

**REGISTRAR OF COMPANIES**

**British  
Society  
of  
Gastroenterology**

**Annual Report and Financial  
Statements**

31 December 2013

Charity Registration Number 1149074

Company Limited by Guarantee

Registration Number 08124892 (England & Wales)

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## Reference and administrative details of the Society, its trustees and advisers

<b>Trustees</b>	Mr A Adams (Resigned April 2013) Professor G Aithal Professor C Baden-Fuller Mr C Bromfield Dr M Dakkak (Resigned June 2013) Mr R Driscoll (Resigned April 2013) Dr C Edwards (Appointed June 2013) Mr C Exeter (Resigned October 2013) Dr I Forgacs Professor Sir I Gilmore Dr S Hughes (Resigned June 2013) Professor P Kumar Dr D Loft (Appointed June 2013) Dr C Murray (Resigned June 2013) Dr M Wilkinson
<b>Chief Executive</b>	Dr T Smith
<b>Executive secretary</b>	Mrs C Romaya
<b>Registered/Principal office</b>	3 St Andrews Place Regent's Park London NW1 4LB
Telephone	020 7935 3150
Facsimile	020 7487 3734
E-mail	enquiries@bsg.org.uk
website	www.bsg.org.uk
<b>Charity registration number</b>	1149074
<b>Company registration number</b>	08124892 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL

## Reference and administrative details of the Society, its trustees and advisers

**Solicitors**      Druces LLP  
Salisbury House  
London Wall  
London  
EC2M 5PS

**Bankers**          National Westminster Bank Plc  
PO Box 2021  
10 Marylebone High Street  
London  
W1A 2AS

**Investment managers**      Investec  
2 Gresham Street  
London  
EC2V 7QP

**External consultants**      Mr R Gardner, GK Political

## **Trustees' report 31 December 2013**

The Trustees are pleased to present their annual report with the financial statements of the British Society of Gastroenterology (the 'Society' or BSG) and its subsidiary companies BSG Limited and DDF Conference Limited (together the 'Group' or 'consolidated') for the year ended 31 December 2013.

This report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a director's report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 21 to 23 of the attached financial statements and comply with the charitable company's Memorandum and Articles of Association, applicable laws and the requirements of Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

### **Governance, structure and management**

The British Society of Gastroenterology is a charitable company limited by guarantee (Company Number 08124892 (England and Wales), Charity Number 1149074). The Memorandum and Articles of Association is BSG's governing document.

The charitable company was incorporated on 29 June 2012 and registered as a charity on 24 September 2012. The charitable company received the activities, assets and liabilities of the predecessor charitable trust, The British Society of Gastroenterology (Charity Number 258713), at midnight on 31 December 2012.

The charity controls two subsidiary entities, BSG Limited (Company Number 3021266 (England and Wales)) and DDF Conference Limited (Company Number 07542232 (England and Wales)).

### **◆ Trustees**

Governance is overseen by a Board of Trustees who have responsibility for the identification and management of risks to the Society. The Board of Trustees consists of six independent Trustees, two elected members of Council and five Society officers. It is chaired by the BSG President. The Trustees who served in the period are listed on page 1.

To replace the three independent trustees who resigned in 2013 we advertised for new trustees on the NCVO website.

No Trustees received any remuneration for services as a member of the Council. 12 Trustees had expenses totalling £8,823. All expenses were incurred on Society business. No Trustees had any beneficial interest in any contract with the Society whilst serving on the board.

New Trustees receive an induction pack. This includes the BSG handbook, which recites its mission statement, regulations, structure and officers, and Charity Commission guidance on the Responsibilities of charity Trustees. Training sessions on various topics relevant to Trustees' duties and responsibilities are also offered.

**Governance, structure and management** (continued)

♦ **Risk management**

The Trustees of the Society have overall responsibility for risk management within the Society. The BSG maintains a Risk Management Register which identifies the major risks to which the Society is exposed as identified by the Trustees. This has been reviewed during the year. An investment sub-committee (consisting of the BSG Treasurer as Chair, two of the Society's independent trustees and the Chief Executive) reviews the financial activities of the Society including investment decisions in order to mitigate the risk of loss of income. This committee reports to the Trustees at each meeting.

♦ **The Council**

The professional activities of the society are directed by a Council consisting of 11 officers and eight elected members. Four key committees – their Chairs are members of Council - carry out the directions of Council and seek decisions from it in accordance with the regulations of the Society. The eight elected Council members are direct representatives of the membership. In addition Council has 11 ex-officio members who represent organisations with similar interests in GI, relating to surgery for example. This is in accordance with the regulations – to encourage collaboration with all those who share the aim of promoting gastroenterology.

New Council members are welcomed officially by the President at their first meeting. Four of the elected members of Council are elected by Council to membership of the Clinical Services and Standards Committee (CSSC) and two to the Education Committee on which they serve until the end of their term of office on Council.

**Governance, structure and management (continued)**

♦ **The Council**

The Council for January – December 2013 was as follows:

**Members of Council**

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Professor Sir I Gilmore	(President 2012-2014)
Dr I Forgacs	(President-elect 2012-2014)
Dr S Hughes	(Vice-President Endoscopy Outgoing 2011-2013)
Dr A Veitch	(Vice-President Endoscopy Incoming 2013-2015)
Professor A Burroughs	(Vice-President Hepatology 2012-2014)
Dr M Dakkak	(Treasurer Outgoing 2008-2013)
Dr D Loft	(Treasurer Incoming 2013-2018)
Dr C Murray	(Senior Secretary Outgoing 2011-2013)
Dr C Edwards	(Senior Secretary Incoming 2013-2015)
Dr J Eaden	(Secretary 2013-2015)
Dr A Harris	(Chair, CSSC 2012-2014)
Dr G Johnson	(Chair, Education Committee 2012-2015)
Professor J McLaughlin	(Chair, Research Committee 2011-2015)
Dr P Neild	(Chair, Training Committee 2011-2015)
Professor GP Aithal	(Elected member 2012-2015)
Dr M Hudson	(Elected member incoming 2013-2016)
Professor AJ Lobo	(Elected member 2012-2015)
Professor K Moore	(Elected member incoming 2013-2016)
Dr AJ Morris	(Elected member outgoing 2010-2013)
Professor C Nwokolo	(Elected member outgoing 2010-2013)
Dr S Ryder	(Elected member outgoing 2010-2013)
Dr A Veitch	(Elected member outgoing 2012-2013)
Dr RP Walt	(Elected member 2011-2014)
Professor A Watson	(Elected member incoming 2013-2016)
Professor ML Wilkinson	(Elected member 2011-2014)
Dr VS Wong	(Elected member incoming 2013-2016)
Dr A Brooks	(Chair, Trainee Section Outgoing 2012-2013)
Dr P Smith	(Chair, Trainee Section Incoming 2013-2014)

