

Registered number: 2877400
Charity number: 1030623

BRITISH PHARMACOLOGICAL SOCIETY

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

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 over 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 2018

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.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

OBJECTIVES AND ACTIVITIES (continued)

Strategies for achieving objectives

The Society set a new five-year strategy 2018-2022 in 2017 which builds on the strong foundation and success of the previous five years. Our numerous achievements and increased profile, along with the support of a growing membership, means we are now in an excellent position to accomplish even more; to establish the Society as an influential and proactive force for championing research, education, training and policy issues in pharmacology and clinical pharmacology.

Guided by an updated set of principles and objectives, we look forward to working with Council and committee members, office staff and of course members to deliver another five years of success and progress for the Society, and pharmacology as a discipline.

Our vision

A world in which pharmacology and therapeutics drive and support progress in science, medicine and healthcare.

Our mission

We will work with integrity to create global scientific, health, and economic impact by:

- Supporting academic and industrial drug discovery
- Improving outcomes for patients in relation to the therapeutic use of medicines
- Widening participation in pharmacology and therapeutics to ensure a vibrant and diverse community and workforce
- Increasing the visibility and influence of pharmacology and therapeutics through excellence in education, publishing, scientific meetings, communications, membership and policy with public engagement

Our partners

We will work nationally and internationally with members, patients and the public, educators and learners, academic institutions, biotechnology and pharmaceutical companies, the National Health Service, regulatory agencies, other learned societies, the media, and government and agencies involved in setting the policy agenda.

Our guiding principles

We are confident about the future of the Society and the value of pharmacology and therapeutics. We believe that:

- Pharmacology and therapeutics make a unique contribution to research to develop new drugs, and to improving the use of existing drugs to create better patient outcomes
- Pharmacology and therapeutics are evolving disciplines, and it is our responsibility to define, redefine and change them to reflect this
- Our growing, global community of members is crucial to our success
- Our goals in support of pharmacology and therapeutics and our membership can only be achieved if we ensure the financial sustainability of the Society
- Having fun is an important part of what we do

Objectives

To have an impact, we will focus on delivering the following objectives:

- To remove barriers to participation and success, while welcoming equality and celebrating diversity, and being inclusive in all we do

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- To set the agenda in education and skills
 - To support access and career progression
 - To support the next generation of learners undertaking education in pharmacology and clinical pharmacology
 - To support pharmacology educators in their personal and professional development
- To be the leader in the dissemination of world-class research related to pharmacology and therapeutics
- To engage patients and partners in the NHS in our advocacy for fundamental and clinical research, as well as contributing to strategic leadership
- To sustain a skilled workforce that supports the development of novel therapeutics
- To lead the formation of valuable networks that reflect our position at the heart of the global pharmacology community
- To deliver clear, relevant and accessible advice to policy makers
- To nurture strategic partnerships across disciplines and sectors
- To define, monitor and respond to strategic areas of scientific priority

How we will deliver our strategy

- Forming successful partnerships to maximize impact
- Grounding our decision-making in evidence and research
- Developing sustainable, ethical new sources of revenue and ensuring more of the Society's activities are self-sustaining
- Carefully considering our appetite for risk, and our ambition
- Ensuring that our staff and members work positively, effectively, and in partnership throughout the management and governance of the Society

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

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ACHIEVEMENTS, PERFORMANCE AND IMPACT

The Society set an ambitious 27 operational objectives for 2018 in support of its five-year strategy and its charitable aims. Over the course of the year, the Society's Officers and Staff delivered 21 of these, made significant progress towards achieving a further five and progressed the remaining one. A summary of these activities and their outcomes can be found below. Consideration of impact fed into setting the 2018 objectives and the Society is progressing a project to systematically measure and report impact.

To remove barriers to participation and success, while welcoming equality and diversity, and being inclusive in all we do	
Finalise the Society's inclusion strategy, and begin its implementation with the ultimate aim that projects are developed with active consideration of equality, diversity and inclusion (EDI)	Significant progress. Consultants were engaged to assess Society practices and processes, with interim findings presented to Council in December. Meantime, the Women in Pharmacology group was disbanded, with the intention that EDI as a broader issue should instead be embedded across the whole Society and its committees.
To set the agenda in education & skills, to support access to career progression and, to support the next generation of learners undertaking education in pharmacology and clinical pharmacology	
Develop our careers resources and connectivity with employers	Achieved. New careers content was published on the Society website in November, aimed at educators and school and college students. A careers bootcamp at <i>Pharmacology 2018</i> used these new website resources. The Society attended the Royal Society of Biology's Biosciences Careers Day in October. Significant engagement with employers took place while working on the proposed clinical pharmacology degree apprenticeship.
Further develop the Society's leadership within <i>in vivo</i> education & training	Achieved. A new curriculum for the use of research animals was launched in June, with considerable cross-sector support. A subsequent workshop for <i>in vivo</i> educators was held to support early stage implementation. Council has approved in principle use of funds to support implementation of the curriculum.
Work with the education community to explore how the Society can best support its needs	Achieved. The Society's core education committees drew in views from their own local networks beyond the membership. Outputs included development of a project plan for research animals eLearning resources, a day of education activities at <i>Pharmacology 2018</i> , and an educator workshop scheduled for May 2019.
To be the leader in the dissemination of world-class research related to pharmacology and therapeutics	
Deliver an integrated editorial strategy for BJP, BJCP and PR&P, focusing on journal development and growth	Achieved. Action plans for BJP and BJCP were developed for implementation in 2019, including aims for increased submissions. PR&P has become a more focused journal through initiatives to drive direct submissions from early career researchers and reporting negative trials data. Publications have become better integrated into wider Society activities by streamlining the approach to content commissioning from meetings. A journals publishing manager was recruited in Q4 to help drive development of BJP and BJCP.

