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FPM Annual Report and Accounts

For the year ended 31 December 2023

Investing for the future



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Foreword from the President

Dr Flic Gabbay



As I complete the final year of my Presidency of the Faculty of Pharmaceutical Medicine (FPM), I look back on 2023 as another busy but productive year. The two priorities from my manifesto were focused on “Providing science support and medical education” and delivering “Robustness of growth, governance and financial stability”.

For the first priority, in 2023 there was an extensive external affairs programme to enhance profile of pharmaceutical medicine, which included campaigning for further investment in life sciences workforce and training, and collaborating through the Academy of Medical Royal Colleges (AoMRC) with the NHS, the GMC and UK Department of Health and Social Care (DHSC). In addition, we liaised with other life science organisations including the Academy of Medical Sciences, Medical Research Council, industry associations and medical societies. Workforce planning for training and resourcing has been a common theme, especially within the MHRA with whom we have discussed a significant collaboration.

Meanwhile, FPM has maintained its high profile in national consultations on topics ranging from genomics, AI, sepsis, COVID, antimicrobial resistance, rare disease and clinical trial recovery, to the FSRH Hatfield Vision project on equitable access to emergency contraception. We are also involved in policy-making for, and learnings from, COVID-19 and are engaging with the UK COVID Inquiry.

FPM education and standards has evolved extensively this year. NHS England have approved additional deanery support for the Pharmaceutical Medicine Specialty Training (PMST) programme and discussions are underway regarding implementation. We are also working towards being able to offer routes to GMC Registration for International Medical Graduates (IMGs) practising pharmaceutical medicine in the UK with a Postgraduate Qualification route for GMC Registration. We have also submitted to GMC our pharmaceutical medicine (PM) portfolio route for GMC Specialist Registration for IMGs.

In training, the digitisation of the Diploma in Pharmaceutical Medicine (DPM) Training Programme has been a great success and in house training offerings continue. FPM has also been discussing specific career rotations both within pharmaceutical medicine (e.g MHRA / industry) and also with other Higher Medical Training pathways in other disciplines (e.g. industry/clinical).

Membership is growing. You will have seen the updated eligibility criteria for FPM Fellowship to include those who are extensively qualified in PM and align with other college routes, and we are developing a Membership by Experience route in 2024 to attract as many experienced doctors in pharmaceutical medicine as possible. FPM is a GMC approved Designated Body and has seen its highest number of connected doctors since it began many of whom are Affiliate members.

The second priority “Robustness of growth, governance and financial stability” is critical to the long-term sustainability of our organisation. Operational performance in 2023 was challenged with fewer registrations for PMST, examinations and sponsorship income received was less than budgeted. In addition, there has been investment in staff and volunteers to modernise FPM. All this will ultimately generate significant operational income and efficiencies to stabilise the financial position. The Trustees are monitoring the situation closely to stem the income / expenditure deficit for 2024 to ultimately restore reserves and actively looking for other grants and funds. FPM staff, volunteers and Trustees have really worked hard in 2023 to underpin FPMs exciting future with many opportunities for a critical role in healthcare and life sciences.

Foreword from the Chief Executive

Dr Marcia Philbin



In 2023, FPM launched its new 2023-2025 strategy which focuses on the priorities of trust, sustainability, and relevance. Trust in those who deliver medicines was high following the COVID-19 pandemic and it is important to build on that to ensure that pharmaceutical physicians continue to deliver public benefit. Societal challenges which fuel the widening of health inequalities such as access to medicines threaten the foundation on which trust is built and FPM has an important role to challenge misconceptions through engaging with and educating clinical colleagues, policy makers, representatives of patient groups as well as the wider public. That is why we were

delighted to be awarded a grant from Pfizer to develop an educational programme which aids our clinical colleagues to understand the sign and symptoms of respiratory diseases and consider the most appropriate treatment options. The suite of eLearning modules will be launched in autumn of 2024 and signifies the important role that pharmaceutical physicians play in translating the science of treating diseases into practical applications.

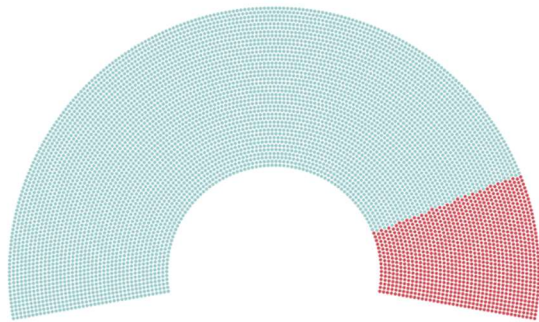
It is imperative that FPM also ensures that it is financially sustainable to continue to meet its charity objects and deliver against its strategy. Like many organisations including the other medical Royal Colleges, faculties and societies, FPM had to weather the cataclysmic triumvirate of the fallout from the COVID-19 pandemic, the economic turmoil which led to high inflation and the impact of the war in the Ukraine. The economic turmoil saw FPM investments fall significantly at the end of 2022 at the same time FPM had committed to invest in modernising its digital infrastructure such as its end-of-life customer relationship management system, its web portal, as well as a new learning management system so that it could deliver the services expected of a modern membership organisation. FPM proved itself well prepared to weather the adverse economic forces that engulfed the nation.

We have a clear focus on supporting pharmaceutical physicians to acquire the skills and knowledge that they need to remain up to date and relevant so we will continue to responsibly invest in the services and tools to help us achieve those goals. The redevelopment of the DPM Training Programme is evidence of the success we have achieved by embracing new methods of delivering training. Learners now have 24/7 access to training materials via the new FPM Learning Hub which enables them to learn at their own pace at a time and place convenient for them.

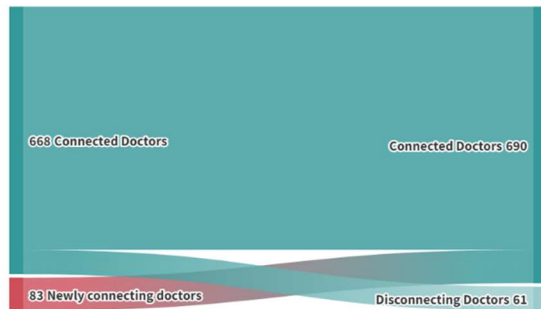
2023 was a challenging year for FPM but as we enter 2024 with a clear plan, ambition, drive, and self-belief, I am confident in stating that FPM is on the path to becoming the financially resilient and influential body that it has long promised to be. We are ready to exceed expectations.

FPM in numbers

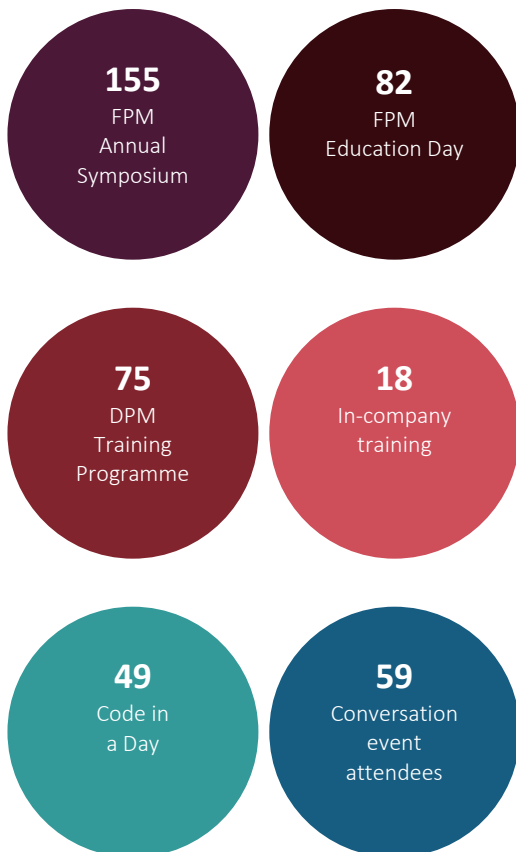
FPM's LinkedIn audience grew by 19%



The Designated Body had a small increase in connected doctors



Event attendance in 2023



A new series of careers videos had more than 10,000 views



DPM and CPM Examinations



47

candidates took the Multiple Choice Question paper



28

candidates took the Short Answer Question paper



25

candidates took the Critical Appraisal Paper

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 2023. 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 is

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

We will do this through three strategic pillars:

1. **Trust:** FPM will be trustworthy by facilitating an increased understanding of the discovery, development and delivery of new medicines, vaccines and medical devices and the interface with public health.
2. **Sustainability:** FPM will be sustainable by building an effective foundation to support our work.
3. **Relevance:** FPM will be relevant to its membership and embrace the wider professional community in pharmaceutical medicine.

