

# **The Physiological Society**

## **Annual Report and Accounts**

**for the year ended 31 December 2010**

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## Annual Report and Accounts for the year ended 31 December 2010

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This is the Trustees' Annual Report and Accounts for the year ended 31 December 2010 for The Physiological Society. In preparing this report the Trustees have complied with the Charities Act 1993, the Accounting and Reporting by Charities: Statement of Recommended Practice (Revised 2005) ('SORP') applicable accounting standards, and also the Companies Act 2006.

The Physiological Society was incorporated by guarantee on 27 January 1937 under number 323575. It has no share capital and is registered with the Charity Commission for England and Wales under number 211585. The liability of each Member is limited to £1.

The governing document is the Memorandum and Articles of Association of the Company and the members of the Council of Trustees are the Directors of the Company.

## Message from the President

This is my first year as President of The Society and, despite a change in leadership, it has been a successful year, with a full programme of scientific meetings and two journals that continue to strengthen their impact factors. Despite a slight decline in net journal revenue following a bumper 2009, largely driven by exchange rate fluctuations, we have sustained our charitable activities to support physiology research and education.

Much of this success in 2010 is built upon the solid foundation left by a number of people, whom I must recognise and thank. First, the outgoing Chief Executive Dr Mike Collis retired from his post as chief executive of The Society after seven years. Mike made many real contributions to The Society and continues to work with a variety of stakeholders on the *in vivo* skills agenda. He was succeeded in October by Dr Philip Wright. Special thanks must go to my predecessor Clive Orchard who drove Council and Executive to develop a strategic plan for The Society that I and the current Executive are both implementing and expanding with the enthusiastic support of Philip and the rest of the team. In addition I would like to thank my fellow Trustees and Committee members who provide sound direction and without whom The Society could not operate.

Looking forward, without doubt the UK university environment for physiological research and teaching is getting tougher – as with most sciences. Coupled with an evolving model of publishing, which is moving towards open or free access, it means our traditional income from journals is likely to be squeezed while demands on our resources increase. During the coming year we shall be mapping out a number of strategies in relation to publishing and we have set up a task force to review the options.

We need to consider how we work with partner societies, including The Society of Biology in the UK and our sister physiological societies around the world. Raising the profile of physiology more broadly is also critically important both in schools and the wider public. During this process we shall be seeking the views of all our Members and other stakeholders.

It is essential that The Society maps out a sound strategy to manage us through these changes to ensure that physiology in the UK and abroad is sustained and enhanced.

**Mike Spyer, President of The Physiological Society**

## Review of the Year

The charitable objects of The Society are to: '*promote, for the benefit of the public, the advancement of physiology, and facilitate the intercourse of physiologists both at home and abroad, and thereby contribute to the progress and understanding of biomedical and related sciences and the detection, prevention and treatment of disease, disability and malfunction of physical processes in all forms of life*'.

2010 was a busy year in delivering activities that support this objective and also saw a change in the leadership of the organisation, as I assumed the role of Chief Executive from Prof. Mike Collis, whom I must thank, both in terms of briefing me so fully as I took up my exciting new role and in leaving the organisation in such a good position. I must also recognise the staff across The Society, including our publications team, who so effectively maintained the operation of the organisation during the transition period. They have also provided me with sound advice as I have got my feet under the desk.

The activities of The Society could be broken down into three key elements:

- **supporting discussion between physiologists and the dissemination of high quality physiological research** by facilitating meetings and interchange between physiologists or those with a strong interest in physiology, both in the UK and internationally;
- **ensuring the long-term sustainability of physiology** by encouraging a supportive research funding environment and supporting the education and teaching from school through higher education and beyond; and
- **raising the profile of physiology and its importance in improving our understanding of disease** and the development of effective therapeutic interventions, as well as improving our understanding of the animal world.

### Supporting the dissemination of physiological research

The Society supports the discussion of research and dissemination of advances in scientific knowledge through its publishing and meetings activities.

#### Journals

*The Journal of Physiology* and *Experimental Physiology* remain the cornerstone of The Society's strategy to publish high quality research papers and reviews. These remain highly regarded amongst the scientific community, which is illustrated by the sustained year-on-year increase in impact factor. *The Journal of Physiology*'s impact factor rose to 4.764 in 2009 from 4.649 in 2008 and improved its global ranking from seventh out of 75 physiological journals to sixth. *Experimental Physiology* also saw an increase in its impact factor to 3.168 in 2009 up from 2.910 in 2008.

The journals, in addition to being a key element of our strategy to disseminate research, also provide a significant portion of our income, which is subsequently used to support our wider charitable activities. 2009 was a strong year in terms of net income from our journals due, in part, to favourable exchange rates with key markets. Consequently 2010 did see a small decline in net income over the previous year, but overall the income was better than may have been expected considering the pressure for 'open publishing' and the squeeze on library resources which are likely to increase as the funding constraints imposed by the new Government bite.

In line with our charitable objective to support physiology research around the world, designated developing countries continue to be granted immediate free access to all our journal content. More widely we facilitate immediate access to review articles and free access to all Journal articles one year after publication.

#### Meetings

The Society ran a full programme of scientific meetings in 2010 to allow physiologists to share cutting edge research and discoveries. Physiology 2010 was a real success with over 1000 attendees drawn from around the world. Coupled with three focused themed meetings, participation and support in 15 non-Society meetings and special sponsorship of a joint event held by our sister German and Scandinavian societies in Copenhagen, meant that the international support for physiology by The Society remains strong.

One key element of our strategy is to ensure that meetings remain affordable and that scientists are able to travel to such meetings. In 2010 we provided 367 travel grants to enable this.

The feedback received from our meetings suggests they are highly rated and valued. Importantly the cross-themed meetings kindly hosted by members across the UK provide a focused, less formal and more interactive exchange of ideas.

Preparations for the two major up-coming meetings are progressing well. A packed and world leading programme has been finalised for the joint conference with the British Pharmacological Society (BPS) on the *Biomedical Basis of Elite Performance* in March 2012 in the run up to the Olympic Games. And excellent progress is being made for the IUPS Congress in Birmingham in 2013.

The focus for 2011 will be on sustaining this strong programme, both through our Annual Meeting in Oxford in July and our programme of themed meetings.