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Explore new ways of disseminating and communicating the outputs of pharmacological research	Achieved. A collaboration with a major publisher on a sector-specific magazine is progressing. Discussions about new journals titles to target gaps in the scientific / medical publishing portfolio are ongoing, and a BJCP themed issue/section will be trialled in 2019. High-quality <i>Pharmacology 2018</i> abstracts were published in BJP and BJCP.
Increase impact and quality of the Society's existing publications	Achieved. An increased focus on public relations increased exposure of key published articles. BJP published 8 themed issues, 15 non-themed reviews, and an update of its editorial series outlining changes to design and analysis guidelines. BJCP published one themed issue and four non-themed reviews, plus a commentary and an editorial on its EMA guidelines project. Four joint virtual issues were published, including one marking the 20 th anniversary of the Nobel Prize for nitric oxide research. A social media strategy was established for all three journals, with improved reporting.
To begin implementing the five-year strategy of improving and growing the annual meeting	Significant progress. <i>Pharmacology 2018</i> was the best-attended annual conference to date, with a record number of delegates and abstract submissions and there was a positive reaction to the introduction of registration fees for members. Exhibition income did not grow as budgeted but progress was made that should bear fruit in 2019. The costs of running the meeting will continue to be kept under review, with the aim of making it sustainable without a large cost to attendees.
Review activities that will improve the quality of Society meetings, and our support for non-Society meetings	Progress. Improvements were made to the events grants/meeting proposal application process to allow approval based on relevance, audience, competitiveness and EDI considerations. An improved review system and guidelines for meeting proposals are still to be implemented.
To engage patients and partners in the NHS in our advocacy for fundamental and clinical research	
Deliver the second Clinical Pharmacology Month in October 2018	Achieved. The campaign was promoted throughout October 2018 on Society social media and in member communications. Website information was refreshed over the summer, and the medical student abstract competition was promoted (with support from other organisations), with 30 abstracts submitted.
Continue to deliver the Prescribing Safety Assessment (PSA) to a high standard across all UK Medical Schools	Achieved. The PSA was completed by 6,923 final-year students from 33 medical schools in the UK, plus 432 Foundation doctors. Peer review was completed successfully in May, and author training (September) resulted in 15 new authors. Commissioning item writing to PSA authors for January 2019 was completed on the new platform for the first time.
Engage strategically with our community and decision makers to protect and advance clinical pharmacology	Achieved. The Clinical Pharmacology Skills Alliance (CPSA) developed an action plan for UK clinical pharmacology and implementation has begun. Public launch has been delayed due to considerations of other Alliance partners, but private consultation is ongoing. Meetings with NHS England have progressed ideas about

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	partnerships with pharmacy. The Clinical Pharmacology Scientist level 7 apprenticeship achieved formal support from the Institute for Apprenticeships. The CPSA responded to policy consultations by HEE, The Lancet and the NHS.
To sustain a skilled workforce that supports the development of novel therapeutics	
Deliver high quality training and education activities with a focus on skills	Significant progress. Three workshops were delivered in 2018, with 89 attendees in total, and received positive feedback. Three workshops had to be cancelled due to low registration numbers. It has been acknowledged that our workshop offer needs to be re-evaluated to better match it to potential participants' needs and interests.
Plan and implement the expansion of the Ambassadors Scheme	Achieved. An expanded Scheme was launched in August and promoted to members. As of December 2018 it had recruited six Ambassadors (two non-UK based) and three Ambassador Co-ordinators, with the intention of growing the network in 2019. The Society or its Ambassadors co-ordinated, sponsored, attended or ran nine engagement events in 2018.
To lead the formation of valuable networks that reflect our position at the heart of the global pharmacology community	
Demonstrate the excellence of UK pharmacology and therapeutics, through attendance and support of World Congress of Pharmacology 2018 (WCP2018)	Achieved. The Society had a large and visible presence through high profile exhibition and marketing activities, resulting in lots of interaction with delegates, including 16 membership enquiries submitted through the website. The Society's symposium on the <i>Focus on Pharmacology</i> project was well attended and received positive feedback, as did its sponsored satellite session.
Launch the Society's hosting of IUPHAR's flagship 19th World Congress of Basic and Clinical Pharmacology – WCP2022	Achieved. The WCP2022 website was launched at WCP2018 and used to gather expressions of interest (103 received during WCP2018 alone). WCP2022 was promoted heavily at WCP2018, including through social activities on the stand and a presentation at the Closing Ceremony. The Society also established a governance structure to manage the meeting, and agreed a theme that will drive the commissioning of a scientific advisory group in 2019.
Ascertain a present-day understanding of what membership of the Society could be, as a precursor to developing an updated membership strategy	Achieved. A working group completed a broad review, considering market potential, current and prospective members' needs, and overlaps and gaps in the current membership strategy. The report's recommendations were approved by Council in December, allowing for a revised membership strategy to be developed in 2019 and communicated to members.
Ensure that <i>Pharmacology Matters</i> showcases the full breadth and scope of activities undertaken by the Society	Achieved. Various improvements were made throughout 2018 including: design refresh, more active commissioning, more agile and proactive use of blog, editorial workflows made more efficient, download statistics now being reported, greater promotion on social media. Options have been considered for redeveloping <i>Pharmacology Matters</i> into an online-first publication in 2019.

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To deliver clear, relevant and accessible advice to policy makers	
Respond to pharmacology-relevant consultations on behalf of the Society	Achieved. The Society responded to 16 consultations across a range of topics. It worked with partners including the CPSA, the Campaign for Science and Engineering, and Faculty of Pharmaceutical Medicine. We continued to develop our access to life sciences experts through members and partner societies.
Develop our role as a valuable contributor to life sciences and health policy through targeted campaigns	Achieved. This was delivered through the Society's involvement in the CPSA campaign. The CPSA developed an action plan throughout 2018 and inputted into consultations on the new workforce strategy and the NHS long-term plan. Meetings were also held with policy makers across the sectors to understand their needs and raise awareness of the Society's work.
To nurture strategic partnerships across disciplines and sectors	
To ensure that all projects in our work throughout 2018 are developed in collaboration and consultation with the sector partners and related disciplines at the appropriate stage	Achieved. The Society has regularly attended Royal Society of Biology network meetings, and collaborated with partners on policy and outreach activities including Voice of the Future, Parliamentary Links Day, and the Young Life Scientists' Symposium.
To define, monitor and respond to strategic areas of scientific priority	
Consider and advise upon the role played by pharmacology, clinical pharmacology and therapeutics in responding to global health challenges and scientific or technological developments, working with key stakeholders	Achieved. A new Scientific Advisory Panel, comprised of leaders in the life sciences, was announced in October. The panel will horizon-scan and advise on the current and potential role of the Society in relation to advances in the science and technology of drug discovery.
We will underpin our activities by focusing on sustainability, resource and infrastructure	
Continued development of sustainable and ethical new income streams, primarily through our trading subsidiary, BPS Assessment Ltd (BPSA)	Significant progress. BPSA failed to achieve its income budget of £498k. However, Q1 and Q4 both yielded significant billing that will have an impact in 2019 and beyond. Market development plans have been implemented for numerous territories, most notably with strategic partnerships forged in Canada and Australasia. Production infrastructure has been developed, including recruitment of two senior editors and an assessment and eLearning administrator.
Conducting a systematic review of areas of activity in order to establish the scope to generate value and income, and to consider efficiencies	Achieved. A review involving all staff was undertaken as part of 2019 budget preparation; this yielded over 100 comments including many good ideas for greater efficiency, cost reduction and income generation. Staff received guidance on making better use of resources. Some existing suppliers have been benchmarked for value for money, with all others to follow in 2019.
Considering options for new premises that will be an appropriate home for the Society and take into account growth and best working practices for staff	Achieved. Council agreed in March that the existing premises could be refurbished to be made suitable for next 2–3 years. The refurbishment project was completed in July, resulting in a more modern, flexible and collaborative working environment along with new IT arrangements to support flexible working. The new arrangements can accommodate up to 30 employees.

