* and *BJCP* as follows: *BJP* 5.067 (2012 - 4.409) and *BJCP* 3.578 (2012 - 2.958), which is the highest - ever for *BJCP*. Impact Factors are announced in June of each year and are a measure reflecting the average number of citations to recent articles published in the journal.

Continued engagement with open access publishing, through the launch of a new journal in tandem with the American Society of Pharmacology & Experimental Therapeutics (ASPET) and Wiley-Blackwell, and www.guidetopharmacology.org with the International Union of Basic and Clinical Pharmacology (IUPHAR).

- *Pharmacology Research & Perspectives (PRP)*, which is jointly owned and managed by BPS, Wiley and ASPET, was launched in April 2013 as a wholly open access journal.
- In Autumn 2013, *PRP* developed and launched a new initiative to encourage publication of so-called 'negative' findings (studies which disprove a hypothesis or negative proof of concept studies). To mark this, ASPET and BPS issued a joint statement highlighting the benefits of publishing these findings to patients and scientific discovery.
- BPS continues to financially support the IUPHAR/BPS *Guide to PHARMACOLOGY*. This open access resource now incorporates data merged from the IUPHAR Database and the BPS *Guide to Receptors and Channels (GRAC)*.
- BPS' collaboration with IUPHAR has also helped produce *The Concise Guide to PHARMACOLOGY 2013/14*, which is available for free online. The *Concise Guide* contains overviews of the key properties of over 2,000 targets with pharmacology and links to additional scientific information.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

2. Development of an integrated publications strategy (continued)

Greater integration of the Society's journals with its other activities, including membership initiatives, committee activities, meetings organisation and abstract publishing processes, outreach and promotional work.

- Corresponding authors who are not members continue to be offered a year's free membership of the Society: 213 took advantage of the offer.
- BPS also used its presence at the Experimental Biology (+14,000 attendees) and Society for Neuroscience congresses (+20,000 attendees), among many others, to promote its journals to a wider audience of relevant scientists.

3. Explain the importance of pharmacology in the modern world by extending BPS education and outreach activities

A record-level of activity in 2013 ensured that BPS was represented at six science festivals and fairs, and a further three standalone public events. Engaging and educational speaker sessions were organised on topics as diverse as 'Who Killed Marilyn Monroe?' and '3D Prescriptions', which were attended by 900 members of the public in total. Grants totalling £1,726 (2012 - £600) were given to members to support their outreach activities.

Providing high quality educational courses and workshops, to be enhanced by integrated e-learning and Continuing Professional Development programmes.

- BPS successfully delivered five popular workshops in 2013 (the same number as 2012), which were attended by 96 participants from across the pharmaceutical industry, health services and universities in the UK and overseas.
- The quality of all workshops was rated 'good' or 'excellent' by participants.
- All workshops received Society of Biology and / or Royal College of Physicians Continuing Professional Development points.

Developing a portfolio of online careers information for A-level students and undergraduates.

- In order to fully investigate the need for provision of online resources in this area, BPS Executive agreed to consider developing a portfolio of resources only once it could be informed by the outcomes of a digital strategy review.
- The review will conclude in 2014 in order to inform a needs assessment and provide best practice guidance.

Supporting the provision of high quality *in vivo* training, in particular through continued engagement with the Society of Biology's accreditation project.

- BPS, with The Physiological Society, Wellcome Trust, Medical Research Council and Biotechnology and Biological Sciences Research Council, contributed £75,000 to training approximately 60 students in *in vivo* techniques, which was otherwise unavailable at their home institutions.
- BPS, with industrial sponsors, provided further *in vivo* training funding for approximately 140 students (up from 113 in 2012).
- BPS also worked with the Animal Sciences Group, UK Bioscience Coalition and Concordat on Openness on Animal Research to contribute to policy on Animal Welfare in research.
- BPS is committed to providing accreditation for four-year and standalone Masters *in vivo* courses in collaboration with Society of Biology (SB) and The Physiological Society, and is represented on the SB Accreditation Panel. In 2013, the University of Manchester Pharmacology course received accreditation.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

3. Explain the importance of pharmacology in the modern world by extending BPS education and outreach activities (continued)

Ensuring that pharmacology is fully represented in government and among policy makers.

- BPS engaged with government and other policy makers by publishing a range of position statements in 2013: responding to 14 consultations (up from nine in 2012) and signing up to four campaigns on issues of interest to our membership.
- BPS statements on issues from transparency and openness to Value-Based Pricing are publicly available on the new 'Our Policy Position' section of the BPS website.

4. Reflect the increasingly multi-disciplinary nature of modern biomedical science by further developing BPS's collaborative activities with other Societies

Contributing to government's Life Sciences Strategy initiative, with sector partners, and through the collaborative work of the Drug Discovery Pathway Group (DDPG).

- BPS, in collaboration with the DDPG, contributed joint articles to the *Financial Times* and *Research Fortnight*, to increase awareness of issues facing drug discovery and development in the UK in light of the government's Life Sciences Strategy.
- Other joint activities in this area included a workshop with the Royal Society of Chemistry (RSC) on Target Validation. The meeting, which attracted 60 delegates from a broad range of occupational backgrounds, helped foster greater links between RSC and BPS, and will guide both institutions in future collaborative plans.

Recommending approaches to support and sustain the UK skills base, in tandem with a broad cohort of Learned Societies.

- In 2013, BPS established a Drug Discovery Skills Group (DDSG) with sector partners to explore activities in support of the UK skills base and *in vivo* skills initiatives. Throughout the year, BPS worked with the group on analysing skills provision for medicines R&D in the UK. A report will be published in 2014.
- BPS applied for QAA Benchmarking of Pharmacology Degrees in order to promote high quality undergraduate teaching, with support from the Association of the British Pharmaceutical Industry (ABPI).

Continued engagement with partners on policy initiatives to highlight the importance of pharmacology and clinical pharmacology in the health and wealth of the UK.

