



Faculty of
**Pharmaceutical
Medicine**

of the Royal Colleges of Physicians of the United Kingdom

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FPM Annual Report and Accounts

For the year ended 31 December 2020



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Foreword from the President and Chief Executive

Professor Tim Higenbottam and Dr Marcia Philbin

2020 was dominated by COVID-19. Even before the initial UK national lockdown came into force in March 2020 we adapted our business operations to ensure that the FPM could deliver to its mission and purpose, support our members and keep our staff safe.

We improvised, innovated and acquired new 'virtual' skills. In the first few months of the lockdown we hosted popular webinars, an online Education Week, and virtual training sessions for our DPM candidates. These early experiences gave us the confidence to set up our "virtual" Annual Symposium, and what a programme! We had Sir John Bell, Sir Mene Pangalos and many other brilliant speakers!

Our exams also went online with remote invigilation bringing in a number of candidates from outside the UK, with a large cohort based in India.

FPM continued to deliver and enrol pharmaceutical physicians on to the Pharmaceutical Medicine Specialty Training (PMST) programme. For example, we held our Annual Review of Competence Progression (ARCP) meetings online. And in January 2021, the GMC provisionally approved our new curriculum for the PMST programme.

The Designated Body encouraged the early adoption of video conferencing for appraisals pre-lockdown, and this has since become standard practice and is anticipated to continue through 2022.

Our policy and communications output has reached new levels, and our media appearances by FPM spokespersons have been almost a weekly occurrence on the BBC, on ITV and on Sky. We have also published blog articles and media statements responding to the emerging pandemic developments and other topics relating to our specialty. These have been bolstered by a new website and this has been viewed and read many thousands of times. The new website has also supported our engagement with the updates Good Pharmaceutical Medical Practice.

We'd like to thank all the staff, members and external stakeholders who have made this happen.

We would encourage members and non-members alike to read our full annual report on the website.

Thank you.

Board of Trustees' Report

The trustees are pleased to present their annual report together with the audited financial statements for the financial year ended 31 December 2020. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP FRS 102).

Our purpose

To advance the science and practice of pharmaceutical medicine by working to develop and maintain competence, ethics and integrity and the highest professional standards in the specialty for the benefit of the public.

Public benefit

The charitable purposes of Faculty of Pharmaceutical Medicine (FPM) are set out in the Memorandum and Articles of Association and are:

- to promote the science of pharmaceutical medicine.
- to develop and maintain competence, ethical integrity and high professional standards in the practice of pharmaceutical medicine; and
- to advance knowledge in pharmaceutical medicine.

Pharmaceutical medicine is the medical specialty concerned with the discovery, development, evaluation, licensing and monitoring of medicines and the medical aspects of their marketing.

FPM seeks through its activities to bring about an improvement in the health of the public and patients. Our activities seek to advance the science and practice of pharmaceutical medicine by contributing to the provision of effective medicines for public benefit. The trustees regularly review the aims, objectives and activities of the charity referring to the Charity Commission's guidance on public benefit.

Our vision

A world where effective medicines meet the needs of patients.

Our mission

To advance the science and practice of pharmaceutical medicine for the benefit of the public.

We will do this through four strategic priorities:

- Set and appraise standards for training in and practice of pharmaceutical medicine
- Promote understanding of pharmaceutical medicine to create trust
- Engage with clinical doctors to promote pharmaceutical medicine as a career option and support all FPM members in their training and practice
- Ensure good governance and financial stability

How we deliver the strategic objectives will be guided by the following values that will guide staff and members' behaviour:

WE ARE:	THIS MEANS:
Professional	Being accountable for our work and actions
Innovative	Seeking solutions proactively
Caring	Treating everyone with dignity
Collaborative	Working positively with others
Credible	Being honest and ethical in our work
Learned	Investing in developing knowledge and skills

Our Activities and Achievements in 2020

2020 was quite the year! Even before we consider global pandemics, FPM launched a website, on-boarded new staff to an expanded team, and welcomed more attendees than ever at its events.

The pandemic brought adversity in many forms, but FPM staff, volunteers and our members had the skills and experience – not to mention passion – to ensure that we flourished in these history-making times.

Several reactive projects – an ad hoc COVID-19 expert group, a webinar series looking at preparedness-planning, and many in-depth blog articles – were scoped and delivered in very short timeframes and to a high level of quality. Longstanding FPM fixtures were also given a 'virtual' re-configuration and this migration to online delivery enhanced many of our offerings in ways that we did not anticipate.

Education and Standards

Examinations, Specialty Training and Standards

FPM continues to train new examiners, educational supervisors as well as revalidation appraisers and interested members are welcome to contact us about this. The GMC did not hold its usual National Training Survey this year because of the COVID-19 pandemic. It surveyed trainees and trainers on the impact the pandemic had on their training or supervision of trainees instead. The GMC conducted a separate survey of pharmaceutical medicine trainees and trainers on the same topic between late September and early October. It was voluntary to complete the survey this year. 102 trainees and 103 Educational Supervisors were invited by the GMC to complete the survey. Thirty-three trainees and 23 Educational Supervisors completed the survey.

FPM has now published a revised and updated version of Good Pharmaceutical Medical Practice, which provides all doctors practising pharmaceutical medicine guidance and direction on expected standards, conduct and behaviour. In conjunction, the Ethics and Practice Committee are also currently reviewing the existing FPM Guiding Principles and the GPMP Support Network, as well as a guide for pharmaceutical physicians to 'patient involvement in decision making'.

Other successes included:

- All exams held online with remote invigilation which allowed candidates to sit the exam at home or work
- Liaised with the other medical colleges and the GMC to set standards and protocols for the online delivery of exams
- 48 candidates sat the Certificate in Pharmaceutical Medicine/Diploma Part 1 exam and 38 candidates sat Part 2 of the Diploma in Pharmaceutical Medicine exam
- There were 13 international exam candidates, up from 5 in 2019
- 18 candidates enrolled onto the PMST
- 13 candidates completed the PMST programme
- 15 pharmaceutical physicians were entered onto the GMC's specialist register
- The GMC's Curriculum Oversight Group approved the purpose statement to the proposed curriculum in January 2020 with conditions, which were addressed in FPM's curriculum submission to the GMC's Curriculum Advisory Group.

Comments from members of the FPM Curriculum and Assessment Working Group

Prof Peter Stonier, FPM's Director of Specialty Training and convenor of its Curriculum and Assessment Working Group

"The development of Curriculum 2021 has enabled FPM to respond to the call across all of medicine for education and training to prepare doctors to meet the present and future needs and challenges of healthcare. This has been realised in our specialty through progression of competency-based training with the introduction of Capabilities in Practice (CiPs) for both specialty-specific capabilities, and for generic professional capabilities common to all doctors in all disciplines. CiPs are not an alternative to competencies but a means to translate competencies into practice, with assessment for competence being entrustability to complete work unsupervised. FPM's curriculum and assessment working group, over three years, has had contributions from a host of practising pharmaceutical physicians across the pharmaceutical medicine field to reflect the real world of work and developing practice, and this is gratefully acknowledged in the preparation of Curriculum 21".



Dr Asela Bandara, lead for the specialty CiPs subgroup

"Integrating the novel concepts of Capabilities in Practice within the broad domains of pharmaceutical medicine was a challenging yet rewarding process for the subgroup, which benefited from having members with diverse industry experiences. Our combined efforts and collaboration over meetings and correspondences spanning a year culminated in finalising the 2021 PMST curriculum."