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Enhance the Customer Relations Management (CRM) system to continue to establish it as the Society's knowledge-management hub	Significant progress. A major upgrade of the CRM was completed in August 2018, including significant changes to allow annual meeting registration fees to be paid by members. All staff were re-trained on the new CRM and "super users" were identified to help teams be more self-reliant. A range of improvements were identified for implementation in 2019. The Society achieved compliance with GDPR by the May deadline.
Review Governance practices across the Society to ensure they are appropriate for the 2018–2022 strategy and assess where improvements are needed	Achieved. An external reviewer delivered a final report and recommendations which will streamline Society committees and groups. An in-depth review of Affinity Groups and Advisory Groups is underway, and is due to conclude in 2019.

Member numbers as at 31 December:

	31 Dec 2018	31 Dec 2017
Honorary Fellows	127	123
Fellows	291	289
Retired Members	467	462
Members	1,031	1,052
Early Career Members	261	269
Affiliate Members	76	98
Postgraduate Students	521	583
Undergraduate Students	1,386	1,251
<hr/>		
Total	<u>4,160</u>	<u>4,127</u>

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FINANCIAL REVIEW

The Statement of Financial Activities on page 27 reports the financial performance of the Group (the Society and its trading subsidiary, BPS Assessment Limited, which commenced trading on 31 March 2017). The Balance Sheets on page 28 provide details of the Group's, and the Society's, financial position at the year end.

For the year ended 31 December 2018 the total funds of the Group have decreased by £1,193,586 (2017 - £295,830 increase). The overall decrease is made up of a decrease in unrestricted funds of £1,193,804 (2017 - increase £334,341) and an increase in restricted funds of £218 (2017 - decrease £38,511).

Net losses on investments totalling £472,483 (2017 - net gains £440,051) have contributed towards the overall movement in funds and are entirely attributable to unrestricted funds.

The resulting balance of total funds at 31 December 2018 amounted to £5,617,969 (2017 - £6,811,555) of which £5,181,986 (2017 - £6,375,790) is the unrestricted funds of the Society.

Incoming resources

Incoming resources for the year totalled £4,194,074 (2017 - £4,370,461) which is a decrease of 4.0%. Importantly, charitable activity income from journal publishing, which is the Society's main income source, has remained fairly stable and only decreased by 4.8% to £3,504,013 (2017 - £3,679,876) mainly because of the partial recovery in the value of UK Sterling compared with the US Dollar during the first half of 2018 relative to the same period in 2017.

Member numbers increased by 0.8% to 4,160 (2017 - 4,127), however membership subscription income decreased by 9.8% to £127,670 (2017 - £141,555) due to greater recognition of the amount of income deferred to the following year (see note 18). The overall maintenance of membership reflects the Society's longer-term approach to strengthening and growing the discipline of pharmacology.

Scientific meetings income increased by £101,816 to £201,442 (2017 - £99,626) mainly due to the introduction of registration fees to members for the Society's annual 3-day meeting Pharmacology, 2018.

Voluntary income is mostly for educational activities; however it decreased by £8,239 to £31,000 (2017 - £39,239) predominantly because of non-recurring income in respect of a scientific meeting.

Investment income was £34,445 lower at £119,146 (2017 - £153,591) after 2017 had seen a greater emphasis by the investment manager to seek dividends and interest.

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Expenditure on charitable activities

Expenditure on charitable activities totalled £4,885,778 (2017 - £4,480,985) which is a 9.0% increase of £404,793. The most notable reasons for this increase are highlighted here.

Journal publishing costs decreased by £2,547 to £1,566,972 (2017 - £1,569,519); the direct costs have been carefully controlled.

Expenditure on educational activities at £1,714,111 was a 11.4% increase of £175,467 over the previous year (2017 - £1,538,644).

Projects and awards expenditure at £226,947 was similar to the previous year (2017 - £243,023).

Scientific meetings expenditure at £1,064,264 was a 32.5% increase of £260,785 over the previous year (2017 - £803,479).

Capital expenditure

Capital expenditure totalled £128,992 (2017 - £108,900) of which £62,140 (2017 - £51,071) is the development cost of the new online platform that began supporting online assessment services in 2017.

Reserves policy, designated funds and going concern

The balance on General Funds of £2,591,408 (2017 - £3,655,373) 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 £2,500,000 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. The reserves reported at 31 December 2018 therefore represent 103.7% of the requirement.

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 (2017 - £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 £125,642 (2017 - £253,164) is set aside in order to enable the production of the Guide to be funded until October 2020.

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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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 £3,914,058 at 31 December 2018 (2017 - £4,256,973). The decrease in value reflects a poor performance from global equity markets because of uncertain economics taking hold.

Overall, the investment portfolio achieved a total return of -8.05% compared to the benchmark Wealth Management Association (WMA) balanced total return of -4.47%. Throughout the year, the cash position was increased in order to release funds at the beginning and towards the end of the year. Throughout the year, global equity markets became increasingly volatile, with two major setbacks, one in the first quarter and one in the fourth quarter, both at times when cash was released from the portfolio which meant that the portfolio was smaller when the market has rallied. Given the uplift in values seen in the initial months of 2019, the investment manager is not concerned by this underperformance relative to the benchmark. The investment manager has discussed with the Society's Finance Committee that the portfolio cannot be expected to perform in line with the benchmark given the tailored nature of the investments.

In addition, stock market falls were led by so called "value investments" listed on the FTSE100 index. The portfolio has an overweight position in these areas due to their defensive nature and high-quality management teams (and high yields). A final reason for underperformance was the thematic investments in sustainable and ethical areas which have a global remit, which have contributed a lot over several years, but had a particularly weak 2018 and have given up some of their gains. As with 2017, the fact that the Society requires the investment manager to avoid investment in tobacco companies has been positive in 2018 as this area has significantly underperformed the market, even including dividends.

The portfolio's main detractors, in terms of UK focussed stocks, span across all sectors as the UK market remains volatile ahead of the 29th March 2019 deadline for the UK to leave the European Union. Sectors to have performed particularly poorly were financials (banks and insurers), telecoms and UK medium sized companies. These investments all continue to provide attractive yields and/or growth prospects and the investment manager continues to favour them in the market at the beginning of 2019.

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 to be obtained on each class of investments, and a mandate to target a certain level of liquidity

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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

Objectives for the year to 31 December 2019

Council has set the following objectives for the year to 31 December 2019 in the context of the five-year strategy 2018-2022 set out on pages 4 and 5:

Strategy	Objective 2019
To remove barriers to participation and success, while welcoming equality and celebrating diversity, and being inclusive in all we do	<ul style="list-style-type: none"> • Demonstrate our commitment to the wellbeing of our employees through the further development of a supportive, open and fun work environment. • Development of specific and tangible EDI (Equality, Diversity and Inclusion) recommendations arising from our 2018 review, and a plan for implementation.
To set the agenda in education and skills <ul style="list-style-type: none"> - To support access and career progression - To support the next generation of learners undertaking education in pharmacology and clinical pharmacology - To support pharmacology educators in their personal & professional development 	<ul style="list-style-type: none"> • Ensure our careers resources and activities improve connectivity with employers. • Develop approaches to meet learning / educator needs and use these to explore market potential where appropriate
To be the leader in the dissemination of world-class research related to pharmacology and therapeutics	<ul style="list-style-type: none"> • Help the Society to communicate its expertise and unique contribution to members, the public and key stakeholder groups more clearly, accessibly and engagingly. • Develop a clear and effective meetings marketing process. • Build a network of scientific committees and sponsors for WCP2022. • Decide and implement Annual Meeting plan for 2020-2024. • Deliver a robust and integrated editorial strategy for the BPS journals that serves the pharmacology community and can withstand changes in open science. • Explore options for new and innovative ways to communicate the outputs of pharmacological research.

