Registered number: 5780068 Charity number: 1127115

Pulmonary Vascular Research Institute (A company limited by guarantee)

Trustees' report and financial statements

for the year ended 31 December 2016

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Pulmonary Vascular Research Institute (A company limited by guarantee)

Reference and administrative details of the Charity, its trustees and advisers for the year ended 31 December 2016

Trustees

Professor S Rich
Professor M Wilkins
Professor N Morrell
Professor S G Haworth
Professor M H Yacoub
Professor P A Corris
Dr S F Campbell (resigned 15 January 2016)
Dr A Herskowitz
Mr A J D M Van Den Bergh
Professor D Doogan
Mr J Harrington (appointed 10 July 2016, resigned 15 March 2017)

Company registered number

5780068

Charity registered number

1127115

Registered office

33 St George's Place Canterbury Kent CT1 1UT

Chief executive officer and company secretary

Mrs S R Barwick

Independent auditors

Kreston Reeves LLP Statutory Auditor 37 St Margaret's Street Canterbury Kent CT1 2TU

Bankers

HSBC Bank plc 9 Rose Lane Canterbury Kent CT1 2JP

Pulmonary Vascular Research Institute (A company limited by guarantee)

Trustees' report for the year ended 31 December 2016

The Trustees present their annual report together with the audited financial statements of for the 1 January 2016 to 31 December 2016.

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

Policies and objectives

The policies and objectives adopted by the Charity are as follows -

To investigate the incidence, prevalence and pathobiology of pulmonary vascular disease in under served areas that, to date, have not been well characterised; to identify unique characteristics of the illness including its morbidity and mortality; to establish effective therapies which will be accessible to the affected patients.

To provide expertise to regions of the world with healthcare disparities which will address issues related to the education and training of healthcare professionals in the area of pulmonary vascular disease.

To focus on improving the treatment of pulmonary vascular disease worldwide, by promoting research, by educating physicians and by assisting the development and conduct of clinical trials following the highest standards of clinical research.

To provide consultative services to health agencies and industry regarding advancing the treatment of pulmonary vascular disease.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

The objectives of the Charity are set out above and all of these benefit the public in one way or another. The investigation into pulmonary vascular disease is aimed to benefit the public's health when struck with this disease. The improvement of knowledge, treatment and promotion of research worldwide will again provide a benefit to health care both nationally and worldwide.

Activities for achieving objectives

The Charity will address its objectives primarily by the establishment of focused Task Forces that will design and conduct projects across the broad spectrum of research, education and clinical care related to pulmonary vascular disease. The activities of the Charity include, but are not limited to, the following:

The Charity will function as a 'think tank' and provide expertise to advise physicians, scientists, health authorities and the healthcare industry regarding medical technologies and pharmaceuticals relevant to pulmonary vascular disease.

The Charity will serve as a bridge between government organisations, NGOs, academia, industry, foundations and undeserved countries.

The Charity will sponsor international clinical and research fellowships along with continuing education to physicians from under served countries who wish to pursue careers in pulmonary vascular disease at recognised Centres of Excellence around the world.

The Charity will establish an international database on patients with pulmonary vascular disease to allow a meaningful understanding of the similarities and differences in the spectrum of the illness worldwide.



Trustees' report (continued) for the year ended 31 December 2016

Activities for achieving objectives (continued)

The Charity will develop web-based, multilingual educational materials, advice and guidelines on the management of pulmonary vascular disease accessible to people involved in healthcare delivery.

The Charity will conduct workshops on the modern methods to evaluate patients, determine accurate diagnoses and monitor the efficacy of treatments. These will be offered to physicians and non-physicians.

The Charity will conduct periodic international symposia to disseminate information acquired from the Charity's activities and identify research projects relevant to its activities.

The Charity will establish a mechanism for the creation of an international biobank to collect specimens from patients with pulmonary hypertension worldwide.

The Charity will establish international genomic and proteomic reference laboratories to conduct research in the biologic mechanisms causing pulmonary hypertension from different aetiologies.

