

Charity Registration No. 1043255

Company Registration Number 3005933 (England and Wales)

**BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

**NYMAN LIBSON PAUL
CHARTERED ACCOUNTANTS
REGINA HOUSE
124 FINCHLEY ROAD
LONDON NW3 5JS**



**BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)**

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**BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)**

LEGAL AND ADMINISTRATIVE INFORMATION

Registered Name	British Society For Immunology
Registered Charity Number	1043255
Directors (trustees)	Dr G Entrican Dr J Henwood Professor B P Morgan Professor N A Williams Professor A Hayday Professor A M Mowat
Company secretary	Ms J Willetts
Registered Company Number	3005933
Auditors	Nyman Libson Paul Chartered Accountants Regina House 124 Finchley Road London NW3 5JS
Registered Office	Triangle House Broomhill Road London SW18 4HX
Bankers	Bank of Scotland 14/16 Cockspur Street London SW1Y 5BL
Solicitors	Radcliffes LeBrasseur 5 Great College Street London SW1P 3SJ
Investment Adviser	Gerrard Limited 1 Colmore Square Birmingham B4 6ES

BRITISH SOCIETY FOR IMMUNOLOGY (A COMPANY LIMITED BY GUARANTEE) REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 JUNE 2005

The Trustees present herewith their annual report, together with the consolidated audited financial statements for the year ended 30 June 2005.

Information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice (the SORP) - Accounting and Reporting by Charities.

Principal activity and charitable objectives

The Society is a registered charity established to advance the science of Immunology for the benefit of the public.

Status and administration

The Society is incorporated as a company limited by guarantee. It has no issued share capital and the liability of its members is limited to a sum not exceeding £1. The Management Committee, comprising the Board of Trustees and the Secretary, is responsible for the overall management of the Society.

Governance

A representative body, the Council, considers policy matters and aspects of the Society's activities affecting the science of Immunology and the general development of the Society, and provides recommendations to the Management Committee in relation to these specific areas. An ordinary member of the Society is elected every three years to the position of Council Chair.

The Board of Trustees includes the General Secretary, Treasurer, Meetings Secretary, Education Secretary, International Secretary and Group Secretary, known as officers, and the Council Chair.

Review of the financial position

All members of the Society received a summary copy of the annual report and financial statements providing an overview of the Society's financial performance for the year ended 30 June 2005. Further copies of the summary of the annual report and full financial statements can be obtained from the Secretary at the Society's offices.

Financially, the Society enjoyed a successful year in 2005. The combined net incoming resources for the Society and its trading subsidiary, Triangle 3 Limited, amounted to £159,693 in the year. After recognising gains on assets in the year of £20,447, the net movement of funds, and therefore the amount by which Group reserves increased during the year to 30 June, was £180,140. At the end of the financial period, reserves for the Group, necessary to provide a strong financial basis for long-term growth and development of the Society, amounted to £874,811.

Revenue from the Society's two journals continues to form the largest proportion of income and contributed £625,277 equivalent to more than 40% of the total income generated in the year. It is anticipated that journal royalty revenue will decrease in 2005/06 and the financial implications connected with increased online access, consortia agreements and Open Access initiatives remain unclear, underpinning the requirement for the Society to continue to identify and develop other potential sources of alternative income.

The Society will be celebrating its 50th anniversary in 2006 and the retention and engagement of members is important to us and fundamental to the future of the Society. We will be encouraging the involvement of members in events being planned throughout 2006/2007 to celebrate the Society's 50th anniversary whilst developing a number of areas of activity, such as new website content, to provide additional long-term benefits to members. During the year under review, amongst many initiatives the Society provided travel awards to members totalling £41,872 as well as financial and administrative support to Regional and Affinity Groups. As in previous years, the Society also provided a significant level of subsidy for the Annual Congress, to encourage attendance at this internationally renowned event by as many members as possible.

BRITISH SOCIETY FOR IMMUNOLOGY (A COMPANY LIMITED BY GUARANTEE) REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2005

In May 2005, the Society appointed Judith Willetts to the post of Chief Executive Officer (CEO) following the departure of Marcus Stephan at the end of 2004. The Board of Trustees, working with Judith, other members of the management team and external stakeholders, are committed to the continued development of the Society, to ensure that it can deliver its primary objective of advancing the science of immunology.