- BPS took part in a panel discussion on Women in STEM at the annual Parliamentary Links Day, resulting in a mention for the Society in Hansard and in *Science in Parliament* magazine.
- The inaugural 'Putting UK Pharmacology on the Map' awards were announced at a special parliamentary reception at the House of Commons in December 2013, with attendees including BPS members, MPs and partner organisations. The event highlighted the importance of pharmacology to UK drug discovery and development by awarding trophies to four key sites from across the country.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

5. Maintain the Society's central position in the promotion of clinical pharmacology, the promotion of safe and effective prescribing, and in the discovery and development of medicines in the UK

Delivering outcomes from the 5-Year Agenda for Clinical Pharmacology meeting, including the development of careers resources, web resources, and a stronger public image.

- BPS commitment in this area continued in 2013 with activity raising awareness of member benefits for clinical pharmacologists at relevant events and conferences, contribution to science festival programmes, the development of clinical careers literature, media training for clinical members, and the production of a paper on CPT in the NHS.

Further developing the quality and scope of the Society's CPT educational resources, including *Prescribe*, the Prescribing Simulator and the Prescribing Safety Assessment (PSA) through the delivery of a national pilot for final year medical students.

- Through the PSA, BPS continues, together with the Medical Schools Council, to contribute resource and expertise in the pursuit of patient safety and public health. In 2013, the PSA was taken by ~5,000 students from 29 medical schools, and received excellent feedback and support from a wide range of stakeholder groups including the General Medical Council, the Academy of Medical Royal Colleges and the NHS (through NHS Employers and Health Education England).

Exploring a long term role for the PSA, in tandem with key partners.

- BPS continues to value the PSA as a long term project with major implications for patient safety - both in the UK and abroad. Medical students in Ireland and Malta have been recruited to the 2014 PSA.
- In addition to seeking funding to secure the future of the PSA for UK medical undergraduates, the Society is also exploring the delivery of the PSA to a wider group of prescribers from the UK and abroad.

Fostering excellence in research in clinical pharmacology to emphasise that it remains a key discipline in translating basic and applied research findings into clinical practice.

- BPS worked closely with the European Association of Clinical Pharmacology and Therapeutics (EACPT) to support excellence in research at a European level:
 - BPS hosted the 10th EACPT Summer School at the Royal College of Physicians in Edinburgh which was attended by 120 clinical pharmacologists from 21 countries.
 - BPS sponsored the EACPT Congress in Geneva and supported two scientific symposia, both of which were very well-received.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

FINANCIAL REVIEW

For the year ended 31 December 2013 the total funds of the Society have increased by £379,654 (2012 - £179,247). The overall increase is made up of an increase in unrestricted funds of £513,626 (2012 - £495,582) and a decrease in restricted funds of £133,972 (2012 - £326,335).

Gains on investments totalling £346,425 (2012 - £296,443) have contributed to the overall increase in funds and are entirely attributable to unrestricted funds.

The resulting balance of total funds at 31 December 2013 amounted to £6,373,310 (2012 - £5,993,656) of which £5,918,570 (2012 - £5,404,944) is the unrestricted funds of the Society.

The Statement of Financial Activities on page 20 and the Balance Sheet on page 21 provide further details of the Society's financial performance for the year and its financial position at the year end.

Incoming resources

Incoming resources for the year totalled £3,352,484 (2012 - £3,467,566) which is a decrease of 3.3%. Importantly, charitable activity income from Journal publishing, which is the Society's main income source, has remained stable at £2,688,431 (2012 - £2,718,451).

Member numbers increased by 7.8% to 3,460 (2012 - 3,210). The growth is predominantly in Associate Undergraduate and Postgraduate Student numbers, reflecting the Society's longer-term approach to strengthening and growing the discipline of pharmacology. Consistent with this approach, such members pay a subscription of £20 per year or £Nil which is why there has been a lower rate of increase in membership subscription income of 4.5% to £109,020 (2012 - £104,317).

Scientific Meeting income increased by £36,725 to £130,733 (2012 - £94,008) reflecting the success of Pharmacology 2013 as well as income from two other meetings.

The income reductions are mainly attributable to voluntary income and investment income. Voluntary income is mostly for educational activities and is entirely restricted funding; it reduced by £45,265 to £281,215 (2012 - £326,480). Investment income was £52,457 lower at £119,538 (2012 - £171,995) reflecting lower income returns received from investments largely as a result of rebalancing the portfolio, and lower levels of interest from bank deposits.

Expenditure on charitable activities

Expenditure on charitable activities totalled £3,251,172 (2012 - £3,534,642) which is a 8.0% decrease of £283,470.

Journal publishing costs reduced by £194,117 to £1,068,623 (2012 - £1,262,740) after both BJP and BJCP moved to online-only publication from January 2013, removing the production and distribution costs associated with publishing in print.

Expenditure on educational activities reduced by £196,269 to £853,897 (2012 - £1,050,166) predominantly due to lower levels of restricted fund activities for both the Integrative Pharmacology Fund and the Short Courses Fund.

Capital Expenditure

Capital expenditure totalled £67,920 (2012 - £7,158) of which £53,458 is the initial cost towards a new database that is being developed to support the Society's services, effectiveness and efficiency and is due to go-live in 2014.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

FINANCIAL REVIEW (continued)

Reserves Policy

The Trustees have examined the Society's methods of calculating a reserve level that represents a figure that would allow it to fulfil its commitments to its members both in terms of operations and activities over a period of one to two years if its major sources of revenue failed.

The reserves reported at 31 December 2013 are in excess of that level and this allows the Society to consider additional activities to further its objectives.

Investment Policy and Performance

The Society holds investments with a value totalling £3,860,264 at 31 December 2013 (2012 - £3,412,993). Part of the increase in value of £447,271 is as a result of unrealised gains of £321,558.

The investments are split between two portfolios; the liquidity reserve and the growth fund and both portfolios had an impressive 12 months. The liquidity reserve increased by 4.08% (2012 - 12.87%) compared to the FTSE Gilt Index benchmark which fell by 3.94%. Over the same period, the Growth fund portfolio increased by 16.54% (2012 - 14.05%) and this compares to a gain of 14.12% for the APCIMS Balanced benchmark. The total cash appreciation for the combined portfolio over the period was £424,264.