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Strategy	Objective 2019
To engage patients and partners in the NHS in our advocacy for fundamental and clinical research, as well as contributing to strategic leadership	<ul style="list-style-type: none"> • Continue to deliver the Prescribing Safety Assessment to a high standard across all UK Medical Schools. • Continue to iterate the Clinical Pharmacology Skills Alliance's (CPSA) action plan with key partners, and implement on an agile basis.
To sustain a skilled workforce that supports the development of novel therapeutics	<ul style="list-style-type: none"> • Deliver high quality education and training activities with a focus on skills
To lead the formation of valuable networks that reflect our position at the heart of the global pharmacology community	<ul style="list-style-type: none"> • As part of the next phase of the BPS Ambassador Scheme roll-out, establish Ambassador Co-ordinators as a working group to support delivery and development of the Society's engagement activities. • Update our membership strategy, with a view to increasing the relevance of the BPS to its members and to the broader pharmacological community.
To deliver clear, relevant and accessible advice to policy makers	<ul style="list-style-type: none"> • Continue to build the Society's reputation as a trusted advisor by contributing to consultations, participating in policy events and promoting the expertise of our membership.
To nurture strategic partnerships across disciplines and sectors	
To define, monitor and respond to strategic areas of scientific priority	<ul style="list-style-type: none"> • Consider and advise upon the role played by pharmacology clinical pharmacology and therapeutics in responding to global health challenges and scientific or technological developments, working with key stakeholders, including through the Society's Scientific Advisory Panel.
Continued development of sustainable and ethical new income streams, primarily through our trading subsidiary, BPS Assessment Ltd	<ul style="list-style-type: none"> • To establish and consolidate BPSA as a sustainable trading entity by achieving revenue targets and developing new income streams, adjusting the team structure to achieve this as required. • To ensure the development and maintenance of a robust and reliable online platform for the dissemination of both BPSA and BPS digital products and services. • To ensure all products and services delivered from the platform meet the standards of quality required by a learned and professional society and its trading subsidiary. • Implement the findings from the 2018 systematic review of activity to generate increased value, increased income and greater efficiency.

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Strategy	Objective 2019
<p>We will underpin our activities by focusing on sustainability, resource and infrastructure, in the following areas:</p>	<ul style="list-style-type: none"> • Enhance the Customer Relations Management system to continue to establish it as the Society's knowledge-management hub, by training and development of staff, improving the usability of the CRM. Underpin this with a review of the key supplier working relationship, a review of the appropriateness of the CRM solution itself, and preparation for tendering the CRM and key supplier in 2020. • Continue to ensure that our data protection practices are driven by compliance, and develop ways in which our staff and members can use data effectively to further the aims of the Society • Implement the findings of the 2018 external review of committees and groups.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Reference and administrative details are shown in the schedule of members of the board and professional advisers on pages 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 2018 (2017 – four meetings).

Elected Officer Trustees

President	S J Hill	4/4
President-Elect	M Pirmohamed	3/4
Honorary Treasurer	R J Plevin	3/4

Elected Trustees

I McFadzean	3/4
J Mitchell	3/4
E Morrison	2/4
M Skingle	4/4
S C Stanford	4/4

Appointed Trustees

C Gloor	4/4
R M Quinn	4/4
A Seeley	4/4 (until 31 December 2018)

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

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

The Society's governing document is its Articles of Association and Rules. 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 2016. 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 significant 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 comprises between nine (minimum) and twelve (maximum) Trustees. The President (Chair), President-Elect and Honorary Treasurer are elected by the Voting Members. Other Trustees (of whom at least one is from industry, one representing clinical pharmacology and one Young Pharmacologist) are either elected by the Voting Members or appointed by Council. Appointed Trustees have appropriate skills to assist in the good governance of the Society; the maximum number of appointed Trustees is one third of the total number of Trustees and so cannot exceed four.

Job descriptions have been produced for Council members and are regularly reviewed to ensure they reflect the Society's strategic aims. A comprehensive review of Council members' job descriptions was undertaken in 2017 in parallel with the development of the Society's strategy 2019 to 2022 and the changes have been implemented with effect from 1 January 2018. The job descriptions specify the knowledge, skills and attributes that are needed by the members and Trustee training is undertaken annually.

When considering elections for, and appointment of Trustees, Council follows the requirements of the Society's constitution, the 3rd Edition of the Charity Commission's Governance Code for Trustees and Guidance Note CC30 of the Charity Commission:

- The 3rd Edition of the Charity Commission's Governance Code for Trustees sets out the hallmarks of an effective charity, which includes the 'foundation principle' that all Trustees understand their legal duties, are committed to the charity's cause and good governance;
- 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 and only members in good standing may be nominated as elected Trustees. 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.

Member participation in the Society's charitable mission is crucial so as to shape the future direction of the Society's activities. This is why members are invited to self-nominate and why, in 2018, Council decided to extend the right to self-nominate to Early Career and Postgraduate members, in addition to Full and Retired Members and Fellows and Honorary Fellows.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

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. The seven core committees to whom powers are delegated report back to Council and each one is responsible for considering risk and reporting changes in the risk profile and actions required to Council. Members of these Committees comprise both Trustees and/or elected Vice-Presidents, together with other members. Financial management is delegated to the Finance Committee chaired by the Honorary Treasurer. 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 Management Group has delegated 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 2018 the Society had 26 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 6 to 10.

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.

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 and Finance Committee (cost of living element and overall affordability). When considering recommendations for performance awards and any changes to salary, Management 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.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

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.

Fundraising

The Society does not actively engage in any significant fundraising as described in guidance from the Charity Commission "Charity fundraising: a guide to trustee duties (CC20)", and so has not engaged a professional fundraiser or commercial participator to carry out any fundraising activities, and has therefore not subscribed to any fundraising standards or scheme of fundraising regulation. No complaints have been recorded about any fundraising activity and the Society does not conduct any fundraising behaviour that could be expected to unreasonably intrude or place undue pressure on vulnerable people and other members of the public to give money or other property to the Society.