## Education and outreach

Ensuring a strong supply of young scientists who are inspired to follow a career in physiology is essential for the strength of the discipline. Supporting education and teaching in schools, universities and research institutes remains an important element of our work. The extensive programme delivered in 2010 covered all aspects of education including:

- Launching our *Understanding Life* schools resource which has been a significant success. We aim to build on this in 2011/12 as we launch and build an education and outreach website using the same title
- Sponsoring the 'Lab in a Lorry' mobile teaching resource
- At undergraduate level we sponsored Vacation Studentships and awarded 45 Undergraduate Prizes for Physiology
- Ran imaging and two molecular biology techniques workshops
- Philter has gained momentum in 2010 as more materials and resources were added
- Attending a number of major UK science fairs and events, including the annual meeting of the Association for Science Education and the Big Bang Fair

## Finances

After the exceptional year for income from our journals in 2009, caused largely by exchange rate fluctuations, income in 2010 fell slightly. However, The Society still returned a surplus, which was allocated to deliver three specific projects in 2011: re-design of The Society's websites; and delivery of two Task Forces.

Publications account for 46% of total expenditure followed by scientific meetings (22%). The remaining charitable activities account for a further 25%. Our free reserves continued to grow, against a backdrop of tough economic conditions and The Society will be reviewing its reserves policy in 2011. A tough funding environment for science in the UK means that The Society has to consider how to balance its reserves against supporting our Members and physiology more widely, and delivering its charitable objectives.

## Partnerships

The Society cannot achieve all its objectives in isolation therefore partnership and collaboration remain a key element of our strategy to support physiology. In the UK this was well illustrated by the 'Science is Vital' campaign, which was led by CaSE (the Campaign for Science and Engineering), and a number of the umbrella societies and academies. This led to as good an outcome as could have been expected for the biological and biomedical sciences in the budget by the new Coalition Government.

The Physiological Society remains a strong supporter of the Society of Biology, which provides a coordinated voice for biology, providing enhanced funding during the early years after its formation. It is critical that the Society of Biology survives and grows and serves the needs of both its individual members and member organisations such as ourselves. The SB is already beginning to raise its profile with Government and other audiences.

In 2010 we continued our partnership with NC3Rs, jointly holding a symposia on the 3Rs in cardiovascular research along with the British Pharmacological Society (BPS). Further events are being proposed in early 2012, which are most likely to be focused on pain.

Finally our international partnerships continue to strengthen, especially with the American Physiological Society, with whom we have now established a practice of reciprocal symposia at our Annual Meetings. Further opportunities to learn from each other and enhance our joint working are being planned for 2011. Such international partnerships are likely to become more important and, in light of the shift in the scientific 'centre of gravity', we have established links with China, including establishing a lectureship. In addition we are supporting emerging physiological societies in the Middle East and Africa.

## Looking forward

In 2009 a new five year strategy was published. However, since then a number of challenges facing The Society, on top of delivering our on-going programme, have intensified. In particular the evolution in publishing and the increasing impact of 'open' publishing has the potential to affect both how we disseminate scientific research in the longer term and the level of income we receive from these sources. While sustaining and growing the impact and quality of our two journals, we also need to take a broader look at new opportunities and the changing model for publishing.

In 2013 and early 2014 the leases on our offices (in London and Cambridge) will end. We therefore need to plan our accommodation needs. In 2011 we are establishing two Task Forces: one to look at the changes in publishing and the other to look at our accommodation needs. The Task Forces will present a number of options for the Council to consider in the summer. These will be used to refresh the five year strategy later in 2011.

Ensuring we serve the needs of our Members is critical for us to sustain and grow physiology in the UK and internationally. In 2011 we shall be carrying out a survey of our Members asking their views on our priorities and activities. These results will feed into the refreshment of our five year strategy and help us focus on what our Members value and believe should be our priorities.

## Public benefit

Physiology is the science of how humans and other animals function in an integrated way and is the basis for many biological and clinical sciences. The Physiological Society supports physiology education and research, which ultimately benefit the health of the population and facilitate the prevention and treatment of disease.

The charitable purposes of The Society are the advancement of science, the advancement of health and the advancement of education.

The benefits provided by The Society are in the form of: the publication of scientific journals; the holding of meetings and conferences to disseminate advances in physiology; the provision of educational materials relating to physiology including the provision of grants to support attendance at scientific meetings; educational activities and training courses; and the promoting the importance of physiology to the public. We support our Members who conduct research, providing that this is within the principles of UK legislation.

The beneficiaries of The Society include those involved in research, teaching or studying physiology in industry, universities, colleges and schools. Members of the public who wish to learn more about physiology are beneficiaries and all will ultimately benefit from physiological advances that promote health and treat disease. Further beneficiaries are other charities promoting science, education and health.

Some benefits are restricted to Members of The Society who are scientists or scientific trainees. These benefits (e.g. grants to present work at scientific meetings or provide access to specialist training courses) would not be directly relevant to the public. Other benefits such as educational materials, scientific publications and outreach events are available to all.

Provisions are in place for those on low incomes. Membership and registration fees are reduced or waived for students and for those from developing countries. Educational materials and our magazine are available to all free of charge. Our journals are offered at a reduced price in developing countries and are freely available to all after twelve months. Publishing work in our journals is free to authors. Private benefits are incidental and mainly consist of prizes for exceptional scientific or educational achievements.

## Treasurer's Statement

The principal funding sources of The Society in the year were its publishing income (£3,183,000), events income (£90,000), membership subscriptions (£124,000), and income from The Society's investments (£356,000). Charitable expenditure was increased during 2010, and has supported the objects of The Society as set out in the 'Statement of Financial Activities' on page 15 of this report.

As expected, publishing income fell back somewhat in 2010 following the exchange rate enhanced gains of 2009, but remained strong. We have also seen falls in rental and membership income. An expansion of educational activities and charges of £167,000 in respect of the fund designated for the IUPS 2013 meeting contributed to a reduced surplus of £245,000. In addition, net investment gains of £705,000 contributed to an overall fund balance of £12,779,000.

Changes introduced into the budgetary process last year have improved budget planning and have helped to reduce variances. This year, the four charitable committees reduced their budget under-spends by a total of £33,000. The Finance Committee will continue to monitor and flag any significant budget variances.