FPM's Values

How we deliver the strategy will be guided by our values, which underpin staff and members' behaviour.



Professional

This means being accountable for our work and actions



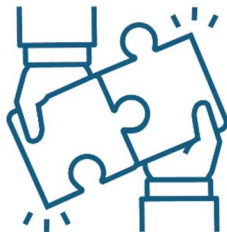
Innovative

This means we seek solutions proactively



Caring

This means we treat everyone with dignity



Collaborative

This means we work positively with others



Credible

This means we are honest and ethical in our work



Learned

This means we invest in developing knowledge and skills

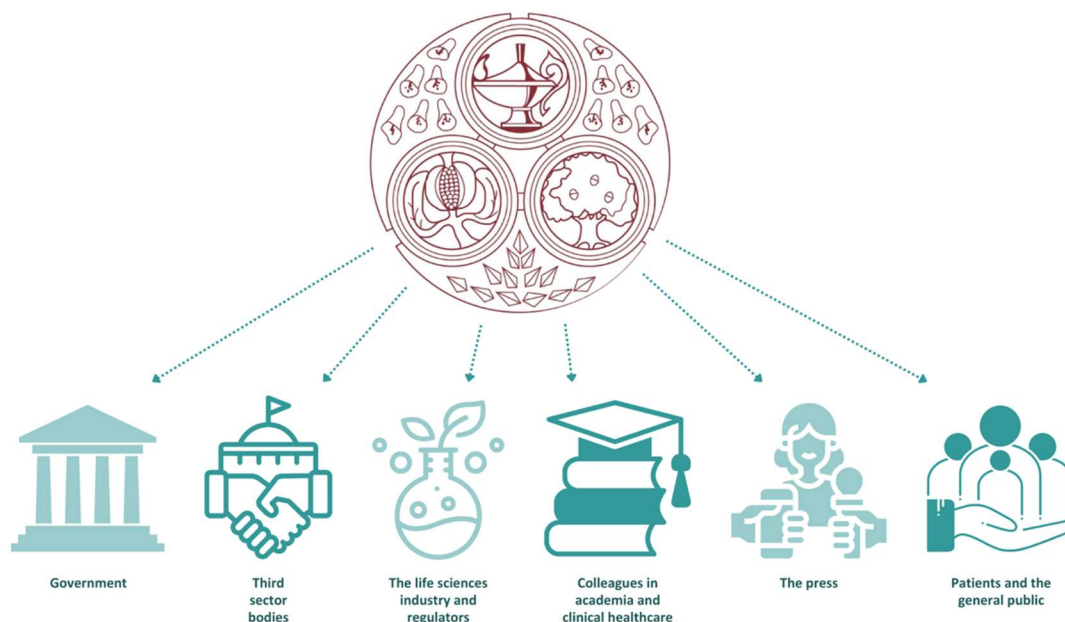
FPM Strategy 2023-2025

FPM launched its new Strategy 2023-2025, which is underpinned by three strategic pillars of Trust, Sustainability and Relevance. The first year of the strategy was focused on modernising the operations and digital assets of the business, as well as engaging more widely with external stakeholders.

Priority 1: Trust

Stakeholder engagement

The policy and communications function of FPM primarily exists to ensure our members are well supported, and are informed about and engaged with FPM activities, and to interact with external stakeholders, including: government; third sector bodies; the life sciences industry and regulators; colleagues in academia and clinical healthcare; the press; and patients and the general public. We continue to raise awareness of and advocate publicly for the science and practice of pharmaceutical medicine and the benefits that the speciality can bring to public health.



The FPM [Policy and Communications Group](#) (PCG) and seven ‘[expert groups](#)’ are comprised of members with a special interest and expertise in external engagement and extensive subject matter knowledge. The expert groups cover almost every aspect of pharmaceutical medicine, from therapeutics such as oncology, respiratory and infectious disease through to medical devices and other new technologies, to the regulations around the development and use of treatments. All these groups work alongside a professional staff team with expertise in digital content and strategy, editorial processes and public policy development.

In February, FPM hosted a roundtable in collaboration with MedCity and Imperial College Healthcare NHS Trust to address diversity in clinical trials. The resulting report, “Advancing Clinical Trials: Making the UK a global leader in inclusive and diverse clinical trials” made several recommendations which were referenced in the Lord O’Shaughnessy national review into the landscape for commercial trials in the UK¹.

¹ <https://www.gov.uk/government/publications/commercial-clinical-trials-in-the-uk-the-lord-oshaughnessy-review/commercial-clinical-trials-in-the-uk-the-lord-oshaughnessy-review-final-report>

Public policy in 2023

The PCG and expert groups monitor developments in science and policy, both in the UK and around the world. In 2023 they were particularly busy developing responses to several major public consultations, including: WHO guidance on clinical trials; the UK Government Major Conditions Strategy; the ICH Guideline for Good Clinical Practice; the DHSC consultation on supporting the delivery of COVID-19 and influenza vaccination; and the NICE guidance on the management of sepsis.

The infectious disease expert group continued their work reviewing guidance and supporting understanding of COVID-19 therapeutics and vaccines. Towards the end of 2023 this group also supported a major project to develop a suite of e-learning modules to support a better understanding of the symptomatology and treatment of common infectious diseases amongst healthcare professionals.

FPM also continues to play a very active role in collaborative engagement across the healthcare and life sciences ecosystem. Our President has been leading a strand of work focusing on the reclassification of emergency contraception as part of the Faculty of Sexual and Reproductive Health's 'Hatfield Vision' – that “by 2030, reproductive health inequalities will have significantly improved for all women and girls...”. The FPM Vice-President and Chief Executive have been involved in multiple strands of work concerned with addressing health inequalities, and FPM was also a joint signatory to the “*Advancing Clinical Trials: Making the UK a global leader in inclusive and diverse clinical trials*” report. FPM is also an active member of the UK Health Alliance for Climate Change



., FPM recently supported the appointment of a new pharmaceutical physician to sit on the BMA's Medical Academic Staff Committee, which is the 'home' to pharmaceutical medicine within the BMA.

In late 2023 FPM formed a new group, the *Working in Partnership with Patients & Communities Forum*. This new forum aims to leverage FPM's influence to support and champion active partnerships with patients and communities in the healthcare and life science sector and to ensure patient advocacy is central to all of FPM's work. The forum hosted an open, free-to-attend, webinar on *Embedding a Patient Centric Approach* and then an in-depth FPM Masterclass on *The Fundamentals of Patient Engagement for Pharmaceutical Physicians*. They have also developed a training session for FPM staff on patient engagement, the outcome of which will be the development of internal guidance and policies on best practice.

