

**International Primary Care Respiratory Group
(a company limited by guarantee)**

Directors' Report and Financial Statements

For the year ended 31 December 2015

Registered Company Number: SC256268

Registered Charity Number: SC035056

International Primary Care Respiratory Group

Directors' Report and Financial Statements

For the year ended 31 December 2015

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International Primary Care Respiratory Group

Directors' Report

For the year ended 31 December 2015





The directors submit their report and the audited accounts of the charitable company for the year ended 31 December 2015.

Legal and administrative information set out on page 13 forms part of this report. The accounts comply with current statutory requirements, the Memorandum and Articles of Association and the Charities SORP (FRS 102).

Objectives and activities

The IPCRG's charitable mission is "to improve public health by carrying out, funding and organising research into the care, treatment and prevention of respiratory illnesses, diseases and problems in a community setting, and to make available the results of such research for the benefit of the public and healthcare professionals." It is the only international primary care respiratory organisation, and the only international primary care organisation with a respiratory research mission. Members believe that the best *place* to diagnose and treat people with respiratory problems is in the communities where they live and work, and the best *way* to do this is through the provision of high quality primary and community care. This requires testing of how best to provide high quality primary care, with the resources available.

The IPCRG is both an organisation of organisations and a global community of interest that enables us to work locally but collaborate globally. Increasingly, it is a global community of practice, and offers demonstration projects that show how primary care can contribute to improved public health. The Board's Strategic Plan was developed in 2014 and reviewed in 2015 including a detailed review of its Research Strategy. The IPCRG has four strategic objectives:

1.  **Promote good clinical respiratory practice**
2.  **Actively lead the respiratory health research and education agenda**
3.  **Identify and unlock the global potential of flagship products**
4.  **Appreciate and strengthen the core business enablers**

Achievements and performance 2015

1. Promote good clinical respiratory practice

The IPCRG believes the best way it can add value to this agenda is to demonstrate effective and innovative practice forged in the real world of primary care, however that operates. Some of our members' family physicians see 30-40 patients a day, others up to 200 patients a day, for a range of minor and serious respiratory infections and chronic illness including tobacco dependency; our examples need to reflect that workload, diversity and complexity. In order to meet local needs and align with local healthcare systems, culture and access to therapies, we continue to follow our mantra: *we work locally, but collaborate globally*.

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World Health Organisation

The World Health Organization-Global Alliance against chronic Respiratory Diseases (WHO-GARD) has previously endorsed a number of our projects as demonstration projects and we have continued to represent primary care on WHO-GARD to link up theory and practice. Our President Elect, Jaime Correia de Sousa and Immediate Past President Niels Chavannes attended the 2015 General Meeting that was held in Portugal and were elected, respectively, as Primary Care Representative and Scientific Representative on the Planning Executive. Kristine Whorlow, IPCRG Treasurer also attended on behalf of her organization and was elected as a member of the Planning Committee. In October Jaime Correia de Sousa was invited by the WHO Coordinator, Management of Noncommunicable Diseases to represent primary care at a high level Strategic Technical Meeting on Chronic Respiratory Disease together with institutional members of the Federation of International Respiratory Societies (FIRS). Subsequently IPCRG has been asked to advise on the revision of the Package of Essential Medicines recommended by the WHO and on building primary care capacity through education.

WONCA (The World Organization of National Colleges, Academies and Academic Associations of General Practitioners/Family Physicians)

If we are to influence practice, we need to work with the majority of grass roots practitioners who do not have a special interest in respiratory disease. For the first time, two colleagues, Beraki Ghezai and Simon Luzige attended WONCA Africa in Accra, Ghana to introduce the management of chronic lung disease to primary care. As the Special Interest Group of WONCA Europe, we ran our first symposium as well as a series of respiratory workshops at the WONCA Europe 2015 meeting in Istanbul, led by Miguel Roman Rodriguez, Ioanna Tsiligianni, Jaime Correia de Sousa and Svein Henrichsen.

European COPD Coalition (ECC) and European Federation of Allergy and Airways Diseases Patients' Associations (EFA)

The IPCRG is now a full voting member of the European COPD Coalition of organisations set up to increase awareness of COPD amongst European agencies and policy-makers and in particular, the importance of primary care's role. In addition to regular advocacy activities, we actively participated in a new project to develop a European-wide COPD interactive digital atlas and ensure it used primary care-appropriate metrics. Working with EFA we also highlighted variation in access to high quality respiratory services in primary care across Europe.

Conferences

At our 4th Scientific Meeting in Singapore in May 2015, our first in Asia, we were delighted to welcome primary care colleagues from across Asia to present and discuss data about patient need and primary care responses.



2. Actively lead the respiratory health research and education agenda

2.1 Education

Strategy implementation

In 2014 the IPCRG published its Education Strategy including a commitment to test Teach the Teacher models to build primary care teaching capacity. We took the opportunity afforded by our commitment to disseminate the findings of the Innovative Medicines Initiative-funded U-BIOPRED on severe asthma to develop a Teach the Teacher programme on Difficult to Manage Asthma including the results of the U-BIOPRED programme, approved by the U-BIOPRED consortium. We ran one pan-European event for 14 new teachers from seven countries, and seven national events teaching approximately 200 practitioners.

Global Bridges: tobacco dependence education in Uganda

Using a US\$100,000 grant that IPCRG raised from Global Bridges Healthcare Alliance for Tobacco Dependence Treatment and Pfizer Independent Grants for Learning & Change (IGLC) our team in Uganda has developed an education programme for tobacco dependence in the context of lung health that has achieved endorsement from the Uganda Ministry of Health. IPCRG has also been able to work with the Mayo Clinic that manages the grant, to connect other grantees with primary care.

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2.2 Research

Building research capacity

Our first IPCRG Respiratory Research School held in conjunction with Nature Publishing Group and held during our 4th Scientific Meeting in Singapore provided a springboard for a number of colleagues in Asia to evaluate primary care service development that has the potential to influence policy and practice. Our judging panel awarded the first IPCRG Prize for research of £10,000 to a team from Malaysia that will report in 2016.

The IPCRG fellowship programme

The first IPCRG Fellowship Programme is supporting the living costs of a doctoral candidate to enhance research capacity in low and middle-income countries. This is a multi-national collaboration between four universities and the IPCRG:

- Family Medicine Department, University of Medicine and Pharmacy at Ho Chi Minh City, Vietnam
- Medical School, University of Crete, Heraklion, Crete, Greece
- Primary Care Research, University of Southampton, Southampton, UK
- Department of Public Health and Primary Care, Leiden University Medical Center, Leiden, Netherlands
- International Primary Care Respiratory Group, London, UK

Despite some delays, the first Fellow, Vinh Nguyen, has begun data collection in Vietnam using equipment secured through a donation from Aerocrine Ltd.