The Society held freely available income funds of £11,625,000 at the year end. These reserves are held to ensure the long-term viability of The Society, particularly in the event of a serious decline in its publishing income. £11,319,000 is held in investments to generate income to support the charitable activities of The Society for the longer term. During the year, the Trustees refocused the business review of all The Society's activities, including the establishment of two task forces to develop strategies for property and accommodation, and for publications, respectively. The reserves policy will be updated in the light of these developments.

The Trustees reviewed the level of designation in respect of the IUPS fund and considered that the existing level of £1,000,000 was both reasonable and prudent. This fund will continue to be expended in the run-up to and during 2013. During the year, funds were designated including £150,000 in respect of an upgrade of The Society's website, and £50,000 for the combined task forces. These funds and all other funds are presented at note 15 to the accounts. No funds are in a deficit position.

Due to both the ongoing business review and the uncertainty surrounding future publishing incomes, The Society takes a medium term view on its investments and their performance. The Society aims to produce above average returns on its portfolio whilst adopting a cautious risk profile. All fund investment income is reinvested. The Society's investment fund portfolio is managed by Bestinvest (Brokers) Ltd. The value of the portfolio increased by £1,494,000 in the year. Surplus cash, totalling £600,000, was injected into the fund in December 2010. The adjusted return was 11.2% which represents a small outperformance against both the APCIMS and ARC benchmarks.

The Society invests in collective investments (unit and investment trusts) plus investment companies. This is designed to give a broad level of diversification across all major assets classes, with the exception of property which has been specifically excluded. The managers have general discretion over the asset allocation and selection of investments within agreed investment parameters. The Society's investment property portfolio is managed by Bidwells Property Consultants. Rental income (£159,000) was applied to charitable activities during the year. The portfolio's value fell by £30,000 (09: £75,000); further hinting at signs of a recovery in the commercial property market.

The Finance Committee, on behalf of Council, continues to oversee all financial aspects of The Society to support its short and long term ability to achieve its charitable objects. The Trustees are grateful for the contributions of the external members of this committee.

**Rod Dimaline, Honorary Treasurer**

## Governance

### Council of Trustees

The Trustees are legally responsible for the overall governance, management and policy of The Society, ensuring that the charitable objectives for which it has been set up are met. The Trustees are also the Directors of the company. The Council of Trustees meets three times a year. Elections to the Council take place each year, and any Member of The Society is eligible to stand. The normal length of service on Council is four years. The current size of the Council is 18. Meetings of the Council are chaired by the President. Administrative support is provided to the Council and its committees by The Society's staff based in our offices in London and Cambridge.

### Trustees' responsibilities

The Trustees, as directors of the charitable company, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of The Society and the income and expenditure for that year. 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain The Society's transactions and disclose with reasonable accuracy at any time the financial position of The Society 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 Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have confirmed that as far as they are aware at the time the report is approved there is no relevant audit information of which The Society's auditors are unaware, and that they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that The Society's auditors are aware of that information.

### Trustee induction and training

On appointment each Trustee is sent a Trustee Handbook which includes Charity Commission leaflet CC3 and Companies House leaflet GBA1. All new Trustees are invited to attend an external Trustee Training course.

In 2010, one Trustee attended a Trustee Training course. Three Trustees on the Finance Committee attended a *Charity Finance Directors' Group* Introduction to Charity Finance course.

Trustees have a legal duty to avoid conflicts of interest so that they can focus exclusively on the best interests of The Society. If and when any conflicts of interest arise, Trustees are required to make a declaration to be recorded on The Society's Register of Interests.

### Executive Committee

The Executive Committee works through the Chief Executive to oversee the day-to-day operations of The Society and meets frequently throughout the year. Members of the Executive Committee are drawn from, and elected by, the Council. The Council can delegate any of its powers to the Executive Committee as it sees fit. The normal term of office on the Executive Committee is four years.

The Executive Committee in 2010 comprised:

Clive Orchard	President (to June 2010)
Mike Spyer	President (from July 2010); Deputy President (to June 2010)
Jonathan Ashmore	Deputy President (from July 2010)
Rod Dimaline	Honorary Treasurer
Prem Kumar	Meetings Secretary (to June 2010)
David Wyllie	Meetings Secretary (from July 2010)
Louise Robson	Chair, Education Committee
Jeremy Ward	Chair, External Relations Policy Committee
Ian McGrath	Chair, Publications Committee

### Committees

The Council also has committees and working groups to which it delegates powers, and these groups report back to the Council. Membership of committees is drawn from the Council but also includes other invited members who may be Members of The Society or external. Committees are aligned with the various functional groups in the London and



Cambridge offices. The main committees in 2010 were Education, External Relations Policy, Finance, Meetings, and Publications.

The Finance Committee acts as a reviewing mechanism of all strategic and statutory financial aspects of The Society. It is delegated by Council to oversee all financial aspects so as to ensure The Society's short and long term ability to achieve its charitable objectives.

### **Management and administration**

The Society employs a Chief Executive who reports on performance against the strategic and operational plans approved by the Trustees. The Society has two offices. The Main Office in London provides central direction for all aspects of policy and strategy implementation. The Publications Office in Cambridge supports the publishing activities of The Society, including *The Journal of Physiology* and *Experimental Physiology*.

### **Annual General Meeting**

The Society's Annual General Meeting, open to all Members, was held Thursday 1 July 2010 at the University of Manchester during the Physiology 2010 Main Meeting. Minutes of the meeting are available on The Society's website.

### **Risk management**

The Trustees have considered the major risks to which The Society is exposed and have reviewed those risks and established systems and procedures to manage them. Financial risk falls within the remit of the Finance Committee. During the year particular attention was paid to the risks associated with cash management, investments, exchange rate fluctuations and the IUPS meeting in 2013. The risk management system, following updated Charity Commission guidance document (CC26), will be reviewed in 2011.

### **Volunteers**

We could not achieve our charitable objectives without the commitment and hard work of our Members (and some non-Members), many of whom give freely of their time to act as journal editors, committee members and volunteers to support our events and activities. The Society wishes to thank all those who have supported it over the last year.

## Objects and Activities

The major activities we undertake to achieve our charitable objectives are:

- Publishing
- Events (Scientific Meetings)
- Membership
- Education
- Outreach
- External relations / Policy

## Publishing

The Society publishes original scientific literature online and in print in its two highly regarded journals, *The Journal of Physiology* and *Experimental Physiology*, through our publisher Wiley-Blackwell. The journals are also published online on HighWire Press. The Society's quarterly magazine *Physiology News* provides Members with a wide range of articles prepared by Members, staff and physiologists, as well as Society information and other related activities.

