

Registered number: 2877400
Charity number: 1030623

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

OBJECTIVES AND ACTIVITIES

Charitable Object

The charitable object of the British Pharmacological Society ("the Society") is to promote and advance pharmacology (including without limitation clinical pharmacology).

Public Benefit

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 the whole spectrum of pharmacology. As a global community of around 4,000 scientists at the heart of research into drugs and the way they work, the Society's strategic objectives deliver this mission, and bring about advances in science, medicine and healthcare, with the following public benefits:

- Supporting the research and application of pharmacology by providing new opportunities for pharmacologists to present and publish their research, and nurturing 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 school students with a range of engagement activities.

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.

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regards to the Charity Commission's general guidance on public benefit "Charities and Public Benefit".

Objectives for 2016

The Society's Officers and Staff worked to deliver a range of objectives in support of its five-year strategy and its charitable aims. The objectives are listed in the "Achievements and Performance" section of this report, together with the activities undertaken, results and impact of those activities.

OBJECTIVES AND ACTIVITIES (continued)

Strategies for Achieving Objectives

The Society's Council ratified in March 2012 a five-year strategy. Five key priorities and two key principles were agreed and are listed below, forming the basis of the Society's strategy to 2017. A review was completed during 2015, the results of which have been incorporated into the Society's business planning for 2016 and 2017.

This strategy has determined the basis for the work of the Society's over this period.

Key principles

There are two overarching principles to be taken into account, when considering all future 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 the Society's teaching and outreach activities.
- Reflecting the increasingly multi-disciplinary nature of modern biomedical science by further developing the Society's collaborative activities with other Societies.
- Maintaining 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.

The Society's activities were focused on achieving these objectives throughout the year, as set out in pages 5 to 10.

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TRUSTEES' REPORT (continued)
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ACHIEVEMENTS, PERFORMANCE AND IMPACT

Over the course of 2016, the Society's Officers and Staff worked to deliver a range of objectives in support of its five-year strategy and its charitable aims. A summary of these activities, their results and impact can be found below.

Key principle 1. Work towards achieving greater financial resilience

Propose to Council areas for business development and strategies for implementation in support of the Society's revenue diversification goals	<ul style="list-style-type: none">• The Society's investment in learning and assessment, particularly using new delivery technologies, led a number of novel streams of income in 2016.• Further revenue-generating projects have been assessed in publishing, education and the broader development of Society-owned technologies, many of which will be implemented over 2017 and beyond.• To support future growth, the Society has signed up to the Department for International Trade's Global Growth Programme, and created a new e-learning and assessment platform for launch in 2017.
Review and recommend an operational plan for the Society's designated funds by June 2016 Council	<ul style="list-style-type: none">• The operational plan for the Society's designated funds provides increasing sophistication to the financial strategy, and was approved by Council in June 2016. The plan helps to show how the funds will support the work of the Society.

Key principle 2. Development and modernization of the Society's equality and diversity policy to incorporate best practice into all the Society does

Conduct a systematic review of Equality & Diversity in the Society's meetings, in order to better support the Society's aims in providing equal opportunities	<ul style="list-style-type: none">• An initial review of female participation as speakers at the Society's meetings during 2016 showed a wide variation in participation (18-43%, against a benchmark of 30%).• This review is expected to form part of the development of an inclusion strategy, which is included in the Society's 2017 objectives.• Progress in this area will provide a greater number of opportunities for networking and career progression for female pharmacologists, and ensure their ongoing participation in our community.
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016**

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

Member numbers as at 31 December 2016:

	31 Dec 2016	31 Dec 2015
Honorary Fellows	111	105
Fellows	221	191
Retired Members	494	470
Members	1,095	1,117
Early Career Members	246	213
Affiliate Members	101	86
Postgraduate Students	592	493
Undergraduate Students	1,165	1,208
Total	4,025	3,883

<p>Continue to retain and grow our membership in a balanced way, to encourage new and established pharmacologists to join and take an active role in the Society</p>	<ul style="list-style-type: none"> • The Society introduced a recruitment strategy in 2016 with an emphasis on increasing the number of Full Members. Partly as a result of that strategy, 875 new members joined in 2016. • The Society integrated online direct debit with its membership systems in order to make it easier for UK members to manage their membership fees. It is expected that this will have a positive effect on the Society's ability to retain its members in future. • The Society's member engagement survey was completed by 29% of members, who expressed high levels of satisfaction with the services provided by the Society to its membership – to an even greater extent than in the previous member engagement survey in 2013.
<p>Drive and support the Society's Affinity Groups</p>	<ul style="list-style-type: none"> • The Society's Affinity Group co-chairs are increasingly involved in the delivery of meetings: the first Affinity Group meeting was held in September 2016. • Developing activities in the UK and internationally, and newly-created webpages for each Affinity Group, encouraged members to sign-up and get involved.
<p>Deliver the outcomes of the Prizes & Awards Review to ensure these are fit for purpose</p>	<ul style="list-style-type: none"> • The Society created four new awards and two new prizes. Twelve existing awards were also amended to ensure these better addressed members' needs. These new and amended prizes and awards will come into effect in 2017.
<p>Develop a deeper understanding of the UK pharmacology Higher Education community, and deliver Society activities to support it</p>	<ul style="list-style-type: none"> • The Society welcomed 32 members of the pharmacology education community to a workshop in June 2016 to review the core undergraduate pharmacology curriculum and discuss their needs. • An expanded programme of educational activities has also provided a greater range of opportunities for the

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TRUSTEES' REPORT (continued)
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	<p>community to get involved – this was demonstrated at the Society’s annual meeting, where education and career workshops took place alongside the launch of key work programmes designed to support researchers in pharmacology.</p> <ul style="list-style-type: none">• Following a significant period of engagement and evaluation, working with the pharmacology and wider animal research communities, the Society launched a report making recommendations about the future of education and training in animal research. The Society will continue to take leadership role and has committed resource to ensure the delivery of the outcomes of this work in future years.
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Key priority 2. Development of an integrated publications strategy

<p>Build links and shared activities between the Society’s journals and its Education function</p>	<ul style="list-style-type: none">• As part of the BJCP Senior Editorial Team, the Senior Editor for Education highlighted and commissioned articles within the journal with a specific educational angle and wrote prescribing points for relevant articles.• Both BJP and BJCP explored alternative methods of disseminating work published in the journals, with a view to piloting video abstracts in future• BJP has introduced regional specific Senior Editors in key growth markets, with a remit to attract high quality submissions. Activities undertaken include a successful ‘how to publish in BJP’ webinar (attended by 117 delegates) led by our Chinese Senior Editor Yong Ji.• The Publishing team assisted in exploring research avenues to help feed into the Focus on Pharmacology project including providing publications data for the REF Impact Project and an initial meeting with the Science Policy Research Unit at the University of Sussex.
<p>Build a robust link between the Society’s meetings, education and its journals through reviews, themed issues and other joint initiatives</p>	<ul style="list-style-type: none">• BJP and BJCP have worked closely together, publishing joint virtual issues on specific themes (Platelet pharmacology, Heart rates and Rhythms), and for content from key geographic markets such as Latin America.• The BPS collaborated with The Physiological Society and Biochemical Society to produce a joint virtual issue of content from across all three societies journal portfolios for promotional purposes at the Experimental Biology conference in 2016.• Regular attendance by publishing representatives at Meetings Committee allows for more effective discussion around commissioning from BPS meetings, and a means of provide feedback on publishing activity to the Committee and Affinity Groups.