Dr Kristina Strutt, lead for the generic CiPs subgroup

"It was challenging to synthesise six generic professional capabilities relevant to pharmaceutical medicine from the nine domains in the GMC's 'Generic professional capabilities framework', but very rewarding as we confirmed that the fundamental demands of our unique specialty are essentially consistent with the requirements for our medical colleagues in clinical practice."



Dr Anjan Banerjee, lead for the purpose statement subgroup

"The purpose statement subgroup comprising a number of experienced Fellows and Members covering all the major pharmaceutical medicine sub-specialities reviewed the existing domain descriptors, and following an iterative approach defined and updated these to be consistent with the detailed pharmaceutical medicine curriculum, as well as overarching GMC objectives. The whole group achieved this work within tight deadlines, despite the challenges of Covid-19 and remote working. Draft outputs were reviewed by the CAWG before being sent to the whole FPM membership for consultation and feedback. We look forward to help finalising the updated PMST curriculum fit for the post Covid-19 era in the coming months."



Dr Hosnieh Fathi, lead for the workplace-based assessments subgroup

"The curriculum sets a goal but does not characterise the knowledge and competencies needed to achieve the goal. In our subgroup, we aimed to optimise the workplace-based assessment tools to fit their purpose; that is assessing the ongoing awareness of the progress and identifying learning needs to achieve required capabilities as a pharmaceutical physician."



Dr Liz Clark, lead for the patient's voice subgroup

"A small working party commissioned by Peter Stonier and led by Liz Clark, contributed to the PMST curriculum update to ensure that it reflects the inclusion of patients as expert stakeholders in pharmaceutical medicine. A survey has also been undertaken to ascertain where Educational Supervisors would benefit from additional information on the patient role as reflected in the new curriculum and will provide guidance for both supervisors and trainees. Particular thanks to Drs Paul Robinson & Guy Yeoman and the three patient advocates, Helena Binder, Trishna Bharadia and Jane Leahy for undertaking this work."



Revalidation and Appraisals

FPM is a Designated Body for providing annual appraisals and GMC revalidation. On 26 October 2020, 611 members had a prescribed connection to FPM as a designated body.

In March 2020 FPM cancelled all appraisals until further notice following NHS England guidance due to the COVID-19 pandemic. In September 2020, NHS England recommended that all Designated Bodies reintroduce appraisals by 1 October 2020. NHSE recommended that flexibility should be utilised wherever possible for doctors whose lives were impacted either personally or professionally by the pandemic; thus ensuring a greater focus on health and wellbeing.

FPM organised online ‘refresher training’ for all appraisers to highlight and ensure that a greater emphasis on health and wellbeing would be reviewed and adopted as standard, as well as, for example, covering good practice for videoconferencing for appraisals.

Events

The COVID-19 crisis has accelerated FPM’s use of digital platforms to broaden the range of events that it offers its members which included offering both free and paid-for webinars for educational purposes, training programmes and special events such as the Preparedness Planning on Public Health Emergency series and Black History Month which attracted many non-members as well as the general public. The success of the online events means that FPM will in future develop a model of both face to face and online activities with the aim of increasing accessibility to all its members as well as non-members.

A summary of the online events undertaken by FPM

Education	Training	Conversations	Specific topics
Education week: Digital Technology in Pharmaceutical Medicine	Managing Medical Emergencies	Biotech and Start-ups	Preparedness and planning for Public Health Emergencies series
Preparing for the DPM Exam	Code in a Day	Trust and Transparency	Black History Month: Black Heroes of Mathematics webinar
Boyds Training for DPM	Leadership series	Pharmaceutical Medicine Liability	Black History Month: From Yale to COVID-19 webinar

“Our June 2020 Education Week had many unique features; it was the first time that we had organised an Education Week instead of a day event, it was fully virtual, attendees were able to pay for and attend only sessions of their choice and individuals had the opportunity to attend from anywhere in the world. I think we should organise more such events in the future for the benefit of our members.”

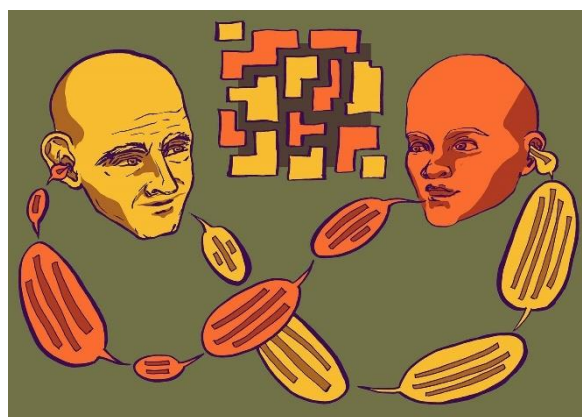
Dr Asad Khan, FPM Education Week 2020 chairperson



FPM Annual Symposium

‘Into the roaring 20s – future trends in pharmaceutical medicine’

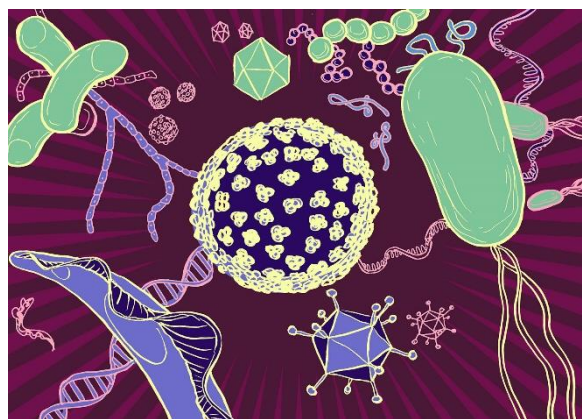
Our November Symposium has always been an important opportunity for our members to feel connected to their professional body and to each other. With the country in the grip of the pandemic, and with many members being forced to adapt in their roles, or deal with personal issues or redundancy, the importance of this was amplified for our 2020 edition.



Once it became apparent that the COVID-19 pandemic would mean we could not hold a face-to-face FPM Annual Symposium, we had to adapt quickly (and creatively!). We saw an opportunity to give members and other attendees a new and enhanced experience. The team decided to adapt the structure and expand to a two-day online event. This new two-day framework gave us the flexibility to insert extra sessions focused on support, networking, and wellbeing.

The Symposium also saw the introduction of the Stonier Prize, a competition for early career pharmaceutical physicians to win £500 and the opportunity to deliver a lecture at the Symposium. This opportunity was really well received by our members, and we have already received enquiries about submitting entries for the 2021 Stonier Prize.

As a team, we also put a lot of effort into ensuring an engaging and visually appealing delegate experience. This was important because we wanted to ensure that our Symposium was seen to provide value for money, despite being online. We commissioned a science illustrator to develop bespoke artwork and branding. A physical delegate pack was developed, with high quality merchandise that incorporated our commissioned artworks.



Feedback from delegates and speakers was almost universally positive and plans are under way to repeat and build on this success for our 2021 edition.

Annual Symposium delegate feedback

"One of the most topical FPM symposiums I have attended"

"This Symposium was energising"

"Prof John Bell's talk was outstanding. Sir Mene Pangalos' presentation was equally awesome and useful"

"Professor Eric Alton's overview ... was superb"

"Enjoyed it all and am looking forward to re-watching the videos of sessions"



Communications and Advocacy

FPM continues to raise awareness of and advocate publicly for the science and practice of pharmaceutical medicine and the benefits that the specialty can bring to public health.