The investments are managed on behalf of the Society by an investment management company, Brewin Dolphin Securities ("BDS") and BDS act for the Society on a fully discretionary basis. They are required nevertheless to have regard for the Society's status as an educational and health charity and the Society specifically prohibits investment in tobacco companies.

The Society's investment strategy works together with its reserve policy and seeks to provide against sudden loss of income from its traditional activities and in particular loss of income from its publishing activities. The liquidity reserve proportion of the funds is invested in fixed income investments in order to provide liquidity at short notice. The growth fund has a longer term time horizon and is therefore invested for capital growth, with a greater level of investment risk.

The range of assets selected provide diversification and the opportunity to add value at the appropriate stage of the economic cycle. The balance between the different kinds of investments in both portfolios are determined by the investment manager's judgement of future returns likely to be obtained on each class of investment, and a mandate to target a certain level of liquidity coincidental with the Trustees' perception of future financial risk to which the Society might become exposed.

Strategic benchmarks and structured reporting enables the Society to regularly review both the performance of BDS and its portfolios. Finance and Risk Committee (FRC) regularly meets with the investment manager to review the entire portfolio and agree the relative strategic benchmarks from time to time. FRC reviewed the performance of the investments each time it met and worked with the investment manager to ensure the investments provided long-term growth, income and liquidity.

Creditors payment policy

The Society's policy is to pay its suppliers within the terms of their contracts.

GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

PLANS FOR FUTURE PERIODS

Council has set the following objectives for the year to 31 December 2014:

Diversification of Revenue

1. Conduct and implement a Digital Strategy, with a focus on supporting greater e-commerce potential from BPS online activities.
2. Build capacity within the Society and among its staff to deliver a range of new revenue-based initiatives.
3. Initiate processes for member-based revenue generation, including through recruitment, retention, gifting, and paid-for communications.

Promote Equality & Diversity

1. Demonstrate significant progress towards the agreed goal of 25% representation of women at BPS committees and activities.
2. Put into action steps agreed by Executive Committee and Council to support and promote Equality and Diversity throughout BPS membership.
3. Lead and develop best practice in equality and diversity throughout the life science sector.

Greater matching of the Society's activities to the needs of its membership

1. Deliver the activities and priorities mandated by BPS members in the 2013 Member Engagement Survey.
2. In line with the outcomes of the 2013 Governance Review (see page 15), and in order to reflect the changing needs of our membership, modernise the Society's constitution and present to BPS members for consideration at the 2014 AGM.
3. Apply market research principles and greater member engagement to the decision-making process around BPS scientific meetings.

Development of an integrated publications strategy

1. Make significant progress in delivering the outcomes of the 2013 Publications Retreat.
2. Develop and deliver a strategy for better engagement of our journals in emerging science nations.
3. Raise the profile and visibility of BPS journals.

Explaining the importance of pharmacology in the modern world by extending BPS education and outreach activities

1. Create and implement a coherent, measurable vision statement for BPS Outreach activities.
2. Support the provision of benchmarking in pharmacology degrees, subject to acceptance by QAA.
3. Contribute to openness and transparency issues around Animal Welfare (particularly with regard to journals).

To reflect the increasingly multi-disciplinary nature of modern biomedical science by further developing BPS's collaborative activities with other Societies

1. Increase high impact joint activities with professional bodies where pharmacology is an affiliated or integrated discipline.

BPS should maintain its central position in the promotion of clinical pharmacology, the promotion of safe and effective prescribing and in the discovery and development of medicines in the UK

1. Conduct a review into the value of CPT to the NHS, and extract maximum value for Clinical Pharmacology from its findings.
2. Continue to support the Prescribing Safety Assessment and develop a coherent plan for the future direction and implementation of this test.
3. Disseminate and assess the impact of new Clinical Careers resources.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 to 3 of the financial statements.

THE TRUSTEES

The Trustees of the charity are shown below with details of their attendance at the three Council meetings held in the year under review.

Officer Trustees

President	P Routledge (1)	3/3	(Until 31 December 2013)
President	H P Rang (1)	N/A	(President from 1 January 2014)
President-Elect	H P Rang (1)	3/3	(Until 31 December 2013)
President-Elect	D J Webb (1)	N/A	(From 1 January 2014)
Honorary Treasurer	C R Hiley (1)	3/3	

Elected Trustees

Joint Chair CHOPT(a)	I Kitchen	2/3	(Until 31 December 2013)
Joint Chair CHOPT (a)	A Galione	N/A	(From 1 January 2014)
Joint Chair CHOPT(a)	D R J Singer	2/3	(Until 31 December 2013)
Joint Chair CHOPT (a)	A H Morice	N/A	(From 1 January 2014)
	H M Cox	3/3	
	S Price	3/3	
	D M Wood	3/3	
	M P Seed	3/3	
	A R Green	N/A	(From 1 January 2014)

Co-opted Trustees

C Williams	3/3
A K Daly	3/3
D O Douglas	3/3

(1) Denotes Executive Committee Member at 31 December 2013

(a) CHOPT - Committee of Heads and Professors of Pharmacology and Therapeutics

The Society's governing document is its Articles of Association and Rules. In 1994, the Society became a Company Limited by Guarantee and therefore has no share capital. In the event of its winding up, the members' liability is limited to £1 each.

The Trustees are legally responsible for the overall governance, strategy and direction of the Society. In terms of the Charities Act 2006, Trustees are accountable to the Charity Commission for ensuring that the Society's objectives as a registered charity are being met. The Trustees are also the Directors of the British Pharmacological Society. The Council of Trustees, which usually meets twice a year, comprises the President (Chair), President Elect, Honorary Treasurer, Chairs of the Committee of Heads and Professors of Pharmacology and Therapeutics and four elected members (of whom at least one is from industry and one from the Clinical Pharmacology Section at the time of election).