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TRUSTEES' REPORT (continued)
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Key priority 3. Explaining the importance of pharmacology in the modern world by extending the Society's education and outreach initiatives

Conduct a full review into the contribution of pharmacology in the UK – the Focus on Pharmacology project	<ul style="list-style-type: none">• Delivering on key aspects of the Focus project, the Society produced a new undergraduate pharmacology core curriculum; a report evaluating the Integrative Pharmacology Fund; and a strategic engagement plan for clinical pharmacology.• The Society commissioned PricewaterhouseCoopers to undertake research into the 'pharmacology education landscape' in December 2016. The work will examine the health of pharmacology education by analysing the student and employee pipeline. It will report trends in the number and type of pharmacology undergraduate courses, health of applications, employment destinations of graduates and their earning potential.• We collaborated with Cranfield University to understand how pharmacology research delivers impact to society through an analysis of impact case studies submitted to the Research Excellence Framework 2014 assessment exercise. Through this exercise we developed selection criteria to identify case studies that show impact across drug discovery and development. Understanding the specific role, contribution and potential contribution of pharmacology to the drug discovery landscape will help inform how we build on this and support the development of new medicines in the future.• These activities ensure the delivery of future activities will be well-evidenced.
Increase the Society's visibility and impact through at least two targeted policy campaigns during 2016	<ul style="list-style-type: none">• The Society delivered three targeted campaigns in 2016: the impact of Brexit; performance & image enhancing drugs; and the cost & affordability of medicines. These involved stakeholder engagement, member engagement, the development of educational resources, science festival and parliamentary events, media activity, and written evidence to policy makers.• Much of this work was picked up in the national, regional and trade press, furthering its impact.
Establish a range of programmes to encourage and support members who represent the Society externally.	<ul style="list-style-type: none">• The Society held an event in December to provide information on getting involved with the Society, public engagement and policy-making. The event attracted around 100 young pharmacologists.• 13 members represented pharmacology at institutions across the UK and Ireland in the pilot of the Society's Ambassadors scheme, and raised the profile of the Society with students, their wider institutions and external audiences.• 11 members participated in Society-organised media training.• 8 members participated in training events accessed through the Society's new Public Engagement Bursary scheme, and £5,000 was awarded for four outreach grants.

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TRUSTEES' REPORT (continued)
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	<ul style="list-style-type: none">• An online library of resources was developed to support members with engaging external audiences.• The role of Engagement Manager was created to facilitate the involvement of greater numbers of members in outreach and public engagement activities on a local and national level.
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Key priority 4. Reflect the increasingly multi-disciplinary nature of modern biomedical science by further developing collaborative activities with other Societies

Develop an international engagement strategy by December 2016, in order to guide future collaborations with other Societies around the world	<ul style="list-style-type: none">• The Society produced an international engagement strategy in June 2016 to develop the reach of the Society, while being mindful of the value of international partner organisations. The strategy can be found on the BPS website.• An International Advisory Group has now been established to drive the strategy on behalf of Council, and advise on the Society's worldwide role. The group's membership derives from many different regions, membership categories and interests.
Underline the broader impact of pharmacology by developing the Society's public engagement and outreach programmes in tandem with partner organisations	<ul style="list-style-type: none">• The Society organised three science festival events on the broader impact of pharmacology: Brighton – "Doping for gold"; Edinburgh - "Waste not, want not"; and Cheltenham - "Can we afford our medicines". These involved partner organisations such as Medicines and Healthcare products Regulatory Agency and Sense about Science.• A hands-on public engagement toolkit aimed at 10-14 year olds was developed in tandem with the Biochemical Society: 'Medicine Makers'. This was used at Cheltenham Science Festival in June, Lambeth County Fair in July, and October's Biology Week in Cambridge, as part of a collaborative touring stand with the Royal Society of Biology.• The science festival events strengthened members relationships with stakeholders, and generated media interest in pharmacology, including articles in The Scotsman, The Daily Telegraph and Drug Discovery Today.

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TRUSTEES' REPORT (continued)
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Key priority 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

<p>Create or develop an understanding of the value of Clinical Pharmacology & Therapeutics (CPT) to the NHS among targeted groups, and through harnessing the expertise of project ambassadors</p>	<ul style="list-style-type: none">• The Society commissioned PriceWaterhouseCoopers to produce an assessment of the value of CPT in the health service, titled "Clinical pharmacology and Therapeutics: The Case for Savings in the NHS". The assessment utilised robust data and an accompanying engagement plan to drive awareness, promotion and support for clinical pharmacology.• In September, the Society provided a detailed briefing for Lord Hunt of King's Heath in support of a House of Lords debate on the importance of clinical pharmacologists in the UK, which called for immediate action to tackle the reduction of clinical pharmacologists practicing in the NHS and teaching in universities.• In November, representatives from the Society were able to meet with Lord Prior of Brampton, Minister for NHS Productivity, and Health Education England leaders to discuss workforce planning.
<p>Interact with other Clinical Pharmacology Societies and groups, in order to underpin the UK's position as an international centre of excellence in the field</p>	<ul style="list-style-type: none">• The Society's UK members are increasingly involved in the leadership and direction of international clinical organisations including the International Union of Basic and Clinical Pharmacology, the European Union of Medical Specialists. and the European Association for Clinical Pharmacology & Therapeutics. The American Society of Clinical Pharmacology & Therapeutics was a guest society at Pharmacology 2016.• The Society enjoyed open dialogue with ABPI, MRC and NIHR around clinical pharmacology training needs.• The Society has provided support for careers and professional interest activities within the Royal College of Physicians that promote and advance clinical pharmacology.
<p>Engage with international partner organisations in order to demonstrate the value of safe and effective prescribing worldwide</p>	<ul style="list-style-type: none">• The Society's online prescribing assessment was piloted with over 700 local participants with partners in Australia, Canada, India, Malaysia and New Zealand. This has provided the foundation for an increased number of international medical schools to participate in 2017.• Ongoing collaboration on the Prescribing Safety Assessment with the Medical Schools Council involved participants in the UK (over 7,000), Ireland (716) and Malta (42).• Pilots were delivered with UK pharmacy undergraduates, pre-registration pharmacists and pharmacy prescribers.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

FINANCIAL REVIEW

For the year ended 31 December 2016 the total funds of the Society have decreased by £210,828 (2015 - £245,760 increase). The overall decrease is made up of a decrease in unrestricted funds of £92,676 (2015 - £146,859 increase) and an decrease in restricted funds of £118,152 (2015 - £98,901 increase).

Net gains on investments totalling £399,084 (2015 - £2,766) have contributed towards the overall movement in funds and are entirely attributable to unrestricted funds.

The resulting balance of total funds at 31 December 2016 amounted to £6,515,725 (2015 - £6,726,553) of which £6,041,449 (2015 - £6,134,125) is the unrestricted funds of the Society.

The Statement of Financial Activities on page 25 and the Balance Sheet on page 26 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 £3,716,676 (2015 - £4,196,902) which is a decrease of 11.4%. Importantly, charitable activity income from journal publishing, which is the Society's main income source, has decreased by 8.8% to £3,136,439 (2015 - £3,438,855) mainly because 2015 included income from the journal publishers on completion of a new agreement.

Member numbers increased by 3.6% to 4,025 (2015 - 3,883) although membership subscription income decreased by 2.6% to £129,646 (2015 - £133,082) as a result of the paying members taking greater advantage of discounts for prompt payment. The increase in membership reflects the Society's longer-term approach to strengthening and growing the discipline of pharmacology. Increases of between 5.1% and 20.1% occurred across almost all categories of membership. However, falls in member numbers were seen in Full Membership (2.0%) and Undergraduate Student Membership (3.6%).

