

**British
Society
of
Gastroenterology**

**Annual Report and Financial
Statements**

31 December 2014

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

Trustees	Professor G Aithal Professor C Baden-Fuller Mr C Bromfield Mrs S A Dutton (Appointed July 2014) Dr C Edwards Dr I Forgacs Professor Sir I Gilmore (Resigned June 2014) Mr N Hoile (Appointed June 2014) Dr S Hughes (Appointed July 2014) Professor P Kumar Mr R P Lanyon (Appointed June 2014) Dr D Loft Professor M Lombard (Appointed July 2014) Dr A M Veitch (Appointed July 2014) Dr M Wilkinson (Resigned June 2014)
Chief Executive	Dr T Smith (Resigned February 2015)
Acting Chief Executive	Mr R Gardner (Appointed March 2015)
Executive secretary	Mrs C Romaya
Registered/Principal office	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
Charity registration number	1149074
Company registration number	08124892 (England and Wales)
Auditor	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
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W1A 2AS

Investment managers Investec
2 Gresham Street
London
EC2V 7QP

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 2014.

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 23 to 25 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 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 year are listed on page 1.

Three new independent trustees were appointed in 2014.

No Trustees received any remuneration for services as a member of the Council. 10 Trustees were reimbursed expenses totalling £12,220 (2013 - 12 Trustees received £8,823) and two Trustees received a total of £300 for speaking at meetings (2013 - £nil). 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's Memorandum and Articles, last audited annual report and accounts 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 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.

The Council for January – December 2014 was as follows:

Members of Council

Professor Sir I Gilmore	(President outgoing 2012-2014)
Dr I Forgacs	(President incoming 2014-2016)
Professor M Lombard	(President-elect 2014-2016)
Dr A Veitch	(Vice-President Endoscopy 2013-2015)
Professor A Burroughs	(Vice President Hepatology deceased March 2014)
Dr S Ryder	(Vice-President Hepatology incoming 2014-2016)
Dr D Loft	(Treasurer 2013-2018)
Dr C Edwards	(Senior Secretary 2013-2015)
Dr J Eaden	(Secretary 2013-2015)
Dr A Harris	(Chair outgoing, CSSC 2012-2014)
Dr S Greenfield	(Chair incoming, CSSC 2014-2016)
Dr G Johnson	(Chair, Education Committee 2012-2015)
Professor J McLaughlin	(Chair, Research Committee 2011-2015)

Governance, structure and management (continued)

♦ **The Council** (continued)

Members of Council

Dr P Neild	(Chair, Training Committee 2011-2015)
Professor GP Aithal	(Elected member 2012-2015)
Dr M Hudson	(Elected member 2013-2016)
Dr S Hughes	(Elected member incoming 2014-2017)
Professor AJ Lobo	(Elected member 2012-2015)
Dr A McKinlay	(Elected member incoming 2014-2017)
Professor K Moore	(Elected member 2013-2016)
Dr RP Walt	(Elected member outgoing 2011-2014)
Professor A Watson	(Elected member 2013-2016)
Professor ML Wilkinson	(Elected member outgoing 2011-2014)
Dr VS Wong	(Elected member 2013-2016)
Dr C Rutter	(Chair, Trainee Section incoming 2014-2015)
Dr P Smith	(Chair, Trainee Section outgoing 2013-2014)

Ex-officio members

Professor E El-Omar	(Editor GUT)
Dr A Emmanuel	(Editor Frontline Gastroenterology)
Professor C Hawkey	(Core Chair)
Mr M Coleman	(ACP)
Mr W Allum	(AUGIS outgoing)
Mr I Beckingham	(AUGIS incoming)
Dr T Bowling	(BAPEN outgoing)
Dr M Stroud	(BAPEN incoming)
Dr M Hudson	(BASL)
Dr A Baker	(BSPGHAN)
Dr J Dalrymple	(PCSG)
Dr S Pereira	(PSGBI)
Dr A Ellis	(SAC Chair)

Governance, structure and management (continued)

♦ **The Council** (continued)

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. The current Research and Training Committee Chairs' term of office was extended for a year; new Chairs will take over after the DDF meeting in June 2015. 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.

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 2014 the numbers in different membership categories were as follows:

	2014 Number	2013 Number
Honorary	114	111
Full	1,491	1,479
International	181	216
Trainee	672	654
Senior	119	110
Associate	911	889
Taster	271	172

The number of members has increased in every category, except for international. The fall in the International category follows the installation of a new database and the re-categorisation of some individuals into different membership categories.

The largest increase is in the taster category. These members are typically medical students or newly qualified medics that are yet to choose a specialty. Taster membership allows individuals to experience being a BSG member providing access to selected research articles and conferences.

Achievements and performance (continued)

The trainee section continues to grow steadily. Since being absorbed into the society in 2010 the trainees have become one of the largest and most active sections within the BSG.

As trainees become consultants, so we add to the number of full members within the society.