In 2010 *The Journal of Physiology* published 24 issues containing high quality research papers in all branches of physiology alongside a range of invited reviews in new and exciting areas as well as commentaries providing expert opinion on the best of the research content. *Experimental Physiology* published 12 online and six print issues containing high priority research articles in all aspects of physiology with a focus on translation and integration alongside other invited content written by experts in fields of current high interest. In 2010 submissions to both journals fell slightly, reflecting a decrease in published articles by journals in the ISI physiology list.

The impact factor (a measure for ranking journals according to the number of times their articles are cited in later publications) of *The Journal of Physiology* increased to 4.76 (2008: 4.65) with the half-life of articles remaining high at 9.5 years (2008: 9.5). The impact factor of *Experimental Physiology* rose to 3.17 (2008: 2.91). Both journals slightly increased their ranking in the physiology list with *The Journal of Physiology* and *Experimental Physiology* ranked at 6<sup>th</sup> and 26<sup>th</sup>, respectively.

In 2010 *The Journal of Physiology* held four sponsored symposia at international meetings across the globe and developed initiatives to broaden readership (Non-technical summaries; Clinical Perspectives). *Experimental Physiology* published a Winter Olympics Themed Issue and launched an Early Author Prize which attracted 29 entries from young physiologists and will continue in 2011.

In 2011 *The Journal of Physiology* will refocus on translational physiology and launch initiatives to raise the profile amongst the neuroscience research community and encourage submissions. Both journals will continue to promote content to the wider community, with press releases on important new developments.

### Key achievements in 2010

- *Journal of Physiology* – Continued rise in impact factor, developed initiatives for broadening readership
- *Experimental Physiology* – Continued rise in impact factor, published Winter Olympics Themed issue

### Key goals for 2011

- *Journal of Physiology* – Encouraging high quality submissions through dedicated neuroscience and focused issues, and author prize; improving the visibility through short summaries (Research Highlights) and press releases
- *Experimental Physiology* – Maintaining healthy submission rate, stringent acceptance rate, and varied journal content
- Investigating possible new (highlight/summary) article formats to widen visibility and suit tablet/handheld device users

## Events (Scientific Meetings)

The Society's Main Meeting, Physiology 2010, took place in July at University of Manchester, attracting over 1,000 scientists from across the world who viewed over 400 free communications. We also ran three Themed Meetings covering Metabolism & Endocrinology, Cardiac & Respiratory Physiology and a special Cross Themed Meeting. The Society also supported 15 non-Society meetings covering a wide range of physiological topics of interest, including three Festschriften celebrating the work of notable physiologists.

The Society also sponsored the Joint Meeting of the German and Scandinavian Physiological Societies which was held in Copenhagen and The Society funded the attendance of 13 UK-based speakers.

The programme and website for The Biomedical Basis of Elite Performance meeting was finalised and work continued with the British Pharmacological Society and Wiley-Blackwell to promote this meeting being held in London in the Olympic year.

The operational and scientific planning for IUPS 2013 started in earnest with the launching of the official website and the first meeting of the Local Scientific Programme Committee.

In 2011 our Main Meeting, Physiology 2011, will be held at the University of Oxford, and each scientific Theme will be represented. Three Themed Meetings will be held in the UK, covering Cellular & Integrative Neuroscience, Epithelia & Membrane Transport and Vascular & Smooth Muscle Physiology.

**Key achievements in 2010**

- Further increases in attendance and abstract submission at Physiology 2010 and Themed Meetings
- IUPS 2013 website launched
- IUPS 2013 Scientific Programme Committees established

**Key goals for 2011**

- Ensure the success of Physiology 2011 and our calendar of Themed Meetings
- Select Plenary and Keynote lecturers for IUPS 2013 – open call for symposia
- Continue planning for Physiology 2012 and Elite Performance meeting

**Summary of 2010 meetings****Metabolism & Endocrinology Themed Meeting**, AstraZeneca, Alderley Park, 24 – 26 March 2010

- Attendance – 139
- Oral communications – 16
- Poster communications – 27

**Joint Meeting of the German and Scandinavian Societies**, 27 – 30 March 2010

- Attendance – 935

**Physiology 2010**, University of Manchester, 30 June – 2 July 2010

- Attendance – 1009
- Oral communications – 141
- Poster communications – 277

**Cardiac & Respiratory Physiology**, IET Birmingham, 1 – 3 September 2010

- Attendance – 103
- Oral communications – 18
- Poster communications – 39

**Cross Themed Meeting**, Durham University, 15 – 17 December 2010

- Attendance – 107
- Oral communications – 16
- Poster communications – 40

**Membership**

The Society's membership remained level with a year-end figure of 2,940 (2010: 2,968). Of these we have 1,808 Ordinary Members, 59 Honorary Members, 30 Associate Members, 841 Affiliate Members and 202 Undergraduate Members. Around 70% of our Members are based in the UK and Ireland.

The Society is aware that the research environment can be challenging for female investigators. 54% of our Affiliate (early career) Members are women, but this falls to 22.5% for Full Members. The Society has been taking steps to address this by supporting a women's mentoring programme which continued in 2010. Under the guidance of the UK Resource Centre for Women (who also provide training), the mentoring scheme paired up 15 early career researchers with more experienced female scientists, providing advice, support and career guidance. We are also planning a similar scheme for men.

In 2010 the amount of travel grant funding available to all Members was £165K. 431 travel grants were submitted and, of these, 367 were funded – an 85% acceptance rate.

In 2011 we will run a comprehensive membership survey. The object of this is to ensure we are delivering our charitable objects and providing support for our Members, and will inform a wider review of The Society's activities. We will also carry out a review of our membership categories and benefits.

**Key Achievements in 2010**

- Increased travel grant funding
- Development of women's mentoring scheme

**Key goals for 2011**

- Manage and deliver membership survey
- Review of membership categories

## Education

2010 was a year full of educational activities at The Physiological Society – starting in a familiar place, at the Association for Science Education Annual Conference. With increasing activity at school level, this has become an ever more important date in The Society's calendar – providing an opportunity to talk to teachers about physiology and gather ideas to inform our education programme. It also allows us to build on our database of teacher contacts, of which we now have over 20.