During 2020 our focus was on informing and guiding the public and policy makers on the science around the SARS-CoV-2 virus, and some of the ethics and practicalities of dealing with the resulting pandemic. We have also been learning from and supporting FPM members in their work, whether they are directly involved in developing therapeutics and vaccines for COVID-19, adapting their usual operations to cope with the pandemic, or seeking to get involved with the NHS vaccination programme.

One casualty of the COVID-19 pandemic has been the unprecedented disruption to clinical trial programmes, potentially impacting on the development of new medicines and treatments for patients and the public. One such disruption has been seen in the difficulties in enrolling patients onto trials, highlighting the need to identify practical measures that will provide future resilience. In collaboration with the ABPI and the MHRA, FPM carried out a survey to identify the innovations and adaptations that have been undertaken to maintain clinical trials programmes during the COVID-19 crisis. The findings will lead to FPM guidance on steps that can be taken to minimise disruption to clinical trials in the event of future pandemics and lessons learnt to improve clinical trial design as a whole in future.

At an operational level, the website underwent a total revamp and re-launched in March 2020. The new site's impact was immediate with like-for-like pages typically receiving more than twice the number of visitors. The site was developed in collaboration with external agency Granite5 who continue to support us in making iterative improvements to its function and accessibility.

The new site has also helped FPM diversify its communications output to include blog articles which appeal to members and the public alike. These are internally reviewed pieces which are high on academic rigour. The jewel amongst these was an article authored by Penny Ward, COVID-19/SARS-CoV-2 Pandemic, which has had more than 35,000 views (and counting!).

FPM also continues to engage an expanding audience via social media, delivering thought leadership, snippets of our blog articles, and – of course – promotional posts of our events and other activities. We reached a milestone of 4,000 LinkedIn followers in June 2020 and we are hoping to reach 5,000 at some point in 2021.

Something that has given us great encouragement is that the majority of our most popular posts have been those which have celebrated achievements of our members and others working in our specialty. Our 2020 virtual awards ceremony gave us the opportunity to record video testimonials and acceptance speeches, and many of these were shared via our social channels.

Specific successes include

- Responding to dozens of consultations and media requests on COVID-19, receiving significant coverage
- New website launch resulting in huge increase in traffic – up 167% in its first 10 months compared to the same period in the previous year.
- The Policy and Communications Group were heavily involved in many of the new and redesigned events throughout the year, including the Annual Symposium.

Membership Support

FPM is a professional membership organisation with members who are practising pharmaceutical physicians or those with a professional interest in the specialty. On the 31 December 2020 we had a total of 1,489 members in all categories, and membership numbers have remained stable during the year. The overall proportion of members based outside of the United Kingdom is 20% based in over 34 countries, slightly down on last year (21% in 35 countries). Those who have retired from professional practice can retain their membership of FPM and contribute to its work.

Over 2020, FPM has been building new connections with our members and continued to develop good relationships with already engaged members. The online format of our events and training allows easier access to members across the UK and internationally. Our COVID-19 resource centre and the Public Health Emergency webinar series provided key focal points for members to interact and find the information they needed in a turbulent time. We also added much needed networking and Q&A sessions to the AGM and Annual Symposium, which received positive feedback from our members.

FPM President's Medal

In 2020, the FPM President's medal was awarded to three outstanding individuals who met the criteria of transforming lives, inspiring others or driving change through their professionalism, commitment, creativity, and hard work. Following a review, three recipients were awarded the medal.

- Dr Peter Dewland
- Prof John Posner
- Prof Peter Stonier



Dr Peter Dewland

Nominated by Alex Thompson

Having qualified in Biochemistry and Medicine at St Thomas's Hospital, London, Dr Peter Dewland embarked upon a series of posts aimed at training him for General Medical Practice. After a few years he decided to enter the field of Phase 1 research where he continued his training gaining a Masters in Medical Ethics and a Diploma in Clinical Pharmacology as well as the Diploma in Pharmaceutical Medicine. Initially, Peter concentrated on early phase research and helped grow the UK's oldest Phase I unit to become a successful and thriving company. In 1997 he felt the need to experience later phase research so joined a large global CRO and gained experience in Phase II and III in several therapeutic areas. In that post he started and built up a successful, international Medical Affairs Department, taking over the company's dealings with Japan, helping to develop a business from nothing to \$40million a year.

Dr Dewland has been an established figure in early phase clinical research for many years; he was instrumental (along with the University of Wales) in establishing the first national training scheme for members of Research Ethics Committees to exist in the UK. This ran for nearly 20 years as an Annual Conference in Cambridge.

Dr Dewland was also a founder member of the Faculty of Pharmaceutical Medicine, acting as a member of the examination board and presently as an Educational Supervisor of students currently studying for a Diploma in Human Pharmacology. Dr Dewland has been responsible for the accreditation of 3 separate UK Phase I Units, and currently presides over the Early Phase Unit at MAC Clinical Research in Manchester, where he is the accredited First in Human Investigator. He is also Chair of the Phase 1 Advisory group to the Health Research Authority.

The President's medal honours his huge commitment, dedication and sheer force of driving positive change within the Pharmaceutical Medicine arena.

Prof John Posner

Nominated by Juliet Roberts

Prof John Posner is an inspirational pharmaceutical physician who for many decades has been a leading and progressive light in educating healthcare professionals (HCPs) both within the pharmaceutical industry and the NHS. As an expert in clinical pharmacology and clinical development, he has been instrumental in opening up the fascinating world of exploratory development through education of HCPs and his consulting support to companies.

John is passionate about promoting clinical pharmacology and much of his career has been aimed at improving patient safety by increasing the understanding of clinical pharmacology. He has had a distinguished career in pharmaceutical medicine at Wellcome as Head of Clinical Pharmacology and subsequently at Glaxo Wellcome. In these roles he helped to establish the craft of determining exposure response relationship for new medicines, as well as development of a range of model systems enabling investigation of pharmacodynamic effects on respiration, CNS function and pain models in healthy volunteers.

He subsequently served as Medical Director and CEO of Bios, a UK-based clinical development and regulatory organisation. He established the Diploma of Human Pharmacology and the Diploma in Experimental Therapeutics at the Faculty with the aim of improving the training and enhancing the

competence of doctors working in early phase research, equipping them for the challenges faced in this important area of our specialty.

In addition, he has previously served as Chair of the Board of Examiners for the Diploma in Pharmaceutical Medicine and as convenor, lecturer and visiting Professor at Kings College, where he continues to provide education and training in clinical pharmacology for both physicians and scientists in short courses supporting the Diploma in Human Pharmacology/Diploma in Experimental Therapeutics and the MSc programmes provided by the College. He has also served as an executive Editor of the British Journal of Clinical Pharmacology, which is one of the leading journals in clinical pharmacology worldwide. His service and commitment to the aims and mission of the Faculty of Pharmaceutical Medicine and the establishment of our specialty has been immense.

Prof Peter Stonier

Nominated by Brian Gennery

Prof Stonier served on the Board of the FPM from its foundation, becoming Vice President and then President. It was during this time that he worked to develop the syllabus for pharmaceutical medicine and create the curriculum for the specialist training programme in pharmaceutical medicine, now PMST.

It is largely down to Peter's hard work, expertise and enthusiasm that the PMST programme has been so successful over the years and continues to have an impact. His many and varied contributions to the FPM and its education and training mandate have equally contributed to the growth and increasing recognition of pharmaceutical medicine as a discipline and specialty.

He continues to serve both FPM and the profession as Director of Specialty Training, overseeing the development of a new PMST curriculum alongside other medical specialties for introduction in 2021. He serves on the Joint Royal Colleges of Physicians Training Board as Vice-Chair of the Specialist Advisory Committee on Pharmaceutical Medicine.