♦ **Review of activities and plans for 2015**

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 2014 in Manchester. The conference was attended by a total of 2,003 delegates and generated a surplus of £294,686. Feedback from the meeting was the best BSG has had in some time. The new venue was well received, as were new initiatives designed to make the meeting a better experience for those attending. The new all-day science-based symposium on gut and liver inflammation was well attended.

BSG is building towards the 2015 DDF meeting which is the second meeting of its kind, following on from a successful launch in 2012. The second meeting includes a new fifth partner, the Association of Coloproctology of Great Britain and Ireland (ACPGBI) who will join BSG, AUGIS, BASL and BAPEN. These integrated events make it easier to discuss research and clinical priorities across complex areas. A new development for this meeting will be lunchtime satellite symposia. The postgraduate day will involve each society holding its own session with the overarching theme of GI cancer.

There will be a science morning at DDF as well as an endoscopy science symposium including a "dragon's den" which was first held in Manchester and proved to be very successful. BSG has received some funding for this and is looking to increase it.

BSG continues to support education in the devolved nations and in April 2014 joined the Welsh Gastroenterology Society for a meeting in Cardiff. BSG hopes to join the Scottish Gastroenterology Society for a meeting in 2016. BSG will be looking to develop a regular cycle of meetings with the devolved nations in the future.

The guidance for BSG support of education and training meetings has been publicised on the website and in e-newsletters. Requests for endorsement for a variety of meetings across the country have increased.

The following are just some of the educational events supported by the BSG: SpR/StR Management and Education Weekends, Royal Free/UCL Postgraduate Liver Course, Sheffield Gastroenterology symposium, Taster Course in Gastroenterology. The Gastro Taster Weekend has been a huge success and BSG taster membership has increased as a result.

Achievements and performance (continued)

♦ **Review of activities and plans for 2015 (continued)**

Education and training (continued)

Endolive 2015 will showcase the best of UK endoscopy. It will bring together the UK's leading endoscopists and will deliver a mixture of live case demonstrations and state of the art talks. Live endoscopy will come from four sites around the UK – University College London, Queens Medical Centre Nottingham, University Hospital Llandough, Cardiff and Glasgow Royal Infirmary. Each of these sites will deliver UK experts demonstrating high quality endoscopic procedures. The meeting will be highly interactive and focus on commonly found conditions and relatively routine endoscopic procedures. It will be of relevance to endoscopists at all levels of practice and focus on improving endoscopy technique, quality and practice. 500 places are available, initially registration was slow but it has picked up and BSG is reasonably confident of filling all the places.

The BSG video-records content at the Annual Scientific Meeting and this can be accessed later by members via the BSG website. It is expected that some sessions at the DDF 2015 will also be recorded.

Twitter debates have been launched by Frontline Gastroenterology. This is a way of increasing systematic debate about the management of key conditions.

The Hepatology at a Glance textbook has been written and edited by BSG members, invited by the BSG Education Committee, and is due for publication in April 2015.

The Training Committee works closely with the Specialist Advisory Committee for Gastroenterology of the Joint Royal Colleges of Physicians Training Board (JRCPTB) on curriculum development and implementation and advises the JRCPTB on workforce planning.

The BSG will provide input into any further discussions/consultation regarding the Shape of Training review.

A National Specialty Registrar Introduction to Gastroenterology day, in conjunction with the Royal College of Physicians (RCP), is planned for 13 November 2015.

Plans to develop a set of quality metrics/global rating scale for trusts/regions and nationally to evaluate training are being discussed. This could be used to inform both trainees and training programme directors as well as providing a benchmark for further development.

2014 was the first year that there was a separate European exam and UK trainees were offered two years free membership to the BSG on passing the UK exam to compensate them for the higher fees charged for the UK exam.

♦ **Review of activities and plans for 2015** (continued)

Education and training (continued)

The seventh Gastroenterology Specialist Certificate Examination (SCE) took place in April 2014. 198 candidates sat the Examination (the largest number since we started for both UK and international centres). 105 of those were in the UK and 93 in international centres across the world. The overall pass rate was 53.5%, with those based in the UK achieving a pass rate of 76.2%.

The European Exam also took place in April. There were 50 candidates (8 from Turkey, 7 from Greece, 5 from Portugal, 4 from each of Germany and Croatia and 1 from each of Belgium, Ireland, Netherlands, Spain and Switzerland). The remaining candidates sat the EBGH exam in the UK. The pass rate was 64%.

The two year pilot for the European exam may be extended. As mitigation for the higher cost to UK trainees successful candidates will continue to be offered two years free membership of the BSG.

Supporting GI research

The Society continues to donate 20% of its membership subscriptions to Core to contribute to the delivery of its research programme. In addition, through Core's Research Awards Committee BSG funded two development grants, for translational research and pilot/proof of concept projects, which began in 2014 and are due to be completed in 2015.

Gut has increased its impact factor again and continues to be very successful. BMJ Open Gastroenterology made a small loss in its first year since its launch which was expected.