E-Faculty

Our E-Faculty project that aims to improve research capacity in primary care research-naive teams has been focused on Chile. It has been difficult to recruit vocationally trained primary care clinicians to conduct research given their scarcity and current workload. Budget was used in 2015 to support attendance of Mauricio Soto, the lead in Chile to attend the Research School in Singapore and to consider the development of an equivalent programme in Latin America.

Research in low and middle income countries (LMICs)

World Health Organization figures show worldwide about 80 million people have chronic obstructive pulmonary disease (COPD) and it is now the third leading cause of death worldwide. Asthma affects an estimated 300 million individuals worldwide. Data shows that the greatest burden of lung disease occurs in low-resource settings. According to WHO figures over 90% of COPD deaths and over 80% of asthma deaths occur in LMICs. The link between exposure to smoke, including tobacco smoke, indoor and outdoor environmental exposure, and lung diseases is well established by existing research. In addition, while tobacco use is decreasing in many high-income countries, it is increasing in many LMICs where by the year 2030, 80% of deaths caused by tobacco use are expected to occur.

Therefore it is imperative, as a global organisation, that the IPCRG supports the development of research in on the prevention and treatment of chronic lung disease in primary care settings. We have had a successful year in pursuit of this important goal.

European Commission Horizon 2020: FRESH AIR

The IPCRG directors agreed to invest over £20,000 in the development of a bid to the Horizon 2020 programme for a call on the prevention and treatment of chronic respiratory disease in low and middle income countries and at risk populations in high income countries. This investment, from reserves, was rewarded with a €2.99m grant to a consortium of 14 partners, including the IPCRG for a 3-year programme called FRESH AIR. IPCRG directors agreed that in the event of an award, the ongoing Coordination role should not be delivered by IPCRG, but by Leiden University Medical Center (LUMC). Therefore IPCRG has now handed over responsibility for coordination to LUMC but remains responsible for the delivery of Work Package 7, Maximising and spreading impact: stakeholder engagement including the setting up of a dedicated web platform, accessible communications materials and a Scientific Advisory Committee; and for support on two further Work Packages: Developing capacity for implementation science, and Improving diagnosis and treatment for tobacco dependence. To date we have received €167,175 of the €278,625 grant for this work.

<http://www.theipcr.org/freshair>.

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FRESH AIR – additional activity

Having supported a successful pilot in rehabilitation for people recovering from TB in Uganda, we endorsed a bid to the Wellcome Trust by the team led by Dr Rupert Jones to expand the research and offered to fund a low-budget film if the bid was successful. If the effectiveness and cost-effectiveness of pulmonary rehabilitation in low income countries can be demonstrated, this could have worldwide significance. The bid was successful and therefore directors approved a further grant of £5,000 from reserves for the film production.

The IPCRG raised €25,000 for the initiation of FRESH AIR in Kyrgyzstan from the European Lung Foundation's Breathe Clean Air campaign funded from a donation by Novartis and Sandoz. This grant went to our group in Kyrgyzstan to enable them to collect and analyse data that was presented at the IPCRG's Singapore Meeting, at the European Respiratory Society in September, and at the first Euro-Asian conference in November. For more information on FRESH AIR see <http://www.theipcr.org/display/RES/FRESH+AIR>.

The dust particulate monitor bought by the IPCRG has now been used in both Uganda and Kyrgyzstan and will be used again in the Horizon 2020 project. Other countries such as Georgia have expressed interest in borrowing the equipment if it can be made available.

Asthma research priorities

During 2015 the IPCRG worked closely with the European Lung Foundation to define the priorities for asthma research funding by the European Union in a project called European Asthma Research and Innovation Partnership (EARIP) <http://earip.eu/> which involved a number of IPCRG colleagues attending a series of meetings and participation in an online survey.

Research using primary care datasets: UNLOCK

The UNLOCK Group is an international collaboration of 14 research groups with primary care data generated from either routine consultations or previous research projects. The aim is to answer research questions relevant to the delivery of care in real life practice by analyzing these existing data from several countries or regions together to have larger, and more representative datasets. The original funding from Novartis was allocated to an UNLOCK researcher in a 50/50 appointment with the University of Minho and a part-time project manager to facilitate further studies.

IPCRG-funded Research Pilots

At our Scientific Meeting in Uppsala 2013, we hosted a research design workshop to debate future research which the IPCRG could potentially fund. This addresses some of the IPCRG's published Prioritised primary care respiratory research questions. Three of the four projects continued into 2015. Two completed:

- **Pain in People with COPD:** Darlene Reid, University of Vancouver. One paper including data from two IPCRG participants has been submitted for publication.
- **Tobacco dependence:** Sheals, K, Allistone, G and McEwen A. (2014) The nature and extent of national tobacco treatment guidelines for primary care: Report for the International Primary Care Respiratory Group. London, National Centre for Smoking Cessation and Training. Final report. The data have been passed to the University of Leiden Medical Center to prepare a paper for peer-reviewed publication.
- **An update to our review of 2005 asthma control tools and assessment tools for COPD co-morbidities** by Dr Andrew Cave, Canada. Draft manuscripts were received at the end of the year, and it is expected that the project will complete by the second quarter 2016.

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3. Identify and unlock the global potential of flagship products

Conferences

Conferences provide a rare opportunity for our global network to meet face-to-face to discuss the challenges they face, to share solutions and to plan collaborations, and provide a showcase for the best primary care respiratory practice and research. In addition to their potential to strengthen our reputation, they also provide the potential for the generation of funds that can be used for legacy projects. Following the 7th biennial World Conference in Athens in 2014 we agreed a €40,000 research grant to our Greek group to conduct new research in Greece. A VAT recovery is still awaited from our 7th biennial World Conference in Athens in 2014. The process is being managed by our Professional Conference Organiser and is subject to local timescales.

Our 4th Scientific Meeting in Singapore, and 1st Respiratory Research School, was the first IPCRG meeting in Asia. It was attended by 143 delegates from 34 countries submitting 91 abstracts. The Research School was attended by 9 teams. The extension of the IPCRG bursary programme to the Scientific Meeting for the first time enabled attendance from 30 delegates. Delegate evaluation for the Meeting was very positive.

Programming, fundraising and event management is well under way for our 8th World Conference in Amsterdam May 2016, Teamwork: who cares? Attendance by directors, Executive Officer and Conference Director at the European Respiratory Society in September 2015 was structured to enable meetings with potential sponsors.

E-Quality programme

The E-Quality programme contributes to our knowledge about primary care education, service improvement and outcomes for clinicians and patients.

There have now been three calls for proposals. All Call 2 projects completed by the end of 2014, and during 2015 live projects from Call 1 and Call 3 were monitored and made progress. From Call 1, the Chest Research Foundation, Pune, India has now recruited sufficient GPs who meet the inclusion criteria for a one-day asthma education programme, CHAMPS, to evaluate the impact on their prescribing of inhaled medicines.