The Trustees are empowered to co-opt additional Trustees with specialist skills to assist in the governance of the Society. Co-opted Trustees have the same responsibilities and powers as appointed Trustees and may be co-opted for additional service at each AGM of the Society.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

When considering elections for and co-opting of Trustees, Council follows the requirements of the Society's constitution and Guidance Notes CC10 and CC30 of the Charity Commission:

- CC10 sets out the hallmarks of an effective charity, which include a trustee board that *"has the right balance of skills and experience;"* and
- CC30 provides guidance on the processes involved noting that *"the existing trustees are legally responsible for the recruitment of new trustees"* and in addition to taking account of diversity issues, trustees must *"look at what skills, knowledge and experience are needed to make sure that the charity is well governed and is run effectively, efficiently and appropriately to its size and complexity"*.

Elections to the Council take place each year at the AGM and any paid up member of the Society, ordinarily resident in the British Isles, can stand. Trustees are elected to serve for periods of between three and four years, depending on office. In 2013, elections were held using both postal and online voting systems which were supervised by the Electoral Reform Society. Improvement in member engagement as part of the "Your BPS" initiative resulted in a significant increase in the number of votes cast; 310 members voted in 2013 compared with 176 in 2012.

Job descriptions have been produced for Council members and are regularly reviewed to ensure they reflect reality. The job descriptions specify the knowledge, skills and attributes that are needed by the members. Trustee training is undertaken annually.

Council has delegated responsibility to the Executive Committee, chaired by the President-Elect, to oversee the day to day operations of the Society, and financial management is delegated to the Finance & Risk Committee (FRC) chaired by the Honorary Treasurer. FRC also advises the Council on the Society's risk profile and management. The Executive Committee comprises the elected officers of BPS together with two members elected by the membership. The usual term of office for Executive Committee members is three years. Any paid up member of the Society, ordinarily resident in the UK, can stand for election as an officer or elected member of the Executive Committee.

The Executive Committee has Committees and Working Groups, to whom powers are delegated. The Committees and Groups report back to the Executive Committee. Members of these Committees and Groups comprise both Council and/or Executive Committee members, together with other members. The Clinical Pharmacology Section Committee manages the affairs of the Clinical Pharmacology Section. The Journals are managed by the Society's Publications Committee, which in turn delegates responsibility to the journals' Management and Editorial Boards.

The Council has ultimate responsibility for all aspects of the Society's activities, including management, with the exception of those matters which must be decided by a general meeting of the members. The Council focuses on strategy and the Executive Committee is delegated the responsibility for the general management of the Society's activities. The Trustees employ a Chief Executive who is responsible for executing the decisions of committees and sub committees and for the day to day management of the Society's resources, including the other employees, and the Angel Gate building. At 31 December 2013 we had 12 full time staff and utilised the services of specialist consultants as required. The Chief Executive reports back to Council and Executive Committee on performance against the objectives of BPS.

During the year the Society has conducted a Governance Review and engaged an external consultant to advise on and help facilitate the process. Council has agreed a programme of action for 2014 to modernise the Society's constitution in order to improve governance as a whole, streamline decision-making, clarify delegation of responsibility and reflect the changing needs of the membership. The proposed new constitution will be presented to BPS members for consideration at the 2014 AGM.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

The Society benefits from a great deal of voluntary work by its members in the organisation of meetings, editing and refereeing of manuscripts, service on committees and panels, and many other activities. The Trustees thank these members for all of the activities they have undertaken on behalf of the Society.

The Society participates actively in the wider Bioscience community both in the UK and internationally, including but not limited to, collaborative funding of research and education initiatives and the hosting of scientific meetings. Details of these activities are included in the section on Achievements and Performance on pages 6 to 10.

RISK ASSESSMENT

The Council has a Risk Policy and a Risk Register which provide the framework for the management of risks and demonstrate the controls in place to mitigate them. The Risk Register is reviewed on a continuing basis by FRC and a report is made to the Executive Committee and Trustees. Risk mitigation includes the review and management of risk as an integral part of the business process.

The prime risk to which the Society is exposed continues to be financial, particularly in respect of the income from our journals. This risk is the predominant determinate of the level of free reserves held by the Society according to its Reserves Policy.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of British Pharmacological Society for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BRITISH PHARMACOLOGICAL SOCIETY

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013**

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees on

and signed on their behalf by:

H P Rang
President

BRITISH PHARMACOLOGICAL SOCIETY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH PHARMACOLOGICAL SOCIETY

We have audited the financial statements of BRITISH PHARMACOLOGICAL SOCIETY for the year ended 31 December 2013 set out on pages 20 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BRITISH PHARMACOLOGICAL SOCIETY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH PHARMACOLOGICAL SOCIETY

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Jeffrey Meek CA (Senior statutory auditor)

for and on behalf of

French Duncan LLP

Chartered Accountants & Statutory Auditor

56 Palmerston Place

Edinburgh

EH12 5AY

Date:

BRITISH PHARMACOLOGICAL SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	<i>As restated Total funds 2012 £</i>
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	281,215	-	281,215	326,480
Investment income	3	-	119,538	119,538	171,995
Incoming resources from charitable activities	4	-	2,939,807	2,939,807	2,947,356
Other incoming resources	5	-	11,924	11,924	21,735
TOTAL INCOMING RESOURCES		281,215	3,071,269	3,352,484	3,467,566
RESOURCES EXPENDED					
Costs of generating funds:					
Investment management expenses	6	-	20,274	20,274	18,614
Charitable activities	8	450,373	2,800,799	3,251,172	3,534,642
Governance costs	11	-	34,090	34,090	31,506
Other resources expended	12	-	13,719	13,719	-
TOTAL RESOURCES EXPENDED		450,373	2,868,882	3,319,255	3,584,762
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS					
		(169,158)	202,387	33,229	(117,196)
Transfers between Funds	24	35,186	(35,186)	-	-
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE INVESTMENT ASSET DISPOSALS					
		(133,972)	167,201	33,229	(117,196)
Gains and losses on disposals of investment assets	17	-	24,867	24,867	14,872
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE REVALUATIONS					
		(133,972)	192,068	58,096	(102,324)
Unrealised gains and losses on revaluations of investment assets	17	-	321,558	321,558	281,571
NET MOVEMENT IN FUNDS FOR THE YEAR		(133,972)	513,626	379,654	179,247
<i>Total funds at 1 January 2013</i>		<i>588,712</i>	<i>5,404,944</i>	<i>5,993,656</i>	<i>5,814,409</i>
TOTAL FUNDS AT 31 DECEMBER 2013		454,740	5,918,570	6,373,310	5,993,656

All activities relate to continuing operations.
The notes on pages 22 to 38 form part of these financial statements.