Trustees

Members of the Board of Trustees are company directors for the purposes of the Companies Act and charity Trustees for the purposes of the Charities Act 1993. The Trustees serving during the year and since the year end were as follows:-

Dr G Entrican
Dr J Henwood
Professor N A Williams
Professor A M Mowat

Professor B P Morgan (Appointed 24 March 2005)
Professor A Hayday (Appointed 24 March 2005)
Dr E Bell (Resigned 24 May 2005)
Professor A G Pockley (Resigned 22 July 2005)
Dr M Moore (Resigned 14 October 2005)

No Trustee received any remuneration for his or her services during the year.

Trustees are appointed at the Annual General Meeting.

Subsidiary undertaking

The Society has a wholly owned trading subsidiary, Triangle 3 Limited which exists to provide additional income to the Society by organising scientific conferences and providing management services for other organisations. The company has a business plan that forms part of the charity's long term strategy.

In the year to 30 June 2005, Triangle 3 Limited successfully grew its customer base whilst continuing to develop additional services and increase the level of support provided to existing clients with whom long-standing relationships have been formed. This is reflected in increased turnover of £711,959 in 2005 compared to £685,571 for the year ended 30 June 2004. However, the level of profit generated, and subsequently covenanted to the Society, fell to £5,001 this year from £6,429 in 2004.

In view of the constantly changing and highly competitive environment that Triangle 3 Limited operates within, the Board of Trustees, supported by the Senior Management Team, continue to review, monitor and develop long-term strategies. It is in this context, the scientific and financial impact of all current activities undertaken by Triangle 3 Limited, remains under continuous review.

Investment powers, policy and performance

Some years ago the Trustees recognised that, like many organisations of a similar size and nature, the Society does not have the necessary resources to actively manage its investment portfolio. At this time a firm of professional investment managers were appointed by the Trustees and given the delegated authority to undertake the purchase or disposal of investments on behalf of the Society, with a view to enhancing overall investment performance.

The main purpose of the Society's investment portfolio is to provide long term capital growth and the type of investments held reflect this.

**BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES (CONTINUED)**

FOR THE YEAR ENDED 30 JUNE 2005

Investment review

The general recovery of worldwide investment markets continued during the year, although the Society's financial statements report a decrease in the market value of its quoted investments from £290,603 as at 30 June 2004, to £244,454 as at 30 June 2005.

When considering year-on-year movement, the level of cash balances available to the Society's investment managers within the portfolio at the respective year-end dates needs to be taken into account. As at 30 June 2004, cash held by investment managers amounted to £6,966 whereas this amounted to £46,744 as at 30 June 2005.

Therefore, the total value of the Society's managed investment portfolio decreased from £297,569 to £291,198 during the 12 months to 30 June 2005.

The Society withdrew £25,000 from its managed investment portfolio for investment in working capital during the year ended 30 June 2005 and will reinvest this amount, in full, during the 2005/06 financial year.

After accounting for the capital withdrawn from the portfolio during the year, in real terms the Society's investment portfolio achieved annual growth of 6.26%.

Grant making powers

The Society has operated a travel awards scheme for a number of years, providing financial support to eligible members to enable them to attend relevant scientific meetings or participate in relevant scientific activities within the UK and abroad. All awards are made by the Travel Awards Panel on the basis of eligibility and scientific merit of the meeting/activity, in accordance with the published rules of the scheme.

Any requests received from like-minded organisations for funding to support activities that complement the Society's own objectives, are considered by the Board of Trustees.

Reserves policy

The society's reserves policy is derived from a risk assessment of each category of income and expenditure which determines the level of reserves required to cover costs and any commitments during periods of unforeseen difficulty. The trustees seek to maintain such a level of reserves by the judicious management of its resources.

Risk factors

The Trustees are satisfied that there are in place adequate control systems to provide reasonable assurance against material misstatement or loss. These include a strategic business plan reviewed by the Trustees annually, reviews of performance against targets, delegation of authority to spend within defined limits, and segregation of duties where appropriate. Other external risks to which the society may be exposed are identified and discussed at regular Trustees' meetings and any appropriate action implemented.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Nyman Libson Paul be re-appointed as auditors of the company will be put to the Annual General Meeting.

**BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES (CONTINUED)**

FOR THE YEAR ENDED 30 JUNE 2005

Statement of trustees responsibilities

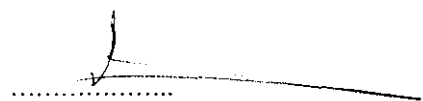
The Trustees are required to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Society and group and of its results for that period. In preparing financial

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in existence.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the society and which enable them to ascertain the financial position of the society and which enable them to ensure that the financial statements comply with applicable law, regulations and the society's declaration of trust. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

For and on behalf of the Board of Trustees



Trustee **A.C. HAYDAY**
PROFESSOR A HAYDAY

Date: **27 OCTOBER 2005**



Trustee **PROFESSOR B P MORGAN**



Nyman Libson Paul

CHARTERED ACCOUNTANTS

Regina House, 124 Finchley Road, London NW3 5JS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH SOCIETY FOR IMMUNOLOGY

We have audited the financial statements of the British Society for Immunology for the year ended 30 June 2005 set out on pages 8 to 18. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 11.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As described on page 5, the trustees, who are also the directors of the British Society for Immunology for the purpose of company law, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Companies Act 1985. We also report to you, if our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company are not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



Nyman Libson Paul

CHARTERED ACCOUNTANTS

Regina House, 124 Finchley Road, London NW3 5JS

**INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF THE BRITISH SOCIETY FOR IMMUNOLOGY**

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charity and the group as at 30 June 2005 and of their incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Nyman Libson Paul

Nyman Libson Paul

Chartered Accountants
& Registered Auditors

Date: 27 October 2005

**BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 £	2004 £
Income		1,519,935	1,346,681
Net operating expenses		(1,377,563)	(1,555,334)
Operating profit(loss)		142,372	(208,653)
Interest receivable and investment income		17,321	16,442
Realised gains on investments		12,978	7,610
Profit/(loss) for the year		172,671	(184,601)
Reconciliation to statement of financial activities			
Profit/(loss) for the year - as above		172,671	(184,601)
Unrealised gains on investments	9	7,469	16,803
Net movement in funds in statement of financial activities		180,140	(167,798)

Income and operating profit all derive from continuing operations.

BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2005

	Notes	Unrestricted Funds	Restricted Funds	Total 2005	Total 2004
		£	£	£	£
Incoming resources					
Voluntary income:					
Donations and legacies		20	5,147	5,167	7,318
Activities in furtherance of the charity's objects					
Member subscriptions		148,159	851	149,010	136,493
Corporate subscriptions		19,183	300	19,483	22,258
Sale of publications		17,827	-	17,827	21,933
Congress		300,041	-	300,041	307,239
Other scientific meetings		259,368	-	259,368	191,081
Journal royalties		625,277	-	625,277	514,327
Activities for generating funds					
Advertising exhibitions and sponsorship		18,778	1,646	20,424	25,355
Investment income	3	15,946	1,375	17,321	16,442
Other incoming resources					
Other income		123,338	-	123,338	120,677
Total incoming resources		1,527,937	9,319	1,537,256	1,363,123
Resources expended					
Costs in furtherance of the charity's objects					
Grants to individuals:					
General travel awards		41,514	358	41,872	37,913
Scientific meetings:					
Congress		366,812	-	366,812	387,324
Other scientific meetings		35,198	23,921	59,119	59,890
Society publications		109,089	-	109,089	108,715
Publication orders		16,300	-	16,300	24,826
Affiliations		2,238	-	2,238	1,413
Education		2,794	-	2,794	6,416
Support costs:					
Staff	354,363				
Establishment	24,009				
Office	108,314				
		486,686	-	486,686	585,514
Management and administration		292,653	-	292,653	343,323
Total resources expended		1,353,284	24,279	1,377,563	1,555,334
Net incoming/(outgoing) resources before transfers		174,653	(14,960)	159,693	(192,211)
Transfers between funds					
		(15,977)	15,977	-	-
Net incoming/(outgoing) resources		158,676	1,017	159,693	(192,211)
Realised gains on assets		12,978	-	12,978	7,610
Unrealised gains on assets	9	7,469	-	7,469	16,803
Net movement in funds for the year		179,123	1,017	180,140	(167,798)
Retained funds brought forward		656,613	38,058	694,671	862,469
Retained funds carried forward		835,736	39,075	874,811	694,671


**BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEETS**

AS AT 30 JUNE 2005

		Group		Society	
	Note	2005 £	2004 £	2005 £	2004 £
Fixed assets					
Tangible assets	8	395,288	412,369	395,288	412,369
Investments	9	244,454	290,603	244,460	290,610
		639,742	702,972	639,748	702,979
Current assets					
Debtors	10	183,967	145,036	100,886	57,201
Investments	11	46,744	6,966	46,744	6,966
Cash at bank and in hand		204,113	67,603	197,179	47,407
		434,824	219,605	344,809	111,574
Creditors: amounts falling due within one year	12	(199,755)	(227,906)	(109,769)	(119,901)
Net current assets / (liabilities)		235,069	(8,301)	235,040	(8,327)
Total assets less current liabilities		874,811	694,671	874,788	694,652
Represented by					
Unrestricted funds		835,736	656,613	835,713	656,593
Restricted funds	13	39,075	38,058	39,075	38,058
		874,811	694,671	874,788	694,652