From Call 3

- An educational project in Sri Lanka is underway to improve the diagnosis of obstructive lung disease by increasing the availability and accuracy of spirometry so that it becomes an affordable investigation in low and middle income countries. Four of the six training programmes for primary care clinicians have now taken place, with a positive evaluation from the 66 participants from across Sri Lanka. Systems are being established to enable clinical physiologists to support primary care using the Spirometry 360 programme tested in Call 1.
- A teleconsulting education project in Brazil to provide support, training and mentoring to primary care is established and will complete in mid 2016. Meanwhile the Brazilian team in collaboration with IPCRG colleagues submitted a paper tonpj-Primary Care Respiratory Medicine in September about the model of matrix training tested in Call 1. The model has been taken up nationally in Brazil with plans to spread the training to ten other municipalities funded by GINA Brasil
- A combined research and education project in Macedonia to investigate antibiotic prescribing and to use the data to generate guidance and educational programmes. The baseline study of prescribing practice is complete and a symposium took place in Ohrid, May 2015 with 120 delegates attended by Jaime Correia de Sousa. A further survey was initiated at the end of the year to inform an e-learning package.

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Desktop helpers

These two-page "how to" guides for practising clinicians are very well received wherever they are handed out by IPCRG. Given its high profile projects in tobacco dependence, the IPCRG produced a revised desktop helper on Helping Smokers Quit in primary care independent of any commercial company grant. It is available digitally and country members can apply the Creative Commons licence to translate and adapt for their needs.

RespiratoryAt@Glance

Respiratory At@Glance is our abstract review service provided in English and Spanish, funded by a donation from Teva Pharmaceuticals Ltd. An IPCRG team of Vidal Barchilon, Carlos Goncalves, Basil Penney, Persijn Honkoop, Karin Lisspers, Jaime Correia de Sousa, Rik Loijmans and Ioanna Tsiligianni and Frederik van Gemert volunteer to select the respiratory papers to be summarised by B. Ami Medical information Ltd and then reviews the summary. These are then also translated by Miguel Roman Rodriguez into Spanish and are published at

- https://www.theipcrq.org/display/respatglanceen/RespiratoryAt@Glance+English#.Ut_h6vbFKMw in English and Spanish; and
- <https://www.theipcrq.org/display/RespAtAGlanceSpanish/RespiratoryAt@Glance+Spanish>, as an in-kind donation from Teva Pharmaceuticals Ltd.



4. Appreciate and strengthen our core business enablers

Nature Partner Journals Primary Care Respiratory Medicine (npj PCRM)

During 2015 the relationship with the new publishers strengthened. There were several joint management committee meetings held with Primary Care Respiratory Society-UK and Nature Publishing Group to discuss strategic direction and action; Aziz Sheikh, Editor in Chief, presented at the Respiratory Research School and judged the Respiratory Research School prize; a number of article processing charge (APC) sponsorships for submitted papers were agreed as well as a discounted APC rate for IPCRG conference attenders.

Member growth

The Senate approved five new members being the USA, Bulgaria, Turkey, Kyrgyzstan and FYR Macedonia. As a consequence, Jaime Correia de Sousa supported the Turkish group at their national meeting preceding the WONCA Europe meeting in Istanbul. He also attended the Macedonian group's first meeting. Two colleagues, Hilary Pinnock, and Beraki Ghezai, travelled to Bishkek, in Krygyzstan for the inaugural Euro-Asian International Primary Care Respiratory Group (IPCRG) Symposium during the Kyrgyz National Congress of Respiratory and Allergic Diseases. They were joined by Katrina Flannigan via weblink to deliver an important introduction to the potential of nurses in primary care. Our Treasurer, Kristine Whorlow also attended representing her own organization. This meeting was attended by senior representatives of the Ministry of Health and clinicians from neighbouring countries including Kazakhstan and IPCRG representatives were involved in a meeting with the Minister for Health.

Our associate corporate members in 2015 were Boehringer Ingelheim, Novartis, Teva and Vitalograph with whom we shared our experiences and insight about the international development of primary care and the population need for respiratory care. We continued to collaborate with our associate members – invited organisations, particularly the European COPD Coalition, European Federation of Allergy & Airways Diseases Patients' Associations (EFA) and World Allergy Organisation (WAO) and European Respiratory Society on specific projects. We have also supported the establishment of a primary care group within the European Academy of Allergology and Clinical Immunology (EAACI) and its leadership is also drawn from our network.

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Plans for future periods

The IPCRG directors consider that the IPCRG has a robust track record demonstrating how primary care can diagnose and improve the lung health of populations and individuals. It is the first point of contact for many policy-makers and organisations wanting to collaborate with, understand or influence the international primary care respiratory community. We are regarded as a thought-leader offering practical solutions in tobacco dependence, asthma, allergic rhinitis, chronic obstructive pulmonary disease and respiratory infection. However, this has not yet been reflected in increasing financial security. Our income is increasingly dependent on project funding from multiple sources. It is necessary to evaluate the risks and benefits of applying for research and educational projects on a case by case basis. It is likely that applications for larger grants will most often warrant the time and capital investment, but how "large" is defined requires consideration. The applications that have been successful validate the directors' prioritization and strategy to extend into low and middle income countries, their aims to improve primary care standards globally, and build educational and research capacity in primary care, so that innovative and effective means to improve standards are robustly tested and evaluated.

Strengths and opportunities

We have a reach and experience that offers substantial insight into how best to improve outcomes for people at risk of, or experiencing respiratory symptoms, in an affordable way.

Challenges

Our major challenges are financial sustainability, and working with our busy primary care community to help them to create the time, energy, tools and relationships to implement best practice. We have expanded our use of reliable contractors to deliver as much of our work as possible, limiting the commitments of our clinical and academic networks to delivering their expertise.

Plans 2015-2017



Promote good clinical respiratory practice

We will:

- Continue to advocate for primary care's role in treating tobacco dependence, and preventing and treating chronic lung disease by demonstrating practical solutions to prevention, case-finding and management that include not only general practice but also other primary care approaches.
- Demonstrate the value of primary care in managing multiple morbidities by helping people change behaviours to stop smoking and/or inhaling indoor smoke, to eat a better diet and to increase physical activity as well as offering safe and effective.
- Advocate for global patient access to effective respiratory medicines in primary care as part of the WHO review of essential medicines.
- Contribute the primary care perspective to international awareness and advocacy campaigns for tobacco dependence, COPD, asthma, allergic rhinitis and the role of primary care working with our colleagues in WHO, WONCA, European Respiratory Society European Lung Foundation,) European COPD Coalition, European Federation of Allergy and Airways Diseases Patients' Associations, European Academy of Allergy and Clinical Immunology, Global Bridges, World Allergy Organization.

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Actively lead the respiratory health research and education agenda

We will begin implementation of the revised terms of reference for the Education and Research sub-committees that lead our programmes. This will allow for refreshing of committee membership whilst maintaining organizational memory and expertise.