Peter continues to be a Visiting Professor at King's College London, the Co-Director of the IFFAP-King's Online Course 'Medical Affairs in Medicines Development' and an external examiner at Cardiff University for the Masters in Clinical Research, having previously been an external examiner at Trinity College, Dublin for the Masters in Pharmaceutical Medicine.

In addition to his work on the specialty training programme, Peter has continued in his quest to drive the discipline forward. He with colleagues founded the first MSc programme in pharmaceutical medicine at Surrey University, which ran for over 20 years before being transferred to King's College London.

He was also one of the driving forces behind the foundation of the PharmaTrain project, within the European Innovative Medicines Initiative, and continues to serve in an international capacity with the PharmaTrain Federation, the successor body to PharmaTrain, where he is a Board Member and the Executive Chair of the PharmaTrain Global Certification Board.

Peter has been active both nationally and internationally in raising the profile of pharmaceutical medicine, serving as Chairman of BrAPP and as President of IFAPP, the international Federation of Pharmaceutical Physician associations, where he is now a Board member and Chair of the Education and Competencies Working Group.

These collective efforts over a 45-year span to bring education and training to the heart of both the development of pharmaceutical medicine as a medical specialty, and the FPM as a standard-setting and professional body are acknowledged today. And with the encouragement and development opportunities Peter has brought to professionals in their career pathway in pharmaceutical medicine for the development and provision of new medicines for patients, his dedicated application to all these endeavours both at home and abroad are given due recognition today by the award of the President's medal.

How we adapted to the COVID-19 global pandemic

In our annual report for 2019 we highlighted some specific objectives that we were going to pursue in 2020. However, nobody could have foreseen the disruption that has been caused by the COVID-19 pandemic.

The first priority was to ensure the safety of FPM staff and visitors to the FPM building so a COVID-19 risk register was developed, and mitigation steps included new processes such as allowing the Designated Body to implement remote appraisals. However, once the government made the decision to implement lockdown for the UK population, the FPM office quickly operationalised activities so that the business continued seamlessly with the staff working remotely. For example, telephone extensions were linked to the staffs' newly acquired mobile telephones to ensure that FPM members and others could still contact the office with their queries. Furthermore, staff became proficient in using video conferencing technology which ensured that the schedule of committee meetings continued as part of FPM's business continuity plan.

FPM collaborated with experts to produce a series of blogs that covered different aspects of the COVID-19 crisis, including:

- A review of vaccine development by Dr Penny Ward et al.
- The ethics of conducting clinical trials in search of treatments for COVID-19 by Dr Susan Tansey et al.
- What you need to know about COVID-19 testing by Dr Bob Holland et al.

FPM established its virtual Journal Club in May 2020 and it has been a huge success with average attendance ranging between 10-20 members as well as sessions being led by hosts that reflect the diversity of FPM's membership. Papers debated at Journal Club in 2020 were:

- Oral Immunotherapy for Peanut Allergy (led by Dr Susan Tansey)
- Factors associated with COVID-19 related hospital deaths (Dr Gilles O'Bryan-Tear)
- Highly precise risk prediction model for new-onset hypertension using artificial intelligence techniques (Dr Jeff Hsu)
- Dexamethasone in Hospitalized Patients with Covid-19 (Dr Peter Adura)

The other key activity for 2020 was to review the digital infrastructure in FPM as part of the modernisation plan. The Dinwoodie Charitable Company has pledged a grant of £72,300 towards the Digital Modernisation project for works to be completed in 2021-2022. The award provides for:

- The implementation of new online assessment tools
- The adoption of a new learning management system
- A contribution to an upgraded customer relationship management (CRM) that will improve the efficiency of FPM's operational processes.

Future Plans

Like 2020, the year 2021 will be dominated by the response to the COVID-19 pandemic. However, FPM is also preparing the way forward for its sustainable growth. The work of the Governance Working Group was completed in 2020 with the update of the regulations which can now be viewed on the FPM website. Work is now underway to develop a Scheme of Delegation that will provide clarity on the decision-making process to show the clear delineation of responsibilities by the Board of Trustees and those that are delegated to Committees and the Chief Executive.

The recruitment of the new Membership and Events Manager has been instrumental in the growth of FPM's online products including professional development training, webinars and the reimagined Annual Symposium. FPM has opened a new sustainable income stream with its digital offerings which will be developed further in 2021.

In early 2021 FPM recruited to the new post, Head of Education, which was established to develop new education, training and assessment programmes that will strengthen FPM's role in setting the standards in pharmaceutical medicine. Through the development of multi-delivery educational channels that complement the traditional face to face delivery, FPM will be able to offer a diverse range of educational programmes. This has already been demonstrated through the successful collaboration with Boyds' DPM Training that has been migrated into FPM's future portfolio of work.

The update of the curriculum for the specialty training programme will be launched in late 2021 and work is ongoing to revise the governance and processes relating to this. FPM is also collaborating with the Royal College of Physicians (London) on a bid to develop an e-learning programme that will introduce general clinicians and healthcare workers in the NHS to research methods and medicine development. There has been an increase in awareness as well as appreciation of the importance of medicine development because of the pandemic and FPM will be able to showcase the expertise of its members through this important collaboration if the bid is successful.

The Dinwoodie Charitable Company has pledged a grant of £72,300 towards the Digital Modernisation project for works to be completed in 2021-2022. The Board of Trustees agreed to release another £100,000 from the reserves towards the project for the replacement of the Customer Relationship Management system. This will enable FPM to improve the efficiency in the delivery of its operational processes as well as support the engagement and experience of its members interaction with the organisation.

The modernisation of FPM will see it continue to grow and increase its influence through the promotion of pharmaceutical medicine as an important medical specialty which has a pivotal role to play in combatting future health pandemics.

A final reflection on 2020 and COVID-19

COVID-19 has dominated much of the discourse in 2020 and as part of FPM's celebration of Black History Month, Dr John Ndikum took part in a fireside chat with the Chief Executive where he expressed his thoughts on working on the frontline in a NHS Trust at the height of the pandemic. A published poet, Dr Ndikum kindly wrote a poem about the pandemic for FPM. It is fitting that we end the Annual Report with this poem:

Humanity in Calamity

'Tis said victory is sealed by guile,
But this enemy did beguile
Those that it felt fit to assail
When e'en medicine was of no avail.

A global conquest did ensue
That struck not only a few.
And politicking reached fever pitch;
Power extending beyond its reach.

Yet amidst the storm, my learned friends
Did softly to others tend,
And as a balm, their camaraderie
Made for a healing reverie.

I witnessed love and harmony,
Aye – a true spiritual victory;
When what began as a global debacle
Became a blessed spectacle.

Of nurses, physicians and domestic staff:
Those of every clime and class
United – risking life – to patiently
Teach us the meaning of true humanity.

Dr John Ndikum

Thank you

Finally, once again FPM would like to extend thanks to all our members who contributed to our activities in 2020, whether as committee members, examiners, specialty advisers, educational supervisors, appraisers or by supporting raising awareness and advocacy events and policy projects. We truly value your participation and support.

Financial Review

In January 2020 the Board approved a deficit budget of £62,817 for 2020. Given the changes to the trading environment as the UK locked down, FPM reviewed its financial position and in May 2020 the Board approved a forecast deficit of £63,015 for 2020. FPM was confident its finances would not be adversely affected - income was expected to be lower, but this would be offset by operational savings.