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;
- 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.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

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 23 April 2019 and signed on their behalf by:

S J Hill
President

BRITISH PHARMACOLOGICAL SOCIETY

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

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

Trustees

S J Hill
M Pirmohamed (from 1 January 2018)
R J Plevin
L Ajram (from 1 January 2019)
C Gloor
I McFadzean (from 1 January 2018)
J Mitchell (from 1 January 2018)
E Morrison (from 1 January 2018)
R M Quinn (from 1 January 2018)
A Seeley (until 31 December 2018)
M Skingle
S C Stanford

Key management personnel

J Brün Chief Executive
D James Executive Director, Strategic Innovation
M Poole Finance & Commercial Director
K Wilson Director, Research Dissemination
A Zecharia Director, Policy & Public Affairs

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 2018

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE
BRITISH PHARMACOLOGICAL SOCIETY

Opinion

We have audited the financial statements of British Pharmacological Society for the year ended 31 December 2018 which comprise Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2018 and of the group's 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE
BRITISH PHARMACOLOGICAL SOCIETY**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE
BRITISH PHARMACOLOGICAL SOCIETY**

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE
BRITISH PHARMACOLOGICAL SOCIETY

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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, charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

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

Date:

Devonshire House
60 Goswell Road
London
EC1M 7AD

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

BRITISH PHARMACOLOGICAL SOCIETY
REGISTERED NUMBER: 2877400

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

		Restricted funds 2018	Unrestricted funds 2018	Total funds 2018	Restricted funds 2017	Unrestricted funds 2017	Total funds 2017
	Note	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	2	31,000	-	31,000	32,825	6,414	39,239
Investments	3	-	119,146	119,146	-	153,591	153,591
Charitable activities	4	54,070	3,984,405	4,038,475	54,570	4,117,980	4,172,550
Other	5	-	5,453	5,453	-	5,081	5,081
TOTAL INCOME		85,070	4,109,004	4,194,074	87,395	4,283,066	4,370,461
EXPENDITURE ON:							
Raising funds	6	-	29,399	29,399	-	33,697	33,697
Charitable activities	7	109,852	4,775,926	4,885,778	150,906	4,330,079	4,480,985
TOTAL EXPENDITURE		109,852	4,805,325	4,915,177	150,906	4,363,776	4,514,682
Net (losses) / gains on investments		-	(472,483)	(472,483)	-	440,051	440,051
NET INCOME / (EXPENDITURE)		(24,782)	(1,168,804)	(1,193,586)	(63,511)	359,341	295,830
Transfers between Funds	21	25,000	(25,000)	-	25,000	(25,000)	-
NET MOVEMENT IN FUNDS		218	(1,193,804)	(1,193,586)	(38,511)	334,341	295,830
Total funds brought forward		435,765	6,375,790	6,811,555	474,276	6,041,449	6,515,725
TOTAL FUNDS CARRIED FORWARD	21	435,983	5,181,986	5,617,969	435,765	6,375,790	6,811,555

All activities relate to continuing operations.

The net expenditure of the parent Society itself amounted to £1,193,695 (2017 - net income of £282,295).

The notes on pages 30 to 46 form part of these financial statements.

BRITISH PHARMACOLOGICAL SOCIETY
REGISTERED NUMBER: 2877400

BALANCE SHEETS
AS AT 31 DECEMBER 2018

	Note	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
FIXED ASSETS					
Intangible assets	13	200,570	212,791	200,570	212,791
Tangible assets	14	764,366	741,307	764,366	741,307
Investment in subsidiaries	15	-	-	2	2
Investments	16	3,914,058	4,256,973	3,914,058	4,256,973
		4,878,994	5,211,071	4,878,996	5,211,073
CURRENT ASSETS					
Debtors	17	1,353,499	1,455,060	1,338,361	1,569,010
Cash at bank and in hand		193,699	853,992	130,766	754,056
		1,547,198	2,309,052	1,469,127	2,323,066
CREDITORS: amounts falling due within one year	18	(716,108)	(611,277)	(639,109)	(626,254)
NET CURRENT ASSETS		831,090	1,697,775	830,018	1,696,812
TOTAL ASSETS LESS CURRENT LIABILITIES		5,710,084	6,908,846	5,709,014	6,907,885
CREDITORS: amounts falling due after more than one year	19	(92,115)	(97,291)	(92,115)	(97,291)
NET ASSETS		5,617,969	6,811,555	5,616,899	6,810,594
CHARITY FUNDS					
Restricted funds	21	435,983	435,765	435,983	435,765
Unrestricted funds					
Unrestricted designated funds	21	2,590,578	2,710,417	2,590,578	2,710,417
Unrestricted general fund	21	2,591,408	3,665,373	2,590,338	3,664,412
		5,181,986	6,375,790	5,180,916	6,374,829
TOTAL FUNDS		5,617,969	6,811,555	5,616,899	6,810,594

The financial statements were approved by the Trustees on 23 April 2019 and signed on their behalf by:

R J Plevin

Honorary Treasurer

The notes on pages 30 to 46 form part of these financial statements.

COMPANY NUMBER 2877400

BRITISH PHARMACOLOGICAL SOCIETY
REGISTERED NUMBER: 2877400

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net movement in funds	(1,193,586)	295,830
Adjustments for:		
Depreciation of intangible fixed assets	76,552	97,587
Depreciation of tangible fixed assets	38,433	24,479
Loss on disposal of tangible fixed assets	3,169	438
Losses / (Gains) on investments	472,483	(440,051)
Dividends and interest received	(119,146)	(153,591)
Decrease / (increase) in debtors	101,561	(598,529)
(Decrease) / increase in creditors	99,655	(97,483)
NET CASH (USED IN) / GENERATED BY OPERATING ACTIVITIES	(520,879)	(871,320)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to intangible fixed assets	(64,331)	(91,795)
Purchase of tangible fixed assets	(64,661)	(17,105)
Purchase of investments	(590,090)	(541,344)
Proceeds from sale of investments	460,522	1,765,254
Dividends and Interest received	119,146	153,591
NET CASH FROM INVESTING ACTIVITIES	(139,414)	1,268,601
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	(660,293)	397,281
Cash and cash equivalents at beginning of year	853,992	456,711
CASH AND CASH EQUIVALENTS AT END OF YEAR	193,699	853,992

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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 Charitable Group is a public benefit group for the purposes of FRS 102 and the Charity is a registered charity established as a company limited by guarantee, and therefore the Charity 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 Companies Act 2006

The prescribed profit and loss account formats required by Section 396 of the 2006 Companies Act have not been adhered to in disclosing the financial results of the Charity and Group for the year ended 31 December 2017. It is the opinion of the Trustees that strict adherence to these formats would be misleading to the membership of the Charity and Group and prevent the financial statements from showing a true and fair view as required by Section 393 of the 2006 Companies Act. In all other respects the financial statements comply with the requirements of the Companies Act 2006.

In accordance with Section 408 of the Companies Act 2006 a separate Statement of Financial Activities dealing with the results of the charity has not been presented.

1.3 Basis of consolidation

The Group financial statements consolidate the financial statements of the Charity and its subsidiary undertaking for the year. BPS Assessment Limited commenced trading in 2017 which is why the Society has produced consolidated financial statements. BPS Trading Services Limited remained dormant throughout 2017 and 2018.

All financial statements are made up to 31 December 2018. All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group. The summary financial statements of BPS Assessment Limited are shown in Note 15.

1.4 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. There are no material uncertainties.

1.5 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

1.6 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.

1.7 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.

Raising funds

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

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*.