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**Governance, structure and management** (continued)

♦ **The Council** (continued)

**Ex-officio members**

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Professor E El-Omar	(Editor GUT)
Dr A Emmanuel	(Editor Frontline Gastroenterology)
Professor R Jones	(Core Chair Outgoing)
Professor C Hawkey	(Core Chair Incoming)
Mr M Coleman	(ACP)
Mr W Allum	(AUGIS)
Dr T Bowling	(BAPEN)
Professor G Foster	(BASL Outgoing)
Dr M Hudson	(BASL Incoming)
Dr M Beattie	(BSPGHAN Outgoing)
Dr A Baker	(BSPGHAN Incoming)
Dr J Dalrymple	(PCSG)
Dr S Pereira	(PSGBI)
Dr A Ellis	(SAC Chair)

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The President serves two years, having previously served two years as President Elect. The Vice President (Endoscopy), also Chair of BSG Endoscopy serves for two years. The Vice President (Hepatology) also serves for two years. The Secretaries of the Society serve for two years as Secretary and two years as Senior Secretary. The Treasurer serves for five years. The Chairs of the Education, Research and Training Committees serve for three years. It has been agreed to extend the term of office of the current Research and Training Committee chairs for one year. The Chair of the Clinical Services and Standards Committee serves for two years.

The chairs of the four key committees are members of Council for their term of office. The policies of Council are carried out by the following key committees:

- Education and Programme Committee – responsible for the scientific and educational content of meetings held by the Society and for nominations for appropriate fellowships and awards. Also badging of external meetings.
- Clinical Services and Standards Committee – responsible for compiling and disseminating good practice in gastroenterology services.
- Research Committee – responsible for assisting in formulating policy on gastrointestinal research and the Society's research agenda.
- Training Committee – responsible for ensuring that the curriculum for training in gastroenterology is delivered uniformly throughout the UK.



**Governance, structure and management (continued)**

♦ **The Council (continued)**

The Society is represented at regional level by regional leads within the Clinical Services and Standards Committee who promote the clinical activities of the Society within each health service region. In addition, there are sections for the academic and professional advancement of particular specialist interests. These sections are: Endoscopy, Gastroduodenal, Inflammatory Bowel Disease, Liver, Neurogastroenterology/Motility, Oesophageal, Adolescent & Young Persons, Pancreatic, Pathology, Radiology, Small Bowel/Nutrition, Colorectal, Trainees, Nurses Association, Gastrointestinal Physiology Associates and Primary Care. Section representatives sit on the Clinical Services and Standards, Education and Programme and Research Committees.

♦ **Organisation**

The Society is administered from an office in London, staffed by seven full-time and two part-time administrators. We also have two self-employed contractors. The staff supports the Trustees, the activities of the Council and the key committees.

**Objectives, activities and relevant policies**

♦ **Activities and specific objectives**

The objectives of the Society are the promotion of good health by providing a high standard of patient care, clinical services, research and education in gastrointestinal and liver disease in the United Kingdom and internationally. These objectives shall be pursued by meetings and discussion and such other means as shall from time to time be agreed.

1. Education and Training (Annual Scientific Meeting, postgraduate training, clinical update meetings).
2. Supporting GI research (platform for new research at Annual Scientific Meeting, supporting academic development, promoting GUT, paying a proportion of membership fees to Core to support research).
3. Enhancing service standards (clinical service/development, guidelines and the sharing of best practice).
4. Supporting the GI community (membership, newsletter and public affairs).
5. Promoting awareness of Gastroenterology.

When considering the objectives and planning the work of the charity for the year, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

### Achievements and performance

In December 2013 the numbers in different membership categories were as follows:

	2013 Number	2012 Number
Honorary	111	110
Full	1,479	1,459
International	216	81
Trainee	654	643
Senior	110	117
Associate	889	896
Taster	172	51

Trainee membership continues to grow which bodes well for the future as many of these members will go on to become full members. Student membership has been rebranded as taster membership and a drive to recruit medical students and foundation stage doctors was undertaken to encourage interest in the specialty from an earlier stage.

An improved system for the collection of membership subscriptions has been implemented resulting in arrears being paid.

#### ♦ Review of activities and plans for 2014

In relation to the Society's principal activities, the following paragraphs outline the main achievements during the year and the plans to develop them during the next.

##### *Education and training*

The Annual Scientific Meeting was held in June 2013 in Glasgow. The conference was attended by a total of 1,719 delegates and generated a surplus of £315,250.

The next Annual Scientific Meeting will be held in June 2014 in Manchester. This is a new venue so income estimates are cautious but it is hoped that it will prove popular. The Postgraduate Training day has been rebranded "clinical masterclass" to encourage consultants to attend as well as trainees. Rather than having science spread throughout the three day meeting the "translational science masterclass" is a themed all-day science-based symposium on gut and liver inflammation. It is hoped that this will encourage more scientists to attend the meeting as they will only need to register for one day rather than the whole meeting which will make it more affordable. Basic scientists will be involved in abstract scoring.

Work has already started on the programme for DDF 2015 and BSG is pleased to announce that along with previous partners (AUGIS, BASL and BAPEN), ACPGBI, an organisation of colorectal surgeons, will also be joining the meeting as a main partner. This meeting will be held in London.

In accordance with BSG's aim to support education in the devolved nations, a British-Irish Gastro (BIG) meeting was held in Belfast in April 2013 and there will be a Welsh Gastro meeting in April 2014.

**Achievements and performance (continued)**

◆ **Review of activities and plans for 2014 (continued)**

***Education and training (continued)***

Guidelines on the rules for whether an event receives support from the BSG (through endorsement/sponsoring/co-organisation) have been agreed and will be hosted on the BSG website.

Meetings badged by the BSG Education Committee in 2013 included a Postgraduate IBD Course at UCL in December and a Taster Course in Gastro also in December organised by the Trainee Section.

In 2014 the following educational events will be supported by the BSG: a Postgraduate Hepatology Course at the Royal Free/UCL in April and the StR weekend organised by the Trainee Section in September.