FPM collaborated with Liquona, an award-winning video production agency, to curate and launch a new animation to promote the pharmaceutical medicine specialty programme (PMST) as a route to professionalism in pharmaceutical medicine. [fpm.org.uk/blog/new-animation/](https://www.fpm.org.uk/blog/new-animation/)



FPM secured £145k of grant funding to develop four e-learning modules on respiratory diseases to be launched in 2024, building upon the recommendations of the Faculty's DEMENDE (DEfining MEDical Needs and Evidence) report in 2022². A suite of e-learning modules for healthcare professionals will be produced to support their understanding of the symptomatology and treatment of common respiratory infections.

² <https://www.fpm.org.uk/demende-covid-19-workshop-report-and-recommendations/>

FPM collaborated with RCP London and other bodies to develop the e-learning module, “Research in practice: Getting involved in clinical research”, which went live in June 2023³. The module is available on the NIHR Learn platform. As of July, some 100 people had accessed one or more of the modules, initial feedback was very positive and discussions in the autumn focused on how the material might be made available to the widest possible audience.

In the UK, the teaching of how medicines are developed and used is not included in the majority of undergraduate teaching or postgraduate training for clinical doctors and other allied healthcare professionals (HCPs) who work in the NHS. Medicines are used throughout the NHS and providing education to help all doctors and HCPs to learn how medicines are developed, regulated and accessed will contribute to greater understanding and trust. This was one of the reasons why the undergraduate Drug Discovery and Development programme was developed in conjunction with the ABPI and Brighton and Sussex Medical School. The programme entered its fourth year in 2023 and is delivered also to Kent and Medway Medical School. The success of the programme has led to plans to develop a digital version which can be delivered to a wider number of medical schools on how medicines are created and accessed.

The Physician and Scientist Induction Programme was another success story this year, with the third and fourth sessions delivered for a US-based client in May and November respectively. Our small portfolio of one-day training courses also attracted healthy numbers, not least for the popular “ABPI Code in a Day” course, which ran four times in the year.

FPM event and training attendees

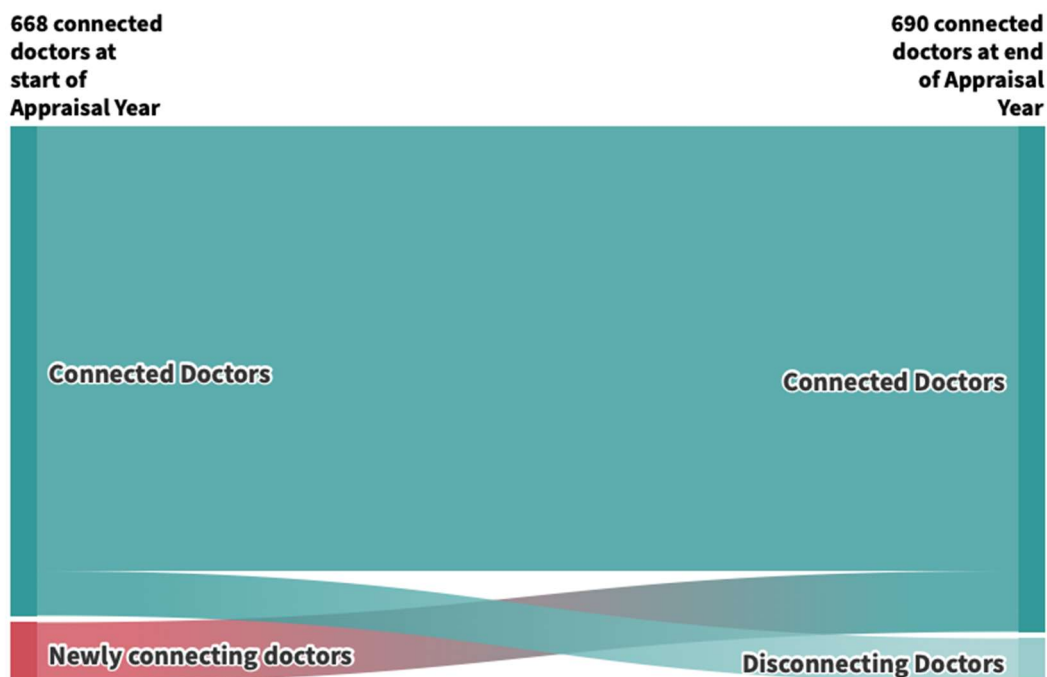


³ <https://www.rcplondon.ac.uk/education-practice/courses/new-research-practice-programme-coordinated-royal-college-physicians-nihr>

The FPM Designated Body

FPM is a Designated Body (DB) for providing annual appraisals and GMC revalidation. At 31 December 2023, 690 members had a prescribed connection to FPM as a designated body, the highest number of connected doctors since the introduction of revalidation at the end of 2012.

During the 2023/24 appraisal year, 83 doctors connected and 61 disconnected.



Guidance continues to allow appraisals to take place via video conference. The GMC have published their new Good Medical Practice standards during the year, their first update for ten years. This will come into effect on 30th January 2024. The FPM DB commenced its preparations for its introduction into appraisals and this will continue in 2024.

We are fortunate to have 80 highly enthusiastic and competent appraisers. Of these, we have 20 appraisers who are connected to other designated bodies including, for example, the NHS. This helps to ensure similar standards across pharma and benchmark with other designed bodies. We have continued to hold quarterly meetings with the Appraisal Leads which are valuable for ensuring consistency and for generating quality improvement ideas. The Appraisal Leads also deliver an online introduction to appraisal and revalidation every six weeks, mainly for newly connecting doctors but it is open to all connected doctors. During the year, we provided four networking sessions for our appraiser team. Attendance at the non-mandatory sessions was excellent with 73% of appraisers attending.

Although our lay advisor, Mr William Payne, has come to the end of his term as a Board Trustee he has agreed to continue as our Lay Representative. We have valued his wise counsel on a number of matters. The most recent ratings and free text comments from the post-appraisal questionnaire which appraisees complete are once again overwhelmingly positive. This includes views on the appraisal platform PReP and personal feedback on the appraiser. The results are aggregated for each appraiser and sent to them annually. Importantly they show that doctors felt well supported by their appraisers and the office team. It was clear that many felt that having the opportunity to discuss the events of the year with a peer was invaluable.

Priority 2: Sustainability

Working towards the long-term sustainability of FPM was a key driver in 2023, with a focus on strengthening operational resilience. FPM invested in its digital infrastructure to streamline its processes, as well as strengthen income streams through four major digital change projects:

1. Implementation of the Learning Management System (LMS), known as the FPM Learning Hub
2. Transformation of DPM Training programme
3. Replacement of Customer Relationship Management system (CRM)
4. Commissioning a new self-service webportal

Modernising its digital infrastructure enables FPM to expand the provision of postgraduate medical education to meet growing demands for professional and technical training on line as well as deliver a broader diversity of events and engagement opportunities for members as well as the public.

FPM successfully launched its new Learning Management System which was designed and delivered with the developer Synergy LMS. The new Microsoft Dynamics CRM and webportal were developed and delivered by Bluelight to provide a modern integrated system which enhances the user experience, automates administrative processes as well as support the provision of improved data analytics, contact management and bespoke reporting.

Ensuring that pharmaceutical physicians are properly trained and educated helps to build trust with the profession. This means that it is important that FPM delivers training and education that is accessible, inclusive and relevant to the needs of learners. This has been demonstrated through the redevelopment of the DPM Training Programme for asynchronous online delivery. The programme which launched successfully in March enables delegates from across the world to access the training programme at a time and place that is convenient for them. Registrations and income for the programme exceeded expectations in 2023, feedback on the programme was very positive and a plan is underway for additional enhancements to the materials for 2024.

Priority 3: Relevance

FPM continues to raise awareness of and advocate publicly for the science and practice of pharmaceutical medicine and the benefits that the speciality can bring to public health. 2023 has been a year of external engagement and collaboration. External engagement has occurred with a number of influential bodies including Academy of Medical Royal Colleges, the Department of Health and Social Security, the Academy of Medical Sciences, the Office of Life Sciences and the National Institute for Health and Care Research (NIHR).