Grant making policies

The Trustees decide periodically how to apply the Charity's incoming resources in accordance with the terms of its constitution.

Achievements and performance

Review of activities

2016 has been another year of transition and consolidation. The outline below highlights some of the operational and administrative changes which took place during the year:

International Scientific Meetings

As has become tradition in the PVRI calendar, during 2016 we held two major international conferences – the 9th PVRI Annual World Congress on PVD which was held in Rome in Italy in January and the 3rd PVRI Annual Drug Discovery & Development Symposium which was held in Bethesda in July.

PVRI Membership

The PVRI membership has increased to a total of 1,250 members, which are spread across 75 different countries worldwide. We are immensely proud of our international reach and global representation as the PVRI is the only global Charity dealing in PVD.

Industry Support and Roundtable Membership 2016

The Trustees would like to express their sincere thanks to all of the Charity's industry partners who have supported it during 2016 and engaged in the PVRI Roundtable Membership which is the PVRI-industry alliance. Without their continued sponsorship and support we simply could not fulfil our mission. Roundtable Members for 2016 included Bayer, Gilead, GSK, United Therapeutics, Bellerophon and Merck Sharpe.

PVRI Publications - Pulmonary Circulation

During 2016, the Charity has published four editions of our peer-reviewed and flagship journal Pulmonary Circulation.

Trustees' report (continued) for the year ended 31 December 2016

PVRI Fundraising Activities

The PVRI held its second fundraising event, a Charity Dinner and Auction, on 18th May 2016. Over 100 people attended the event and the total amount raised from sponsorship, donations and ticket sales was around £20,000.

Adoption of Charities SORP (FRS 102)

In the previous accounting period, the year ended 31 December 2015, the Charity adopted the Charities SORP 2015. The main impact this had upon the financial statements was regarding the recognition of income, particularly grant income.

In the newly adopted SORP one of the criterea for recognising income changed from when receipt of the income is "virtually certain" to "probable". This has meant that income from grants such as the CMREF and GSK elearning grant are recognised sooner than they would have been previously.

This changes has created a number of timing differences, the first being between when income is recognised and when the associated cash is received, and the second being when the income is recognised and when the charitable costs are incurred.

These timing differences can create volatility in the reported surplus or deficit when comparing two accounting periods, and it should be noted that the Charity's funds carried forward at the end of an accounting period could represent grants that are receivable in future years, however due to their probable receipt the income has already been recognised.

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity 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. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Reserves policy

At 31 December 2016, the Charity has reserves of £1,505,942, of which £160,375 are restricted.

The Trustees have reviewed the reserves of the Charity. This review encompassed the nature of the major income and expenditure streams and the need to match income and expenditure. The Charity's principal source of funds is from the Charity's Roundtable membership fees.

As a result of this review, the Trustees confirmed that, to enable the Charity to continue to meet its objectives, to operate efficiently and to provide a buffer for both planned and unexpected costs in respect of the Charity, an unrestricted general reserve of 12 months average expenditure should be maintained. The Charity has accounted for a number of grants and donations in advance of expenditure due to the changes in recognition criteria in the SORP 2015 FRS 102 resulting in a higher level of unrestricted general reserves currently being reported in the financial statements than the planned policy.

Trustees' report (continued) for the year ended 31 December 2016

Structure, governance and management

Constitution

The Charity is registered as a charitable company limited by guarantee and does not have a share capital. The company is constituted under the Memorandum of Association dated 12 April 2006, as amended on 31 October 2008. The company number is 5780068.

The registered Charity number is 1127115.

The principal object of the Charity is the promotion and protection of good health by promoting knowledge and stimulating new ideas in the field of cardiopulmonary medicine, fostering multidisciplinary approaches, collaboration and communication across the science spectrum.