We are supporting a major meeting focusing on endoscopy for March 2015. There will be live feeds from units around the UK.

The BSG aims to develop e-learning to complement our educational activities. The BSG video-records content at the Annual Scientific Meeting so members can view it later and will develop questions to make the material appropriate for Continuing Professional Development (CPD). In the future BSG's educational webcasts will be hosted by UEG e-learning, clearly branded as BSG content. This will allow single sign on of BSG members into the wider resource of UEG e-learning. It is hoped to finalise the agreement with UEG in 2014.

BSG's clinical journal, *Frontline Gastroenterology*, continues to grow. Topics/reviews based on the StR curriculum will be published in the journal and a web-based component to this will be developed.

'The Hepatology at a Glance' textbook should be finalised in 2014.

The Training Committee of the BSG works in close liaison with the Specialist Advisory Committee for Gastroenterology of the Joint Royal Colleges of Physicians Training Board (JRCPTB) with regard to curriculum development and implementation. It provides an advisory role to the JRCPTB with regard to workforce planning and feeds back from the Training Programme Directors to the SAC. Through this committee the BSG helps to facilitate local interventions to better support trainees. Four advanced training posts in nutrition have been set up and appointed. An advanced hepatology training post has been set up in Plymouth and all 15 hepatology ATPs have been appointed. The BSG is working with the Royal Colleges on the Shape of Training and the Future Hospital.

The committee has also been involved with the development of innovative training opportunities in conjunction with trainees for example, the Gastro-Taster Weekend.

**Achievements and performance (continued)**

♦ **Review of activities and plans for 2014 (continued)**

***Education and training (continued)***

The European Board of Gastroenterology approached the BSG/RCP to adapt the exam UK trainees are required to take for completion of their CCT for European candidates outside the UK. After three-way negotiations it has been agreed to pilot a European exam for two years. The cost of sitting the European exam will be lower than the UK charge so as not to exclude candidates from low-income countries. To compensate UK trainees for the higher fee they face they will be offered two years free membership of the BSG (equivalent to just under £200). If the exam is not a success the scheme will not be continued so the financial risk is limited to the loss of two years membership fees for between 80-100 trainees.

***Supporting GI research***

The Society continues to donate 20% of its membership subscriptions to Core. This money contributes to the delivery of Core's research programme. This year, in addition to the subvention, the BSG provided funding of £50,000 to Core to award two development grants to researchers for translational research and pilot/proof of concept projects to show clinical relevance.

It has been agreed to launch a new journal: BMJ Open Gastroenterology. This reflects a move towards open access publishing. The new journal will build on the infrastructure of Gut and Frontline Gastroenterology.

***Clinical Research Groups and Clinical Research Strategy***

The Clinical Studies Groups have been renamed Clinical Research Groups (CRGs) to clarify their broader role rather than just specific studies. The Endoscopy, Small Bowel and Nutrition (SBN), and Hepatology CRGs held meetings in 2013. Endoscopy and Hepatology will meet again in 2014. The IBD and NGM CRGs will be holding meetings in 2014. NGM plan to discuss collaborating with SBN in the future. It was thought that cancer is best left to other national groups therefore the Cancer Diagnosis and Prevention Group will be retired. Updating the research strategy is still under consideration awaiting further input from the CRGs. Plans are underway to construct an endoscopy data warehouse in partnership with the bodies that currently receive data.

***Research Workshops***

A translational pancreas research workshop took place in November 2013. A microbiome workshop has been organised for April 2014. Drs Julian Marchesi and Bernard Corfe have organised the programme with speakers from the UK, Ireland and Germany. There will also be an endoscopy research symposium at the Annual Meeting in 2014.

**Achievements and performance (continued)**

♦ **Review of activities and plans for 2014 (continued)**

***IBD Priority-Setting partnership***

The BSG has joined a James Lind Alliance on IBD with the aim of working with patients to draw out the research questions that are the biggest priority for those living with the disease. A protocol has been approved and consultation work is now starting. A survey will be distributed online and in print through March and April to patients, carers and clinicians interested in IBD, with a view to collecting potential treatment uncertainties for subsequent categorisation and ranking.

***Enhancing service standards***

*Guidelines*

In 2013 the BSG published the following revised guidelines:

- Guidelines for the Diagnosis and Management of Barrett's Oesophagus; and
- Guidelines on Inflammatory Bowel Disease Biopsies.

The BSG is currently developing the following guidelines:

- Guidelines on the Management of Adults with Coeliac Disease- submitted to GUT for review;
- Guidelines for Decontamination of Equipment for Gastrointestinal Endoscopy: the guidelines have been updated to take into account recent changes to decontamination practice and national and European policy changes. These are awaiting ratification by the relevant expert bodies and are expected to be published in April 2014;
- Guidelines on the Transition of Adolescents with Chronic GI disease;
- Guidance for Obtaining a Valid Consent for Elective Endoscopic Procedures;
- Guidelines for the management of Large Sessile Colonic Polyps;
- UK Guidelines on the Management of Variceal Haemorrhage in Cirrhotic Patients (Portal Hypertension);
- Guidelines for Oesophageal Manometry and pH Monitoring;
- Guidelines on the use of Oesophageal Dilatation in Clinical Practice (stricture);
- Guidelines on the Irritable Bowel Syndrome: Mechanisms and Practical Management;
- Guidelines for the Diagnosis and Management of Primary Sclerosing Cholangitis (PSC) and its overlap syndromes

**Achievements and performance (continued)**

♦ **Review of activities and plans for 2014 (continued)**

***Enhancing service standards (continued)***

*Guidelines (continued)*

- Primary biliary cirrhosis (PBC);
- Acute Pancreatitis, chronic pancreatitis and pancreatic cancer- various guidelines in development;
- Guidelines for Enteral Feeding in Adult Hospital Patients; and
- Guidelines for the Investigation of Chronic Diarrhoea

In July 2013 the National Institute for Clinical Excellence (NICE) approved the BSG Guideline development process. Thus the BSG is now a NICE-accredited guideline producer which will hugely enhance the authority of its guidelines. Accreditation is valid for five years from July 2013 and is applicable to guidelines produced using the approved processes.

BSG continues to offer expert responses to scores of requests from NICE and other bodies on new technologies and guidelines.

The CSSC includes representatives from the BSG's sections which enables the committee to consider services and standards across the range of GI sub-specialties.

