

Registered number: 2877400
Charity number: 1030623

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

BRITISH PHARMACOLOGICAL SOCIETY

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1 - 2
Trustees' report	3 - 17
Independent auditors' report	18 - 19
Statement of financial activities	20
Balance sheet	21
Notes to the financial statements	22 - 37

BRITISH PHARMACOLOGICAL SOCIETY

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2012**

Trustees

P A Routledge
H P Rang
C R Hiley
I Kitchen
D R J Singer
H Cox
A G Hayes (resigned 31 December 2012)
M I Christie (resigned 31 December 2012)
E H Baker (resigned 31 December 2012)
C Williams
A K Daly
D O Douglas
S Price (appointed 1 January 2013)
D M Wood (appointed 1 January 2013)
M P Seed (appointed 1 January 2013)

Company registered number

2877400

Charity registered number

1030623

Registered office

16 Angel Gate
City Road
London
EC1V 2PT

Chief executive officer

J Brūn

Auditors

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

Bankers

Cooperative Bank plc
1 Islington High Street
London
N1 9TR

BRITISH PHARMACOLOGICAL SOCIETY

FOR THE YEAR ENDED 31 DECEMBER 2012

Advisers (continued)

Solicitors

Boyes Turner
Abbots House
Abbey Street
Reading
RG1 3BD

Taylor Vinters LLP
Merlin Place
Milton 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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on pages 1 to 2 of the financial statements.

THE TRUSTEES

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

Officer Trustees

President	P Routledge ⁽¹⁾	2/2	(President from 1 January 2012)
President-elect	H P Rang ⁽¹⁾	1/2	(Appointed 1 January 2012)
Honorary Treasurer	C R Hiley ⁽¹⁾	2/2	(Appointed 1 January 2012)

Elected Trustees

Joint Chair CHOPT ^(a)	I Kitchen	1/2	
Joint Chair CHOPT ^(a)	D R J Singer	2/2	
	H Cox	2/2	
	A G Hayes	2/2	(Resigned 31 December 2012)
	M I Christie	2/2	(Resigned 31 December 2012)
	E H Baker	1/2	(Resigned 31 December 2012)
	S Price	0/2	(Appointed 1 January 2013)
	D M Wood	0/2	(Appointed 1 January 2013)
	M P Seed	0/2	(Appointed 1 January 2013)
Co-opted Trustees	C Williams	2/2	(Co-opted 1 January 2012)
	A K Daly	2/2	(Co-opted 1 January 2012)
	D O Douglas	2/2	

⁽¹⁾ Denotes Executive Committee Member at 31 December 2012

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

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Society's governing document is its Memorandum, 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. At the Annual General Meeting (AGM) in December 2010, the members resolved by Special Resolution to adopt modern, revised Articles of Association (incorporating the Memorandum) and the Rules were transcribed to a separate document.

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

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

When nominating members for election as Trustees, Council follows the requirements of the Society's constitution and Guidance Notes CC10 and CC30 of the Charity Commission:

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

Elections to the Council take place each year at the AGM and any paid up member of the Society, ordinarily resident in the UK, can stand. Trustees are elected to serve for periods of between three and four years, depending on office. In 2012, elections were supported by electronic voting systems which were supervised by the Electoral Reform Society, resulting in an increase in the number of votes cast.

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 at regular intervals.

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

The Executive Committee has Committees and Working Groups, to whom powers are delegated. The Committees and Groups report back to the Executive Committee. Members of these Committees and Groups comprise both Council and/or Executive Committee members, together with other members. The Clinical Pharmacology Section Committee manages the affairs of the Clinical Pharmacology Section. The Journals are managed by the Executive Management Committees of their Editorial Boards.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

The Council has ultimate responsibility for all aspects of the Society's activities, including management, with the exception of those matters which must be decided by a general meeting of the members. The Council focuses on strategy and the Executive Committee is delegated the responsibility for the general management of the Society's activities. The Trustees employ a Chief Executive who is responsible for executing the decisions of committees and sub committees and for the day to day management of the Society's resources, including the other employees, and the Angel Gate building. At 31 December 2012 we had 12 full time staff and utilised the services of specialist consultants as required. The Chief Executive reports back to Council and Executive Committee on performance against the objectives of BPS.

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 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.

RISK ASSESSMENT

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

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

OBJECTIVES AND ACTIVITIES

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

STRATEGIES FOR ACHIEVING OBJECTIVES

The Society's aim is underpinned by several objectives, which are approved each year by the BPS Executive Committee and Council:

1. To maintain and develop services for members
2. To ensure the delivery of training and education in pharmacology
3. To promote pharmacology as a scientific discipline
4. To promote clinical pharmacology as a clinical discipline
5. To develop collaborative activities with other societies in order to promote pharmacology and clinical pharmacology

The Society's activities were focused on achieving these objectives throughout the year, as set out in pages 6 to 11.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012

ACHIEVEMENTS AND PERFORMANCE

Throughout the year, our Officers and the Secretariat worked together to deliver integrated services to members and external groups, to ensure that our charitable objectives and the needs of basic scientists, clinicians and industrialists, are met as efficiently and effectively as possible, across the following areas:

1. To maintain and develop services for members:

- Conducting a widely-based membership survey in order to analyse and understand the needs of different member cohorts, and provide targeted benefits for each group
- BPS delivered a membership survey covering our meetings and events that reported high levels of satisfaction. This experience will inform the development of a larger scale membership survey on all aspects of BPS activity in 2013.
- Enhancing online services for our journals through support for The Guide to Pharmacology, exploration of open access journals and a phased move to online only publication of the British Journal of Pharmacology (BJP) and British Journal of Clinical Pharmacology (BJCP)
- Communications, budgeting and planning activities throughout 2012 ensured readiness for BJP and BJCP moving online only as of 1 January 2013. BPS online journals will offer authors and readers greater flexibility and new features.
- BPS, American Society for Pharmacology & Experimental Therapeutics (ASPET) and publisher Wiley-Blackwell reached agreement on the publication of a new, jointly-owned open access journal, Pharmacology Research & Perspectives. The new journal will be launched in 2013.
- BPS continues to provide financial support to www.guidetopharmacology.org, as a free to access “one-stop shop” source of information on drug targets and the prescription medicines and experimental drugs that act on them.
- Further improving links between our journals and our meetings
- BPS strengthened links between BPS journals and meetings through BJCP and BJP symposia, and Meet the Editor sessions during the BPS Winter Meeting. BPS journals also regularly receive review content from BPS meetings.
- Raising the profile, visibility, and ultimately the Impact Factor, of our journals
- BPS promotes its journals as a matter of course when it exhibits at international meetings, which in 2012 included the Society for Neuroscience (>30,000 delegates) and Experimental Biology (>14,000 delegates). Public relations activity raised the profile of our journals, resulting in significant international media coverage. Unfortunately, impact factor for both journals fell slightly in 2012.

BRITISH PHARMACOLOGICAL SOCIETY

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

- Developing the content and influence of our newsletter, Pharmacology Matters
- BPS used targeted issues of Pharmacology Matters to raise the profile of BPS and highlight the value of UK pharmacology by leveraging major milestones: a sports-themed issue in April ahead of the Olympic Games; our July issue was included in every delegate bag at the 2012 meeting of the Federation of European Pharmacological Societies (EPHAR); and December's issue echoed the science communication focus of our Winter Meeting. The July issue was our most widely-read with 7,780 total views from online readers in 38 different countries.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012

2. To ensure the delivery of training and education in pharmacology

- Provision of high quality scientific meetings, with attractive topic selections of high quality
- BPS delivered three Focused Meetings and our Annual Winter Meeting in 2012. These attracted ~1,200 delegates in total, receiving excellent feedback from delegates, speakers and exhibitors. Sessions attracted both members and non-members, who accounted for 54% of attendees.
- Continued participation in the meetings of relevant external groups and by arrangement of joint meetings, maximising benefits to members and stakeholders
- BPS participated in joint meetings in collaboration with other leading life sciences organisations in the UK and internationally: the Society of Biology, the Physiological Society, the Royal College of Physicians of Ireland, EPHAR, the National Centre for the Replacement, Refinement and Reduction of Animals in Research (NC3Rs) and Understanding Animal Research to name but a few.
- Mapping clinical, industrial and academic skills needs, and delivering effective and leading-edge educational courses for clinical and basic scientists including provision for CPD
- BPS led a cross-learned society initiative to map core skills gaps in drug discovery and is committed to working beyond 2012 to deliver our objectives. In addition, BPS funded 51 days of graduate *In Vivo* training and distributed £100k through the Integrative Pharmacology Fund.
- BPS Diploma Workshops and meetings receive CPD accreditation from the Society of Biology and/or the Royal College of Physicians.
- Continued delivery and development of the Diploma in Advanced Pharmacology and its component workshops
- Our Diploma in Advanced Pharmacology continues to support excellence in pharmacology: 6 BPS members graduated from the course during 2012 and 4 out of our 5 Diploma Workshops were sold out.
- Conducting a survey of the teaching of pharmacology at undergraduate and postgraduate level
- The BPS Committee of Heads and Professors of Pharmacology & Therapeutics agreed that this one-off survey would not be taken forward. Other mechanisms for understanding the teaching of pharmacology will be explored.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012