Method of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The Trustees continue to seek to identify suitable individuals with an understanding and the knowledge of pulmonary vascular disease and the health care industry with a view to serving on the board. The Trustees have particular skills which enable them to contribute to the work of the Charity. Their knowledge of good practice, changes in legislation and technical issues is supplemented by publications issued by the Charity Commission and other relevant organisations. New Trustees are provided with detailed background information on the Charity, current financial data and other documents relevant to the operation of the Charity.

Organisational structure and decision making

The organisation of the Charity is as follows:

The Board of Directors who are also Trustees, exercise the general control and management.

The Executive Committee which comprises of the CEO, past and future Presidents and the Treasurer oversees the day to day operations of the Charity.

The Charity have appointed a Marketing Officer and Administrative Assistant to support the increasing membership load and educational activities and to enhance the fundraising activities to sustain the Charity for future years.

Risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Trustees' report (continued) for the year ended 31 December 2016

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 13 June 2017 and signed on their behalf by:

Professor M Wilkins

DR JAC-

Independent auditors' report to the members of Pulmonary Vascular Research Institute

We have audited the financial statements of Pulmonary Vascular Research Institute for the year ended 31 December 2016 set out on pages 9 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of Trustees and auditors

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended:
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on 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.

Independent auditors' report to the members of Pulmonary Vascular Research Institute

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

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Samantha Rouse FCCA DChA (Senior statutory auditor)

for and on behalf of

Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury 14 June 2017

Statement of financial activities incorporating income and expenditure account for the year ended 31 December 2016

	Note	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Income from:					
Donations & legacies: Grants Other donations and legacies Charitable activities Other trading activities	2 2 5 3	168,046 - - -	47,971 312,752 145,573 46,771	216,017 312,752 145,573 46,771	494,118 132,845 55,959 13,549
Investments	4	-	17	17	5
Total income		168,046	553,084	721,130	696,476
Expenditure on:					
Raising funds Charitable activities	6 7	- 68,224	19,504 257,301	19,504 325,525	7,347 308,695
Total expenditure	8	68,224	276,805	345,029	316,042
Net income before other recognised gains and losses		99,822	276,279	376,101	380,434
Net movement in funds		99,822	276,279	376,101	380,434
Reconciliation of funds:					
Total funds brought forward		50,588	1,079,253	1,129,841	749,407
Total funds carried forward		150,410	1,355,532	1,505,942	1,129,841

All activities relate to continuing operations.

The notes on pages 12 to 24 form part of these financial statements.

1. 1.

Pulmonary Vascular Research Institute (A company limited by guarantee)

Registered number: 5780068

Balance sheet

as at 31 December 2016

	Note	£	2016 £	£	2015 £
Fixed assets	Hote	~	~	~	~
Tangible assets	13		105,396		97,638
•	10		100,000		07,000
Current assets					
Debtors: amounts falling due after more than one year	14	•		130,971	
Debtors: amounts falling due within one year	14	350,511		266,172	
Cash at bank and in hand		1,061,347		669,437	
		1,411,858		1,066,580	
Creditors: amounts falling due within one year	15	(11,312)		(34,377)	
Net current assets			1,400,546		1,032,203
Net assets			1,505,942		1,129,841
Charity Funds					
Restricted funds	17		150,410		50,588
Unrestricted funds	17		1,355,532		1,079,253
Total funds			1,505,942		1,129,841

The financial statements were approved by the Trustees on 13 June 2017 and signed on their behalf, by:

Professor M Wilkins

The notes on pages 12 to 24 form part of these financial statements.

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Cash flow statement for the year ended 31 December 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	19	410,882	10,605
Cash flows from investing activities: Dividends, interest and rents from investments Purchase of tangible fixed assets		17 (18,989)	5 (97,070)
Net cash used in investing activities		(18,972)	(97,065)
Change in cash and cash equivalents in the year		391,910	(86,460)
Cash and cash equivalents brought forward		669,437	755,897
Cash and cash equivalents carried forward	20	1,061,347	669,437

Notes to the financial statements for the year ended 31 December 2016

1. Accounting policies

Pulmonary Vascular Research Institute is a Charity, limited by guarantee, incorporated in England and Wales.