An important engagement was with Faculty of Sexual & Reproductive Healthcare (FSRH) which resulted in FPM endorsing its strategy called the “Hatfield Vision for Improvements in Sexual and Reproductive Health”⁴. The FPM President was invited to co-chair the Emergency Contraception Implementation Working Group meetings as FPM’s expertise was recognised and needed.

The Working in Partnership with Patients & Communities Forum was launched in autumn 2023. This new forum aims to leverage FPM’s influence to support and champion active partnerships with patients and communities in the healthcare and life science sector and to ensure patient advocacy is reflected in FPM’s work.

FPM is an active member of the Inequalities in Health Alliance and the UK Health Alliance for Climate Change, both of which address the social as well as environmental impact of ongoing disparities to access medicines and healthcare.

The UK media was dominated by prominent figures delivering evidence to the COVID-19 Inquiry. FPM received a notice to provide evidence to Module 4 (vaccines and therapeutics) as well as contributed to the AoMRC’s evidence for Module 3.

Supported by its expert groups, FPM has responded to several major public consultations, including WHO guidance on clinical trials, the UK Government Major Conditions Strategy, the NICE Single Technology Appraisal on AZD 3152 for preventing COVID-19, the ICH Guideline for Good Clinical Practice, the DHSC consultation on supporting the delivery of COVID-19 and influenza vaccination, and the NICE guidance on the management of sepsis.

FPM delivered to two core events in 2023. The Education Day in June explored the theme, “Brave New Worlds” and speakers examined a host of innovations in drug development which are expected to enable faster access to new, life changing treatments.

The Annual Symposium theme of “Navigating the future-scape of pharmaceutical medicine” examined some of the biggest challenges and most exciting opportunities for global healthcare in the post-pandemic world.

Some of the feedback from delegates who attended FPM Annual Symposium 2023.

One of the best symposiums I have attended.

Much appreciate the organisation - a massive task.

It was a thoroughly enjoyable event and clearly a great deal of thought and preparation went into the meeting.

⁴ <https://www.fsrh.org/news-and-advocacy/the-fsrh-hatfield-vision/>

Photographs from the 2023 editions of FPM Annual Awards, FPM Education Day, and FPM Annual Symposium



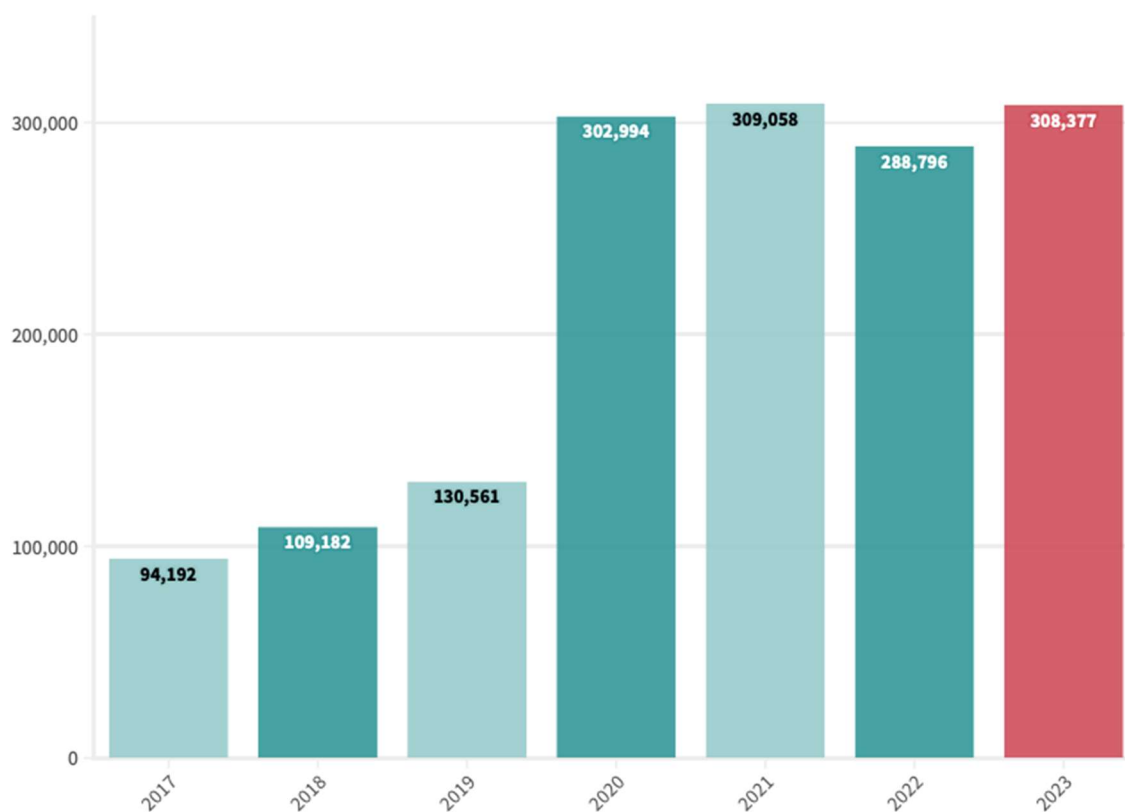
Equality, Diversity and Inclusion

FPM's Equality, Diversity and Inclusion (EDI) Forum continued work towards its vision of ensuring that FPM is diverse and inclusive at every level of the organisation, whilst members continued to act as champions for EDI in their own professional and personal capacities outside of FPM. Under the chair, Dr John Ndikum, the EDI Forum has undertaken a wide range of activities raising awareness of EDI-related issues through multiple Fireside Chats with prominent organisations and speakers, including Steve Fuller and BlackPharma, blog posts, including a fascinating piece on highlighting the importance of patient care and striving for better outcomes by Dr John Bolodeoku, and generating content for FPM's social media channels for important World Days.

Digital Communications

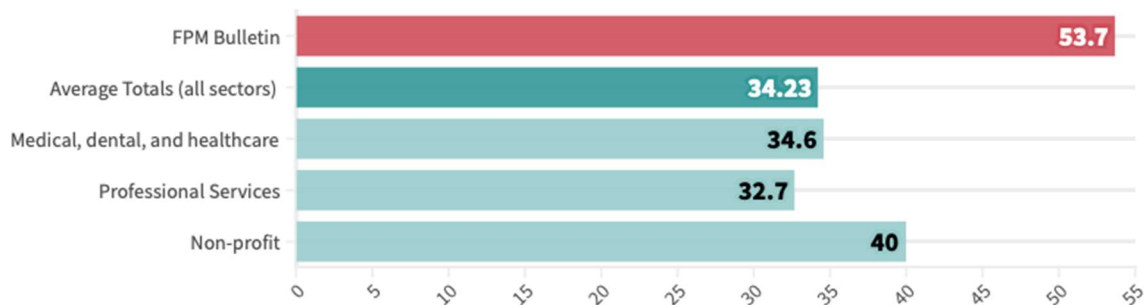
FPM's digital communications strategy and activities went from strength to strength during 2023. A particular focus was put on telling the stories of pharmaceutical physicians' careers, notably through a small but growing library of careers videos developed in collaboration with the careers working group. These and other outputs have been shared with audiences using three digital comms strands:

Strand one is the website fpm.org.uk. We have focussed on the regular publication of blogs – commentary pieces, analyses and reflections on the latest scientific developments, changes to regulations and the views of patients. We have also rolled out incremental updates to the design to enhance the user experience. The current website, launched in March 2020, continues to perform well and has sustained high traffic volumes despite fewer blog articles being published in 2023.