BRITISH PHARMACOLOGICAL SOCIETY
REGISTERED NUMBER: 2877400

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	16		669,745		623,431
Investments	17		3,860,264		3,412,993
			4,530,009		4,036,424
CURRENT ASSETS					
Debtors	18	715,299		697,039	
Cash at bank and in hand		2,161,738		2,367,200	
		2,877,037		3,064,239	
CREDITORS: amounts falling due within one year	19	(930,795)		(1,034,169)	
NET CURRENT ASSETS			1,946,242		2,030,070
TOTAL ASSETS LESS CURRENT LIABILITIES			6,476,251		6,066,494
CREDITORS: amounts falling due after more than one year	20		(102,941)		(72,838)
NET ASSETS			6,373,310		5,993,656
CHARITY FUNDS					
Restricted funds	24		454,740		588,712
Unrestricted funds	24		5,918,570		5,404,944
TOTAL FUNDS			6,373,310		5,993,656

The financial statements were approved by the Trustees on behalf, by:

and signed on their

C R Hiley

Honorary Treasurer

The notes on pages 22 to 38 form part of these financial statements.

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Cash flow

The charity has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small charitable company.

1.3 Fund accounting

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the Charity. The Trustees may, from time to time, set aside certain funds for specific purposes into separate designated funds. Such designations carry no legal restrictions and may be changed at the discretion of the Trustees.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes..

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income and legacies

Voluntary income derived by way of donations and legacies to the Charity is included in full in the Statement of Financial Activities when the Society has the legal entitlement to receive the funds and the Trustees are accurately able to assess the amount of the donation or legacy.

Membership subscriptions

Some membership dues are paid annually by the members for the year to 31 December. An amount of deferred income is recorded for subscriptions received in advance.

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES (continued)

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and are allocated to the activity they relate to. General support costs are allocated to charitable activities based on the proportions of direct and grant related activity costs. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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

Grants awarded

Full provision is made for educational awards and bursaries when approved by the Trustees.

1.6 Costs of generating funds

These are costs associated with raising voluntary income and investment income for the Charity.

1.7 Allocation of overheads

Central overhead costs are allocated to activities on the basis of departmental salaries:

Member services	49%
Journal publishing costs	0%
Educational activities	24%
Projects and awards	0%
Scientific meetings	27%

1.8 Charitable activities

These are costs associated with the Charity's charitable activities.

Journal publishing income and costs

This represents the income and expenditure involved in publishing the British Journal of Pharmacology and the British Journal of Clinical Pharmacology.

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES (continued)

1.9 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	Nil
Fixtures & fittings	-	over 8 years straight line
Computer equipment	-	over 3 years straight line

1.10 Revaluation of tangible fixed assets

Leasehold property is carried at current year value at the balance sheet date. A full valuation is obtained from qualified valuer for the property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Statement of Financial Activities.

1.11 Investments

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

1.12 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

1. ACCOUNTING POLICIES (continued)

1.13 Company status

The Charity is a company limited by guarantee. The directors of the company are the Trustees named on page 14. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.14 Pensions

BPS participates in the Superannuation Arrangements of the University of London ("SAUL") which is a centralised defined benefit scheme and is contracted out of the Second State Pension.

SAUL is a "last person standing" scheme so that in the event of insolvency of any of the participating employers in SAUL, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation. A formal valuation of SAUL is carried out every three years by professionally qualified and independent actuaries using the Projected Unit method. Informal reviews of SAUL's position are carried out between formal valuations. See Note 22.

1.15 Recognition of liabilities

The Society recognises liabilities when there is a legal obligation to incur the liability and the amount can be reliably calculated.

2. VOLUNTARY INCOME

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	<i>As restated Total funds 2012 £</i>
Donations	281,215	-	281,215	323,920
Other	-	-	-	2,560
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	281,215	-	281,215	326,480
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

3. INVESTMENT INCOME

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	<i>Total funds 2012 £</i>
Income from UK listed investments	-	95,678	95,678	125,386
Income from non-UK listed investments	-	10,470	10,470	7,298
Bank interest receivable	-	13,390	13,390	39,311
	<hr/>	<hr/>	<hr/>	<hr/>
	-	119,538	119,538	171,995
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	<i>Total funds 2012 £</i>
Membership subscriptions	-	109,020	109,020	104,317
Journal publishing income	-	2,688,431	2,688,431	2,718,451
Educational activities	-	11,623	11,623	30,580
Scientific meetings	-	130,733	130,733	94,008
	<u>-</u>	<u>2,939,807</u>	<u>2,939,807</u>	<u>2,947,356</u>

5. OTHER INCOMING RESOURCES

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	<i>As restated Total funds 2012 £</i>
Other income	-	11,924	11,924	21,735
	<u>-</u>	<u>11,924</u>	<u>11,924</u>	<u>21,735</u>

6. INVESTMENT MANAGEMENT COSTS

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	<i>Total funds 2012 £</i>
Investment management fees	-	20,274	20,274	18,614
	<u>-</u>	<u>20,274</u>	<u>20,274</u>	<u>18,614</u>

7. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	<i>As restated Total funds 2012 £</i>
Members services	6,000	551,558	557,558	525,958
Journal publishing costs	-	1,068,623	1,068,623	1,262,740
Educational activities	418,663	435,234	853,897	1,050,166
Projects and awards	25,710	59,860	85,570	120,319
Scientific meetings	-	685,524	685,524	575,459
	<u>450,373</u>	<u>2,800,799</u>	<u>3,251,172</u>	<u>3,534,642</u>