Scientific meetings income increased by £97,123 to £201,020 (2015 - £103,897). This reflects a successful Pharmacology 2016 and the income from other meetings in the 2016 portfolio exceeding 2015's level.

Voluntary income is mostly for educational activities; it decreased by £303,514 to £54,981 (2015 - £358,495) predominantly because 2015 included two years' worth of grant funding in respect of the Prescribing Safety Assessment.

Investment income was £2,160 lower at £115,314 (2015 - £117,474) reflecting the relatively high cash-weighting and consequential lower amount invested throughout the year.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

Expenditure on charitable activities

Expenditure on charitable activities totalled £4,293,884 (2015 - £3,873,338) which is a 10.9% increase of £420,546. The most notable reasons for this increase are highlighted here.

Journal publishing costs increased by £17,528 to £1,347,883 (2015 - £1,330,355); the direct costs have been carefully controlled and the increase in total costs is mainly a result the full-year cost of publishing staff salaries.

Expenditure on educational activities increased by £254,197 to £1,472,018 (2015 - £1,217,821) predominantly due to the full-year cost of enhanced education activity such as "Focus on Pharmacology", agreed by Council in 2015.

Projects and awards expenditure decreased by £52,027 to £244,065 (2015 - £296,092) mainly as a consequence of the Integrative Pharmacology Fund having been almost entirely exhausted.

Capital expenditure

Capital expenditure totalled £226,104 (2015 - £78,238) of which £142,609 (2015 - £Nil) is the development cost of the new online platform being developed to initially support online assessment services from 2017.

Reserves Policy, Designated Funds and Going Concern

The balance on General Funds of £3,027,240 (2015 - £2,839,660) represents the reserves of the Society. The Trustees consider that the Society's reliance on publishing income is the predominant determinant of the level of reserves required and have calculated that a level of £3,600,000 would allow the Society to fulfil its commitments to its members both in terms of operations and activities over a period of one year if the Society's publications income failed or were severely reduced as well as covering a number of other potential adverse scenarios. Although the reserves reported at 31 December 2016 represent 84% of the requirement, this is considered to be satisfactory given the level of designated funds.

The Trustees have continued to designate funds, as shown in note 21, in accordance with the Society's financial strategy.

The balance on the Prizes & Awards Fund is being maintained, via a transfer from the General Funds, at £1million so as to part-fund both current and future generations of beneficiaries. The World Pharma 2022 fund exists so as to underwrite a potential net cost to the Society of £500,000 (2015 - £500,000) for hosting the 2022 IUPHAR World Congress of Pharmacology and thus guarantee the running of the event.

The Guide to PHARMACOLOGY Fund of £374,536 (2015 - £490,054) is set aside in order to enable the production of the Guide to be funded until October 2020.

The Business Development Fund of £168,816 (2015 - £445,636) will enable the Society to invest in innovation and product development activities to achieve the Society's strategic aim of revenue diversification and growth.

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.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

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.

Investment policy and performance

The Society holds investments with a value totalling £5,040,832 at 31 December 2016 (2015 - £4,303,960). The increase in value reflects a strong performance from global equity markets, despite the momentous geopolitical events of the UK's decision to quit the European Union and the result of the general election in the USA. No capital was added or withdrawn by the Society over the period.

Overall, the investment portfolio achieved a total return of 10.76% compared to the benchmark Wealth Management Association (WMA) balanced total return of 17.15%. Whilst 10.76% is a good return in absolute terms, it is disappointing to have underperformed the benchmark to this degree. The primary reason for this underperformance is that the fund had a relatively high cash weighting in a time of rising markets. Throughout the period, the average cash position was 12.7%. It was felt this was prudent given the prospects of the UK voting to leave the EU, followed by the U.S. Presidential election. As it transpired, global equity markets nonetheless continued to rise and regularly attain new all-time highs. In addition, stock market gains were led by energy and mining companies, whose gains were entirely predicated by a recovery in oil and materials prices from a very low base in February 2016. The fund has an underweight position in these areas due to their higher risk nature and management's poor track record of capital discipline. A final reason for underperformance was the fact that the Society requires the investment manager to avoid investment in tobacco and pharmaceutical companies. Therefore, it is not appropriate for the fund to hold passive market-tracking investments (such as ETFs), which will definitely have meaningful investments in tobacco and pharma companies. Such market-tracking funds produced some of the best returns available last year.

On a more positive note, for some time the fund has had a large underweight position in Government Bonds (Gilts), due to their very low yields. In August 2016, the UK Government bond yield touched an all-time low of 0.60% but has subsequently risen significantly to 1.21%, triggering significant losses for Gilt investors. The Society avoided being caught by this apparently "return-free risk".

The investments are managed on behalf of the Society by an investment management company, Brewin Dolphin (BD), who act for the Society on a fully discretionary basis. For the duration of the year, the portfolio has been managed at a "diversified" mid-level of risk. BD are required to have regard for the Society's status as an educational and health charity, and the Society specifically prohibits investments in tobacco companies. In addition, to maintain an impartial position, BD is also prohibited from investing directly in pharmaceutical companies. The Society's investment strategy works together with its reserves 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 range of assets selected provides 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

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**TRUSTEES' REPORT (continued)
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to be obtained on each class of investments, 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 BD and its portfolios. Finance Committee met regularly throughout the year with the investment manager to review the entire portfolio and agree the relative strategic benchmarks from time to time. The Committee reviewed the performance of the investments each time it met and worked with the investment manager to ensure the investments provided long-term growth ahead of inflation, income and liquidity.

PLANS FOR FUTURE PERIODS

Council has set the following objectives for the year to 31 December 2017:

Driving the Society's strategy from 2018

- Propose to the Society a new long-term strategy to run from 2018, by conducting a full strategy review
- Make recommendations on the facilities requirements, to match the Society's next 5-year strategy
- Identify key health and disease challenges, alongside technical or scientific developments, to drive a scientific strategy for the Society for the next 5 years

Key principle 1. Work towards achieving greater financial resilience

- Establish and consolidate BPS Assessment Ltd as a sustainable trading entity
- Develop organisational capacity to identify and develop new commercial opportunities

Key principle 2. Development and modernization of the Society's equality and diversity policy to incorporate best practice into all the Society does

- Foster greater inclusiveness in the Society, building on existing commitments to Equality & Diversity and member feedback

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

- Continue to retain and grow our membership in a balanced way, to encourage new and established pharmacologists to join and take an active role in the Society
- Drive and support the Society's Affinity Groups
- Deliver the outcomes of the Prizes & Awards Review to ensure these are fit for purpose
- Develop a deeper understanding of the UK pharmacology Higher Education community, and deliver Society activities to support it
- Generate a vision that grows the Pharmacology meeting to be the international, annual, flagship congress for pharmacologists

Key priority 2. Development of an integrated publications strategy

- Create a long term editorial strategy for BJP and BJCP, focusing on development and growth
- Investigate new ways of disseminating the outputs of pharmacological research

Key priority 3. Explaining the importance of pharmacology in the modern world by extending the Society's education and outreach initiatives

- Develop targeted information and signposting for basic, clinical and educational career pathways
- Develop the Society's leadership within in vivo education and training
- Develop our understanding of the pharmacology requirements of educators, and deliver new activities to support them
- Engage more effectively with policy matters that directly affect pharmacology and clinical pharmacology
- Publish the outcomes of the Focus on Pharmacology project, and ensure outputs and recommendations to inform the Society's long term strategy
- Build capacity among members who can effectively represent the Society externally

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

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

Key priority 5. Maintaining 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

Engage strategically with our community and decision makers to protect and advance clinical pharmacology

Key priority 6: Promote the Society as a truly international organization, while being mindful of the value of existing international bodies and partner organizations

- Create a roadmap for the Society's delivery of WCP 2022, with a view to being 'launch-ready' by WCP 2018
- Consolidate and grow participation by all members in the Society's international networks in a sustainable way, informed and guided by a new International Advisory Group

STRUCTURE, GOVERNANCE AND MANAGEMENT

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 21 to 22 of the financial statements.