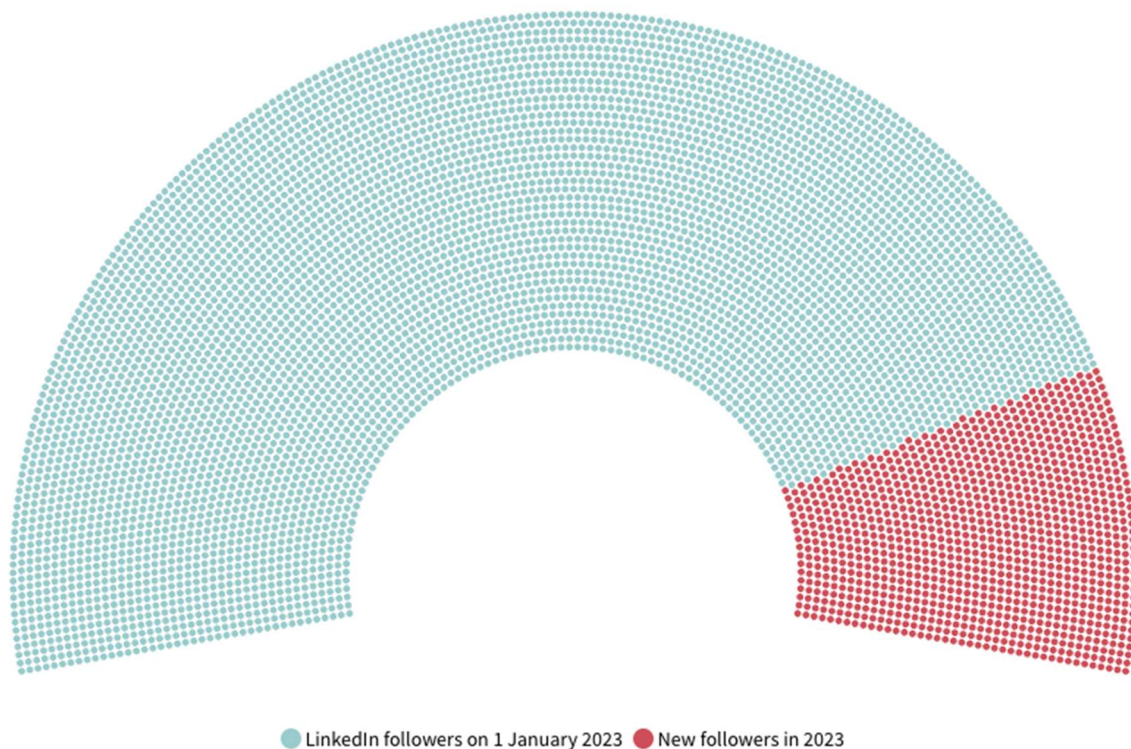
Total website pageviews (current website was delivered in March 2020)

Strand two is email communications. The monthly *FPM Bulletin* collates blog articles, internal and external news, event information and much more into an easily digestible and engaging update. The *FPM Bulletin* is complemented by additional distinct campaigns spotlighting events, opportunities to get involved, and the latest blogs. Open rates of the monthly *FPM Bulletin* campaigns averaged 53.7% which is far above benchmarks.



Open rates (%) of email campaigns (source, Mailchimp (2024))

Strand three is social media. The FPM LinkedIn page remains a key tool in building our audience and our brand amongst established and new markets. This audience has been developed organically with a content-oriented publication strategy and in 2023 our page followers increased by 19% to more than had more than 6,800. Posts also saw an average engagement rate of 1.45%, which is 20% more than the average for professional services (source: Hootsuite, 2024). Particularly popular LinkedIn posts during 2023 included the careers videos which have cumulatively been viewed several thousand times, as well as posts that celebrated significant achievements of our members.



Outside of LinkedIn, FPM’s digital achievements during 2023 included a >100% increase in YouTube channel subscribers, and the launch of a brand new Instagram account. With more than 1.2 billion monthly active users, Instagram was – until September 2023 - the largest social platform without an FPM presence. A distinctive sub-brand was developed for the image-oriented platform, and a schedule of content is now delivered to an audience that is younger and/or less aware of medicines development than existing audiences.



Sample Instagram posts Designs use established brand colours to ensure familiarity.

FPM Celebrates

FPM Annual Awards

The FPM Annual Awards took place in June 2023 at the RCP London and gave us an opportunity to celebrate achievements of members and other colleagues in the life sciences who have made significant contributions to the field of pharmaceutical medicine.

The FPM President's medal, which is the highest honour FPM bestows, was awarded to Dr Ruth Dixon. Dr Dixon has been a leading light in the education of pharmaceutical physicians for over two decades, thus helping to set the standards for the professionalism, commitment, and integrity of the next generation of pharmaceutical physicians.



The FPM Volunteer Award went to Dr Susan Tansey and the academic achievement awards, given to the candidates who scored the highest marks in the DPM Part 1 and DPM Part 2 examinations respectively, were both awarded to Dr Arash Yavari.

Honorary Fellowships were bestowed on Dr Howard Freeman, Professor Sir Mene Pangalos, Professor Dame Helen Stokes-Lampard and Professor Martin Wilkins.



External Recognition

The President, Dr Flic Gabbay, was awarded an Honorary Fellowship by the Faculty of Public Health at their award ceremony in July.

The Chief Executive, Dr Marcia Philbin was awarded an honorary doctorate by her alma mater, Aston University in Birmingham where she had studied for both her degree and PhD in chemistry. The award was in recognition of her achievements and commitment to championing for greater diversity in science. In addition, Dr Philbin, was invited to deliver the prestigious annual MacLaren Memorial lecture by the Chartered Management Institute. The MacLaren Memorial Lecture, an annual event which has been held since 1953, commemorates the life of James MacLaren, one of the most eminent industrialists in Birmingham's history.

Future Plans

A priority in 2024 will be on improving the financial reporting in 2024, with better monitoring and controls in place. FPM has recruited a chartered management accountant with over 30 years' experience to implement new processes which will provide more visibility to emerging situations to which FPM can respond. The plan in place will ensure that FPM strengthens its financial resilience by 2026.

There will be a continuation of the modernisation of FPM with a focus on strengthening processes and income streams along with continuing to engage stakeholders. A new President who was elected in February 2024 will advocate for the medical specialty nationally and globally with a particular focus on addressing the future needs for training, education and policy.

In terms of processes, the priority will be on reforming the governance and operational delivery of the pharmaceutical medicine specialist training programme to ensure a clear delineation of responsibilities. A review and revision of the examination question and standard setting processes will be undertaken to enable FPM to deliver at least two diets of examinations per annum from 2025. Another important development will be to modernise the criteria for Membership and Fellowship so that FPM is open to qualifying physicians who meet the relevant standards.

Efforts will be directed also at securing funds to develop the undergraduate training programme into a series of eLearning modules which will be accessible to medical schools in the UK.

In terms of informing the development of future health policy, FPM will continue to submit evidence to the COVID-19 inquiry to illustrate the importance of pharmaceutical medicine and its vital role in a pandemic and how FPM can support improvements to the system.

2024 will see FPM deliver against its priorities of trust, relevance and sustainability to ensure pharmaceutical physicians are educated and trained to address the future challenges which they will encounter in a world that is changing fast and where the demands for healthcare solutions will increase.

Thank you

Finally, once again FPM would like to extend thanks to all our members who contributed to our activities in 2023, 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

As at 31 December 2023 FPM's accounts showed an increase of funds of £45,707 (2022: of £172,384) before investment gains of £62,191 for the 12 months (2022: losses of £168,027). This was made up of an Unrestricted loss of £228,817 (2022: losses of £170,668) and a gain in restricted grant funds for 2024 of £183,110 (2022: losses of £1,716). There was a gain in funds after investment gain of £16,484 (2022: loss after investment losses of £340,411).