The BSG plans to update the guidance document: Commissioning evidence-based care for patients with gastrointestinal and liver disease, which is being used by GP commissioning groups to plan their gastroenterology services.

We have worked with the Department of Health in advance of the launch of a media campaign promoting awareness of oesophageal cancer and its early symptoms.

***IBD Registry***

The IBD Registry was launched at the BSG's Annual Scientific Meeting in 2013 and the final version of the patient management system (PMS) that feeds data to the registry was released in January 2014, following input from pilots. Three pilot sites are currently using the PMS to manage their clinics and provide local reports, with a further seven hospitals due to be up and running by April 2014. Thereafter we anticipate a further 25 sites will come on stream later in 2014. To date, the Registry team has contact with over 114 sites that have expressed an interest in participating.

At the BSG's Annual Scientific Meeting in 2014 the IBD Registry team will present the first tranche of data, along with case studies and best practice.

## Achievements and performance (continued)

### ♦ Review of activities and plans for 2014 (continued)

#### *Enhancing service standards (continued)*

##### *IBD Registry (continued)*

The IBD Registry is an important initiative which should bring benefits to gastroenterology but does have substantial financial risks. The BSG has set aside £200k to plug a potential gap in funding in 2014 until a sustainable income stream can be found and while its infrastructure is fully established. The proposed business model is to secure subscriptions from hospitals to access summary data on their IBD care. This model has worked for other registries. The Registry Board are confident that the project will continue to attract industry and private funding but the BSG may be required to provide additional financial support in the future.

##### *IBD Standards update*

The revised Standards for the Healthcare of people who have Inflammatory Bowel Disease (IBD) were launched at a reception at the House of Lords on 30 October 2013, attended by around 100 politicians, clinicians, healthcare specialists and people with Crohn's Disease and Ulcerative Colitis. The document is to inform NHS Managers and commissioning organisations, as part of a UK-wide strategy to improve services and care for patients who have Ulcerative Colitis or Crohn's disease. In the four years since the IBD Standards were first produced there have been two rounds of the IBD Audit, with interventions to support quality improvement, the establishment of the IBD Quality Improvement Programme and the launch of the UK IBD Registry.

##### *Supporting the GI community*

The Society's Annual Meeting is an opportunity for gastroenterologists in the UK to hear presentations from international experts based in the UK and abroad. The Society supports young doctors in other countries to attend this meeting and gain the opportunity to widen their experience and knowledge. In addition, the Society takes part in an international training collaboration where doctors from developing countries exchange with UK based trainees.

In 2013 the BSG supported three training projects. The development of a TTT-trained nurse educator network in Malawi, £11,324, training laboratory scientists and histopathologists in Nigeria, £6,435, and endoscopy train the trainers in Iraq, £10,180.

## Financial report for the year

### ♦ Results for the year

The consolidated statement of financial activities is shown on page 19 of the annual report and accounts. The charitable company received the activities, assets and liabilities of the predecessor charitable trust, The British Society of Gastroenterology, at midnight on 31 December 2012. Therefore the year ended 31 December 2013 is the first active accounting period in this form.

**Financial report for the year (continued)**

♦ **Results for the year (continued)**

The results for the year show an overall increase in funds of £520,380. This includes unrealised gains on investments of £262,226. The covenant from BSG Ltd, the Society's wholly-owned subsidiary amounted to £359,513. This includes net profit from the Glasgow meeting which was higher than anticipated at £315,250 and advertising income from the journals of £44,263. The journals continue to do well; income from Gut and Frontline Gastroenterology totalling £949,273.

There was no DDF conference in 2013 and so minimal financial activity in DDF Conference Limited.

The trainee section has been very successful in securing sponsorship for its meetings.

Resources expended reflect the increased activity of the society.

♦ **Investments and investment policy**

The Society's investment portfolio is now managed entirely by Investec. The funds held by HSBC Investment Management were transferred to Investec during 2013. The Society's investment strategy is medium risk and aimed at protecting the funds from depreciation in the short to medium term. The policy takes account of ethical considerations such as restrictions on tobacco and alcohol-related investment. Details of the Society's investments are set out in note 12 to the accounts.

The equity component of the Society's reserves is held in common investment funds for charities. These funds are designated for charities with small reserves, of relatively low cost and managed by reputable fund managers. Further investment in common investment funds will be made in the next financial year.

The purchase of a new office property has been deferred for the moment but the Society is accumulating reserves towards this end in the long term.

♦ **Reserves and financial position**

The Council continues to actively address the issue of reserves in the context of future plans and requirements of the Society. The cash needs of the Society are well within the assets it holds and the income it generates.

Details of the designated funds are given in note 15 to the accounts. A new designation of £100,000 has been made for refurbishment of the office space to create a better environment for meeting and working in.

The Council's policy in relation to the remaining free reserves is to maintain sufficient funds to finance the costs of the next Annual Meeting, approximately £1,000,000 and twelve months of staff costs, approximately £400,000. At 31 December 2013 the Society had free reserves of £2,579,050 which is well above the targeted level. However, these reserves give the Society certainty in a difficult economic climate and will allow the Society to fund worthy projects identified by the Council and ratified by the Trustees.



**Statement of Trustees' responsibilities**

The Trustees (who are also directors of the British Society of Gastroenterology for the purposes of company law) are responsible for preparing the Trustees' report and 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 affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group 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 Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

**Statement of Trustees' responsibilities** (continued)

Each of the Trustees confirms that:

- ♦ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ♦ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

Dr D LOFT  
Trustee

Approved by the Trustees on:



2-6-14

**Independent auditor's report to the members and trustees of the British Society of Gastroenterology**

We have audited the financial statements of the British Society of Gastroenterology for the year ended 31 December 2013 which comprise the consolidated statement of financial activities, the consolidated and parent charitable company balance sheets, principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and the regulations made under that Act. Our audit work has been undertaken so that we might state to the charity's members and trustees 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 charity, the charity's members as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Trustees and auditor**

The Trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the Trustees' Responsibilities Statement set out in the Trustees' Annual Report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and Section 144 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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.

## **Independent auditor's report 31 December 2013**

### **Opinion on financial statements**

In our opinion the financial statements:

- ♦ give a true and fair view of the state of the groups' and the parent charitable company's affairs as at 31 December 2013 and of 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires 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 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.