The Trustees

The Trustees of the charity for the year under review are shown below with details of their attendance at the four Council meetings held in 2016.

Elected Officer Trustees

President	D J Webb	4/4
President-Elect	S J Hill	4/4
Honorary Treasurer	R J Plevin	3/4

Elected Trustees

Joint Chair CHOPT (a)	A Galione	1/4	(until 31 December 2016)
Joint Chair CHOPT (a)	A H Morice	2/4	(until 31 December 2016)
	E Baker	3/4	
	A R Green	4/4	(until 31 December 2016)
	M Skingle	3/4	
	I Williams	2/4	

Appointed Trustees	E Mason	4/4
	C Gloor	4/4
	A Seeley	4/4

(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.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

At the Society's Annual General Meeting in December 2014, the overwhelming majority of members who voted, voted in favour of new Articles of Association and Rules which took effect from 1 January 2015. The change has simplified decision-making by devolving all but key strategic and financial decisions to seven core committees each chaired by a Vice President or officer, who have increased autonomy and control over their budgets.

The Trustees are legally responsible for the overall governance, strategy and direction of the Society. In terms of the Charities Act 2011, 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 met four times (2015 four times), 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 representing clinical pharmacology).

The Trustees are empowered to appoint additional Trustees with specialist skills to assist in the governance of the Society. Appointed Trustees have the same responsibilities and powers as elected Trustees and any such appointment shall be for such period as Council determines, subject to a maximum of three years, after which any person so appointed shall be eligible for election as a Trustee (including as an Officer) by the Voting Members, but shall not be re-appointed by the Council until a period of at least one year has elapsed after expiry of their term of office.

When considering elections for and appointment 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 includes 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"*.

Trustees are elected to serve for periods of between three and four years, depending on office. Elections to the Council take place each year at the AGM and only members in good standing may be nominated as elected Trustees. With the exception of the Young Pharmacologist Trustee, all elected Trustees must be Voting Members which, prior to 2016, encompassed Full and Retired Members and Fellows, and Honorary Fellows. In 2016 Council decided to extend the right to vote to Early Career and Postgraduate members, following a thoughtful and well-evidenced proposal from the Young Pharmacologists Advisory Group. Member participation in the Society's charitable mission is crucial so as to shape the future direction of the Society's activities. Council decided to extend the right to vote as it was clear that enfranchising these member categories would benefit the Society by:

- Expanding the engagement of members in voting from 54% to 71% of the Society's total membership
- Better representing the diverse community of career levels that the Society serves, and therefore putting the Society in a better position to fulfil its mission
- Realising the Society's commitment to a minimum level of female participation in activities of 30% (prior to this change, voters comprised 23% women).

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

In 2016 three of the elected Trustees' terms of office came to an end. It was decided not to replace the two Joint-chairs of CHOPT and so an election was held for the one vacancy. Despite the expansion of the electorate, the number of votes cast was lower than in recent years: 208 members voted in 2016 compared with 321 in 2015 and 289 in 2014. Possible explanations for the lower number of members voting include that the election only in respect of one vacancy, and it was not an Elected Officer Trustee position.

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 a small Management Group, chaired by the President, to oversee the day to day operations of the Society; the Group also comprises the President-Elect, Honorary Treasurer and Chief Executive. Financial management is delegated to the Finance Committee chaired by the Honorary Treasurer. Each of the seven core committees are responsible for considering risk and reporting changes in the risk profile and actions required to Council.

The seven core committees to whom powers are delegated report back to Council. Members of these Committees comprise both Trustees and/or elected Vice-Presidents, together with other members. The journals are managed by the Society's Publications Committee, which in turn delegates responsibility to the journals' Management and Editorial Boards.

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 Management Group 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 2016 the Society had 16 full time staff and utilised the services of specialist consultants as required. The Chief Executive reports back to Council and Management Group on performance against the objectives of the Society.

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 5 to 11.

Remuneration of Key Management Personnel

In determining appropriate levels of remuneration for staff, the Society aims to provide overall packages of terms and conditions that are affordable, competitive and will help to attract, retain and motivate high quality individuals capable of achieving the Society's objectives. The Society wishes to ensure that staff are fairly rewarded for their individual and collective responsibilities and contributions to the Society's overall performance.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

The Society believes that remuneration should contain both discretionary cost of living and non-recurring performance-related elements and these elements should relate both to the performance of the Society and the state of its finances.

Council has determined that whilst it retains overall responsibility for remuneration and employment benefits, it delegates operation of such matters to Management Group (in respect of the Chief Executive and Finance & Commercial Director), Remuneration & Benefits Group (in respect of other key management personnel) and Finance Committee (cost of living element and overall affordability). When considering recommendations for performance awards and any changes to salary, Management Group and Remuneration & Benefits Group are provided with individuals' performance compared with set objectives and targets, and benchmarking information. Finance Committee consider external data on general inflation and wage inflation when considering any cost of living award.

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 the Finance Committee and a report is made to the 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. Although the Trustees are reassured by the publishers that a catastrophic loss of income is unlikely in the short to medium term, the Society's reliance on publishing income means this risk is the predominant determinant of the level of free reserves held by the Society according to its Reserves Policy. Other significant risks identified derive from this primary risk and include the risk that business development activities underway do not result in alternative, sustainable sources of net revenue.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees (who are also directors of the 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 which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure 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;

BRITISH PHARMACOLOGICAL SOCIETY

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016**

- state whether applicable Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are 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 proper accounting records that 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.

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 28 March 2017 and signed on their behalf by:

D J Webb
President

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND
ADVISERS

Trustees

D J Webb
S J Hill (from 1 January 2016)
R J Plevin (from 1 January 2016)
E Baker (from 1 January 2016)
C Gloor (from 7 March 2016)
E Mason
A Seeley (from 1 January 2016)
M Skingle (from 1 January 2016)
C Stanford (from 1 January 2017)
I Williams (from 1 January 2016; until 20 March 2017)
A Galione (until 31 December 2016)
A R Green (until 31 December 2016)
A H Morice (until 31 December 2016)

Key Management Personnel

J Brüün Chief Executive
T Dempster Head of Meetings & Events (until 28 October 2016)
D James Head of Innovation & Commercial Development
M Poole Finance & Commercial Director
K Steer Head of Communications & Membership
S Schweda Head of Meetings & Events (from 1 February 2017)
K Wilson Head of Publishing
A Zecharia Head of Education, Training & Policy

Charity registered number

1030623

Company registered number

2877400

Company Secretary

M Poole

Registered office

The Schild Plot
16 Angel Gate
City Road
London EC1V 2PT

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND
ADVISERS (CONTINUED)

Independent auditors

Kingston Smith LLP
Chartered Accountants & Statutory Auditor
Devonshire House
60 Goswell Road
London EC1M 7AD

Bankers

Cooperative Bank plc
1 Islington High Street
London N1 9TR

Barclays Bank plc
1st Floor
27 Soho Square
London W1D 3QR

Solicitors

Taylor Vinters LLP
Merlin Place
Merlin Road
Cambridge CB4 0DP

Investment managers

Brewin Dolphin
12 Smithfield Street
London EC1A 9BD

VAT Consultants

Haslers
Chartered Accountants
Old Station Road
Loughton IG10 4PL

BRITISH PHARMACOLOGICAL SOCIETY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements of British Pharmacological Society for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

This report is made solely to the charitable company'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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 19 and 20 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Annual 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 charitable company's affairs as at 31 December 2016 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.