3. To promote pharmacology as a scientific discipline

- Building our portfolio of outreach initiatives through enhanced contributions to careers fairs, teachers' conferences, science festivals and other outreach events
- This was an area of significant growth for the Society. BPS outreach initiatives included contributions to 9 careers fairs plus other events and science festivals. Highlights included the launch of teachers' outreach grants, 2 sold out lectures at the Science Museum's Dana Centre and collaborations with university pharmacology societies.
- Developing our online networking communities
- Our online networking communities continued to grow during 2012, achieving over 3,000 followers across all communities by the end of the year. BPS further developed our @britpharmsoc and facebook.com/britpharmsoc pages, as well as the launch of @pharmacologynow.
- Using our websites, the main www.bps.ac.uk and the specialised www.pharmacologynow.org, to promote careers in, and public understanding of pharmacology
- bps.ac.uk continued to be a key resource for careers information and educational resources: these pages appeared in the top 20 of those accessed by visitors, and the site as a whole finished the year with more than 55,000 unique hits. A soft launch of PharmacologyNow.org in 2012 provided a hub for BPS educational and outreach activities, with a full launch planned for 2013.
- Ensuring that the importance of pharmacology and the views of pharmacologists are fully represented in government and other policy consultations
- BPS was actively involved in the Science Parliamentary Links Day and made a keynote presentation on pharmacology and policy at a dedicated parliamentary reception on science in December. BPS responses to 13 key consultations were submitted during 2012 in order to represent the views and expertise of our members.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012

4. To promote clinical pharmacology as a clinical discipline

- Developing Prescribe, a web-based training tool for medical students and other health professionals with prescribing responsibilities
- BPS continued to develop Prescribe in 2012, delivering a range of new e-learning resources. An award of £102,000 by the Department of Health will enable us to provide 20 additional teaching sessions on prescribing skills.
- Working with the Department of Health's e-Learning for Health Initiative to deliver a Prescribing Simulator
- The Prescribing Simulator was expanded during 2012, with the support of trained Prescribing Skills Assessment item writers who produced 200 new items that will be available via the Simulator in early 2013.
- Working with the Medical Schools Council (MSC) and other stakeholders to develop a national Prescribing Skills Assessment for all final year medical students
- The national Prescribing Skills Assessment pilot was delivered online by BPS and MSC to 8 Medical Schools, encompassing ~1,200 students. Detailed psychometric analysis of the 2012 results was positive, and provided recommendations for improving reliability in future phases.
- Encouraging training and appointment within Universities and the NHS of clinical pharmacologists to contribute to the delivery of healthcare, research, education in therapeutics and prescribing, and medicines policy at local, regional and national level
- Clinical Pharmacology in Health Care, Teaching and Research, a joint publication between the World Health Organization (WHO), International Union of Basic and Clinical Pharmacology (IUPHAR) and the Council for International Organizations of Medical Sciences (CIOMS), was part-funded by BPS in 2012. We highlighted relevant findings to our members, Learned Societies and policy makers.
- BPS developed new clinical membership leaflets and agreed a plan to gather and disseminate case studies that might illustrate the impact of Clinical Pharmacology on the health of the nation to be delivered in 2013.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

5. To develop collaborative activities with other societies in order to promote pharmacology and clinical pharmacology

- Actively engaging with the Society of Biology in projects, including accreditation, education, outreach and science policy
- All BPS careers events in 2012 were delivered in partnership with the Society of Biology. BPS joined with Society of Biology during SCORE (Science Community Representing Education) committee meetings to promote bio-science as part of the national curriculum. BPS provided 2 assessors to advise on the accreditation of *In Vivo* courses, as well as developing new careers posters for 14–16 year olds and a new CPD event for teachers.
- Continuing the work of the Industry Committee (with the Society of Biology, Royal Society of Chemistry and Academy of Medical Sciences) to promote the provision and understanding of pharmacology and clinical pharmacology in the pharmaceutical industry
- BPS is a founding member of the DDPG (Drug Discovery Pathway Group) with the Society of Biology, Academy of Medical Sciences, Royal Society of Chemistry and Biochemical Society. In 2012, the group jointly published 3 articles on the future of UK drug discovery in Research Fortnight, and explored a range of initiatives to support growth in the sector, which were then taken forward with representatives of the government's Life Sciences Strategy.
- Developing and extending links with sister societies nationally and internationally
- Through joint symposia and meetings, educational and outreach events and science policy initiatives, BPS collaborated with the International, European, American, Australian, Chinese, and Austrian pharmacological societies. We also met with the leaders of 6 separate European Pharmacological Societies at the 2012 EPHAR Congress. In addition, BPS continued to work with valued partners including the Physiological Society, British Neuroscience Association, Royal Pharmaceutical Society and others on cross-sector activities.

GOING CONCERN

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

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

FINANCIAL REVIEW

This report covers the year to 31 December 2012. The Statement of Financial Activities on page 20 reports an increase in unrestricted funds of £496k (making a total of unrestricted funds available to the Charity of £5,405k (2011 - £4,909k). The results include £282k of unrealised gains on revaluations of investments (2011 included a unrealised reduction in values of £177k).

The charity spent £689k of its restricted funds but received restricted income of £373k including a transfer from unrestricted funds of £25k resulting in a decrease in restricted funds from £905k to £589k.

Incoming resources

Total incoming resources were £230k higher than the previous year at £3,513k. Incoming resources from charitable activities were £2,947k (2011 - £2,935k) and journal publishing income remains the largest source of income from charitable activities at £2,718k (2011 - £2,654k). Income from educational activities increased by £11k but there was a decrease in scientific meeting income of £64k as 2011 included a single meeting with exceptional sponsorship income of £53k. Investment income was £40k higher at £172k.