With a growing audience of school teachers and students, The Society feels an additional responsibility to engage with education policy and, since the Coalition took the reins in Government in May, there have been many opportunities to do so. The launch of the review of the National Curriculum is one example where The Society has contributed and will continue to do so in the coming year.

In parallel to developing the schools programme, the Education Committee has continued to support and develop activity at the undergraduate and postgraduate level. In 2010, through the Vacation Studentship scheme, we supported 37 undergraduates to complete an eight-week research project in the laboratory of one of our Members. We also recognised 45 undergraduates who were each awarded with an Undergraduate Prize for Physiology. This scheme has increased in popularity and we plan to extend it for 2011.

In response to a survey of our membership in 2008, we re-launched our techniques workshops programme in 2010 and there was a high demand for places. New workshops, all run by our Members, included an imaging workshop, and two new molecular biology workshops. As in previous years, we continued to support the microelectrode techniques workshop and *in vivo* workshops.

Another popular element of our education programme is the Young Physiologists' Symposia, which we support each year. In 2010, The Society supported three meetings (in Manchester, St Andrew's and London Southbank University). The latter meeting was run in collaboration with the Biochemical Society and British Pharmacological Society and attracted over 120 delegates.

The Society's support of teaching physiology at undergraduate level continued to increase in 2010 and the raised profile was rewarded when the Teaching Special Interest Group became the 7<sup>th</sup> Theme of The Society. The theme has attracted three years' sponsorship by ADInstruments. The Otto Hutter Prize for teaching physiology was also awarded for the second time in 2010.

As well as education activities, we provide careers support for students at all levels (from school students to postdoctoral researchers). Indeed in 2010, we were represented at over 15 events – from school careers days to UCAS fairs – dedicated to providing careers advice, information and guidance at the appropriate level. In 2011 we will be publishing a new careers leaflet focusing on careers from physiology degrees.

### Achievements in 2010

- New techniques workshops launched in molecular biology(2) and imaging
- Supported 3 symposia for young physiologists

### Goals for 2011

- Increase funding available for Vacation Studentships
- Publish a careers leaflet for schools
- Contribute to the review of the National Curriculum

## Outreach

Since the launch of the outreach grants in 2009, the awareness and popularity of this scheme has continued to grow. In 2010, we awarded £11K through the Outreach grant scheme and also supported several visits of the Mobile Teaching Unit (MTU) to schools.

Our support of the MTU was formalised in 2010, and for the first time we became an official sponsor. The MTU is an excellent facility that provides large numbers of students with hands-on learning experience of physiology. Indeed, it was an excellent resource at the 2010 Big Bang Fair in Manchester, when it was staffed by several of The Society's Affiliate Members.

Also at the Big Bang Fair, The Society hosted a simulation of the Winter Biathlon – this allowed students to visualise the effects of exercise on heart rate, respiratory rate and skill. The stand, which saw a steady stream of students pass through it, was ably managed by a number of our Members.

Whilst the Big Bang Fair is designed to engage individuals of school age, in 2010 The Society also hosted events at science festivals that have primarily an older audience. At Cheltenham Science Festival and at the British Science Festival, events covered the topic of Asthma, and at the Glasgow Science Festival we supported an event on Cystic Fibrosis. In 2011, we will have a presence at the Edinburgh Festival for the first time and will continue to support events at the Cheltenham Science Festival and British Science Festival.

In 2010, The Society's presence at events designed to raise the profile of physiology was greatly supported with the launch of our key educational resource, *Understanding Life*, to which many Members contributed. This resource has been warmly received by a wide audience (from students and teachers to the wider public), and will form a strong basis for the development of an understandinglife.org website, which is planned for a launch in 2011.

#### **Achievements in 2010**

- Agreed sponsorship of Mobile Teaching Unit
- Contributed to the Big Bang Fair, Cheltenham Science Festival, Glasgow Science Festival and British Science Festival
- Launched and circulated The Society's key educational resource, *Understanding Life*

#### **Goals for 2011**

- Launch a new website for schools and the public
- Support events on the topic of ageing at Cheltenham Science Festival and the British Science Festival.

### **External Relations / Policy**

The Society supports a number of activities that aim to raise the profile of physiology amongst the public, other organisations and within Government. Putting physiology on the agenda underpins The Society's objective to secure an environment that is supportive of research and teaching in physiology.

One of the key drivers for establishing The Society in 1876 was to oversee the implementation of an Act to govern the use of animals in experimental research, and it is not coincidental that The Physiological Society has played a key role in informing the updated EU Directive on animal research (2010/63/EU), which was formally adopted by the European Parliament in September 2010. With partners in other societies and organisations, we will oversee the transposition of this Directive into national legislation.

With a new government, 2010 developed into an uncertain time for researchers of today and tomorrow, and The Society most definitely supported the message for the new Coalition that *Science is Vital*. The campaign, which culminated in a rally prior to the Comprehensive Spending Review, drew high profile support with what we believe were largely favourable results. Perhaps one of the most serious threats from the new Government could be the removal of the cap on university tuition fees and The Society continues to seek ways to ensure that students completing physiology training are not adversely affected.

We have also continued to support the work of Sense about Science, in particular the *Voice of Young Science* programme, and the training workshops that are run to help early career researchers to communicate science to the public.

As well as supporting teachers and researchers working in physiology, The Society recognises the need to inform the wider public about physiology to equip them with the knowledge needed to make better-informed judgements about matters affecting them. In 2010, we supported activities at the Glasgow Science Festival, the British Science Festival and the Cheltenham Science Festival; the latter two events focused on asthma. As part of the re-configuration of The Society's Committee structure, outreach events for the public will form part of the remit of Education & Outreach from 2011 onwards.

#### **Key Achievements in 2010**

- The Society provided valuable input to the updated EU Directive on animal research
- Presence at three science festivals

#### **Goals for 2011**

- To increase The Society's profile within Government
- Develop a medium to facilitate Member engagement with policy issues
- To ensure a positive outcome for the transposition of the EU Directive into UK law.

## Signing Of Report

This report was approved by the Trustees of The Physiological Society and signed on this 19th day of May 2011 on their behalf by:

A handwritten signature in black ink, appearing to read 'KM Spyer', with a stylized flourish at the end.

**KM Spyer**  
President

A handwritten signature in black ink, appearing to read 'R Dimaline', with a long, sweeping horizontal stroke at the end.