BRITISH PHARMACOLOGICAL SOCIETY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

(Continued)

Opinions on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

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
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

.....
Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

Date:

Devonshire House
60 Goswell Road
London
EC1M 7AD

BRITISH PHARMACOLOGICAL SOCIETY
REGISTERED NUMBER: 2877400

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	2	54,981	-	54,981	356,500	1,995	358,495
Investments	3	-	115,314	115,314	-	117,474	117,474
Charitable activities	4	11,103	3,531,299	3,542,402	6,000	3,695,015	3,701,015
Other	5	-	3,979	3,979	-	19,918	19,918
TOTAL INCOME		66,084	3,650,592	3,716,676	362,500	3,834,402	4,196,902
EXPENDITURE ON:							
Raising funds	6	-	32,704	32,704	-	29,810	29,810
Charitable activities	7	230,986	4,062,898	4,293,884	311,099	3,562,239	3,873,338
TOTAL EXPENDITURE		230,986	4,095,602	4,326,588	311,099	3,592,049	3,903,148
Net gains on investments		-	399,084	399,084	-	2,766	2,766
NET INCOME / (EXPENDITURE)		(164,902)	(45,926)	(210,828)	51,401	245,119	296,520
Transfers between Funds	21	46,750	(46,750)	-	47,500	(47,500)	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS / (LOSSES)		(118,152)	(92,676)	(210,828)	98,901	197,619	296,520
OTHER RECOGNISED GAINS / (LOSSES): Actuarial (losses) on defined benefit pension schemes	20	-	-	-	-	(50,760)	(50,760)
NET MOVEMENT IN FUNDS		(118,152)	(92,676)	(210,828)	98,901	146,859	245,760
Total funds brought forward		592,428	6,134,125	6,726,553	493,527	5,987,266	6,480,793
TOTAL FUNDS CARRIED FORWARD	21	474,276	6,041,449	6,515,725	592,428	6,134,125	6,726,553

All activities relate to continuing operations.

The notes on pages 28 to 43 form part of these financial statements.

BRITISH PHARMACOLOGICAL SOCIETY
REGISTERED NUMBER: 2877400

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Intangible assets	13		218,583		122,332
Tangible assets	14		749,119		733,286
Investment in subsidiaries	15		2		2
Investments	16		<u>5,040,832</u>		<u>4,303,960</u>
			6,008,536		5,159,580
CURRENT ASSETS					
Debtors	17	856,531		1,680,514	
Cash at bank and in hand		<u>456,711</u>		<u>854,229</u>	
			1,313,242		2,534,743
CREDITORS: amounts falling due within one year	18		<u>(709,510)</u>		<u>(839,388)</u>
			603,732		1,695,355
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,612,268</u>		<u>6,854,935</u>
CREDITORS: amounts falling due after more than one year	19		<u>(96,543)</u>		<u>(128,382)</u>
NET ASSETS			<u>6,515,725</u>		<u>6,726,553</u>
CHARITY FUNDS					
Restricted funds	21		474,276		592,428
Unrestricted funds					
Unrestricted designated funds	21	3,014,209		3,294,465	
Unrestricted general fund	21	<u>3,027,240</u>		<u>2,839,660</u>	
			6,041,449		6,134,125
TOTAL FUNDS			<u>6,515,725</u>		<u>6,726,553</u>

The financial statements were approved by the Trustees on 28 March 2017 and signed on their behalf by:

R J Plevin

Honorary Treasurer

The notes on pages 28 to 43 form part of these financial statements.

COMPANY NUMBER 2877400

BRITISH PHARMACOLOGICAL SOCIETY
REGISTERED NUMBER: 2877400

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net movement in funds	(210,828)	245,760
Adjustments for:		
Depreciation of intangible fixed assets	89,841	89,843
Depreciation of tangible fixed assets	24,179	13,426
(Gains) on investments	(399,084)	(2,766)
Dividends and interest received	(115,314)	(117,474)
Decrease / (increase) in debtors	823,983	(815,534)
(Decrease) / increase in creditors	(161,717)	332,103
NET CASH (USED IN) / GENERATED BY OPERATING ACTIVITIES	51,060	(254,642)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to intangible fixed assets	(186,092)	(75,772)
Purchase of tangible fixed assets	(40,012)	(2,466)
Purchase of investments	(1,798,446)	(1,227,076)
Proceeds from sale of investments	1,460,658	1,610,629
Dividends and Interest received	115,314	117,474
NET CASH FROM INVESTING ACTIVITIES	(448,578)	422,789
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		
	(397,518)	168,147
Cash and cash equivalents at beginning of year	854,229	686,082
CASH AND CASH EQUIVALENTS AT END OF YEAR	456,711	854,229

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted, judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and Charities Act 2011.

1.2 Going concern

The trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on fee income. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

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 income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Resources expended

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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 on the basis of total staff costs.

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 raising 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 total staff costs:

	2016	2015
Member services	17%	15%
Journal publishing costs	15%	12%
Educational activities	47%	47%
Projects and awards	2%	2%
Scientific meetings	19%	24%

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*.

1.9 Intangible and tangible fixed assets, and amortisation and depreciation

All assets costing more than £2,000 are capitalised.

Fixed assets are stated at cost less depreciation. The residual value of the leasehold property is considered to be at least equal to the carrying value and therefore no depreciation has been provided as this would be immaterial. Amortisation and depreciation on other 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:

Intangible: Computer software & website - over 3 to 5 years straight line
Tangible: Leasehold property - none
Tangible: Fixtures & fittings - over 5 to 8 years straight line
Tangible: Computer equipment - over 3 years straight line

1.10 Revaluation of tangible fixed assets

Freehold land and buildings are stated at their deemed cost being the valuation at the date of transition to FRS 102. The charitable company previously adopted a policy of revaluing freehold land and buildings and they were stated at their revalued amount less any impairment losses. The company has adopted the transition exemption under FRS 102 paragraph 35.10(d) and has elected to use the previous revaluation as deemed cost.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (CONTINUED)

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 Other financial instruments

a. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

b. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

1.13 Company status

The Charity is a company limited by guarantee. The directors of the company are the Trustees named on page 21. 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

The Society is a Participating Employer in the Superannuation Arrangements of the University of London ("SAUL"). 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 £1,927 million representing 97% of the liabilities for benefits accrued up to 31 March 2014.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. The Society accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS 102.

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.

1.16 Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements:

- The valuation of the Society's long leasehold premises has a significant effect on the amounts recognised in the financial statements. Further details of the value at which the premises are included can be found in note 14

1.17 Subsidiary companies

During the year the Society applied for its wholly-owned, dormant subsidiary company, Pharma-CALogy Limited, to be dissolved as it was a dormant company; the company was dissolved on 23 August 2016. On 27 January 2016 the Society incorporated two new companies, BPS Assessment Limited and BPS Trading Services Limited, both of which have remained dormant throughout 2016, which is why the Society has not produced consolidated financial statements.