Expenditure on charitable activities

Expenditure on charitable activities increased by £470k with increased journal publishing costs of £129k, and increased cost of educational activities of £383k. Overall, project and awards costs decreased by £54k in 2012.

Membership

Membership rose by 227 to 3,301 and membership income remained static at £104k (2011 - £103k). Expenditure on member services increased by £12k to £526k

Capital Expenditure

There was only minor capital expenditure during the year £7k (2011 - £24k)

Investments

The Society has built and retains a significant investment portfolio valued at £3,413k at 31 December 2012 (2011 - £2,965k). Part of the increase in value of £448k is reported as unrealised gains of £282k.

These investments are managed via an investment management company who report:

"The British Pharmacological Society investments are split between two portfolios; the Liquidity Reserve and Growth Fund. The liquidity reserve proportion of the funds is invested solely in fixed income investments in order to provide liquidity at short notice, should there be an unexpected shortfall in income from publishing activities. The growth fund, on the other hand, has a longer term time horizon and is therefore invested for capital growth, with a greater level of investment risk".

For the calendar year to 31 December 2012, the Liquidity fund has had an impressive 12 months, increasing by 12.87% compared to the APCIMS Income benchmark, which improved by 7.79%. Over the same period, the Growth fund portfolio increased in value by 14.05% and this compares to a gain of 9.10% for the APCIMS Growth benchmark. The total cash appreciation for the combined portfolio over the period was £410,509."

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

Investments (continued)

"2012 was certainly a year of two halves, dominated by the European Sovereign Debt Crisis and the ultimate response by Mario Draghi. The eventual outcome for the last year betrays some sizeable swings. For instance the FTSE 100 Index showed a peak to trough decline of almost 6% from January to June, this was followed by an increase of 12% to 31 December. Investors became increasingly interested in risk assets over the second half of 2012 and this led to an exceptional performance from equity markets. The Society's assets were well placed to benefit from this shifting dynamic".

Investment Policy

The Society's investment strategy underpins its Reserves Policy and seeks to provide against sudden loss of income (pending restructure to a revised balanced budget), from its traditional activities. The Society also needs to invest to meet medium/long-term liabilities which may arise out of its usual activities and to provide for major capital expenditure items.

In the period under review the Society reviewed the performance of its invested assets and worked with its investment manager to ensure the investments provided long-term growth and income (from a balanced, diversified, medium risk weighted portfolio); and liquidity (from a portfolio including UK and foreign bonds, government securities and cash).

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

The Society's investments are managed on a fully discretionary basis by Brewin Dolphin Securities ("BDS"). BDS are required nevertheless to have regard for the Society's status as an educational and health charity and specifically, the Society's portfolio is not permitted to include investment in tobacco companies.

Strategic benchmarks and structured reporting enables the Society to regularly review both the performance of BDS and its portfolios. FRC is delegated to review and agree the relative strategic benchmarks from time to time.

Creditors payment policy

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

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.

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

Reserves Policy

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

The reserves reported at 31 December 2012 are in excess of that level and this allows the Society to consider additional activities to further its objectives.

PUBLIC BENEFIT STATEMENT

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

The British Pharmacological Society is the primary UK learned society concerned with research into drugs and the way they work. The Society's activities support the education of scientists, clinicians, school students and the general public and the dissemination of research in pharmacology and clinical pharmacology.

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.

MEMBERSHIP

Membership figures at the end of December 2012 were:

	Members 2012	% Expressing an interest in or practicing Clinical Pharmacology 2012	Members 2011	% Expressing an interest in or practicing Clinical Pharmacology 2011
Honorary Fellows	89	23	75	29
Fellows	186	33	95	32
Members	1,322	21	1,428	24
Associate Members	236	17	200	21
Associate Postgraduate Students	349	13	321	19
Associate Undergraduate Students	688	9	542	16
Retired Members	431	27	413	28
	3,301	21	3,074	23

During 2012 the Society elected 14 new Honorary Fellows, 90 Fellows, 121 Members and 607 Associate Members (including undergraduate and postgraduate students). The deaths of 12 members were recorded.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012

FUTURE DEVELOPMENTS

For the period 1 January 2013 to 31 December 2013 the Officers of BPS and the Secretariat will work together to deliver efficiently high quality services to members and external groups, mapped against the Society's strategic objectives. This is to ensure that the needs of pharmacologists (basic scientists, clinicians, regulators and industry-based scientists) are met as efficiently and effectively as possible. The 2013 objectives are focused upon:

1. Development of an integrated publications strategy, including:

- Ensuring the Society's new Publications Committee delivers a coherent, strategic vision for our journals; to include coordination of a Journals Strategy Retreat and the development of a plan to improve and maintain quality of publication given online opportunities
- Continued engagement with open access publishing, through the launch of a new journal in tandem with the American Society of Pharmacology & Experimental Therapeutics (ASPET) and Wiley-Blackwell, and www.guidetopharmacology.org with the International Union of Basic and Clinical Pharmacology (IUPHAR)
- Greater integration of the Society's journals with its other activities, including membership initiatives, committee activities, meetings organisation and abstract publishing processes, outreach and promotional work