**R Dimaline**  
Honorary Treasurer

## Independent Auditor's Report To Members Of The Physiological Society

We have audited the financial statements of The Physiological Society for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

### Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [(APB's)] Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

### Opinion on financial statements

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 2010 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion 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.

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

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



Kathryn Burton (Senior statutory auditor)  
for and on behalf of haysmacintyre  
Statutory Auditors

Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

Date: 3 June 2011

## Statement of Financial Activities for the Year Ended 31 December 2010

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2010 £'000	Total 2009 £'000
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Investment income	1	356	-	356	393
<i>Incoming resources from charitable activities</i>					
Trading in furtherance of charitable objectives	2	3,410	-	3,410	3,623
<b>Total incoming resources</b>		<b>3,766</b>	<b>-</b>	<b>3,766</b>	<b>4,016</b>
<b>Resources expended</b>					
<i>Cost of generating funds:</i>					
Investment management costs		54	-	54	36
<i>Charitable activities:</i>					
Publications		1,624	-	1,624	1,679
Events		765	2	767	578
Membership services		390	-	390	370
Education		346	5	351	263
External relations		143	-	143	109
<i>Governance costs</i>		192	-	192	208
<b>Total resources expended</b>	3	<b>3,514</b>	<b>7</b>	<b>3,521</b>	<b>3,243</b>
<b>Net incoming resources</b>		<b>252</b>	<b>(7)</b>	<b>245</b>	<b>773</b>
Realised gains/(losses) on listed investments		9	-	9	(90)
Unrealised gains on listed investments		726	-	726	1,194
Revaluation on investment property		(30)	-	(30)	(75)
<b>Net movement in funds</b>		<b>957</b>	<b>(7)</b>	<b>950</b>	<b>1,802</b>
Fund balances as at 1 January 2010		11,732	97	11,829	10,027
<b>Fund balances as at 31 December 2010</b>	15	<b>12,689</b>	<b>90</b>	<b>12,779</b>	<b>11,829</b>

All the above results are derived from continuing activities. All gains and losses in the year are included above; accordingly a statement of total realised gains and losses has not been prepared. The accounting policies on page 17 and the notes on pages 18 to 23 form part of these accounts.



## Balance Sheet As At 31 December 2010

		Unrestricted Funds £'000	Restricted Funds £'000	Total 2010 £'000	Total 2009 £'000
<b>Fixed Assets</b>					
Tangible assets	11	29	-	29	20
Investments	12	11,319	-	11,319	9,855
		11,348	-	11,348	9,875
<b>Current Assets</b>					
Debtors	13	3,119	-	3,119	2,980
Cash at bank and in hand		897	90	987	1,339
		4,016	90	4,106	4,319
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	14	(2,675)	-	(2,675)	(2,365)
<b>Net Current Assets</b>		1,341	90	1,431	1,954
<b>Net Assets</b>		<b>12,689</b>	<b>90</b>	<b>12,779</b>	<b>11,829</b>
<b>Funds</b>	15				
Unrestricted Funds					
General		11,654	-	11,654	10,728
Designated		1,035	-	1,035	1,004
		12,689	-	12,689	11,732
Restricted		-	90	90	97
		<b>12,689</b>	<b>90</b>	<b>12,779</b>	<b>11,829</b>

The accounting policies on page 17 and the notes on pages 18 to 23 form part of these accounts.

This report was approved by the Trustees of The Physiological Society and signed on this 19th day of May 2011 on their behalf by:



**KM Spyer**  
President



**R Dimaline**  
Honorary Treasurer

## Accounting Policies for the Year Ended 31 December 2010

### Basis of preparation of accounts

The accounts have been prepared under the historical cost convention with the exception that investment assets are included at mid-market prices as at the Balance Sheet date. The accounts are in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities: Statement of recommended practice', published in March 2005 (revised May 2008), applicable accounting standards and also the Companies Act 2006. The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 2006.

### Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objects of The Physiological Society. Designated funds comprise unrestricted funds that have been put aside at the discretion of The Trustees for particular purposes. Restricted income funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.

### Incoming resources

All incoming resources are accounted for as soon as The Society has entitlement to the income, there is certainty of receipt and the amount is quantifiable. The following specific policies are applied to particular categories of income:

Investment income is included when receivable.

Publishing, events and other income are included when receivable.

Members' subscriptions are recorded in the year in which they become due.

### Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds consist of investment management fees and certain legal and professional fees.

Charitable expenditure comprises those costs incurred by The Society in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of The Society. These costs include the audit and legal fees, costs linked to the strategic management of The Society together with an apportionment of overhead and support costs,

All costs are allocated between the expenditure categories of the accounts on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of time spent.

### Grants payable

Expenditure on grants is recorded once The Society has made an unconditional commitment to pay the grant and this is communicated to the beneficiary or the grant has been paid, whichever is the earlier. The Society has not made any grant commitments of more than one year.

### Pension costs

The Trustees of The Society decided to close The Society's Occupational Pension Scheme to new members from 1 March 2000. From that date, a defined contribution (money purchase) pension scheme has been in place and operated in compliance with the Stakeholder pension requirements.

The Society makes contributions towards the defined contribution schemes, up to a maximum of 10% of basic salary. The amount charged to the accounts in respect of pension costs is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

### Fixed assets

Assets with a cost in excess of £1,000 intended to be of ongoing use to The Society in carrying out its activities are capitalised as fixed assets. Depreciation is charged on tangible fixed assets at 25% of cost per annum, so as to write them off over their expected useful lives.

### Investments

Investments listed on a recognised stock exchange are stated at mid-market value at the balance sheet date. Freehold investment property is valued on an annual basis by The Society's property surveyors.

Net investment gains/losses for the year are credited/charged in the Statement of Financial Activities.

## Notes To The Financial Statements For The Year Ended 31 December 2010

### 1. Investment income

	2010	2009
	£'000	£'000
Dividends and short-term deposit interest	182	184
Rental income	159	174
Bank deposit interest	15	35
	<u>356</u>	<u>393</u>

### 2. Trading in furtherance of charitable activities

	2010	2009
	£'000	£'000
Publishing	3,183	3,386
Events	90	78
Membership subscriptions	124	141
Other	13	18
	<u>3,410</u>	<u>3,623</u>

All of The Society's trading activities are carried out within its prime charitable purposes. The Society was exempt from income tax, corporation tax or capital gains tax on income derived from its trading or charitable activities.