Education

We have made progress testing the validity of our education strategy and will continue to do this through a number of objectives:

- Provide for the WHO an educational approach to build primary care capacity to tackle chronic respiratory disease in low and middle income countries. This features expansion of the Teach the Teacher approach
- Attract and select new projects for the 4th call of our E-Quality programme, drawing out learning about the most effective educational methods and evaluation techniques
- Follow through the implementation of our endorsement policy for example working with the Chest Research Foundation India
- Collaborate with the npj Primary Care Respiratory Medicine to disseminate best practice, including the use of translations into Chinese, Brazilian Portuguese and Spanish
- Publish a revised position statement on Tackling the Tobacco Epidemic in Primary Care including implications for teaching and learning across low, middle and high income countries to provide the framework for tobacco dependence education programmes sponsored by IPCRG
- Deliver tobacco dependence education programmes in Uganda, and, subject to a successful bid, in Eastern Europe.
- Continue to explore the role of respiratory care e-learning for our target audiences of primary care practitioners, teachers and leaders worldwide, including partnerships and collaborations with other organisations

Research

Our research strategy is to promote the messages of our Prioritised Research Needs Statement either by dissemination or by supporting studies and to build research capacity. Priorities for 2016 include:

- Produce the IPCRG's FRESH AIR deliverables on time and on budget and apply the learning on implementation science to other IPCRG activity
- Monitor and evaluate the implementation of the first IPCRG Research Fellow in collaboration with the universities of Heraklion, Leiden, Southampton and Ho Chi Minh
- Monitor and evaluate the Research Prize project awarded at the Respiratory Research School, May 2015 in Singapore: Patients' and parental perceptions about childhood asthma and its control, Dr Siti Nurkamilla Ramdhan, University of Malaya
- Disseminate the findings from UNLOCK and seek ways to sustain progress in multi-national primary care data exchange and analysis including collaboration with Respiratory Effectiveness Group
- Facilitate publication of IPCRG-commissioned research and reviews on pain in COPD, tobacco dependence guidelines for primary care, asthma control tools, assessment tools for comorbidities of COPD
- Review IPCRG's prioritised research needs statement, as well as other research statements such as ATS/ERS statement on COPD, and the EARIP statement on asthma research needs in Europe
- Scan for and review opportunities for research funding of prioritised research

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Identify and unlock the global potential of our flagship products

We will expand these flagship products into new clinical and geographical areas:

Conference

- Deliver a successful 8th World Conference, "Teamwork – who cares? " in Amsterdam May 2016 for delegates and supporters
- Develop financially and scientifically robust plans for two conferences in 2017: a 5th Scientific Meeting in Europe and a first Regional Scientific Meeting in Sri Lanka in August 2017
- Have a strong presence at WONCA conferences in Copenhagen and Rio de Janeiro
- Support member conferences in Bulgaria



Strengthen our core: membership and communities of interest

We will:

- Expand our network beyond the current 130,000 clinicians through membership drives to new primary care groups, corporate members and associates.
- The Board and Sub-committee Chairs will actively seek new talent for Board and committee positions.
- The web platform will be strengthened as the hub for communities of interest and practice.
- Increase activity in Germany and France, aiming for full membership in 2016.
- Building on the relationships built in Singapore 2015, we will aim to build groups in Asia.
- Marketing the npj Primary Care Respiratory Medicine will provide further opportunities to connect with and support primary care researchers.
- Continue to assess the impact of conference bursaries to widen our community of practice.

We plan to increase activity in Germany and France aiming for full membership in 2016. Building on the relationships built in Singapore 2015 we will aim to build groups in Asia. Marketing the npjPCRM to authors provides further opportunities to connect with and support primary care researchers.

We will continue to assess the impact of conference bursaries to widen our community of practice.

Financial review

The Board conducted its governance role by continuing to meet nine times a year by teleconference, with one face-to-face meeting coinciding with their attendance at the Singapore Meeting

The IPCRG's principal funding sources are membership subscriptions from Associate Corporate Members, grants for projects and conference income. The level of the subscription is set at the AGM and is revised every three years. Rates were set at €36,750 for pharmaceutical companies and a lower rate for device companies. We had four associate corporate members in 2015 and we thank them for their engagement with us. However, the reduction in numbers of Associate Corporate Members means we must find alternative sources of funding.

On the positive side, IPCRG's performance record and robust clinical networks have enabled us to bid successfully for a major European Horizon 2020 grant that has brought €2.9 million to the fourteen members of the consortium including a grant to the IPCRG itself. Due to the uncertainty of Associate Corporate Membership income in 2015, the IPCRG was not able to set a balanced budget. Our performance in 2015 is better than expected, but still shows an operating loss. However we still retain adequate reserves.

We continued to refine our 3-year budgeting cycle, to better reflect the pattern of our income and expenditure, given our biennial conference and to take account of the shifts in charitable activity.

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The financial result for the year is shown in the Statement of Financial Activities. After accounting for an unrealised exchange loss of £28,988 (2014: loss of £52,498) the net movements in funds for the year is a decrease of £163,747 (2014: decrease of £58,955). If the detailed profit and loss figures are reviewed, the causes of that movement become apparent.

At 31 December 2015 IPCRG held total funds of £519,127 (2014: £682,874). £201,163 (2014: £132,234) of funds are restricted and are not available for the general purposes of the charity. Unrestricted funds comprise £45,919 (2014: £254,785) for the general use of the charity, and £272,045 (2014: £295,855) funds which have been designated for specific purposes. The main designated fund is the Conference Reserve. We do not intend to spend this over any given time period. Other designated funds will be spent over the next 2-3 years.

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On the positive side, IPCRG's performance record and robust clinical networks have enabled us to bid successfully for a major European Horizon 2020 grant, that has brought €2.9 million to the fourteen members of the consortium including a grant to the IPCRG itself.

Due to the uncertainty of associate corporate membership income in 2015 the IPCRG was not able to set a balanced budget. Our performance in 2015 is better than expected, but still shows an operating loss. We still retain an adequate reserves position.

We continued to refine our 3 year budgeting cycle, to better reflect the pattern of our income and expenditure, given our biennial conference and to take account of the shifts in charitable activity.

The statement of financial activities describes how our funds were spent.

Debtors represent more than 30% of incoming resources. These are being pursued vigorously.

Reserves

Our risk management strategy identifies our biennial world conference as our single most important exposure to financial risk therefore there is a designated conference reserve of £175,000, sufficient to meet current risk assessments of IPCRG World Conferences and Scientific Meetings. In addition, the reserve policy of the IPCRG is also to build a general reserve fund to enable the organisation to continue running for six months in the event of a catastrophe in order to permit the closure of the organisation, having fulfilled its financial responsibilities and with a minimum loss of reputation. This includes director run-on insurance and payments to contractors. This fund would be drawn from our unrestricted funds. Restricted funds would be passed on to another organization to administer. We are working towards achieving the full reserves.

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Risk management

The Governance sub-committee regularly assesses the IPCRG's exposure to risk, in particular anything related to its reputation and finance. It makes recommendations to the directors on how best to deal with any identified risk, and reviews systems to manage any exposure.