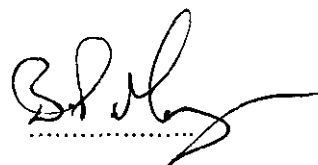
These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Trustees on 27/10/2005 and signed on its behalf by:



Trustee A.C. HAYDAY

PROFESSOR A HAYDAY



Trustee

PROFESSOR B P MORGAN

**BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2005

1 Accounting policies

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain fixed asset investments and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities", issued in October 2000 and applicable accounting standards.

1.2 Incoming resources

Subscriptions and orders are included in income on a receivable basis and full provision is made for subscriptions received in advance. Voluntary income is included upon receipt.

1.3 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of irrecoverable VAT.

1.4 Tangible fixed assets

The Society records all tangible assets at their historic cost. The Society has introduced a capitalisation threshold of £500. Any individual items purchased costing less than £500 are treated as revenue expenditure. Assets are inspected annually to determine that they have not become damaged or obsolete to an extent that would adversely affect their estimated value, as represented by the net book value shown in the accounts. The Society does not own any historic or inalienable assets.

1.5 Depreciation of tangible assets

Depreciation of tangible assets, other than on freehold land, at rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life as follows:

Freehold buildings	- 2% per annum on cost
Computer hardware and software	- 20% per annum on cost
Office equipment	- 20% per annum on cost

1.6 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

1.7 Finance leases and hire purchase contracts

Assets under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Investment assets and income

Investment assets have been included in the Balance Sheet at their market value on 30 June 2005. Investment income, including the associated tax credits, is credited to the Statement of Financial Activities on a receivable basis.

BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005

1.9 Fund Accounting

The Society has certain restricted funds and these are increased by interest based on the average gross yield of the Society's investments during the year. Details of the funds are given in note 13 to the financial statements.

1.10 Basis of Consolidation

The consolidated financial statements have been prepared using the acquisition method of accounting and incorporate the financial statements of the Society and its trading subsidiary, Triangle 3 Limited, for the year ended 30 June 2005. The Society has taken advantage of the exemption from presenting its own income and expenditure account. The net addition/(depletion) of funds of the Society for the financial year amounted to £180,140 (2004 - (£167,798)).

1.11 Cash flow statement

The charitable company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company.

1.12 Pension contributions

The charitable company operates a defined contribution scheme on behalf of its employees. The scheme is held in a separately administered fund. The total contribution for the year ended 30 June 2005 amounted to £50,642 (2004 - £49,578).

2. Incoming resources

The income of the society includes subscriptions, royalties from sales of journals and publications, advertising, exhibiting and sponsorship income, as well as investment income, interest received and rent receivable. The income arises entirely in the United Kingdom.

3 Investment income and interest

Investment income and interest arises from:

	2005 £	2004 £
Listed investments	6,940	9,223
Bank deposit interest (gross)	10,204	7,088
Triangle 3 interest (gross)	177	131
	-----	-----
	17,321	16,442
	-----	-----

BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2005

4 Trading subsidiary activities

The Society has a wholly owned trading subsidiary which is incorporated in England and Wales. Triangle 3 Limited organises conferences and provides secretariat and consultancy services. Its taxable profits are covenanted to the Society. A summary of its trading results are shown below. Audited financial statements will be filed with the Registrar of Companies.

	2005 £	2004 £
Turnover	711,959	685,571
Direct costs	(366,811)	(387,324)
	-----	-----
Gross profit	345,148	298,247
Administrative expenses	(340,324)	(291,949)
Investment income and interest receivable	177	131
	-----	-----
Net profit before taxation	5,001	6,429
Taxation	-	-
	-----	-----
Net profit after taxation	5,001	6,429
Deed of covenant to The British Society for Immunology	(5,001)	(6,429)
	-----	-----
Retained in subsidiary	-	-
	-----	-----