BRITISH PHARMACOLOGICAL SOCIETY
REGISTERED NUMBER: 2877400

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. DONATIONS AND LEGACIES

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £
Donations and grants	54,981	-	54,981
	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £
Donations and grants	356,500	1,995	358,495

3. INCOME FROM INVESTMENTS

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £
Income from UK listed investments	-	100,349	100,349
Income from non-UK listed investments	-	13,032	13,032
Bank interest receivable	-	1,933	1,933
	-	115,314	115,314
	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £
Income from UK listed investments	-	100,656	100,656
Income from non-UK listed investments	-	15,367	15,367
Bank interest receivable	-	1,451	1,451
	-	117,474	117,474

4. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £
Membership subscriptions	-	129,646	129,646
Journal publishing income	-	3,136,439	3,136,439
Educational activities	11,103	64,194	75,297
Scientific meetings	-	201,020	201,020
	11,103	3,531,299	3,542,402
	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £
Membership subscriptions	-	133,082	133,082
Journal publishing income	-	3,438,855	3,438,855
Educational activities	6,000	19,181	25,181
Scientific meetings	-	103,897	103,897
	6,000	3,695,015	3,701,015

BRITISH PHARMACOLOGICAL SOCIETY
REGISTERED NUMBER: 2877400

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

5. OTHER INCOME

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £
Other income	-	3,979	3,979
	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £
Other income	-	19,918	19,918

6. INVESTMENT MANAGEMENT COSTS

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £
Investment management fees	-	27,253	27,253
	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £
Investment management fees	-	29,810	29,810

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Activities undertaken directly 2016 £	Grant funding of activities (Notes 8 & 9) 2016 £	Support costs (see below) 2016 £	Total 2016 £
Members services	194,497	-	192,472
Journal publishing costs	1,177,539	-	170,344
Educational activities	815,898	120,303	535,817
Projects and awards	69,414	153,092	21,559
Scientific meetings	622,212	1,600	219,137
2,879,560	274,995	1,139,329	4,293,884

Analysis of Support Costs

	Basis of Allocation	Total 2016 £
Finance	Total staff costs	183,517
IT	Total staff costs	193,498
Staff costs	Total staff costs	392,159
Policy & Public Engagement	Total staff costs	167,067
Governance	Total staff costs	43,519
Executive	Total staff costs	33,321
HR	Total staff costs	68,850
Premises	Total staff costs	57,398
		1,139,329

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7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (Continued)

	Activities undertaken directly	Grant funding of activities (Notes 8 & 9)	Support costs (see below)	Total
	2015	2015	2015	2015
	£	£	£	£
Members services	115,632	7,500	163,288	286,420
Journal publishing costs	1,202,510	-	127,845	1,330,355
Educational activities	496,308	209,174	512,339	1,217,821
Projects and awards	113,118	157,496	25,478	296,092
Scientific meetings	470,024	1,507	271,119	742,650
	<u>2,397,592</u>	<u>375,677</u>	<u>1,100,069</u>	<u>3,873,338</u>

Analysis of Support Costs

	Basis of Allocation	Total 2015 £
Finance	Total staff costs	182,035
IT	Total staff costs	102,653
Staff costs	Total staff costs	330,605
Policy & Public Engagement	Total staff costs	187,968
Governance	Total staff costs	36,064
Executive	Total staff costs	28,988
HR	Total staff costs	161,599
Premises	Total staff costs	70,157
		<u>1,100,069</u>

8. GRANTS TO INDIVIDUALS

	Number 2016	Total 2016 £	Number 2015	Total 2015 £
A J Clark Studentships	1	84,291	1	98,071
Bursaries	122	37,574	143	47,550
Women in Pharmacology	0	-	1	1,000
Ambassadors Scheme	0	-	13	6,500
Teaching grant	1	4,803	0	-
	<u>124</u>	<u>126,668</u>	<u>158</u>	<u>153,121</u>

Bursaries consist of 122 grants of between £16 and £750 (2015 - 143 grants of between £26 and £909) to assist individuals to attend conferences.

9. GRANTS TO INSTITUTIONS

	Total funds 2016 £	Total funds 2015 £
Educational activities	<u>148,327</u>	<u>222,556</u>
In Vivo Training and Short Courses	21,209	100,298
Guide to Pharmacology	115,518	109,946
Education and Outreach Funding	10,000	10,805
Scientific Meetings	1,600	1,507
	<u>148,327</u>	<u>222,556</u>

In Vivo Short Courses and Training grants are given to universities for educational purposes. During the year 7 (2015 - 8) awards of between £2,500 and £8,000 (2015 - £1,899 and £4,860) were made.

NOTES TO THE FINANCIAL STATEMENTS
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10. INCOMING RESOURCES

80% of the Charity's journal publishing income (2015 - 85%) is attributable to geographical markets outside the United Kingdom. All other incoming resources are attributable to the United Kingdom.

11. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	2016	2015
	£	£
Depreciation of intangible fixed assets	89,841	89,843
Depreciation of tangible fixed assets owned by the charity	24,179	13,426
Auditors' remuneration		
Audit - current year	8,065	9,485
Accountancy - prior year	5,537	-
Other - Financial advice	1,812	-
	1,812	-

During the year, no Trustees received any remuneration (2015 - £Nil).

During the year, 9 (2015 - 8) Trustees were reimbursed for travel and subsistence and other general expenses totalling £16,238 (2015 - £16,600).

During the year there were no related party transactions requiring disclosure.

12. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	842,960	658,746
Social security costs	92,903	60,733
Pension costs	104,776	60,449
	1,040,639	779,928

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

	2016	2015
	No.	No.
Total headcount	18	14
Full time equivalent basis	18	14

The number of higher paid employees was:

	2016	2015
	No.	No.
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	-
In the band £110,001 - £120,000	1	1
	3	2

Pension contributions in respect of higher paid employees amounted to £38,606 (2015: £22,499).

Key management personnel include the Chief Executive together with senior staff reporting directly to the Chief Executive as shown in the legal and administrative page and totals 7 staff (2015: 7 staff). The total employee benefits of the charity's key management personnel amounted to £522,636 (2015: £432,168).

The Society accounts for its participation in SAUL as if it were a defined contribution pension scheme (see note 1.14). Contributions of £104,776 (2015: £60,449) were payable in the year with payments of £12,991 (2015: £Nil) outstanding at the year end.

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FOR THE YEAR ENDED 31 DECEMBER 2016

13. INTANGIBLE FIXED ASSETS

Intangible fixed assets comprise computer software and website.

	Total £
Cost	
At 1 January 2016	272,945
Additions	186,092
At 31 December 2016	459,037
Amortisation	
At 1 January 2016	150,613
Charge for the year	89,841
At 31 December 2016	240,454
Net book value	
At 31 December 2016	218,583
At 31 December 2015	122,332

Included in intangible assets are assets in the course of construction with a carrying value of £186,092 (2015 - £Nil) which have not been depreciated as they were not in use as at the year end date.

14. TANGIBLE FIXED ASSETS

	Leasehold property £	Fixtures & fittings £	Computer equipment £	Total £
Cost or Valuation				
At 1 January 2016	710,000	98,085	33,421	841,506
Additions	-	-	40,012	40,012
At 31 December 2016	710,000	98,085	73,433	881,518
Depreciation				
At 1 January 2016	-	78,167	30,053	108,220
Charge for the year	-	8,296	15,883	24,179
At 31 December 2016	-	86,463	45,936	132,399
Net book value				
At 31 December 2016	710,000	11,622	27,497	749,119
At 31 December 2015	710,000	19,918	3,368	733,286

Revaluation of fixed assets

The Society has applied the transitional arrangements of Section 35 of FRS 102 and used a valuation with an effective date of 1 January 2014 as the deemed cost of the long leasehold property. The valuation was performed independently on a Market Value basis by Altus Edwin Hill, Chartered Surveyors. The historic cost of the long leasehold property is £273,816.