FPM's operating unrestricted loss of £228,817 compares to a budgeted deficit of £51,572 for 2023, a variance of £191,892. The main reason for the variance was missed income budgets with events, PMST, members and examinations all missing income growth targets. Expenditure was marginally down on budget.

Income

Income received was £2,106,861, up 14% or £266,676 on the previous year, but £48,609 below budget expectations. Membership subscriptions and income from revalidation services were once again above the previous year as membership continues to grow and the number of doctors connected to FPM's Designated Body reached a new high of 690 in 2023 (2022: 668). FPM was successful in receiving a grant of £145k from Pfizer to develop a series of eLearning modules on the signs, symptoms and management of respiratory diseases. However, while income from training, and events was up on the previous year, we did not achieve the targeted growth in these areas. There was a significant decline in the income from examinations so this will be focus for 2024. FPM did find new tenants for the sub-let at our Angel Gate offices during 2023.

In 2023 the proportion of income received relating to education and standards (including the designated body?) was 72% (2022: 68%) and the proportion of income received from membership subscriptions was 26% (2022: 30%).

Expenditure

Expenditure increased by 7% to £2,152,568, an increase of £139,999 on the previous year and less than budget.

The customer relationship management and online booking system were replaced. This was funded in part by a grant of £37,000 with the remaining funding of £240,000 taken from the reserves. Expenditure increase was due also to a high staff turnover of 60% leading to increase costs for recruitment and HR services. There was additional expenditure on legal fees relating to FPM providing written response to the COVID-19 inquiry plus consultancy fees to support the professional development of Board Trustees.

In 2023 the proportion of expenditure relating to education and standards was 75% (2022: 74%), for communication and advocacy 7% (2022: 9%) and for membership support activities 18% (2022: 17%). The proportion of expenditure for communications and advocacy went down and up for membership in 2022 due to changes in salary allocations.

Movement in funds

The net income and movement in funds was up £16,484 (2022: down £340,411) and as at 31 December 2023 the total funds are £777,907 (2022: £761,423). These are comprised of £284,029 of designated funds, £310,768 of general funds and £183,110 restricted funds.

Financial outlook

In 2023 we missed our operational income targets due to a number of factors including high staff turnover, challenging economy which made sponsorship income difficult, staff resource deployed to support the roll out of the new customer relationship and online booking system as well as the lower-than-expected number of candidates sitting the DPM examinations. The success of the DPM Training programme means that attention will be focused on promoting this more widely. FPM will prioritise income generation in 2024 with a particular focus on membership, specialty training, education and examinations, to improve the financial position. We will launch a new direct route to Fellowship and prepare to launch a Membership by Experience route. We will focus on marketing the Annual Symposium to gain more sponsorship and higher

number of attendees. Furthermore, we will strive to increase the numbers accessing our current offerings such as DPM training and examinations.

Reserves policy

FPM's policy is to hold certain level of free reserves. The term free reserves includes 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 2024 (£1,125k- £2,251k) but this will be reviewed in 2024. The policy on reserves is reviewed annually in conjunction with FPM's strategic planning, financial and risk management processes.

As at 31 December 2023 FPM's total free reserves amounted to £340,364 (£521,339 at the start of the period). The current level represents 1.8 months' operating costs based upon budgeted expenditure for 2024. The Trustees have designated £29,596 of free reserves (also £29,596 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. These designated funds have been included in the calculation of free reserves. In addition to this, a sum of £254,433 (2022: £240,084) has been designated in the year as a Tangible Fixed Asset fund and represents the net book value of those assets that are not funded by restricted funds and is therefore not available to meet future expenditure. The balance of unrestricted funds £310,768 (2022: £491,743) are general funds available to fund day to day operations. There were £183,110 restricted funds in 2023 (2022: £nil).

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. Investment decisions will be made with a minimum five-year horizon.

The monitoring of investments is the responsibility of the Treasurer and Finance Committee. 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 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 £907,453 at 31 December 2023 compared a value of £837,640 at 31 December 2022. This includes a net gain on investments of £62,191 representing a gain of 7% in the year. The value of FPM's

investments has increased by 20% over a five-year period excluding cash transfers in and out during this period (at 31 December 2022: 2%).

Pay policy

The pay of employed staff is reviewed annually, and any increases are agreed by the Remuneration Committee 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 and FPM last commissioned a remuneration benchmark report in 2022.

Risk management

During 2023 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.

The Trustees identified that the most significant current risks continue to be the financial risks associated with meeting its reserves policy. This risk has been mitigated by the implementation of a turnaround plan to address legacy costs, to modernise the digital assets to achieve greater efficiencies and to focus on core activity to maximise income. The risk will be further mitigated when the FPM offices move to more affordable accommodation in 2025. Furthermore, there will be a review of the reserves policy in 2024 to ensure that it aligns with the current needs of FPM. The Trustees will monitor the overall financial position and progress carefully during 2024 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 2023 are listed below:

President:	Dr Flic Gabbay
Vice President:	Dr Sheuli Porkess
Registrar:	Dr Chris Worth
Treasurer:	Dr Kamlesh Sheth
RCP London Trustee:	Dr Robert Unwin

RCP Edinburgh Trustee:	Professor Angela Thomas (to November 2023)
RCP Edinburgh Trustee:	Dr Frank Armstrong (from November 2023)
RCP&S Glasgow Trustee:	Dr Gerard McKay
Lay Trustee	Mr William Payne (to May 2023)
Lay Trustee	Mr Alastair McCapra (from Oct 2023)
Lay Trustee	Professor Alan Cribb (to November 2023)
Lay Trustee	Andrew Kennedy (from Dec 2023)

Fellow Trustee (E)	Dr Rajendra Seeruthun (from November 2023)
Fellow Trustee (E)	Dr Emma Harvey (to August 2023)
Fellow Trustee (A)	Dr Neil Snowise
Fellow Trustee (A)	Dr Ado Muhammad
Member Trustee (A)	Dr Craig Hartford
Member Trustee (E)	Dr Emily Iovoli (from November 2023)

Key: A = Appointed E = Elected

Chief Executive

Dr Marcia Philbin

Principal advisors

Accountants:	JS2 Limited, One Crown Square, Woking, Surrey GU21 6HR
Auditors:	Sayer Vincent LLP, 110 Golden Lane, London EC1Y 0TG
Investment advisors:	Clarity Ltd, One Crown Square, Woking, Surrey GU21 6HRCCLA 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 2023, the number of members in each category were as follows:

	2022	2023
UK Fellows	382	382
International Fellows	137	130
Honorary Fellows	107	110
Total number of Fellows	626	622
UK Members	236	239
International Members	86	93
Honorary Members	22	22
Total number of Members	344	354
UK Associate members	76	66
International Associate members	1	0
Total number of Associate members	77	66
UK Affiliate members	465	484
International Affiliate members	61	56
Total number of Affiliate members	526	540
Total number of members	1573	1582

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 three operational committees or groups (Policy and Communications Group, Education and Standards Committee, and Trainees Committee). The operational committees may have subcommittees and sub-groups which report to them. Additionally, the Executive 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 2023 was £19,703.

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 Forum of the Academy of Medical Sciences, the independent body in the UK representing medical science. In addition, FPM is also a member of, Memcom which supports and promotes the work of professional bodies and the UK Health Alliance on Climate Change which coordinates activities by health professionals to address impact of climate change on health.