Despite the challenging trading environment, FPM continued to provide a range of services including revalidation, events, sponsorship and training which were all well supported by our membership. This support, plus the savings from moving operations online, meant FPM delivered a better than forecast result for 2020. FPM has been agile and ambitious in the way the FPM staff and Committees reacted to the current environment and this had paid dividends.

As at 31 December 2020 FPM's accounts showed an operating surplus of £46,977 (2019: operating deficit of £39,342) before investment gains of £33,992 for the 12 months (2019: £96,192). Therefore, there was a surplus after investment gains of £80,969 (2019: £56,850).

Income

Income received was £1,561,770, and although this was a decrease of £24,627, down 1.6% on the previous year, income was 8% higher than forecast. Income from exams, events and training, which were successfully moved online, were better than expected with delegate numbers as good as or better than the face-to-face equivalent.

In 2020 the proportion of income received relating to education and standards was 62% (2019: 62%) and the proportion of income received from membership subscriptions was 33% (2016: 31%).

Expenditure

Expenditure decreased by 6.8% to £1,514,793, a decrease of £110,946 on the previous year and in 2020 comprises:

- 72% (2019: 73%) on education and standards
- 18% (2019: 16%) on communications and advocacy
- 10% (2019: 11%) on membership support activities

FPM made savings through the switch to virtual events and by moving committee and other meetings online.

Movement in funds

The surplus at 31 December 2020 after net investment gains was £80,969 (2019: surplus of £56,850). As at 31 December 2020 the total funds are £1,003,233 (2019: £922,264). These are comprised of £993,233 of unrestricted funds and £10,000 of restricted funds.

Financial outlook

FPM will focus on promoting the benefits of membership and education with the aim of increasing the number of members, PMST trainees and exam candidates. FPM is also developing new educational programmes to support our current PMST and DPM programmes and developing education and training

in new areas. FPM expects income received to increase in 2021 as we grow the number of people accessing our current and new services.

FPM plans to invest in its digital infrastructure and will need investment to deliver new educational products and services. FPM has secured £72,300 of grant funding and the Board of Trustees has agreed to release another £100,000 from the reserves to be allocated to the digital infrastructure project. FPM expects expenditure to increase in 2021 as we invest for the future.

FPM has carefully managed its income and expenditure in 2020 and this had paid dividends. Building on this, and with investment in 2021, FPM is budgeting a small deficit in 2021 and a return to surplus in 2022.

Reserves policy

FPM's policy is to build up and hold free reserves. The term free reserves include the General Fund and the Development Appeal Fund but excludes Restricted and Endowment funds. It also excludes funds which, although classified as unrestricted, have been designated for specific purposes and which represent a real future liability and definite commitment.

The trustees have identified the following reasons for holding reserves:

- to safeguard against any unexpected fluctuation in the main income stream which is through individual membership fees
- to make provision for committed expenditure such as salaries, building costs, contracts with suppliers of equipment and professional services; and
- to take further advantage of opportunities for growth and be able to respond to the changes in the external environment such as new legislation which may require additional unplanned resources over the short to medium term.

Considering the above factors, the trustees have determined that at the present time, it is appropriate to hold free reserves equivalent to six-months to one year of FPM's annual operating costs (for 2021 £893k - £1,787k). The policy on reserves is reviewed annually in conjunction with FPM's strategic planning, financial and risk management processes.

As at 31 December 2020 FPM's total free reserves amounted to £875,808 (£807,113 at the start of the period). The current level represents approximately 5.9 months' operating costs based upon budgeted expenditure for 2021. In addition to this, a sum of £117,425 (2019: £115,151) has been designated in the year as a Tangible Fixed Asset fund and represents the net book value of those assets and is therefore not available to meet future expenditure. The trustees have designated £29,596 of free reserves (£29,596 also at the start of the year), which represents the balance of funds remaining from the Development Appeal in 2002, setting these funds aside at the trustees' discretion for development projects. The balance of unrestricted funds £846,212 (2019: £777,517) are general funds available to fund day to day operations.

Investment policy

FPM's investment policy is reviewed once a year, or more frequently should the need arise. FPM's overall investment aims are to allow reasonable growth whilst also maximising security. FPM seeks capital growth from its invested funds, and it is envisaged that any income generated will be re-invested in the fund. Investment Policy is to minimise risk and ensure security of the funds balanced by a reasonable opportunity for capital growth. Funds are spread between cash and collective funds of stocks and bonds, with the proportional allocation to investment type and geographical region determined by expert independent

advice. The Treasurer is responsible for the monitoring of investments. Investment decisions will be made with a minimum five-year horizon. When making major changes to the investment arrangements the trustees seek external advice. The trustees will review the ethical policy of the fund management provider prior to purchase of any investment, to ensure that the proposed investments are in alignment with FPM's mission. It is not the intention of FPM to be overly prescriptive of what stocks can and cannot be included.

Investment Performance

Clarity Ltd provides FPM with formal investment reviews and advice on an ongoing basis. The trustees commission an independent review of its investments approximately every five years and the most recent review was undertaken in 2019.

The market value of FPM's investments was £999,263 at 31 December 2020 compared with a market value of £957,304 at 31 December 2019. This includes a net gain on investments of £33,992 representing a gain of 3.6% in the year. The trustees consider this to be in line with market conditions in 2020. Volatility in the stock markets as a result of the COVID-19 crisis reduced the value of FPM's investment portfolio in early 2020, but a recovery in the markets late in 2020 led to a modest return.

Pay Policy

The pay of employed staff is reviewed annually, and any increases are agreed by the President, Vice President, Registrar and Treasurer on behalf of the trustees. Increases are usually in accordance with average earnings, but the trustees may award additional increases from time to time if justified. A remuneration benchmark report is commissioned by the trustees periodically from an independent organisation to compare pay with similar roles in the voluntary sector. The most recent report was received in December 2015.

Risk Management

During 2020 the trustees identified and reviewed the major risks to which FPM could be exposed. A risk register is maintained by the Chief Executive and systems to manage those risks have also been reviewed and established where necessary. Risks associated with new projects are identified through a project planning process. FPM developed a risk register to specifically to manage the risks associated with the Covid-19 crisis in 2020.

The trustees had identified that the most significant current risks continue to be the financial risks associated with maintaining FPM's premises and the associated increase in running costs. These risks have been mitigated by controlling expenditure, especially related to servicing FPM's premises, and projects to grow current activities and develop new ones to support the strategic aim of income generation were initiated in 2020. The trustees will monitor the overall financial position and progress carefully during 2021 and beyond.

Fundraising

FPM is not a fundraising charity with income deriving primarily from membership fees, exams, training and events. FPM is therefore not registered with the fundraising regulator, although we follow their guidance when relevant.

Reference and Administrative Details

Status

The Faculty of Pharmaceutical Medicine of the Royal Colleges of Physicians of the United Kingdom (FPM) was founded in 1989 and registered as a charity in 1992, Charity number 1130573. FPM became a charitable company on 1 November 2009, Company number 06870644.

Other name

The Faculty of Pharmaceutical Medicine (FPM).