Clinical Research Groups (CRGs)

The IBD CRG has been very active, endorsing eight project proposals and completing applications for several grants, one of which is at the second stage for major funder review and one has been funded by the Medical Research Council. The group proposes to continue to meet regularly to maintain momentum.

The Endoscopy CRG also has been very active and has had two planning workshops to prepare to respond to funding calls. Several applications have been submitted as a result.

The liver CRG met twice in 2014 and will be meeting in early 2015 for general planning and to formulate an HTA response.

A new Food and Function CRG has been formed to replace the neurogastro and small bowel/nutrition CRGs.

BSG is represented at meetings of the national specialty groups for both gastroenterology and liver to provide liaison between trials development and trials delivery and to cross-promote the work of the BSG and the NIHR in these areas.

Achievements and performance (continued)

♦ **Review of activities and plans for 2015 (continued)**

Research Workshops

The microbiome research workshop held in April 2014 was very successful; the feedback was excellent. Two research workshops are planned for 2015; one on faecal microbiota transplantation and one on big data.

IBD Priority-Setting partnership

The BSG has been working with the James Lind Alliance, patients, carers and clinicians to formulate research priorities in IBD. The prioritisation exercise has now been completed and members of the steering group will write a report for publication later in 2015.

Enhancing service standards

The Clinical Services and Standards Committee (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 CSSC is responsible for reviewing guidelines in accordance with the BSG's accredited guideline development process. The policy and processes for guidelines has been updated for 2014. The update includes a new section on guidance and explains how this differs from the guideline process, for example, with regard to patient representation on the guideline development group and formulation of recommendations.

The BSG Advice Document stipulates that guidelines should be updated/revised every 5-7 years. A process for ensuring guidelines are reviewed and then updated, if required, in this timeframe has now been implemented. For guidelines which are considered to remain relevant and not need revision, a formal method of assessing this is now in place and it will be documented on the website that the guideline has been reassessed and the advice stands. Guidelines that are no longer relevant or have been superseded will be archived in a section on the website.

Achievements and performance (continued)

♦ **Review of activities and plans for 2015** (continued)

Guidelines

In 2014 the BSG published the following guidelines:

- ◇ Diagnosis and management of adult coeliac disease.

The following final draft guidelines have been submitted and are going through the review process:

- ◇ Guidelines for the Management of Large Non Pedunculated Colorectal Polyps – reviewed by BSG and will be submitted to Gut.
- ◇ Guidelines on the management of variceal haemorrhage in cirrhotic patients – undergoing peer review in Gut.

The following are proposed new guidelines/guidance in development during 2015:

- ◇ Guidelines on the Transition of Adolescents with Chronic GI disease.
- ◇ Guidance: The Workforce & Skill mix Requirements to support the safe delivery of GI Endoscopy: A working party report.
- ◇ UK Guidelines on the Management of Variceal Haemorrhage in Cirrhotic Patients (Portal Hypertension).
- ◇ Investigation of abnormal LFT.
- ◇ Diagnosis and management of cystic tumours of the pancreas.
- ◇ Guidelines for the diagnosis and management of primary sclerosing cholangitis (PSC) and its overlap syndromes.
- ◇ Primary biliary cirrhosis (PBC).
- ◇ Colorectal section: Lower GI bleeding and/ or Lynch syndrome.

Guidelines under revision during 2015:

- ◇ Guidance for Obtaining a Valid Consent for Elective Endoscopic Procedures.
- ◇ Guidelines on the Management of Common Bile Duct Stones (CBDS).
- ◇ Guidelines for the Management of Anticoagulant and Antiplatelet Therapy in Patients Undergoing Endoscopic Procedures.
- ◇ Guidelines on Small Bowel Enteroscopy and Capsule Endoscopy in Adults.

Achievements and performance (continued)

♦ **Review of activities and plans for 2015** (continued)

Guidelines (continued)

- ◊ Guidelines on the Irritable Bowel Syndrome: Mechanisms and Practical Management.
- ◊ Guidelines for Oesophageal Manometry and pH Monitoring.
- ◊ Guidelines on the use of Oesophageal Dilatation in Clinical Practice (stricture).

BSG continues to offer expert responses to scores of requests from the National Institute for Clinical Excellence (NICE) and other bodies on new technologies and guidelines.

The BSG has worked with patient groups and professionals concerned with aspects of liver disease. This culminated in a major Lancet article in November 2014 and the formation of a standing committee to improve outcomes for liver disease patients.

The BSG is working on the development of a clinical pathway for the management of abnormal liver function tests.