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

7. EXPENDITURE BY CHARITABLE ACTIVITY (continued)

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2013 £	Other costs 2013 £	Total 2013 £	<i>As restated Total 2012 £</i>
Members services	322,025	235,535	557,560	525,958
Journal publishing costs	-	1,068,623	1,068,623	1,262,740
Educational activities	154,786	699,111	853,897	1,050,166
Projects and awards	-	85,570	85,570	120,319
Scientific meetings	174,134	511,390	685,524	575,459
	<u>650,945</u>	<u>2,600,229</u>	<u>3,251,174</u>	<u>3,534,642</u>

8. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2013 £	Grant funding of activities (note 9/10) 2013 £	Support costs 2013 £	Total 2013 £	<i>As restated Total 2012 £</i>
Members services	557,558	-	-	557,558	525,958
Journal publishing costs	1,068,623	-	-	1,068,623	1,262,740
Educational activities	325,164	516,191	12,542	853,897	1,050,166
Projects and awards	39,218	46,352	-	85,570	120,319
Scientific meetings	685,524	-	-	685,524	575,459
Total	<u>2,676,087</u>	<u>562,543</u>	<u>12,542</u>	<u>3,251,172</u>	<u>3,534,642</u>

9. GRANTS TO INDIVIDUALS

	Number 2013	Total 2013 £	Number 2012	Total 2012 £
A J Clark Studentships	1	99,428	1	74,827
Bain Awards	121	46,352	125	32,250
	<u>122</u>	<u>145,780</u>	<u>126</u>	<u>107,077</u>

The Bain Awards represent 121 grants of between £27 and £1,386 (2012 - 125 grants of between £10 and £1,000) to assist individuals to attend conferences.

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

10. GRANTS TO INSTITUTIONS

	Total funds 2013 £	<i>As restated Total funds 2012 £</i>
Educational activities	416,763	<i>634,304</i>
	2013 £	<i>2012 £</i>
In-Vivo Short Courses	89,290	<i>236,888</i>
In-Vivo Training	33,857	<i>40,759</i>
Medical Research Council Capacity Building Studentship Top Ups	237,000	<i>350,500</i>
Prescribing Safety Assessment	56,137	<i>1,950</i>
Support Costs	479	<i>4,207</i>
Total	416,763	<i>634,304</i>

In-Vivo Short Courses and Training grants are given to universities for educational purposes. During the year 14 awards of between £500 and £25,000 were made.

Medical Research Council Capacity Building Studentship Top Ups are given to universities to defray the costs of consumables incurred by students as part of their *In-Vivo* techniques training. During the year, 11 universities were given awards of between £500 and £40,000.

11. GOVERNANCE COSTS

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	<i>Total funds 2012 £</i>
Governance Internal audit costs	-	2,500	2,500	<i>2,500</i>
Governance Auditors' remuneration	-	9,028	9,028	<i>10,000</i>
Council - travel and meetings	-	12,169	12,169	<i>16,866</i>
Legal and professional fees	-	10,393	10,393	<i>2,140</i>
	-	34,090	34,090	<i>31,506</i>

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

12. OTHER RESOURCES EXPENDED

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Loss on disposal of tangible fixed assets for charity's own use	-	13,719	13,719	-

13. INCOMING RESOURCES

83% of the Charity's journal publishing income (2012 - 86%) is attributable to geographical markets outside the United Kingdom.

All other incoming resources are attributable to the United Kingdom.

14. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the charity	13,150	21,224
- held under finance leases	-	4,110
Auditors' remuneration	9,028	10,000
Governance Internal audit costs	2,500	2,500

During the year, no Trustees received any remuneration (2012 - £NIL).

During the year, 8 (2012 - 11) Trustees were reimbursed for travel and subsistence and other general expenses totalling £17,079 (2012 - £21,486) of which £1,895 (2012 - £2,863) was in connection with council matters. The balance is in relation to expenses incurred in respect of services provided and business conducted on behalf of the Charity.

Included within Trustees' expenses is £2,500 (2012 - £2,500) in respect of fees paid to D O Douglas in respect of accountancy and internal audit services.

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

15. STAFF COSTS

Staff costs were as follows:

	2013 £	2012 £
Wages and salaries	552,750	487,468
Social security costs	49,694	48,323
Pension costs	48,501	49,367
	<u>650,945</u>	<u>585,158</u>

The average monthly number of employees during the year was as follows:

	2013 No.	2012 No.
	12	11
	<u>12</u>	<u>11</u>

The number of higher paid employees was:

	2013 No.	2012 No.
In the band £70,001 - £80,000	0	2
In the band £90,001 - £100,000	1	0
	<u>1</u>	<u>2</u>

Included within wages and salaries are honoraria payments to members of £6,000 (2012 - £6,000).

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

16. TANGIBLE FIXED ASSETS

	Leasehold property £	Fixtures & fittings £	Computer equipment £	Total £
Cost or Valuation				
At 1 January 2013	590,000	126,516	69,373	785,889
Additions	-	1,774	66,146	67,920
Disposals	-	-	(24,896)	(24,896)
At 31 December 2013	<u>590,000</u>	<u>128,290</u>	<u>110,623</u>	<u>828,913</u>
Depreciation				
At 1 January 2013	-	106,993	55,465	162,458
Charge for the year	-	6,027	7,123	13,150
On disposals	-	-	(16,440)	(16,440)
At 31 December 2013	<u>-</u>	<u>113,020</u>	<u>46,148</u>	<u>159,168</u>
Net book value				
At 31 December 2013	<u>590,000</u>	<u>15,270</u>	<u>64,475</u>	<u>669,745</u>
<i>At 31 December 2012</i>	<u>590,000</u>	<u>19,523</u>	<u>13,908</u>	<u>623,431</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2013 £	2012 £
Computer equipment	-	8,456

Included in computer equipment are assets in the course of construction with a carrying value of £58,417 (2012 - £Nil) which have not been depreciated as they were not in use as at 31 December 2013.

Revaluation of fixed assets

The long leasehold property was revalued on 24 February 2010 at "Existing Use" value by Altus Edwin Hill, Chartered Surveyors at £590,000, a reduction of £30,000 since the last valuation on 20 May 2005. The historic cost of the property is £273,816.