5 Total resources expended

	2005 £	2004 £
Management and administration expenditure includes:		
Staff salaries, pensions and insurance	228,347	270,181
Legal and professional fees	7,532	15,227
Audit and accountancy fees	16,408	12,412
Subscriptions	10,218	14,401
	-----	-----

6 Employee information

	2005 £	2004 £
Staff costs:		
Salaries	475,255	569,683
Social security costs	50,576	59,086
Pension costs	50,642	49,578
	-----	-----
	576,473	678,347
	-----	-----

BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2005

Employee information (continued)

	2005	2004
	£	£
The average monthly number of employees during the year was made up as follows:		
Direct charitable activity	7	7
Administration of charity	8	11
	-----	-----
	15	18
	-----	-----
Number of employees whose emoluments fell within following ranges for the year:	2005	2004
£50,001 - £60,000	-	1
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
	-----	-----

The number of staff for whom retirement benefits are accruing under money purchase pension schemes amounted to 12 (2004: 12).

7 Transactions with trustees

No trustee received any remuneration for his or her services during the year. During the year travelling expenses totalling £11,827 (2004: £11,143) were reimbursed to six trustees

8 Tangible fixed assets

Group and society	Freehold land and buildings	Computer hardware & software	Office equipment	Total
	£	£	£	£
Cost or valuation:				
At 1 July 2004	367,468	313,395	70,826	751,689
Additions	-	10,428	-	10,428
Disposals	-	(2,158)	-	(2,158)
At 30 June 2005	-----	-----	-----	-----
	367,468	321,665	70,826	759,959
	-----	-----	-----	-----
Depreciation:				
At 1 July 2004	18,476	252,889	67,955	339,320
Charge for the year	3,780	21,785	1,261	26,826
Eliminated on disposal	-	(1,475)	-	(1,475)
At 30 June 2005	-----	-----	-----	-----
	22,256	273,199	69,216	364,671
	-----	-----	-----	-----
Net book value at 30 June 2005	-----	-----	-----	-----
	345,212	48,465	1,610	395,288
	-----	-----	-----	-----
Net book value at 30 June 2004	-----	-----	-----	-----
	348,992	60,506	2,871	412,369
	-----	-----	-----	-----
		2005	2004	
		£	£	
Computer hardware and software assets held under hire purchase agreements;				
Depreciation charge in the year		14,413	14,413	
		-----	-----	
Net book value		16,732	24,593	
		-----	-----	

BRITISH SOCIETY FOR IMMUNOLOGY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2005

9 Fixed asset investments
Group and charity

	Group		Society	
	UK Listed investments £	Investment in subsidiary £	UK Listed investments £	Total £
Cost or market value at 1 July				
2004	290,603	7	290,603	290,610
Additions	29,767	-	29,766	29,766
Disposals	(83,385)	-	(83,385)	(83,385)
Net gain on revaluation	7,469	-	7,469	7,469
	-----	-----	-----	-----
Market value				
30 June 2005	244,454	7	244,453	244,460
	-----	-----	-----	-----
30 June 2004	290,603	7	290,603	290,610
	-----	-----	-----	-----
Historical cost				
30 June 2005	223,827	7	223,827	223,834
	-----	-----	-----	-----
30 June 2004	277,595	7	277,595	277,602
	-----	-----	-----	-----

Investments representing more than 5% of the total market value of the portfolio are as follows:

	Cost £	Market value £	Of portfolio
4.25% Euro Inv Bank	20,793	20,379	8.34%
HBOS PLC	12,765	17,210	7.04%
Gerrard (Smaller Companies Fund)	4,552	17,115	7.00%
British Petroleum PLC	10,780	14,525	5.94%
GlaxoSmithKline PLC	9,428	13,510	5.53%
	-----	-----	

The breakdown of unquoted investments is as follows:

Share capital in Triangle 3 Limited at cost (see note 4)	7	7
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None of the investments are subject to any restrictions on realisation.