2. Greater matching of the Society's activities to the needs of the Membership, by:

- Conducting a member engagement campaign with a view to ensuring that targeted services and rewards are provided for specific member cohorts, increasing BPS membership, particularly at Full Member level, and promoting 'career membership' of the Society.
- Ensuring that a sufficient number of volunteers are recruited to the roles essential for the running of the Society, in support of a comprehensive succession plan for the Society's activities
- Commissioning a new, integrated BPS member database to provide a better service for our members and committees
- Continued provision of high quality scientific meetings targeted to areas of need and interest

3. Explaining the importance of of pharmacology in the modern world by extending BPS education and outreach activities, including:

- Providing high quality educational courses and workshops, to be enhanced by integrated e-learning and Continuing Professional Development programmes
- Developing a portfolio of online careers information for A Level students and undergraduates
- Supporting the provision of high quality *In Vivo* training, in particular through continued engagement with the Society of Biology's accreditation project
- Ensuring that pharmacology is fully represented in government and among policy makers

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

- Contributing to government's Life Sciences Strategy initiative, with sector partners, and through the collaborative work of the DDGP
- Recommending approaches to support and sustain the UK skills base, in tandem with a broad cohort of Learned Societies
- Continued engagement with partners on policy initiatives to highlight the importance of pharmacology and clinical pharmacology in the health and wealth of the UK

BRITISH PHARMACOLOGICAL SOCIETY

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

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

- Delivering outcomes from the 5-Year Agenda for Clinical Pharmacology meeting, including the development of careers resources, web resources, and a stronger public image
- Further developing the quality and scope of the Society's CPT educational resources, including Prescribe, the Prescribing Simulator and the PSA through the delivery of a national pilot for final year medical students
- Exploring a long term role for the PSA, in tandem with key partners
- Fostering excellence in research in clinical pharmacology to emphasise that it remains a key discipline in translating basic and applied research findings into clinical practice

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

TRUSTEES' RESPONSIBILITIES STATEMENT

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

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

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

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

PROVISION OF INFORMATION TO AUDITOR

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

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

This report was approved by the Trustees on

and signed on their behalf by:

P A Routledge
President

BRITISH PHARMACOLOGICAL SOCIETY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH PHARMACOLOGICAL SOCIETY

We have audited the financial statements of BRITISH PHARMACOLOGICAL SOCIETY for the year ended 31 December 2012 set out on pages 20 to 37. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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 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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

BRITISH PHARMACOLOGICAL SOCIETY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH PHARMACOLOGICAL SOCIETY

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Jeffrey Meek CA (Senior statutory auditor)

for and on behalf of

French Duncan LLP

Chartered Accountants & Statutory Auditor

56 Palmerston Place

Edinburgh

EH12 5AY

Date:

BRITISH PHARMACOLOGICAL SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	346,480	-	346,480	167,409
Investment income	3	1,259	170,736	171,995	132,100
Incoming resources from charitable activities	4	-	2,947,356	2,947,356	2,934,531
Other incoming resources	5	-	46,735	46,735	48,205
TOTAL INCOMING RESOURCES		347,739	3,164,827	3,512,566	3,282,245
RESOURCES EXPENDED					
Costs of generating funds:					
Investment management expenses	6	-	18,614	18,614	18,139
Charitable activities	8	689,074	2,890,568	3,579,642	3,109,940
Governance costs	11	-	31,506	31,506	18,627
TOTAL RESOURCES EXPENDED		689,074	2,940,688	3,629,762	3,146,706
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS					
		(341,335)	224,139	(117,196)	135,539
Transfers between Funds	22	25,000	(25,000)	-	-
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE INVESTMENT ASSET DISPOSALS					
		(316,335)	199,139	(117,196)	135,539
Gains and losses on disposals of investment assets	16	-	14,872	14,872	(93,997)
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE REVALUATIONS					
		(316,335)	214,011	(102,324)	41,542
Unrealised gains and losses on revaluations of investment assets	16	-	281,571	281,571	(177,070)
NET MOVEMENT IN FUNDS FOR THE YEAR		(316,335)	495,582	179,247	(135,528)
<i>Total funds at 1 January 2012</i>		<i>905,047</i>	<i>4,909,362</i>	<i>5,814,409</i>	<i>5,949,937</i>
TOTAL FUNDS AT 31 DECEMBER 2012		588,712	5,404,944	5,993,656	5,814,409

All activities relate to continuing operations.

The notes on pages 22 to 37 form part of these financial statements.