Four trustees (2022: five trustees) received remuneration in the year of £14,020 (2022: £9,885) including VAT where applicable for providing services in relation to revalidation appraisals. Assem el Baghdady is a contracted provider of appraisal services and received remuneration relating to their work on six appraisals of £3,780 (2022: £2,670). Kamlesh Sheth is a contracted provider of appraisal services and received remuneration relating to their work on three appraisals of £1,890 (2022: £1,890). Emma Louise Harvey is a contracted provider of appraisal services and received remuneration relating to their work on five appraisals of £2,725 (2022: £1,575). Sheuli Porkess is a contracted training provider and received remuneration relating to their work on training preparation of £5,625 (2022: £3,375). Trustees' expenses of £1,550 (2022: £3,702) relate to the reimbursement of travel and subsistence costs of five trustees (2022: 10 trustees) for attendance at meetings of the trustees and activities of FPM.

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 2023 was 844 (2023: 841). 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 16 May 2024 and signed on their behalf by



Dr Felicity Gabbay

President of the Faculty of Pharmaceutical Medicine

Independent auditor's report

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 2023 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 2023 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)

7 June 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

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 2023

	Note	Unrestricted Funds £	Restricted Funds £	2023 Funds £	2022 Funds £
Income					
Income from charitable activities:					
Education & standards		1,306,913	199,822	1,506,735	1,244,875
Communications & advocacy		18,400	-	18,400	30,267
Membership subscriptions		549,883	-	549,883	542,894
Income from investments		26,396	-	26,396	21,284
Income from other trading activities		5,447	-	5,447	865
Total income		1,907,039	199,822	2,106,861	1,840,185
Expenditure					
<i>Expenditure on charitable activities:</i>					
Education & standards		1,599,609	16,712	1,616,321	1,481,520
Communications & advocacy		157,492	-	157,492	179,180
Membership support services		378,755	-	378,755	351,869
Total expenditure	2	2,135,856	16,712	2,152,568	2,012,569
Net (expenditure) / income before gains on investments		(228,817)	183,110	(45,707)	(172,384)
Net gains / (losses) on investments	7	62,191	-	62,191	(168,027)
Net income and movement in funds		(166,626)	183,110	16,484	(340,411)
Total funds brought forward		761,423	-	761,423	1,101,834
Total funds carried forward		594,797	183,110	777,907	761,423

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 11 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 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Tangible fixed assets	6		297,393		240,084
Investments	7		<u>907,453</u>		<u>837,640</u>
			1,204,846		1,077,724
Current assets					
Debtors	8	180,009		164,416	
Cash at bank and in hand		<u>71,659</u>		<u>184,900</u>	
		251,668		349,316	
Creditors: amounts due within one year	9	(663,722)		(632,870)	
Net current (liabilities)/assets			(412,054)		(283,554)
Creditors: amounts falling due after one year	10		(14,885)		(32,747)
Net assets			<u>777,907</u>		<u>761,423</u>
Funds					
Restricted funds	11		183,110		-
Unrestricted funds:					
Designated funds			284,029		269,680
General funds			310,768		491,743
Total funds			<u>777,907</u>		<u>761,423</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 16 May 2024 and signed on their behalf by:-



Dr Felicity Gabbay - President

Statement of Cash Flows

For the year ended 31 December 2023

	£	2023 £	£	2022 £
Cash flows from operating activities:				
Net income/(expenditure) for the year	16,484		(340,411)	
Adjustments for:				
Depreciation charges	63,717		40,371	
Dividends and interest	(26,396)		(21,284)	
(Increase)/decrease in debtors	(15,593)		(27,642)	
Increase/(decrease) in creditors	12,990		48,197	
(Gains)/Losses on investments	(62,191)		168,027	
Net cash provided by (used in) operating activities		(10,989)		(132,742)
Cash flows from investing activities:				
Dividends and interest	26,396		21,284	
Purchase of tangible fixed assets	(121,026)		(162,665)	
Investment Additions at cost	(215,948)		(87,504)	
Investment Disposal proceeds	208,014		85,334	
movement in cash held	312		(3,481)	
Net cash provided by (used in) investing activities		(102,252)		(147,032)
Change in cash and cash equivalents in the year		(113,241)		(279,774)
Cash and cash equivalents at the beginning of the year		184,900		464,674
Cash and cash equivalents at the end of the year		<u>71,659</u>		<u>184,900</u>

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 or up to the end of the period of the lease

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 2023 £	Total 2022 £
Education & standards	450,636	771,175	394,510	1,616,321	1,481,520
Communications & advocacy	58,612	47,568	51,312	157,492	179,180
Membership support services	201,954	-	176,801	378,755	351,869
	<u>711,202</u>	<u>818,743</u>	<u>622,623</u>	<u>2,152,568</u>	<u>2,012,569</u>
	<u>703,596</u>	<u>770,254</u>	<u>538,719</u>	<u>2,012,569</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 2022
	£	£	£	£
Education & standards	441,141	702,613	337,766	1,481,520
Communications & advocacy	63,171	67,641	48,368	179,180
Membership support services	199,284	-	152,585	351,869
	<u>703,596</u>	<u>770,254</u>	<u>538,719</u>	<u>2,012,569</u>

3. Net movement in funds

This is stated after charging:		2023	2022
		£	£
Trustees' indemnity insurance		2,135	2,135
Trustees' expenses		1,551	3,702
Auditors' remuneration:			
▪ audit (excluding VAT)		10,900	9,700
Depreciation		63,717	40,371
Operating lease rentals:			
▪ property		203,070	203,117
▪ other		1,848	1,848

Four trustees (2022: five trustees) received remuneration in the year of £14,020 (2022: £9,885) including VAT where applicable for providing services in relation to revalidation appraisals. Assem el Baghdady is a contracted provider of appraisal services and received remuneration relating to their work on six appraisals of £3,780 (2022: £2,670). Kamleth Sheth is a contracted provider of appraisal services and received remuneration relating to their work on three appraisals of £1,890 (2022: £1,890). Emma Louise Harvey is a contracted provider of appraisal services and received remuneration relating to their work on five appraisals of £2,725 (2022: £1,575). Sheuli Porkess is a contracted training provider and received remuneration relating to their work on training preparation of £5,625 (2022: £3,375). Trustees' expenses of £1,550 (2022: £3,702) relate to the reimbursement of travel and subsistence costs of five trustees (2022: 10 trustees) for attendance at meetings of the trustees and activities of FPM.

FPM's President is an AoMRC Council member. FPM pays an annual membership subscription to the AoMRC, which for 2023 was £19,703.

4. Support costs

		2023	2022
		£	£
Governance costs			
Audit & other advice		13,080	11,640
Board expenses		30,478	19,351
		<u>43,558</u>	<u>30,991</u>
Staff costs		35,273	35,847
Other support costs:			
Rent, rates and service charges		240,548	238,889
Stationery, postage and printing		1,596	2,475
Staff welfare		3,433	6,612
IT Costs		32,726	30,118
Equipment		21,077	21,149
Depreciation		63,718	40,370
Telephone and fax		2,394	913
Legal, professional & accountancy		44,689	29,109
Insurance		21,177	17,124
Memberships		53,563	34,514
Miscellaneous		58,871	50,607
		<u>622,623</u>	<u>538,718</u>

5. Staff costs and numbers

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	574,882	600,313
Social security costs	59,960	48,605
Pension contributions	83,694	86,920
Temporary staff	22,593	-
Recruitment	5,346	3,605
Redundancy	-	-
	<u>746,475</u>	<u>739,443</u>

Employee emoluments in the band £70,000 - £79,999

1	1
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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 £98,462 (2022: £94,206)

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

	2023	2022
	No.	No.
Education & standards	9.4	10.3
Communications & advocacy	1.2	1.5
Membership support	4.2	4.6
Governance	0.8	0.8
	<u>15.6</u>	<u>17.2</u>