Grants awarded

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

Allocation of overheads

Central overhead costs are allocated to activities on the basis of total staff costs:

	2018	2017
Member services	12%	15%
Journal publishing costs	17%	17%
Educational activities	53%	47%
Projects and awards	2%	2%
Scientific meetings	16%	19%

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.

1.8 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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

1.9 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.

1.10 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.

1.11 Other financial instruments

Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their 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.

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.

1.12 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.

1.13 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 £3,205 million representing 102% of the liabilities for benefits accrued up to 31 March 2017.

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.

As there was a Technical Provisions surplus at 31 March 2017 there is no defined benefit liability (i.e. the present value of any deficit contributions due to SAUL) to be recognised by the Society.

The Society also contributes to a defined contribution scheme for the benefit of its employees and contributions payable are charged to the Statement of Financial Activities.

1.14 Recognition of liabilities

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

1.15 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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. DONATIONS AND LEGACIES

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Donations and grants	31,000	-	31,000
	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Donations and grants	32,825	6,414	39,239

3. INCOME FROM INVESTMENTS

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Income from UK listed investments	-	99,938	99,938
Income from non-UK listed investments	-	19,017	19,017
Bank interest receivable	-	191	191
	-	119,146	119,146
	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Income from UK listed investments	-	136,201	136,201
Income from non-UK listed investments	-	17,045	17,045
Bank interest receivable	-	345	345
	-	153,591	153,591

4. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Membership subscriptions	-	127,670	127,670
Journal publishing income	-	3,504,013	3,504,013
Educational activities	54,070	151,280	205,350
Scientific meetings	-	201,442	201,442
	54,070	3,984,405	4,038,475
	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Membership subscriptions	-	141,555	141,555
Journal publishing income	-	3,679,876	3,679,876
Educational activities	54,570	196,923	251,493
Scientific meetings	-	99,626	99,626
	54,570	4,117,980	4,172,550

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

5. OTHER INCOME

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Other income	-	5,453	5,453
	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Other income	-	5,081	5,081

6. INVESTMENT MANAGEMENT COSTS

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Investment management fees	-	29,399	29,399
	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Investment management fees	-	33,697	33,697

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly 2018 £	Grant funding of activities (Notes 8 & 9) 2018 £	Support costs (see below) 2018 £	Total 2018 £
Members services	157,448	125	155,911	313,484
Journal publishing costs	1,342,907	-	224,065	1,566,972
Educational activities	912,210	104,752	697,149	1,714,111
Projects and awards	38,150	168,201	20,596	226,947
Scientific meetings	859,907	2,172	202,185	1,064,264
	<u>3,310,622</u>	<u>275,250</u>	<u>1,299,906</u>	<u>4,885,778</u>

Analysis of Support Costs

	Basis of Allocation	Total 2018 £
Finance	Total staff costs	154,195
IT	Total staff costs	197,142
Staff costs	Total staff costs	503,951
Policy & Public Engagement	Total staff costs	95,962
Governance	Total staff costs	48,623
Executive	Total staff costs	32,698
HR	Total staff costs	77,760
Premises	Total staff costs	189,574
		<u>1,299,905</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (Continued)

	Activities undertaken directly	Grant funding of activities (Notes 8 & 9)	Support costs (see below)	Total
	2017	2017	2017	2017
	£	£	£	£
Members services	148,522	867	176,931	326,320
Journal publishing costs	1,375,343	-	194,176	1,569,519
Educational activities	877,931	111,159	549,554	1,538,644
Projects and awards	70,497	152,365	20,161	243,023
Scientific meetings	580,313	2,100	221,066	803,479
	<u>3,052,606</u>	<u>266,491</u>	<u>1,161,888</u>	<u>4,480,985</u>

Analysis of Support Costs

	Basis of Allocation	Total 2018 £
Finance	Total staff costs	136,539
IT	Total staff costs	185,634
Staff costs	Total staff costs	425,779
Policy & Public Engagement	Total staff costs	146,821
Governance	Total staff costs	54,420
Executive	Total staff costs	29,431
HR	Total staff costs	108,238
Premises	Total staff costs	75,026
		<u>1,161,888</u>

8. GRANTS TO INDIVIDUALS

	Number 2018	Total 2018 £	Number 2017	Total 2017 £
A J Clark Studentships	1	92,948	1	78,691
Bursaries	141	40,679	107	30,993
Women in Pharmacology	1	125	-	-
Ambassadors Scheme	-	-	4	867
Teaching grant	-	-	-	-
	<u>143</u>	<u>133,752</u>	<u>112</u>	<u>110,551</u>

Bursaries consist of 141 grants of between £50 and £750 (2017 - 107 grants of between £32 and £750) to assist individuals to attend conferences.

9. GRANTS TO INSTITUTIONS

	Total funds 2018 £	Total funds 2017 £
Educational activities	11,804	32,469
Projects and awards	127,522	121,372
Scientific meetings	2,172	2,100
	<u>141,498</u>	<u>155,941</u>
In Vivo Training and Short Courses	3,932	25,604
Guide to Pharmacology	127,522	121,372
Education and Outreach Funding	7,873	6,865
Scientific Meetings	2,172	2,100
	<u>141,498</u>	<u>155,941</u>

In Vivo Short Courses and Training grants are given to universities for educational purposes. During the year 7 (2017 - 7) awards of between £1,500 and £3,500 (2017- £2,500 and £8,000) were made.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. GEOGRAPHICAL MARKETS

80% of the Charity's journal publishing income (2017 - 82%) and 56% (2017 - 100%) of the turnover of BPS Assessment Limited (see Note 15) 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:

	2018	2017
	£	£
Depreciation of intangible fixed assets	76,552	97,587
Depreciation of tangible fixed assets owned by the charity	38,433	24,479
Loss on disposal of tangible fixed assets owned by the charity	3,169	438
Auditors' remuneration		
Audit - Charity - current year	9,985	9,645
Audit - Charity - prior year	-	222
Other - Subsidiary - Review and Financial advice	1,785	1,725

During the year, no Trustees received any remuneration (2017 - £Nil).

During the year, 6 (2017 - 6) Trustees were reimbursed for travel and subsistence and other general expenses totalling £10,994 (2017 - £18,041).

12. STAFF COSTS

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	1,152,562	984,218
Social security costs	126,280	111,264
Pension costs	137,687	101,492
	<u>1,416,529</u>	<u>1,196,974</u>

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

	2018	2017
	No.	No.
Total headcount	24	21
Full time equivalent basis	<u>24</u>	<u>21</u>

The number of higher paid employees was:

	2018	2017
	No.	No.
In the band £60,001 - £70,000	3	-
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	1	-
In the band £110,001 - £120,000	1	1
	<u>6</u>	<u>3</u>

Pension contributions in respect of higher paid employees amounted to £65,309 (2017: £34,071).

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 5 staff (2017: 7 staff). The total employee benefits of the charity's key management personnel amounted to £538,922, (2017: £616,276).

The Society accounts for its participation in SAUL as if it were a defined contribution pension scheme (see note 1.14). Contributions of £122,497 (2017: £101,135) were payable in the year with payments of £14,071 (2017: £15,540) outstanding at the year end.