The value of this property was reviewed on a market comparison basis in 2013 and there was no significant change from the 2010 valuation. A full professional valuation will be performed in 2015.

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

17. FIXED ASSET INVESTMENTS

	Listed securities £
Market value	
At 1 January 2013	3,412,993
Additions	769,945
Disposals	(644,232)
Revaluations	321,558
	3,860,264
At 31 December 2013	3,860,264

Investments at market value comprise:

	UK £	Overseas £	2013 £	2012 £
Listed investments	3,000,637	859,627	3,860,264	3,412,993
	3,000,637	859,627	3,860,264	3,412,993

The above investments are all in relation to unrestricted funds.

18. DEBTORS

	2013 £	2012 £
Trade debtors	15,477	69,638
VAT	3,059	2,720
Other debtors	654,543	581,282
Prepayments and accrued income	42,220	43,399
	715,299	697,039

Other debtors mainly represents the final installment of the journal publishing income due but unpaid at the year end.

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

**19. CREDITORS:
Amounts falling due within one year**

	2013 £	2012 £
Net obligations under finance leases and hire purchase contracts	-	7,941
Trade creditors	225,040	235,671
Other taxation and social security	-	14,917
Other creditors	616,146	523,159
Accruals and deferred income	89,609	252,481
	930,795	1,034,169
	930,795	1,034,169

Included within other creditors is an amount of £350,000 (2012 - £285,000) in respect of Integrative Pharmacology Fund commitments, £67,882 (2012 - £68,600) in respect of A J Clark Fund commitments, £145,500 (2012 - £122,500) in respects of *In Vivo* Short Courses Fund commitments and £38,700 (2012 - £44,000) in respect of *In Vivo* Training Fund commitments in line with the Society's accounting policy.

Deferred income

The movement of deferred income, included within accruals and deferred income above, during the year was as follows:

	Membership income £	Other income including grants £	Total £
At 1 January 2013	25,594	135,000	160,594
Movement during the year	(7,483)	(135,000)	(142,483)
	18,111	-	18,111
	18,111	-	18,111

Membership income related to subscriptions received in advance.

**20. CREDITORS:
Amounts falling due after more than one year**

	2013 £	2012 £
Net obligations under finance leases and hire purchase contracts	-	3,970
Grant awards	102,941	68,868
	102,941	72,838
	102,941	72,838

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

**20. CREDITORS:
Amounts falling due after more than one year (continued)**

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2013	2012
	£	£
Between one and five years	-	3,970

Finance lease agreements and hire purchase contracts were secured on the related assets.

21. PRIOR YEAR ADJUSTMENT

The Statement of Financial Activities for the year ended 31 December 2012 has been restated to reclassify £20,000 of restricted donation received, £25,000 of other incoming resources and £45,000 of restricted educational activities charitable expenditure which had been incorrectly accounted for as income and expenditure of the charity rather than as transfers between restricted and unrestricted funds. These adjustments were required to correct a fundamental error in the accounts for that year due to its effect on the reported incoming resources and resources expended. There has been no effect on the reported surplus for the year ended 31 December 2012 as a result of this restatement.

22. PENSION COMMITMENTS

BPS participates in a centralised defined benefit scheme for all qualified employees with the assets held in separate Trustee-administered funds (SAUL). The BPS has now adopted FRS17 for accounting for pension costs. It is not possible to identify the BPS's share of the underlying assets and liabilities of SAUL. Therefore contributions are accounted for as if SAUL were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 8 - 12 of FRS17.

SAUL is subject to triennial valuations by professionally qualified and independent actuaries. The last available valuation was carried out as at 31 March 2011 using the projected unit credit method in which the actuarial liability makes allowance for projected earnings. The main assumptions used to assess the technical provisions were:

	31 March 2011
Discount Rate	
- pre-retirement	6.80%
-post-retirement	4.70%
General Salary Increases	3.75% p.a until 31 march 2014, 4.50% p.a thereafter
Retail Prices Index Inflation (RPI)	3.50% p.a
Consumer Prices Index Inflation (CPI)	2.80% p.a
Pension Increases in payment (excess over GMP)	2.80% p.a
Mortality - base table	SAPS Nominal (year of both) tables with an age rating of +0.5 years for mates and -0.4 years for females.
Mortality - future improvements	Future improvements in line with CMI 2010 projections with a long term trend rate of 1.25% p.a.

* an additional allowance is made for promotional Salary Increases

The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets was £1,506 million representing 95% of the liability for benefits after allowing for future increases in salaries.

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

22. PENSION COMMITMENTS (continued)

Based on the strength of the Employer covenant and the Trustee's long-term investment strategy, the Trustees and the Employer agreed to maintain Employer and Member contributions at 13% of salaries and 6% of salaries respectively following the valuation. The above rates will be reviewed when the results of the next formal valuation (as at 31 March 2014) are known.

A comparison of SAUL's assets and liabilities calculated using assumptions consistent with FRS17 revealed SAUL to be in deficit at the last formal valuation date (31 March 2011). As part of this valuation, the Trustees and Employer have agreed that no additional contributions will be required to eliminate the current shortfall.

The more material changes (the introduction of a Career Average Revalued Earnings, or "CARE" benefit structure) to SAUL's benefit structure apply from 1 July 2012. As a consequence, the cost of benefit accrual is expected to fall as existing final salary members are replaced by new members joining the CARE structure. This will allow an increasing proportion of the expected asset return to be used to eliminate the funding shortfall. Based on conditions as at 31 March 2011, the shortfall is expected to be eliminated by 31 March 2021, which is ten years from the valuation date.

23. CONTINGENT LIABILITIES

During the year, contributions towards *In Vivo* Short Courses totalling £110,000 were received by the Society and have been recognised as income within the Statement of Financial Activities. These courses are not scheduled to be held until 2014. If these courses do not take place then there is a possibility that these funds will need to be refunded to the original contributors.