The Charity's registered office is 33 St George's Place, Canterbury, Kent, CT1 1UT.

The charitable activities of the charity continues to be to bring the best medical professionals in the world together in order to carry out research on pulmonary vascular disease.

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

Pulmonary Vascular Research Institute meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Charity's functional and presentational currency is Pounds Sterling.

The Charity's financial statements are presented to the nearest pound.

1.2 Company status

The Charity is a company limited by guarantee and does not have a share capital. The members of the company are the Trustees named on page 1. 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.

1.3 Going concern

The Charity's main source of income is from its charitable objectives being the receipt of donations and grants.

In order to meets its day to day working capital requirements the Charity is dependent upon these donations and grants, the nature of which can have considerable unpredictable variation in the timing of cash inflows.

After making, enquiries, the Trustees have a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted tunds 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.

Notes to the financial statements for the year ended 31 December 2016

1. Accounting policies (continued)

1.5 Income

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All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1.6 Deferred income

Where income for membership fees in future accounting periods is received in advance, it is recognised as deferred income. The amounts shown in the balance sheet in respect of the deferred income represent the amounts deferred to future accounting periods.

1.7 Expenditure

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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at headquarters.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Pulmonary Vascular Research Institute (A company limited by guarantee)

Notes to the financial statements for the year ended 31 December 2016

1. Accounting policies (continued)

1.8 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

Office equipment - 4 years straight line
Computer equipment - 3 years straight line
Website - 10 years straight line

1.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.10 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.14 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Notes to the financial statements for the year ended 31 December 2016

1. Accounting policies (continued)

1.15 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities incorporating income and expenditure account.

2. Income from donations and legacies

	Restricted funds 2016	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
CMREF grants 2015 CMREF grants 2016 CMREF grants 2017 GSK e-learning	7,079 60,967 100,000	- 16,362 31,609 -	23,441 92,576 100,000	177,659 185,488 130,971
Grants	168,046	47,971	216,017	494,118
Donations from pharmaceutical industry and others Membership income	- -	271,251 41,501	271,251 41,501	110,388 22,457
Subtotal		312,752	312,752	132,845
Total donations and legacies	168,046	360,723	528,769	626,963

In 2015, of the total income from donations and legacies, £526,880 was to unrestricted funds and £100,083 was to restricted funds.

3. Other trading income

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Fundraising income	-	46,771	46,771	13,549

In 2015, of the total income from other trading activities, £13,549 was to unrestricted funds and £Nil was to restricted funds.

Notes to the financial statements for the year ended 31 December 2016

4. Investment income

1 2 3

	Restricted funds 2016	Unrestricted funds 2016	Total funds 2016	Total funds 2015
Interest received	-	17	17	5

In 2015, of the total investment income, £5 was to unrestricted funds and £Nil was to restricted funds.

5. Income from charitable activities

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Registration fees of scientific meetings Pulmonary circulation	-	105,947 39,626	105,947 39,626	55,959 -
	-	145,573	145,573	55,959

In 2015, of the total income from charitable activities, £55,959 was to unrestricted funds and £Nil was to restricted funds.

6. Costs of raising funds

	Restricted	Unrestricted	Total	Total
	funds	funds	funds	funds
	2016	2016	2016	2015
	£	£	£	£
Fundraising expenses	-	19,504	19,504	7,347

In 2015, of the total voluntary income, £7,347 was to unrestricted funds and £Nil was to restricted funds.

7. Analysis of expenditure on charitable activities

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
GSK e-learning consultancy fees Publications Scientific meetings	1,008 - 67,216	- - 257,301	1,008 - 324,517	2,035 306,660
	68,224	257,301	325,525	308,695

In 2015, of the total expenditure, £259,200 was expenditure from unrestricted funds and £49,495 was expenditure from restricted funds.