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15. FIXED ASSET INVESTMENT IN SUBSIDIARIES

The Society's investment at the balance sheet date in the wholly-owned share capital of the following, unlisted, dormant companies, is as follows:

	2016 £	2015 £
Current assets	2	2
Total Net assets	<u>2</u>	<u>2</u>
Called up share capital		
Pharma-CAL-ogy Limited (dissolved 23 August 2016)	-	2
BPS Assessment Limited (incorporated 27 January 2016)	1	-
BPS Trading Services Limited (incorporated 27 January 2016)	1	-
	<u>2</u>	<u>2</u>

16. FIXED ASSET INVESTMENTS

	Listed securities 2016 £	Listed securities 2015 £
Market value		
At 1 January	4,303,960	4,684,747
Additions	1,798,446	1,227,076
Disposals (realised gain of £32,231; 2015 £18,494)	(1,428,427)	(1,592,135)
Revaluations	366,853	(15,728)
At 31 December	<u>5,040,832</u>	<u>4,303,960</u>
Historical cost	<u>4,066,528</u>	<u>3,723,410</u>

Investments at market value comprise:

	UK £	Overseas £	2016 £
Listed investments	<u>3,387,727</u>	<u>1,653,105</u>	<u>5,040,832</u>
	UK £	Overseas £	2015 £
Listed investments	<u>3,081,660</u>	<u>1,222,300</u>	<u>4,303,960</u>

The above investments are all in relation to unrestricted funds.

17. DEBTORS

	2016 £	2015 £
Trade debtors	92,904	202,502
Other debtors	690,372	1,413,303
Prepayments and accrued income	73,255	64,709
	<u>856,531</u>	<u>1,680,514</u>

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

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18. CREDITORS

Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	320,857	284,602
Other taxation and social security	39,498	81,687
Other creditors	167,829	278,429
Accruals and deferred income	181,326	194,670
	<u>709,510</u>	<u>839,388</u>

Included within other taxation and social security is an amount of £12,991 (2015 - £Nil) in respect of pension liabilities. Included within other creditors is an amount of £Nil (2015 - £75,446) in respect of Integrative Pharmacology Fund commitments, £99,485 (2015 - £75,505) in respect of A J Clark Fund commitments, £Nil (2015 - £71,848) in respect of In Vivo Short Courses Fund commitments and £Nil (2015 - £29,160) in respect of In Vivo Training Fund commitments in line with the Society's accounting policy. Also included within other creditors is £26,064 (2015 - £19,035) in respect of deficit contributions due to SAUL.

Deferred income

The movement of deferred income, included within accruals and deferred income above, during the year was all in respect of membership income related to subscriptions received in advance and was as follows:

	2016	2015
	£	£
At 1 January	27,729	19,792
Movement during the year	(21,164)	7,937
At 31 December	<u>6,565</u>	<u>27,729</u>

19. CREDITORS

Amounts falling due after more than one year

	2016	2015
	£	£
Grant awards	90,027	96,657
Deficit contributions due to SAUL	6,516	31,725
	<u>96,543</u>	<u>128,382</u>

NOTES TO THE FINANCIAL STATEMENTS
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20. PENSION COMMITMENTS

The Society participates in the Superannuation Arrangements of the University of London ("SAUL"), which is a centralised defined benefit scheme within the United Kingdom and is contracted-out of the Second State Pension (prior to April 2016).

SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on either a Final Salary basis or a Career Average Revalued Earnings ("CARE") basis. Following a consultation with Members, the SAUL Final Salary Section closed from 31 March 2016 and all Members build up benefits on a CARE basis from 1 April 2016.

The Society is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency event of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding Policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2014. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed in November 2015 and are due to be reviewed at SAUL's next formal valuation in 2017.

The Trustee and Employers have agreed that the Technical Provisions deficit at the 31 March 2014 valuation would be addressed by employer contributions of 3% of Salaries between 1 April 2016 and 31 March 2018 (inclusive). The overall level of the Employers' contributions therefore increased from 13% of Salaries to 16% of Salaries with effect from 1 April 2016.

The Trustee and Employers have agreed that the Technical Provisions deficit at the 31 March 2014 valuation will be addressed by employer contributions of 3% of Salaries between 1 April 2016 and 31 March 2018 (inclusive). The defined benefit liability to be recognised by the Society in respect of the deficit contributions due to SAUL (i.e. the present value of the deficit contributions) is £32,580 as at 31 December 2016 (2015 £50,760). This liability is based on a projection of Salaries over the period 1 January 2017 to 31 March 2018 (2015 - 1 April 2016 to 31 March 2018).

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21. STATEMENT OF FUNDS

SUMMARY OF FUNDS

	Brought forward 2016 £	Incoming resources 2016 £	Resources expended 2016 £	Transfers in / (out) 2016 £	Gains / (losses) 2016 £	Carried forward 2016 £
Designated funds	3,294,465	-	(522,651)	242,395	-	3,014,209
General funds	2,839,660	3,650,592	(3,572,951)	(289,145)	399,084	3,027,240
Total unrestricted funds	6,134,125	3,650,592	(4,095,602)	(46,750)	399,084	6,041,449
Restricted funds	592,428	66,084	(230,986)	46,750	-	474,276
Total funds	6,726,553	3,716,676	(4,326,588)	-	399,084	6,515,725

	Brought forward 2015 £	Incoming resources 2015 £	Resources expended 2015 £	Transfers in / (out) 2015 £	Gains / (losses) 2015 £	Carried forward 2015 £
Designated funds	3,483,804	-	(429,730)	240,391	-	3,294,465
General funds	2,503,462	3,834,402	(3,162,319)	(287,891)	(47,994)	2,839,660
Total unrestricted funds	5,987,266	3,834,402	(3,592,049)	(47,500)	(47,994)	6,134,125
Restricted funds	493,527	362,500	- 311,099	47,500	-	592,428
Total funds	6,480,793	4,196,902	(3,903,148)	-	(47,994)	6,726,553

The unrestricted general fund gains/(losses) comprises net gains on investments of £399,084 (2015 £2,766) and actuarial losses on defined benefit schemes of £Nil (2015 £50,760).

UNRESTRICTED FUNDS

	Brought forward 2016 £	Incoming resources 2016 £	Resources expended 2016 £	Transfers in / (out) 2016 £	Gains / (losses) 2016 £	Carried forward 2016 £
Designated funds						
World Pharma 2022	500,000	-	-	-	-	500,000
World Pharma 2018	3,155	-	-	-	-	3,155
Prizes and awards	1,000,000	-	(158,900)	158,900	-	1,000,000
Guide to Pharmacology	490,054	-	(115,518)	-	-	374,536
Business Development	445,636	-	(134,211)	(142,609)	-	168,816
Fixed Asset	855,620	-	(114,022)	226,104	-	967,702
	3,294,465	-	(522,651)	242,395	-	3,014,209
General funds						
General Funds	2,839,660	3,650,592	(3,572,951)	(289,145)	399,084	3,027,240
Total Unrestricted funds	6,134,125	3,650,592	(4,095,602)	(46,750)	399,084	6,041,449

	Brought forward 2015 £	Incoming resources 2015 £	Resources expended 2015 £	Transfers in / (out) 2015 £	Gains / (losses) 2015 £	Carried forward 2015 £
Designated funds						
World Pharma 2022	500,000	-	-	-	-	500,000
World Pharma 2018	3,155	-	-	-	-	3,155
Prizes and awards	1,000,000	-	(162,153)	162,153	-	1,000,000
Guide to Pharmacology	600,000	-	(109,946)	-	-	490,054
Business Development	500,000	-	(54,364)	-	-	445,636
Fixed Asset	880,649	-	(103,267)	78,238	-	855,620
	3,483,804	-	(429,730)	240,391	-	3,294,465
General funds						
General Funds	2,503,462	3,834,402	(3,162,319)	(287,891)	(47,994)	2,839,660
Total Unrestricted funds	5,987,266	3,834,402	(3,592,049)	(47,500)	(47,994)	6,134,125