We keep our policies and processes under review to ensure they cover our current exposures to risk. Each project is analysed for its risk to reputation and finance, and the conferences, which represent our largest exposure to risk, have separate budgets that are carefully reviewed.

The principal risk and uncertainty facing the IPCRG is the future level of financial support from the pharmaceutical industry including, but not limited to, associate corporate membership subscriptions, grants and donations, and conference and meeting sponsorship and support. Discussions are regularly held with each company to understand their priorities as well as funding opportunities and constraints. Our Associate Corporate Members continue to value the IPCRG highly but the respiratory market is highly competitive with tight margins and this is affecting global respiratory budgets for supporting professional societies. The majority of the sector tends to finalise its annual budgets in January/February of each year, which creates uncertainty in the first 2-3 months of the IPCRG year. In addition, each company is revising its internal regulation to ensure compliance with national and regional rules on financial relationships between clinicians and industry such as the Sunshine Act 2010 in the United States. This has the potential to affect the type of activity companies will support. The IPCRG's strategy is to work closely with industry partners to understand what opportunities will continue to exist, or may develop in the medium term. In addition, it is looking for new business partners whose objectives align with the IPCRG's charitable objectives. As the IPCRG's reputation for research and education continues to grow, the IPCRG is also looking for sizeable grants and donations that will enable it to deliver its objectives in particular regions or in particular topics. IPCRG is also working closely with other professional societies to ensure an efficient division of responsibilities in the common goals of improving the diagnosis and care of people with chronic respiratory disease.

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Structure, governance and management

Nature of governing document

International Primary Care Respiratory Group ("IPCRG") is a company limited by guarantee (company number: SC256268) and a registered Scottish charity (charity number: SC035056). The charitable company is governed by its Memorandum and Articles of Association.

Organisational structure

A Board of Directors administers the charity. This comprises a minimum of three and a maximum of eight individuals including:

- ex officio, the President of the Company;
- ex officio, the President Elect of the Company;
- ex officio, the Immediate Past President of the Company;
- ex officio, the Treasurer of the Company; and
- up to four persons co-opted by the Directors

The President, President Elect and Treasurer of the Company are elected by Ordinary Resolution.

It is the charity's policy to seek to appoint directors who have a specific interest in its objectives and whose skills complement those already in place. In June 2015 the Board co-opted the maximum four directors as part of its ambition to improve the organisation's sustainability by widening the numbers of people with Board level experience and ensuring global representation. Dr Beraki Ghezai, from Norway, joined the Board for the first time.

Each Ordinary Member of the IPCRG is entitled to appoint one individual as a member of the Senate. The function of the Senate is to advise and assist the directors and act as ambassadors of the IPCRG.

The Board is advised by sub-committees. During 2015 these sub-committees were Governance, Education, Research, Singapore Conference Organising Committee and Amsterdam 2016 Organising Committee. The Terms of Reference of the Education and Research sub-committees were reviewed and updated in 2015, and will be implemented in 2016. An Executive Officer, Siân Williams, is appointed by the directors to manage the day-to-day operations of the charity with support from a Business Manager, Samantha Louw assisted by an Communications Assistant, Linda Kennison; an Education Coordinator, Juliet McDonnell; Conference Director, Christine Lawson, and an UNLOCK Project Manager, Liza Cragg.

Directors

The directors of the company during the year ended 31 December 2015 were as noted on page 13.

Recruitment and appointment of directors

The Board has agreed that succession planning, the development of potential recruits for decision-making and governance roles, recruitment and appointment of directors is a core function of the Board. The board uses the co-option facility to give people Board experience. The Board considers potential directors for appointment and recommends candidates for the posts of President and Treasurer for decision by members at the AGM. Any director may be removed by Ordinary Resolution of the members.

International Primary Care Respiratory Group

Directors' Report

For the year ended 31 December 2015

Ordinary members

The following organisations were ordinary members in 2015 and have the power to appoint an individual as a member of the Senate and to vote at general meetings:

Australia, National Asthma Council Australia
Bangladesh, IPCRG-Bangladesh
Bulgaria, Bulgarian Primary Care Respiratory Group*
Canada, Family Physician Airways Group of Canada
Chile, Grupo de Respiratorio de Atención Primaria (GRAP)
Cyprus, Cyprus Respiratory Group
FYR Macedonia, Association of Family Medicine Specialists - Respiratory Group (AFMS-RG)*
Greece, Greek Primary Care Respiratory Group (GPCRG)
India, Chest Research Foundation India (CRF)
Ireland, Irish Respiratory Group
Italy, Società Italiana Interdisciplinare per le Cure Primarie (SIICP)
Kyrgyzstan, IPCRG- Kyrgyzstan*
New Zealand, New Zealand Primary Care Respiratory Group
Norway, Lunge i Praksis
Pakistan, IPCRG – Pakistan
Portugal, Portuguese Association of Family Physicians - respiratory group, GRESP
Romania, Respiro
Singapore, COPD Association Singapore
Spain, Grupo de Respiratorio de Atención Primaria (GRAP)
Sri Lanka, Primary Care Respiratory Group, Sri Lanka
Sweden, Swedish Respiratory Group in Primary Care
The Netherlands, CAHAG
Turkey, NEFES*
UK, Primary Care Respiratory Group-UK (PCRS-UK)
United States, Primary Care Respiratory Group, United States*
Vietnam – Primary Care Respiratory Group – Vietnam (Chăm Sóc Hô Hấp Ban Đầu)

* Elected at 2015 AGM

Related parties and affiliations

The ordinary members of the charitable company are national and international organisations.

Induction and training of directors

Newly appointed directors are introduced to the workings of the Board through their first meetings. They are also provided with an induction pack, drawn from the Office of the Scottish Charity Regulator (OSCR) Guidance for Charity Trustees, which includes:

- What the IPCRG does
- Its finances and reporting requirements
- Recent Board papers
- Organisational structure, and
- Governance policies such as risk management, declaration of interest, sponsorship and endorsement

In May 2015 a face-to-face learning session about corporate governance and director responsibilities was held with all directors.

As an international organisation with directors working in Europe, Australia and Singapore, face-to-face training is not normally an option; therefore additional discussions about the role are maintained by email and telephone.