Simon Goodridge, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

10 June 2014

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# Consolidated statement of financial activities Year to 31 December 2013

		Unrestricted		Restricted	Year to 31 December 2013 Total funds	18 month period to 31 December 2012 Total funds
	Notes	General £	Designated £	£	£	£
<b>Incoming resources</b>						
Incoming resources from generated funds						
Voluntary income	1					
Transfer of assets and liabilities from The BSG (Charity Registration number 258713)		—	—	—	—	5,029,741
Membership subscription		395,770	—	—	395,770	—
Investment income and interest receivable	2	100,257	—	—	100,257	—
Other income		9,080	—	—	9,080	—
Incoming resources from Charitable activities	3					
Education and training		1,090,725	—	190,145	1,280,870	—
GI Research		949,273	—	—	949,273	—
Service standards		722	—	3,300	4,022	—
International		—	—	—	—	—
<b>Total incoming resources</b>		<b>2,545,827</b>	<b>—</b>	<b>193,445</b>	<b>2,739,272</b>	<b>5,029,741</b>
<b>Resources expended</b>						
Cost of generating funds	4	71,138	—	—	71,138	—
Charitable activities	5					
Education and training		992,496	—	257,902	1,250,398	—
GI Research		725,724	—	—	725,724	—
Service standards		212,908	45,947	57,332	316,187	—
International		70,484	—	—	70,484	—
Governance	7	69,931	—	—	69,931	—
<b>Total resources expended</b>		<b>2,142,681</b>	<b>45,947</b>	<b>315,234</b>	<b>2,503,862</b>	<b>—</b>
<b>Net incoming (outgoing) resources before transfers</b>		<b>403,146</b>	<b>(45,947)</b>	<b>(121,789)</b>	<b>235,410</b>	<b>—</b>
<b>Gross transfers between funds</b>		<b>(130,000)</b>	<b>130,000</b>	<b>—</b>	<b>—</b>	<b>5,029,741</b>
<b>Net incoming (outgoing) resources before revaluations and investment asset disposals</b>		<b>273,146</b>	<b>84,053</b>	<b>(121,789)</b>	<b>235,410</b>	<b>5,029,741</b>
<b>Realised gains on disposal of investments</b>		<b>22,744</b>	<b>—</b>	<b>—</b>	<b>22,744</b>	<b>—</b>
<b>Statement of total recognised gains and losses</b>						
Net income (expenditure)		295,890	84,053	(121,789)	258,154	5,029,741
Unrealised gains on investments		262,226	—	—	262,226	—
<b>Net movement in funds</b>		<b>558,116</b>	<b>84,053</b>	<b>(121,789)</b>	<b>520,380</b>	<b>5,029,741</b>
<b>Fund balances brought forward</b>		<b>2,072,134</b>	<b>2,684,401</b>	<b>273,206</b>	<b>5,029,741</b>	<b>—</b>
<b>Fund balances carried forward at 31 December 2013</b>		<b>2,630,250</b>	<b>2,768,454</b>	<b>151,417</b>	<b>5,550,121</b>	<b>5,029,741</b>

All of the charity's activities derived from continuing operations during the current financial period.

There were no recognised gains or losses other than those stated above and therefore, no separate statement of total recognised gains and losses has been presented.

## Balance sheets 31 December 2013

	Notes	Consolidated		Society	
		2013 £	2012 £	2013 £	2012 £
<b>Fixed assets</b>					
Tangible fixed assets	11	55,564	60,962	55,564	60,962
Investments	12	4,191,641	3,230,434	4,191,643	3,230,436
		<u>4,247,205</u>	<u>3,291,396</u>	<u>4,247,207</u>	<u>3,291,398</u>
<b>Current assets</b>					
Debtors	13	1,428,177	1,521,455	1,367,850	1,168,393
Cash at bank and in hand		604,553	1,261,707	487,206	967,180
		<u>2,032,730</u>	<u>2,783,162</u>	<u>1,855,056</u>	<u>2,135,573</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>(729,814)</u>	<u>(1,044,817)</u>	<u>(547,778)</u>	<u>(397,233)</u>
<b>Net current assets</b>		<u>1,302,916</u>	<u>1,738,345</u>	<u>1,307,278</u>	<u>1,738,340</u>
<b>Total net assets</b>		<u>5,550,121</u>	<u>5,029,741</u>	<u>5,554,485</u>	<u>5,029,738</u>
<b>Represented by:</b>					
<b>Funds and reserves</b>					
Unrestricted funds:					
General funds		2,630,250	2,072,134	2,634,614	2,072,131
Designated funds	15	2,768,454	2,684,401	2,768,454	2,684,401
Restricted funds	16	151,417	273,206	151,417	273,206
		<u>5,550,121</u>	<u>5,029,741</u>	<u>5,554,485</u>	<u>5,029,738</u>

Approved by the Trustees  
and signed on their behalf by:

Dr D LOFT  
Trustee

Approved on:



2-6-14

British Society of Gastroenterology  
Registered Company Number: 08124892 (England and Wales)

## **Principal accounting policies 31 December 2013**

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 2006. Applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

### **Basis of consolidation**

The consolidated financial statements of the Group incorporate the financial statements of the Society and the trading subsidiaries it controls, BSG Limited and DDF Conference Limited. These have been consolidated on a line by line basis. The statement of financial activities represents the consolidation of charitable activities of the Society and its trading subsidiaries.

### **Incoming resources**

#### ***Subscription income***

Subscription income is accounted for in the financial period for which it is due.

#### ***Publication income***

The Society has a contract with BMJ Publications for the publication of the journals, which gives 50% of any surplus made to 31 December each year to the Society. The Society also receives advertising income from the publication, via BSG Limited. All publication income is accounted for on a received basis.

#### ***Scientific meetings***

The income arising from scientific meetings is recognised on a receivable basis.

#### ***Voluntary income***

Donations are credited to the statement of financial activities in the year in which they are received.

### **Resources expended**

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a) The cost of generating funds includes fundraising costs and investment managers fees.
- b) The costs of charitable activities comprise expenditure on the Society's primary charitable purposes as described in the Trustees' report. The costs for each activity include grants payable, other direct costs and support costs, which are apportioned on the level of activity in each area.

**Resources expended (continued)**

- c) Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant, and has satisfied all relevant conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the financial statements.
- d) Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of financial procedures, provision of office services and equipment and a suitable working environment. Support costs are allocated between activities with the allocation based on staff time use.
- e) Governance costs comprises the costs directly attributable to the governance of the charity, including audit costs and the necessary legal procedures for compliance with statutory requirements.