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21. STATEMENT OF FUNDS (CONTINUED)

RESTRICTED FUNDS

	Brought forward 2016 £	Incoming resources 2016 £	Resources expended 2016 £	Transfers in/(out) 2016 £	Carried forward 2016 £
Schachter Fund	7,016	-	(1,837)	-	5,179
Gary Price Fund	8,582	-	(61)	-	8,521
Paton Fund	5,290	-	-	-	5,290
AstraZeneca Women In Pharmacology Prize Fund	4,000	-	(1,000)	-	3,000
Wellcome Gold Medal	1,600	-	-	(1,600)	-
GlaxoSmithKline Award	1,650	-	-	(1,650)	-
Other prizes and awards	2,375	2,481	(2,100)	-	2,756
E-Learning for Healthcare "Prescribe" Initiative Fund	172,941	-	(51,678)	-	121,263
Prescribing Safety Assessment	316,598	56,000	(128,680)	50,000	293,918
Integrative Pharmacology Fund	35,946	5,103	(30,144)	-	10,905
In Vivo Training Fund	9,179	2,500	(11,679)	-	-
In Vivo Short Courses Fund	3,807	-	(3,807)	-	-
MRC Short Course in Translational Pharmacology Fund	23,444	-	-	-	23,444
Total Restricted funds	592,428	66,084	(230,986)	46,750	474,276

	Brought forward 2015 £	Incoming resources 2015 £	Resources expended 2015 £	Transfers in/(out) 2015 £	Carried forward 2015 £
Schachter Fund	7,016	-	-	-	7,016
Gary Price Fund	8,582	-	-	-	8,582
Paton Fund	5,290	-	-	-	5,290
AstraZeneca Women In Pharmacology Prize Fund	4,000	-	-	-	4,000
Wellcome Gold Medal	1,600	-	-	-	1,600
GlaxoSmithKline Award	2,300	-	(650)	-	1,650
Other prizes and awards	500	2,000	(125)	-	2,375
E-Learning for Healthcare "Prescribe" Initiative Fund	160,069	30,000	(9,388)	(7,740)	172,941
Prescribing Safety Assessment	132,701	304,000	(177,843)	57,740	316,598
Integrative Pharmacology Fund	105,047	-	(19,101)	(50,000)	35,946
In Vivo Training Fund	7,455	9,000	(29,776)	22,500	9,179
In Vivo Short Courses Fund	35,523	17,500	(74,216)	25,000	3,807
MRC Short Course in Translational Pharmacology Fund	23,444	-	-	-	23,444
Total Restricted funds	493,527	362,500	(311,099)	47,500	592,428

FUND TRANSFERS

The unrestricted general fund has been used to restore the prizes and awards designated fund back to £1m with a transfer of £158,900 (2015 £162,153). The Business Development fund has been used to fund £142,609 (2015 £Nil) of the additions to fixed assets; all other additions to fixed assets totalling £83,495 (2015 £78,238) have been funded by the unrestricted general fund. The unrestricted general fund also supports the Prescribing Safety Assessment with a transfer of £50,000 (2015 £50,000) matching the funding received from the Medical Schools Council. Transfers totalling £3,250 (2015 £Nil) from the unrestricted general fund to the Wellcome Gold Medal and GlaxoSmithKline Award restricted funds are in respect of corrections to prior-year expenditure. In 2015, the £50,000 transfer from the Integrative Pharmacology restricted fund was £22,500 to the In Vivo Training restricted fund, £25,000 to the In Vivo Short Courses restricted fund and £2,500 to the unrestricted general fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

21. STATEMENT OF FUNDS (CONTINUED)

DESIGNATED FUNDS

World Pharma 2022

The Society will be hosting the 2022 IUPHAR World Congress of Pharmacology, its bid to do so having been successful in July 2014, and £500,000 has been designated to fully underwrite the potential net cost of the event.

World Pharma 2018

The Society has designated funds for bursaries for 2018 IUPHAR World Congress of Pharmacology in Japan.

Prizes and Awards

This fund aims to provide income and capital growth to finance a proportion of the Society's charitable grants to individuals. The amount of funding required is reviewed annually.

Guide to Pharmacology

This fund will enable the Society's intended commitment to production of the *Guide to Pharmacology* to be funded until October 2020.

Business Development

This fund enables the Society to invest in innovation and product development activities to achieve the aims of revenue diversification and growth. The amount of funding required is reviewed annually.

Fixed Assets

The Society owns one long leasehold property in London and a variety of other fixed assets. This fund represents the net book value of such assets.

RESTRICTED FUNDS

In Vivo Training Fund

This 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.

In Vivo Short Courses Fund

This 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.

Wellcome Gold Medal Fund

This 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.

Paton Fund

This 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.

GRAC Fund

This fund was donated by Pfizer to facilitate compilation, production and distribution of the Society's publication "Guide to Receptors and Channels".

Gary Price Fund

This fund, in memory of the late Dr Gary Price, is funded by a single donation from GlaxoSmithKline to support lectures at Society meetings.

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21. STATEMENT OF FUNDS (CONTINUED)

RESTRICTED FUNDS (CONTINUED)

Schachter Fund

This is 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.

Integrative Pharmacology Fund

This fund which was 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, £Nil donations were approved from this fund (2015 £47,500 made up of £25,000 to the In Vivo Short Courses Fund, £20,000 to the In Vivo Training Fund and £2,500 was charged as an administrative fee by the Society in respect of administration of the fund. All of the above amounts have been shown within transfers in 2015).

E-Learning for Healthcare "Prescribe Initiative Fund"

This fund was provided by the Department of Health to facilitate payments to Society 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.

AstraZeneca Women in Pharmacology Prize Fund

This fund was 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.

MRC Short Course in Translational Pharmacology Fund

This fund was established by a capacity building grant from 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.

World Pharma 2014 Bursaries Fund

This fund was established with money received in the year ended 31 December 2013 to fund bursaries for Young Pharmacologists to attend the World Congress of Pharmacology held in Cape Town, South Africa in July 2014.

Prescribing Safety Assessment Fund

This 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 Society in conjunction with the Medical Schools Council to develop an assessment for final year medical students in prescribing.

Business Development Fund

This fund was established following the receipt of funding from a government-backed service offering support to businesses with the potential to improve and grow.

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.

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22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £	Unrestricted funds £	Total funds £
Intangible fixed assets	-	218,583	218,583
Tangible fixed assets	-	749,119	749,119
Investment in subsidiary	-	2	2
Fixed asset investments	-	5,040,832	5,040,832
Current assets	504,276	808,966	1,313,242
Creditors due within one year	(30,000)	(679,510)	(709,510)
Creditors due in more than one year	-	(96,543)	(96,543)
	<u>474,276</u>	<u>6,041,449</u>	<u>6,515,725</u>
	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £
Intangible fixed assets	-	122,332	122,332
Tangible fixed assets	-	733,286	733,286
Investment in subsidiary	-	2	2
Fixed asset investments	-	4,303,960	4,303,960
Current assets	775,382	1,759,361	2,534,743
Creditors due within one year	(182,954)	(656,434)	(839,388)
Creditors due in more than one year	-	(128,382)	(128,382)
	<u>592,428</u>	<u>6,134,125</u>	<u>6,726,553</u>