Trustees

The trustees who served since 1 January 2020 are listed below:

President:	Professor Tim Higenbottam
Vice President:	Dr Flic Gabbay
Registrar:	Dr Tom Morris
Treasurer:	Dr Peter Feldschreiber
RCP London Trustee:	Dr Robert Unwin
RCP Edinburgh Trustee:	Professor Angela Thomas (from May 2020) Dr Isla Mackenzie (until January 2020)
RCP&S Glasgow Trustee:	Dr Gerard McKay
Lay Trustee	Mr William Payne
Lay Trustee	Professor Alan Cribb Dr Stuart Dollow Dr David Jefferys Dr Sharon McCullough Dr Tahir Saleem Dr Assem el Baghdady (from May 2020) Dr Lalitha Mahadavan (until January 2020)

Chief Executive

Dr Marcia Philbin

Principal advisors

Accountants:	JS2 Limited, One Crown Square, Woking, Surrey GU21 6HR
Auditors:	Sayer Vincent LLP, Chartered accountants and statutory auditors, Invicta House, 108 -114 Golden Lane, London EC1Y 9TL
Investment advisors:	Clarity Ltd, One Crown Square, Woking, Surrey GU21 6HR CCLA Investment Management Ltd, 80 Cheapside, London EC4P 4DQ
Bankers:	C Hoare & Company, 37 Fleet Street, London EC4P 4DQ
Solicitors:	Hempsons Solicitors, 40 Villiers Street, London WC2N 6NJ

Registered office and operational address

19 Angel Gate, 326a City Road, London EC1V 2PT

Structure, Governance and Management

The organisation is a charitable company limited by guarantee, incorporated on 6 April 2009 and registered as a charity on 15 July 2009. On 1 November 2009, the assets, liabilities and operations from the unincorporated charity, which had been registered in 1992, were transferred to the charitable company.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In addition, regulations have been agreed by the trustees.

Members of FPM recognised as voting members under the Companies Act are ordinary Fellows and full Members.

Associate members are those enrolled in the Pharmaceutical Medicine Specialty Training Programme and Affiliate membership is open to any physician who works in or has a professional interest in pharmaceutical medicine.

As at 31 December 2020, the number of members in each category were as follows:

	2020	2019
UK Fellows	376	377
International Fellows	145	149
Honorary Fellows	99	97
Total number of Fellows	620	622
UK Members	218	218
International Members	80	86
Honorary Members	19	16
Total number of Members	317	320
UK Associate members	89	92
International Associate members	3	6
Total number of Associate members	92	98
UK Affiliate members	411	410
International Affiliate members	49	52
Total number of Affiliate members	460	462
Total number of members	1489	1502

FPM Board of Trustees

The FPM Board, as trustees of the charity and directors of the company, are responsible for the overall management and administration of the organisation. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 3 to the accounts.

Members of the Board are the President, who is the Chair, the Vice President, the Registrar, the Treasurer, the Presidents of the three parent colleges (or their nominees), five Fellows and/or Members and two Lay members. All members of the Board are trustees and directors and have full voting rights.

The President and Vice President, who must be Fellows, are elected every three years by a ballot of all Fellows and Members. Neither President nor Vice President may serve for more than one term of office. Appointed trustees, including the Registrar and Treasurer, are appointed by the Board through a transparent process and in accordance with the Regulations. The term of office is three years and re-appointment does not normally exceed six years in total. Trustees from the parent colleges are nominated by their respective Presidents and Councils and serve for a maximum of six years. Elected trustees are elected by a ballot of Fellows and Members in accordance with the Regulations and serve for a three-year term. No elected trustee may serve for more than two consecutive terms.

All trustees are provided with an induction and ongoing training on their responsibilities and other matters as required. Trustees are encouraged to attend external governance training, and this has included training offered by FPM's lawyers and auditors.

The Board, having agreed strategy and policy, delegates much of its work to committees within a committee governance structure. Within this structure are three governance committees (Fellowship and Awards Committee, Finance Committee and Remuneration Committee) and four operational committees or groups (Policy and Communications Group, Education and Standards Committee, Ethics and Practice Committee and Trainees Committee). The operational committees may have subcommittees and sub-groups which report to them. Additionally, the Coordination Committee acts as a link between governance and operational functions.

The day-to-day management of the organisation's activities is delegated to the employed staff under the direction of the Chief Executive. All employees have an annual appraisal at which objectives and a development plan for the year ahead are agreed. A great many members of FPM contribute on a voluntary basis to day-to-day activities where professional input on matters relating to the medical profession or to the specialty of pharmaceutical medicine is required.

Related parties and connected organisations

FPM is a joint Faculty of the Royal College of Physicians, London (RCP), the Royal College of Physicians, Edinburgh (RCPE) and the Royal College of Physicians and Surgeons of Glasgow (RCPSG) and is a member of the Academy of Medical Royal Colleges (AoMRC). FPM shares in its parent colleges' efforts for the advancement of medical knowledge and care, consulting and collaborating with them on all appropriate matters.

The process of pharmaceutical medicine specialty training involves cooperation with the Joint Royal Colleges of Physicians Training Board (JRCPTB), the General Medical Council (GMC) and the Conference of Postgraduate Medical Deans of the United Kingdom (COPMED). This work involves the educational

approval of third-party organisations for the work-based training of pharmaceutical physicians or as providers of modular courses within training programmes.

FPM's President is an AoMRC Council member. FPM pays an annual membership subscription to the AoMRC which for 2020 was £18,218.

The FPM's President is a member of the council of the Royal College of Physicians London.

FPM is a member of the PharmaTrain Federation which provides accreditation and professional certification to ensure the competence of medicines development scientists and clinical investigators.

FPM is a member of the Academy of Medical Sciences, the independent body in the UK representing medical science.

In addition, FPM is also a member of the Institute of Association Leadership, Memcom and the Professional Associations Research Network (PARN). These are all organisations with the aim of supporting and promoting the work of professional bodies.

Statement of the Trustees' Responsibilities

The trustees (who are also directors of FPM for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the net income or expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Voting members of the charity (Fellows and Members only) guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2019 was 830 (2018: 856). The trustees, except for the lay trustees and trustees from the parent colleges, are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Sayer Vincent were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 6 May 2021 and signed on their behalf by

Professor Tim Higenbottam

President of the Faculty of Pharmaceutical Medicine

Independent Auditor's Report

Independent auditor's report to the members of Faculty of Pharmaceutical Medicine of the Royal Colleges of Physicians of the United Kingdom.

Opinion

We have audited the financial statements of Faculty of Pharmaceutical Medicine of the Royal Colleges of Physicians of the United Kingdom (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Faculty of Pharmaceutical Medicine of the Royal Colleges of Physicians of the United Kingdom's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and trustees, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

6 May 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Faculty of Pharmaceutical Medicine of the Royal Colleges of Physicians of the United Kingdom

Statement of Financial Activities (incorporating an Income & Expenditure Account)

For the Year ended 31 December 2020

	Note	Unrestricted Funds £	Restricted Funds £	2020 Funds £	2019 Funds £
Income					
Income from charitable activities:					
Education & standards		948,913	12,000	960,913	983,660
Communications & advocacy		8,340	-	8,340	22,488
Membership subscriptions		518,473	-	518,473	494,258
Income from investments		22,776	-	22,776	23,178
Income from other trading activities		51,268	-	51,268	62,813
Total income		1,549,770	12,000	1,561,770	1,586,397
Expenditure					
<i>Expenditure on charitable activities:</i>					
Education & standards		1,081,659	2,000	1,083,659	1,185,076
Communications & advocacy		275,818	-	275,818	255,625
Membership support services		155,316	-	155,316	185,038
Total expenditure	2	1,512,793	2,000	1,514,793	1,625,739
Net income/(expenditure) before gains on investments		36,977	10,000	46,977	(39,342)
Net gains on investments	7	33,992	-	33,992	96,192
Net income and movement in funds		70,969	10,000	80,969	56,850
Total funds brought forward		922,264	-	922,264	865,414
Total funds carried forward		993,233	10,000	1,003,233	922,264

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 10 to the financial statements. All funds have been treated as unrestricted.