Notes to the financial statements for the year ended 31 December 2016

8. Analysis of resources expended by expenditure type

·	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising voluntary income	-	-	19,504	19,504	7,347
Costs of generating funds	-	-	19,504	19,504	7,347
GSK e-learning consultancy fees Publications Registration fees of	-	<u>.</u>	1,008	1,008	2,035
scientific meetings Charitable activities	111,703	11,231	201,583	324,517 	306,660
Charitable activities	111,703				
	111,703	11,231	222,095	345,029	316,042

Notes to the financial statements for the year ended 31 December 2016

9. Direct costs

	Fundraising costs	GSK e- learning £	Publication s £	Total 2016 £	Total 2015 £
Travelling and accommodation	-	-	94,334	94,334	63,878
Recruitment expenses	-	-	7,280	7,280	5,245
Printing and publishing costs	-	-	-	-	2,035
Fundraising expenses	19,504	•	-	19,504	7,347
Scientific meetings costs	-	-	103,660	103,660	93,379
Consultancy fees	-	1,008	-	1,008	3,207
Wages and salaries	-	-	103,737	103,737	82,019
National insurance	-	-	7,966	7,966	4,195
	19,504	1,008	316,977	337,489	261,305

In 2015, the Charity incurred the following Direct costs:

£7,347 in respect of Fundraising costs £2,035 in respect of Publications

£251,923 in respect of Scientific meetings

10. Support costs

	Scientific meetings 2016 £	Total 2016 £	Total 2015 £
Telephone, computer and internet charges	3,895	3,895	2,873
Printing and stationary costs	94	94	598
Office rent and service charges	14,277	14,277	12,092
Advertising and marketing	13,023	13,023	4,715
Sundry expenses	405	405	-
Other accountancy fees	3,391	3,391	5,389
Exchange rate variance	(113,635)	(113,635)	(323)
Legal and professional fees	3,264	3,264	16 <u>,</u> 154
Bookkeeping	10,461	10,461	6,312
Business consultancy	50,072	50,072	· -
Interest payable	[^] 78	[*] 78	_
Bank charges	4,872	4,872	3,603
Insurance	1,967	1,967	157
Repairs and renewals	2,695	2,695	940
Auditors remuneration	1,450	1,450	1,450
Depreciation	11,231	11,231	777
	7,540	7,540	54,737

In 2015, the Charity incurred the following Support costs:

£54,737 in respect of Scientific meetings

Notes to the financial statements for the year ended 31 December 2016

11. Net incoming resources/(resources expended)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the Charity	11,231	777
Auditors' remuneration - audit	1,450	1,450
Auditors' remuneration - other services	13,852	11,702
Exchange rate variance	(164,756)	(323)
Operating lease rentals:	• •	
- other operating leases	9,000	8,406

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

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

12. Staff costs

Staff costs were as follows:

	£	2015 £
Wages and salaries Social security costs	103,737 7,966	82,019 4,195
	111,703	86,214
The average number of persons employed by the Charity during the	year was as follows:	
	2016 No.	2015 No.
Staff	3	2
The number of higher paid employees was:		
	2016 No.	2015 No.
In the band £60,001 - £70,000	1	0

2016

2015

During the year, the total amount of employee benefits received by key management personnel for their services to the Charity is £62,500 (2015: £52,250).

Notes to the financial statements for the year ended 31 December 2016

13. Tangible fixed assets

	rangible inter access				
		Office equipment £	Computer equipment £	Website £	Total £
	Cost				
	At 1 January 2016 Additions	518 649	5,381 5,619	96,552 12,721	102,451 18,989
	At 31 December 2016	1,167	11,000	109,273	121,440
	Depreciation				
	At 1 January 2016 Charge for the year	130 235	4,683 715	- 10,281	4,813 11,231
	At 31 December 2016	365	5,398	10,281	16,044
	Net book value				
	At 31 December 2016	802	5,602	98,992	105,396
	At 31 December 2015	388	698	96,552	97,638
14.	Debtors			2016	2015
				£	2015 £
	Due after more than one year				
	Grants receivable			====================================	130,971
				2016 £	2015 £
	Due within one year				
	Other debtors			-	40,000
	Prepayments and accrued income Grants receivable			44,447 306,064	40,684 185,488
					266,172
Prepayments and accrued income Grants receivable					