**Cash flow**

The financial statements do not include a cash flow statement, because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost of each asset over its estimated useful life:

- ♦ Office furniture, fittings and equipment - 5 years
- ♦ Leasehold building - 25 years

Items used in the day to day running of the Society and with a cost in excess of £500 are capitalised, and are stated at cost less accumulated depreciation.

**Fund accounting**

The Society has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

**General funds**

Funds which are expendable at the discretion of the Trustees in furtherance of the objects of the Society.



**Fund accounting** (continued)

***Designated funds***

Funds which are set aside as part of the Society's unrestricted funds for particular purposes in the future.

***Restricted funds***

Funds raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

**Investments**

Investments are stated at their market value at the balance sheet date. All movements in value arising from investment changes or revaluation are shown in the consolidated statement of financial activities.

Investment income is accounted for on a receivable basis.

**Taxation**

The Society is a registered charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

# Notes to the financial statements 31 December 2013

## 1 Voluntary income

	Unrestricted funds £	Restricted funds £	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
Transfer of assets from The British Society of Gastroenterology (Charity Registration Number 258713)	—	—	—	5,029,741
Membership subscription	395,770	—	395,770	—
	<u>395,770</u>	<u>—</u>	<u>395,770</u>	<u>5,029,741</u>

## 2 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
Income from listed investments	80,079	—	80,079	—
Interest receivable	20,178	—	20,178	—
	<u>100,257</u>	<u>—</u>	<u>100,257</u>	<u>—</u>

## 3 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
Education and training				
Income from scientific meetings	1,090,325	—	1,090,325	—
Sponsorship income	400	190,145	190,545	—
	<u>1,090,725</u>	<u>190,145</u>	<u>1,280,870</u>	<u>—</u>
GI Research				
'GUT' and Frontline Gastroenterology journals	949,273	—	949,273	—
	<u>949,273</u>	<u>—</u>	<u>949,273</u>	<u>—</u>
Service standards				
Sale of guidelines	722	—	722	—
Advertising income	—	3,300	3,300	—
	<u>722</u>	<u>3,300</u>	<u>4,022</u>	<u>—</u>
<b>Grand Total</b>	<u>2,040,720</u>	<u>193,445</u>	<u>2,234,165</u>	<u>—</u>

Notes to the financial statements 31 December 2013

**4 Cost of generating funds**

	Unrestricted funds £	Restricted funds £	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
Investment manager's fees	18,724	—	18,724	—
Staff costs	52,414	—	52,414	—
	71,138	—	71,138	—

**5 Charitable activities**

	Unrestricted funds £	Restricted funds £	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
<b>Education and training</b>				
Direct costs				
Scientific meetings	708,200	10,648	718,848	—
DDF scientific meeting	(588)	—	(588)	—
Section meetings	67,878	5,631	73,509	—
Symposium costs	—	79,794	79,794	—
IBD registry costs	—	145,134	145,134	—
Website costs	3,673	3,360	7,033	—
Knowledge Based Assessment	417	—	417	—
E-learning costs	61	—	61	—
Staff costs	68,020	—	68,020	—
Grants payable	—	13,335	13,335	—
Support costs	144,835	—	144,835	—
	992,496	257,902	1,250,398	—
<b>GI Research</b>				
Direct costs				
'GUT' journal	292,114	—	292,114	—
Frontline Gastroenterology journal	156,176	—	156,176	—
Section meetings	35,811	—	35,811	—
Website costs	1,476	—	1,476	—
Staff costs	55,717	—	55,717	—
Subvention to Core	78,883	—	78,883	—
Grant to Core	50,000	—	50,000	—
Support costs	55,547	—	55,547	—
	725,724	—	725,724	—

## Notes to the financial statements 31 December 2013

### 5 Charitable activities (continued)

	Unrestricted funds £	Restricted funds £	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
<b>Service Standards</b>				
Direct costs				
Guidelines	3,675	—	3,675	—
Newsletter	3,150	—	3,150	—
E-Newsletter	5,152	—	5,152	—
Queen Mary University Paediatric grant	—	54,871	54,871	—
Clinical services audit	44,115	—	44,115	—
Meeting and other costs	19,943	2,461	22,404	—
Public relation costs	61,234	—	61,234	—
Website costs	2,953	—	2,953	—
Staff costs	49,199	—	49,199	—
Support costs	69,434	—	69,434	—
	258,855	57,332	316,187	—
<b>International</b>				
Direct costs				
Staff costs	15,064	—	15,064	—
Other costs	732	—	732	—
Sponsorship	26,914	—	26,914	—
Support costs	27,774	—	27,774	—
	70,484	—	70,484	—
<b>Grand Total</b>	<b>2,047,559</b>	<b>315,234</b>	<b>2,362,793</b>	<b>—</b>

### 6 Support costs

	Unrestricted funds £	Restricted funds £	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
Premises expenses	24,855	—	24,855	—
Administration and office expenses	69,233	—	69,233	—
Legal and professional fees	7,685	—	7,685	—
Bookkeeping	20,044	—	20,044	—
Subscriptions	10,504	—	10,504	—
Staff costs	121,113	—	121,113	—
Bank charges and interest payable	18,234	—	18,234	—
Depreciation	9,060	—	9,060	—
Sundry expenses	34	—	34	—
Irrecoverable VAT	16,828	—	16,828	—
	297,590	—	297,590	—

## 6 Support costs (continued)

	Education and training £	GI research £	Service Standards £	International £	2013 Total £
Premises expenses	11,184	4,971	6,214	2,486	24,855
Administration and office expenses	31,155	13,847	17,308	6,923	69,233
Legal and professional fees	6,126	567	709	283	7,685
Bookkeeping	9,020	4,009	5,011	2,004	20,044
Subscriptions	4,727	2,101	2,626	1,050	10,504
Staff costs	54,501	24,222	30,278	12,112	121,113
Bank charges and interest payable	16,457	646	808	323	18,234
Depreciation	4,077	1,812	2,265	906	9,060
Sundry expenses	16	7	8	3	34
Irrecoverable VAT	7,572	3,365	4,207	1,684	16,828
	<b>144,835</b>	<b>55,547</b>	<b>69,434</b>	<b>27,774</b>	<b>297,590</b>

## 7 Governance

	Unrestricted funds £	Restricted funds £	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
Council meetings	18,345	—	18,345	—
Trustees' expenses	1,103	—	1,103	—
Audit and accountancy	18,600	—	18,600	—
Legal and professional fees	2,900	—	2,900	—
Staff costs	28,983	—	28,983	—
	<b>69,931</b>	<b>—</b>	<b>69,931</b>	<b>—</b>

Council meetings includes payments totalling £6,600 (2012 - £nil) which were made to two trustees for their services in connection with establishing the Digestive Disorders Foundation (DDF) conference. No trustees received remuneration from the charity in respect of their services as trustees.