Faculty of Pharmaceutical Medicine of the Royal Colleges of Physicians of the United Kingdom
Company number: 06870644
Balance sheet
As at 31 December 2020

	Note	£	2020 £	£	2019 £
Fixed assets					
Tangible fixed assets	6		117,425		115,151
Investments	7		<u>999,263</u>		<u>957,304</u>
			1,116,688		1,072,455
Current assets					
Debtors	8	126,989		144,113	
Cash at bank and in hand		<u>464,336</u>		<u>418,430</u>	
		591,325		562,543	
Creditors: amounts due within one year					
	9	<u>(704,780)</u>		<u>(712,734)</u>	
Net current (liabilities)/assets			(113,455)		(150,191)
Net assets			<u>1,003,233</u>		<u>922,264</u>
Funds					
	10		10,000		-
Restricted funds					
Unrestricted funds:					
Designated funds			147,021		144,747
General funds			846,212		777,517
Total funds			<u>1,003,233</u>		<u>922,264</u>

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved, and authorised for issue, by the trustees on 6 May 2021 and signed on their behalf by:-

Professor Tim Higenbottam - President

Faculty of Pharmaceutical Medicine of the Royal Colleges of Physicians of the United Kingdom

Statement of Cash Flows

For the year ended 31 December 2020

	£	2020 £	£	2019 £
Cash flows from operating activities:				
Net income/(expenditure) for the year	80,969		56,850	
Adjustments for:				
Depreciation charges	27,135		28,360	
Dividends and interest	(22,776)		(23,178)	
(Increase)/decrease in debtors	17,124		(24,133)	
Increase/(decrease) in creditors	(7,954)		(11,971)	
(Gains)/Losses on investments	(33,992)		(96,192)	
Net cash provided by (used in) operating activities		60,506		(70,264)
Cash flows from investing activities:				
Dividends and interest	22,776		23,178	
Purchase of tangible fixed assets	(29,410)		-	
Additions at cost	(10,670)		(252,504)	
Disposal proceeds	2,704		39,796	
Net cash provided by (used in) investing activities		(14,600)		(189,530)
Change in cash and cash equivalents in the year		45,906		(259,793)
Cash and cash equivalents at the beginning of the year		418,430		678,223
Cash and cash equivalents at the end of the year		464,336		418,430

1. Basis of preparation

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore has also prepared the financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Charities Act 2011 and the Companies Act 2006.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the Charity's forecasts and projections. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Incoming resources

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Volunteer time is not included in the financial statements.

Subscriptions and revalidation fees are recognised in the statement of financial activities in the financial period to which they relate. Subscriptions which relate to a future accounting period are deferred.

Examination fee income is recognised when the examination takes place. Delegate fee income is recognised when the event takes place.

Course approval fees are recognised when approval is granted.

Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time of the amount attributable to each activity.

Governance costs include the management of FPM's assets, organisational management and compliance with constitutional and statutory requirements.

Fund accounting

Unrestricted funds include donations and other incoming resources receivable or generated for the objects of FPM.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are funds subject to specific restrictive covenants imposed by donors or by the purpose of the appeal.

Pensions

FPM contributes 10% of salaries to individual money purchase pension schemes. The assets of the schemes are held separately from those of FPM in independently administered funds. The pension cost charge represents contributions payable under the schemes by FPM to the fund. FPM has no liability under the schemes other than for the payment of those contributions.

1. Basis of preparation (continued)

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost of each asset evenly over its expected useful life. The useful life is as follows:

Computer & Office Equipment	3 Years
Computer Software	3 Years
Leasehold improvements	10 Years

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Investments

Investments held as fixed assets are revalued at bid-price value at the balance sheet date. The gain or loss for the period is taken to the statement of financial activities.

Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease duration.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

With the exception of the listed investments described above the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Total resources expended

	Direct staff costs £	Other direct costs £	Support costs £	Total 2020 £	Total 2019 £
Education & standards	286,846	476,356	320,457	1,083,659	1,185,076
Communications & advocacy	111,949	38,803	125,066	275,818	255,625
Membership support services	73,360	-	81,956	155,316	185,038
	<u>472,155</u>	<u>515,159</u>	<u>527,479</u>	<u>1,514,793</u>	<u>1,625,739</u>
	<u>407,294</u>	<u>698,321</u>	<u>520,124</u>	<u>1,625,739</u>	

Support costs are allocated on the basis of staff cost.

2. Total resources expended (continued)

Total resources expended in prior year

	Direct staff costs	Other direct costs	Support costs	Total 2019
	£	£	£	£
Education & standards	242,846	632,110	310,120	1,185,076
Communications & advocacy	83,185	66,211	106,229	255,625
Membership support services	81,263	-	103,775	185,038
	<u>407,294</u>	<u>698,321</u>	<u>520,124</u>	<u>1,625,739</u>

3. Net movement in funds

This is stated after charging:	2020	2019
	£	£
Trustees' indemnity insurance	2,575	5,439
Trustees' expenses	840	11,864
Auditors' remuneration:		
▪ audit (excluding VAT)	8,400	8,200
Depreciation	27,135	28,360
Operating lease rentals:		
▪ property	203,118	203,118
▪ other	4,870	5,870
	<u>203,118</u>	<u>203,118</u>
	<u>4,870</u>	<u>5,870</u>

Two trustees (2019: one trustee) received remuneration in the year of £18,802 (2019: £2,017) for providing services in relation to revalidation appraisals. Sharon McCullough and Assem el Baghdady are both contracted providers of appraisal services and received remuneration relating to their work on 13 appraisals of £8,296. Sharon McCullough received remuneration for her appraisal lead work and training of £10,506. Trustees' expenses above relate to the reimbursement of travel and subsistence costs of 4 trustees (2019: 5 trustees) for attendance at meetings of the trustees and activities of FPM.

4. Support costs	2020	2019
	£	£
Governance costs		
Audit & other advice	10,113	9,858
Board expenses	890	9,829
Other	9,400	7,464
	<u>20,403</u>	<u>27,151</u>
Staff costs	44,565	33,797
Other support costs:		
Rent, rates and service charges	231,007	237,629
Stationery, postage and printing	5,983	9,866
Staff welfare	16,293	12,069
IT Costs	42,795	36,026
Equipment	24,018	23,654
Depreciation	27,134	28,360
Telephone and fax	4,800	2,688
Legal, professional & accountancy	27,497	30,357
Insurance	13,168	13,887
Memberships	21,114	19,371
Miscellaneous	48,702	45,269
	<u>527,479</u>	<u>520,124</u>

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5. Staff costs and numbers

Staff costs were as follows:	2020	<i>2019</i>
	£	£
Salaries and wages	421,553	333,828
Social security costs	34,038	24,858
Pension contributions	58,883	38,996
Temporary staff	-	7,729
Recruitment	2,245	35,679
	<u>516,719</u>	<u>441,090</u>

One employee earned between £60,000 - £70,000 per annum during the year (2019: none).