### 3 Analysis of resources expended

	Grant costs	Other direct costs	Support costs	Total	Total
	£'000	£'000	£'000	2010 £'000	2009 £'000
<b>Cost of generating funds</b>					
Investment management costs	-	54	-	54	36
<b>Charitable activities:</b>					
Publications	-	1,233	391	1,624	1,679
Events	21	506	240	767	578
Membership services	163	56	171	390	370
Education	107	73	171	351	263
External relations	-	54	89	143	109
<b>Governance costs</b>	-	75	117	192	208
<b>Total resources expended</b>	<u>291</u>	<u>2,051</u>	<u>1,179</u>	<u>3,521</u>	<u>3,243</u>

### 4 Support costs

	Staff costs	Operating costs	2010	2009
	£'000	£'000	£'000	£'000
Charitable activities	857	205	1,062	907
Governance costs	88	29	117	107
<b>Total</b>	<u>945</u>	<u>234</u>	<u>1,179</u>	<u>1,014</u>

**5. Staff costs**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Gross salaries	793	707
Social security costs	71	65
Pension costs	81	71
Copy-editor support costs	-	1
	<b>945</b>	<b>844</b>

The average number of persons employed including part-time staff, calculated on a full-time equivalent basis analysed by office, was:

	<b>2010</b>	<b>2009</b>
	<b>Number</b>	<b>Number</b>
London	13	12
Cambridge	8	8
	<b>21</b>	<b>20</b>

**Emoluments of employees**

The number of employees of The Physiological Society whose emoluments fell within the following bands:

	<b>2010</b>	<b>2009</b>
	<b>Number</b>	<b>Number</b>
£60,001 - £70,000	-	1
£80,001 - £90,000	1	-

During the year, pension contributions on behalf of these staff amounted to £5,000 (2009: £8,000)

**6. Operating costs**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Employee-related costs	68	30
Premises	87	75
Communications and IT	53	35
Postage and printing	8	7
Financial costs	14	20
Depreciation	6	4
	<b>234</b>	<b>171</b>

**7. Governance direct costs comprise**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
AGM, Council and committee expenses	28	33
Auditors remuneration:		
- Audit fee	8	9
- Non audit services	1	1
Legal and professional	1	4
Academic support	37	54
	<b>75</b>	<b>101</b>

## 8. Related party transactions

All Trustees are Members of The Physiological Society. The Trustees received no remuneration in respect of their services to The Society but certain host departments received academic support amounting to £43,843 (2009: £53,974) and Trustees (21 in total) incurred expenses totalling £28,665 (2009: 20, £32,317).

### Academic support

The following Trustees' institutions received academic support payments during the year:

Trustee	Institution	Amount £
J F Ashmore	University College London	3,267
R Dimaline	University of Liverpool	6,486
P Kumar	University of Birmingham	3,219
J C McGrath	University of Glasgow	3,267
C H Orchard	University of Bristol	6,438
L Robson	University of Sheffield	3,244
M J Shipston	University of Edinburgh	1,634
K M Spyer	University College London	9,754
J P T Ward	Kings College London	3,267
D J A Wyllie	University of Edinburgh	3,267
		<b>£43,843</b>

### Free basic membership

The following Trustees received free membership, worth up to £90, in 2010 as follows:

Trustee	Reason
S Egginton	Editor of Experimental Physiology
V F Gladwell	Society representative
M Shipston	Society representative
K M Spyer	Honorary Member
M White	Editor of Experimental Physiology
J P Winpenny	Society representative

### Editorial support

During the year journal editors received a total of £126,000 (2009: £102,000) in respect of editorial support and stationary allowances.

## 9. Financial commitments

At 31 December 2010 The Society had the following commitments:

- An annual commitment for rent under a non-cancellable operating lease in respect of occupation of Peer House, Verulam Street, London. The future commitment for rent is estimated at £44,000 (2009: £44,000) per annum. The lease expires on 01 April 2014.
- An annual commitment for rent under a non-cancellable operating lease in respect of occupation of The Michael Young Centre, Purbeck Road, Cambridge. The future commitment for rent is £38,000 (2009: £38,000) per annum. The lease expires on 06 September 2013.

**10. Grants payable**

The Society awarded grants to a number of institutions and individuals in the furtherance of its charitable activities.

	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>No.</b>	<b>No.</b>	<b>£'000</b>	<b>£'000</b>
<b>Events</b>				
Young Physiologists' bursary scheme	<b>51</b>	62	<b>7</b>	11
Non-Society symposium	<b>10</b>	14	<b>6</b>	9
Special symposium	<b>2</b>	2	<b>8</b>	10
Joint International Meeting	-	1	-	16
<b>Membership services</b>				
Travel grant	<b>367</b>	341	<b>163</b>	164
<b>Education</b>				
Vacation Studentships	<b>38</b>	36	<b>38</b>	39
Outreach Grants	<b>15</b>	4	<b>11</b>	4
Teaching SIG Grants	-	2	-	1
International Junior Research Grant	<b>3</b>	3	<b>15</b>	15
International Senior Research Grant	<b>2</b>	2	<b>14</b>	14
Centre of Excellence	-	1	-	5
Microelectrode Workshop	<b>1</b>	1	<b>10</b>	10
Departmental Seminar Scheme	<b>17</b>	20	<b>14</b>	14
David Jordan International Teaching Fellowship Fund	<b>1</b>	-	<b>5</b>	-
	<b>507</b>	<b>489</b>	<b>291</b>	<b>312</b>

**11. Tangible fixed assets**

	<b>£'000</b>
<b>Cost</b>	
<b>At 1 January 2010</b>	<b>31</b>
Additions	<b>21</b>
Disposals	<b>(1)</b>
<b>At 31 December 2010</b>	<b>51</b>
<b>Accumulated depreciation</b>	
<b>At 1 January 2010</b>	<b>11</b>
Charge for the year	<b>12</b>
Disposals	<b>(1)</b>
<b>At 31 December 2010</b>	<b>22</b>
<b>Net book value at 31 December 2010</b>	<b>29</b>
<b>Net book value at 31 December 2009</b>	<b>20</b>