The BSG has been working with NHS England on Improving Quality and acute upper gastrointestinal bleeding (AUGIB). "AUGIB: an overview of out of hours service provision and equity of access" was published in April 2014 (http://www.bsg.org.uk/images/stories/docs/augib_pub.pdf) and was presented to the BSG Annual Meeting in June 2014. The survey reviewed the readiness of GI Units in England to provide an out of hours and next day emergency endoscopy for patients with GI bleeding. A "RAG" status was obtained for endoscopy units in England and there were three case studies of trusts where changes were made. It is hoped these case studies can inspire other units. The survey has recently been resent to endoscopy leads at each endoscopy unit in England to reassess "RAG" status to determine if there has been any improvement. The results of the survey will be available in mid 2015. There are some additional questions which ask how improvements have been made and how the BSG might help those who are struggling to establish an effective service.

IBD Registry

The Inflammatory Bowel Disease (IBD) Registry was launched at the BSG's Annual Scientific Meeting in 2013 and version 1 of the patient management system (PMS) that feeds data to the registry was released in January 2014, after piloting. Further use in four centres through 2014 has contributed to additional functionality which will be available from March 2015. An additional 11 NHS Trusts have ordered the PMS and will go live during 2015. The alternative means of data submission – the Registry Web Tool and the Data Submission System for third party software – will also go live in March 2015, completing the Registry infrastructure for England. Equivalent developments are happening in the devolved nations.

Achievements and performance (continued)

♦ **Review of activities and plans for 2015** (continued)

IBD Registry (continued)

At the BSG's Annual Scientific Meeting in 2014 the IBD Registry team presented data from the four centres with some additional information from the Hospital Episodes Statistics data for the patients in the Registry.

The IBD Registry is an important initiative, which should bring benefits to gastroenterology but does have substantial financial risks. The BSG has set aside £200,000 in the current year to support continued development through 2014/2015 until a sustainable income stream can be found and while its infrastructure is fully established.

In 2014, the IBD Registry also received £50,000 in unrestricted grants from pharmaceutical companies. During 2014 the BSG engaged a strategic consultant to assist the Registry Board to develop a stronger financial plan and business case setting out the registry's objectives, development milestones, communication and funding plans. In April 2015, the business plan will be presented to the trustees. A further £200,000 may be made available if required in 2015 but the proposed business model is to secure a mix of income from industry and research making use of the data collection and analysis capabilities of the Registry and potentially, in the future, subscriptions from hospitals to access summary data on their IBD care.

IBD Standards update

The revised Standards for the Healthcare of people who have IBD, which were launched in 2013, have continued to provide the framework for improving care for IBD patients across the UK. The IBD Audit and Quality Improvement Programme run by the Royal College of Physicians and funded by national governments has been a significant driver for steady progress in the organisation and structure of care and clinical practice. The current funding for this programme ends in February 2016 and the BSG has worked closely with the other professional and patient societies to make the case to NHS England for renewed funding. The IBD Registry Team and the RCP IBD Audit Team have been collaborating to develop a joint approach to future audit that makes best use of the Registry data collection system. In October 2014, the BSG also organised a workshop to explore the potential for an accreditation system for Gastroenterology as part of a broader NHS England sponsored project to explore the potential value of accreditation as a form of quality assurance of clinical care.

Achievements and performance (continued)

♦ Review of activities and plans for 2015 (continued)

Supporting the GI community

The Society's Annual Meeting is an opportunity for gastroenterologists to hear presentations from international experts based in the UK and abroad. This year's DDF Conference will attract clinicians and associated professionals across the spectrum of GI sub-specialties. The Society offers competitive travel fellowships to young doctors in other countries to attend its Annual Meeting and will offer these for the DDF Conference in 2015 to give gastroenterologists from outside the UK the opportunity to widen their experience and knowledge.

The Society is in its fourth year of making international awards to support educational projects in low income countries. This scheme has now built up some solid experience and a track record.

In 2014 we agreed to partner with the World Gastroenterology Organisation to develop and support endoscopy training in Malawi. An additional £15,000 has been made available in the 2015 budget for this.

In 2014 the BSG provided funding for three projects:

A grant of £9,997 was awarded for a project "to improve existing and further develop Gastrointestinal Endoscopy Training in Bangladesh." This took place in Dhaka in February 2015.

A grant of £3,870 has been awarded for a project "Developing and delivering a Foundation Course in Endoscopy for the Medical and Surgical trainee curricula of Malawi's Medical School".

Dr Kambi was awarded £9,260 for his project in Gambia and Malawi "Basic training in upper GI endoscopy and therapy, using models".

Applications for the 2015 BSG International Awards are currently being reviewed.

Financial report for the year

♦ Results for the year

The consolidated statement of financial activities is shown on page 21 of the annual report and accounts.

The results for the year show an overall increase in funds of £388,415 (2013 - £520,380). This includes unrealised gains on investments of £119,762 (2013 - £262,226). The profit within BSG Ltd amounted to £354,387 (2013 - £359,513). This includes the net profit from the Manchester meeting, income from the journals and the income from the trainees meetings. The journals continue to do well; income from Gut and Frontline Gastroenterology totalling £956,867 (2013 - £949,273).

Financial report for the year (continued)

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

There was no DDF conference in 2014 and so minimal financial activity in DDF Conference Limited. However during 2014 the venue deposit for the 2018 meeting has been written off in the accounts as there has been a change of venue.