BRITISH PHARMACOLOGICAL SOCIETY
REGISTERED NUMBER: 2877400

BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	15		623,431		641,607
Investments	16		3,412,993		2,965,052
			4,036,424		3,606,659
CURRENT ASSETS					
Debtors	17	697,039		685,935	
Investments	18	-		1,035,740	
Cash at bank and in hand		2,367,200		1,349,150	
			3,064,239		3,070,825
CREDITORS: amounts falling due within one year	19		(1,034,169)		(777,498)
NET CURRENT ASSETS			2,030,070		2,293,327
TOTAL ASSETS LESS CURRENT LIABILITIES			6,066,494		5,899,986
CREDITORS: amounts falling due after more than one year	20		(72,838)		(85,577)
NET ASSETS			5,993,656		5,814,409
CHARITY FUNDS					
Restricted funds	22		588,712		905,047
Unrestricted funds	22		5,404,944		4,909,362
TOTAL FUNDS			5,993,656		5,814,409

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

and signed on their

C R Hiley

Honorary Treasurer

The notes on pages 22 to 37 form part of these financial statements.

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Cash flow

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

1.3 Fund accounting

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

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

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

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

1.4 Incoming resources

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

Voluntary income and legacies

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

Membership subscriptions

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

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES (continued)

1.5 Resources expended

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

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

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

Grants awarded

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

1.6 Costs of generating funds

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

1.7 Allocation of overheads

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

Member services	51%
Journal publishing costs	0%
Educational activities	24%
Projects and awards	0%
Scientific meetings	25%

1.8 Charitable activities

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

Journal publishing income and costs

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

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES (continued)

1.9 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

1.10 Revaluation of tangible fixed assets

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

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

1.11 Investments

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

1.12 Leasing and hire purchase

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

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES (continued)

1.13 Company status

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.14 Pensions

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

SAUL is a "last person standing" scheme so that in the event of insolvency of any of the participating employers in SAUL, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation. A formal valuation of SAUL is carried out every three years by professionally qualified and independent actuaries using the Projected Unit method. Informal reviews of SAUL's position are carried out between formal valuations. See Note 21.

1.15 Recognition of liabilities

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

2. VOLUNTARY INCOME

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Donations	343,920	-	343,920	165,830
Other	2,560	-	2,560	1,579
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	346,480	-	346,480	167,409
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

3. INVESTMENT INCOME

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Income from UK listed investments	-	125,386	125,386	106,430
Income from non-UK listed investments	-	7,298	7,298	2,864
Bank interest receivable	1,259	38,052	39,311	22,806
	<hr/>	<hr/>	<hr/>	<hr/>
	1,259	170,736	171,995	132,100
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	<i>Total funds 2011 £</i>
Membership subscriptions	-	104,317	104,317	102,604
Journal publishing income	-	2,718,451	2,718,451	2,654,244
Educational activities	-	30,580	30,580	19,779
Scientific meetings	-	94,008	94,008	157,904
	<u>-</u>	<u>2,947,356</u>	<u>2,947,356</u>	<u>2,934,531</u>

5. OTHER INCOMING RESOURCES

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	<i>Total funds 2011 £</i>
Other income	-	46,735	46,735	48,205
	<u>-</u>	<u>46,735</u>	<u>46,735</u>	<u>48,205</u>

6. INVESTMENT MANAGEMENT COSTS

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	<i>Total funds 2011 £</i>
Investment management fees	-	18,614	18,614	18,139
	<u>-</u>	<u>18,614</u>	<u>18,614</u>	<u>18,139</u>

7. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	<i>Total funds 2011 £</i>
Members services	6,000	519,958	525,958	513,950
Journal publishing costs	-	1,262,740	1,262,740	1,134,178
Educational activities	682,604	412,562	1,095,166	712,916
Projects and awards	470	119,849	120,319	174,234
Scientific meetings	-	575,459	575,459	574,662
	<u>689,074</u>	<u>2,890,568</u>	<u>3,579,642</u>	<u>3,109,940</u>

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

7. EXPENDITURE BY CHARITABLE ACTIVITY (continued)

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2012 £	Other costs 2012 £	Total 2012 £	Total 2011 £
Members services	297,661	228,297	525,958	513,950
Journal publishing costs	-	1,262,740	1,262,740	1,134,178
Educational activities	142,914	952,252	1,095,166	712,916
Projects and awards	-	120,319	120,319	174,234
Scientific meetings	144,583	430,876	575,459	574,662
	<u>585,158</u>	<u>2,994,484</u>	<u>3,579,642</u>	<u>3,109,940</u>

8. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2012 £	Grant funding of activities (note 9/10) 2012 £	Support costs 2012 £	Total 2012 £	Total 2011 £
Members services	525,958	-	-	525,958	513,949
Journal publishing costs	1,262,740	-	-	1,262,740	1,134,178
Educational activities	335,633	754,131	5,402	1,095,166	712,916
Projects and awards	88,069	32,250	-	120,319	174,234
Scientific meetings	575,459	-	-	575,459	574,662
Total	<u>2,787,859</u>	<u>786,381</u>	<u>5,402</u>	<u>3,579,642</u>	<u>3,109,939</u>

9. GRANTS TO INDIVIDUALS

	Number 2012	Total 2012 £	Number 2011	Total 2011 £
A J Clark Studentships	1	74,827	1	64,508
Bain Awards	125	32,250	103	30,180
	<u>126</u>	<u>107,077</u>	<u>104</u>	<u>94,688</u>

The Bain Awards represent 125 grants of between £10 and £1,000 (2011 - 103 grants of between £34 and £750) to assist individuals to attend conferences. Of the 103 grants awarded in 2011, 36 were Young Investigator awards to enable students to attend Endothelin 2012 in Cambridge.