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

24. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds						
World Pharma 2022	-	-	-	50,000	-	50,000
General funds						
General Funds	5,404,944	3,071,269	(2,868,882)	(85,186)	346,425	5,868,570
Total Unrestricted funds	5,404,944	3,071,269	(2,868,882)	(35,186)	346,425	5,918,570
Restricted funds						
In Vivo Training Fund	21,209	14,000	(33,857)	20,000	-	21,352
In Vivo Short Courses Fund	(130,562)	207,840	(89,290)	25,000	-	12,988
Wellcome Gold Medal Fund	-	4,000	(2,000)	-	-	2,000
Paton Fund	6,016	-	-	-	-	6,016
GRAC Fund	6,793	-	(6,000)	-	-	793
Gary Price Fund	8,582	-	-	-	-	8,582
Schachter Fund	1,016	7,000	(500)	-	-	7,516
Integrative Pharmacology Fund	414,322	-	(237,479)	(39,814)	-	137,029
E Learning for Healthcare "Prescribe" Initiative Fund	164,979	-	(23,210)	-	-	141,769
AstraZeneca Women in Pharmacology Prize Fund	1,000	5,000	(1,000)	-	-	5,000
MRC Short Course in Translational Pharmacology Fund	27,187	13,375	-	-	-	40,562
Prescribing Safety Assessment	64,970	30,000	(56,137)	30,000	-	68,833
Other prizes and awards	3,200	-	(900)	-	-	2,300
	588,712	281,215	(450,373)	35,186	-	454,740
Total of funds	5,993,656	3,352,484	(3,319,255)	-	346,425	6,373,310

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

24. STATEMENT OF FUNDS (continued)

Designated Funds

In 2013, the Society decided to begin to designate funds in relation to the 2022 IUPHAR World Congress of Pharmacology. The Society expects to know in July 2014 if its bid to host this meeting has been successful.

Restricted Funds

The In Vivo Training Fund consists of contributions from pharmaceutical companies and the Society to support *In Vivo* pharmacology training within certain bachelors and masters degree courses in universities in the UK.

The In Vivo Short Courses Fund uses contributions by the Society, the Physiological Society, industry and research bodies to support short courses in *In Vivo* pharmacology and physiology. These courses are held at universities nationwide. The courses are fully funded from contributions from the Medical Research Council, Wellcome Trust, the Physiological Society and the BPS Integrative Pharmacology Fund.

The Wellcome Gold Medal Fund provides a biennial prize and medal, funded by GlaxoSmithKline, for outstanding contributions to pharmacology including ideas, techniques equipment etc, used in the development of experimental pharmacology.

The Paton Fund was established jointly by Sir William Paton and the Society to support costs and expenses for those studying the history of pharmacology including ideas, techniques equipment etc. used in the development of experimental pharmacology.

The GRAC Fund has been donated by Pfizer to facilitate compilation, production and distribution of the Society's publication "Guide to Receptors and Channels".

The Gary Price Fund, in memory of the late Dr Gary Price, is funded by a single donation from GlaxoSmithKline to support lectures at BPS meetings.

The Schachter Fund, funded by donations from Mrs Ruth Schachter, provides grants to Student Members of the Society to visit other laboratories to learn techniques or to attend certain meetings.

The Integrative Pharmacology Fund, established by AstraZeneca, GlaxoSmithKline and Pfizer, supports research and training in integrative pharmacology and related disciplines with the objective of building capacity and ensuring the discipline's long-term viability in the UK. During the year, donations were approved from this fund of £25,000 (2012 - £20,000) to the In Vivo Short Courses Fund, £20,000 (2012 - £20,000) to the In Vivo Training Fund and £10,000 (2012 - £25,000) was charged as an administrative fee to BPS in respect of administration of the fund. All of the above amounts have been shown as transfers in the year.

The E-learning for Healthcare Prescribe Initiative Fund was provided by the Department of Health to facilitate payments to BPS members contributing to the authoring and review of e-learning modules being developed between the Society and Department of Health, for the 38,000 medical students who train each year in the UK.

The Women in Pharmacology Prize has been created by a donation from AstraZeneca to provide the Society with a prize fund to recognise women whose career achievements have contributed significantly to our understanding of a particular field through excellence in research.

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

24. STATEMENT OF FUNDS (continued)

The MRC Short Course in Translational Pharmacology Fund was a capacity building grant by the Medical Research Council to enable the Society to develop and run a programme in 2010 in translational pharmacology that is suitable for eligible researchers from all biomedical disciplines involved in drug discovery and translational process.

The Prescribing Safety Assessment Fund arose through the transfer of the balance of funds of a project initiated by the Dept. of Health. The project will now be continued by the BPS in conjunction with the Medical Schools Council to develop an assessment for final year medical students in prescribing.

Other prizes and awards - from time to time the Society receives donations to enable it to provide grants or prizes related to ad hoc projects or initiatives.

Subject to the above, the Society has sufficient resources to enable these funds to be applied in accordance with their respective restrictions.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds	-	-	-	50,000	-	50,000
General funds	5,404,944	3,071,269	(2,868,882)	(85,186)	346,425	5,868,570
	<u>5,404,944</u>	<u>3,071,269</u>	<u>(2,868,882)</u>	<u>(35,186)</u>	<u>346,425</u>	<u>5,918,570</u>
Restricted funds	588,712	281,215	(450,373)	35,186	-	454,740
	<u>5,993,656</u>	<u>3,352,484</u>	<u>(3,319,255)</u>	<u>-</u>	<u>346,425</u>	<u>6,373,310</u>

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2013 £	Unrestricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	-	669,744	669,744	623,431
Fixed asset investments	-	3,860,264	3,860,264	3,412,993
Current assets	804,740	2,072,297	2,877,037	3,064,239
Creditors due within one year	(350,000)	(580,794)	(930,794)	(1,034,168)
Creditors due in more than one year	-	(102,941)	(102,941)	(72,839)
	<u>454,740</u>	<u>5,918,570</u>	<u>6,373,310</u>	<u>5,993,656</u>

26. CONTROLLING PARTY

In the opinion of the Trustees there is no ultimate controlling party.