Notes to the financial statements for the year ended 31 December 2016

15.	Creditors:	Amounts	falling	due '	within d	one vear
13.	Oleulois.	AIIIOUIIIO	iaiiiig	uuc	** 1511111 /	one year

15.	Creditors: Amounts failing due within one year		
		2016 £	2015 £
	Other taxation and social security Accruals and deferred income	3,829 7,483	2,577 31,800
		11,312	34,377
	Defended in a con-		£
	Deferred income		
	Deferred income at 1 January 2016		2,600 3,820
	Membership fees deferred/paid in advance during the year Amounts released from previous years		(2,600)
	Deferred income at 31 December 2016		3,820
16.	Financial instruments		
	Financial assets - debt instruments measured at amortised cost		
		2016 £	2015 £
	Other debtors	-	40,000
	Grants receivable	306,064	316,459
		306,064	356,459
	Financial liabilities - measured at amortised cost		
		2016 £	2015
	Assemble	_	£
	Accruals	3,663	29,200
		-	

Notes to the financial statements for the year ended 31 December 2016

17. Statement of funds

	Brought Forward £	Income £	Expenditure £	Carried Forward £
Unrestricted funds				
General fund	1,079,253	553,084	(276,805)	1,355,532
Restricted funds				
Drug Discovery and Development Symposium	50,588	68,046	(60,553)	58,081
GSK e-learning	-	100,000	(7,671)	92,329
	50,588	168,046	(68,224)	150,410
Total of funds	1,129,841	721,130	(345,029)	1,505,942
•				

Restricted funds

The Drug Discovery and Development Symposium fund represents amounts received from the Cardiovascular Medical Research and Education Fund to cover meeting costs and travel costs of the invited faculty and regulatory participants to attend the Drug Discovery and Development Symposium. The aim of the Symposium is to reduce the time from drug discovery to the patient's bedside. The amounts carried forward represent the expected grant to be received in 2017 which will be spent on the 2017 symposium.

The GSK e-learning fund represents amounts received from GlaxoSmithKline for the development of online educational modules on pulmonary vascular disease. The amount carried forward represents the expected grant to be received in 2017 and the remaining grant from 2016 that will be spent in 2017.

Summary of funds

	Brought Forward £	Income £	Expenditure £	Carried Forward £
General funds Restricted funds	1,079,253 50,588	553,084 168,046	(276,805) (68,224)	1,355,532 150,410
	1,129,841	721,130	(345,029)	1,505,942

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Notes to the financial statements for the year ended 31 December 2016

18. Analysis of net assets between funds

Analysis of net assets between funds				
	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets Debtors due after more than 1 year Current assets Creditors due within one year	150,410 - 150,410	105,396 - 1,261,448 (11,312) - 1,355,532	105,396 - 1,411,858 (11,312) - 1,505,942	97,638 - 130,971 935,609 (34,377) - 1,129,841
Reconciliation of net movement in funds to	net cash flow	from operatin	g activities 2016	2015
			£	£
Net income for the year (as per Statement of fi	inancial activitie	es)	376,101	380,434

20. Analysis of cash and cash equivalents

Decrease/(increase) in debtors

(Decrease)/increase in creditors

Dividends, interest and rents from investments

Net cash provided by operating activities

Adjustment for:

Depreciation charges

	2016 £	2015 £
Cash in hand	1,061,347	669,437
Total	1,061,347	669,437

777

17,960

10,605

(5) (388,561)

11,231

46,632

(23,065)

410,882

(17)

21. Operating lease commitments

At 31 December 2016 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	9,000	9,000
Between 1 and 5 years	3,000	12,000
Total	12,000	21,000

Notes to the financial statements for the year ended 31 December 2016

22. Controlling party

The Charity is controlled by the Board of Trustees.