Contributions into the separate defined contribution pension scheme of £15,190 (2017: £357) were payable in the year, with payments of £6,755 (2017: £Nil) outstanding at the end of the year.

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NOTES TO THE FINANCIAL STATEMENTS
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13. INTANGIBLE FIXED ASSETS

Group & Charity

Intangible fixed assets comprise computer software and website.

	Total £
Cost	
At 1 January 2018	550,832
Additions	64,331
At 31 December 2018	<u>615,163</u>
Amortisation	
At 1 January 2018	338,041
Charge for the year	76,552
At 31 December 2018	<u>414,593</u>
Net book value	
At 31 December 2018	<u>200,570</u>
At 31 December 2017	<u>212,791</u>

14. TANGIBLE FIXED ASSETS

Group & Charity

	Long leasehold property £	Fixtures & fittings £	Computer equipment £	Total £
Cost or Valuation				
At 1 January 2018	710,000	96,990	87,835	894,825
Additions	-	37,299	27,362	64,661
Disposals	-	-	(10,009)	(10,009)
At 31 December 2018	<u>710,000</u>	<u>134,289</u>	<u>105,188</u>	<u>949,477</u>
Depreciation				
At 1 January 2018	-	90,424	63,094	153,518
Charge for the year	-	12,078	26,355	38,433
On disposals	-	-	(6,840)	(6,840)
At 31 December 2018	<u>-</u>	<u>102,502</u>	<u>82,609</u>	<u>185,111</u>
Net book value				
At 31 December 2018	<u>710,000</u>	<u>31,787</u>	<u>22,579</u>	<u>764,366</u>
At 31 December 2017	<u>710,000</u>	<u>6,566</u>	<u>24,741</u>	<u>741,307</u>

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.

The long leasehold property is owned under a 999 year lease from 25 December 1989.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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 companies, is as follows:

	2018	2017
	£	£
Current assets	2	2
Total Net assets	<u>2</u>	<u>2</u>
Called up share capital		
BPS Assessment Limited (incorporated 27 January 2016)	1	1
BPS Trading Services Limited (Dormant; incorporated 27 January 2016)	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

BPS Assessment Limited (company number 09973409; registered office 16 Angel Gate, City Road, London, EC1V 2PT) commenced trading on 31 March 2017 and its turnover, expenditure and profit are summarised as follows:

	2018	2017
	£	
Turnover	150,940	115,950
Expenditure	149,870	114,989
Profit	<u>1,070</u>	<u>961</u>

16. FIXED ASSET INVESTMENTS

Group & Charity

	Listed securities	Listed securities
	2018	2017
	£	£
Market value		
At 1 January	4,256,973	5,040,832
Additions	590,090	541,344
Disposals (realised gain of £5,799; 2017 £115,255)	(454,723)	(1,650,232)
Revaluations	(478,282)	325,029
At 31 December	<u>3,914,058</u>	<u>4,256,973</u>
Historical cost	<u>3,542,968</u>	<u>3,305,663</u>

Investments at market value comprise:

	UK	Overseas	2018
	£	£	£
Listed investments	<u>2,316,568</u>	<u>1,597,490</u>	<u>3,914,058</u>
	UK	Overseas	2017
	£	£	£
Listed investments	<u>2,800,135</u>	<u>1,456,838</u>	<u>4,256,973</u>

The above investments are all in relation to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

17. DEBTORS

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Trade debtors	138,921	26,090	128,021	140,040
Other debtors	1,111,962	1,317,736	1,111,962	1,317,736
Prepayments and accrued income	102,616	111,234	98,378	111,234
	<u>1,353,499</u>	<u>1,455,060</u>	<u>1,338,361</u>	<u>1,569,010</u>

Other debtors mainly represents journal publishing income due but unpaid at the year end. Trade debtors of the Charity includes £Nil in respect of the subsidiary undertaking BPS Assessment Limited (2017 - £113,950).

18. CREDITORS

Amounts falling due within one year

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Trade creditors	247,923	222,658	268,707	263,608
Other taxation and social security	54,151	49,205	54,151	49,205
Other creditors	110,578	138,279	110,578	138,281
Accruals and deferred income	303,456	201,135	205,673	175,160
	<u>716,108</u>	<u>611,277</u>	<u>639,109</u>	<u>626,254</u>

Trade creditors of the Charity includes £21,463 in respect of the subsidiary undertaking BPS Assessment Limited (2017 - £40,950). Included within other taxation and social security is an amount of £20,826 (2017 - £15,540) in respect of pension liabilities. Included within other creditors is an amount of £76,129 (2017 - £87,779) in respect of A J Clark studentship commitments and £Nil (2017 - £6,404) in respect of deficit contributions due to SAUL.

Deferred income (Group & Charity)

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:

	2018 £	2017 £
At 1 January	7,664	6,565
Movement during the year	13,185	1,099
At 31 December	<u>20,849</u>	<u>7,664</u>

19. CREDITORS

Amounts falling due after more than one year

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Grant awards - A J Clark studentships	92,115	97,291	92,115	97,291

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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 a Career Average Revalued Earnings ("CARE") basis.

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 2017. 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 by the Trustees and employers in June 2018 and are due to be reviewed at SAUL's next formal valuation in 2020.

At the 31 March 2017 valuation SAUL was fully funded on its Technical Provisions basis so no deficit contributions were required. The Trustee and the Employers have agreed that the ongoing Employers' contributions will continue at a rate of 16% of CARE Salaries.

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NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS

SUMMARY OF FUNDS

Group

	Brought forward 2018 £	Incoming resources 2018 £	Resources expended 2018 £	Transfers in / (out) 2018 £	Gains / (losses) 2018 £	Carried forward 2018 £
Designated funds	2,710,417	-	(410,167)	290,328	-	2,590,578
General funds	3,665,373	4,109,004	(4,395,158)	(315,328)	(472,483)	2,591,408
Total unrestricted funds	6,375,790	4,109,004	(4,805,325)	(25,000)	(472,483)	5,181,986
Restricted funds	435,765	85,070	(109,852)	25,000	-	435,983
Total funds	6,811,555	4,194,074	(4,915,177)	-	(472,483)	5,617,969
	2017 £	2017 £	2017 £	2017 £	2017 £	2017 £
Designated funds	3,014,209	-	(544,405)	240,613	-	2,710,417
General funds	3,027,240	4,283,066	(3,819,371)	(265,613)	440,051	3,665,373
Total unrestricted funds	6,041,449	4,283,066	(4,363,776)	(25,000)	440,051	6,375,790
Restricted funds	474,276	87,395	(150,906)	25,000	-	435,765
Total funds	6,515,725	4,370,461	(4,514,682)	-	440,051	6,811,555