A major investment in 2014 has been a new membership database. IT costs were also significantly higher in 2014 due to all the related expenses for transferring to a cloud server. The ongoing maintenance and hosting costs have also increased mainly due to the server requirements for accommodating the new database and better system speed, security and stability.

£100,000 was set aside in the 2013 accounts for refurbishment of the office to create a better environment to work and meet in and in order to deal with storage issues. Approximately half of this amount has been spent in 2014 on new office furniture and IT hardware. We propose to investigate installing video conferencing facilities in the future and may therefore utilise the remainder of this designated fund.

In October 2014 the society engaged Buzzacott LLP, initially for one year, to provide human resources support.

♦ **Investments and investment policy**

The Society's investment portfolio is managed by Investec. 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. In addition the trustees agreed that whilst supporting companies involved in drug development is desirable, all such investments should be held at "arms length" (i.e., in funds). Details of the Society's investments are set out in note 12 to the accounts.

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. This fund has been slightly increased to £2,000,000 in 2014.

♦ **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.

Financial report for the year (continued)

♦ **Reserves and financial position** (continued)

Details of the designated funds are given in note 15 to the accounts. £25,916 of the designated fund of £200,000 set aside for the IBD registry was utilised in 2014. A further £200,000 has been designated to the IBD Registry fund for use only if the registry is unable to secure funding in 2015.

A new designation of £40,000 has been made for international projects.

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 £410,000. At 31 December 2014 the Society had free reserves of £2,753,164 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.

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.

Statement of Trustees' responsibilities (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and 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.

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:



18-6-15

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 2014 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.

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 2014 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;
- ♦ we have not received all the information and explanations we require for our audit; or
- ♦ the Trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



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

25/6/15

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 2014

		Unrestricted		Restricted	2014	2013
	Notes	General	Designated		Total funds	Total funds
		£	£	£	£	£
Incoming resources						
Incoming resources from generated funds						
Voluntary income						
.. Membership subscription	1	393,336	—	—	393,336	395,770
.. Investment income and interest receivable	2	127,921	—	—	127,921	100,257
.. Other income		11,058	—	—	11,058	9,080
Incoming resources from Charitable activities						
.. Education and training	3	1,221,916	—	228,780	1,450,696	1,280,870
.. GI Research		965,310	—	5,000	970,310	949,273
.. Service standards		—	—	4,938	4,938	4,022
.. International		—	—	—	—	—
Total incoming resources		2,719,541	—	238,718	2,958,259	2,739,272
Resources expended						
Cost of generating funds	4	72,028	—	—	72,028	71,138
Charitable activities						
.. Education and training	5	1,195,492	31,059	243,066	1,469,617	1,250,398
.. GI Research		692,245	2,286	5,000	699,531	725,724
.. Service standards		279,992	2,857	54,798	337,647	316,187
.. International		64,929	1,143	—	66,072	70,484
Governance	7	52,177	—	—	52,177	69,931
Total resources expended		2,356,863	37,345	302,864	2,697,072	2,503,862
Net incoming (outgoing) resources before transfers		362,678	(37,345)	(64,146)	261,187	235,410
Gross transfers between funds		(258,400)	260,000	(1,600)	—	—
Net incoming (outgoing) resources before revaluations and investment asset disposals		104,278	222,655	(65,746)	261,187	235,410
Realised gains on disposal of investments	12	7,466	—	—	7,466	22,744
Statement of total recognised gains and losses						
Net income (expenditure)		111,744	222,655	(65,746)	268,653	258,154
Unrealised gains on investments	12	119,762	—	—	119,762	262,226
Net movement in funds		231,506	222,655	(65,746)	388,415	520,380
Fund balances brought forward at 1 January 2014		2,630,250	2,768,454	151,417	5,550,121	5,029,741
Fund balances carried forward at 31 December 2014		2,861,756	2,991,109	85,671	5,938,536	5,550,121

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 2014

	Notes	Consolidated		Society	
		2014 £	2013 £	2014 £	2013 £
Fixed assets					
Tangible fixed assets	11	151,843	55,564	151,843	55,564
Investments	12	4,422,739	4,191,641	4,422,741	4,191,643
		<u>4,574,582</u>	<u>4,247,205</u>	<u>4,574,584</u>	<u>4,247,207</u>
Current assets					
Debtors	13	2,006,736	1,428,177	1,477,871	1,367,850
Cash at bank and in hand		820,107	604,553	359,157	487,206
		<u>2,826,843</u>	<u>2,032,730</u>	<u>1,837,028</u>	<u>1,855,056</u>
Creditors: amounts falling due within one year	14	<u>(1,462,889)</u>	<u>(729,814)</u>	<u>(429,825)</u>	<u>(547,778)</u>
Net current assets		<u>1,363,954</u>	<u>1,302,916</u>	<u>1,407,203</u>	<u>1,307,278</u>
Total net assets		<u>5,938,536</u>	<u>5,550,121</u>	<u>5,981,787</u>	<u>5,554,485</u>
Represented by:					
Funds and reserves					
Unrestricted funds:					
General funds		2,861,756	2,630,250	2,905,007	2,634,614
Designated funds	15	2,991,109	2,768,454	2,991,109	2,768,454
Restricted funds	16	85,671	151,417	85,671	151,417
		<u>5,938,536</u>	<u>5,550,121</u>	<u>5,981,787</u>	<u>5,554,485</u>