## 8 Net incoming resources

This is stated after charging:

	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
Staff costs (note 9)	390,510	—
Auditors' remuneration (consolidated)		
· Audit fees – current year	17,600	—
· Under provision for prior year	1,000	—
· Non-audit fees	4,195	—

**9 Staff costs and Trustees' remuneration**

	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
Wages and salaries	340,973	—
Social security cost	37,809	—
Pension cost	11,728	—
	<b>390,510</b>	<b>—</b>

	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
Cost of generating funds	52,414	—
Charitable activities		
· Education and training	68,020	—
· GI Research	55,717	—
· Service Standards	49,199	—
· International	15,064	—
Support costs	121,113	—
Governance	28,983	—
	<b>390,510</b>	<b>—</b>

Wages and salaries include one member of staff of the Society seconded from an external organisation. The average number of employees including the seconded member of staff was:

	Year to 31 December 2013 No	18 month period to 31 December 2012 No
Employees	9	—

No trustee received any remuneration from the Society in their ongoing role as a Trustee. During the year payments totalling £6,600 (2012 £nil) were made to two trustees for their services in connection with establishing the Digestive Disorders Federation (DDF) conference. Travelling and subsistence expenses were reimbursed to 9 trustees amounting to £9,082 (2012 - £nil).

The number of employees who earned £60,000 or more per annum (including taxable benefits but excluding employer pension contributions) during the period was as follows:

	Year to 31 December 2013 No	Period to 31 December 2012 No
£60,001 - £70,000	1	—

# 10 Net income from subsidiaries

The Society has one wholly-owned subsidiary, BSG Limited, which is incorporated in the UK. BSG Limited conducts scientific meetings on behalf of the Society. A summary of BSG Limited's results for the year ended 31 December 2013 is shown below:

Profit and loss account	Year to 31 December 2013 Total funds £	6 month Period to 31 December 2012 Total funds £
Turnover	1,134,542	58,610
Cost of sales	(751,202)	(494)
Gross profit	383,340	58,116
Administration	(24,022)	(5,063)
Interest receivable	195	19
Net profit	359,513	53,072
Amount covenanted to the Society	(359,513)	(53,072)
Retained in subsidiary	—	—

The Society also controls DDF Conference Limited. DDF Conference Limited was formed in association with The Association of Upper Gastrointestinal Surgeons (AUGIS), The British Association for Parenteral and Enteral Nutrition (BAPEN) and The British Association for the Study of the Liver (BASL) in order to organise a joint scientific meeting on a triennial basis. The Society acts as host organisation for DDF, provides back office functions and manages the company on a day to day basis.

DDF Conference held its first scientific meeting in 2012 and its results for the year ended 31 December 2013 are as follows:

Profit and loss account	Year to 31 December 2013 Total funds £
Turnover	46
Cost of sales	3,218
Gross profit	3,264
Administration	(1,106)
Net profit	2,158
Amount covenanted to the participating charities	(6,525)
Retained in subsidiary	(4,367)

## Notes to the financial statements 31 December 2013

### 11 Tangible fixed assets

Group and society	Leasehold buildings £	Office equipment, fixtures and fittings £	Total £
<b>Cost</b>			
At 1 January 2013	165,000	39,226	204,226
Additions	—	3,662	3,662
At 31 December 2013	165,000	42,888	207,888
<b>Depreciation</b>			
At 1 January 2013	108,900	34,364	143,264
Charge for the year	6,600	2,460	9,060
At 31 December 2013	115,500	36,824	152,324
<b>Net book values</b>			
At 31 December 2013	49,500	6,064	55,564
At 31 December 2012	56,100	4,862	60,962

### 12 Investments

	Year to 31 December 2013 Total funds £	18 month period to 31 December 2012 Total funds £
Market value at 1 January 2013	2,474,786	—
Investments transferred in at market value at 31 December 2012	—	2,474,786
Disposals at opening market value	(1,103,316)	—
Additions at cost	2,106,887	—
Unrealised gains	262,226	—
Market value at 31 December 2013	3,740,583	2,474,786
Cash held by investment manager	451,058	755,648
<b>Group</b>	<b>4,191,641</b>	<b>3,230,434</b>
Investment in BSG Limited	1	1
Investment in DDF Conference Limited	1	1
<b>Society</b>	<b>4,191,643</b>	<b>3,230,436</b>

At 31 December 2013, the Group and Society's listed investments comprised the following:

	£
UK fixed interest investments	608,830
Unit trusts	456,879
Overseas listed equities	926,055
UK equities	1,486,773
Alternative investments	102,046
Property	160,000
	<b>3,740,583</b>
Historical cost of investments	<b>3,331,595</b>



## Notes to the financial statements 31 December 2013

### 12 Investments (continued)

Significant investments individually amounting to over 5% of the portfolio at 31 December 2013 were as follows:

	% of total portfolio	£
M&G Securities – Charifund Income Fund	6.4%	241,059
Schroders Charity Equity Income Fund	5.8%	215,820
UK (Govt of) 4.125%	5.7%	214,316
UK (Govt of) 2.5%	5.2%	192,798

### 13 Debtors

	Consolidated		Society	
	31 December 2013 £	31 December 2012 £	31 December 2013 £	31 December 2012 £
Trade debtors	181,201	432,253	10,900	3,762
Other debtors	3,204	224	177	224
VAT	11,355	4,149	1,521	3,694
Amount due from subsidiaries	—	—	437,103	357,004
Prepayments and accrued income	1,232,414	1,084,826	918,149	803,709
Unpaid share capital	3	3	—	—
	<b>1,428,177</b>	<b>1,521,455</b>	<b>1,367,850</b>	<b>1,168,393</b>

### 14 Creditors: amounts falling due within one year

	Consolidated		Society	
	31 December 2013 £	31 December 2012 £	31 December 2013 £	31 December 2012 £
Trade creditors	73,849	44,804	73,317	43,695
Accruals and deferred income	492,436	895,819	344,359	343,622
Social security & other taxes	9,783	91,568	9,783	8,484
Other creditors	153,746	12,626	120,319	1,432
	<b>729,814</b>	<b>1,044,817</b>	<b>547,778</b>	<b>397,233</b>