International Primary Care Respiratory Group

Directors' Report

For the year ended 31 December 2015

Administrative details

Directors and Trustees

President: Dr Ron Tomlins, General Practitioner and Adjunct Associate Professor, Discipline of General Practice, University of Sydney, Australia

Treasurer: Ms Kristine Whorlow, Chief Executive Officer, National Asthma Council Australia

Immediate Past President: Professor Niels H. Chavannes, Professor of Primary Care Medicine, Strategic Chair of eHealth Applications in Disease Management, Department of Public Health and Primary Care Leiden University Medical Center, the Netherlands

President Elect: Associate Professor Jaime Correia de Sousa, Family Physician, Porto, Portugal, Community Health, School of Health Sciences, University of Minho

Co-optee: Dr Beraki Ghezai Lovenstadtunet Medical Center, Lovenstad, Norway

Co-optee: Dr Ioanna Tsiligianni, General Practitioner, Crete, Greece

Co-optee: Dr Tan Tze Lee, Family The Edinburgh Clinic, Adjunct Assistant Professor & Visiting Consultant, Department of Medicine, National University Hospital, Singapore

Co-optee: Dr Karin Lisspers, Gagnef Primary Health Care Centre, Gagnef, Department of Public Health and Caring Sciences, Family Medicine and Preventive Medicine, Uppsala University, Sweden

Secretary

Ms Kristine Whorlow

Registered Office

4th Floor 115
George Street
Edinburgh
Midlothian
EH2 4JN
Scotland

Auditor

Scott-Moncrieff
Exchange Place 3
Sempie Street
Edinburgh
EH3 8BL

Bankers

Bank of Scotland plc
Princes House
50 West Campbell Street
Glasgow
G2 6PZ

Solicitors

Morton Fraser
Quartermile Two
2 Lister Square
Edinburgh
EH3 9GL

Registered Company Number: SC256268

Registered Charity Number: SC035056

International Primary Care Respiratory Group

Directors' Report

For the year ended 31 December 2015

Statement of directors' responsibilities

The directors (who are also trustees of International Primary Care Respiratory Group for the purposes of charity law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors 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 income and expenditure of the charitable company for that period. In preparing these financial statements, the directors 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Provision of information to auditor

To the knowledge and belief of each of the persons who are directors at the time the report is approved:

- So far as each director is aware, there is no relevant information of which the charitable company's auditor is unaware; and
- Each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, Scott-Moncrieff, will be proposed for reappointment at the annual general meeting in accordance with section 485 of the Companies Act 2006.

Special exemptions

The Directors' Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Signed on behalf of the Board of Directors on 14 April 2016


Director – N Chavannes

International Primary Care Respiratory Group
Independent Auditor's Report to the Members and Trustees
For the year ended 31 December 2015

We have audited the financial statements of International Primary Care Respiratory Group for the year ended 31 December 2015 which comprise the Statement of Financial Activities, Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made exclusively to the members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the statement of directors' responsibilities set out on page 12, 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.

We have been appointed as auditor under section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (United Kingdom and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Smaller Entities (Revised)", in the circumstances set out in note 16 the financial statements.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 2015 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

International Primary Care Respiratory Group

Independent Auditor's Report to the Members and Trustees - continued

For the year ended 31 December 2015

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' 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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records 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 directors' 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; or
- the directors were not exempt from the requirement to prepare a strategic report.

Scott-Moncrieff

Michael Harkness, Senior Statutory Auditor
For and on behalf of Scott-Moncrieff, Statutory Auditor
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

14 April 2016

International Primary Care Respiratory Group

**Statement of Financial Activities and
Income and Expenditure Account**

For the year ended 31 December 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Income and endowments from:					
Donations and legacies		100,574	199,476	300,050	210,884
Charitable activities	4	120,664	-	120,664	151,095
Investment income		-	-	-	63
Total		<u>221,238</u>	<u>199,476</u>	<u>420,714</u>	<u>362,042</u>
Expenditure on:					
Raising funds		12,453	-	12,453	24,375
Charitable activities:					
- Membership services	5	71,842	-	71,842	72,557
- Education	5	263,993	171,210	435,203	208,509
- Research	5	35,975	-	35,975	63,058
Total		<u>384,263</u>	<u>171,210</u>	<u>555,473</u>	<u>368,499</u>
Net (expenditure)/income		<u>(163,025)</u>	<u>28,266</u>	<u>(134,759)</u>	<u>(6,457)</u>
Transfers between funds		(40,663)	40,663	-	-
Other recognised (losses)/gains:					
Loss on currency conversion		(28,988)	-	(28,988)	(52,498)
Net movements in funds	8	<u>(232,676)</u>	<u>68,929</u>	<u>(163,747)</u>	<u>(58,955)</u>
Reconciliation of funds:					
Total funds brought forward		550,640	132,234	682,874	741,829
Total funds carried forward		<u>317,964</u>	<u>201,163</u>	<u>519,127</u>	<u>682,874</u>

All of the results relate to continuing activities.

There were no recognised gains or losses for the current year or prior year other than those stated above.

The notes on pages 21 to 30 form part of these financial statements

International Primary Care Respiratory Group

Balance Sheet

As at 31 December 2015

	Notes	2015 £	2014 £
Current assets			
Debtors	9	140,616	55,435
Cash at bank and in hand		468,777	684,230
		<u>609,393</u>	<u>739,665</u>
Current liabilities			
Creditors: Amounts falling due within one year	10	(90,266)	(56,791)
		<u>519,127</u>	<u>682,874</u>
Net assets		<u><u>519,127</u></u>	<u><u>682,874</u></u>
 Funds			
Restricted funds	11	201,163	132,234
Unrestricted funds:			
– General reserve	11	45,919	254,785
– Designated funds	11	272,045	295,855
		<u>519,127</u>	<u>682,874</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The financial statements were authorised for issue by the directors on and signed on their behalf by:

..... *(Signature)* 2016

.....
(Signature)
Director – N Chavannes

Company number: SC256268

The notes on pages 21 to 30 form part of these financial statements

International Primary Care Respiratory Group

Statement of Cash Flows

For the year ended 31 December 2015

	Notes	2015 £	2014 £
Cash flows from operating activities:			
Net cash (used by)/provided by operating activities	13	(186,465)	99,635
Cash flows from investing activities			
Interest received		-	63
Cash provided by investing activities		-	63
Change in cash in the reporting period		(186,465)	99,698
Cash at the beginning of the period		684,230	637,030
Change in cash due to exchange rate movements		(28,988)	(52,498)
Cash at the end of the reporting period		<u>468,777</u>	<u>684,230</u>

The notes on pages 21 to 30 form part of these financial statements

International Primary Care Respiratory Group

Notes to the Financial Statements

For the year ended 31 December 2015

1. Accounting policies

(a) Basis of accounting

The financial statements have been prepared in accordance with Financial Reporting Standard 102, as issued by the Financial Reporting Council (effective 1 January 2015), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Statement of Recommended Practice (SORP) - Accounting and Reporting by Charities.

International Primary Care Respiratory Group meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transition value unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgements in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

(b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required, and so no reconciliation of opening balances has been prepared.

(c) Going concern

The directors consider that the charitable company will continue in existence for the foreseeable future and are therefore of the opinion that it is appropriate to prepare these financial statements on a going concern basis.