BRITISH SOCIETY FOR IMMUNOLOGY
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2005

10 Debtors	Group		Society	
	2005 £	2004 £	2005 £	2004 £
Trade debtors	58,756	30,664	6,251	8,593
Amounts owed by subsidiary undertaking	-	-	71,079	366
Other debtors	75,280	37,961	2,551	2,954
Prepayments	49,931	76,411	21,005	45,288
	183,967	145,036	100,886	57,201
11 Current asset investments	Group		Society	
	2005 £	2004 £	2005 £	2004 £
Cash held with investment managers	46,744	6,966	46,744	6,966
12 Creditors: amounts falling due within one year	Group		Society	
	2005 £	2004 £	2005 £	2004 £
Trade creditors	24,017	51,339	8,390	33,890
Other taxes and social security costs	36,064	36,398	26,437	36,398
Net obligations under finance leases and hire purchase agreements	1,512	16,907	1,512	16,907
Other creditors	53,384	72,366	14,195	14,195
Accruals	84,778	50,896	59,235	18,511
	199,755	227,906	109,769	119,901

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2005

13 Restricted funds

	Brought Forward	Donations and income from activity	Income from investments	Expenditure	Transfers from general fund	Total
	£	£	£	£	£	£
Peter Gorer fund	10,932	-	395	-	-	11,327
Alan Williams fund	1,407	-	51	-	-	1,458
John Humphrey fund	17,771	-	642	-	-	18,413
Nalinaj Fernando fund	6,140	-	222	(355)	-	6,007
Aberdeen Travel fund	3	-	-	(3)	-	-
Eastern European fund	1,805	-	65	-	-	1,870
Regional and affinity groups	-	7,944	-	(23,921)	15,977	-
	38,058	7,944	1,375	(24,279)	15,977	39,075

The income from investments is represented by the average percentage yield on investments for the year of 3.61% (2004 - 3.56%)

Restricted funds have been established over many years from the receipt of donations, bequests and legacies. All expenditure is closely controlled and monitored to ensure that it complies with the restrictions that apply, and supports the overall purpose of the individual fund.

14 Analysis of group net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	639,742	-	639,742
Cash at bank and in hand	165,038	39,075	204,113
Other net assets	30,956	-	30,956
	835,736	39,075	874,811

15 Share capital

The company is limited by guarantee and therefore has no share capital. Each member's liability is limited to £1.

16 Reconciliation of movements in funds

	2005	2004
	£	£
Net movement in funds for the year	180,140	(167,798)
Opening funds at 1 July 2004	694,671	862,469
Closing funds at 30 June 2005	874,811	694,671

**BRITISH SOCIETY FOR IMMUNOLOGY
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 30 JUNE 2005

17 Related party transactions

During the year, the charity paid a fee of £206,770 (2004: £217,755) to its subsidiary, Triangle 3 Limited, in respect of services provided and, in addition, recharged salaries of £252,186 (2004: £224,952), rent of £25,000 (2004: £25,000) and an office service charge of £35,000 (2004 : £Nil) to that company.

At the balance sheet date a trading balance of £71,079 (2004 : £366) was due to the company from Triangle 3 Limited.

BRITISH SOCIETY FOR IMMUNOLOGY
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2005

	In support of direct charitable activities £	Management and administration £	Total 2005 £	Total 2004 £
Analysis of support management and administration charitable expenditure				
Establishment expenses (see note A)	24,009	4,237	28,245	25,363
Staff salaries, pensions and insurance	354,363	228,347	582,710	689,467
Office expenses (see note B)	108,314	28,198	136,513	183,233
Audit and accountancy	-	16,408	16,408	12,412
Legal and professional fees	-	7,532	7,532	15,227
Bank charges and interest	-	3,872	3,872	3,135
Bad debts	-	4,059	4,059	-
	486,686	292,653	779,339	928,837
A Establishment expenses				
Office expenses - rates and office service	2,437	430	2,867	2,758
Insurance	3,817	674	4,490	339
Light and heat	2,874	507	3,381	2,634
Repairs and maintenance to property	9,247	1,632	10,879	12,790
Cleaning	5,634	994	6,628	6,842
	24,009	4,237	28,245	25,363
B Office expenses				
Committees	9,276	9,277	18,553	21,243
Staff training and recruitment	16,776	-	16,776	7,359
Staff travelling	5,251	-	5,251	13,144
Printing, postage and stationery	16,733	-	16,733	45,031
Advertising	3,029	-	3,029	4,667
Computer costs	11,873	2,095	13,968	22,607
Equipment hire	5,398	952	6,351	5,750
Electronic communications	6,807	1,201	8,008	8,442
Equipment repairs and maintenance	1,181	208	1,389	2,609
Subscriptions	-	10,218	10,218	14,401
Special meetings	8,607	-	8,607	-
Miscellaneous expenses	-	121	121	2,276
Depreciation:				
Freehold buildings	3,213	567	3,780	3,780
Computer equipment	18,517	3,268	21,785	24,186
Office equipment	1,072	189	1,261	7,312
Loss on disposal	581	102	683	426
	108,314	28,198	136,513	183,233