## 15 Designated funds

The income funds of the Society include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	At 1 January 2013 £	New designations £	Utilised in year £	At 31 December 2013 £
Research	50,000	30,000	—	80,000
Training and Education	60,759	—	—	60,759
Clinical Services	193,642	—	(45,947)	147,695
E Learning	200,000	—	—	200,000
IBD Registry	200,000	—	—	200,000
Refurbishment of offices	—	100,000	—	100,000
Property	1,980,000	—	—	1,980,000
	<u>2,684,401</u>	<u>130,000</u>	<u>(45,947)</u>	<u>2,768,454</u>

### *Research Fund*

The members of the society have voted in a ballot to renew their decision to subvent 20% of their annual subscription to Core. £50,000 has been designated to represent the society's support for CORE in the next financial year.

### *Training and Education Fund*

Funds have been set aside for a number of worthy projects identified by the Council.

### *Clinical Services Fund*

Funds have been set aside for a number of worthy projects identified by Council such as audit and guidelines.

### *E Learning*

The fund is a designated project which aims to provide continued personal development to members of the Society and also help trainees in their Specialist Certificate examination.

### *IBD Registry*

The IBD Registry fund is to support the ongoing project which will utilise these funds during 2014.

### *Refurbishment of office*

A sum of money has been designated to fund the necessary refurbishment of the current offices. This fund will be utilised in 2014.

### *Property Fund*

A sum of money has been designated to secure alternative office accommodation for the Society. The Society needs to ensure that they have at least 80% of the purchase price of a new property, this money will be used towards that purchase.

## 16 Restricted funds

	At 1 January 2013 £	Incoming resources £	Resources expended and transfers £	At 31 December 2013 £
Endoscopy fund	5,440	9,372	(12,846)	1,966
Endoscopy – Paul Brown travelling fund	3,540	—	—	3,540
Pathologists Group fund	2,603	—	—	2,603
IBD Registry	144,696	71,600	(145,134)	71,162
Section funds				
• Oesophageal Section	10,944	1,190	(5,631)	6,503
• Clinical Measurement	6,934	3,300	(2,461)	7,773
• NGM	8,047	—	—	8,047
• Education	—	15,000	(489)	14,511
• Trainees in Gastro	87,320	38,112	(93,802)	31,630
• Paediatric grant	—	54,871	(54,871)	—
Other	3,682	—	—	3,682
	<b>273,206</b>	<b>193,445</b>	<b>(315,234)</b>	<b>151,417</b>

Restricted funds are as follows:

The Endoscopy fund represents monies transferred from the British Society for Digestive Endoscopy for endoscopy related expenditure.

The Paul Brown fund represents a donation received from Keymed for small travel grants to UK doctors to visit Endoscopy Centres abroad to enable them to learn specific techniques.

The Pathologists Group fund is a donation to support the annual Basil Morson Lecture.

The IBD Registry fund represents income received from various sources to support the establishment of the IBD Registry.

The Section funds represent the income and expenditure in relation to the activities of these sections of the Society.

## 17 Analysis of net assets between funds

Group	Unrestricted funds		Restricted funds £	Total funds £
	General fund £	Designated funds £		
Fund balances at 31 December 2013 are represented by:				
Tangible fixed assets	55,564	—	—	55,564
Investments	1,423,187	2,768,454	—	4,191,641
Current assets	1,875,146	—	157,584	2,032,730
Current liabilities	(723,647)	—	(6,167)	(729,814)
<b>Total net assets</b>	<b>2,630,250</b>	<b>2,768,454</b>	<b>151,417</b>	<b>5,550,121</b>

**17 Analysis of net assets between funds (continued)**

Society	Unrestricted funds		Restricted funds	Total funds
	General fund	Designated funds		
	£	£	£	£
<b>Fund balances at 31 December 2013 are represented by:</b>				
Tangible fixed assets	55,564	—	—	<b>55,564</b>
Investments	1,423,189	2,768,454	—	<b>4,191,643</b>
Current assets	1,697,472	—	157,584	<b>1,855,056</b>
Current liabilities	(541,611)	—	(6,167)	<b>(547,778)</b>
<b>Total net assets</b>	<b>2,634,614</b>	<b>2,768,454</b>	<b>151,417</b>	<b>5,554,485</b>

**18 Incorporation**

With effect from 31 December 2012, the activities, assets and liabilities of The British Society of Gastroenterology (Charity Registration Number 258713) were transferred to the charitable company which was incorporated as a company limited by guarantee on 29 June 2012 (Company Registration Number 08124892) and registered as a charity on 24 September 2012 (Charity Registration Number 1149074).

The group net assets at that date comprised:

	£
Tangible fixed assets	60,962
Investments	3,230,434
Debtors	1,521,455
Cash at bank	1,261,707
Creditors: amounts falling due within one year	(1,044,817)
	<b>5,029,741</b>

**19 Ultimate control and related party transactions**

The charity has no ultimate controlling party.

During the year payments totalling £6,600 (2012 - £nil) were made to two trustees for their services in connection with establishing the Digestive Disorders Federation (DDF) conference. No trustees received remuneration from the charity in respect of their services as trustees.

Richard Driscoll resigned from the Board of Trustees as it was proposed that he become a paid advisor to the IBD Registry.

**20 Core- The Digestive Disorders Foundation**

The Society works closely with Core (Charity Registration No 1137029 and Company Registration No 7274105 (England and Wales)) to support Core's mission to support research training for young doctors and scientists, the application of new knowledge to practice and the provision of patient information to the public; Core is the only charity dedicated to the whole of gastrointestinal diseases. The President and Treasurer of the BSG are members of Core's Board of Trustees and the Chairman of the Research Committee of the BSG is invited to Core Trustees' meetings. The President of Core is an ex-officio member of the BSG Council. Due to the closely related objectives of Core and the BSG, and to strengthen the impact of our work, a decision was made by the Trustees to more closely align the administration of the two bodies. Dr Tom Smith is also Chief Executive of Core and reports to the two separate Boards of Trustees.

Transactions between the two charities during the year were as follows:

The Society continued to subvent 20% of its membership income, amounting to £78,819 (18 month period ended 31 December 2012 - £nil), which was paid partly in cash £66,960 and partly in services £11,859.