The key management personnel of the Charity comprise the trustees and the Chief Executive. The total employee benefits of the key management personnel (including employers' NI and pension) of the Charity were £87,124 (2019: £42,395)

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020	<i>2019</i>
	No.	No.
Education & standards	6.4	5.1
Communications & advocacy	2.5	1.8
Membership support	1.6	1.7
Governance	1.0	0.7
	<u>11.5</u>	<u>9.3</u>

6. Tangible fixed assets

	Computer Software	Computer & Office equipment	Leasehold improve- ments	Total
	£	£	£	£
Cost				
At 1 January 2020	34,327	57,926	211,264	303,517
Additions	20,321	4,644	4,445	29,410
Disposals	-	-	-	-
At 31 December 2020	<u>54,648</u>	<u>62,570</u>	<u>215,709</u>	<u>332,927</u>
Depreciation				
At 1 January 2020	34,327	55,317	98,723	188,367
Charge for the period	5,276	3,065	18,794	27,135
Disposals	-	-	-	-
At 31 December 2020	<u>39,603</u>	<u>58,382</u>	<u>117,517</u>	<u>215,502</u>
Net book value				
At 31 December 2020	<u>15,045</u>	<u>4,188</u>	<u>98,192</u>	<u>117,425</u>
At 31 December 2019	-	2,609	112,542	115,151

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7. Investments

	2020 £	2019 £
Market value at the start of the year	957,304	648,404
Additions at cost	10,671	252,504
Less disposals at carrying value	(2,704)	(39,796)
Net gain / (loss) on revaluation	33,992	96,192
Net investment in cash funds	-	-
Market value at the end of the year	<u>999,263</u>	<u>957,304</u>
Historic cost at the end of the year	<u>699,315</u>	<u>691,330</u>

	Cost 2020 £	Cost 2019 £	Market Value 2020 £	Market Value 2019 £
Investments comprise:				
Cash funds	-	-	-	-
Charities Official Investment Fund - Income shares	201,127	201,127	384,536	361,324
Property	67,277	66,466	62,655	69,974
UK equities	165,820	163,530	211,286	218,215
International equities	84,907	83,981	131,297	111,927
Bonds	180,184	176,226	209,489	195,864
	<u>699,315</u>	<u>691,330</u>	<u>999,263</u>	<u>957,304</u>

8. Debtors

	2020 £	2019 £
Prepayments	112,034	117,041
Sundry debtors & accrued income	14,955	27,072
	<u>126,989</u>	<u>144,113</u>

9. Creditors: amounts due within one year

	2020 £	2019 £
Trade creditors and accruals	213,546	193,920
Taxation and social security	11,580	8,850
Other creditors	87,714	111,668
Deferred income	391,940	398,296
	<u>704,780</u>	<u>712,734</u>

Deferred income

Deferred income comprises CHP and DHP exam income, 2019/20 revalidation fee income, and rental income relating to the 19 Angel Gate deposit and rent paid in advance.

	2020 £	2019 £
Deferred income brought forward	398,296	420,211
Resources deferred in the year	391,940	398,296
Amounts released from previous years	(398,296)	(420,211)
Deferred income carried forward	<u>391,940</u>	<u>398,296</u>

10. Movements in funds

Movements in funds in current year

	Brought forward 1 January 2020 £	Incoming resources £	Outgoing resources £	Transfers & investment gains £	Carried forward 31 December 2020 £
Restricted funds:					
Royal Society of Chemistry	-	10,000	-	-	10,000
Dinwoodie Charitable Company	-	2,000	(2,000)	-	-
Total restricted funds	-	12,000	(2,000)	-	10,000
Unrestricted funds:					
<i>Designated funds:</i>					
Development Appeal	29,596	-	-	-	29,596
Fixed Asset	115,151	-	-	2,274	117,425
<i>Total designated funds</i>	<i>144,747</i>	<i>-</i>	<i>-</i>	<i>2,274</i>	<i>147,021</i>
<i>General funds</i>	<i>777,517</i>	<i>1,549,770</i>	<i>(1,512,793)</i>	<i>31,718</i>	<i>846,212</i>
Total unrestricted funds	922,264	1,549,770	(1,512,793)	33,992	993,233
Total funds	922,264	1,561,770	(1,514,793)	33,992	1,003,233

Movements in funds in prior year

	Brought forward 1 January 2019 £	Incoming resources £	Outgoing resources £	Transfers & investment gains £	Carried forward 31 December 2019 £
Unrestricted funds:					
<i>Designated funds:</i>					
Development Appeal	29,596	-	-	-	29,596
Fixed Asset	143,512	-	-	(28,361)	115,151
<i>Total designated funds</i>	<i>173,108</i>	<i>-</i>	<i>-</i>	<i>(28,361)</i>	<i>144,747</i>
<i>General funds</i>	<i>692,306</i>	<i>1,586,397</i>	<i>(1,625,739)</i>	<i>124,553</i>	<i>777,517</i>
Total unrestricted funds	865,414	1,586,397	(1,625,739)	96,192	922,264
Total funds	865,414	1,586,397	(1,625,739)	96,192	922,264

Purposes of restricted funds

In 2020 FPM received two restricted grants from the Royal Society of Chemistry towards the cost of a research project. FPM were also awarded restricted grant funding from the Dinwoodie Charitable Company towards a digital transformation project.

Purposes of designated funds

Development Appeal Fund - The fund, launched in 2002, is to develop FPM. It has been set aside by trustees for this purpose.

Fixed Asset Fund - The fund represents the net book value of tangible fixed assets in use by FPM and therefore not available to meet future expenditure. A transfer is made each year to reflect the change in net book value.

11. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Investments	-	-	999,263	999,263
Tangible fixed assets	-	117,425	-	117,425
Net current assets	10,000	29,596	(153,051)	(113,455)
	<u>10,000</u>	<u>147,021</u>	<u>846,212</u>	<u>1,003,233</u>

Analysis of net assets between funds in prior year

	Restricted funds £	Designated funds £	General funds £	Total funds £
Investments	-	-	957,304	957,304
Tangible fixed assets	-	115,151	-	115,151
Net current assets	-	29,596	(179,787)	(150,191)
	<u>-</u>	<u>144,747</u>	<u>777,517</u>	<u>922,264</u>

12. Operating lease commitments

FPM had total commitments at the period end under operating leases (all for land & buildings) expiring as follows:

	2020 £	2019 £
Less than 1 year	203,118	203,118
1 - 5 Years	778,617	812,470
5 + Years	-	169,264
	<u>981,735</u>	<u>1,184,852</u>

Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows:

	2020 £	2019 £
Less than 1 year	-	20,010
1 - 5 Years	-	-
5 + Years	-	-
	<u>-</u>	<u>20,010</u>

13. Prior year comparatives

Statement of Financial Activities for the year ended December 2019

	Unrestricted Funds £	Restricted Funds £	2019 Funds £
Income			
<i>Income from charitable activities:</i>			
Education & standards	983,660	-	983,660
Communications & advocacy	22,488	-	22,488
Membership subscriptions	494,258	-	494,258
Income from investments	23,178	-	23,178
Income from other trading activities	62,813	-	62,813
Total income	<u>1,586,397</u>	<u>-</u>	<u>1,586,397</u>
Expenditure			
<i>Expenditure on charitable activities:</i>			
Education & standards	1,185,076	-	1,185,076
Communications & advocacy	255,625	-	255,625
Membership support services	185,038	-	185,038
Total expenditure	<u>1,625,739</u>	<u>-</u>	<u>1,625,739</u>
Net expenditure before gains on investments	(39,342)	-	(39,342)
Net gains on investments	96,192	-	96,192
Net income & Net movement in funds	56,850	-	56,850
Total funds brought forward	<u>865,414</u>	<u>-</u>	<u>865,414</u>
Total funds carried forward	<u>922,264</u>	<u>-</u>	<u>922,264</u>