Approved by the Trustees
and signed on their behalf by:

Dr D Loft
Trustee

Approved on:



18-6-15

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

Principal accounting policies 31 December 2014

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. A separate statement of financial activities and income and expenditure account are not represented for the charity itself following the exemption afforded by section 4 of the Companies Act 2006 and the note in paragraph 397 of SORP 2005.

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.

Resources expended (continued)

- 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.
- 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.

Pension costs

The charity operates a defined contribution scheme on behalf of its employees. The assets are held in separately administered funds. Costs are charged to the statement of financial activities in the period to which they relate.

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.

Principal accounting policies 31 December 2014

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.

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 2014

1 Voluntary income

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Membership subscription	393,336	—	393,336	395,770
	393,336	—	393,336	395,770

2 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Income from listed investments	114,590	—	114,590	80,079
Interest receivable	13,331	—	13,331	20,178
	127,921	—	127,921	100,257

3 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Education and training				
. Income from scientific meetings	1,219,616	—	1,219,616	1,090,325
. Sponsorship income	2,300	228,780	231,080	190,545
	1,221,916	228,780	1,450,696	1,280,870
GI Research				
. 'GUT' and Frontline Gastroenterology journals	956,867	—	956,867	949,273
. Other income	8,443	5,000	13,443	—
	965,310	5,000	970,310	949,273
Service standards				
. Sale of guidelines	—	—	—	722
. Advertising income	—	4,938	4,938	3,300
	—	4,938	4,938	4,022
Grand Total	2,187,226	238,718	2,425,944	2,234,165

4 Cost of generating funds

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Investment manager's fees	20,158	—	20,158	18,724
Staff costs	51,870	—	51,870	52,414
	72,028	—	72,028	71,138

5 Charitable activities

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Education and training				
Direct costs				
· Scientific meetings	893,837	100,514	994,351	798,642
· DDF scientific meeting	31,479	—	31,479	(588)
· Section meetings	32,535	1,058	33,593	73,509
· IBD registry costs	25,916	117,841	143,757	145,134
· Website costs	4,615	—	4,615	7,033
· Gastrocycle costs	5,000	—	5,000	—
· Knowledge Based Assessment	—	—	—	417
· E-learning costs	—	—	—	61
· Staff costs	56,032	—	56,032	68,020
Grants payable	2,184	23,653	25,837	13,335
Support costs	174,953	—	174,953	144,835
	<u>1,226,551</u>	<u>243,066</u>	<u>1,469,617</u>	<u>1,250,398</u>
GI Research				
Direct costs				
· 'GUT' journal	289,478	—	289,478	292,114
· Frontline Gastroenterology journal	156,795	—	156,795	156,176
· Section meetings	22,894	—	22,894	35,811
· Website costs	460	—	460	1,476
· Dragon's Den Prizes	—	5,000	5,000	—
· IBD Research priorities	14,877	—	14,877	—
· Staff costs	63,365	—	63,365	55,717
Subvention to Core	79,245	—	79,245	78,883
Grant to Core	—	—	—	50,000
Support costs	67,417	—	67,417	55,547
	<u>694,531</u>	<u>5,000</u>	<u>699,531</u>	<u>725,724</u>

Notes to the financial statements 31 December 2014

5 Charitable activities (continued)

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Service Standards				
Direct costs				
. Guidelines	4,445	—	4,445	3,675
. Newsletter	1,800	—	1,800	3,150
. E-Newsletter	3,466	—	3,466	5,152
. Queen Mary University Paediatric grant	—	53,318	53,318	54,871
. Clinical services audit	30,000	—	30,000	44,115
. Meeting and other costs	26,573	1,480	28,053	22,404
. Public relation costs	66,375	—	66,375	61,234
. Website costs	920	—	920	2,953
. Staff costs	64,998	—	64,998	49,199
Support costs	84,272	—	84,272	69,434
	282,849	54,798	337,647	316,187
International				
Direct costs				
. Staff costs	10,505	—	10,505	15,064
. Other costs	—	—	—	732
Sponsorship	21,858	—	21,858	26,914
Support costs	33,709	—	33,709	27,774
	66,072	—	66,072	70,484
Grand Total	2,270,003	302,864	2,572,867	2,362,793