(d) Income recognition

- **Voluntary income**
Donations are included in the Statement of Financial Activities in the year in which the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.
- **Membership services**
Annual subscriptions are included in full in the year to which they relate, and the charity provides the services entitling it to the income. Subscriptions received in advance are released to the Statement of Financial Activities over the period to which they relate.
- **Conference income**
The company's share of the conference income, in respect of the biennial conference, is recognised when the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.
- **Grants receivable**
Income from grants, including capital grants, is included in the incoming resources when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. The exception to this is where the charity has to fulfil conditions before becoming entitled to the grant or where the donor has specified that income is to be expended in a future period. In these circumstances income is deferred until those periods.

International Primary Care Respiratory Group

Notes to the Financial Statements - continued

For the year ended 31 December 2015

1. Accounting policies – continued

(d) Income recognition - continued

- Interest receivable
Interest is included when receivable and the amount can be measure reliable by the charity; this is normally upon notification of the interest paid or payable by the Bank.

(e) Recognition and allocation of resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of irrecoverable VAT.

Expenditure is directly attributed to the relevant category in the Statement of Financial Activities where practical. Executive Officer and business support costs are allocated across activities based on time incurred in each area.

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises direct and support costs incurred by the company in the delivery of its activities and services.
- Grants or instalments of grants offered in connection with projects with institutions are charged to the Statement of Financial Activities in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as contingent liabilities, but not accrued as expenditure.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company and include costs linked to the strategic management of the company.

(f) Taxation

The company is recognised by HM Revenue and Customs as a charity and, as a consequence of the tax reliefs available in relation to the current year, income is not liable to taxation. The company registered for VAT in December 2015, and accordingly irrecoverable VAT is included within the cost category to which it relates up to the date of registration.

(g) Foreign currencies

Assets, liabilities, revenues and costs denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions; monetary assets and liabilities at the balance sheet date are translated at the year-end rate of exchange. The resulting profits or losses are dealt with in the Statement of Financial Activities.

(h) Funds

Unrestricted funds include incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds. These funds can be used in accordance with the charitable objects at the discretion of the directors.

Designated funds are unrestricted funds earmarked for the directors for specific future purposes or projects. Restricted funds are to be used for specific purposes as laid down by the donor.

International Primary Care Respiratory Group

Notes to the Financial Statements – continued

For the year ended 31 December 2015

1. Accounting policies – continued

(i) Debtors

Trade debtors are amounts due from members for membership services and sponsorship. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoiced amount, less any allowance for doubtful debts.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks which are readily convertible, being those with maturities of three months or fewer from inception.

Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

(k) Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. Accounts payable are classified as creditors falling due within one year if payment is due within one year or less. If not, they are presented as creditors falling due after one year.

Trade creditors are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

(l) Financial assets and liabilities

Financial instruments are recognised in the statement of financial position when the Charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective interest method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

2. Critical judgements and estimates

In preparing the financial statements trustees make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Critical judgements are made in the application of income recognition accounting policies, and the timing of the recognition of income in accordance with the Charities SORP (FRS 102).

International Primary Care Respiratory Group

Notes to the Financial Statements – continued

For the year ended 31 December 2015

3. Comparative statement of financial activities for the year ended 31 December 2014

	Unrestricted Funds £	Restricted Funds £	Total 2014 £
Income and endowments from:			
Donations and legacies	136,920	73,964	210,884
Charitable activities	151,095	-	151,095
Investment income	63	-	63
Total	<u>288,078</u>	<u>73,964</u>	<u>362,042</u>
Expenditure on:			
Raising funds	24,375	-	24,375
Charitable activities:			
- Membership services	72,557	-	72,557
- Education	115,360	93,149	208,509
- Research	63,058	-	63,058
Total	<u>275,350</u>	<u>93,149</u>	<u>368,499</u>
Net income/expenditure	12,728	(19,185)	(6,457)
Transfers between funds	1,563	(1,563)	-
Other recognised gains/(losses):			
Loss on currency conversion	(52,498)	-	(52,498)
Net movements in funds	<u>(38,207)</u>	<u>(20,748)</u>	<u>(58,955)</u>
Reconciliation of funds:			
Total funds brought forward	588,847	152,982	741,829
Total funds carried forward	<u>550,640</u>	<u>132,234</u>	<u>682,874</u>

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Grant income	<u>100,574</u>	<u>199,476</u>	<u>300,050</u>	<u>210,884</u>

International Primary Care Respiratory Group

Notes to the Financial Statements – continued

For the year ended 31 December 2015

5. Charitable activities

	Membership services £	Education £	Research £	Total 2015 £	Total 2014 £
Executive officer	8,914	33,210	5,342	47,466	33,891
Secretariat	6,502	16,344	1,816	24,662	22,581
Website	6,528	2,245	-	8,773	4,646
Travel & accommodation	3,224	38,151	723	42,098	25,286
Project costs	2,239	54,073	8,767	65,079	118,099
Support costs (see below)	44,435	291,180	19,327	354,942	139,621
	<u>71,842</u>	<u>435,203</u>	<u>35,975</u>	<u>543,020</u>	<u>344,124</u>
Support costs					
Governance costs	17,914	17,913	17,913	53,740	35,791
Professional fees	2,986	43,389	-	46,375	11,909
Audit and accountancy	-	14,865	-	14,865	1,347
Travel, room hire and refreshments for meetings	479	78,860	284	79,623	9,739
Conference and meeting expenses	10,662	71,322	590	82,574	2,793
Subscriptions	2,127	409	-	2,536	1,673
Administrative expenses	8,519	1,255	430	10,204	2,285
Consultancy	-	32,949	-	32,949	23,673
Other	1,748	30,218	110	32,076	50,411
	<u>44,435</u>	<u>291,180</u>	<u>19,327</u>	<u>354,942</u>	<u>139,621</u>

6. Employee benefit expenses

The charitable company had no employees during either the current or prior year.

7. Directors' emoluments and expenses

Dr Tan Tze Lee, director, received honoraria totalling £2,000 (2014: £Nil) for his role as chair of the 2015 scientific committee, as allowed by the charitable company's article of association. At the year end £nil (2014: £Nil) was outstanding.

Dr Ioanna Tsiligianni, director, received honoraria totalling £8,085 (2014: £Nil) for her role in the charitable company's UNLOCK project in 2015, as allowed by the charitable company's article of association. At the year end £nil (2014: £Nil) was outstanding.

International Primary Care Respiratory Group
Notes to the Financial Statements – continued
For the year ended 31 December 2015

7. Directors' emoluments and expenses (continued)

Dr Ron Tomlins, director, received honoraria totalling £7,500 (2014: £7,500) for his role as president of the charitable company during the year, as allowed by the charitable company's article of association. At the year end £nil (2014: £Nil) was outstanding

A total of 8 (2014: 7) directors were reimbursed travel and subsistence expenses totaling £8,232 (2014: £9,251) in connection with undertaking the company's charitable activities.