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

10. GRANTS TO INSTITUTIONS

	Total funds 2012 £	<i>Total funds 2011 £</i>
Educational activities	679,304	<i>313,522</i>
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	2012 £	<i>2011 £</i>
In-Vivo Short Courses	236,888	<i>117,757</i>
In-Vivo Training	40,759	<i>42,882</i>
Medical Research Council Capacity Building Studentship Top Ups	370,500	<i>118,650</i>
Prescribing Skills Assessment	1,950	<i>-</i>
Support Costs	29,207	<i>34,233</i>
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
Total	679,304	<i>313,522</i>
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

In-Vivo Short Courses and Training grants are given to universities for educational purposes. During the year 10 awards of between £3,000 and £12,000 were made.

Medical Research Council Capacity Building Studentship Top Ups are given to universities to defray the costs of consumables incurred by students as part of their *In-Vivo* techniques training. During the year, 9 universities were given awards of between £5,000 and £40,000.

11. GOVERNANCE COSTS

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	<i>Total funds 2011 £</i>
Governance Auditors' remuneration	-	10,000	10,000	<i>9,250</i>
Council - travel and meetings	-	19,366	19,366	<i>9,363</i>
Legal and professional fees	-	2,140	2,140	<i>14</i>
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	-	31,506	31,506	<i>18,627</i>
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

12. INCOMING RESOURCES

93% of the Charity's journal publishing income (2011 - 82%) is attributable to geographical markets outside the United Kingdom.

All other incoming resources are attributable to the United Kingdom.

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

13. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	2012	<i>2011</i>
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	21,224	<i>20,947</i>
- held under finance leases	4,110	<i>4,109</i>
Auditors' remuneration	10,000	<i>9,250</i>
Governance Internal audit costs	-	-
	<u><u> </u></u>	<u><u> </u></u>

During the year, no Trustees received any remuneration (2011 - £NIL).

During the year, 11 (2011 - 9) Trustees were reimbursed for travel and subsistence and other general expenses totalling £21,486 (2011 - £16,004) of which £5,363 (2011 - £2,790) was in connection with council matters. The balance is in relation to expenses incurred in respect of business conducted on behalf of the Charity.

14. STAFF COSTS

Staff costs were as follows:

	2012	<i>2011</i>
	£	£
Wages and salaries	487,468	<i>458,346</i>
Social security costs	48,323	<i>45,026</i>
Pension costs	49,367	<i>46,061</i>
	<u><u>585,158</u></u>	<u><u>549,433</u></u>

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

	2012	<i>2011</i>
	No.	No.
	11	<i>10</i>
	<u><u> </u></u>	<u><u> </u></u>

The number of higher paid employees was:

	2012	<i>2011</i>
	No.	No.
In the band £70,001 - £80,000	2	<i>1</i>
In the band £90,001 - £100,000	0	<i>1</i>
	<u><u>2</u></u>	<u><u>2</u></u>

Included within wages and salaries are honoraria payments to members of £6,000 (2011 - £7,000).

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

15. TANGIBLE FIXED ASSETS

	Leasehold property £	Fixtures & fittings £	Computer equipment £	Total £
Cost				
At 1 January 2012	590,000	122,060	66,671	778,731
Additions	-	4,456	2,702	7,158
At 31 December 2012	<u>590,000</u>	<u>126,516</u>	<u>69,373</u>	<u>785,889</u>
Depreciation				
At 1 January 2012	-	91,178	45,946	137,124
Charge for the year	-	15,815	9,519	25,334
At 31 December 2012	<u>-</u>	<u>106,993</u>	<u>55,465</u>	<u>162,458</u>
Net book value				
At 31 December 2012	<u>590,000</u>	<u>19,523</u>	<u>13,908</u>	<u>623,431</u>
<i>At 31 December 2011</i>	<u>590,000</u>	<u>30,882</u>	<u>20,725</u>	<u>641,607</u>

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

	2012 £	2011 £
Computer equipment	<u>8,456</u>	<u>12,566</u>

Revaluation of fixed assets

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

This property will be revalued on a market comparison basis in 2013 and via a full professional valuation in 2015 and on a similar basis at the same future intervals of 3 and 5 years.

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

16. FIXED ASSET INVESTMENTS

	Listed securities £
Market value	
At 1 January 2012	2,965,052
Additions	543,046
Disposals	(376,676)
Revaluations	281,571
	3,412,993
At 31 December 2012	3,412,993

Investments at market value comprise:

	UK £	Overseas £	2012 £	2011 £
Listed investments	<u>2,778,121</u>	<u>634,872</u>	<u>3,412,993</u>	<u>2,965,052</u>

The above investments are all in relation to unrestricted funds.