6 Support costs

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Premises expenses	25,726	—	25,726	24,855
Administration and office expenses	66,922	—	66,922	69,233
Legal and professional fees	25,788	—	25,788	7,685
Bookkeeping	19,711	—	19,711	20,044
Subscriptions	11,708	—	11,708	10,504
Staff costs	139,066	—	139,066	121,113
Bank charges and interest payable	22,351	—	22,351	18,234
Depreciation	25,122	—	25,122	9,060
Sundry expenses	299	—	299	34
Irrecoverable VAT	23,658	—	23,658	16,828
	360,351	—	360,531	297,590

6 Support costs (continued)

	Education and training £	GI research £	Service Standards £	International £	2014 Total £
Premises expenses	11,577	5,145	6,432	2,572	25,726
Administration and office expenses	30,115	13,384	16,730	6,693	66,922
Legal and professional fees	14,229	4,203	5,254	2,102	25,788
Bookkeeping	8,870	3,942	4,928	1,971	19,711
Subscriptions	5,269	2,342	2,926	1,171	11,708
Staff costs	62,580	27,812	34,767	13,907	139,066
Bank charges and interest payable	20,228	773	965	385	22,351
Depreciation	11,305	5,024	6,281	2,512	25,122
Sundry expenses	134	60	75	30	299
Irrecoverable VAT	10,646	4,732	5,914	2,366	23,658
	174,953	67,417	84,272	33,709	360,351

7 Governance

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Council meetings	13,780	—	13,780	18,345
Trustees expenses	1,101	—	1,101	1,103
Audit and accountancy	18,050	—	18,050	18,600
Legal and professional fees	1,640	—	1,640	2,900
Staff costs	17,606	—	17,606	28,983
	52,177	—	52,177	69,931

No trustees received remuneration from the charity in respect of their services as trustees.

8 Net incoming resources

This is stated after charging:

	2014 Total funds £	2013 Total funds £
Staff costs (note 9)	403,442	390,510
Depreciation	25,122	9,060
Auditors' remuneration (consolidated)		
. Audit fees – current year	18,050	17,600
. Under provision for prior year	—	1,000
. Non-audit fees	11,340	4,195

9 Staff costs and Trustees' remuneration

	2014 Total funds £	2013 Total funds £
Wages and salaries	356,110	340,973
Social security cost	35,723	37,809
Pension cost	11,609	11,728
	403,442	390,510

	2014 Total funds £	2013 Total funds £
Cost of generating funds	51,870	52,414
Charitable activities		
Education and training	56,032	68,020
GI Research	63,365	55,717
Service Standards	64,998	49,199
International	10,505	15,064
Support costs	139,066	121,113
Governance	17,606	28,983
	403,442	390,510

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:

	2014 No	2013 No
Employees	9	9

No trustee received any remuneration from the Society in their ongoing role as a Trustee. Travelling and subsistence expenses were reimbursed to 10 trustees amounting to a total of £12,220 (2013 - £9,082 to 9 trustees) and two trustees received fees for speaking amounting to a total of £300 (2013 - £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:

	2014 No	2013 No
£60,001 - £70,000	1	1

Pension contributions for this employee totalled £3,262 (2013 - £3,262).

10 Net income from subsidiaries

The Society has one wholly-owned subsidiary, BSG Limited, which is incorporated in England and Wales. BSG Limited conducts scientific meetings on behalf of the Society. A summary of BSG Limited's results for the year ended 31 December 2014 is shown below:

	2014 £	2013 £
Profit and loss account		
Turnover	1,395,799	1,134,542
Cost of sales	(1,013,904)	(751,202)
Gross profit	381,895	383,340
Administration	(28,091)	(24,022)
Interest receivable	583	195
Net profit	354,387	359,513
Amount covenanted to the Society	(354,387)	(359,513)
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. Each of the societies owns 1 share in the company. During the year the The Association of Coloproctology of Great Britain and Ireland (ACPGBI) acquired one share in DDF Conference Limited. 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 2014 are as follows:

	2014 £	2013 £
Profit and loss account		
Turnover	—	46
Cost of sales	(31,479)	3,218
Gross profit	(31,479)	3,264
Administration	(7,409)	(1,106)
Net (loss) profit	(38,888)	2,158
Amount covenanted to the participating charities	—	(6,525)
Retained in subsidiary	(38,888)	4,367

11 Tangible fixed assets

Group and society	Leasehold buildings £	Office equipment, fixtures and fittings £	Total £
Cost			
At 1 January 2014	165,000	42,888	207,888
Additions	—	121,401	121,401
Disposals and write off of assets	—	(32,333)	(32,333)
At 31 December 2014	165,000	131,956	296,956
Depreciation			
At 1 January 2014	115,500	36,824	152,324
Charge for the year	6,600	18,522	25,122
Eliminations on disposals and write off of assets	—	(32,333)	(32,333)
At 31 December 2014	122,100	23,013	145,113
Net book values			
At 31 December 2014	42,900	108,943	151,843
At 31 December 2013	49,500	6,064	55,564