**12. Investments**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
<b>Analysis of investments at 31 December by category of holding</b>		
Investment properties	1,795	1,825
Listed investments	<u>9,318</u>	<u>7,565</u>
	<b>11,113</b>	<b>9,390</b>
Cash held as part of the portfolio	<u>206</u>	<u>465</u>
	<b>11,319</b>	<b>9,855</b>
<b>Analysis of investments at 31 December by location</b>		
Investments held in the UK	11,110	9,040
Investments held outside the UK	<u>209</u>	<u>815</u>
	<b>11,319</b>	<b>9,855</b>
<b>Analysis of movements in investments</b>		
Valuation at 1 January 2010	9,390	8,600
Additions	4,357	1,136
Disposals in the year (proceeds £3,339,000 (2009: £1,376,000))	(3,330)	(1,465)
Net unrealised gains	<u>696</u>	<u>1,119</u>
<b>Valuation at 31 December 2010</b>	<b>11,113</b>	<b>9,390</b>

The Trustees do not consider any particular investment holding to be material in the context of the investment portfolio.

The valuation of freehold investment properties has been undertaken by Bidwells, Chartered Surveyors. It was made at the open market value as of 31 December 2010. The valuation was prepared in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual.

**13. Debtors**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	400	389
Other debtors	2,564	2,465
Prepayments and accrued income	<u>155</u>	<u>126</u>
	<b>3,119</b>	<b>2,980</b>

**14. Creditors**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	54	23
Other creditors	53	58
Accruals and deferred income	<u>2,568</u>	<u>2,284</u>
	<b>2,675</b>	<b>2,365</b>

**15. Analysis of total funds**

	Opening balance £'000	Incoming resources £'000	Outgoing resources £'000	Net Gains £'000	Transfers £'000	Closing balance £'000
<b>Unrestricted funds</b>						
Designated funds:						
IUPS fund	1,000	2	(167)	-	-	<b>835</b>
Website project fund	-	-	-	-	150	<b>150</b>
Property task force fund	-	-	-	-	25	<b>25</b>
Publications task force fund	-	-	-	-	25	<b>25</b>
Other designated funds	4	-	(4)	-	-	-
	<u>1,004</u>	<u>2</u>	<u>(171)</u>	<u>-</u>	<u>200</u>	<u><b>1,035</b></u>
General funds	10,728	3,764	(3,343)	705	(200)	<b>11,654</b>
<b>Total unrestricted funds</b>	<u><b>11,732</b></u>	<u><b>3,766</b></u>	<u><b>(3,514)</b></u>	<u><b>705</b></u>	<u>-</u>	<u><b>12,689</b></u>
Restricted funds:						
David Jordan International Teaching Fellowship Fund	53	-	(5)	-	-	<b>48</b>
Paton Prize Bursary Fund	24	-	-	-	-	<b>24</b>
Other restricted funds	20	-	(2)	-	-	<b>18</b>
<b>Total restricted funds</b>	<u>97</u>	<u>-</u>	<u>(7)</u>	<u>-</u>	<u>-</u>	<u><b>90</b></u>
<b>Total funds</b>	<u><b>11,829</b></u>	<u><b>3,766</b></u>	<u><b>(3,521)</b></u>	<u><b>705</b></u>	<u>-</u>	<u><b>12,779</b></u>

In November 2006, the Trustees agreed to set aside £1,000,000 to underwrite potential commitments for the XXXVII IUPS Congress in 2013. The Finance Committee reviewed the level of designation in 2010 and considered that the level was reasonable. £167,000 was charged to the fund in the year, of which £41,000 related to brought forward costs and £100,000 related to deposits payable to the NEC, Birmingham.

In 2008, The Physiological Society received a bequest from the estate of Professor David Jordan. As a fitting tribute to his memory, the Trustees proposed a new scheme, which commenced in 2010, that will help support physiology teaching worldwide. A maximum of one grant will be awarded per annum. This year, Nisreen M. Omar (Mansoura, Egypt) was awarded the Fellowship to visit the University of Manchester, in order to observe how they use problem-based learning in medical education.

The Paton Prize Bursary Fund awards bursaries to promote the study of the history of major concepts that have shaped modern physiology. There were no Paton Prize Bursaries awarded in 2010.

In November 2010, the Trustees approved the designation of three funds which earmark new projects to commence in 2011. The projects involve an upgrade of The Society's websites, a review of its accommodation strategy and an analysis of its publications arrangements. The level of designation will be reviewed annually by the Finance Committee.



## Standing Information

The Physiological Society is registered in England as a company limited by guarantee, No. 323575.  
Registered Charity No. 211585      [www.physoc.org](http://www.physoc.org)

### Head Office and Registered Office

Peer House, Verulam Street, London WC1X 8LZ, UK  
Tel: 020 7269 5710      Fax: 020 7269 5720

### Publications Office

PO Box 502, Cambridge CB1 0AL, UK  
Tel: 01223 400180      Fax: 01223 246858

### Trustees in 2010

- Jonathan Ashmore (from 1 July 2010)
- Stephen Bolsover
- Theodor Burdyga (from 1 July 2010)
- Patricia de Winter
- Rod Dimaline
- Julian Dow
- Stuart Egginton
- Valerie Gladwell (to 1 July 2010)
- Susan Jones
- Prem Kumar (to 1 July 2010)
- Ian McGrath
- Mary Morrell
- Clive Orchard (to 1 July 2010)
- Mike Shipston
- Louise Robson
- Mike Spyer
- Andy Trafford
- Jeremy Ward
- Michael White
- John Winpenny
- David Wyllie

### Chief Executive

Philip Wright (from October 2010)  
Michael Collis (to August 2010)

### Company Secretary

Simon Kellas

### Head of Finance & Administration

Casey Early

### Auditors

haysmacintyre, Fairfax House, 15 Fulwood Place, London WC1V 6AY, UK

### Solicitors

Russell-Cooke, 2 Putney Hill, Putney SW15 6AB, UK

### Bankers

Child & Co, 1 Fleet Street, London EC4Y 1BD, UK

### Investment property managers

Bestinvest (Brokers) Ltd, 6 Chesterfield Gardens, London W1J 5BQ, UK

### Property consultants

Bidwells, Trumpington Road, Cambridge CB2 2LD, UK

### Pension advisors

Punter Southall Financial Management Ltd, 126 Jermyn Street, London SW1Y 4UJ, UK