17. DEBTORS

	2012 £	2011 £
Trade debtors	69,638	62,314
VAT	2,720	-
Other debtors	581,282	623,621
Prepayments and accrued income	43,399	-
	697,039	685,935
	697,039	685,935

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

18. CURRENT ASSET INVESTMENTS

	2012 £	2011 £
Unlisted investments	-	1,035,740
	-	1,035,740
	-	1,035,740

Current asset investments were unlisted liquid investments held in the UK which were primarily held in bank deposits.

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

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

	2012 £	2011 £
Net obligations under finance leases and hire purchase contracts	7,941	7,941
Trade creditors	235,671	275,670
Social security and other taxes	14,917	14,107
Other creditors	356,659	207,401
Accruals and deferred income	418,981	272,379
	1,034,169	777,498

Included within other creditors is an amount of £285,000 (2011 - £127,500) in respect of Integrative Pharmacology Fund commitments and £68,600 (2011 - £73,498) in respect of A J Clark Fund commitments in line with the Society's accounting policy.

Deferred income

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

	Membership income £	Other income including grants £	Total £
At 1 January 2012	28,571	167,088	195,659
Movement during the year	(2,977)	32,912	29,935
	25,594	200,000	225,594

Membership income related to subscriptions received in advance.

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

	2012 £	2011 £
Net obligations under finance leases and hire purchase contracts	3,970	11,911
Grant awards	68,868	73,666
	72,838	85,577

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

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

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

	2012	2011
	£	£
Between one and five years	<u>3,970</u>	<u>11,911</u>

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

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

21. PENSION COMMITMENTS

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

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

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

* an additional allowance is made for promotional Salary Increases

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

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

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

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

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

22. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	4,909,362	3,164,827	(2,940,688)	(25,000)	296,443	5,404,944
Restricted funds						
In Vivo Training Fund	26,968	35,000	(40,759)	-	-	21,209
In Vivo Short Courses Fund	(39,619)	145,945	(236,888)	-	-	(130,562)
Paton Fund	6,016	-	-	-	-	6,016
GRAC Fund	12,793	-	(6,000)	-	-	6,793
Gary Price Fund	8,582	-	-	-	-	8,582
Schachter Fund	1,486	-	(470)	-	-	1,016
Integrative Pharmacology Fund	812,770	1,259	(399,707)	-	-	414,322
E Learning for Healthcare "Prescribe" Initiative Fund	42,979	122,000	-	-	-	164,979
AstraZeneca Women in Pharmacology Prize Fund	2,000	-	(1,000)	-	-	1,000
MRC Short Course in Translational Pharmacology Fund	25,572	1,615	-	-	-	27,187
Prescribing Skills Assessment	-	41,920	(1,950)	25,000	-	64,970
Other prizes and awards	5,500	-	(2,300)	-	-	3,200
	<u>905,047</u>	<u>347,739</u>	<u>(689,074)</u>	<u>25,000</u>	<u>-</u>	<u>588,712</u>
Total of funds	<u><u>5,814,409</u></u>	<u><u>3,512,566</u></u>	<u><u>(3,629,762)</u></u>	<u><u>-</u></u>	<u><u>296,443</u></u>	<u><u>5,993,656</u></u>

BRITISH PHARMACOLOGICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

22. STATEMENT OF FUNDS (continued)

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

The In Vivo Short Courses Fund uses contributions by the Society, the Physiological Society, industry and research bodies to support short courses in *In Vivo* pharmacology and physiology. These courses are held at universities nationwide. At 31 December 2012 there is a deficit on the fund of £130,562 which has resulted from commitments for 2013. The courses are fully funded from contributions from the Medical Research Council, Wellcome Trust, the Physiological Society and the BPS Integrative Pharmacology Fund.

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

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

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

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

The Integrative Pharmacology Fund, established by AstraZeneca, GlaxoSmithKline and Pfizer, supports research and training in integrative pharmacology and related disciplines with the objective of building capacity and ensuring the discipline's long-term viability in the UK.

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

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

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

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

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

BRITISH PHARMACOLOGICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

22. STATEMENT OF FUNDS (continued)

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

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	4,909,362	3,164,827	(2,940,688)	(25,000)	296,443	5,404,944
Restricted funds	905,047	347,739	(689,074)	25,000	-	588,712
	<u>5,814,409</u>	<u>3,512,566</u>	<u>(3,629,762)</u>	<u>-</u>	<u>296,443</u>	<u>5,993,656</u>

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	<i>Total funds 2011 £</i>
Tangible fixed assets	-	623,431	623,431	641,607
Fixed asset investments	-	3,412,993	3,412,993	2,965,052
Current assets	873,712	2,190,527	3,064,239	3,070,823
Creditors due within one year	(285,000)	(749,168)	(1,034,168)	(777,496)
Creditors due in more than one year	-	(72,839)	(72,839)	(85,577)
	<u>588,712</u>	<u>5,404,944</u>	<u>5,993,656</u>	<u>5,814,409</u>

24. CONTROLLING PARTY

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