8. Net movement in funds for the year is stated after charging

	2015 £	2014 £
Auditor's remuneration		
– audit fees	9,270	8,000
– non-audit fees	13,788	684
	<u> </u>	<u> </u>

9. Debtors

	2015 £	2014 £
Trade debtors	96,346	29,217
Prepayments and accrued income	44,270	26,218
	<u> </u>	<u> </u>
	<u>140,616</u>	<u>55,435</u>

10. Creditors

	2015 £	2014 £
Trade creditors	50,227	118
Accruals	13,150	13,100
Deferred income	26,889	43,573
	<u> </u>	<u> </u>
	<u>90,266</u>	<u>56,791</u>

Deferred income comprises membership and conference income received which is attributable to future periods:

At 1 January 2015	43,573	-
2015 membership income released to income earned	(43,573)	-
2016 membership income deferred	26,889	43,573
	<u> </u>	<u> </u>
At 31 December 2015	<u>26,889</u>	<u>43,573</u>

International Primary Care Respiratory Group

Notes to the Financial Statements – continued

For the year ended 31 December 2015

11. Funds

	At 1 January 2015 £	Incoming resources £	Resources expended £	Transfers £	Loss on currency conversion £	At 31 December 2015 £
General	254,785	215,627	(327,666)	(67,839)	(28,988)	45,919
Designated funds						
Future Conferences	175,000	-	-	-	-	175,000
Conference Bursary	36,000	-	(15,615)	15,615	-	36,000
Research	42,131	5,611	(13,017)	-	-	34,725
IPCRG Promotional Materials	3,565	-	(1,601)	-	-	1,964
Education	13,762	-	(4,800)	258	-	9,220
ICT	3,371	-	(5,058)	6,919	-	5,232
E-quality	22,026	-	(16,506)	4,384	-	9,904
	295,855	5,611	(56,597)	27,176	-	272,045
Total unrestricted funds	550,640	221,238	(384,263)	(40,663)	(28,988)	317,964
Restricted funds						
UBIOPRED	17,174	20,000	(61,881)	23,663	-	(1,044)
Inhaler Device Project	4,379	-	(4,160)	-	-	219
Difficult Asthma	816	-	(816)	-	-	-
UNLOCK	84,329	-	(52,867)	3,000	-	34,462
Global Bridges Project	25,536	-	(23,553)	-	-	1,983
FRESH AIR: Horizon 2020	-	120,941	(27,933)	14,000	-	107,008
Conference	-	58,535	-	-	-	58,535
Total restricted funds	132,234	199,476	(171,210)	40,663	-	201,163
Total funds	682,874	420,714	(555,473)	-	(28,988)	519,127

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Notes to the Financial Statements – continued

For the year ended 31 December 2015

11. Funds (continued)

Designated funds

The conference designated funds have been set up to provide a fund for costs relating to loss or potential cancellation costs of future conferences.

The Board agreed to continue with their commitment to a bursary programme, increasing the amount for the next conference and have also agreed to allocate funds to support the delivery of the IPCRG's strategic objectives.

Research: The funds cover projects for the E-Faculty programme, Research Day 2013 funded projects, IPCRG Research Fellow and FRESH AIR Kyrgyzstan project.

IPCRG Promotional materials: This is to cover our Highlights documents that are produced every 2 years

Education: Education consultant.

ICT: Funds were set aside to re-launch our website, there is on-going support required so funds are held to cover these costs.

E-Quality: our E-Quality programme has projects running in India, FYR Macedonia, Brazil and Sri Lanka. There are project costs still to be claimed for all of these.

Restricted funds

UBIOPRED: The IPCRG is one of 41 partners across Europe participating in the U-BIOPRED study led by Dr Peter Sterk (Unbiased BIOMarkers used for PREDicting disease progression and medication efficacy in severe asthma) that has been selected for funding by the European Union Innovative Medicines Initiative. Our role is in Ethics & Safety and Dissemination.

Inhaler Device Project: The IPCRG hosted an international meeting on inhaler therapy focusing on real-life solutions to the problems confronting clinicians and patients in choosing and using inhaler devices. This was supported by sponsorship from Mundipharma International Limited and Optimum Patient Care Ltd.

Difficult Asthma: The IPCRG received funding from Novartis to help provide and produce practical guidance for health care professionals about how to improve their care of patients with difficult to manage asthma.

UNLOCK: The IPCRG received funding from Novartis to enable them to develop a sustainable infrastructure and after project support for the UNLOCK group.

Global Bridges Project: The IPCRG received funding from Pfizer Independent Grants for Learning & Change (IGLC), to enable them to support a programme hosted by the Global Bridges Healthcare Alliance for Tobacco Dependence Treatment.

FRESH AIR Horizon2020: IPCRG are partners in an EU funded project and support 2 work packages; 2: Developing capacity for implementation science and 5: Improving diagnosis and treatment action and lead on work package 7: stakeholder engagement, maximising and spreading impact.

Conference: funding received from Boehringer Ingelheim in respect of the 2016 conference.

Transfers from general funds are made to meet any shortfalls in the restricted funds.

International Primary Care Respiratory Group

Notes to the Financial Statements – continued

For the year ended 31 December 2015

12. Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total funds £
Debtors	120,616	-	20,000	140,616
Cash and bank	15,569	272,045	181,163	468,777
Current liabilities	(90,266)	-	-	(90,266)
	<u>45,919</u>	<u>272,045</u>	<u>201,163</u>	<u>519,127</u>
Net assets at 31 December 2015	<u>45,919</u>	<u>272,045</u>	<u>201,163</u>	<u>519,127</u>

13. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2015 £	2014 £
Net (expenditure)/income for the reporting period	(134,759)	(6,457)
Adjustments for:		
Interest received	-	(63)
(Decrease)/increase in debtors	(85,181)	61,584
Increase in creditors	33,475	44,571
Net cash flows from operating activities	<u>(186,465)</u>	<u>99,635</u>

14. Related party transactions

Control

Throughout the year the charitable company was controlled by the directors, who are also the trustees of the charitable company.

Transactions

Sian Williams, Executive Officer, received consultancy fees totaling £69,376 (2014: £60,488) (inclusive of VAT) from the charitable company during the year for her services. At the year end £nil (2014: £nil) was outstanding.

Directors' emoluments and expenses are disclosed in note 7.

Sam Louw, Business Manager, received fees totaling £31,068 (2014: £28,647) from the charitable company during the year for her provision of support services. At the year end £nil (2014: £nil) was outstanding.

Christine Lawson, Conference Director, received fees totaling £21,600 (2014: £10,800) from the charitable company during the year for her provision of support services. At the year end £nil (2014: £nil) was outstanding.

15. Legal status

International Primary Care Respiratory Group is a charitable company limited by guarantee and not having a share capital. The members' liability in the event of winding up is limited by guarantee not exceeding £1 per member.

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Notes to the Financial Statements – continued

For the year ended 31 December 2015

16. Non-audit services

In common with many other organisations of its size, the charitable company uses its auditors to assist with the preparation of the financial statements. Scott-Moncrieff is also engaged to provide advice on VAT and other tax matters.