Charity

	Brought forward 2018 £	Incoming resources 2018 £	Resources expended 2018 £	Transfers in / (out) 2018 £	Gains / (losses) 2018 £	Carried forward 2018 £
Designated funds	2,710,417	-	(410,167)	290,328	-	2,590,578
General funds	3,664,412	3,975,249	(4,261,512)	(315,328)	(472,483)	2,590,338
Total unrestricted funds	6,374,829	3,975,249	(4,671,679)	(25,000)	(472,483)	5,180,916
Restricted funds	435,765	85,070	(109,852)	25,000	-	435,983
Total funds	6,810,594	4,060,319	(4,781,531)	-	(472,483)	5,616,899
	2017 £	2017 £	2017 £	2017 £	2017 £	2017 £
Designated funds	3,014,209	-	(544,405)	240,613	-	2,710,417
General funds	3,027,240	4,189,016	(3,726,282)	(265,613)	440,051	3,664,412
Total unrestricted funds	6,041,449	4,189,016	(4,270,687)	(25,000)	440,051	6,374,829
Restricted funds	474,276	87,395	(150,906)	25,000	-	435,765
Total funds	6,515,725	4,276,411	(4,421,593)	-	440,051	6,810,594

The unrestricted general fund gains/(losses) comprises net losses on investments of £472,483 (2017 net gains of £440,051).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

21. STATEMENT OF FUNDS (CONTINUED)

UNRESTRICTED DESIGNATED FUNDS

Group & Charity

	Brought forward 2018 £	Incoming resources 2018 £	Resources expended 2018 £	Transfers in / (out) 2018 £	Gains / (losses) 2018 £	Carried forward 2018 £
World Pharma 2022	500,000	-	-	-	-	500,000
World Pharma 2018	3,155	-	(3,155)	-	-	-
Prizes and awards	1,000,000	-	(161,335)	161,335	-	1,000,000
Guide to Pharmacology	253,164	-	(127,522)	-	-	125,642
Business Development	-	-	-	-	-	-
Fixed Asset	954,098	-	(118,155)	128,993	-	964,936
Total Unrestricted Designated funds	2,710,417	-	(410,167)	290,328	-	2,590,578
	2017 £	2017 £	2017 £	2017 £	2017 £	2017 £
World Pharma 2022	500,000	-	-	-	-	500,000
World Pharma 2018	3,155	-	-	-	-	3,155
Prizes and awards	1,000,000	-	(182,784)	182,784	-	1,000,000
Guide to Pharmacology	374,536	-	(121,372)	-	-	253,164
Business Development	168,816	-	(117,745)	(51,071)	-	-
Fixed Asset	967,702	-	(122,504)	108,900	-	954,098
Total Unrestricted Designated funds	3,014,209	-	(544,405)	240,613	-	2,710,417

UNRESTRICTED GENERAL FUNDS

Group

	Brought forward 2018 £	Incoming resources 2018 £	Resources expended 2018 £	Transfers in / (out) 2018 £	Gains / (losses) 2018 £	Carried forward 2018 £
Total Unrestricted General funds	3,665,373	4,109,004	(4,395,158)	(315,328)	- 472,483	2,591,408
	2017 £	2017 £	2017 £	2017 £	2017 £	2017 £
Total Unrestricted General funds	3,027,240	4,283,066	(3,819,371)	(265,613)	440,051	3,665,373

Charity

	Brought forward 2018 £	Incoming resources 2018 £	Resources expended 2018 £	Transfers in / (out) 2018 £	Gains / (losses) 2018 £	Carried forward 2018 £
Total Unrestricted General funds	3,664,412	3,975,249	(4,261,512)	(315,328)	- 472,483	2,590,338
	2017 £	2017 £	2017 £	2017 £	2017 £	2017 £
Total Unrestricted General funds	3,027,240	4,189,016	(3,726,282)	(265,613)	440,051	3,664,412

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NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS (CONTINUED)

RESTRICTED FUNDS

Group & Charity	Brought forward 2018 £	Incoming resources 2018 £	Resources expended 2018 £	Transfers in/(out) 2018 £	Carried forward 2018 £
Schachter Fund	4,679	-	(914)	-	3,765
Gary Price Fund	8,521	-	-	-	8,521
Paton Fund	4,692	-	(145)	-	4,547
AstraZeneca Women In Pharmacology Prize Fund	2,000	-	(1,000)	-	1,000
Other prizes and awards	2,756	3,500	(2,325)	-	3,931
E-Learning for Healthcare "Prescribe" Initiative Fund	115,843	-	(1,920)	-	113,923
Prescribing Safety Assessment	262,925	79,070	(101,048)	25,000	265,947
Integrative Pharmacology Fund	10,905	2,500	(2,500)	-	10,905
MRC Short Course in Translational Pharmacology Fund	23,444	-	-	-	23,444
Total Restricted funds	435,765	85,070	(109,852)	25,000	435,983

	2017 £	2017 £	2017 £	2017 £	2017 £
Schachter Fund	5,179	-	(500)	-	4,679
Gary Price Fund	8,521	-	-	-	8,521
Paton Fund	5,290	-	(598)	-	4,692
AstraZeneca Women In Pharmacology Prize Fund	3,000	-	(1,000)	-	2,000
Other prizes and awards	2,756	5,325	(5,325)	-	2,756
E-Learning for Healthcare "Prescribe" Initiative Fund	121,263	-	(5,420)	-	115,843
Prescribing Safety Assessment	293,918	79,570	(135,563)	25,000	262,925
Integrative Pharmacology Fund	10,905	2,500	(2,500)	-	10,905
MRC Short Course in Translational Pharmacology Fund	23,444	-	-	-	23,444
Total Restricted funds	474,276	87,395	(150,906)	25,000	435,765

FUND TRANSFERS

The unrestricted general fund has been used to restore the prizes and awards designated fund back to £1m with a transfer of £161,335 (2017 £182,784). Additions to fixed assets totalling £128,993 have been funded by the unrestricted general fund (2017 £57,829 by the unrestricted general fund and £51,071 by the Business Development fund). The unrestricted general fund also supports the Prescribing Safety Assessment with a transfer of £25,000 (2017 £25,000) matching the funding received from the Medical Schools Council.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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.

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.

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

22. RELATED PARTY TRANSACTIONS

During the course of the year the Society transacted with BPS Assessment Limited, its wholly-owned subsidiary undertaking. The amounts owing to and from the subsidiary are included in notes 17 and 18.

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Intangible fixed assets	-	200,570	200,570
Tangible fixed assets	-	764,366	764,366
Investment in subsidiary	-	-	-
Fixed asset investments	-	3,914,058	3,914,058
Current assets	465,983	1,081,215	1,547,198
Creditors due within one year	(30,000)	(686,108)	(716,108)
Creditors due in more than one year	-	(92,115)	(92,115)
	435,983	5,181,986	5,617,969

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Intangible fixed assets	-	212,791	212,791
Tangible fixed assets	-	741,307	741,307
Investment in subsidiary	-	-	-
Fixed asset investments	-	4,256,973	4,256,973
Current assets	465,765	1,843,287	2,309,052
Creditors due within one year	(30,000)	(581,277)	(611,277)
Creditors due in more than one year	-	(97,291)	(97,291)
	435,765	6,375,790	6,811,555