12 Investments

	Year to 31 December 2014 Total funds £	Year to 31 December 2013 Total funds £
Market value at 1 January 2014	3,740,583	2,474,786
Disposals at opening market value	(1,333,451)	(1,103,316)
Additions at cost	1,838,779	2,106,887
Unrealised gains	119,762	262,226
Market value at 31 December 2014	4,365,673	3,740,583
Cash held by investment manager	57,066	451,058
Group	4,422,739	4,191,641
Investment in BSG Limited	1	1
Investment in DDF Conference Limited	1	1
Society	4,422,741	4,191,643

12 Investments (continued)

At 31 December 2014, the Group and Society's listed investments comprised the following:

	£
UK fixed interest investments	672,446
Unit trusts	68,960
Overseas listed equities	1,485,884
UK equities	1,732,608
Alternative investments	184,375
Property	221,400
	4,365,673
Historical cost of investments	4,084,769

Significant investments individually amounting to over 5% of the portfolio at 31 December 2014 were as follows:

	% of total portfolio	£
UK (Govt of) 4.125%	5.42%	239,519

13 Debtors

	Consolidated		Society	
	2014 £	2013 £	2014 £	2013 £
Trade debtors	581,093	181,201	20,455	10,900
Other debtors	3,331	3,204	304	177
VAT	—	11,355	—	1,521
Amount due from subsidiaries	—	—	554,734	437,103
Prepayments and accrued income	1,422,309	1,232,414	902,378	918,149
Unpaid share capital	3	3	—	—
	2,006,736	1,428,177	1,477,871	1,367,850

14 Creditors: amounts falling due within one year

	Consolidated		Society	
	2014 £	2013 £	2014 £	2013 £
Trade creditors	114,276	73,849	33,692	73,317
Accruals and deferred income	1,154,475	492,436	371,497	344,359
Social security & other taxes	93,951	9,783	9,724	9,783
Other creditors	100,187	153,746	14,912	120,319
	1,462,889	729,814	429,825	547,778

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 2014 £	New designations £	Utilised in year £	At 31 December 2014 £
Research	80,000	—	—	80,000
Training and Education	60,759	—	—	60,759
Clinical Services	147,695	—	—	147,695
E Learning	200,000	—	—	200,000
IBD Registry	200,000	200,000	(25,916)	374,084
International	—	40,000	—	40,000
Refurbishment of offices	100,000	—	(11,429)	88,571
Property	1,980,000	20,000	—	2,000,000
	<u>2,768,454</u>	<u>260,000</u>	<u>(37,345)</u>	<u>2,991,109</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. £80,000 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 including open access for 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. During the year £25,919 of the designated fund was utilised and a further £200,000 has been designated. The remaining fund will be utilised during 2015.

Refurbishment of office

A sum of money has been designated to fund the necessary refurbishment of the current offices. During 2014 £43,253 was spent on fixed assets which are being depreciated over 5 years. In addition a further £2,778 was utilised during the year on other expenses. The unspent fund will be utilised in 2015.

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 2014 £	Incoming resources £	Resources expended and transfers £	At 31 December 2014 £
Endoscopy fund	1,966	12,199	(12,199)	1,966
Endoscopy – Paul Brown travelling fund	3,540	—	—	3,540
Pathologists Group fund	2,603	—	—	2,603
IBD Registry	71,162	50,379	(121,541)	—
Section funds				
· Oesophageal Section	6,503	—	(1,058)	5,445
· IBD Section	—	—	2,100	2,100
· Clinical Measurement	7,773	4,938	(1,480)	11,231
· NGM	8,047	—	—	8,047
· Education	14,511	4,942	(11,453)	8,000
· Trainees in Gastro	31,630	107,942	(100,515)	39,057
· research – Dragon's Den	—	5,000	(5,000)	—
· Paediatric grant	—	53,318	(53,318)	—
Other	3,682	—	—	3,682
	151,417	238,718	(304,464)	85,671

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 2014 are represented by:				
Tangible fixed assets	117,241	34,602	—	151,843
Investments	1,466,232	2,956,507	—	4,422,739
Current assets	2,741,172	—	85,671	2,826,843
Current liabilities	(1,462,889)	—	—	(1,462,889)
Total net assets	2,861,756	2,991,109	85,671	5,938,536

17 Analysis of net assets between funds (continued)

Society	Unrestricted funds		Restricted funds £	Total funds £
	General fund £	Designated funds £		

Fund balances at 31 December 2014 are represented by:				
Tangible fixed assets	117,241	34,602	—	151,843
Investments	1,466,234	2,956,507	—	4,422,741
Current assets	1,751,357	—	85,671	1,837,028
Current liabilities	(429,825)	—		(429,825)
Total net assets	2,905,007	2,991,109	85,671	5,981,787

18 Ultimate control and related party transactions

The charity has no ultimate controlling party.

No trustees received remuneration from the charity in respect of their services as trustees.

19 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 was also Chief Executive of Core and reported 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 £79,245 (2013 - £78,819), which was paid partly in cash £63,846 and partly in services £15,399.