6. Tangible fixed assets

	Computer Software £	Computer & Office equipment £	Leasehold improve- ments £	Total £
Cost				
At 1 January 2023	208,396	84,505	233,610	526,511
Additions	118,212	2,814	-	121,026
Disposals	-	(4,502)	-	(4,502)
At 31 December 2023	<u>326,608</u>	<u>82,817</u>	<u>233,610</u>	<u>643,035</u>
Depreciation				
At 1 January 2023	53,459	70,363	162,605	286,427
Charge for the period	30,246	9,532	23,939	63,717
Disposals	-	(4,502)	-	(4,502)
At 31 December 2023	<u>83,705</u>	<u>75,393</u>	<u>186,544</u>	<u>345,642</u>
Net book value				
At 31 December 2023	<u>242,903</u>	<u>7,424</u>	<u>47,066</u>	<u>297,393</u>
At 31 December 2022	<u>154,937</u>	<u>14,142</u>	<u>71,005</u>	<u>240,084</u>

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Notes to the Financial Statements
For the year ended 31 December 2023

7. Investments

	2023	2022
	£	£
Market value at the start of the year	837,640	1,000,016
Additions at cost	215,948	87,504
Less disposals at carrying value	(208,014)	(85,334)
Net gain / (loss) on revaluation	62,191	(168,027)
Net investment in cash funds	(312)	3,481
Market value at the end of the year	<u>907,453</u>	<u>837,640</u>
Historic cost at the end of the year	<u>593,550</u>	<u>594,524</u>

	Cost 2023	Cost 2022	Market Value 2023	Market Value 2022
	£	£	£	£
Investments comprise:				
Cash funds	-	-	3,482	3,793
Charities Official Investment Fund - Income	201,128	201,128	422,602	384,231
Property	34,900	60,339	29,321	54,043
UK equities	101,789	142,311	139,074	169,050
International equities	89,341	30,390	149,122	77,948
Bonds	166,392	160,356	163,852	148,575
	<u>593,550</u>	<u>594,524</u>	<u>907,453</u>	<u>837,640</u>

8. Debtors

	2023	2022
	£	£
Prepayments	128,761	120,255
Sundry debtors & accrued income	51,248	44,161
	<u>180,009</u>	<u>164,416</u>

9. Creditors: amounts due within one year

	2023	2022
	£	£
Trade creditors and accruals	256,979	208,195
Taxation and social security	15,337	21,062
Other creditors	23,878	19,651
Deferred income	367,528	383,962
	<u>663,722</u>	<u>632,870</u>

Deferred income

Deferred income comprises 2022/23 revalidation fee income, and subscriptions paid in advance.

	2023	2022
	£	£
Deferred income brought forward	383,962	337,550
Resources deferred in the year	367,528	383,962
Amounts released from previous years	(383,962)	(337,550)
Deferred income carried forward	<u>367,528</u>	<u>383,962</u>

10. Creditors: amounts due after one year

	2023	2022
	£	£
Rent Free Period		
One to two years	14,885	17,862
Two to five years	-	14,885
	<u>14,885</u>	<u>32,747</u>

11. Movements in funds

Movements in funds in current year

	Brought forward 1 January 2023 £	Incoming resources £	Outgoing resources £	Transfers & investment gains £	Carried forward 31 December 2023 £
Restricted funds:					
PFizer	-	144,522	(4,372)	-	140,150
Dinwoodie Charitable Company	-	55,300	(12,340)	-	42,960
DPM Training	-	-	-	-	-
Total restricted funds	-	199,822	(16,712)	-	183,110
Unrestricted funds:					
<i>Designated funds:</i>					
Development Appeal	29,596	-	-	-	29,596
Fixed Asset	240,084	-	-	14,349	254,433
<i>Total designated funds</i>	<i>269,680</i>	<i>-</i>	<i>-</i>	<i>14,349</i>	<i>284,029</i>
<i>General funds</i>	<i>491,743</i>	<i>1,907,039</i>	<i>(2,135,856)</i>	<i>47,842</i>	<i>310,768</i>
Total unrestricted funds	761,423	1,907,039	(2,135,856)	62,191	594,797
Total funds	761,423	2,106,861	(2,152,568)	62,191	777,907

Movements in funds in prior year

	Brought forward 1 January 2022 £	Incoming resources £	Outgoing resources £	Transfers & investment gains £	Carried forward 31 December 2022 £
Restricted funds:					
Royal Society of Chemistry	1,716	-	(1,716)	-	-
Innovate UK	-	9,573	(9,573)	-	-
Total restricted funds	1,716	9,573	(11,289)	-	-
Unrestricted funds:					
<i>Designated funds:</i>					
Development Appeal	29,596	-	-	-	29,596
Fixed Asset	117,790	-	-	122,294	240,084
<i>Total designated funds</i>	<i>147,386</i>	<i>-</i>	<i>-</i>	<i>122,294</i>	<i>269,680</i>
<i>General funds</i>	<i>952,732</i>	<i>1,830,612</i>	<i>(2,001,280)</i>	<i>(290,321)</i>	<i>491,743</i>
Total unrestricted funds	1,100,118	1,830,612	(2,001,280)	(168,027)	761,423
Total funds	1,101,834	1,840,185	(2,012,569)	(168,027)	761,423

Purposes of restricted funds

In 2023, FPM received a restricted grant from Pfizer towards a project on Respiratory e-learning & Dinwoodie. In 2022 FPM received a restricted grant from Innovate UK towards a potential project on COVID-19.

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. The Dinwoodie Restricted balance represents the net book value of fixed assets therefore these two balances together equate to the total fixed assets held.

12. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Investments	-	-	907,453	907,453
Tangible fixed assets	42,960	254,433	-	297,393
Net current assets	140,150	29,596	(581,800)	(412,054)
Long term liabilities	-	-	(14,885)	(14,885)
	<u>183,110</u>	<u>284,029</u>	<u>310,768</u>	<u>777,907</u>

Analysis of net assets between funds in prior year

	Restricted funds £	Designated funds £	General funds £	Total funds £
Investments	-	-	837,640	837,640
Tangible fixed assets	-	240,084	-	240,084
Net current assets	-	29,596	(313,150)	(283,554)
Long term liabilities	-	-	(32,747)	(32,747)
	<u>-</u>	<u>269,680</u>	<u>491,743</u>	<u>761,423</u>

13. Operating lease commitments

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

	2023 £	2022 £
Less than 1 year	203,118	203,118
1 - 5 Years	169,264	372,382
	<u>372,382</u>	<u>575,500</u>

Operating lease commitments receivable as a lessor

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

	2023 £	2022 £
Less than 1 year	21,130	-
1 - 5 Years	15,848	-
5 + Years	-	-
	<u>36,978</u>	<u>-</u>

14. Prior year comparatives

Statement of Financial Activities for the year ended December 2022

	Unrestricted Funds £	Restricted Funds £	2022 Funds £
Income			
<i>Income from charitable activities:</i>			
Education & standards	1,235,302	9,573	1,244,875
Communications & advocacy	30,267	-	30,267
Membership subscriptions	542,894	-	542,894
Income from investments	21,284	-	21,284
Income from other trading activities	865	-	865
Total income	<u>1,830,612</u>	<u>9,573</u>	<u>1,840,185</u>
Expenditure			
<i>Expenditure on charitable activities:</i>			
Education & standards	1,470,231	11,289	1,481,520
Communications & advocacy	179,180	-	179,180
Membership support services	351,869	-	351,869
Total expenditure	<u>2,001,280</u>	<u>11,289</u>	<u>2,012,569</u>
Net expenditure before gains on investments	(170,668)	(1,716)	(172,384)
Net gains on investments	<u>(168,027)</u>	-	<u>(168,027)</u>
Net income & Net movement in funds	(338,695)	(1,716)	(340,411)
Total funds brought forward	<u>1,100,118</u>	<u>1,716</u>	<u>1,101,834</u>
Total funds carried forward	<u>761,423</u>	<u>-</u>	<u>761,423</u>